

Report PSR-TAPS-01-15

To: Chair Barfoot and Members of the Transportation and Public Safety Committee
From: Mike Muir, Director of Paramedic Services
Meeting Date: January 8, 2015
Subject: To provide a summary of the draft 2015 Paramedic Services budget.
Status: Recommendation adopted by Committee as amended per Resolution TAPS16-15 by directing staff to review the draft budget and look for savings of \$50,000 and that a subsequent report be presented to the Committee; Endorsed by County Council February 3, 2015 per Resolution CC35-15.

Recommendation(s)

THAT Report PSR-TAPS-01-15 regarding the draft 2015 Paramedic Services Budget be received;

AND THAT the draft 2015 Paramedic Services Budget be forwarded as presented to County Council for consideration.

Background

The purpose of this report is to summarize the 2015 proposed Paramedic Services (PS) budget. The overall net budget of operating and capital combined totals \$5,982,421 and requires a net levy increase of \$191,283 or a 3.30% increase over the 2014 budget. This reflects a 0.37% increase to the corporate net levy requirement for 2015.

Operating Budget

The 2015 proposed operating budget reflects a \$191,282 increase as compared to 2014. The increase is attributable to salaries and associated benefits, maintenance of buildings, insurance and supply costs. The budget has been assisted by \$343,948 in funding increases received in 2014 of which \$31,153 was unbudgeted. Based on information provided by the Ministry of Health and Long Term Care that shows the

50/50 provincial conditional grant funding allocation is based upon the previous year's municipal approved budget adjusted for inflation, the proposed 2015 budget reflects a grant increase of \$161,914.

Salaries and benefits have increased \$594,403 as compared with the 2014 budget (of this amount, \$155,546 is attributable to benefits) and have been impacted by the following:

- Wage increase for unionized and non-union staff
- Wages and benefits for the Community Paramedicine program totaling \$123,875 that is funded 100% by the Ministry of Health and Long-Term Care
- Additional \$231,720 inclusive of benefits for up-staffing cost to bring the Craighleith station to 24 hour coverage effective January 1, 2015. This has been offset by moving two existing full time equivalents (FTE) from the day shift to night shift as a result of reducing non-emergency transfers in 2014.
- As funding is based upon the previous year's budget, one paramedic position (\$115,860) has been funded from the EMS reserve in anticipation that Ministry funding will increase in 2016 when the 2015 approved municipal budget is taken into consideration.

The service has received funding from the Ministry of Health and Long Term Care Community Paramedicine Initiative in the amount of \$299,900 to participate in the Enhancing Paramedicine in the Community (EPIC) clinical trial in partnership with the Owen Sound Family Health Team and St. Michael's Hospital. The purpose of the study is to determine if hospital admissions can be reduced for patients suffering from chronic diseases when treated by the community paramedics. The funding covers wages, research and operating costs for two community paramedics during the study period anticipated to last until the fall of 2015. A portion of the grant will be spent in 2014 and the remaining \$202,245 has been budgeted to offset salaries and associated benefits, supplies and equipment purchases in 2015.

The vehicle operations budget has been increased by \$7,310 and \$5,685 of this amount is an increase in the insurance budget line. The 2015 budget has been prepared on the basis that the fuel costs incurred in 2014 will remain the same for 2015 (combination of fuel and inter-functional fuel budget lines) as the reduction of non-emergency transfers will reduce total fuel consumption. It is also anticipated that there will be a greater usage of fuel supplied by the County depots as opposed to retail purchases usually made when vehicles are out of county.

The 2015 budget for medical supplies, oxygen and medications has been reduced by a combined \$8,000 as compared with the 2014 budget based upon current costs and usage.

Also included in the budget is the ongoing software maintenance cost for new Staff Schedule Care scheduling software implemented in late 2014 in the amount of \$5,861. The current inventory of cardiac monitor/defibrillators is now outside of their extended warranty period with an additional \$5,000 added to the biomedical engineering line to assist with repair costs. Other purchases included in the operating budget are \$22,500 for patient care equipment and \$8,000 for laptop computer replacements.

Other operational budget items include:

- Overhead garage door repairs for the Owen Sound base - \$14,000
- Monitoring cables for cardiac monitor/defibrillators – \$10,000

The introduction of a new funding model and reporting practices in 2009 mandated by the Ministry of Health and Long Term Care related to equipment reserves resulted in a change to the way the transfer to reserve was presented. As part of the annual capital budget process, staff reviews the capital reserve schedule to determine how much needs to be transferred to reserve in order to ensure adequate funds are set aside to replace vehicles and equipment when their useful lifespan is reached. The full transfer to reserve totaling \$506,000 is shown on the page titled EMS Administration as amortization will meet or exceed this amount.

Capital Budget

The 2015 proposed capital budget has a levy impact totaling \$57,788 to fund the debenture for the Craigeith station; vehicle and equipment purchases are funded through the equipment reserve. Capital purchases for 2015 are as follows:

- 3 ambulances – the department has moved to single stretcher ambulances with sliding safety paramedic seat and power load system – \$498,030
- 2 stretchers totaling \$32,504

Financial / Staffing / Legal / Information Technology

Considerations

The EMS budget as proposed requires a levy increase totaling \$191,283 or a 3.30% increase as compared to the 2014 budget. This budget has been assisted by the estimated \$161,914 increase in provincial conditional grant.

Link to Strategic Goals / Priorities

Follow CAO's Strategic Operating Plan – Service Excellence

Respectfully submitted by,

Mike Muir

Director Grey County Paramedic Services

[Attachment to PSR-TAPS-01-15 Paramedic Services Draft Budget January 8, 2015](#)