

May 10, 2011

To: Executive Committee

From: Budget Committee

Subject: **Capital Budget/Plan Re-allocation for Long Term Care Homes and Services and Emergency Medical Services (Item BU11.3)**

**Recommendation:**

**The Budget Committee recommends to the Executive Committee that:**

- 1. City Council approve the budget re-allocation and budget adjustments to Emergency Medical Services' and Long Term Care Homes and Services' 2011 Approved Capital Budget and 2012-2020 Capital Plan, with a zero net impact, as detailed in Table 1 of the report (April 29, 2011) from the Chief, Emergency Medical Services, and the Acting General Manager, Long Term Care Homes and Services.**

**Background:**

The Budget Committee at its meeting on May 10, 2011, considered a report (April 29, 2011) from the Chief, Emergency Medical Services and Acting General Manager, Long Term Care Homes and Services, entitled "Capital Budget/Plan Re-allocation for Long Term Care Homes and Services and Emergency Medical Services" (BU11.3).

City Clerk

Merle MacDonald/jsc  
Att.

BU11.3

**Background Information**

(April 29, 2011) Report from the Chief, Emergency Medical Services and the Acting General Manager, Long-Term Care Homes and Services on Capital Budget/Plan Re-allocation for Long Term Care Homes and Services and Emergency Medical Services

(<http://www.toronto.ca/legdocs/mmis/2011/bu/bgrd/backgroundfile-37743.pdf>)



**STAFF REPORT  
ACTION REQUIRED**

**Capital Budget/Plan Re-allocation for Long Term Care Homes and Services and Emergency Medical Services**

<b>Date:</b>	May 12, 2011
<b>To:</b>	Budget Committee
<b>From:</b>	Chief, Emergency Medical Services & Acting General Manager, Long Term Care Homes and Services
<b>Wards:</b>	Various
<b>Reference Number:</b>	

**SUMMARY**

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The purpose of this report is to seek approval to increase the Emergency Medical Services (EMS)' 2011 Approved Capital Budget by \$500,000 gross and debt to address higher construction costs for 4 ISF capital projects. To offset the debt funding required for EMS in 2011, Long Term Care Homes and Services (LTCHS) will defer a portion of its Kipling Acres Site - Construction (Phase 1) capital project to 2012 in the amount of \$500,000 gross and debt. The Approved 2011 Cash Flow for the Kipling Acres Site - Construction (Phase 1) capital project is \$27.5 million, delays in the Ministry of Health and Long-Term Care approval process have consequently delayed the construction schedule.

EMS is also seeking authority to amend its 2012 -2020 Capital Plan to reflect the deferral of the Station Security project costs of \$500,000 from 2012 to 2013 and a reduction in project cost of \$500,000 in 2013 for the Kipling Acres Station as the scope of the project has changed from a 6-bay station to a 4-bay station based on the availability of space in the vicinity of Kipling Acres Long Term Care Home.

**RECOMMENDATIONS**

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**The Chief of Emergency Medical Services and the Acting General Manager, Long Term Care Homes and Services recommend that:**

1. City Council approve the budget re-allocation and budget adjustments to EMS' and LTCHS' 2011 Approved Capital Budget and 2012-2020 Capital Plan, with a zero net impact, as detailed in Table 1 of this report.

## FINANCIAL IMPACT

The approval of this report will result in budget and plan adjustments for EMS and LTCHS as identified in Table 1 below:

**Table 1 - Capital Budget Adjustments for EMS and LTCHS**

Program	Project Name	Approved Project Cost	2011	2012	2013	Revised Project Cost	Project Costs Adjustments	Comments
EMS	ISF - Station 19	3,550	80			3,630	80	Increased construction costs
	ISF - Station 01	2,403	214			2,617	214	Increased construction costs
	ISF - Station 38	1,517	171			1,688	171	Increased construction costs
	ISF - NE District Office	852	35			887	35	Increased construction costs
	Station Security	1,810		(500)	500	1,810	-	Deferred project pending discussion with Corporate Security to meet Corporate standard.
	Kipling Acres Station	3,660			(500)	3,160	(500)	Reduced station size from 6-Bay to 4-Bay Station based on space availability
	<b>TOTAL EMS</b>	<b>13,792</b>	<b>500</b>	<b>(500)</b>	<b>-</b>	<b>13,792</b>	<b>-</b>	
LTCHS	Kipling Acres Site Construction (Phase 1)	45,000	(500)	500		45,000	-	Deferred cash flow is due delays in the MOHLTC approval process.
	<b>TOTAL LTCHS</b>	<b>45,000</b>	<b>(500)</b>	<b>500</b>	<b>-</b>	<b>45,000</b>	<b>-</b>	
<b>GRAND TOTAL</b>		<b>58,792</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>58,792</b>	<b>-</b>	

The increase in debt funding of \$500,000 for EMS in 2011 will be offset by a corresponding reduction to LTCHS's 2011 Capital Budget. The LTCHS will defer a portion of its Kipling Acres Site Construction (Phase 1) capital project from 2011 to 2012 to provide EMS with the funds required to complete all ISF funded projects within the 2011 deadline. The Approved 2011 Cash Flow for the Kipling Acres Site - Construction (Phase 1) capital project is \$27.5 million, minor delays in the Ministry of Health and Long-Term Care approval process are expected to delay construction.

There are no additional costs to the City as a result of the approval of this report. The capital budget adjustments between Long Term Care Homes and Services to Toronto Emergency Medical Services in 2011 and 2012 will have no capital debt funding impact to the City. Both Divisions will remain within their 10-Year Capital Budget and Plan.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.



## ISSUE BACKGROUND

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Due to the Federal Government's Infrastructure Stimulus Funding program combined with two previously approved station rebuild projects Toronto EMS is in the unique position of having eleven projects that must be completed in 2011.

Increased contractor costs for several of EMS' Infrastructure Stimulus Funding (ISF) projects has put a one time strain on EMS and has impacted the division's ability to meet the 2011 cash flow target. Toronto Emergency Medical Services scaled back some ISF projects (Station 11 & Station 40) to provide funds for the increased costs required for other projects such as the Station 19 and Station 41 rebuilds. However, the Federal funding formula for the ISF projects does not currently allow for the transfer of Federal funds between projects. As a result only two thirds of the realized savings from scaled back projects could be used to alleviate the budget pressures in other projects.

## COMMENTS

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If approved, this request will enable Toronto Emergency Medical Services to complete key Infrastructure Stimulus Funded projects on time in 2011.

## CONTACT

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## SIGNATURE

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P. Raftis,  
Chief  
Emergency Medical Services

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R. Paul  
General Manager (Acting)  
Long Term Care Homes & Services