



City of
Peterborough

To: **Members of the Finance Committee**

From: **Richard Freymond, Commissioner of Corporate and Legislative Services**

Meeting Date: **January 10, 2023**

Subject: **Fairhaven 2023 Budget
Report CLSFS23-004**

Purpose

A report to inform Council that the 2023 Budget submission for Fairhaven will be received on Tuesday, January 10, 2023.

Recommendation

That Council approve the recommendation outlined in Report CLSFS23-004, dated January 10, 2023, of the Commissioner of Corporate and Legislative Services as follows:

That the presentation and budget details presented to the January 10, 2023 Finance Committee by Fairhaven for the 2023 Budget be received for information.

Budget and Financial Implications

There are no additional budget and financial implications of the recommendation.

Background

The Finance Committee is scheduled to review the 2023 Draft Budget during the week of January 16, 2023. Tuesday, January 10, 2023 has been set aside to receive budget requests from outside Boards and Agencies. Representatives from Fairhaven will be in

attendance to make a short presentation and answer questions about the amounts that are included in the Draft 2023 Budget.

Included on pages 200-201 of the 2023 Draft Budget Highlights Book is the high-level summary of information provided by Fairhaven. The budget elements include support for Operations and Capital costs.

Fairhaven continues to face numerous budgetary pressures in 2023. In spite of this, Fairhaven has not requested an increase in operational funding from the City in 2023. Fairhaven is jointly funded by the City, two-thirds, and Peterborough County, one-third.

As part of report CPFS12-062 dated September 4, 2012, Council resolved that beginning with the 2013 Capital Budget, an annual provision would be included in the Draft Capital Budget (Ref # 3-4.03) to support Fairhaven's on-going capital program. The amount for 2023 is \$253,600.

The following chart provides details of the Operating and Capital components of the 2023 Fairhaven budget.

Service	2022 Approved	2023 Requested	% Change	\$ Change
Fairhaven				
Transfer to Fairhaven Reserve	50,000	50,000	0.0%	0
Operating Support	1,550,000	1,550,000	0.0%	0
Total Operating	1,600,000	1,600,000	0.0%	0
Capital Financing	243,700	253,600	4.1%	9,900
Total Support for Fairhaven	1,843,700	1,853,600	0.5%	9,900

Additional budget details are appended to this report and further information will be provided by Fairhaven representatives on January 10, 2023.

Submitted by,

Richard Freymond
Commissioner of Corporate and Legislative Services

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Attachment:

Appendix A - 2023 Budget for Fairhaven

To: Chair and Members of the Fairhaven Committee of Management

From: Lionel Towns
Executive Director

Meeting: April 13, 2022

Subject: Report # 2022 – ED 18
2023 Fairhaven Operating and Capital Budget Requests – City of Peterborough and County of Peterborough

PURPOSE OF THE REPORT:

To obtain approval from the Committee of Management for Fairhaven's 2023 Operating and Capital Budget requests to the County and City of Peterborough.

RECOMMENDATIONS:

- a) That Fairhaven's 2023 Municipal Operating Budget funding request remain unchanged from 2022's ask of \$2,325,000 (\$775,000 – County, \$1,550,000 – City)
- b) That the Fairhaven's 2023 municipal Capital Budget request follow the ten year capital plan that was approved by both the City of Peterborough and County of Peterborough in 2012, for a total of \$380,403 (\$126,801 – County, \$253,602 – City); and
- c) That the operating and capital budget requests above be approved and forwarded to the County and City of Peterborough for consideration during their 2023 Budget deliberations.

BACKGROUND

COVID-19 continues to be a source of uncertainty for Fairhaven, both financially and operationally. However, the Province of Ontario has provided responsive and targeted funding for many aspects of increased costs related to the pandemic.

Appendix A highlights the funding that our Home has received since March of 2020 and the Ministry of Long Term Care has made commitments to continue funding extra costs, related to the prevention and containment of infections, for the duration of the pandemic.

DEBENTURE COSTS

In 2021, the net annual cost to the City for the debenture for the Fairhaven rebuild decreased from \$708,194 to \$36,392. This decreased the total loan assistance to FH, by the City, by \$671,802 in 2021. The County had one remaining debenture payment to make in 2021, of \$165,298.

The City of Peterborough received \$637,195 in construction subsidies in 2022 as well, without any debenture payments being made, as both the City and County took out 18 year loans while provincial funding for new home builds is spread over 20 years. The County of Peterborough received \$318,590 in construction subsidies in 2022, without any debenture payments being made.

2023 OPERATING AND CAPITAL BUDGET REQUESTS

It is expected that our 2023 Case Mix Index (CMI) funding will be similar to what was received in 2022. Also, Ontario long term care homes can expect to receive a 1.5% increase to our per diem funding (per Resident, per day), in the areas of Nursing and Personal Care, Programs, Raw Food, and Other Accommodations. While this increase will not completely offset the effects of inflation in 2023, the maintenance of our CMI funding will allow Fairhaven to request 2023 operating budget funding that is unchanged since 2021.

The following charts provide details of the requested funding for both the City of Peterborough and the County of Peterborough.

Proposed Operating and Capital Budget Support - City of Peterborough				
Fairhaven Request	2022	2023	% Change	\$ Change
Debt Servicing	-	-	0.0%	-
Operating Budget	1,550,000	1,550,000	0.0%	-
<i>Included in City Draft Operating Budget</i>	1,550,000	1,550,000	0.0%	-
Capital Projects	243,700	253,602	4.1%	9,902
Total Support for Fairhaven	1,793,700	1,803,602	0.6%	9,902

* The City of Peterborough started providing capital funding to Fairhaven in 2013, one year after the County of Peterborough. This 0.6% increase represents the last year of the 10 year capital funding plan, approved by both municipalities, in 2012.

Proposed Operating and Capital Budget Support - County of Peterborough				
Fairhaven Request	2022	2023	% Change	\$ Change
Debt Servicing	-	-		-
Operating Budget	775,000	775,000	0%	-
<i>Included in County Draft Operating Budget</i>	775,000	775,000	0%	-
Capital Projects	126,801	126,801	0%	-
Total Support for Fairhaven	901,801	901,801	0%	-

Submitted,



Lionel Towns, CPA, CMA

Executive Director