

QUESTIONS & ANSWERS

1. WHAT DOES IT COST TO OPERATE LABDARA NURSING HOME?

The overall annual cost of operating the LABDARA nursing home is \$6,385,826 (per the audited financial statements including interest and amortization)

2. DOES LABDARA STILL HAVE A MORTGAGE?

LABDARA continues to carry a mortgage of just over \$4,745,000 as at December 31, 2016. Mortgage interest payments continue to be a significant expense at \$333,773 plus principal of \$223,686, Total debt service payments per year to \$582,326.

3. DOES LABDARA HAVE RESERVE FUND?

LABDARA Nursing Home has \$582,316 in a capital reserve fund for unanticipated emergencies such as replacing the roof or the mechanical systems each could cost hundreds of thousands of dollars. The reserve is a requirement of the mortgage. We have met the conditions of the mortgage.

4. FROM WHERE DOES LABDARA GET ITS FUNDS?

Sources of funds for the LABDARA Nursing Home are The Ontario Government through the Ministry of Health & Long-term Care, residents' fees, BINGO, bequests and your donations. The Ministry of Health and residents' payments pay for nursing, programming, personal care, groceries and accommodation needs of the residents. This funding contributes to basic service and support, however, is not enough to give the residents added quality of life services or to cover any other contingencies the home may require. ***Funding from the Government has not kept up with the rising increases in costs for staffing, utilities, repairs and maintenance and other operating expenses. Our recent increase in accommodation funding was only 1.1% whereas operating costs went up by a higher percentage***

5. WHERE DO THE FUNDS RAISED BY VARIOUS FUND-RAISING EVENTS GO?

The Gala held in June 2016 will fund a video camera security system to be installed inside and outside of the home. The 2009 Golden Gala paid for the building of the portico and lighting for the entrance to the Nursing Home. Gala 2012, commemorating the 10th anniversary of LABDARA Nursing Home, purchased 35 electric beds, mattresses and lifts for our residents. The Golden Gala is not an annual event, but is held only once every 3-4 years, ***whereas our operating costs are annual and ongoing.***

The monies raised by The Toronto Challenge walkathon paid for an outdoor patio and garden for our residents and for sunscreen blinds in resident dining rooms on all three floors. Fund-raising bake sales and other events throughout the year pay for various projects like replacement of aging lawn furniture, shade awning, programming, and excursions for the residents. Donation funds paid for the installation of the backwater valve as a precaution against future flooding, much needed renovation of the food serveries on each of the

three floor resident dining rooms. ***None of this is covered by Government funding or resident fees.***

6. WHAT DOES THE ONTARIO GOVERNMENT FUND?

The Ontario Ministry of Health & Long-Term Care (MOHLTC) and the resident co-payment provides \$99.41 per resident per day to cover nursing staff and nursing supplies. Of that, \$9.41 to cover the cost of activities, programs and dietician costs, \$8.33 to cover groceries for 3 meals per day plus snacks and nutritional supplements, and, \$54.52 accommodation funding to cover all remaining costs including the mortgage and capital replacement. We are financially responsible and balance our budget overall, but live "paycheck to paycheck" on a monthly basis – there is no flexibility in our current funding to cover extras or unexpected expenses. ***Government funding is not enough.***

From the donations to LABDARA by families and friends, the Board of Directors decides on priority projects that require donated funds to implement them. The Ministry of Health does not provide us with additional funding for capital replacement. These expenditures must come out of our limited operating funds. Our building is aging and a recent engineering assessment mapped out infrastructure repair or replacement requirements over the next 5, 10, 15 and 20 years: things like the roof of the building, heating and cooling systems, updating computer infrastructure, nurse call systems, security systems, etc.

7. WHAT ARE OUR FUNDING PRIORITIES FOR 2017?

The Board of Directors' fundraising goal for LABDARA Nursing Home for 2017 is to replace the tables and chairs in the resident dining rooms on all three floors. After 15yrs continuous use, they have exceeded their lifespan and after repeated repairs are no longer stable. In addition, ergonomic models are now available to meet the needs of mobility-compromised individuals and of people in wheelchairs, est. \$75,000.

Other priorities are:

- Complete renovations to dining room serveries (floors, ceilings, sinks, cabinets) on all three floors to meet Ministry standards est. \$40,000.
- Upgrade emergency electrical capacity for walk-in food coolers to hold 3 days food for the home & connect plug-ins for resident beds & resident nurse call system in emergencies est. \$15,000.
- Nurse Call System replacement: current system designed 40yrs. ago – parts not available. Phase in over 3 years (\$33,000 per year) est. \$100,000.

We will strive to implement priority projects as funds raised for the home allow us to do so. The operating costs of LABDARA Nursing Home are ongoing annual costs. Anything beyond day-to-day operations depends on your donations. That is why we are asking for your help now.

For any questions or for more information please contact:

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Treasurer