



# Toronto 2015 BUDGET

## CAPITAL ANALYST NOTES



## Long-Term Care Homes & Services

### 2015 – 2024 CAPITAL BUDGET AND PLAN OVERVIEW

Long-Term Care Homes & Services (LTCHS) is responsible for maintaining 10 long-term care homes with an asset replacement book value of \$248.8 million in a state of good repair ensuring the safety, security and comfort of residents, mitigating risk to the City while complying with the Ministry of Health and Long-Term Care (MOHLTC) requirements regarding safety, environment and maintenance of physical plants.

The 10-year Recommended Capital Plan provides funding for the mandatory redevelopment of the remaining 145-bed facility, phase 2 of the Kipling Acres Redevelopment project, as well as for the capital maintenance program designed to maintain the City-owned 10 long-term care homes in a state of good repair based on current Provincial standards and requirements.

### Highlights

#### Overview & Recommendations

I: 10-Year Rec'd Capital Plan	5
II: 2015 Rec'd Capital Budget	14
III: Issues for Discussion	17

#### Appendices:

1. 2014 Performance	23
2. 10-Year Recommended Capital Plan Summary	25
3. 2015 Rec'd Capital Budget; 2016-2024 Rec'd Capital Plan	26
4. 2015 Recommended Cash Flow & Future Year Commitments	27
5. 2015 Recommended Capital Projects with Financing Detail	28
6. 2015 Reserve / Reserve Fund Review	29

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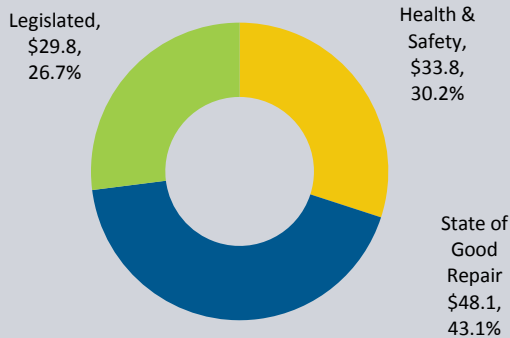
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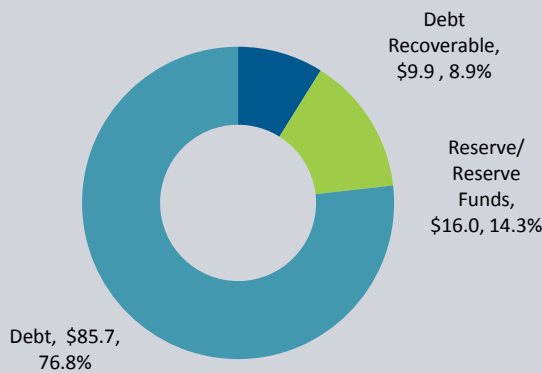
**Capital Spending and Financing**

**2015-2024 Capital Budget and Plan by Expenditures Category**



\$111.604 Million

**2015-2024 Capital Budget and Plan by Funding Source**



\$111.604 Million

**Where does the money go?**

The 2015–2024 Recommended Capital Budget and Plan totals \$111.604 million and provides funding for projects in the following areas:

- The continued construction of the remaining 145-bed facility as part of *Kipling Acres Redevelopment project (Phase 2)*
- State of Good Repair (SOGR) projects that include Health & Safety projects such as building upgrades, electrical, mechanical, and specialty systems.

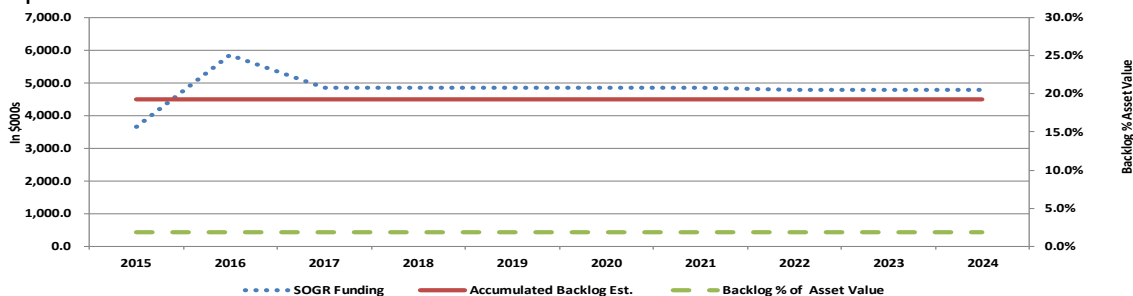
**Where does the money come from?**

Long-Term Care Homes & Services' 10-Year Recommended Capital Plan is funded by 3 major sources, debt, reserve funds and recoverable debt.

- Debt funding of \$85.694 million comprises 77% of Long-Term Care Homes & Services' 10-year capital funding.
- Additional capital financing of \$16.000 million or 14% will be provided from the Homes for the Aged Capital Reserve fund.
- Recoverable Debt of \$9.910 million or 9% is included for the construction of the second phase of the Kipling Acres Redevelopment project, a 145-bed facility.

**State of Good Repair Backlog**

The 10-Year Recommended Capital Plan's spending on State of Good Repair is \$48.100 million, providing funding to support the Program's ongoing maintenance requirements for the City's 10 long-term care homes. The accumulated backlog at the end of 2014 is estimated to be \$4.507 million or 1.8% of the asset replacement book value of \$248.829 million. With consistent on-going funding, the backlog will be maintained at \$4.507 million or 1.8% of the asset replacement value at the end of the 10-year period.



**Our Key Challenges & Priority Actions**

**Capital Renewal Strategy** – The redevelopment of the remaining five out of six Category "B" or "C" homes remains a priority for LTCHS to meet MOHLTC legislative requirements.

- ✓ LTCHS will report back to City Council by fall of 2015 on the overall Long-Term Care Homes & Services capital renewal plan and financing requirements to address the mandatory redevelopment of five (5) of its long-term care homes, that includes a long-term care home as part of the Seaton House/George Street Revitalization.
- ✓ LTCHS will report to City Council in consultation with the General Manager of Shelter, Support and Housing Administration (SSHA) by fall of 2015, on the redevelopment of George Street providing options, including project plan, cost estimates and financing options to replace and reconfigure the existing facilities with a joint facility.
- ✓ No funding has been included at this time.



**Maintaining Assets in a State of Good Repair** – The Long-Term Care Homes Act, obligates older LTC Homes to upgrade specific components of their physical plant, such as communication and response systems, door alarms, to ensure safety, security and comfort of residents, and provide staff safe work requirements.

- ✓ LTCHS will continue to ensure the safety and protection of residents through the preservation and on-going maintenance of the homes' physical plants through SOGR projects of \$48.100 million over the 10-Year period.



**2015 Capital Budget Highlights**

The 2015 Recommended Capital Budget for Long-Term Care Homes & Services of \$32.940 million, including carry forward funding, will:

- ✓ Address the necessary SOGR and Health and safety requirements at 10 long-term care homes (\$8.690 million); and
- ✓ Continue the construction of Kipling Acres Phase 2, 145 bed home, which began in the third quarter of 2014 and is expected to be completed by the first quarter of 2016 (\$24.250 million).



## Recommendations

The City Manager and Chief Financial Officer recommend that:

1. City Council approve the 2015 Recommended Capital Budget for Long-Term Care Homes & Services with a total project cost of \$6.890 million, and 2015 cash flow of \$32.940 million and future year commitments of \$11.300 million comprised of the following:
  - a) New Cash Flow Funds for:
    - i. 7 new / change in scope sub-projects with a 2015 total project cost of \$8.690 million that requires cash flow of \$6.890 million in 2015 and \$1.800 million in 2016
    - ii. 2 previously approved sub-project with a 2015 cash flow of \$20.250 and a future year cash flow commitment of \$9.500 million in 2016.
  - b) 2014 approved cash flow for 3 previously approved sub-projects with carry forward funding from 2014 into 2015 totalling \$5.800 million.
2. City Council approve the new debt service costs of \$0.117 million in 2015 and incremental debt costs of \$0.717 million in 2016 resulting from the approval of the 2015 Recommended Capital Budget, to be included in the 2015 and future year operating budgets.
3. City Council consider operating costs of \$2.200 million net and related increase of 118 positions in 2016, emanating from the approval of the 2015 Recommended Capital Budget for inclusion in the 2015 and future year operating budgets.
4. City Council approve the 2016-2024 Recommended Capital Plan for Long-Term Care Homes & Services totalling \$73.164 million in project estimates, comprised of \$8.690 million in 2016; \$8.690 million for 2017; \$8.690 million for 2018; \$8.690 million for 2019; \$7.727 million for 2020; \$7.727 million for 2021; \$7.650 million for 2022; \$7.650 million for 2023; and \$7.650 million in 2024.



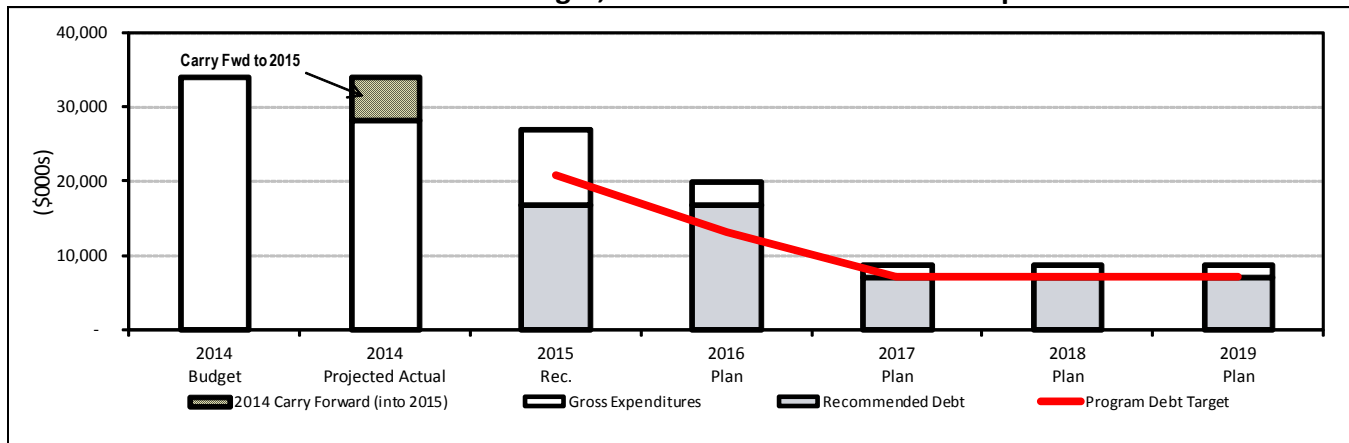
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## **Part I:**

### 10-Year Capital Plan

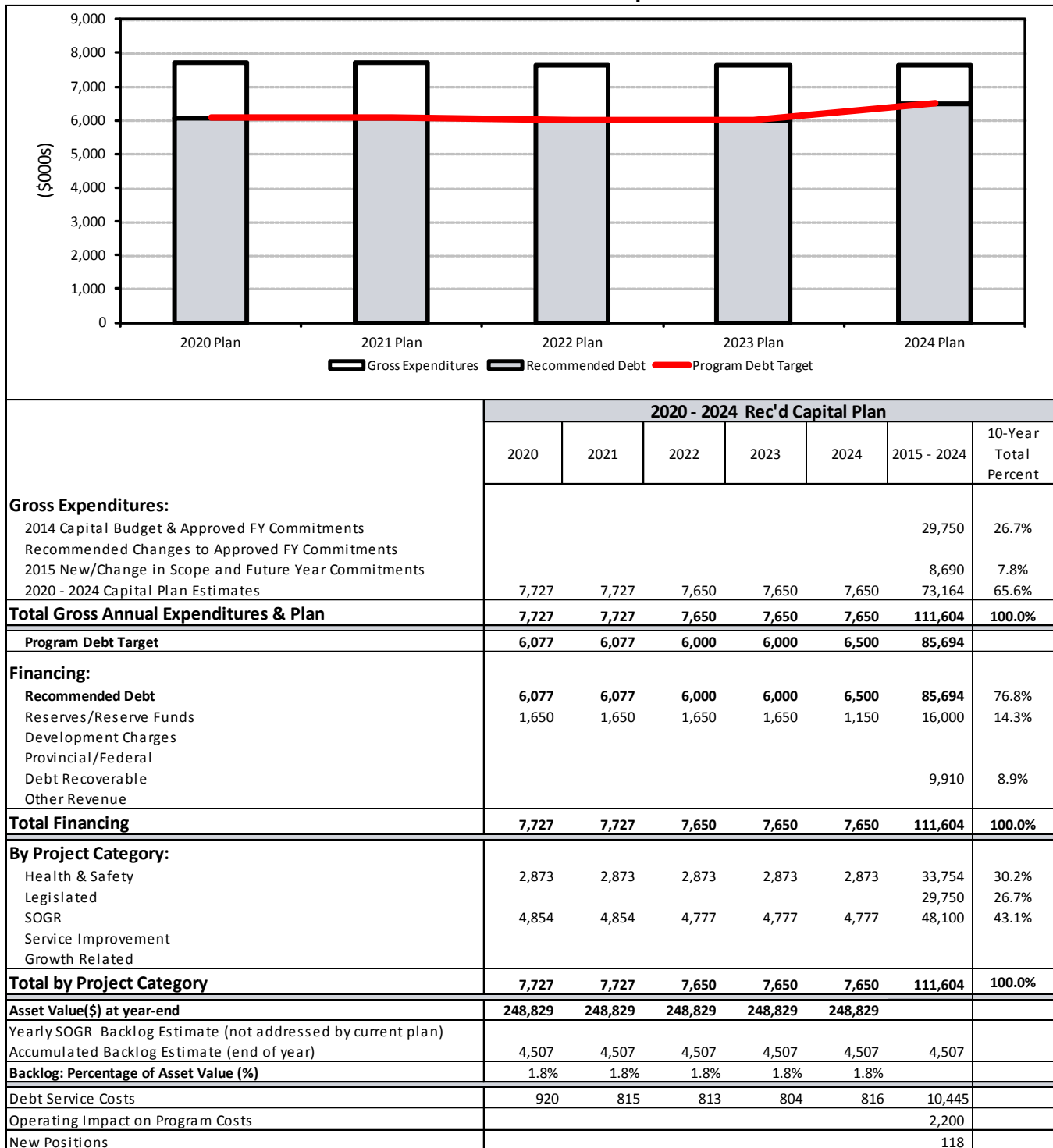
10 Year Capital Plan

**Table 1a**  
**2015 Recommended Budget, 2016-2019 Recommended Capital Plan**



		2015 Rec'd Capital Budget and 2016 - 2019 Rec'd Capital Plan								
		2014		2015	2016	2017	2018	2019	2015 - 2019	5-Year Total Percent
		Budget	Projected Actual							
<b>Gross Expenditures:</b>										
2014 Capital Budget & Approved FY Commitments		34,118	28,318	20,250	9,500				29,750	40.6%
Recommended Changes to Approved FY Commitments				6,890	1,800				8,690	11.9%
2015 New/Change in Scope and Future Year Commitments					8,690	8,690	8,690	8,690	34,760	47.5%
2016- 2019 Capital Plan Estimates										
2-Year Carry Forward for Reapproval										
1-Year Carry Forward to 2015			5,800							
<b>Total Gross Annual Expenditures &amp; Plan</b>		<b>34,118</b>	<b>34,118</b>	<b>27,140</b>	<b>19,990</b>	<b>8,690</b>	<b>8,690</b>	<b>8,690</b>	<b>73,200</b>	<b>100.0%</b>
<b>Program Debt Target</b>				<b>20,780</b>	<b>13,140</b>	<b>7,040</b>	<b>7,040</b>	<b>7,040</b>	<b>55,040</b>	
<b>Financing:</b>										
<b>Recommended Debt</b>				<b>16,980</b>	<b>16,940</b>	<b>7,040</b>	<b>7,040</b>	<b>7,040</b>	<b>55,040</b>	<b>75.2%</b>
Reserves/Reserve Funds				1,650	1,650	1,650	1,650	1,650	8,250	11.3%
Development Charges										
Provincial/Federal										
Debt Recoverable				8,510	1,400				9,910	13.5%
Other Revenue										
<b>Total Financing</b>				<b>27,140</b>	<b>19,990</b>	<b>8,690</b>	<b>8,690</b>	<b>8,690</b>	<b>73,200</b>	<b>100.0%</b>
<b>By Project Category:</b>										
Health & Safety				3,245	4,636	3,836	3,836	3,836	19,389	26.5%
Legislated				20,250	9,500				29,750	40.6%
SOGR				3,645	5,854	4,854	4,854	4,854	24,061	32.9%
Service Improvement										
Growth Related										
<b>Total by Project Category</b>				<b>27,140</b>	<b>19,990</b>	<b>8,690</b>	<b>8,690</b>	<b>8,690</b>	<b>73,200</b>	<b>100.0%</b>
<b>Asset Value (\$) at year-end</b>		<b>248,829</b>		<b>248,829</b>	<b>248,829</b>	<b>248,829</b>	<b>248,829</b>	<b>248,829</b>		
Yearly SOGR Backlog Estimate (not addressed by current plan)										
Accumulated Backlog Estimate (end of year)		4,507		4,507	4,507	4,507	4,507	4,507		
<b>Backlog: Percentage of Asset Value (%)</b>		<b>1.8%</b>		<b>1.8%</b>	<b>1.8%</b>	<b>1.8%</b>	<b>1.8%</b>	<b>1.8%</b>		
Debt Service Costs				282	2,110	1,997	944	944	6,276	
Operating Impact on Program Costs					2,200				2,200	
New Positions					118				118	

**Table 1b**  
**2020 - 2024 Recommended Capital Plan**



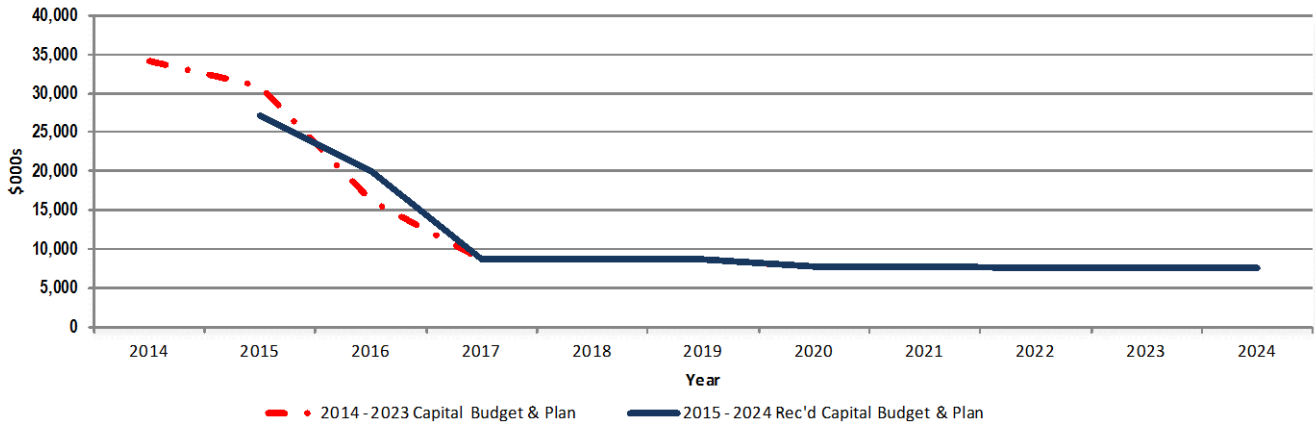


### Key Changes to the 2014 - 2023 Approved Capital Plan

The 2015 Recommended Capital Budget and the 2016 - 2024 Recommended Capital Plan reflects a decrease of \$26.468 million in capital funding over a 10 year period from the 2014 to 2023 Approved Capital Plan.

The table and chart below provide a breakdown of the \$26.468 million or 19.2% decrease in the Capital Program on an annual basis from 2014 to 2024.

**Chart 1**  
**Changes to the 2014 -2023 Approved Capital Plan (In \$000s)**



(\$000s)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	10-Year Total
2014 - 2023 Capital Budget & Plan	34,118	30,940	16,190	8,690	8,690	8,690	7,727	7,727	7,650	7,650		<b>138,072</b>
2015 - 2024 Rec'd Capital Budget & Plan		27,140	19,990	8,690	8,690	8,690	7,727	7,727	7,650	7,650	7,650	<b>111,604</b>
Change %		-12.3%	23.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		<b>-19.2%</b>
Change \$		-3,800	3,800	0	0	0	0	0	0	0		<b>-26,468</b>

- As made evident in the chart above, the \$26.468 million decrease in the Capital Program over a 10-year period, is primarily the result of enhanced level of funding of \$23.739 million included in 2014 to complete Phase 1 of the redevelopment of Kipling Acres Long-Term Care Home.
  - The 2014 Capital Budget included funding for two significant redevelopment projects – Kipling Acres Phase 1 and Kipling Acres Phase 2. Kipling Acres Phase 1 was completed in 2014 and will not require any new funding in 2015 and future years. Funding for Kipling Acres Phase 2 project will require cash flows in 2014 through 2016 and is expected to be completed in 2016.

Changes to the 2014 – 2023 Approved Capital Plan in the nine common years of the Capital Plans (2015-2023) are a result of various cash flow adjustments deemed necessary based on the following factors:

- The need to align spending requirements with updated project schedules to ensure adequate timing between phases.
- Need to realign LTCHS' 2015 Capital Budget with historical spending rates.



A summary of project changes for the years 2015 to 2023 are provided in Table 2 below:

**Table 2  
Summary of Project Changes (In \$000s)**

\$000s	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2015 - 2023 Total
2014 - 2023 Capital Budget & Plan	34,118	30,940	16,190	8,690	8,690	8,690	7,727	7,727	7,650	7,650		103,954
2015 - 2024 Rec'd Capital Budget & Plan		27,140	19,990	8,690	8,690	8,690	7,727	7,727	7,650	7,650	7,650	103,954
<b>Capital Budget &amp; Plan Changes (2015 - 2023)</b>		(3,800)	3,800									

	Total Project Cost	2015	2016	2017	2018	2019	2020	2021	2022	2023	2015 - 2023	2024	Revised Total Project Cost
<i>Previously Approved</i>													
<b>State of Good Repair (incl. H&amp;S &amp; Leg.)</b>													
<i>Building Upgrade</i>	35,911	601	1,000								1,601		37,512
<i>Electrical</i>	23,256	(2,284)	800								(1,484)		21,772
<i>Mechanical</i>	11,822	577									577		12,399
<i>Specialty Systems</i>	10,917	(694)									(694)		10,223
<b>Kipling Acres Redevelopment (145-bed)</b>	45,000	(2,000)	2,000										45,000
<b>Total Previously Approved</b>	126,906	(3,800)	3,800										126,906
<b>Total Changes</b>		(3,800)	3,800										

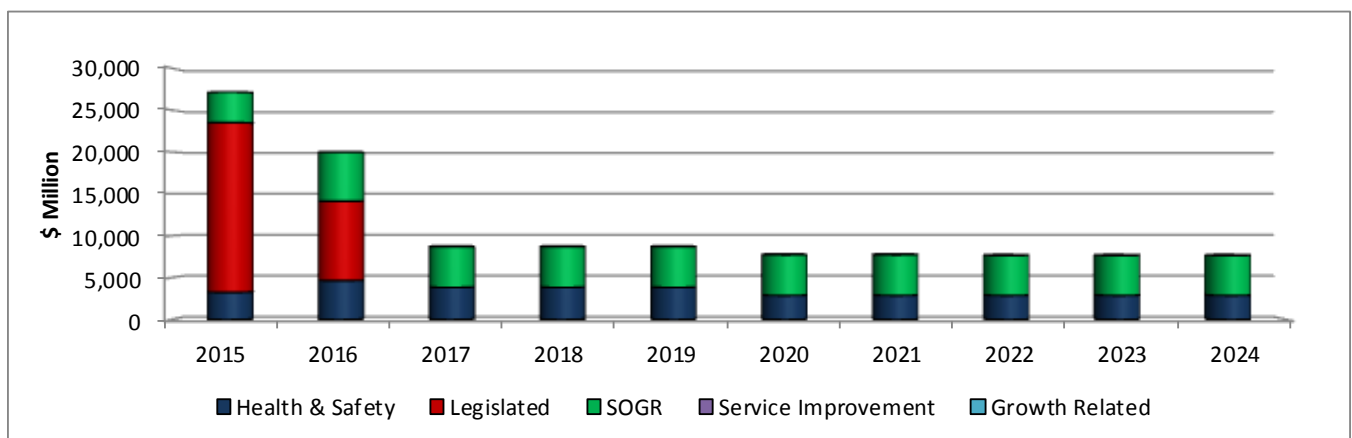
**Significant Capital Project Changes in Long-Term Care Homes & Services:**

The cash flow for the following previously approved Long-Term Care Homes & Services capital projects was revised to address key priorities outlined below:

- The cash flow requirements for the Capital Maintenance program were realigned to reflect historical spending rates.
- The cash flows for the re-development of Kipling Acres Phase-2 project were adjusted to reflect the updated project schedules based on spending requirements for each discreet phase.

**2015 – 2024 Recommended Capital Plan**

**Chart 2  
2015 – 2024 Capital Plan by Project Category (In \$000s)**



As illustrated in the chart above, the 10-Year Recommended Capital Plan for Long-Term Care Homes & Services of \$111.604 million predominately provides funding for Health & Safety and State of Good Repair (SOGR) projects, which represent 73.3% of total funding over the 10-year period.

- The level of funding for Health & Safety and SOGR projects is consistent with Long-Term Care Homes & Services' objective to ensure all health and safety issues are addressed and that the physical assets are maintained in a state of good repair to ensure safe places for its residents.
- Legislated projects account for the remaining 26.7% of the funding allocated in 2015 and 2016 to complete the redevelopment of the remaining 145-bed facility, which is the 2<sup>nd</sup> and final phase of the two phase Kipling Acres redevelopment project.

**Table 3**  
**Summary of Capital Projects by Category (In \$000s)**

	Total App'd Cash Flows to Date*	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2015 - 2024 Total	Rec'd Total Project Cost
<b>Other Major City Projects</b>													
<b>State of Good Repair (incl. H&amp;S &amp; Leg.)</b>													
Building Upgrades	N/A	4,080	4,479	3,479	3,479	3,479	3,479	3,479	3,479	3,479	3,479	36,391	
Electrical	N/A	600	3,684	2,884	2,884	2,884	1,921	1,921	1,844	1,844	1,844	22,310	
Mechanical	N/A	1,835	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	13,157	
Specialty Sytems	N/A	375	1,069	1,069	1,069	1,069	1,069	1,069	1,069	1,069	1,069	9,996	
<b>Kipling Acres Redevelopment (145-Bed)</b>	17,750	20,250	9,500									29,750	47,500
<b>Sub-Total</b>	<b>17,750</b>	<b>27,140</b>	<b>19,990</b>	<b>8,690</b>	<b>8,690</b>	<b>8,690</b>	<b>7,727</b>	<b>7,727</b>	<b>7,650</b>	<b>7,650</b>	<b>7,650</b>	<b>111,604</b>	<b>47,500</b>
<b>Total Expenditures by Category</b>	<b>17,750</b>	<b>27,140</b>	<b>19,990</b>	<b>8,690</b>	<b>8,690</b>	<b>8,690</b>	<b>7,727</b>	<b>7,727</b>	<b>7,650</b>	<b>7,650</b>	<b>7,650</b>	<b>111,604</b>	<b>47,500</b>

**2015 – 2024 Recommended Capital Projects**

The 10-Year Recommended Capital Plan supports Long-Term Care Homes & Services objective to maintain the long-term care homes in a state of good repair, while providing funding for mandatory redevelopment of Category “B” or “C” homes.

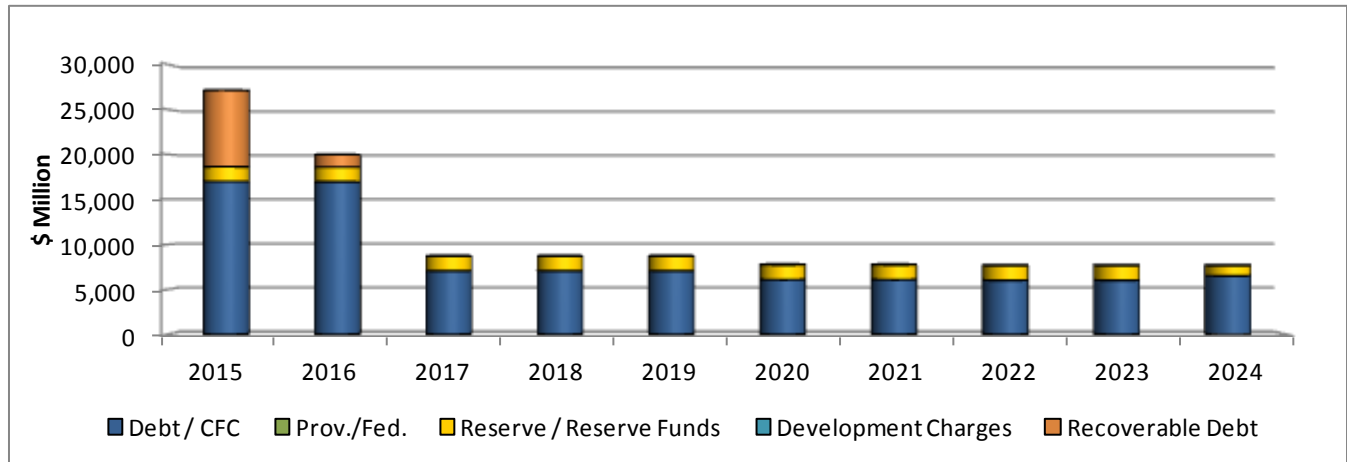
**State of Good Repair (SOGR), and Health & Safety**

- Funding for state of good repair projects will enable the Program to repair the homes’ exteriors and interiors, and complete repairs for mechanical, electrical, and specialty systems.
- Planned projects include work to ensure that health and safety issues are addressed and that the 10 homes are maintained in a state of good repair to prevent future major costs from becoming necessary. The maintenance program averages \$4.8 million per year starting in 2015.

**Legislated – Kipling Acres Redevelopment**

- The largest capital project included in the 10-year Recommended Capital Plan is the second phase of the Kipling Acres Redevelopment project, construction of a 145-bed facility which is expected to be completed by the first quarter of 2016.
  - Kipling Acres Phase 1, a 192-bed facility, opened for full occupancy in the first quarter of 2014 with the existing facility’s demolition completed in the second quarter of 2014.
  - The construction work for Kipling Acres Phase 2, a 145-bed facility started in the third quarter of 2014 on the existing site with expected completion by the first quarter of 2016.
  - Upon completion, the redevelopment will provide a new Long-Term Care home with 337 beds for long term care residents.

**Chart 3**  
**2015 – 2024 Capital Plan by Funding Source (In \$000s)**

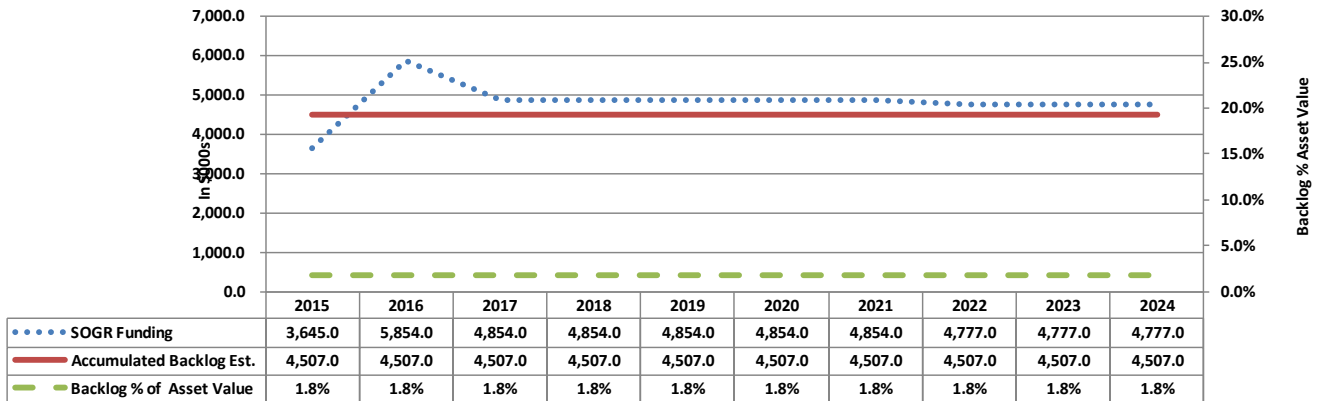


The 10-Year Recommended Capital Plan of \$111.604 million will be financed by the following sources:

- Debt, which accounts for \$85.694 million or 76.8% of the financing over the 10-year period.
  - Long-Term Care Homes & Services has met its debt target overall for the 10-year period, however as a result of cash flow realignments for various capital projects to better reflect spending requirements the Program was under the debt target by \$3.800 million in 2015 and over the debt target by \$3.800 million in 2016.
  - Debt funding for the 10-year period is primarily allocated to the mandated 145-bed Kipling Acres Redevelopment in 2015 and 2016, as well as Health and Safety, and SOGR projects.
- Reserve and Reserve Funds constitute \$16.000 million or 14.3% of funding for the 10-Year Recommended Capital Plan and will partially fund Health and Safety and SOGR Projects.
- Recoverable Debt constitutes the remaining \$9.910 million or 8.9% of total financing required for the 10-Year Recommended Capital Plan.
  - Ministry of Health and Long-Term Care’s (MOHLTC) capital renewal strategy provides partial funding for redevelopment of long-term care homes, however it is provided on a per diem basis and cash flowed over a 25-year period once the project (or Phase) is completed.
  - Recoverable Debt is utilized entirely in the first 2 years of the 10-Year Recommended Capital Plan period for Phase-2 of the Kipling Acres Redevelopment project to develop the 145-bed facility as the City must advance the Provincial funding portion of the construction costs.
  - Construction funding is \$13.30 per diem for a 25 year period, which is currently under review by the MOHLTC. The additional \$1.00 per diem will be available for successful LEED (Leadership in Energy and Environmental Design) Silver Certification. This results in annual Provincial funding of \$1.002 million for the 192-bed redevelopment in years 2014-2039, which was completed in the first quarter of 2014, and \$0.756 million for the 145-bed redevelopment in years 2016-2041 for a combined amount of \$1.758 million per year for 25 years to recover the Provincial portion of debt costs for the Kipling Acres long-term care home.

State of Good Repair (SOGR) Backlog

Chart 4  
SOGR Funding & Backlog (In \$000s)



The 10-Year Recommended Capital Plan dedicates \$48.100 million to SOGR spending over the 2015 – 2024 Capital planning period, which provides on average \$4.810 million annually.

- The accumulated backlog at the end of 2014 is estimated to be \$4.507 million or 1.8% of the asset replacement book value of \$248.829 million and is maintained at \$4.507 million or 1.8% of the asset replacement book value at the end of the 10-year period.
- Long-Term Care Homes & Services SOGR strategy ensures the safety and protection of residents through the preservation and ongoing maintenance of the 10-homes’ physical plants. The 10-Year Recommended Capital Plan ensures heating/mechanical systems, outside repairs (i.e windows, brickwork and paving), elevators and roofing are maintained and replaced as required.
- While the homes will be maintained through state of good repair, current Provincial standards require the redevelopment of 5 of the City's 10 long-term care homes beyond Kipling Acres: Fudger House, Carefree Lodge, Castlevew Wychwood Towers, Lakeshore Lodge, and Seven Oaks.
  - Funding for the redevelopment of these homes is not currently included in the 10-year Capital Plan due to affordability.

10-Year Capital Plan: Net Operating Budget Impact

**Table 4**  
**Net Operating Impact Summary (In \$000s)**

Projects	2015 Rec'd Budget		2016 Plan		2017 Plan		2018 Plan		2019 Plan		2015 - 2019		2020 - 2024	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Kipling Acres Redevelopment (192-Bed and 145-Bed)			2,200.0	118.0							2,200.0	118.0		
<b>Total Recommended (Net)</b>			2,200.0	118.0							2,200.0	118.0		

The 10-Year Recommended Capital Plan will increase the 2016 Operating Budget by a total of \$2.200 million net and an additional 118 positions.

- This increase results from the reopening of the 145-bed Kipling Acres facility, currently under development with expected completion by the first quarter of 2016. Currently, 145 Kipling Acres beds are being held in abeyance and will be re-introduced into the system at the beginning of 2016. As a result, operating costs will increase by \$2.200 million in 2016. Additional Provincial funding announcements in 2016 and changes to the user fee rate for basic and preferred accommodations are expected to be realized in future year budgets to offset these pressures.



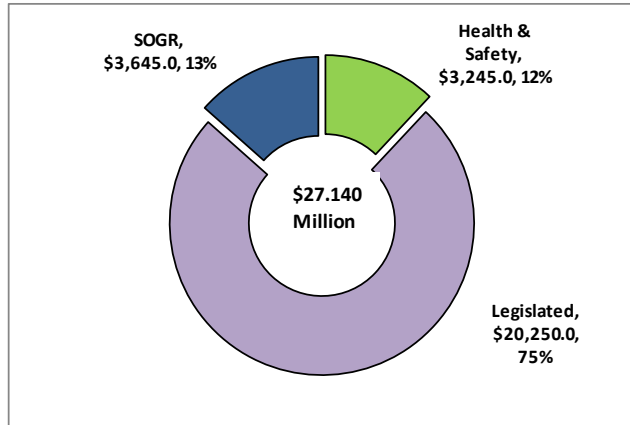
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## **Part II:** 2015 Capital Budget

## 2015 Recommended Capital Budget

### 2015 Capital Budget by Project Category and Funding Source

2015 Capital Budget by Project Category  
(in \$000s)



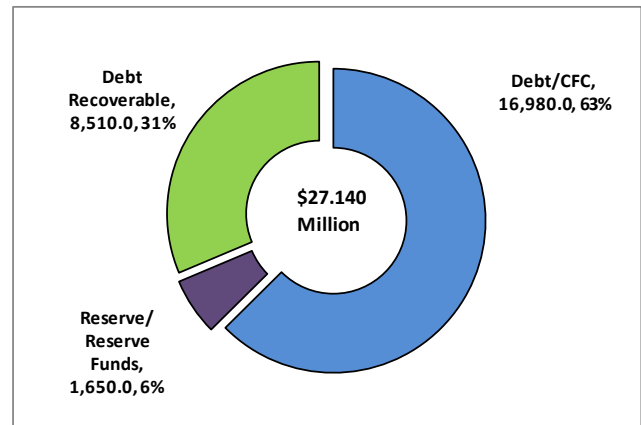
\$27.140 million

The 2015 Recommended Capital Budget, excluding funding carried forward from 2014 to 2015, requires cash flow funding of \$27.140 million.

The 2015 Capital Budget expenditures are allocated into the following categories:

- **Health & Safety (\$3.245 million, 12%)**
  - Funding for Health and Safety projects in 2015 is primarily required for heating/mechanical systems, outside repairs (windows, brickwork and paving), elevators and roofing work on homes.
- **Legislated (\$20.250 million, 75%)**
  - In 2015, capital funding for Legislated projects, which continue to drive LTCHS Capital Budget, is required for Phase 2 of the multi-phase Kipling Acres redevelopment project.
- **State of Good Repair (SOGR) (\$3.645 million, 13%)**
  - Funding is allocated for SOGR projects to maintain the 10-long term care homes in a state of good repair.

2015 Capital Budget by Funding Source  
(in \$000s)



\$27.140 million

The 2015 Recommended Capital Budget is financed primarily by:

- **Debt (\$16.980 million, 63%)**
  - \$16.980 million of debt financing is \$3.800 million below the debt guideline of \$20.780 million set for this Program in 2015 as a result of adjustments to align annual cash flows with the Program's spending capacity.
- **Reserve and Reserve Funds (\$1.650 million, 6%)**
  - Reserve and Reserve Funds funding is allocated for Health and Safety and SOGR Projects.
- **Debt Recoverable (\$8.510 million, 31%)**
  - Debt Recoverable funding is allocated for Phase-2 of the Kipling Acres Redevelopment project to develop the 145-bed facility, expected to be completed by the first quarter of 2016.



**Table 7**  
**2015 Recommended Cash Flow & Future Year Commitments (In \$000s)**

	2013 and Prior Year Carry Forwards	2014 Carry Forwards	2015 Rec'd Cash Flow	Total 2015 Cash Flow (Incl 2014 C/Fwd)	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total 2015 Rec'd Cash Flow & FY Commits
<b>Expenditures</b>														
Previously Approved		5,800	20,250	26,050	9,500									35,550
Change in Scope														
New			6,890	6,890	1,800									8,690
New w/Future Year														
<b>Total Expenditure</b>		5,800	27,140	32,940	11,300									44,240
<b>Financing</b>														
Debt		5,800	16,980	22,780	9,900									32,680
Other														
Reserves/Res Funds			1,650	1,650										1,650
Debt Recoverable			8,510	8,510	1,400									9,910
Provincial/Federal														
<b>Total Financing (including carry forward funding)</b>		5,800	27,140	32,940	11,300									44,240

Approval of the 2015 Recommended Capital Budget of \$32.940 million will result in the following:

- \$5.800 million in 2014 funding that will be carried forward into 2015 to continue construction of the second phase of the Kipling Acres Redevelopment project and Capital Maintenance projects related to Building Upgrade and Electrical repairs.
- New project funding of \$6.890 million in 2015 is provided for building envelope upgrades, electrical, mechanical, and specialty system maintenance.
- Recommended future year commitment of \$11.300 million in 2016 to complete the redevelopment of Kipling Acres long-term care home and provide funding for ongoing Capital Maintenance projects related to Building Upgrades and Electrical repairs.

**2015 Recommended Capital Project Highlights**

**Table 8**  
**2015 Recommended Capital Project Highlights (in \$000s)**

Project	Total Project Cost	2015	2016	2017	2018	2019	2015 - 2019	2020	2021	2022	2023	2024	2015 - 2024 Total
Building Upgrades	36,391	5,080	1,000				6,080						6,080
Electrical Upgrades	22,310	1,400	800				2,200						2,200
Mechanical upgrades	13,157	1,835					1,835						1,835
Specialty Systems	9,996	375					375						375
Kipling Acres Redevelopment - 145 beds	47,500	24,250	9,500				33,750						33,750
<b>Total (including carry forward funding)</b>	<b>129,354</b>	<b>32,940</b>	<b>11,300</b>				<b>44,240</b>						<b>44,240</b>

The 2015 Recommended Capital Budget provides funding of \$32.940 million to:

- Complete the necessary SOGR and Health and Safety work at 10 long-term care homes; and
- Continue construction of Kipling Acres Phase 2, 145 bed facility, which began in the third quarter of 2014 and is expected to be completed by the first quarter of 2016.



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## **Part III:**

### Issues for Discussion

## Issues for Discussion

### Issues Impacting the 2015 Capital Budget

#### *Kipling Acres Redevelopment (192-bed and 145-bed) – Status Update*

- Kipling Acres has a planned capacity of 337 long-term care beds.
- The Kipling Acres long-term care home is being redeveloped in two phases:
  - Phase 1 of the redevelopment which focused on the development of a 192-bed home on the existing 10.5 acre site, is complete and the facility was re-opened for full occupancy in the first quarter of 2014 with the existing facility's demolition completed in the second quarter of 2014.
  - Phase 2 encompasses the construction of a new 145-bed facility which due to construction delays for Phase 1, started in the third quarter of 2014 and is expected to be completed by the first quarter of 2016 on budget.
- The two phased approach has enabled the majority of residents to remain on-site through the redevelopment and has minimized the impact that would result from taking the beds out of service for redevelopment.
- MOHLTC's capital renewal strategy will provide partial funding for redevelopment of long-term care homes, however it is provided on a per diem basis and cash flowed over a 25-year period.
- Construction funding is \$13.30 per diem for a 25 year period, which is currently under review by the MOHLTC. The additional \$1.00 per diem will be available for successful LEED (Leadership in Energy and Environmental Design) Silver Certification. This translates to annual Provincial funding of \$1.002 million for the 192-bed redevelopment in years 2014-2039, which was completed in the first quarter of 2014, and \$0.756 million for the 145-bed redevelopment in years 2016-2041 for a combined amount of \$1.758 million per year for 25 years to recover the Provincial portion of debt costs for the Kipling Acres long-term care home.
- Upon completion of each phase, annual Provincial funding will be applied against debt charges in the Non-Program budget to reduce debt costs for the portion of debt advanced by the City on behalf of the Province.
- As shown in table below, the total project cost of the 192-bed redevelopment project was \$54.500 million, of which \$25.053 million was funded by recoverable debt (Provincial subsidies), \$27.197 was funded from City debt, \$2.0 million was funded from the HFA Capital Reserve Fund and \$0.250 was funded from a one-time funding grant from the Province related to the Kipling Acres downsizing.
- The total project cost of the second phase 145-bed redevelopment project is \$47.500 million, of which \$18.920 million is funded by recoverable debt (Provincial subsidies), and \$28.580 million is funded from City debt.

Kipling Acres Redevelopment													
	Cash Flows							Total Project Cost	Funding				Total Project Funding
	2010	2011	2012	2013	2014	2015	2016		Recoverable debt	Debt	Reserve	Other*	
<b>192-Bed Redevelopment (Existing Site)</b>													
Kipling Acres Construction			15,800	22,002				40,000	25,053	14,697		250	40,000
Architectural Study & Fees	810	2,198	100	446				2,500		500			2,500
Demolition		1,143	1,109	891				2,000		2,000			2,000
Scope Change (Demolition)					5,000			5,000		5,000			5,000
Contingency			3	3,497				3,500		3,500			3,500
Landscaping				1,000				1,000		1,000			1,000
Adult Day Program/Child Care construction			500					500		500			500
<b>Total Kipling Acres 192-bed redevelopment</b>	<b>810</b>	<b>3,341</b>	<b>17,512</b>	<b>27,836</b>	<b>5,000</b>			<b>54,500</b>	<b>25,053</b>	<b>27,197</b>	<b>2,000</b>	<b>250</b>	<b>54,500</b>
<b>145-Bed Redevelopment Existing Site)</b>													
Kipling Acres Site Accomodation			208	792				1,000		1,000			1,000
Kipling Acres 145 bed construction				15,000	20,000	9,500		44,500	18,920	25,580			44,500
Kipling Acres 145 bed professional services				1,478	250	250		2,000		2,000			2,000
<b>Total Kipling Acres 145-Bed Redevelopment</b>			<b>230</b>	<b>2,270</b>	<b>15,250</b>	<b>20,250</b>	<b>9,500</b>	<b>47,500</b>	<b>18,920</b>	<b>28,580</b>			<b>47,500</b>
<b>TOTAL KA 337 Bed Redevelopment Cost</b>	<b>810</b>	<b>3,341</b>	<b>17,742</b>	<b>30,106</b>	<b>20,250</b>	<b>20,250</b>	<b>9,500</b>	<b>102,000</b>	<b>43,973</b>	<b>55,777</b>	<b>2,000</b>	<b>250</b>	<b>102,000</b>

### Issues Impacting the 10-Year Capital Plan

#### Capital Renewal Strategy and George Street Revitalization (LTC Homes)

- As per MOHLTC Capital Renewal Strategy that requires the redevelopment of all Ontario "B" and "C" long-term care homes, the Program will be required to redevelop 5 of its long-term care homes (excluding Kipling Acres): Fudger House, Carefree Lodge, Castleview Wychwood Towers, Lakeshore Lodge, and Seven Oaks.

  - The estimated costs to redevelop and retrofit these facilities are significant and will require substantial planning, including feasibility studies which are currently underway and are therefore not included in the 10-Year Recommended Plan.
- At its meeting of July 16, 2013, Council approved the recommendations included in EX33.17 "Update and Next Steps of Proposed Redevelopment of Seaton House and Revitalization of George Street", that directed LTCHS to report back to City Council on how the Shelter Support and Housing Administration (SSHA) redevelopment of Seaton House and revitalization of George Street can be integrated into LTCHS' overall capital renewal strategy and service plan to more effectively address the needs of an aging vulnerable population in downtown Toronto.
- At its meeting of December 16, 2013, Council adopted CD25.8, "Long –Term Care Homes & Services Capital Renewal Strategy" and authorized LTCHS to proceed with planning based on proposed framework that includes integrating and co-locating services as part of the George Street Revitalization project.

  - Based on the LTCHS proposed framework, the costs to reconfigure and redevelop one of its long-term care home will require an estimated \$271.5 million, with \$116.5 million for the LTCHS portion of the George Street Revitalization project and \$155.0 million for the redevelopment of Castleview Wychwood Towers Home, with roughly half of the funds to be contributed by MOHLTC.
  - This cost only represents LTCHS' share of the George Street Revitalization project and does not include the costs to demolish and redevelop the existing Seaton House shelter.
- At its meeting of August, 2014, Council approved EX44.12 "Project Management Contract Award for the Proposed Redevelopment of Seaton House and Revitalization of George Street." which authorized SSHA to engage project management services for the George Street Revitalization

project to develop a detailed plan that supports feasibility analysis, oversees the preparation of architectural drawings and prepares the full costing estimates of the revitalization project.

- This information will identify various options for the development of Seaton House, either independently, or in conjunction with LTCHS as part of a larger George Street revitalization project.
- These findings will be used by LTCHS and SSHA to bring forward a joint report to Council in the fall of 2015 to seek project approval as well as provide project cost estimates, and financing plans for the redevelopment initiative, and the status of the overall LTCHS capital renewal plan.
- The 10-Year Recommended Capital Plan for SSHA includes \$20.950 million to complete a feasibility study, examine redevelopment options including financing details as well as project management costs for the George Street Revitalization (GSR) project and \$61.451 million, towards estimated cost of redevelopment of the shelter component of the GSR project. These costs are estimates, funded from debt and are subject to adjustment once Council grants its approval for the development initiative in 2015.
  - Should Council approve the revitalization project that includes LTCHS redevelopment as well, these costs will be addressed as part of the 2016 Budget process.

#### *Maintaining Assets in a State of Good Repair*

- It is crucial that physical plants of long-term care homes be maintained to ensure the safety, security and comfort of residents, provide staff with safe work environments and meet compliance with all legislated requirements.
- The Long-Term Care Homes Act obligates older LTC homes to upgrade specific components of their physical plants requiring LTCHS to maintain the homes in a state of good repair to avoid unexpected repairs following inspections.
- The Program's capital maintenance plan is backed by comprehensive building condition assessment (completed by Hallsal in 2010) of the structural, electrical and mechanical systems of 9 of the 10 homes, which excludes Kipling Acres as it is currently under redevelopment.
- The condition assessment also includes accessibility standards, green building standards for all ten homes, and assess compliance with the new MOHLTC retrofit design standards for 2 homes.
- The 10-Year Recommended Capital Plan dedicates consistent funding for the State of Good Repair projects of \$48.100 million over the 2015 – 2024 Capital planning period averaging \$4.810 million annually, to ensure the safety and protection of residents through the preservation and ongoing maintenance of the 10 homes' physical plants.
- The accumulated backlog at the end of 2014 is estimated to be \$4.507 million or 1.8% of the asset replacement value of \$248.829 million and with consistent cash flow funding over the next 10 years to address SOGR needs, the Program will be able to maintain the backlog of \$4.507 million or 1.8% of the asset replacement value at the end of 2024.
- While the homes will be maintained through state of good repair, current Provincial standards require the redevelopment of 5 of the City's 10 long-term care homes beyond Kipling Acres: Fudger House, Carefree Lodge, Castleview Wychwood Towers, Lakeshore Lodge, and Seven Oaks.

- Funding for the redevelopment of these homes is not currently included in the 10-year Capital Plan due to affordability.

*Depletion of Reserve Fund*

- The Program's Homes for the Aged Reserve Fund provides funding for capital maintenance at the 10 long-term care homes through Operating contributions and a one-time Ministry of Health and Long-Term Care (MOHLTC) funding of \$1.000 million that is being spread throughout the 2014-2022 period. As identified in Appendix 6 – 2015 Reserve / Reserve Fund Review, it is projected that the fund will steadily decrease over the 10 years, and will be nearing depletion with a balance of \$0.447 million at the end of 2024. Without these reserve funds or another source of revenue, the Program will be unable to complete necessary upgrades and repairs at the homes and meet compliance with all legislated requirements.
- LTCHS and Financial planning staff will continue to monitor the capital funding needs as part of the future year budget processes.



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# Appendices



## Appendix 1

### 2014 Performance

#### 2014 Key Accomplishments

In 2014, Long-Term Care Homes & Services accomplished the following:

- ✓ Completed Kipling Acres Redevelopment Phase 1 project, a newly developed 192-bed home was reopened for residents in the spring of 2014.
- ✓ Completed the demolition of the old Kipling Acres building in the second quarter of 2014 and began the next phase of the Kipling Acres Redevelopment (Phase 2) project, the construction of a 145-bed facility on the existing site.
- ✓ Supported a culture of safety by continuing to improve and adapt the environments of the 10 long-term care homes, responding to the care, comfort and safety needs of residents with higher acuity and dementia, and enhancing safety systems.
- ✓ Completed the installation of major HVAC project which included 2 chillers at Seven Oaks that will improve resident comfort.
- ✓ Completed the fire alarm and nurse call upgrades at Bendale Acres and Lakeshore Lodge which will improve health and safety.
- ✓ Completed the roofing replacement project at Bendale Acres and Lakeshore Lodge.
- ✓ Initiated the flooring replacement project at Wesburn Manor and True Davidson Acres. Expected completion in early 2015.
- ✓ Initiated the exterior building upgrades at Cummer Lodge and Wesburn Manor. Expected completion in early 2015.
- ✓ Initiated the roof piping and heat exchanger replacement project at Cummer Lodge.
- ✓ Completed the lighting retrofit project at Castlevue Wychwood Towers .
- ✓ Initiated the fire alarm and nurse call upgrades at Seven Oaks that will improve health and safety.
- ✓ Initiated parking lot repairs across all Homes, due to ice storm damage in 2013. Expected completion in early 2015.
- ✓ Initiated the generator code upgrade project across all 9 Homes (except Kipling Acres).
- ✓ Initiated video surveillance at 3 Homes ( Castlevue Wychwood Towers, True Davidson Acres and Wesburn Manor) and design development for other Homes (except Kipling Acres).
- ✓ Initiated flooring replacement at Cummer Lodge, Seven Oaks, Bendale Acres, Castlevue Wychwood Towers and Lakeshore Lodge. Expected completion in early 2015.

2014 Financial Performance

**Table 9**  
**2014 Budget Variance Analysis (In \$000's)**

2014 Approved	As of Sept. 30, 2014		Projected Actuals at Year End		Unspent Balance	
	\$	% Spent	\$	% Spent	\$ Unspent	% Unspent
34,118	15,087	44.2%	28,318	83.0%	5,800	17.0%

2014 Experience

Capital expenditures for the nine month period ending September 30, 2014 totaled \$15.087 million or 44.2% of the 2014 Approved Capital Budget of \$34.118 million. LTCHS is projecting year-end spending of \$28.318 million or 83.0% of the 2014 Approved Capital Budget.

- The following project is proceeding as planned and is expected to be completed by year end:
  - The Capital Renewal project's capital expenditure totalled \$0.165 million representing 36.6% of the 2014 approved cash flow of \$0.450 million for the *Capital Renewal Feasibility Study*. The feasibility study is expected to be completed by November 2014. It is estimated that \$0.450 million or 100% of the 2014 approved cash flow will be spent by year end.
- The projected under-spending in 2014 is driven mainly by delays in the following project/subprojects:
  - The *Kipling Acres Redevelopment* project's capital expenditures totalled \$11.885 million representing 50.1% of the 2014 approved cash flow of \$23.739 million. The new 192-bed facility has opened and residents moved in during the first quarter of 2014. Despite delays with the 192-bed facility, major demolition of the existing Kipling Acres location has been completed. The below grade and foundation work has started in the third quarter of 2014 for the 145-bed facility. Capital spending is projected to reach \$19.739 million or 83.2% by year-end with projected under-spending of \$4 million to be carried forward into 2015.
  - The *Capital Maintenance* project's expenditures totalled \$2.763 million representing 27.8% of the 2014 approved cash flow of \$9.929 million. LTCHS has awarded approximately \$5.366 million or 54.1% in approved projects this fiscal year with a target completion by December 2014. The approval of the design, procurement and award phases takes 12 – 17 months, as a result spending is projected to be \$8.129 million by year end, and the unspent cash flow of \$1.800 million will be carried forward into 2015.

2014 Experience

- Funding of \$5.800 million is being carried forward to the 2015 Recommended Capital budget for three projects: \$1.000 million for *Building Upgrades*, \$0.800 million for *Electrical*, and \$4.000 million for the 145-bed *Kipling Acres Redevelopment*.
- Given the lag time required for design, procurement and award phases, adjustment to the future year commitments to align cash flow with project timelines have occurred and are reflected in the 2015 to 2024 Recommended Capital Plan's cash flow funding estimates considered through the 2015 budget process.

## Appendix 2

**Table 10**  
**2015 Rec'd Capital Budget; 2016 to 2024 Rec'd Capital Plan (\$000s)**

Project	Total Project Cost	2015	2016	2017	2018	2019	2015 - 2019	2020	2021	2022	2023	2024	2015 - 2024 Total
Building Upgrades	36,391	5,080	4,479	3,479	3,479	3,479	19,996	3,479	3,479	3,479	3,479	3,479	37,391
Electrical Upgrades	22,310	1,400	3,684	2,884	2,884	2,884	13,736	1,921	1,921	1,844	1,844	1,844	23,110
Mechanical Upgrades	13,157	1,835	1,258	1,258	1,258	1,258	6,867	1,258	1,258	1,258	1,258	1,258	13,157
Specialty System Upgrades	9,996	375	1,069	1,069	1,069	1,069	4,651	1,069	1,069	1,069	1,069	1,069	9,996
Kipling Acres Redevelopment - 145 bed	47,500	24,250	9,500				33,750						33,750
<b>Total (including carry forward funding)</b>	<b>129,354</b>	<b>32,940</b>	<b>19,990</b>	<b>8,690</b>	<b>8,690</b>	<b>8,690</b>	<b>79,000</b>	<b>7,727</b>	<b>7,727</b>	<b>7,650</b>	<b>7,650</b>	<b>7,650</b>	<b>117,404</b>

## Appendix 3

### 2015 Rec'd Capital Budget; 2016 to 2024 Rec'd Capital Plan



**CITY OF TORONTO**

**Gross Expenditures (\$000's)**

**Long Term Care Homes Services**

Sub-Project No.	Project Name	Ward	Stat.	Cat.	Current and Future Year Cash Flow Commitments						Current and Future Year Cash Flow Commitments Financed By														
					2015	2016	2017	2018	2019	Total 2015-2019	Total 2020-2024	Total 2015-2024	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserve Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing			
HOM907695	Kipling Acres Site 2 (Phase 3)																								
0 2	Kipling Acres 145 bed construction (Phase 3)	CW	S2	02	24,000	9,500	0	0	0	33,500	0	33,500	0	0	0	0	0	0	0	0	23,590	9,910	33,500		
0 3	Kipling Acres 145 bed Professional Services (Ph 3)	CW	S2	02	250	0	0	0	0	250	0	250	0	0	0	0	0	0	0	0	250	0	250		
	Sub-total				24,250	9,500	0	0	0	33,750	0	33,750	0	0	0	0	0	0	0	0	23,840	9,910	33,750		
<b>Total Program Expenditure</b>					32,940	19,990	8,690	8,690	8,690	79,000	38,404	117,404	0	0	0	0	16,000	0	0	0	91,494	9,910	117,404		

**CITY OF TORONTO**

**Gross Expenditures (\$000's)**

<b>Long Term Care Homes Services</b>					<b>Current and Future Year Cash Flow Commitments and Estimates</b>						<b>Current and Future Year Cash Flow Commitments and Estimates Financed By</b>												
<u>Sub-Project No.</u>	<u>Project Name</u>	<u>Ward</u>	<u>Stat.</u>	<u>Cat.</u>	2015	2016	2017	2018	2019	Total 2015-2019	Total 2020-2024	Total 2015-2024	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserve Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing	
Financed By:																							
	Reserve Funds (Ind."XR" Ref.)				1,650	1,650	1,650	1,650	1,650	8,250	7,750	16,000	0	0	0	0	16,000	0	0	0	0	0	16,000
	Debt				22,780	16,940	7,040	7,040	7,040	60,840	30,654	91,494	0	0	0	0	0	0	0	0	91,494	0	91,494
	Debt - Recoverable				8,510	1,400	0	0	0	9,910	0	9,910	0	0	0	0	0	0	0	0	0	9,910	9,910
<b>Total Program Financing</b>					<b>32,940</b>	<b>19,990</b>	<b>8,690</b>	<b>8,690</b>	<b>8,690</b>	<b>79,000</b>	<b>38,404</b>	<b>117,404</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>91,494</b>	<b>9,910</b>	<b>117,404</b>

<b>Status Code</b>	<b>Description</b>
S2	S2 Prior Year (With 2015 and/or Future Year Cashflow)
S3	S3 Prior Year - Change of Scope 2015 and/or Future Year Cost(Cashflow)
S4	S4 New - Stand-Alone Project (Current Year Only)
S5	S5 New (On-going or Phased Projects)
S6	S6 New - Future Year (Commencing in 2016 & Beyond)

<b>Category Code</b>	<b>Description</b>
01	Health and Safety C01
02	Legislated C02
03	State of Good Repair C03
04	Service Improvement and Enhancement C04
05	Growth Related C05
06	Reserved Category 1 C06
07	Reserved Category 2 C07



## Appendix 4

### 2015 Recommended Cash Flow and Future Year Commitments

## CITY OF TORONTO

## Gross Expenditures (\$000's)

## Long Term Care Homes Services

Sub- Project No. Project Name PrioritySubProj No. Sub-project Name Ward Stat. Cat.						Current and Future Year Cash Flow Commitments						Current and Future Year Cash Flow Commitments Financed By												
						2015	2016	2017	2018	2019	Total 2015-2019	Total 2020-2024	Total 2015-2024	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing	
<b>HOM907345 BUILDING UPGRADES</b>																								
0	8	2014 SOGR BUILDING UPGRADES	CW	S2	03	1,000	0	0	0	0	1,000	0	1,000	0	0	0	0	0	0	0	1,000	0	1,000	
0	9	2015 H&S BUILDING UPGRADES	CW	S4	01	1,535	0	0	0	0	1,535	0	1,535	0	0	0	0	1,535	0	0	0	0	1,535	
0	10	2015 SOGR BUILDING UPGRADES	CW	S4	03	2,545	1,000	0	0	0	3,545	0	3,545	0	0	0	0	115	0	0	0	3,430	0	3,545
Sub-total						5,080	1,000	0	0	0	6,080	0	6,080	0	0	0	0	1,650	0	0	0	4,430	0	6,080
<b>HOM907346 ELECTRICAL</b>																								
0	9	2014 H&S LIFE SAFETY SYSTEMS	CW	S2	01	800	0	0	0	0	800	0	800	0	0	0	0	0	0	0	800	0	800	
0	10	2015 H&S LIFE SAFETY SYSTEMS	CW	S4	01	600	800	0	0	0	1,400	0	1,400	0	0	0	0	0	0	0	1,400	0	1,400	
Sub-total						1,400	800	0	0	0	2,200	0	2,200	0	0	0	0	0	0	0	2,200	0	2,200	
<b>HOM907347 MECHANICAL</b>																								
0	12	2015 HEALTH & SAFETY	CW	S4	01	735	0	0	0	0	735	0	735	0	0	0	0	0	0	0	735	0	735	
0	13	2015 SOGR	CW	S4	03	1,100	0	0	0	0	1,100	0	1,100	0	0	0	0	0	0	0	1,100	0	1,100	
Sub-total						1,835	0	0	0	0	1,835	0	1,835	0	0	0	0	0	0	0	1,835	0	1,835	
<b>HOM907348 SPECIALTY SYSTEMS</b>																								
0	15	2015 H&S ELEVATOR MODERNIZATION	CW	S4	01	300	0	0	0	0	300	0	300	0	0	0	0	0	0	0	300	0	300	
0	16	2015 H&S SECURITY SAFETY EQUIPMENT	CW	S4	01	75	0	0	0	0	75	0	75	0	0	0	0	0	0	0	75	0	75	
Sub-total						375	0	0	0	0	375	0	375	0	0	0	0	0	0	0	375	0	375	
<b>HOM907695 Kipling Acres Site 2 (Phase 3)</b>																								
0	2	Kipling Acres 145 bed construction (Phase 3)	CW	S2	02	4,000	0	0	0	0	4,000	0	4,000	0	0	0	0	0	0	0	4,000	0	4,000	
Sub-total						4,000	0	0	0	0	4,000	0	4,000	0	0	0	0	0	0	0	4,000	0	4,000	
<b>Total Program Expenditure</b>						12,690	1,800	0	0	0	14,490	0	14,490	0	0	0	0	1,650	0	0	0	12,840	0	14,490

**CITY OF TORONTO**

**Gross Expenditures (\$000's)**

<b>Long Term Care Homes Services</b>						Current and Future Year Cash Flow Commitments and Estimates						Current and Future Year Cash Flow Commitments and Estimates Financed By											
<u>Sub-Project No.</u>	<u>Project Name</u>	Ward	Stat.	Cat.		Total	Total	Total	Provincial	Federal	Development	Reserve	Capital			Debt -	Total						
Priority	SubProj No.	Sub-project Name			2015	2016	2017	2018	2019	2015-2019	2020-2024	2015-2024	Grants and Subsidies	Subsidy	Charges	Funds	from Current	Other 1	Other2	Recoverable Debt	Financing		
Financed By:																							
		Reserve Funds (Ind."XR" Ref.)			1,650	0	0	0	0	1,650	0	1,650	0	0	0	0	1,650	0	0	0	0	1,650	
		Debt			11,040	1,800	0	0	0	12,840	0	12,840	0	0	0	0	0	0	0	12,840	0	12,840	
<b>Total Program Financing</b>					12,690	1,800	0	0	0	14,490	0	14,490	0	0	0	0	1,650	0	0	0	12,840	0	14,490

- Status Code Description**  
 S2 S2 Prior Year (With 2015 and/or Future Year Cashflow)  
 S3 S3 Prior Year - Change of Scope 2015 and/or Future Year Cost\Cashflow)  
 S4 S4 New - Stand-Alone Project (Current Year Only)  
 S5 S5 New (On-going or Phased Projects)

- Category Code Description**  
 01 Health and Safety C01  
 02 Legislated C02  
 03 State of Good Repair C03  
 04 Service Improvement and Enhancement C04  
 05 Growth Related C05  
 06 Reserved Category 1 C06  
 07 Reserved Category 2 C07

## Appendix 5

### 2015 Recommended Capital Budget with Financing Detail

(Phase 2) 14-Long Term Care Homes Services

Sub-Project Category: 01,02,03,04,05,06,07

Type: B Sub-Project Status: S2

Type: C Sub-Project Status: S2,S3,S4,S5



**CITY OF TORONTO**

**Long Term Care Homes Services  
Sub-Project Summary**

**Project/Financing**

Priority Project Project Name

Priority	Project	Project Name	Start Date	Completion Date	2015	Financing								
					Cash Flow	Provincial Grants Subsidies	Federal Subsidy	Developmt Charges	Reserves	Reserve Funds	Capital From Current	Other 1	Other 2	Debt
<b><u>0 HOM907345 BUILDING UPGRADES</u></b>														
0	8	2014 SOGR BUILDING UPGRADES	01/01/2014	12/31/2015	1,000	0	0	0	0	0	0	0	1,000	0
0	9	2015 H&S BUILDING UPGRADES	01/01/2015	12/31/2015	1,535	0	0	0	0	1,535	0	0	0	0
0	10	2015 SOGR BUILDING UPGRADES	01/01/2015	12/31/2015	2,545	0	0	0	0	115	0	0	2,430	0
<b>Project Sub-total:</b>					<b>5,080</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,650</b>	<b>0</b>	<b>0</b>	<b>3,430</b>	<b>0</b>
<b><u>0 HOM907346 ELECTRICAL</u></b>														
0	9	2014 H&S LIFE SAFETY SYSTEMS	01/01/2014	12/31/2015	800	0	0	0	0	0	0	0	800	0
0	10	2015 H&S LIFE SAFETY SYSTEMS	01/01/2015	12/31/2015	600	0	0	0	0	0	0	0	600	0
<b>Project Sub-total:</b>					<b>1,400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,400</b>	<b>0</b>
<b><u>0 HOM907347 MECHANICAL</u></b>														
0	12	2015 HEALTH & SAFETY	01/01/2015	12/31/2015	735	0	0	0	0	0	0	0	735	0
0	13	2015 SOGR	01/01/2015	12/31/2015	1,100	0	0	0	0	0	0	0	1,100	0
<b>Project Sub-total:</b>					<b>1,835</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,835</b>	<b>0</b>
<b><u>0 HOM907348 SPECIALTY SYSTEMS</u></b>														
0	15	2015 H&S ELEVATOR MODERNIZATION	01/01/2015	12/31/2015	300	0	0	0	0	0	0	0	300	0
0	16	2015 H&S SECURITY SAFETY EQUIPMENT	01/01/2015	12/31/2015	75	0	0	0	0	0	0	0	75	0
<b>Project Sub-total:</b>					<b>375</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>375</b>	<b>0</b>
<b><u>0 HOM907695 Kipling Acres Site 2 (Phase 3)</u></b>														
0	2	Kipling Acres 145 bed construction (Phase 3)	01/01/2011	12/31/2013	24,000	0	0	0	0	0	0	0	15,490	8,510
0	3	Kipling Acres 145 bed Professional Services (Ph 3)	01/01/2011	12/31/2015	250	0	0	0	0	0	0	0	250	0
<b>Project Sub-total:</b>					<b>24,250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,740</b>	<b>8,510</b>
<b>Program Total:</b>					<b>32,940</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,650</b>	<b>0</b>	<b>0</b>	<b>22,780</b>	<b>8,510</b>

**Status Code Description**  
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**Category Code Description**  
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 07 Reserved Category 2 C07

## Appendix 6 Reserve / Reserve Fund Review

**Table 11: Reserve / Reserve Fund – Program Specific  
(\$000s)**

Reserve / Reserve Fund Name	Project / SubProject Name and Number	Projected Balance as at Dec 31, 2014 *	Contributions / (Withdrawals)										2015 - 2024 Total Contributions / (Withdrawals)
			2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	
XR2103 Homes for the Aged Reserve	Beginning Balance	1,685	1,857	1,666	1,425	1,259	1,168	977	761	620	429	238	
	(Withdrawals)												
	Capital Maintenance Draw	(3,478)	(1,650)	(1,650)	(1,650)	(1,650)	(1,650)	(1,650)	(1,650)	(1,650)	(1,650)	(1,150)	(16,000)
	Total Withdrawals	(3,478)	(1,650)	(1,650)	(1,650)	(1,650)	(1,650)	(1,650)	(1,650)	(1,650)	(1,650)	(1,150)	(16,000)
	Contributions												
	Structural Compliance Premium	1,640	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	13,490
	Interest Income	10	10	10	10	10	10	10	10	10	10	10	100
One-time MOHLTC Funding and Grants	2,000	100	50	125	200	100	75	150	100	100		1,000	
Total Contributions	3,650	1,459	1,409	1,484	1,559	1,459	1,434	1,509	1,459	1,459	1,359	14,590	
Other Program / Agency Net (Withdrawals) and Contributions													
<b>Total Reserve Fund Balance at Year-End</b>		<b>1,857</b>	<b>1,666</b>	<b>1,425</b>	<b>1,259</b>	<b>1,168</b>	<b>977</b>	<b>761</b>	<b>620</b>	<b>429</b>	<b>238</b>	<b>447</b>	<b>(1,410)</b>

\* Based on the 9 Month Variance Report