



Staff Report

County Council

To: Peterborough Regional Liaison Committee
From: Trena DeBruijn, Director of Finance/Treasurer
Randy Mellow, Chief of Paramedics
Date: September 10, 2020

Subject: FIN 2021 042 Peterborough County/City Paramedics Service (PCCP) Preliminary Draft 2021 Budget

Recommendation: That the Peterborough Regional Liaison Committee (PRLC) receive the preliminary draft 2021 PCCP budget proposal and approve it to be forwarded to the City of Peterborough and the County of Peterborough to act as a preliminary estimate to assist in their 2021 budget development.

General Overview:

The 2021 PCCP service departmental budget estimates provided in this report are to be considered preliminary only. The final draft PCCP budget is not expected to be presented until December 2020, as a component of the County's 2021 budget process.

The Consolidated Municipal Service Manager (CMSM) agreement between the County and City of Peterborough identifies permanent population as the method of distributing PCCP municipal costs. Following those guidelines, the distribution of municipal funding requirement contained within this preliminary draft budget estimate is based on each municipality's proportionate percentage of population for the Peterborough area.

The Municipal cost sharing ratio for the land ambulance service is adjusted commensurate with the publication of the most recent census data in the first budget subsequent to the updated data's release. The revised ratio then remains in place until the next census data update. Statistics Canada generally updates its published population data once every five years. The change in sharing ratio based on the 2016 census data was incorporated into the 2021 preliminary paramedic services budget.

Population data has been drawn from the 2016 Statistics Canada Population Census information. In the 2016 census, the total population of the County and City is reported as 138,236 residents. Of this, the City of Peterborough is noted to have 81,032 residents or

Staff Report

58.62% of the total population (up from 58.32% in 2011 Census), with the remaining 57,204 or 41.38% of the population in the County (down from 41.68 in 2011 Census).

2020 Land Ambulance Service Grant:

In late August 2020, the County received a notice from the Ministry of Health, indicating 2020 grant funding of \$8,474,391, which represents an increase of approximately 6% over the 2019 grant of \$7,948,054 (however, a short fall of approximately \$5,781 over 2020 budget forecast).

2021 Land Ambulance Service Grant:

The Provincial operating grant transfer for 2021 is estimated at \$8,716,157 and represents a 2.8% increase over the 2020 Land Ambulance Service grant.

Dedicated Offload Nurse Program:

In 2015, the Province committed separate funding support of \$450,600 for the Dedicated (or Offload) Nurse Program (DNP). The DNP initiative has proven to assist in managing the impact of patient offload delays at the Peterborough Regional Health Centre. Commencing with the 2014 level of MOHLTC grant commitment, the DNP was sufficiently funded to extend the nurse's operational hours to 24 hours a day, 7 days a week. While the 2021 Offload Nurse funding is yet to be confirmed, we are cautiously optimistic that it will continue at the 2020 transfer level and has been budgeted accordingly.

Administration:

Administrative expenses are expected to increase by \$134,643 or 4.26% over 2020. This includes wage and benefit costs for administration that are expected to increase by \$14,384 or 0.69%.

General administration expenses are increasing overall by \$120,066 or 11.39% and contributions to reserves are forecasted to increase by \$193.

The primarily increases in general administration expenses relate to the following:

- IT Hardware purchases of 21 Toughbooks, funded 100% by reserves;
- Internal transfers (as a result of salary and benefit increases in other functional departments)

Staff Report

Paramedic Expenses:

Overall paramedic expenses are expected to decrease by \$183,839 over 2020 or 1.53%.

As a result of the WSIB rate reform, expected WSIB expenses have decreased by approximately \$409,809, which is being used to offset increases in other paramedic expense lines.

Vehicle Operating Expenses:

Vehicle operating expenses are estimated to increase by approximately \$24,465 over 2020. This is primarily due to increases in vehicle maintenance, insurance and GIS Tracking.

Vehicle Capital and Reserve Expenses:

Vehicle capital purchases are funded by reserves in the 2021 budget and are expected to increase by approximately \$17,451 for 2021. Included in this amount, is a decrease for capital purchases of \$13,000 and an increase to vehicle reserves of \$30,451.

The vehicle replacement schedule indicates that two ambulances with power stretchers are due for replacement in 2021 and two emergency response vehicles. The estimated replacement cost of each of the ambulances (and power stretchers) is \$185,500 and the estimated cost of each emergency response vehicle is \$84,000.

Patient Care Equipment and Supplies:

The patient care section of the 2021 preliminary budget estimates a decrease of \$581,902 or 38.82% in gross spending. In 2020, the County budgeted to replace a number of defibrillators which are not required in 2021. The capital equipment of \$117,750 for 2021 includes five power stretchers at \$23,550 each and is funded entirely by reserves.

As call volumes continue to increase, the costs for supplies are all affected. Operating expenses are forecasted to increase by \$108,000, primarily related to pandemic supplies increase of \$70,000 and medical non disposable increases of \$35,000 (related to COVID-19).

The County is planning to fund its portion of the increased costs for pandemic supplies and non disposable supplies from the Federal and Provincial Safe Restart Funds received in 2020.

Staff Report

Facility Expenses:

The facility expenses section of the 2021 preliminary budget estimates an increase of \$95,176 or 7.27% over 2020. Operating expenses are increasing by \$91,216 while capital purchases and reserve contributions are increasing by \$3,960. The main facility operating expense increases are due to enhanced cleaning costs related to COVID-19.

The County is planning to fund its portion of the increased cleaning costs pertaining to COVID-19 from the Federal and Provincial Safe Restart Funds received in 2020.

Reserves:

Overall contributions to reserves, included in the 2021 preliminary budget, have increased by 4.4% or \$37,403 (\$30,451 of which is related to reserve contribution increases for rolling stock). Future equipment replacements are forecast over a 10 year horizon with funding for asset replacements flowing from the reserve account as contributions from reserve. Contributions to reserve provide the annual reserve replenishment dollars and are sourced from municipal tax dollars.

In consultation with:

1. Acting CAO, Sheridan Graham
2. Deputy Chief, Operations, Chris Barry

Attachments

Appendix A

Respectfully Submitted,
Original Signed by

Trena DeBruijn
Director of Finance/Treasurer

For more information, please contact
Trena DeBruijn
tdebruijn@ptbocounty.ca
705-743-0380 ext. 2200

Respectfully Submitted,

Randy Mellow
Chief of Paramedics

Appendix A: PCCP Preliminary Draft 2021 Budget - SUBJECT TO CHANGE

Estimated Revenues:	Budget 2020	Budget 2021	Budget \$ Change (decrease) / increase	Budget % Change (decrease) / increase	Comments
County funding requirement - ambulance	3,667,027	3,713,141	26,114	0.71%	Population split based on 2016 census (58.62% City/41.38% County)
City funding requirement - ambulance	5,451,226	5,391,148	-60,078	-1.10%	Population split based on 2016 census (58.62% City/41.38% County)
Contribution from shared capital reserve	1,417,850	822,130	-595,720	-42.02%	
Contribution from County Cross Border Reserve	20,000	20,000	0	0.00%	
Contribution from LSR reserve (County Only)	155,792	92,485	-63,307	-40.64%	Includes County Only Safe Restart Funds of \$49,035 related to COVID Cleaning and \$43,450 related to COVID increase for pandemic supplies and non disposable supplies
Community Paramedine Program	0	417,500	417,500	100.00%	100% funded by Province
Contribution from Reserve	37,000	0	-37,000	-100.00%	
Province ambulance grant transfer	8,480,172	8,716,157	235,985	2.78%	Estimated Forecast
Dedicated nurse program funding transfer	450,683	450,683	0	0.00%	Budgeted at 100% of estimated cost (unchanged from 2017)
Substance Abuse Additions Program	0	159,105	159,105	100.00%	100% funded by Province
Recoveries amounts and Refunds	70,000	70,000	0	0.00%	Estimated recovery for services provided on a charge out basis
Total Estimated Revenues	19,769,750	19,852,349	82,599	0.42%	
Estimated Expenses					
Administration expenses	3,161,018	3,295,661	134,643	4.26%	Chief, Deputy Chief(s), Superintendents, Executive Assistant, Clerical, Professional Standards, Fleet Coordinator, P/T Fleet Technician, plus estimated 2021 OMERS pension plan and employee benefits premium rates. Includes Off Load Nurse program of \$450,600 (100% Provincially funded), and admin equipment reserve contribution of \$13,086
Paramedic expenses	11,992,143	11,808,304	-183,839	-1.53%	F/T Paramedics and P/T Paramedics. Includes estimated increases to OMERS pension plan and employee benefits premiums in 2021. Also includes uniforms, professional fees, and health and safety costs.
Vehicle Operating Expenses	612,030	636,495	24,465	4.00%	Includes fuel, vehicle maintenance, licencing and insurance expenses.
Community Paramedicine	417,500	417,500	0	0.00%	
Sustance Abuse Additions Programs	159,105	159,105	0	0.00%	
Vehicle Capital and Reserve Expenses	1,161,020	1,178,471	17,451	1.50%	Replacement of two ambulances with power stretchers @ \$185,500 each plus two ERVs @ \$84,000 each and Future reserve contributions to rolling stock of \$639,471.
Patient care equipment and supplies expenses	1,499,097	917,195	-581,902	-38.82%	5 power stretchers at \$23,550 each plus patient care expenses and reserve contributions of \$171,445.
Cross Border Billings expense	35,000	35,000	0	0.00%	
Facility expenses	1,309,442	1,404,618	95,176	7.27%	Includes facility expenses for 6 bases @ \$1,299,607, capital renovation of \$40,000 and reserve contribution of \$65,011. Included in the budget is increased cleaning costs due to COVID-19, of approximately \$118,500 (offset by some savings in other areas).
Total estimated expenses	\$19,769,750	\$ 19,852,349	\$ 82,599	0.42%	