

# Analyst Briefing Notes

## Budget Committee Review

(March 26, 2007)

### 2007 OPERATING BUDGET

Executive Summary .....	1
Recommendations .....	3
<b>Section A: 2006 Budget Variance Analysis</b> .....	4
2006 Experience .....	4
Impact of 2006 Operating Variance on 2007 Recommended Budget .....	5
<b>Section B: 2007 Operating Budget Overview</b> .....	6
3-Year Operating Budget Overview .....	6
Service Delivery – Challenges and Issues.....	6
Mayor’s Mandate .....	9
<b>Section C: 2007 Recommended Base Budget</b> .....	10
2007 Recommended Base Budget .....	10
2007 Key Cost Drivers .....	10
<b>Section D: 2007 Recommended Service Priorities</b> .....	12
Summary of 2007 New / Enhanced Service Priorities.....	12
Issues for Discussion .....	14
2007 Operating Budget Issues.....	14
<b>Appendices:</b>	
Appendix 1: Summary of Recommended Base Budget Changes from 2006 Approved Budget....	15
Appendix 2: Summary of Service level Adjustments .....	16
Appendix 3: Summary of 2007 Recommended New / Enhanced Service Priorities .....	17
Appendix 4: Inflows/Outflows to/from Reserves and Reserve Fund .....	18

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**2007 OPERATING BUDGET**

**Executive Summary**

- The 2006 preliminary year-end actual expenditure of \$67.543 million net is \$7.036 million or 11.6% over the 2006 Approved Budget and is attributable to a shortfall in Provincial revenues of \$8.7 million for Land Ambulance Services (\$7.551 million) and an unrealized Federal Medical Grant (\$1.2 million), partially offset by additional Provincial grant of \$2.224 million for the Central Ambulance Communication Centre (CACC).
  - The Provincial shortfall is not expected to continue as the Province has provided an increase of \$10.1 million in Base funding for Land Ambulance Services for 2007.
  
- The 3-Year Operating Budget supports Toronto Emergency Medical Services (EMS)’s strategic direction to safeguard the quality of life in the City of Toronto through the provision of outstanding ambulance-based health services, in particular, to respond to medical emergencies and to special needs of vulnerable communities through mobile health care.
  - A major challenge for 2007 and beyond will be to maintain effective deployment of available resources to meet the 1996 established response time standard of 84% within 9 minutes. As a result of hospital offload delays, EMS paramedics continue to care for ambulance patients for extended periods after their initial arrival at the hospital and this has been a principal factor in the degradation of EMS’ response time to only 68.1% within 9 minutes in 2006.
  
- The 2007 Recommended Operating Budget of \$61.590 million net is \$1.083 million or 1.8% over the 2006 Approved Budget and the 2007 target.

**Table 1: 2007 Recommended Budget**

	2006		2007 Recommended Operating Budget			Change - 2007 Recommended from 2006 Approved Budget		FY Incremental Outlook	
	2006 Appvd. Budget	2006 Projected Actual	2007 Base	2007 New /Enhanced	2007 Operating Budget			2008	2009
	\$	\$	\$	\$	\$	\$	%	\$	\$
(In \$000s)									
<b>GROSS EXP.</b>	142,528.2	144,730.9	147,133.3	489.1	147,622.4	5,094.2	3.6	4,902.9	80.3
<b>REVENUE</b>	82,021.3	77,187.8	85,788.3	244.6	86,032.9	4,011.6	4.9	2,781.9	35.3
<b>NET EXP.</b>	60,506.9	67,543.1	61,345.0	244.5	61,589.5	1,082.6	1.8	2,121.0	45.0
<b>Approved Positions</b>	1,200.3	1,200.3	1,199.3	8.0	1,207.3	7.0	0.6		
<b>TARGET</b>			<b>60,506.9</b>		<b>60,506.9</b>				
<b>\$ Over / (Under) Program Target</b>			<b>838.1</b>		<b>1,082.6</b>				
<b>% Over / (Under) Program Target</b>			<b>1.4%</b>		<b>1.8%</b>				

- The 2007 Recommended Operating Budget of \$61.590 million net is comprised of \$61.345 million net for base funding and \$0.245 million net for an Enhanced Service Priority which includes an increase of 8 new paramedic positions.
  - The 2008 and 2009 Outlook net increase of \$2.121 million and \$0.045 million respectively includes ongoing cost of living adjustment (COLA), merit and step increases, an additional one day in 2008 (leap year) and the annualized impact of 8 new paramedic positions recommended for 2007.
- The 2007 Recommended Base Budget is \$0.838 million or 1.4% over the 2007 target. The base budget includes service efficiencies of \$0.390 million net, as follows: deletion of one budget analyst position that is currently vacant (\$0.090 million gross and net) and continuation of a one-time reduction of \$0.300 million net, approved in 2006.
  - 2007 key cost drivers consist of COLA, merit and step, inflationary increases (\$4.278 million); reversal of the one-time Federal Medical grant in 2006 for the purchase of vehicle and medical equipment (1.2 million); and, annualized impact of the Public Access Defibrillator (PAD) program where EMS will deploy approximately 100 AEDs to City facilities including training of City staff in the use of the equipment (\$0.113 million). These pressures are offset by an increase in Provincial funding of \$10.1 million which will result in full Provincial cost sharing for Land Ambulance Services at 50% and CACC at 100%.
- The 2007 Recommended Base Budget provides funding to maintain the same level of service as in 2006. However, call volumes are expected to increase by 5% over 2006 (based on actual calls received in 2006 over 2005). In 2006, EMS processed 338,900 calls, responded to 240,300 incidents and transported approximately 172,400 patients.
- The recommended New/Enhance Service Priority for 8 new paramedic positions will result in an increase of \$0.489 million gross / \$0.245 million net and a 2008 net incremental cost of \$0.170 million. The increase in paramedics will add an additional ambulance 24/7 to EMS operations and will result in an improvement to EMS' response time to life threatening emergency calls to a projected 70% within 9 minutes in 2007 from 68.1% in 2006.
- A key issue facing Toronto EMS continues to be the hospital offload delay, as over the past several years, EMS paramedics have been requested to continue caring for ambulance patients after their initial arrival to the hospital. Paramedics regularly stay past their 12-hour shift which has resulted in over expenditures in overtime. EMS has so far absorbed the over expenditure through gapping and other non-salary cost containment measures; however, this has further contributed to the degradation of EMS' response time. Discussions on resolving hospital offloading issues are continuing between EMS and the Provincial Ministry of Health and Long Term Care.

**Recommendations**

The City Manager and Chief Financial Officer recommend that:

- (1) the 2007 Recommended Operating Budget for Emergency Medical Services of \$147.622 million gross and \$61.590 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000's)</u>	<u>Net</u> <u>(\$000's)</u>
CACC	12,822.6	0
Centralized Support Services	2,012.7	1,006.4
Corporate Charges	6,194.2	3,097.1
EMS Operations Support Services	20,835.2	7,789.2
EMS Operations	98,076.0	46,636.8
Program Development & Service Quality	7,681.7	3,060.0
	<hr/>	<hr/>
Total Program Budget	147,622.4	61,589.5
	<hr/>	<hr/>

**Section A: 2006 Budget Variance Analysis**

**Table 2: 2006 Budget Variance Review**

(In \$000s)	2005 Actuals	2006 Approved Budget	2006 Projected Actuals*	2006 Appvd. Budget vs Projected Actuals Variance	
	\$	\$	\$	\$	% Unspent
<b>GROSS EXP.</b>	140,332.7	142,528.2	144,730.9	(2,202.7)	(1.5)
<b>REVENUES</b>	71,573.5	82,021.3	77,187.8	4,833.5	5.9
<b>NET EXP.</b>	68,759.2	60,506.9	67,543.1	(7,036.2)	(11.6)
<b>Approved Positions</b>	1,164.0	1,200.3	1,200.3	0.0	0.0

\*Projected Actual based on the Preliminary Year-End Operating Variance Report

**2006 Experience**

EMS’ preliminary year-end unfavourable gross and net expenditure variances are \$2.203 million and \$7.036 million respectively. The gross over spending is primarily due to unplanned expenditures at the Central Ambulance Communication Centre (CACC) funded 100% by a one-time Provincial grant. EMS continues to experience pressures in overtime and gasoline costs however these pressures are offset by savings in other areas. EMS also experienced a \$0.400 million pressure in medical/dental supplies due to a one-time purchase of pandemic supplies related to the City’s Emergency Preparedness Initiative.

Late in the 2006 Operating Budget process, the Province advised the City of Toronto that it would contribute \$10.4 million towards the existing Land Ambulance Services revenue shortfall. Based on this, EMS’ revenue budget was increased by \$10.4 million. Subsequently, the Province provided a breakdown of the \$10.4 million of which \$6.1 million was allocated to base funding for Land Ambulance Services and \$4.3 million (\$2.8 million in base funding and \$1.5 million in one-time funding) allocated for the CACC resulting in overstated budgeted revenue for Land Ambulance Services and understated revenues for CACC. Consequently, EMS’ preliminary year-end net over expenditure is \$7.036 million or 11.6% over the approved budget resulting from the revenue shortfall for Land Ambulance Services of \$7.551 million and a budgeted \$1.2 million one-time Federal Medical Grant that will now not be awarded in 2006.

Two primary issues faced by EMS in 2006 were the hospital offload situation and the Provincial funding shortfall for Land Ambulance Services. EMS implemented scheduling changes which decreased the number of vehicles on duty partially alleviating the overtime pressure created by hospital offloading. The one-time funding for CACC of \$1.484 million which included funding for 6 temporary Duty Officers partially addressed staffing issues also resulting from the hospital offload delays.

Details of the unfavourable net variance, based on controllable and uncontrollable pressures experienced in 2006, are summarized in the table below:

	<b>Gross</b>	<b>Revenue</b>	<b>Net</b>	<b>Comment</b>
Overtime Over Expenditure	3,906.7	0.0	3,906.7	Due to hospital offloading delays
Under-expenditures to address OT	(3,587.6)	0.0	(3,587.6)	Mainly funded through gapping
Additional Revenues	0.0	210.3	(210.3)	Revenues derived from CPR and Automatic External Defibrillators (AEDs) training courses provided by EMS
<b>Sub-total (Controllable)</b>	<b>319.1</b>	<b>210.3</b>	<b>108.8</b>	
CACC & Land One-time	1,483.6	1,483.6	0.0	One-time Provincial 100% funding for 6 temporary duty officers and communication software & hardware upgrades
Emergency Preparedness - Pandemic Supplies	400.0	0.0	400.0	Purchase of personal protective equipment (PPE) such as respirators, masks, gowns, gloves, eye protection, etc.
Land Ambulance Revenue Shortfall	0.0	(7,551.4)	7,551.4	The approved Provincial 2006 base funding was lower than the City's 2006 Approved Budget
Federal Medical Grant Shortfall	0.0	(1,200.0)	1,200.0	Funding for vehicles and medical supplies was not available in 2006
CACC Unbudgeted Revenues	0.0	2,224.0	(2,224.0)	Additional Provincial grant for CACC
<b>Sub-total (Un-controllable)</b>	<b>1,883.6</b>	<b>(5,043.8)</b>	<b>6,927.4</b>	
<b>TOTAL</b>	<b>2,202.7</b>	<b>(4,833.5)</b>	<b>7,036.2</b>	

**Impact of 2006 Operating Variance on 2007 Recommended Budget**

The shortfall in provincial revenues experienced in 2006 will not continue as the Province has confirmed additional funding of \$10.1 million in 2007 to restore full Provincial cost-sharing for Land Ambulance Services at 50% and CACC at 100%.

The hospital offload impact on overtime is expected to continue through to 2007, however, EMS plans to partially offset this over expenditure through gapping and other non-salary cost containment measures. Discussions on resolving hospital offloading issues are continuing between EMS and the Provincial Ministry of Health and Long Term Care.

## Section B: 2007 Operating Budget Overview

### 3-Year Operating Budget Overview

EMS' 3-Year Operating Budget continues to support a strong commitment to safeguard the quality of life in the City of Toronto through the provision of outstanding ambulance-based health services, in particular, to respond to medical emergencies and to special needs of vulnerable communities through mobile health care.

EMS' strategic priorities and directions to support its mandate include:

- Continue negotiations with the Province of Ontario to ensure full funding of Land Ambulance Services (50%) and the Central Ambulance Communications Centre (100%).
- Build partnerships within the City to improve services, particularly to the most vulnerable in the community such as the elderly and homeless. EMS, in partnership with Public Health, Homes for the Aged, and Shelter, Housing and Support, are key players of the City's social safety net, rather than a single-purpose "emergency service". EMS is becoming the emergency arm of healthcare providers as well as the healthcare arm of emergency providers.
- Continue to evaluate the advantages and disadvantages of using centralized book-on ambulance facilities as opposed to the current 40-station system. A consultant's report is due mid-2007 with EMS working towards implementing either a pilot project in one sector of the City or a full implementation of the project (at the discretion of Council) or possible deferral of the project.
- Ensure the expansion of the Public Access Defibrillator (PAD) program to City facilities and workplaces. EMS, as the primary administrator of the PAD program, focuses on coordinating the placement of Automatic External Defibrillators (AEDs) in strategic locations throughout the City where there is a chance someone could suffer a cardiac arrest. The Program expects to deploy 100 AEDs in 2007 which will mean training of approximately 1,210 staff.

### Service Delivery – Challenges and Issues

The 2007 Recommended Budget includes the resources for EMS to operate from forty ambulance stations located across the city, with a fleet of 152 ambulances and staff of 849 paramedics that provide 24-hour emergency medical response for the City of Toronto, a service district encompassing 650 square kilometres with a daytime population of 3.5 million. EMS' core services are:

- *EMS Operations* is responsible for providing 24-hour emergency and non-emergency pre-hospital medical care and transportation to individuals experiencing injury or illness and out of hospital patient care. EMS not only provides the traditional role of ambulance services but also a wide range of additional services aimed at providing better emergency medical care outside the hospital.

- *Response Program:* This program utilizes single paramedic vehicles designed to immediately respond to medical emergencies. EMS responded 293,225 times to emergency and non-emergency calls resulting in 172,428 patient transports in 2006.
- *Emergency Support Unit (ESU):* ESU consists of specially equipped buses and trucks used to support large-scale medical emergency. ESU responds to approximately 6,000 major emergency incidents a year including fires, motor vehicle accidents, airport incidents and any other large patient incident. In 2006, EMS responded to two key ESU incidents: the Air France plane crash as well Peel Region EMS's request to assist in the transport of wounded soldiers from Pearson Airport to area hospitals.
- *Critical Care Transport Unit (CCTU):* CCTU is composed of specially trained advance care paramedics that transport critically ill patients between health care facilities. EMS provides approximately 2,400 emergency transports a year.
- *Bike Medics:* The primary objective of this program is to provide rapid response to medical emergencies in small, contained areas that might not be accessible by an ambulance vehicle.
- *Community Medicine Program:* This program includes staff working with the community to reduce the demands on Toronto EMS through public education. Toronto was one of the first EMS agencies in Ontario to provide influenza vaccination to the homeless and marginally-housed persons. EMS expects to increase immunization numbers by 10% from 3,000 in 2006 to 3,300 in 2007.
- *Cardiac Safe City Program:* EMS, in partnership with Sunnybrook and Womans' College Base Hospital developed this program to ensure the provision of Cardiopulmonary Resuscitation (CPR) and the use of Public Access Defibrillators (PAD) within the City of Toronto. The expansion of the Public Access Defibrillation (PAD) Program will provide approximately 100 Automatic External Defibrillators (AED) across the City to ensure rapid treatment of those who suffer a cardiac arrest on site.
- *Training Facility:* EMS operates the largest paramedic training academy in Canada, and may train as many paramedics as any institution in North America. EMS' paramedic training is fully Canadian Medical Association accredited. EMS will be offering an estimated 45 first aid training courses and 26 AED provider courses per month or train approximately 14,000 participants in 2007.
- *Central Ambulance Communications Centre (CACC)* includes activities such as call receiving and prioritization of emergency and non-emergency calls from the general public and healthcare institutions; resource deployment and dispatching of all calls, and patient transport coordination and distribution to hospital emergency and healthcare institutions. EMS is projecting an increase of 5% on the number of calls, received from the public, over 2006 levels of 338,900 calls in 2007.

EMS, as the sole provider of emergency medical response for the City of Toronto is faced with several challenges in the delivery of these services:

- Maintaining effective deployment of available resources to meet the established response time standards of 1996 of 84% within 9 minutes. Hospital Offload delays has resulted in available ambulance resources being depleted and has been a principal factor in the degradation of EMS response time to only 68.1% within 9 minutes in 2006. The Enhance Service Priority for an additional 8 paramedic positions will add one additional ambulance 24/7 to EMS operations and will help EMS improve response times to life threatening emergency calls within 9 minutes to a projected 70% in 2007.
- Over expenditure in overtime continues to be a major challenge for EMS as a result of the hospital offload delays. EMS has so far absorbed the over expenditure through gapping and other non-salary cost containment measures, however, this has further contributed to the degradation of EMS' response time. EMS will continue to work aggressively with key stakeholders in the reduction of the impact of hospital offload delay.
- Complete re-design of the communication centre process by which EMS receives, prioritizes and dispatches ambulance calls in Toronto. This includes the implementation of a new decision support software to help staff expedite the dispatching and redeployment of ambulances and will involve training of all CACC staff and new deployment methodologies.
- Continue to work with Local Hospital Integration Network (LHINs) and the Ministry of Health and Long Term Care (MOHLTC) to implement new technologies and policies that will improve the deployment of resources, patient distribution and referrals.

As part of the City's management and accountability framework, a program review of EMS' and Fire Services' administration and management support services functions is planned for 2007. The review will include the following:

- Provide a roadmap for improvements within the administration of two high profile divisions by building on current industry best practices and the introduction of a new efficiency model;
- Identify opportunities for better coordination of information and use of common data sources across administrative functions;
- Increase efficiency of administration and provide permanent savings to current base expenditures; and,
- Recommendations from the study will take into consideration impact on service delivery to the public and will be included as part of every recommendation.

The completion of capital projects in 2007 will result in operating efficiencies and service improvements to EMS' current processes:

- the installation of the EMS on-board computer systems in all frontline emergency vehicles will further improve EMS' response times and communication with the paramedics in the field.

- the installation of new wireless electronic patient charting computer system is designed to free paramedics from arduous manual paperwork and improve the quality of emergency patient care provided by paramedics.
- Centralized Book-On Station Project (CBOS). A critical evaluation of the advantages and disadvantages of using centralized book has been completed and a report to City Council is planned for June 2007. Potential operating efficiencies which may impact future years include:
  - increased supply/inventory control
  - reduced end of shift overtime
  - recovery of lost productivity hours

### **Mayor's Mandate**

The 2007 Recommended Operating Budget supports the following initiatives outlined in the Mayor's Platform:

- Making a Safe City Safer

The expansion of the Public Access Defibrillation (PAD) Program, approved in 2006, will provide approximately 100 Automatic External Defibrillators (AED) to City of Toronto workplaces and facilities to ensure rapid treatment of those who suffer a cardiac arrest on site. EMS will provide training to City staff in the use of the AEDs.

- A City of Opportunity for All

The 2007 Recommended Budget includes funds for a multi-cultural coordinator to ensure EMS staff are aware of ethno-cultural customs and traditions and improve community accessibility to EMS services and programs. EMS provides information and attends multi-cultural events throughout the City to inform multi-cultural communities about emergency medical services as both a service and a career choice.

- True "New Deal"

EMS staff has continued to successfully negotiate increased funding to reach full Provincial cost sharing for Land Ambulance Services at 50% and CACC at 100%. For 2007, the Province has provided additional grants of \$10.1 million and for 2008 and 2009, EMS has received verbal confirmation that the Province will provide increased funding to address COLA and inflation pressures.

## Section C: 2007 Recommended Base Budget

Table 3: 2007 Recommended Base Budget

(In \$000s)	2006 Appvd. Budget	2007 Recommended Base	Change		FY Incremental Outlook	
			2007 Recommended Base v. 2006 Appvd. Budget		2008	2009
	\$	\$	\$	%	\$	\$
<b>GROSS EXP.</b>	142,528.2	147,133.3	4,605.1	3.2	4,563.3	80.3
<b>REVENUE</b>	82,021.3	85,788.3	3,767.0	4.6	2,612.1	35.3
<b>NET EXP.</b>	60,506.9	61,345.0	838.1	1.4	1,951.2	45.0
<b>Approved Positions</b>	1,200.3	1,199.3	(1.0)	(0.1)		
<b>NET TARGET</b>		<b>60,506.9</b>				
<b>\$ Over / (Under) Program Target</b>		<b>838.1</b>			<b>1,951.2</b>	<b>45.0</b>
<b>% Over / (Under) Program Target</b>		<b>1.4%</b>			<b>3.22%</b>	<b>0.07%</b>

## 2007 Recommended Base Budget

- The 2007 Recommended Base Budget of \$61.345 million net represents a 1.4% or \$0.838 million increase over the 2006 Approved Budget and the 2007 target, while maintaining the same level of service in 2007.
- The base budget includes service efficiencies of \$0.390 million net, as follows: deletion of one budget analyst position that is currently vacant (\$0.090 million gross and net) and continuation of a one-time reduction of \$0.300 million net for Uniforms, Medical Supplies, and Contracted Services –Buildings, approved in 2006.
- The revenue increase of \$3.767 million is due to the increase in the Provincial base funding in 2007 which will result in full funding for Land Ambulance Services at 50% and CACC at 100%.

## 2007 Key Cost Drivers

Key cost drivers for 2007 include:

- Cost of providing current level of service requires \$3.769 million for COLA, merit and step increases, and \$0.509 million for inflationary increases for non-labour costs;
- Operating impact of the planned distribution of approximately 100 AEDs in 2007 to City facilities of \$0.113 million under the Public Access Defibrillation (PAD) capital project; and,
- Reversal of the one-time Federal Medical Grant of \$1.2 million.

These pressures were offset by an increase in subsidy of \$10.1 million over the Provincial 2006 base funding for Land Ambulance Services and CACC.

**2008 and 2009 Outlook: Net Incremental Impact:**

The 2008 of \$1.951 million represents ongoing COLA, merit and step increases, and an additional one day in 2008 (leap year), with the assumption that the Province will cost share the increases at 50% for Land Ambulance Services and 100% for the Central Ambulance Communication Centre (CACC).

The 2009 Outlook net increase of \$0.045 million includes merit and step increases and the reversal of the additional day in 2008. It does not include a provision for COLA, as the increase is subject to future negotiations.

Based on recent discussions with Provincial staff, EMS is anticipating an increase in funding in 2008 of approximately 6% or \$3.9 million for Land Ambulance Services (50% cost shared) and approximately 3% for CACC (Provincially funded at 100%) to offset base pressures due to COLA and inflationary increases. These additional revenues have not been factored in the 2008 and 2009 Outlook pending official confirmation from the Province.

**Section D: 2007 Recommended Service Priorities**

**Table 4: Summary of 2007 New / Enhanced Service Priorities (In \$000s)**

Priority	Description	2007 Recommended		Rec. New Positions	Net Incremental Impact	
		Gross Exp.	Net Exp.		2008	2009
		\$	\$	#	\$	\$
(a) Enhanced Service Priorities - Council Approved:						
(b) Enhanced Service Priorities - Program Initiated: Increase in Paramedic positions	489.1	244.5	8.0	169.8		
<b>Sub-Total Enhanced Service Priorities</b>	489.1	244.5	8.0	169.8	0.0	
(a) New Service Priorities - Council Approved:						
(b) New Service Priorities - Program Initiated:						
<b>Sub-Total New Service Priorities</b>	0.0	0.0	0.0	0.0	0.0	
<b>Total Recommended New / Enhanced Service Priorities</b>	<b>489.1</b>	<b>244.5</b>	<b>8.0</b>	<b>169.8</b>	<b>0.0</b>	

**2007 Recommended Service Priorities**

**Enhanced Service Priorities – Program Initiated:**

The recommended Enhanced Service Priority of 8 additional paramedic positions (as of June 1, 2007) will result in an increase of \$0.489 million gross / \$0.245 million net with a 2008 net incremental cost of \$0.170 million.

- The Ministry of Health requires all EMS service providers in the Province of Ontario to achieve, on a yearly basis, their ambulance response time performance standard of 1996. In 1996 Toronto EMS arrived at life threatening emergency calls in 8:59 minutes an average of 84% of the time. In 2005, Toronto EMS's response time compliance to life threatening calls averaged 64.4%. In 2006, response performance averaged 68.1%.

- Toronto EMS's ability to effectively respond to emergency calls is also being compromised by the following factors:
  - Increase in assigned emergency call volumes from 236,235 in 2002 to 271,477 in 2006, which represents an increase of 14.9% over a four-year period.
  - Increase in time required to service a call. Call service time (primarily impacted by hospital offload delays) has been steadily increasing over the past several years. Average in hospital times in 2000 were 35 minutes versus an averaging 63 minutes in 2006.
  - Increased traffic congestion en route to calls.
- In order to protect response times to the community, Toronto EMS considers it unacceptable to have fewer than 20 ambulances available to respond to calls. An analysis of a two-month snapshot (July 15 to September 14, 2006) identified the following:

<b>Number of hours during which ambulance availability dropped to unacceptable levels July 15 - September 14, 2006</b>			
<b>20 OR Fewer Available Units</b>	<b>10 OR Fewer Available Units</b>	<b>5 OR Fewer Available Units</b>	<b>NO available units</b>
<b>744</b>	<b>193</b>	<b>41</b>	<b>1</b>

- The increase of 8 paramedics will add one additional ambulance 24/7 to EMS operations and will result in an improvement to EMS' response time to life threatening emergency calls currently at 68.1 % within 9 minutes to a projected 70% in 2007.

**Issues for Discussion**

**2007 Operating Budget Issues**

**Hospital Offload Delays:**

- Over the past several years, it has become practice for hospital emergency department staff to request Toronto EMS paramedics to continue caring for ambulance patients for extended periods after their initial arrival to the hospital. It is routine for paramedics to be forced to stay as much as two hours past the end of their 12-hour shift which not only puts pressure on EMS’ over time budget but also contributes to the loss of staff productive hours as well. See table below for overtime costs since 2003:

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
Budget	1,481.1	1,706.3	2,424.3	2,595.5
Actual	4,335.0	6,242.5	6,820.0	6,502.2
<b>Variance (over)</b>	<b>(2,853.9)</b>	<b>(4,536.2)</b>	<b>(4,395.7)</b>	<b>(3,906.7)</b>

- 20 temporary paramedics were hired in the summer of 2006 to partially offset the special events coverage, vacation and off load delay during the summer months. These positions were funded through increased gapping.
- Hospital Offload delays have resulted in available ambulance resources being depleted and impacts EMS response to emergency calls in the City. This has been a principal factor in the degradation of EMS response time from nearly 84% within 9 minutes in 1996 to only 68.1% within 9 minutes currently.
- In an attempt to offset the overtime pressure created by the offloading problem at hospitals, some scheduling changes were implemented in late 2005 to reduce the number of vehicles on duty, thus over expenditure in overtime has slightly improved in 2006.
- The overtime pressure will continue into 2007 and EMS plans to offset this over expenditure through gapping and other non salary cost containment measures as has been done in the past. However, this strategy will further contribute to the degradation of EMS’ response time.

## Appendix 1

**Summary of Recommended Base Budget Changes  
From 2006 Approved Budget**

(In \$000s)	Summary of 2007 Base Budget Adjustments				Net Incremental Outlook	
	Approved Positions	Gross Expenditures	Revenues	Net	2008	2009
		\$	\$	\$	\$	\$
<b>2006 Council Approved Operating Budget</b>	<b>1,200.3</b>	<b>142,384.0</b>	<b>82,021.3</b>	<b>60,362.7</b>	<b>0.0</b>	<b>0.0</b>
In-year approvals and technical adjustments		(4.9)	0.0	(4.9)		
Corporate adjustments		149.1	0.0	149.1		
<b>2006 Approved Operating Budget</b>	<b>1,200.3</b>	<b>142,528.2</b>	<b>82,021.3</b>	<b>60,506.9</b>	<b>0.0</b>	<b>0.0</b>
Prior year impacts		1,094.9	(6,381.0)	7,475.9	251.0	256.9
Zero base items		(20.5)	0.0	(20.5)		
Economic factors		3,855.1	0.0	3,855.1	1,514.3	
<b>Adjusted Base Budget</b>	<b>1,200.3</b>	<b>147,457.7</b>	<b>75,640.3</b>	<b>71,817.4</b>	<b>1,765.3</b>	<b>256.9</b>
Other base changes		65.6	4.5	61.1	185.9	(211.9)
Base revenue changes			10,143.5	(10,143.5)		
Recommended Service Level Adjustments:						
Service efficiencies	(1.0)	(390.0)	0.0	(390.0)		
Revenue adjustments						
Minor service impact						
Major service impact						
<b>Total Recommended Base Adjustments</b>	<b>(1.0)</b>	<b>(324.4)</b>	<b>10,148.0</b>	<b>(10,472.4)</b>	<b>185.9</b>	<b>(211.9)</b>
<b>2007 Recommended Base Budget</b>	<b>1,199.3</b>	<b>147,133.3</b>	<b>85,788.3</b>	<b>61,345.0</b>	<b>1,951.2</b>	<b>45.0</b>
<b>2007 Program Operating Target</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>60,506.9</b>	<b>0.0</b>	<b>0.0</b>
<b>% Over (Under) Program Target</b>				<b>1.4%</b>	<b>3.2%</b>	<b>0.07%</b>
<b>% Over (Under) 2006 Appvd. Budget</b>				<b>1.4%</b>	<b>3.2%</b>	<b>0.07%</b>

**Appendix 2**  
**Summary of Service Level Adjustments**

**Appendix 3**

**Summary of 2007 Recommended New / Enhanced Service Priorities**

## Appendix 4

## Inflows / Outflows to / from Reserves &amp; Reserve Funds

(In \$000s)

Reserve / Reserve Fund Name	Reserve / Reserve Fund Number	Balance as of December 2006 \$	Proposed Withdrawals (-) / Contributions (+)		
			2007 \$	2008 \$	2009 \$
Equipment Reserve	XQ1019		705.0 (850.0) 0.0	705.0 (180.0) (560.0)	705.0
<b>Balance by Year-end</b>		<b>2,746.0</b>	<b>2,601.0</b>	<b>2,566.0</b>	<b>3,271.0</b>
Vehicle Reserve	XQ1018		3,635.0 (3,635.0)	3,635.0 (3,635.0)	3,635.0 (3,635.0)
<b>Balance by Year-end</b>		<b>4,594.0</b>	<b>4,594.0</b>	<b>4,594.0</b>	<b>4,594.0</b>
<b>TOTAL - RESERVES</b>		<b>7,340.0</b>	<b>7,195.0</b>	<b>7,160.0</b>	<b>7,865.0</b>