

TO: Committee of Management

DATE: June 15, 2020

SUBJECT: The Elliott Long-Term Care Residence Quarterly Report 2020 – Q1

RECOMMENDATION

That the 2020-Q1 quarterly report on the operations of the Elliott Long-Term Care Residence, be received.

BACKGROUND

The Ontario Long-Term Care Homes Act requires that every municipality within Ontario is required to support a municipal long-term care home. The City of Guelph is meeting this responsibility through a Delegation of Authority Bylaw, assigning the responsibility to operate the City's approved 85-bed long-term care home to The Elliott's Board of Trustees. In addition to the Delegation of Authority By-law, The City and The Elliott have also entered into a Long-Term Care Services Agreement (Services Agreement) that identifies the specific nature of the relationship and sets out the responsibilities of both parties to the Agreement. There is a requirement within the Services Agreement for The Elliott to report quarterly on the operations of the Elliott Long-Term Care Residence (ELTCR).

The Elliott Community operates a campus of care offering retirement and life-lease care and services beyond the ELTCR. As the relationship set out in the Services Agreement pertains strictly to the operations of the ELTCR, this report is only reflective of long-term care operations and does not reflect the retirement and life-lease suites.

REPORT

In accordance with the provisions within the Services Agreement:

Attestation of the Responsibilities of The Elliott

The Elliott confirms that to the best of its knowledge, it is,

- (a) Complying with all provisions of the *Municipal Act* relating to local boards;
- (b) Complying with all provisions of the *Elliott Act*;
- (c) Complying with all provisions of the Long-Term Care Homes Act, including, fulfilling the obligations under section 69;
- (d) Complying with all laws, regulations, policies and orders made by any level of government which relate to the operation of The Elliott Long-Term Care Residence;
- (e) Complying with all provisions in the Elliott Delegation of Authority By-law; and,
- (f) Managing a Business Plan and Strategic Plan for The Elliott Long-Term Care Residence.

Overview of the Operations

For the period January 1 – March 31, 2020, the following activities / actions were reported to the Board of Trustees as they relate to the ELTCR:

- A worldwide pandemic was declared in March 2020. The Elliott Community has to date been able to keep the facility COVID free however, we must continue to remain vigilant in the coming months.
- Our home is closed to all visitors and family members per the Government order. There is no time line as to when we may reopen.
- The Elliott continues to work closely with Guelph and Area OHT during this pandemic. Some of the priority areas of work have been around PPE supplies and Infection and Control practices in congregate settings. Staff at The Elliott have been supporting other homes with education around Infectious Control practices.
- Testing guidelines continue to evolve as new information becomes available however, as of May 31, 2020 we will be testing our staff twice in June and monthly thereafter.
- A major capital project from 2019 will be completed in June 2020. Due to the complex nature of the project and the extensive deterioration of the roof, we have utilized our approved lease line of credit. We are reviewing the impact of this and what projects may need to shift in 2020 and what new projects will be need to be completed due to COVID-19 to ensure the ongoing safety and continued virtual care of residents moving forward. The Elliott will work with City staff on these issues.

There have been no conflicts of interest of any Board of Trustee member or employee of The Elliott Community who is providing services.

There have been no requests for information under the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c.58.

There are no identified litigations, potential litigations, or claims (insured or uninsured) of any kind at the time of preparing this report.

There are no other issues or matters, in the opinion of the Chair of the Board of Trustees, that require direction from or a decision of the Committee of Management or which the Committee of Management has requested that the Board of Trustees provide a report.

The following represents specific sections of the responsibilities of the Services Agreement:

Complaints / Concerns

The following complaints / concerns have been received during the second by The Elliott and have been addressed as follows:

Date	Details of Complaint / Concern	Response from Management	Resolved within The Elliott	Reported to the MOHLTC
Jan 13, 2020	Expressed concern regarding level of engagement during recreation programming.	Administrator met with both the employee and the Resident's wife to resolve.	Yes	No
Feb 23, 2020	Expressed concerns	Issues were dealt with by Administrator and DOC.	Yes	No

Critical Incident Reports

There were 4 critical incident reports that have been reported to the MOHLTC during the first quarter by The Elliott Community:

No.	Details of Critical Incident	Response from Management	Resolved within The Elliott	MOHLTC Completed Inspection
C521-000001-20	Incident that causes an injury to a resident	Continue to monitor resident for falls.	Yes	No
C521-000002-20	Unexpected death	Per physician died of natural causes	Yes	No
C521-000003-20	Unexpected death	Cause of death was natural causes.	Yes	No
C521-000004-20	Incident that causes an injury to a resident	Continue to monitor resident for falls.	Yes	No
C521-000005-20	Unexpected death	Death was sudden. Could not prevent occurrence.	Yes	No

Financial Report City of Guelph - For the 3 Months Ending March 31st 2020

The operating and capital funding requests for The Elliott Community were presented on November 20, 2019 to City Council. The 2020 operating funding of \$1,368,467, capital funding of \$212,000, and balanced Long-Term Care operations were approved as presented. All operating and capital funding reports reflect the allocation of direct and indirect costs reflected in the

Services Agreement. In addition, a one-time payment of \$100,000 was approved for safety improvements in Long-Term Care.

For the three months ending March 31, 2020, the following observations were noted:

- Total revenue of \$2,188,728 was higher than budget due to the aforementioned receipt of the unbudgeted one-time funding from the City for safety improvements. This work is still a work in progress due to delays because of COVID-19, so the full funding payment has not been recognized as revenue yet.
- Employee costs of \$1,296,424 were lower than budget as planned vacation times were cancelled. Also, WSIB rates for 2020 were lower than budgeted, leading to lower employee benefits expenses.
- Operating Costs of \$618,870 were higher than budgeted. There were extra equipment expenses related to the installation of safety equipment in Long-Term Care. These were partially offset by lower than expected natural gas and electricity costs, due to the warmer winter weather, and timing differences in purchased services.
- The calculation of funding from The City of Guelph, as it relates to the funding of the Other Accommodation Envelope, had a \$30,185 positive variance as at March 31.
- Overall, the consolidated operations of The Elliott Community, which include the results of Long-Term Care, Retirement, and Life Lease, had a positive variance of \$326,247.

The funding from the City of Guelph for 2020 is expected to be fully spent at year end. Cash flow for Long-Term Care was \$77,127 higher than budgeted as at March 31. It is currently unknown what the impact of COVID-19 will have on the year-end financial results. Some additional funding is being received from the Ministry of Long-Term Care to assist with additional expenses.

Most of the planned capital projects are currently on hold due to COVID-19. If the funds remain unspent at year-end, these funds will be retained to assist with Long-Term Care capital projects in future years.

A line is included to reflect what the results would have been if the Elliott building had been amortized over 40 years from inception. The amortization period was adjusted in 2017 from 20 years to 40 years to better reflect its expected life, but has no cash flow impact.

The Statement of Operations for Long-Term Care and Other Accommodation are enclosed for reference.

Prepared By:

Approved By:

Michelle Karker
CEO

Bill Koornstra
Chair, Board of Trustees

Attachments:

Attachment 1 – Statement of Operations for LTC
Attachment 2 – Statement of Operations for OA

THE ELLIOTT COMMUNITY
STATEMENT OF OPERATIONS
Long-Term Care
For the Three Months Ending March 31, 2020

	Year To Date			
	Budget \$	Actual \$	Variance	
<u>REVENUE</u>				
Accommodation:				
Long Term Care - Basic	458,250	455,213	(3,037)	(1%)
Long Term Care - Preferred	123,000	122,002	(998)	(1%)
	581,250	577,215	(4,035)	(1%)
Government Subsidy - LTC:				
Provincial - LTC Subsidy	1,121,226	1,128,573	7,347	1%
Provincial - BSO / Physio / Other	16,710	16,710	0	0%
City of Guelph - LTC Operations	342,117	407,906	65,789	19%
	1,480,053	1,553,189	73,136	5%
Other Revenue:				
Fees and Recoveries	18,810	19,593	783	4%
Amort. of Def'd Contributions	33,904	35,105	1,201	4%
Other Revenue	5,600	3,626	(1,974)	(35%)
	58,314	58,324	10	0%
Total Revenue	2,119,617	2,188,728	69,111	3%
<u>EXPENSES</u>				
Employee Costs:				
Wages and Salaries	1,069,930	1,051,693	18,237	2%
Employee Benefits	266,570	244,731	21,839	8%
	1,336,500	1,296,424	40,076	3%
Operating Costs:				
Supplies	149,921	151,623	(1,702)	(1%)
Facility Costs	115,992	95,025	20,967	18%
Interest & Financing Fees	83,945	83,504	441	1%
Equipment	49,486	106,544	(57,059)	(115%)
Purchased Services	53,738	43,474	10,264	19%
Administrative & Other	18,992	20,712	(1,720)	(9%)
Amortization of Capital Assets	117,009	117,463	(454)	(0%)
Accretion of Def'd Financing Costs	524	524	0	0%
	589,607	618,870	(29,263)	(5%)
Total Expenses	1,926,107	1,915,294	10,813	1%
SURPLUS / (DEFICIT)	193,510	273,434	79,923	
Amortization Adjustment to 40 Years	(56,501)	(56,501)	0	0%
RESTATED SURPLUS / (DEFICIT)	137,009	216,933	79,923	
<u>Exclude Non-Cash Items (Amortization & Future Benefits):</u>				
Amortiz. of Def'd Contributions	(33,904)	(35,105)	1,201	(4%)
Amortization of Assets & Fees	117,533	117,987	(454)	(0%)
Amortization Adjustment to 40 Years	56,501	56,501	0	0%
Future Benefits	7,798	5,748	2,049	26%
<u>(Deduct) / Add Cash Payments:</u>				
City Mortgage - Principal / Def'd Pmts	(99,396)	(99,396)	0	0%
SWAP Loan - Principal Payments	(31,304)	(31,304)	0	0%
Capital Lease - LED Lighting	(15,984)	(15,984)	0	0%
CASH FLOW	138,253	215,380	77,127	

THE ELLIOTT COMMUNITY
STATEMENT OF OPERATIONS
Long-Term Care - OA Envelope
For the Three Months Ending March 31, 2020

	Year To Date			
	Budget \$	Actual \$	Variance	
<u>REVENUE</u>				
Accommodation:				
Basic	458,250	455,213	(3,037)	(1%)
Preferred	123,000	122,002	(998)	(1%)
Provincial Subsidy - MOHLTC	70,738	70,555	(183)	(0%)
Municipal Subsidy - City of Guelph	342,117	407,906	65,789	19%
	994,105	1,055,676	61,571	6%
Other Revenue:				
Fees & Recoveries	4,410	5,590	1,180	27%
Cable Television Fees	7,800	8,219	419	5%
Telephone Fees	3,000	2,944	(56)	(2%)
Amortiz. of Def'd Contributions	33,904	35,105	1,201	4%
Other Revenue	600	566	(34)	(6%)
	49,714	52,424	2,710	5%
Total Revenue	1,043,819	1,108,100	64,281	6%
<u>EXPENSES</u>				
Employee Costs:				
Wages and Salaries	347,757	354,068	(6,311)	(2%)
Employee Benefits	100,849	89,002	11,847	12%
	448,606	443,070	5,536	1%
Operating Costs:				
Amortization of Assets & Fees	117,533	117,987	(454)	(0%)
Supplies	35,671	36,256	(585)	(2%)
Facility Costs	115,579	92,888	22,691	20%
Financing & Service Fees	83,945	83,504	441	1%
Equipment	36,368	104,439	(68,071)	(187%)
Purchased Services	21,383	13,859	7,524	35%
Administrative & Other	7,801	8,979	(1,178)	(15%)
	418,280	457,912	(39,632)	(9%)
Total Expenses	866,886	900,982	(34,096)	(4%)
SURPLUS / (DEFICIT)	176,933	207,118	30,185	
Amortization Adjustment to 40 Years	(56,501)	(56,501)	0	0%
RESTATED SURPLUS / (DEFICIT)	120,432	150,617	30,185	
<u>Exclude Amortization & Future Benefits:</u>				
Amortiz. of Def'd Contributions	(33,904)	(35,105)	1,201	(4%)
Amortization of Assets & Fees	117,533	117,987	(454)	(0%)
Amortization Adjustment to 40 Years	56,501	56,501	0	0%
Future Benefits	7,798	5,748	2,050	26%
<u>(Deduct) / Add Cash Payments:</u>				
City Mortgage - Principal / Def'd Pmts	(99,396)	(99,396)	0	0%
SWAP Loan - Principal Payments	(31,304)	(31,304)	0	0%
Capital Lease - LED Lighting	(15,984)	(15,984)	0	0%
CASH FLOW	121,676	149,064	27,388	