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2015 OPERATING BUDGET BRIEFING NOTE

Meals on Wheels Costs and Fees

Issue/Background:

- Long-Term Care Homes & Services (LTCHS) prepares and provides about 2,400 meals per week to six (6) agencies for distribution and delivery to local seniors living in their own homes
- The cost to prepare each meal is \$7.56 of which \$6.50 is recovered through a rate/user fee charged to agencies. A modest \$0.25 price increase to \$6.75 per meal is scheduled to take effect on April 1, 2015
- The rate LTCHS charges per meal is on par with what other organizations charge Meals on Wheels agencies
- Meals on Wheels agencies can source other food service providers but appreciate the quality of the meals and service provided by LTCHS

Key Points:

- LTCHS prepares and provides meals as a service to the community through its Long-Term Care Homes' program
- Support for Meals on Wheels is a cost pressure on the LTCHS operating budget which City Council has supported in the past as it enables seniors to remain in their own homes, and this service is in alignment with the Toronto Seniors, Poverty Reduction and Strong Neighbourhoods Strategies
- Price increases over the last several years have not negatively affected the volume of meals that LTCHS has been asked to prepare for agencies. Rising costs, including food, labour and packaging has necessitated that LTCHS adjust the rate charged to agencies

Questions & Answers:

- What is included in the increased costs and fees charged for Meals on Wheels?
 - Food, labour and packaging costs are factored into the rate increase but the actual price of the meal is not charged fully to the agency, the City will still be supplementing \$0.81 per meal.
- What is the projected impact on sales?
 - To date, rate increases to Meals on Wheels Agencies have had no impact on the volume of meals LTCHS has been asked to sponsor.
 - LTCHS must limit the number of meals it produces for agencies due to competing financial priorities within the long-term care homes' program operating budget.

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