



Staff Report

Meeting Date: September 9, 2021

To: Peterborough Regional Liaison Committee

Title: Peterborough County/City Paramedics (PCCP) Preliminary Draft 2022 Budget

Author: Trena DeBruijn, Director of Finance
Randy Mellow, Chief of Paramedics

Approval: Sheridan Graham, CAO

Recommendation: That the Peterborough County/City Paramedics Preliminary Draft 2022 Budget, be received and forwarded to the City of Peterborough and the County of Peterborough to act as a preliminary estimate to assist in the 2022 budget development.

Overview

The 2022 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 January 2022, as a component of the County's 2022 budget process.

Background

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.



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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 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).

2021 Land Ambulance Service Grant:

In mid July 2021, the County received a notice from the Ministry of Health, indicating 2021 grant funding of \$8,724,366 which represents an increase of approximately 2.9% over the 2020 grant of \$249,975 (and an increase of approximately \$8,209 over 2021 budget forecast).

2022 Land Ambulance Service Grant:

The Provincial operating grant transfer for 2022 is estimated at \$8,713,749 and represents a 0.12% decrease over the 2021 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 2022 Offload Nurse funding is yet to be confirmed, we are cautiously optimistic that it will continue at the 2021 transfer level of \$450,683 and has been budgeted accordingly.

Administration:

Administrative expenses are expected to increase by \$101,363 or 3.05% over 2021. This includes wage and benefit costs for administration that are expected to increase by \$60,052 or 2.8%. The increase includes the mid year addition in 2022 of a part-time logistics employee.

General administration expenses are increasing overall by \$48,662 or 4%, administrative equipment (funded by reserves) are increasing by \$5,735 and contributions to reserves are decreasing by \$13,086.



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

- Narcotic Safe Purchases
- Increased MS Licencing to permit medics use of personal device for emails
- Master Plan Refresh
- Internal transfers (as a result of salary and benefit increases in other functional departments)
- Decrease in IT Hardware requirements

Paramedic Expenses:

Overall paramedic expenses are expected to increase by \$143,980 over 2021 or 1.22%, primarily related to salary and benefit increases for 2022.

Vehicle Operating Expenses:

Vehicle operating expenses are estimated to increase by approximately \$61,030 or 10.19% over 2021. This increase is primarily due to increases in vehicle maintenance and insurance.

Vehicle Capital and Reserve Expenses:

Vehicle capital purchases are funded by reserves in the 2022 budget and are expected to increase by approximately \$216,199 for 2022. Included in this amount, is the purchase of one emergency response vehicle (@\$86,519) and three ambulances with power stretchers (@ \$216,199 each).

In addition, contributions to reserves for future vehicle replacement needs is expected to increase by \$79,467 for 2022.

Patient Care Equipment and Supplies:

The patient care section of the 2022 preliminary budget estimates a decrease of \$680,025 or -41.48%. In 2021, the County budgeted to replace a number of defibrillators which are not required in 2022. The capital equipment of \$159,096 for 2022 includes Paramedic Education Simulator Equipment, a Mask Fit Test machine, a Nocospray machine and three power stretchers.



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Facility Expenses:

The facility expenses section of the 2022 preliminary budget estimates a decrease of \$121,517 or -8.23% over 2021. Operating expenses are decreasing by \$121,844 (decrease in covid-19 related facility costs over 2021 budget) while reserve contributions are increasing by \$327.

The County is planning to fund its portion of the expected covid-19 cleaning costs pertaining Federal and Provincial Safe Restart Funds received in 2020 and 2021.

Reserves:

Overall contributions to reserves, included in the 2022 preliminary budget, have increased by 5.6% or \$102,442 (\$79,467 of which is related to reserve contribution increases for rolling stock). Future equipment replacements (or known, new equipment requirements) 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.

Financial Impact:

The PCCP Preliminary Draft Budget for 2022, estimates a levy increase of approximately \$214,138 to the County of Peterborough and an additional \$265,255 to the City of Peterborough.

Gross spending includes both operating and capital expenditures. In the 2021 budget, there were significant expenses included for COVID-19 which have been greatly reduced in the 2022 draft budget (mostly facility and pandemic costs).

Further, the 2021 budget included total capital purchases of \$1,457,855 versus \$939,947 in the draft 2022 budget. All capital purchases are funded by prior year reserve contributions.

While overall gross spending for 2022 has decreased by \$252,603 or 1.25% (this is primarily due to the decrease in capital spending), the levy requirements is increasing due to the fact that the expenses that are increasing in 2022 (some of which were reduced in 2021 due to the pandemic and are being raised to historical levels in 2022), are not covered by reserve funds.

Anticipated Impacts on Local and/or First Nations Communities

N/A



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Alignment to County of Peterborough Strategic Plan Priorities

To provide high quality services to residents, businesses and Townships:

Financial Responsibility – To ensure evidence-informed planning and approaches to achieve financial sustainability and accountability, while keeping ratepayers top of mind.

Communication Completed/required:

N/A

Attachments

N/A

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