

The background of the slide features a warm, orange-toned photograph. In the upper portion, two elderly women are smiling; one has short blonde hair and glasses, while the other has dark hair. Below them, several hands of different ages are shown clasped together in a supportive gesture. The overall mood is positive and community-oriented.

Victoria Manor 2026 Budget

August 28, 2025

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SENIOR LIVING

Assumptions Overview

Tax Levy Revenue

- \$2,676,848 (2025B - \$2.60M, increased by 3%)

Ministry of Health Long Term Care Funding Assumptions

- Case Mix Index – 1.0162 based on current 2025/26 CMI
- Nursing – 2% increase, historically index to inflation
- Food – 2%, increase
- Other Accommodation – 2% increase
- Supplementary Staffing Funding (Direct Care & Allied Health) – 2% increase
 - Funding through to March 2026 – DCH \$1,878.50 + AHP \$173.97 per bed, per month
 - Assumed April 2026 to March 2027– DCH \$1,916.07 + AHP \$177.45 per bed, per month

Assumptions Overview (cont'd)

Expense Assumptions

- Labour
 - Rate increases effective April 2026 – per City assumptions / contract
 - Exclusive of \$3 PSW Permanent Wage Enhancement, and respective funding at \$413.50 per bed per month
 - Agency costs budgeted based on incremental impact of currently hourly usage
 - New staff: Director, People Partner, ADOC, PT Life Enrichment Assistant
- Management fee based on renewed contract (December 1, 2025) - \$45,667/month
- Food cost aligned with Revenue
- Other Operating expenses: 2% inflationary increase (every 1% increase is equivalent to -\$18K)
- Utilities: 3-4% inflationary increase, with seasonality

Result

After 2026 tax levy \$2,676,848, we are at a deficit of (\$198,186)
Additional 11% tax levy required to balance the budget

Revenue Assumptions

Revenue			
Tax Levy = \$2,676,848			
Funding Envelopes & Other Revenues = \$19,000,366			
Nursing		Programs	
2025B	11,657,886	2025B	801,245
2026B	12,325,084	2026B	811,347
Increase \$	667,198	Increase \$	10,102
	5.72%		1.26%
Base Funding +2.01%	95,016	Base Funding +2.02%	10,102
	+2% from Apr/26 @ Current funding level		+2% from Apr/26
Direct Care / Allied Health	440,575		
Other Funding (IPAC personnel)	131,607		
	667,198		
Food		Other Accomodation	
2025B	809,811	2025B	4,989,429
2026B	826,600	2026B	5,037,335
Increase \$	16,790	Increase \$	47,906
	2.07%		0.96%
Base Funding +2.83%	16,790	Base Funding +2.01%	52,079
	+2% from Apr/26		+2% from Apr/26
**Note any increase in Food revenue is required to be spent in Food Envelope		Interest Reduction	(5,653)
		Minor Capital Funding	(0)
		Other Adjustments	1,480
			47,906
Key Assumptions			
2% increase in all Base Funding including Direct Care & Allied Health Supplemental Funding amounts effective April 2026			
CMI remains at 1.0162, increased from 1.0152 in April 2025. Each 1% reduction of CMI results in \$52K impact to funding. Built in a reserve for a decrease in CMI for 2026 by 1%.			

KEY REVENUE ASSUMPTIONS

2% increase in all Base Funding amounts including Direct Care & Allied Health Supplementary Staffing funding effective April 2026

CMI remains at 1.0162, increased from 1.0152 in April 2025

- Each 1% reduction of CMI results in \$(52K) impact to funding
- Built in a reserve for a decrease in CMI of 1% beginning April 2026 to absorb any impact

Bridge – Tax Levy

Bridge - 2025B to 2026B	
Tax Levy - 2025	(2,598,882)
Tax Levy - 2026	(2,676,848)
Change to Tax Levy	77,966
Revenue Increase	(741,995)
Labour Pay Rate Increases	
Nursing	
RPN & PSW	145,274
Other Union & Non-Union Labour Rate	21,649
Programs	23,907
OA Departments	130,153
	320,983
Staffing Increases (including benefits)	
Nursing	
ADOC	160,898
Programs	
Life Enrichment Assistant	69,576
OA Departments	
Director / Administrator	239,115
People Partner (City staff)	122,734
	592,323
Other Nursing Adjustments	
Benefits Cost Adjustment (26% to 27%)	115,437
Increase in Agency	2,560
Increase in Nursing Operating Expenditures	26,122
All other Nursing Expense Increases	37,407
	181,527
Other Items:	
Management Fee - decrease per Contract	(224,919)
Food Cost Increase	16,790
Laundry Coinamatic Contract + Dietary Chemicals Increase	36,908
R&M expenses (incl. flowthrough Minor Capital)	47,248
Unfunded Bad Debt expense decrease	(11,864)
Legal/Arbitration cost increase	30,000
Utilities increase (3% hydro and water, 4% gas)	23,827
Unitemized adjustments	5,326
Total Other	(76,685)
Total Adjustments (2025B to 2026B)	276,153
Budgeted Surplus / (Deficit)	(198,186)

Notes:

- Labour Pay Rate effective April 1, 2026
 - RN +5%
 - Union +3.5%
 - Non-Union +3.3%
- Staffing Increases
 - FT ADOC (\$68.38/hr)
 - PT Life Enrichment Assistant +30 hours weekly
 - People Partner +\$123K
 - Director +\$239K
- Net reduction in agency is based on current incremental agency cost incurred for backfill
- Food cost increase based on alignment with funding
- Management fee based on renewed contract \$548,000/year – savings offset with Executive Director wages

Direct Care Hours Targets

ACTUAL

Actual Hours	Direct Care	Allied Health
Q1 2024	3.06	1.19
Q2 2024	3.03	2.02
Q3 2024	3.55	1.29
Q4 2024	3.55	1.29
Q1 2025	3.55	1.29

**Dietary staff become qualified as Allied Health hours effective Q4 2023 and Q1 2024

BUDGET

Budget Hours	Direct Care	Allied Health
2023B	3.02	0.70
2024B	2.89	0.73
2025B	3.33	1.24
2026B	3.50	1.38

	2026-2027	2025-2026	2024-2025	2023-2024
Direct Care Staffing Supplement				
Target Direct Care Hours	4 hours	4 hours	4 hours	3 hours 42 min
Actual Announced \$ (MOH)		\$1,878.50	\$1,822.02	\$1,212.93
Range – Low End	\$1,673.55	\$1,673.55	\$1,304.95	\$1,007.88
Range – High End	\$1,721.49	\$1,721.49	\$1,753.70	\$1,213.87
Allied Health Prof. Funding				
Target Allied Health Hours	36 min	36 min	36 min	36 min
Actual Announced \$ (MOH)		\$173.97	\$161.35	\$147.55
Range – Low End	\$148.20	\$148.20	\$115.51	\$122.61
Range – High End	\$152.45	\$152.45	\$155.31	\$148.07
Supporting Prof. Growth Funding	\$10.98 (Assumed)	\$10.98	\$10.91	\$11.06

A PRD increase of 3.50 from 3.33 represents an increase of 198 weekly hours, or 1.2 hours per resident, per week.

Direct Care Sensitivity

Sensitivity

		2026	
	2026 Budget	Sensitivity 1	Sensitivity 2
	3.50	3.75	4.00
	1.38	1.38	1.38
COMPARED TO 2026 BUDGET			
Weekly hours			
(Reduced)/Addition			
Direct Care		285	576
Allied		0	0
Total Hrs (Reduced)/Addition		285	576
FTE translation			
Direct Care		8	15
Allied		0	0
Total FTE (Reduced)/Addition		8	15
Yearly (Addtl' Cost)/ Savings			
Direct Care		(725,472)	(1,464,945)
Allied		0	0
Total year additional (Cost)/ Savings		(725,472)	(1,464,945)

Notes:

- To reach 4.0 Direct Care Hours:
 - Addition of 576 weekly hours
 - FTE translation to 15 PSWs
 - Additional cost of \$1.5M

Appendix – Envelope Variance

ENVELOPE - 2025B vs 2026B

	2025 Budget	2026 Budget	Variance (\$)	Variance (%)	Variance Explanation
Nursing					
Revenue	11,657,886	12,325,084	667,198	6%	· Base Funding increase, +2% assumed increase from April 2026 · Direct Care Supplementary Staffing, and Allied Health Supplementary Staffing increase to the current funding level (+12% from 2025B) in the first 3 months and 2% additional increase for April 2025 onward
Expenses	13,051,291	13,935,669	884,378	7%	· 7% increase in Direct Care Staffing labour costs, driven by: · Labour wage rate increase, in line with assumptions; and, · Addition of ADOC and RCA 310 hours from Program Dept
Net Nursing	(1,393,405)	(1,610,586)	(217,181)	16%	
Programs					
Revenue	801,245	811,347	10,102	1%	· Base Funding increase, +2% assumed increase from April 2025
Expenses	1,517,404	1,158,093	(359,311)	-24%	· Significant decrease due to moving 310 RCA hours into Nursing (\$340K) with increase weekly PT LEA of 30 hours. Labour wage rate increase, in line with assumptions;
Net Programs	(716,159)	(346,746)	369,413	-52%	
Food					
Revenue	809,811	826,600	16,790	2%	· Base Funding increase, +2% assumed increase from April 2025
Expenses	809,811	826,600	16,790	2%	· Budgeted to align with funded revenue - increased spending assumed
Net Food	0	-	(0)	0%	

Appendix – OA Variance

OA - 2025B vs 2026B

	2025 Budget	2026 Budget	Variance (\$)	Variance (%)	Variance Explanation
Revenue	4,989,429	5,037,335	47,906	1%	<ul style="list-style-type: none"> Base Funding increase, +2% assumed increase from April 2025 Interest income in line with forecast
Expenses					
Dietary	1,431,305	1,555,878	124,573	9%	<ul style="list-style-type: none"> Higher wages and benefits due to increase in CUPE contract (5% wage rate increase from 2025 budget) and wage rate increase for DDS at 12% in current year
Housekeeping	755,928	766,766	10,838	1%	<ul style="list-style-type: none"> Higher wages and benefits due to increase in labour rates, and small increase in benefits, in line with assumptions;
Laundry	288,764	303,254	14,490	5%	<ul style="list-style-type: none"> Higher wages and benefits due to increase in labour rates, and small increase in benefits, in line with assumptions;
Maintenance	920,717	976,874	56,157	6%	<ul style="list-style-type: none"> Higher wages and benefits due to increase in labour rates, and small increase in benefits, in line with assumptions; Increase in Opex in line with 2026 Forecast (6 months actual + 6 months budget)
Administration	767,968	1,239,517	471,549	61%	<ul style="list-style-type: none"> Higher wages and benefits due to increase in labour rates, and small increase in benefits, in line with assumptions for Office Manager and Receptionist \$63K Additon of Director and People Partner \$362K;
Facility	1,314,066	1,112,749	(201,316)	-15%	<ul style="list-style-type: none"> Adjustment in 2026 budget includes 3-4% inflationary increase based on 12 month actual costs for utilities 2026 management fees computed based on contract set to renew on December 1, 2025
Net OA	(489,318)	(917,703)	(428,385)	88%	
Cumulative Net	(2,598,882)	(2,875,035)	(276,153)	11%	
Tax levy	(2,598,882)	(2,676,848)	(77,966)	3%	
Total Net Surplus (Loss)	0	(198,186)	(198,187)		