

Victoria Manor Committee of Management

Report VMC2024-09

Meeting Date: September 19, 2024

Meeting Time: 9:30 a.m.

Meeting Place: Victoria Manor Boardroom, 220 Angeline St., Lindsay

OR Electronic Video Meeting

Subject: 2025 Victoria Manor Operating Budget Report

**Author Name and Title: Philippa Welch, VP Regional Operations Sienna
Pamela Kulas, Executive Director
Michael Spray, Senior Manager Operations
Finance**

Recommendation(s):

That Report VMC2024-09, **2025 Victoria Manor Operating Budget Report**, be received.

Director

Other

Background:

In the development and approval of the annual operating budget, the Terms of Reference of the Victoria Manor Committee of Management describe the Committee's role as follows:

Advice to Council

The Committee may make recommendations to Council on the following matters, for which Council retains the decision-making role:

1. The annual operating budget;

Budgeted revenues are based on the assumed Case Mix Index (CMI) for the home by either the Ministry of Long Term Care or Ontario Health; expected funding increases, and expected supernumerary funding adjustments including direct care funding, and funding for additional needs of some residents has been included. Actual revenues will vary with a lower or higher CMI and/or the provincial indexing of the global Ministry of Long Term Care (MLTC) funding allocation.

Budgeted revenues are based on the global funding mechanism and governed by the financial policies for long term care of the Ministry of Long Term Care (MLTC). This funding includes:

- Case Mix Index (CMI) assessed annually by MLTC;
- Additional funding initiatives in alignment with system strategies of Ontario Health;
- Direct Care Staffing Funding
 - o Funding to increase RN, RPN, and PSW hours to 4.0 hours per resident by March 2025 and;
 - o Allied Health funding for increases in therapy and recreation staffing and;
- any other supernumerary funding initiatives

Actual revenues will vary with a lower or higher CMI and/or the provincial indexing of the global Ministry of Long Term Care (MLTC) funding allocation.

Rationale:

The recommended 2025 operating budget includes a total net municipal contribution of \$2,598,882 as described in Table 1. This is an increase of \$75,696 from the 2024 approved operating budget, an increase of 3%.

	Budget	2025
--	---------------	-------------

	2024	Budget	Variance (\$)	Variance (%)
Nursing				
Revenue	(10,256,624)	(11,657,886)	(1,401,262)	14%
Expenses	11,506,620	13,051,291	1,544,671	13%
Net Nursing	1,199,996	1,393,405	193,409	11%
Programs				
Revenue	(771,602)	(801,245)	(29,643)	4%
Expenses	1,480,096	1,517,404	37,308	3%
Net Programs	708,494	716,159	7,665	1%
Food				
Revenue	(744,345)	(809,811)	(65,466)	9%
Expenses	744,345	809,811	65,466	9%
Net Food	0	0	0	0%
Other Accommodation				
Revenue	(4,599,528)	(4,989,429)	(389,902)	8%
Expenses				
Dietary	1,330,069	1,431,305	101,236	8%
Housekeeping	726,697	755,928	29,231	4%
Laundry	276,725	288,764	12,038	4%
Maintenance	898,559	920,717	22,158	2%
Administration	749,220	767,969	18,749	3%
Facility	1,232,954	1,314,066	81,111	7%
Net OA	614,696	489,318	(125,379)	-20%
Cumulative Net	2,523,186	2,598,882	75,696	3%

The development of this operating budget includes recognition of known and anticipated labour agreement rates; and increased in direct care staff hours to 3.33 and allied health staffing hours to 1.24 hours, an increase of approximately 3 hours weekly.

The 2025 operating budget acknowledges that planned adjustments in 2024 were not implemented given the higher than anticipated direct care funding that was issued in May 2024 and further enhances hours of care by 3 hours weekly.

Other budget assumptions include:

Tax Levy Revenue

\$2,598,882 (2024B - \$2.52M, increased by 3%)

Ministry of Health Long Term Care Funding Assumptions

- Case Mix Index – 1.0152 based on current 2024/25 CMI
- Nursing – 3.0% increase, historically index to inflation
- Food – 3.0%, increase
- Other Accommodation – 3.0% increase
- Supplementary Staffing Funding (Direct Care & Allied Health)
- Funding through to March 2025 – DCH \$1,822.02 + AHP \$161.35 per bed, per month
- Assumed April 2025 to March 2026 – DCH \$1,673.55 + AHP \$148.20 per bed, per month

The baseline in which to build this budget is working towards a standard of care that aligns with the provincial target of achieving 4.0 hours of direct resident care per day. The 2025 operating budget has increased the number of direct care hours in nursing and provides for continuing positive resident outcomes. The target of 4.0 direct resident care hours per day is not able to be achieved, with the anticipated funding support available.

It would be recommended that if funded support is higher than anticipated in the budget plan, that additional direct care hours be added to continue to enhance resident care and pursue the target of 4.0 direct resident care hours per day.

Financial Considerations:

The recommended 2025 Operating Budget includes a net municipal tax support contribution of \$2,598,882

Consultations:

Victoria Manor, Leadership Team
Philippa Welch, Sienna Senior Living

Cheryl Faber, Director Human Services
Sara Beukeboom, Director Corporate Services
Carolyn Daynes, Treasurer

Director: Cheryl Faber
Phone: 705-324-9870 ext. 3206
E-Mail: cfaber@kawarthlakes.ca