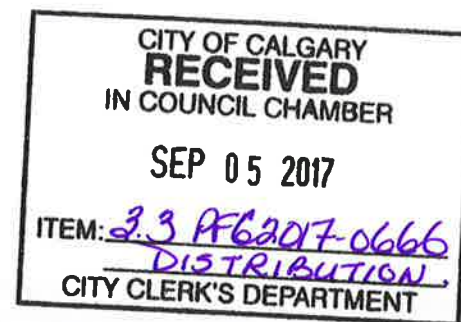


Silvera
FOR SENIORS



Presentation to City of Calgary's Priority and Finance Committee
September 5th, 2017



Vision and Purpose

Vision

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

Purpose

To give seniors the respect they deserve and make it great to be a senior in Calgary.

Silvera Governance

Board of Directors

- 9 Members-at-Large
- 2 (up to) City Appointees

Finance and
Risk
Management
Committee

Capital
Development
Committee

Governance
Committee

- Annual Board and Committee evaluations
- Skill based
- Silvera-recruited

Strong Management Team



Silvera for Seniors – At a Glance

- 26 communities: All four quadrants of Calgary
 - Lodge/Supportive Living (9 Communities/Lodges)
 - Self-contained/ Independent Living (16 Communities)
- 1600 total residents
- Average age of residents: 85
- Average of Lodge residents' Income: SL \$19,200 (CPP, OAS, GIS or AISH)
- 1,200 applications per year; 120 calls per week; 350 seniors waiting for housing
- 153 full-time staff, 131 part-time/casual staff: 24 hour/365 day operation
- Land planned for development:
 1. Glamorgan/Westview: approx. 6 acres
 2. East Riverside(Bridgeland): approx. 6 acres plus potential partnership with City
 3. Jacques: approx. 12 acres



Silvera's Strategic Intentions

- Silvera's diverse communities ensure that seniors have affordable homes to live successfully.
- Silvera is growing and evolving our housing to create dynamic communities.
- Silvera is a viable and growing organization committed to quality housing and services.
- Silvera's culture engages people who embrace innovation and a commitment to excellence.
- Silvera is a trusted leader, engaging communities and enabling seniors to live successfully.



Business Plan Priorities

- Ensure the right funding to both the Lodge program and the Self Contained program;
- Continue to advance service culture and delivery to meet the needs of our residents;
- Invest in the organization; technology, staff, capacity, high performance teams;
- Secure adequate funding for the Lodge including services and FF&E and Reserves;
- Optimize the Lodges to potentially meet unique needs of aging population;
- Ensure capital maintenance to refurbish assets both Lodge and Self-contained communities;
- Build new housing communities that are viable with mix rent, mix market, and strategic partnerships (Gilchrist/Glamorgan);
- Leverage Jacques site, land on Glamorgan;
- Build and leverage Bridgeland land/site- complete community;
- Continue to advance key service partnerships;
- Continue cost efficiency;
- Reducing our dependence on government(s) funding by; building, leveraging land, mix rent, mix market, campus funding/operations.

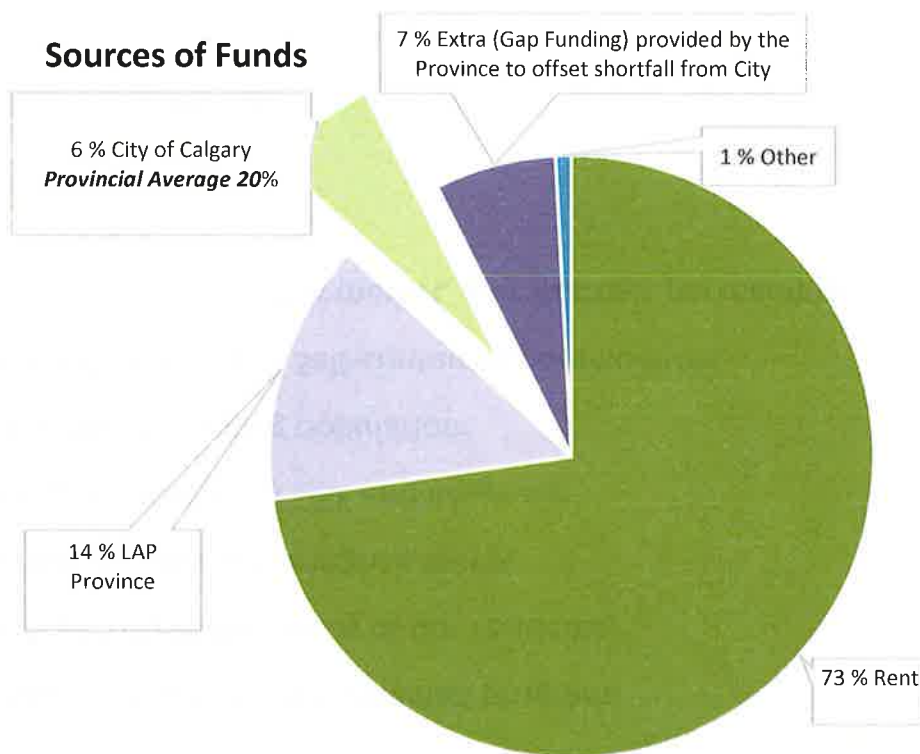


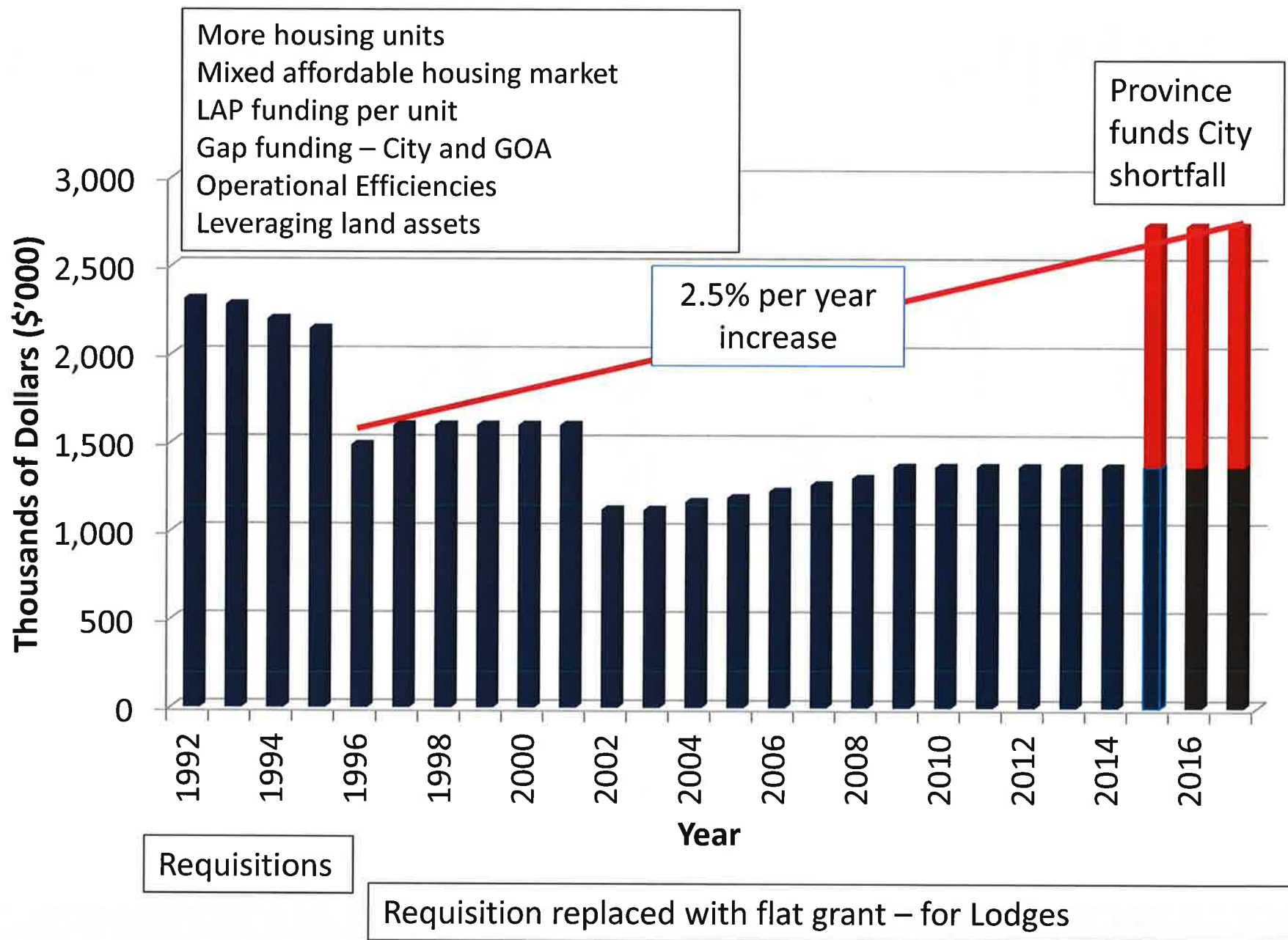
Current Funding

Lodge Program Funding Sources 2016

Budget (Revenue)		23,047,126
73 % Rent	\$	16,755,578
14 % LAP Province	\$	3,226,548
6 % City of Calgary	\$	1,365,000
7 % Extra (Gap Funding)	\$	1,500,000
1 % Other	\$	200,000

Sources of Funds





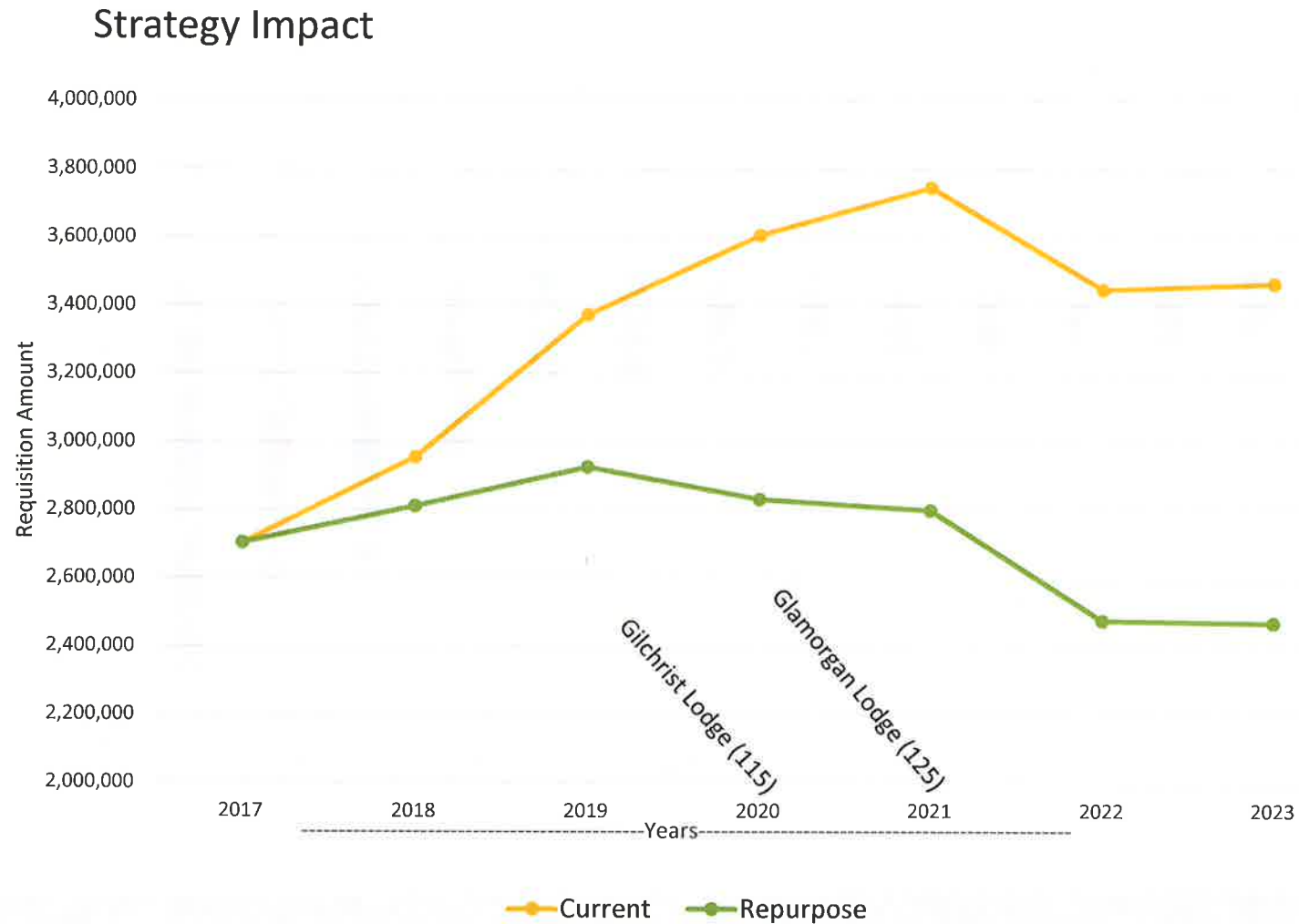
Strategy Impact – Unit Growth



Silvera

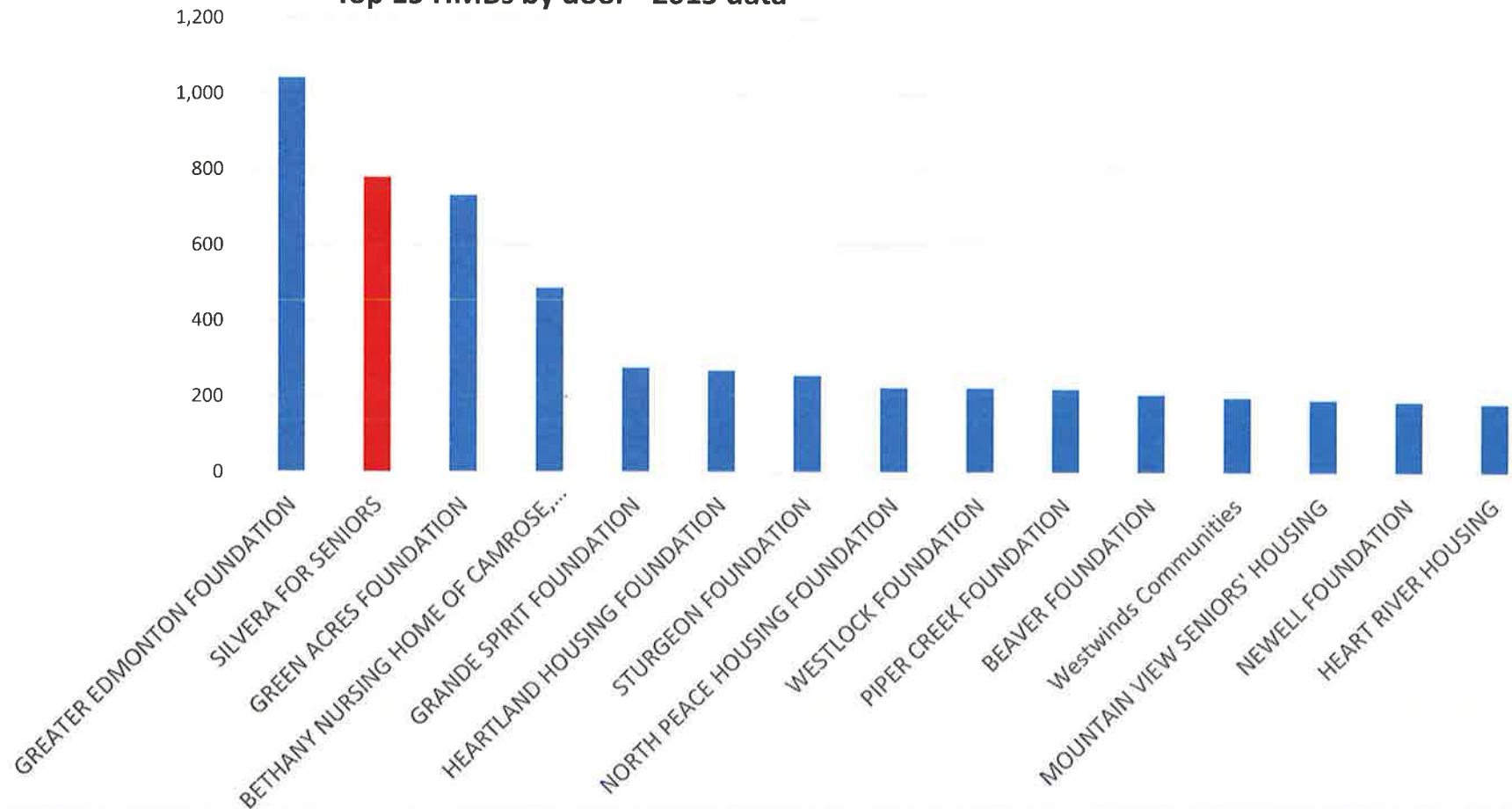
FOR SENIORS 10

Strategy Impact - Requisition



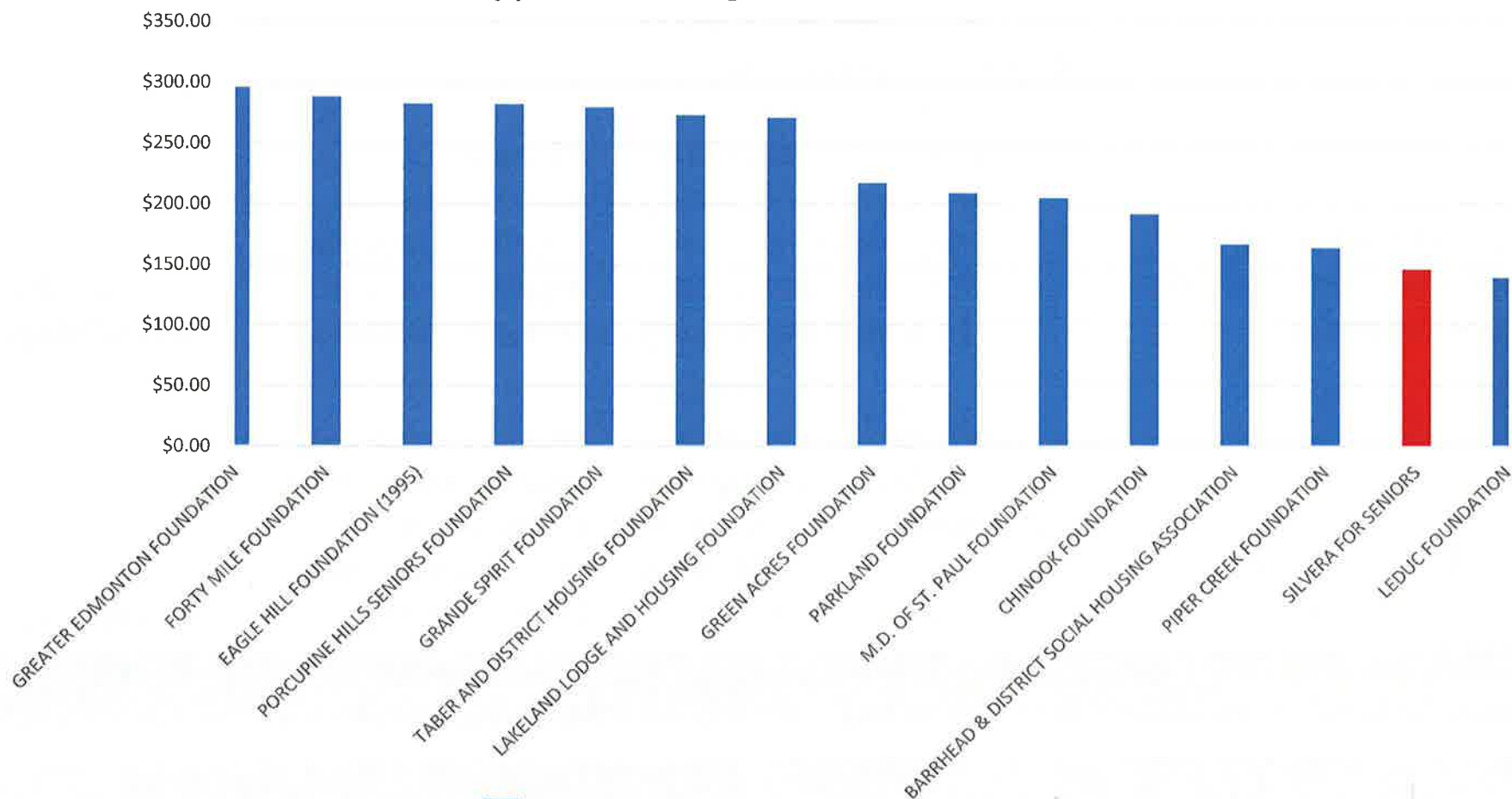
HMB Lodge count across Alberta

Top 15 HMBs by door - 2015 data



HMB Requisitions (funding) across Alberta

Bottom 15 HMBs by per door funding - 2015 data



Major Budget Assumptions - Revenue

	2018 Lodge Budget	Mitigation		2019 to 2021 Budget
<u>Rent Revenue</u>	93% occupancy Higher vacancy rates across sector possibly due to more dollars in Homecare	<ul style="list-style-type: none"> • Occupancy Strategy • Resident transfers • Outbreak recovery 	<ul style="list-style-type: none"> • +65 • Tours • Marketing • Partner Referrals 	95% occupancy - Adjust to new promotion program.
<u>Government Funding</u>	Province – LAP only <i>City – requisition measured against provincial Lodge average</i>	<ul style="list-style-type: none"> • Continue to ensure all residents are receiving full source of income (RGI) • Continue to seek funding support for capital and innovation where possible • Continue to seek approval for campus operation – to optimize operational revenue 		Province – LAP only <i>City – requisition measured against provincial Lodge average</i>
<u>Community Donations</u>	<i>Resolve Capital Operating funding support</i>	<ul style="list-style-type: none"> • Continue to negotiate donor support to overall operation 		

Major Budget Assumptions - Expenses

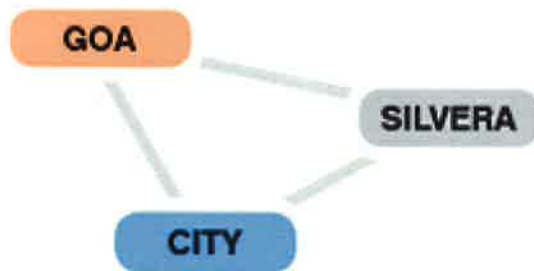
	2018 Lodge Budget	Mitigation	2019 to 2021 Budget
Utilities	Carbon tax incr by 50% to \$1.51/GJ Gas impact \$135K Electricity \$100K Waste removal/Organics	Renegotiate future contracts Complete energy audit Monitor other HMBs/ASCHA for opportunities.	Carbon tax incr by 33% to \$2.00/GJ Gas impact \$180K Electricity \$133K
Food costs	Budgeted 3% increase in food costs	<ul style="list-style-type: none"> Dining Services continued monitoring Order to occupancy level 	Budgeted 3% increase in food costs
Wages and Benefits	1.5% increase-Salary 1.5% Mkt Grid-Hourly Increases below COLA (2%) and market	<ul style="list-style-type: none"> Hold on market adjustment Benefit plan renegotiated to maintain low increase Compliance with \$15 minimum wage 	1.5% increase-Salary 1.5% Mkt Grid-Hourly Possible 3% benefit increase in 2020 only
Maintenance	\$1.5M – SLV	<ul style="list-style-type: none"> Renegotiate contracts Secure preferred vendors Priority on FCI results 	Increase only by 2%
Administration	\$1,042,316	<ul style="list-style-type: none"> Continue contract work as needed Continue to realign costs to Community Staff up for new communities 	General 3 to 5% increases Office rent impact - carbon tax

Silvera's Capital Plan

-
1. Existing Communities
 2. Existing Land Opportunities
 3. Future Land and/or Communities
-



Silvera Capital Development - Key Drivers



Increase **Appropriate** Independent and Supportive Living Capacity to meet future populations needs, including exploring partnerships to meet changing aging and housing needs for vulnerable populations.

Reduce Silvera's **Dependency** on Government Funding

- Market housing and related partnerships
- Mixed market housing
- Leveraging assets for long term contributions
- Partnering with Government differently (e.g., shared equity, land ownership, market housing, etc.)
- Life lease
- Increase density(unit count efficiency)

Managing Risk (Expanding Capacity for and Tolerance of Risk)

- Assets (Maintaining and Securing)
- Operational
- Development
- Debt Financing
- Political
- Economic
- Taxation

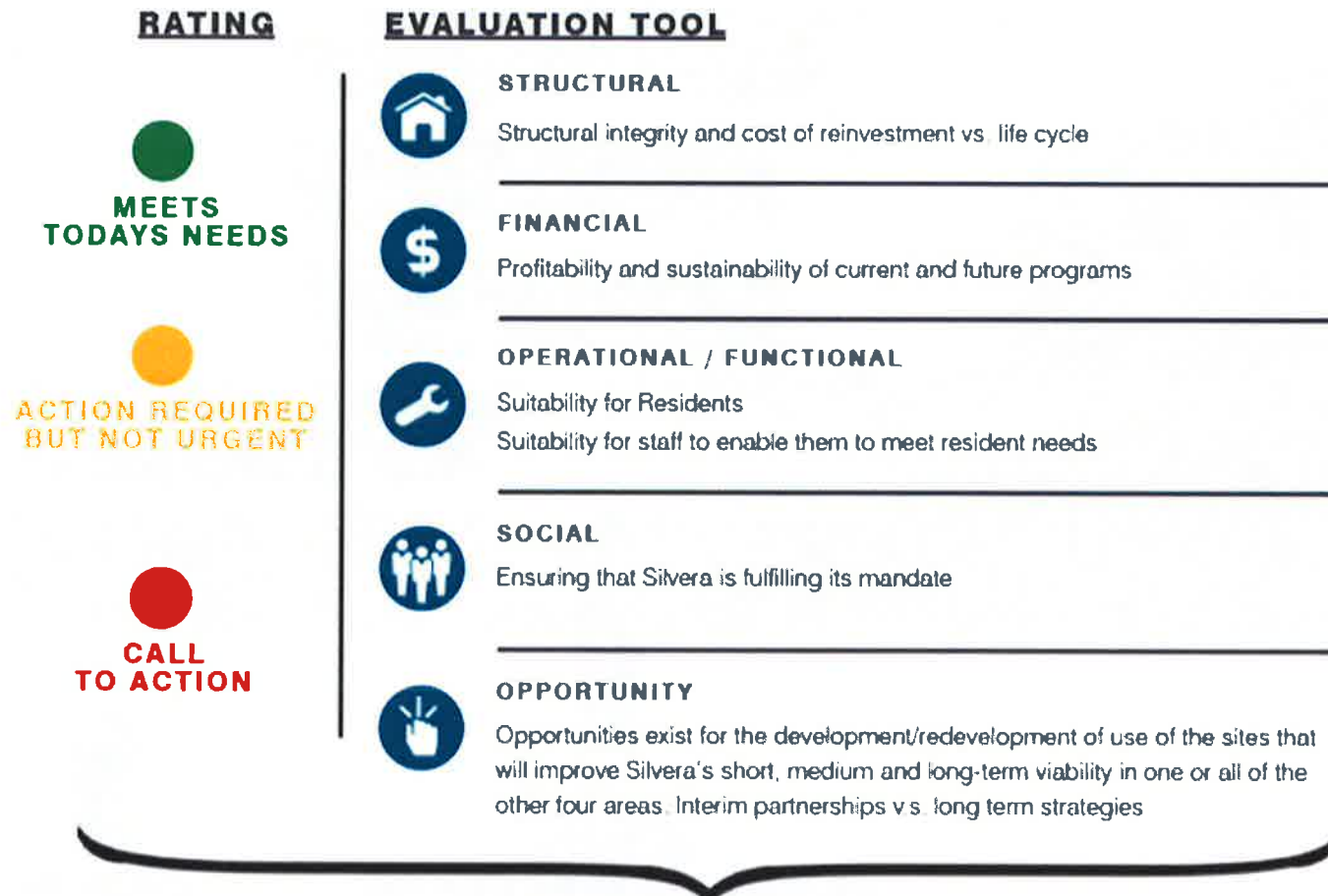
Key Drivers

SILVERA

Development of a Long Term Capital Strategy to Improve Corporate *Viability*

- Integration of Independent and Supported Living Communities
- Maximize Land Value and Site Utilization While Considering Different Ownership Structures
- Opportunity for Phasing/Flexibility
- Promote Long Term Viability
- Sense of Place (welcoming, organized comprehensible)
- Integrate Universal Design
- Enhance pedestrian circulation
- Enhance Aesthetic Aspects of Public Areas
- Connect to Adjacent Neighbourhoods

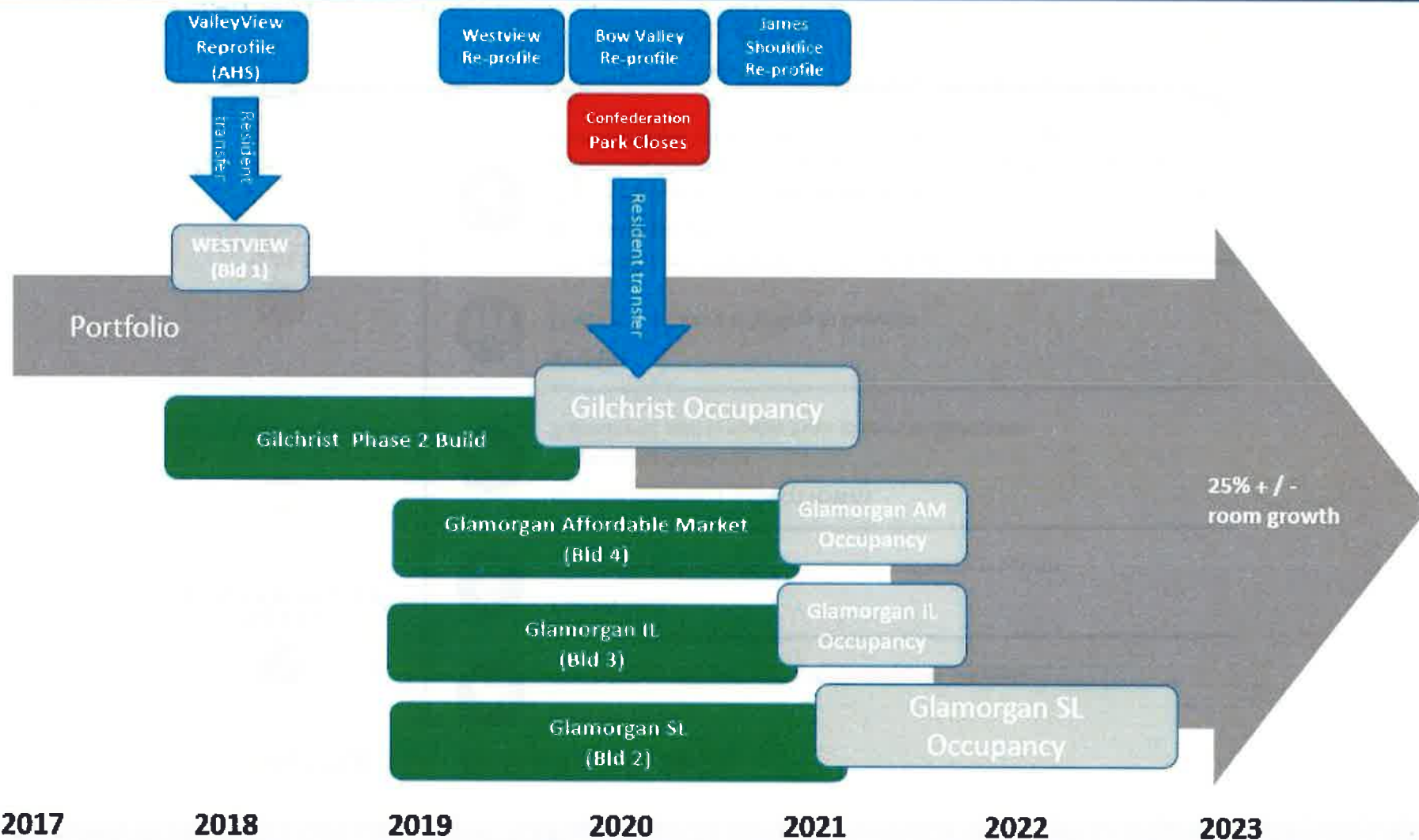
Existing Communities Evaluation



DECISION MAKING

REPURPOSE | REPLACE | REFURBISH | KEEP | DEPART | EVOLVE | AQUIRE

Summary



2017

2018

2019

2020

2021

2022

2023

Legislation

Government of Alberta

ALBERTA HOUSING ACT



Legislation

Government of Alberta

MANAGEMENT BODY OPERATION AND ADMINISTRATION
REGULATION



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Legislation

Government of Alberta
Ministry of Seniors and Housing

MINISTERIAL ORDER



Questions?



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