



City of  
**Peterborough**

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**To:** **Members of the Finance Committee**

**From:** **Patricia Lester**  
**Commissioner of Corporate and Legislative Services**

**Meeting Date:** **January 14, 2019**

**Subject:** **Report CLSFS19-007**  
**Peterborough County/City Paramedics Service 2019 Budget**

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## **Purpose**

A report to inform Council that the 2019 Budget submission for Peterborough County/City Paramedics Service will be reviewed on Tuesday, January 15, 2019.

## **Recommendation**

That Council approve the recommendation outlined in Report CLSFS19-007, dated January 14, 2019, of the Commissioner of Corporate and Legislative Services as follows:

That the presentation and budget details presented to the January 15, 2019 Finance Committee by the Peterborough County/City Paramedics Service for the 2019 Budget, be received.

## **Budget and Financial Implications**

Should Council support the Scenario 2 expanded level of service, there will be an additional impact to the 2019 Draft Budget in the amount of \$131,775 over and above what has been presented by staff, with additional impacts in 2020 and 2021 of \$126,600 and (\$256,824) respectively. The cost reduction in 2021 is the result of increased Provincial funding.

## Background

The Finance Committee is scheduled to review the 2019 Draft Budget during the week of January 14, 2019. Tuesday, January 15, 2019 has been set aside to review budget requests from outside Boards and Agencies. The Finance Committee will resume its review of City departments either later that evening, or on Wednesday, January 16, 2019.

Included on pages 196-197 of the 2019 Draft Budget Highlights Book is a high-level summary of information included in the Draft 2019 Operating Budget. A proposal for an expansion of service will be presented by Peterborough County/City Paramedics Service (PCCPS) as detailed in Appendix A. Scenario 2 of the proposal was endorsed by the Joint Services Steering Committee on October 4, 2018.

The impact of the proposal would be an additional \$405,679 in cost offset by reserve funding of \$273,904, resulting in an incremental increase of \$131,775 over and above the status quo and would bring the total PCCPS budget increase year over year to \$225,266 (4.70%).

As directed by Council during approval of the 2019 Budget Guideline Report, the requested expense for this service expansion has not been included and is reflected on Form 13, "Below the Line" in the City's 2019 Draft Operating Budget.

Chart 1 illustrates the impact of the Service Expansion Proposal for 2019.

**Chart 1**  
**Scenario 2 - 2019 Budget Impact**

Service	2018 Approved	2019 Presentation Request	% Difference	\$ Difference
<b>Peterborough County/City Paramedic Services</b>				
<b>Status Quo Recommended</b>	4,794,909	4,888,400	1.9%	93,491
<b>Scenario 2 Impact:</b>				
Incremental Cost		405,679		405,679
Contribution from Reserve		273,904		273,904
<b>Net Impact</b>		131,775		131,775
<b>Potential 2019 Requirement</b>	4,794,909	5,020,175	4.7%	225,266

## **PCCP Reserve**

Over the years 2001 – 2015, the County had billed the City of Peterborough in anticipation of costs related to cross border billings with the City of Kawartha Lakes (CKL). In recent years, the County's reliance upon cross border services with CKL has decreased to the point where PCCPS is now responding to more calls for CKL, than CKL is responding for the County. With no formal agreement in place, the County and CKL have now agreed that no funds are owing to each other. As a result, the City has received a refund of \$421,390 and placed the monies in the PCCPS Reserve. A formal agreement is being finalized by the parties for 2019 and future years.

Inclusive of the funds received as a result of the Cross Border reversal refund of \$421,390, less the proposed contribution of \$273,904 shown in the above Chart; should Finance Committee wish to endorse the Scenario 2 Service Expansion, the City's reserve for Paramedic Services would have an uncommitted balance of \$0.9 million.

## **PCCP - Base Funding Impacts 2019 - 2021**

Chart 2 summarizes the impact to the City's base funding over the 2019 – 2021 budget years should Council wish to adopt the Scenario 2 expanded level of service. The net impact in 2021 is reduced as Provincial funding increases.

Should Council wish to add the additional funds into the 2019 Draft Budget to fund the expanded level of service, the following motion would be appropriate:

That Item 10 from the 'Below the Line' list on page 255 of the 2019 Draft Budget Highlights Book - Peterborough County/City Paramedics, be added to the Draft Budget as follows:

Base funding for 2019 for PCCP services be increased by \$405,678 from \$4,888,400 to \$5,294,078, funded by a transfer from the PCCP Reserve in the amount of \$273,904 and a transfer from the 2019 General Contingency provision in the amount of \$131,774.

**Chart 2**  
**Base Funding – 2019 - 2021**

Peterborough County/City Paramedics Service Expansion Impact				
Row	Description	2019	2020	2021
1	Salaries	675,547	675,547	908,015
2	Annualization		216,851	0
3	Inflation		15,617	15,891
4	<b>Total Salary Cost</b>	<b>675,547</b>	<b>908,015</b>	<b>923,906</b>
5	City portion Salaries	396,006	532,278	541,594
6	One time	9,672	0	0
7	<b>Total City Expense</b>	<b>405,678</b>	<b>532,278</b>	<b>541,594</b>
8	Provincial Funding	0	0	266,139
9	<b>Net City Impact</b>	<b>405,678</b>	<b>532,278</b>	<b>275,455</b>
10	Status Quo Prior year Budget	4,794,909	4,888,400	4,986,168
11	Status Quo Current year Budget	4,888,400	4,986,168	5,085,891
12	<b>Staus Quo Budget Change</b>	<b>93,491</b>	<b>97,768</b>	<b>99,723</b>
13	<b>Staus Quo Budget Change %</b>	<b>1.95%</b>	<b>2.00%</b>	<b>2.00%</b>
14	<b>Scenario 2 Incremental Impact</b>	<b>405,678</b>	<b>126,600</b>	<b>-256,824</b>
15	<b>% Impact over Prior Years Budget</b>	<b>8.46%</b>	<b>2.59%</b>	<b>-5.15%</b>
16	<b>City Base Funding - Scenario 2</b>	<b>5,294,078</b>	<b>5,518,446</b>	<b>5,361,346</b>
17	<b>Total Base Funding Change</b>	499,169	224,368	-157,101
18	<b>Total Base Funding % Change</b>	10.41%	4.24%	-2.85%
19	<b>Net PCCP (Cross Border) Reserve Transfer</b>	273,904	-126,417	-147,487
20	<b>Net Requirement after Reserve Transfer</b>	<b>5,020,174</b>	<b>5,370,960</b>	<b>5,361,346</b>

Additional budget details are appended to this report and further information will be provided by representatives from PCCPS on January 15, 2019.

Submitted by,

Patricia Lester  
Commissioner of Corporate and legislative Services

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Attachment:

Appendix A: Draft 2019 Budget for Peterborough County/City Paramedics Service