

Long-Term Care Services and the role of the Municipality

Council Orientation Workshop

February 8, 2023

Range of Care options - Ontario

- Home care options – in home health and personal care support
- Retirement homes – privately operated with no Ministry subsidy, regulated by Retirement Homes Regulatory Authority
- Long-term care homes – licensed and subsidized by the Ministry; support with most daily activities, 24-hour nursing and personal care
- Placement in long-term care handled through the Home and Community Care Support Services (formerly LHIN)
- Co-payment fees range from \$1,938.46 to \$2,759.14 per month with subsidies available for low-income residents

Long-Term Care Homes in Ontario

- As of 2020, there are 626 licensed long-term care homes in Ontario housing over 78,800 residents
- They are regulated and funded by the Provincial government and all fees charged are consistent in all homes
 - 58% are operated privately
 - 24% are not-for-profit / charitable organizations
 - 16% are municipally operated
- Municipalities must designate a long-term care home that they either operate or contribute to financially

Guelph's obligations for a municipal home

- Until 2014, the City of Guelph fulfilled its municipal obligation by designating Wellington Terrace as its municipal long-term care home
- Located in Fergus, the facility is owned and operated by the County of Wellington
- Guelph contributed annual operating funding to the County of Wellington for the Terrace

The Elliott, history pre-2002

- George Elliott left his estate to be used to construct a building on land owned by the City of Guelph
- The home was built in 1903 and incorporated in 1907
- Guelph Home of the Friendless
- Name changed in 1963 to The Elliott
- Not-for-profit, registered charitable organization

The Elliott Act

- In 2002, The Elliott Act establishes the organization as a local board of the City of Guelph
- As such, is bound by the terms of the Municipal Act
- One member of Council is appointed to the Board of Trustees
- The Elliott Act encompasses all aspects of the organization's operations including:
 - 85 licensed long-term care beds
 - 134 assisted living retirement suites
 - 78 independent life-lease suites

Change in LTC status – 2014/2015

- In 2014, Council voted to name The Elliott as its municipal long-term care home and transition from Wellington Terrace
- After lengthy governance and licensing discussions, permission was received from the Ministry of Long-Term Care taking effect as of February 1, 2015
- The license was thereby transferred to the City of Guelph for the 85 long-term care beds
- There is no end date on the agreement with the Ministry
- Revised the role of the LTC Administrator

Governing Bodies

1. City Council
2. Committee of Management
 - Comprised of seven members of City Council
3. The Elliott Board of Trustees
 - One of the City's Local Boards
 - Single Council member appointed to sit on the Board, either the Mayor or designate

City Council

- Oversight and approval of any changes to governance structure, agreements or delegation of authority
 - Authority is currently delegated to DCAO Public Services regarding the Ministry license for LTC
- Receive and approve the budget for The Elliott as a local board, as well as for the LTC portion of the operation
- Direct staff if there is an identified need to renegotiate the Services Agreement
- Consider and approve any requested changes regarding the Ministry of Long-Term Care's license regarding the number of LTC beds

Committee of Management

- Oversees the delivery of long-term care for the City's 85 licenced beds and established the terms of the Services Agreement between the City and The Elliott
- Responsible for making decisions and providing direction to the Board of Trustees to fulfill its duty of care under the Fixing Long-Term Care Act, 2021 including:
 - Establishment of service levels
 - Approval of LTC Administrator
 - Review of quarterly financial statements
 - Receive the business plan and strategic plan
 - Receive and review relevant Ministry inspection and compliance reports

Elliott Board of Trustees

- Must comply with all provisions of the Municipal Act relating to local boards, The Elliott Act, the Fixing Long-Term Care Act, 2021 and the Elliott Delegation of Authority Bylaw
- Must comply with all laws, regulations, policies and orders made by any level of government which relate to the operation of the City's licensed long-term care beds
- Sets out and approves the business and strategic plan for The Elliott, and recommends the budget to City Council
- Is responsible for making decisions and providing direction to the senior leadership team of The Elliott

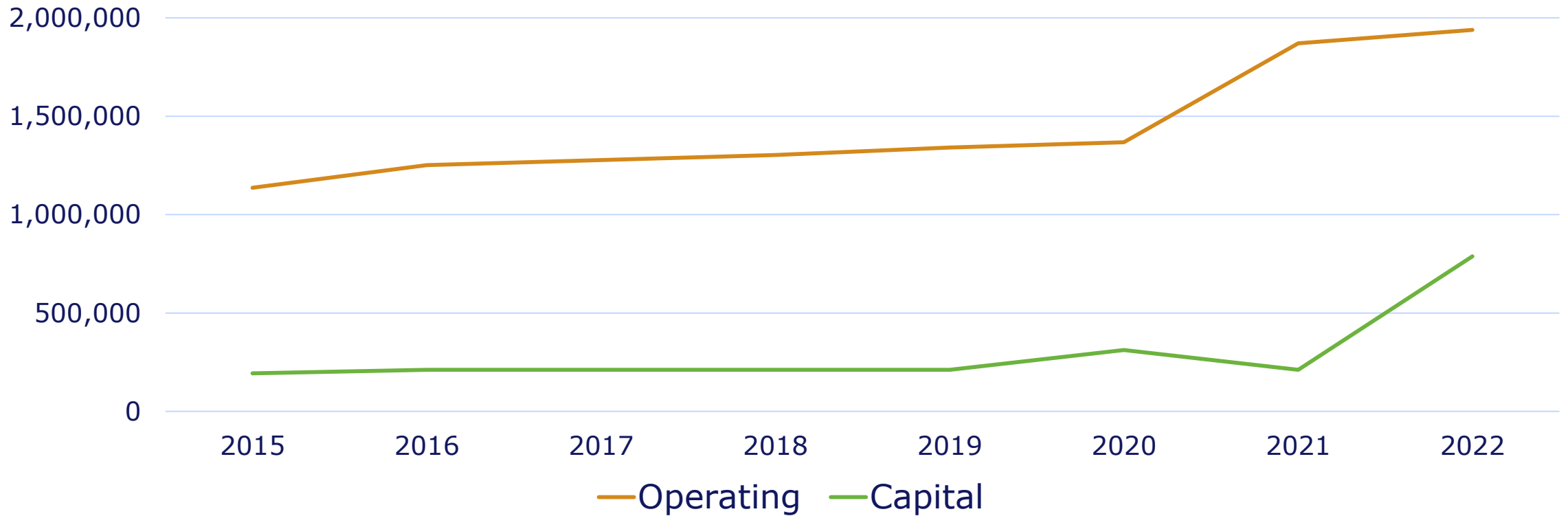
Operating Budget

- In 2015, the goal was, by entering into an agreement with the City, The Elliott would be able to appropriately fund the other aspects of the business and alleviate the need to rely on debt
- By eliminating the cost of debt, it was hoped that this would improve the net income and cash flow position of The Elliott
- First year, operating contribution was set at approximately \$1,100,000
- Has increased annually, generally at the same rate as City budget increase

Capital Budget

- In 2014, City of Guelph funded a Building Condition Needs Assessment study. Based on that study, the annual capital contribution was set at \$212,000 per year
- This was based on a 20-year projection and averaging out the annual capital needs
- The funds were to go into a reserve and used for any capital needs identified for the LTC residence portion of the building
- The Elliott has subsequently undertaken an independent review and has re-evaluated the future capital needs
- Agreement is being reviewed to consider these future needs

Operating / Capital Budget history



* 2015 numbers represent 11 months only

Capital Financing History

- December 31, 2022 outstanding loan balance from The Elliott: \$12.6 million - 2036 term end
- Further, City guarantees up to \$2.0 million in additional debt capacity

Capital Financing History (continued)

- 2001 – City issued \$20.5 million debentures on behalf of the Elliott for their Redevelopment Project. 10-year term with \$13.5 million balloon, reissue for additional 10 years
- 2004 – City issued additional \$2.5 million debentures for same project – 10-year term
- 2006 – Elliott defaults on repayment agreement, cash flow issues - \$1.2 million in arrears
- 2007 – Elliott defaults on repayment agreement, cash flow issues – total of \$2.4 million in arrears
- 2008 – City refinances Elliott agreement, lowers annual repayment amount, extends to 30-year term with higher interest rate.
- 2013 – City refinances Elliott agreement due to market rate decreases – passing on savings to Elliott. Lowers annual payment and interest rate.

Potential Expansion of LTC beds

- In 2021, Ministry of Long-Term Care put out a call for applications for homes that wish to expand their licensed number of beds
- Following review by Committee of Management and endorsement by City Council, conditional application was submitted for an additional 29 beds at The Elliott
- Conditional application was predicated on Council approving the completed business case and financial model
- Expected to come forward to Council in Q1 2023, with goal of starting construction in Q3 2023

Agreement between City and The Elliott

- As directed by City Council, staff are currently working with The Elliott to review and update the current Services Agreement
- Work is expected to continue on the updated Agreement in 2023, in time for consideration as part of the 2024 – 2027 multi-year budget cycle

Questions