

Silvera
FOR SENIORS



2018 Lodge Operating Budget

City Priority and Finance Committee
and Calgary City Councillors
December 5, 2017

What we know

- City reporting suggests in 2014 approximately 10% of our population were seniors (over 65) and 40% over the age of 75 – and is the fastest growing segment.
- As of 2015, “1 in 4 Calgary seniors indicate that it is difficult to afford the food they need because of increasing housing costs.” *Published in “Calgary’s Aging Population” Bulletin, updated September 2015*
- The GoA 2008 Demographic Commission Report indicates 54% of AB citizens expect they will need government funded assisted living.
- Our average resident enters Silvera at age 85 with income of \$19,200 (government support).
- Approximately 91% seniors in Supportive Living rely on Homecare, 50% use mobility devices.

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What we know

- Seniors Lodge program is meant to be a partnership between Government of Alberta and the Municipality and the Housing Management Body.
- Government of Alberta intended the Lodge program to provide safe affordable supported housing for low income seniors – it is not intended to be self-funding.
- Silvera and the City of Calgary, supported by the Government of Alberta, are currently in negotiations rewriting our Ministerial Order (MO).
- The Ministerial Order (MO) defines Silvera. We are more than a 'Civic Partner'. We are more in line with the Corporate Secretariat, as per Edmonton City Council relationship to their Housing Management Body, Greater Edmonton Foundation (GEF)
- Funding for Capital Maintenance, and Furniture, Fixtures & Equipment (FF&E) investment is required, in addition to requisition-able operating funding. This work is priority driven by resident, staff and building risk assessment.

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About Silvera

Silvera will be the leading advocate and caring provider of affordable homes and services for seniors to live in place with dignity.

Portfolio

- Calgary's largest Seniors Affordable provider and second largest in Alberta.
- House approximately 1600 low income seniors, with housing in all four city quadrants.
- Supportive Living Housing Program – 9 Lodges: City obligation as per Ministerial Order.

Strategic Imperatives

- *Support seniors to live fully and age successfully with Silvera*
- *Create dynamic communities*
- *Maintain financial discipline*
- *Build a high performance culture*
- *Steward our trusted reputation*

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City's Obligation to Lodges

Lodge Operation (deficits)

- We continue to provide safe, affordable housing with support of housekeeping, meals and active aging programs, as well as 24 hour non-medical staff.

Lodge Suite refurbishment (impacts occupancy)

- Suite refurbishment includes paint, flooring and bathroom accessibility/cabinetry replacement.
- We estimate two thirds of our suites need refurbishment (518).

FF&E

- Dining room furniture, Kitchen equipment, vacuums.
- Some of our FF&E is well past 15 year lifecycle (Government guidelines).

Reserves

- Necessary and good business practice to manage risk.

We are doing our part

Cost Containment:

- Reduce staff turnover.
- Strict staffing models – just achieve minimum wage compliance.
- We maintain strong controls and negotiate to reduce expenditures:
 - \$120K net savings in employee benefits;
 - Energy cost reduction through sector bulk buying;
 - Reduced our cable contract expense by 12%;
 - Not allowing cash to be idle, earning \$140K in short-term GIC's.

Operational Efficiency:

- Quick suite turnover to maintain high occupancy 95%.
- Optimizing staffing resources.
- Ongoing focus on process improvement.
- Waste reduction (food program/recycling) across all lodges.

We are doing our part

Leveraging in all areas:

- Purchasing power – food, cleaning supplies, maintenance
- Collaboration with partners like Homecare ensuring our responsibilities don't 'creep' yet residents get proper supports
- Significant engagement of community – 80+ Days of Caring, Volunteers
- Increased directed donations
- RESOLVE campaign and donor investments

Planning for the future:

- Size matters – negotiating with the Government of Alberta – more efficient larger buildings
- Negotiating with Government of Alberta to add more seniors that have a higher income verses only the lowest income (rent geared to income)

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Financial Strategy

2018 Lodge Funding Requirement

2018 BUDGET - SUPPORTIVE LIVING LODGE PROGRAM	
	000's dollars
TOTAL REVENUE	16,036
TOTAL EXPENSES	18,752
NET OPERATING DEFICIT	(2,716)
OTHER EXPENSES	
Deferred Maintenance (flooring/paint, etc. for suites & common areas)	(674)
Aspen & Spruce Reserves	(740)
Vintage Lodges (built in 1970's) – (No Reserves Requested at this time)	-
Furniture, Fixtures & Equipment (FF&E)	(455)
TOTAL NET DEFICIT	(4,585)
REQUISITION ELIGIBLE	\$ 4,585
Calculated Impact on Net Surplus/ Deficit	-
REQUISITION ELIGIBLE HISTORICAL BACKLOG (1996)	
Deferred Maintenance (flooring/paint, etc. for suites & common areas)	1,370
Furniture, Fixtures & Equipment (FF&E)	1,250
SUBTOTAL	2,620
Additional 60 suites	503
2018 FUNDING REQUEST	\$ 7,708

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CITY OF CALGARY
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IN COUNCIL CHAMBER

DEC 05 2017

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