

# **Analyst Briefing Notes**

## **Budget Committee Review**

**(January 28, 2008)**

**2008 OPERATING BUDGET**

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January 28, 2008

**2008 OPERATING BUDGET****Executive Summary**

- The 2007 year-end expenditure of \$61.649 million net is expected to be \$1.249 million or 2.1% over the 2007 Approved Budget of \$60.400 million. This unfavourable variance is due to the impact of the job evaluation for non-union positions resulting in retroactive payments of \$2.8 million, partially offset by cost containment savings of \$0.746 million.
  - Cost containment measures implemented in 2007 of \$0.746 million include reduced overtime cost for the Hospital Offload Supervisor; reduced bike patient contact; reduced contribution to the Vehicle Reserve Fund, and discretionary savings mainly in advertising, printing, business travel and miscellaneous items based on actual experience. The continuation of some of these measures in 2008 will result in savings of \$0.418 million.
- 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 2008 and beyond is to maintain the effective deployment of available resources to meet the 1996 established response time standard of 84% within 8:59 minutes. Since 2002, 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 69.1% within 8:59 minutes in 2007.
  - The degradation of EMS' response time is also compromised each year by other factors such as call volumes that are expected to increase as the population ages and increased traffic congestion faced in responding to emergency calls.
- The 2008 Recommended Operating Budget of \$61.875 million net is \$1.475 million or 2.4% over the 2007 Approved Budget and the 2008 target.

**Table 1: 2008 Recommended Budget**

	2007		2008 Recommended Operating Budget			Change - 2008 Recommended from 2007 Approved Budget		FY Incremental Outlook	
	2007 Appvd. Budget	2007 Projected Actual	2008 Base	2008 New /Enhanced	2008 Operating Budget			2009	2010
	\$	\$	\$	\$	\$	\$	%	\$	\$
<b>(In \$000s)</b>									
<b>GROSS EXP.</b>	148,007.0	149,561.5	151,744.8	223.7	151,968.5	3,961.5	2.7	623.8	952.3
<b>REVENUE</b>	87,607.0	87,912.8	89,869.7	223.7	90,093.4	2,486.4	2.8	346.5	564.9
<b>NET EXP.</b>	60,400.0	61,648.7	61,875.1	0.0	61,875.1	1,475.1	2.4	277.3	387.4
<b>Approved Positions</b>	1,215.0	1,215.0	1,204.0	3.0	1,207.0	(8.0)	(0.7)	0.0	0.0
<b>TARGET</b>			<b>60,400.0</b>		<b>60,400.0</b>				
<b>\$ Over / (Under) Program Target</b>			<b>1,475.1</b>		<b>1,475.1</b>				
<b>% Over / (Under) Program Target</b>			<b>2.4%</b>		<b>2.4%</b>				

- The 2008 Recommended Operating Budget is comprised of base funding of \$151.745 million (gross) and \$61.875 million (net) and \$0.224 million (gross) and \$0 (net) for new and enhanced service priorities, entirely funded from Provincial subsidy and revenues from external sources.
  - The 2009 and 2010 Outlooks of \$0.277 million net and \$0.387 million net respectively maintains the 2008 recommended levels of service and includes funding for merit and step increases and the operating impacts of the 2008 Approved Capital Budget for two projects: the Public Access Defibrillation (PAD) Program (distribution of automatic external defibrillators) and the Electronic Access Security System.
- The 2008 key cost drivers include COLA, merit, step increases, job evaluation impact of non-union positions, an additional working day in 2008 totalling \$5.073 million; and annualized impact of the 8 new paramedics positions approved in 2007 of \$0.340 million. To help mitigate the impact of these base pressures, the 2008 Recommended Operating Budget includes cost containment measures continuing from 2007 into 2008 of \$0.418 million and service efficiencies of \$0.100 million. The potential cost of the new Family Day Holiday has not yet been included.
- The 2008 Recommended Operating Budget includes a reduction of 8 positions, thereby decreasing the staffing complement from 1,215 to 1,207 approved positions. The reduction is comprised as follows:
  - a decrease of 7 temporary positions due the reversal of one-time 100% externally funded programs in 2007 and 4 temporary clerical staff that are no longer required as the implementation of the Electronic Patient Data Collection system resulted in reduced data inputting by staff.

- offset by an increase of 2 new positions for the Central Ambulance Communication Centre) and 1 new position for the City's Public Access Defibrillator (PAD) Program, both at zero net costs to the City.
- To further support EMS' mandate to provide emergency and preventative care services for the City of Toronto residents, the 2008 Recommended Operating Budget includes the following recommended service enhancements for \$0.223 million gross and \$0 net:
  - Central Ambulance Communication Centre (CACC) of \$0.160 million gross, \$0 net (2 new positions) required primarily for contingency and disaster recovery planning for events such as SARS, to be fully funded by the Ministry of Health and Long Term Care.
  - Public Access Defibrillator (PAD) Program of \$0.064 million gross, \$0 net (1 new position) to coordinate the installation, training and system maintenance of Automatic External Defibrillators (AEDs) in schools, community centres and other high risk locations, to be fully funded from revenues from external sources.
- Toronto EMS is responsible for providing 24-hour emergency and non-emergency pre-hospital medical care and transportation to individuals experiencing injury or illness. The 2008 Recommended Operating Budget will fund:
  - 24-hour emergency medical response for the City of Toronto from 43 ambulance stations located across the City with a fleet of 152 ambulances and staff of 849 paramedics and 108 emergency medical dispatchers
  - An increase of 5% over 545, 000 calls received from the public in 2007 and another 300,000 calls for non-emergency/operational requests for a total of 872,300 calls in 2008.
  - The installation of an estimated 50 to 100 Automated External Defibrillators (AED's) to City of Toronto workplaces and facilities while also providing CPR and Public Access Defibrillator training to City staff and the public.
  - Approximately 1,200 hours of continuing medical education courses to Toronto paramedics and operate International Trauma Life Support Chapter training to approximately 500 students in 2008.
  - Approximately 2,400 emergency transports under the Critical Care Transport Unit (CCTU)
- A key issue facing Toronto EMS continues to be the hospital offload delay, as over the past several years, EMS paramedics are required 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 from 84% in 8:59 minutes in 1996 to 69.1% in 2007 . 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 2008 Recommended Operating Budget for Emergency Medical Services of \$151.968 million gross and \$61.875 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross (\$000's)</u>	<u>Net (\$000's)</u>
CACC	13,530.1	0
Centralized Support Services	1,129.1	514.5
Corporate Charges	5,900.0	2,950.0
EMS Operations Support Services	20,809.9	7,533.7
EMS Operations	102,294.8	47,496.6
Program Development & Service Quality	8,304.6	3,380.3
	<hr/>	<hr/>
Total Program Budget	151,968.5	61,875.1
	<hr/>	<hr/>

2. the General Manager of Toronto Emergency Medical Services report back to the Budget Committee if 100% funding is confirmed by the Province to continue the Pilot Program beyond 2007, for 6 Duty Officers, to assist EMS in providing 24/7 coverage in deployment services; and,
3. the Community Health Officer position be approved subject to securing sufficient revenues generated from external sources under the Public Access Defibrillation (PAD) program to fully fund this position.

### Section A: 2007 Budget Variance Analysis

**Table 2: 2007 Budget Variance Review**

	2006 Actuals	2007 Approved Budget	2007 Projected Actuals*	2007 Appvd. Budget vs Projected Actuals Variance	
(In \$000s)	\$	\$	\$	\$	% Unspent
<b>GROSS EXP.</b>	144,740.5	148,007.0	149,561.5	1,554.5	1.1
<b>REVENUES</b>	77,195.7	87,607.0	87,912.8	305.8	0.3
<b>NET EXP.</b>	67,544.8	60,400.0	61,648.7	1,248.7	2.1
<b>Approved Positions</b>	1,200.3	1,215.0	1,215.0	0.0	0.0

\*Source: Projected Actual Based on the September 30, 2007 Variance Report.

### 2007 Experience

EMS is projecting an unfavourable year-end expenditure variance of \$1.555 million (gross) and \$1.249 million (net).

The gross over expenditure is primarily attributed to retroactive payments of approximately \$2.8 million arising from the job evaluation impacts of non-union positions and partially offset by cost containment savings of \$0.746 million. Over expenditure in overtime as a result of the ongoing hospital offload delay continues to be a pressure, however, EMS has consistently addressed this pressure by increased gapping. See Issues on page 17.

The increase in revenues of \$0.306 million is primarily attributed to a Provincial one-time funding in 2007 for the upgrade of the 911 voice/data recorder for the Central Ambulance Communication Centre.

## 2007 Cost Containment Savings

Cost containments savings of \$0.746 million (as reported in the 3<sup>rd</sup> Quarter Variance Report) will be realized from the following measures, as shown in the table below:

Net Cost Containment Savings	2007 (\$000s) Savings	2008 (\$000s) Continued Savings	Comments
<b>Hiring Freeze Savings:</b>	20.0		One-time
<b>Sub-total</b>	<b>20.0</b>	<b>0.0</b>	
<b>Service Level Adjustments:</b>			
Reduced Overtime for Hospital Offload Supervisor.	250.0	250.0	Full year This will eliminate overtime incurred to travel to hospital emergency departments to directly intervene in hospital offload issues.
Reduced Bike Program	54.0		One-time Resulted in reduced bike patient contacts by 50 % - or about 15 to 25 patients over two days.
<b>Sub-total</b>	<b>304.0</b>	<b>250.0</b>	
<b>Discretionary Savings:</b>			
Deferred/Cancelled Business Travel, Equipment and	34.0	87.5	Full Year in 2008
Reduced contribution to the Vehicle Reserve Fund	250.0		One-time
Deferred/Cancelled Advertisement and Printing Materials	50.0	80.0	Full Year in 2008
Various line items (based on actual experience)	87.5		One-time
<b>Sub-total</b>	<b>421.5</b>	<b>167.5</b>	
<b>TOTAL COST CONTAINMENT</b>	<b>745.5</b>	<b>417.5</b>	

## Impact of 2007 Operating Variance on the 2008 Recommended Budget

Some cost containment measures implemented in 2007 will be continuing into 2008 and will result in savings of \$0.418 million as indicated in the table above.

The over expenditure in overtime due to the hospital offload impact on overtime is expected to continue through to 2008. Overtime costs in 2007 are projected at \$6.7 million, \$3.6 million over the 2007 Budget of \$3.1 million. EMS estimates overtime costs in 2008 will remain at approximately \$6.7 million, resulting in a projected \$4.1 million over the 2008 Recommended Budget for overtime of \$2.578 million. As has been done in the past, EMS plans to partially offset this over expenditure through gapping of approximately \$2.0 million and other non-salary reductions. Discussions are still continuing between EMS and the Provincial Ministry of Health and Long Term Care on resolving hospital offloading issues.

## Section B: 2008 Operating Budget Overview

### 3-Year Operating Budget Overview

EMS' 3 Year Operating Budget is based on continuing to provide ambulance-based health services to the City of Toronto residents (with full Provincial cost sharing for Land Ambulance Services at 50% and CACC at 100%) responding in particular to medical emergencies and to special needs of vulnerable communities through mobile health care.

The 3-Year Operating Budget will continue to provide the following range of services:

- Provide pre-hospital care which includes the support, instruction, care and treatment provided from the moment the request for emergency care is initiated until the patient's care is transferred to the receiving health care provider.
- Provide out of hospital care which includes all other aspects of care and treatment provided by emergency services personnel including patient transfers, response to and the treatment of citizens involved in mass casualty incidents and community emergencies, and the provision of medical support to our allied emergency services.
- Provide full, efficient and cost-effective ambulance communication services that are seamless, integrated, accountable, accessible and responsive to the emergency requirements of the City of Toronto residents.

The outlooks for 2009 and 2010 of \$0.277 million net and \$0.387 million net respectively are comprised of merit and step increases and operating impacts of two Capital projects: the Public Access Defibrillation (PAD) Program (distribution of automatic external defibrillators) and the Electronic Access Security System.

EMS currently operates from 43 ambulance stations located across the city, with a fleet of 152 ambulances and staff of 849 paramedics and 108 emergency medical dispatchers 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.

The 2008 Recommended Operating Budget will provide funding for the following primary services:

- *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. In 2007 EMS assigned 300,991 vehicles to emergency and non-emergency calls which resulted in 177,128 patient transports. These numbers are projected to increase by 3% in 2008.



- *Emergency Support Unit (ESU):* ESU consists of specially equipped buses and trucks used to support large-scale medical emergencies. 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 2007, EMS responded to two key ESU incidents, providing assistance to Sudbury and Whitby during emergency hospital evacuations as a result of fires.
- *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:* Toronto EMS's Community Paramedicine Program works to assist in the facilitation of inter-operable public (medical & social) agencies or networks, and links together City services, clinics, hospitals, and other points of care thus enhancing the quality and efficiency of Toronto's health care services. It works as a public health extender by community response, data collection, providing education, and coordinating services with other public health and City entities.
- *Cardiac Safe City Program:* EMS developed the Public Access Defibrillation (PAD) 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 50 -100 Automatic External Defibrillators (AED) across City-owned sites to ensure rapid treatment of those who suffer cardiac arrest. A total of approximately 400 locations will be managed by EMS under this program. As well, EMS will be offering an estimated 600-700 First Aid/CPR training courses in 2008. These courses are in compliance with Workplace Safety and Insurance Board (WSIB) guidelines.
- *Training Facility:* EMS operates an internationally recognized, fully accredited (Canadian Medical Association) paramedic education centre offering both internal and external programs. It will provide approximately 1,200 hours of continuing medical education courses to Toronto paramedics and will operate International Trauma Life Support Chapter training to approximately 500 students in 2008.
- *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 2007 levels to 545,000 calls in 2008.

**Challenges and Issues**

EMS, as the sole provider of emergency medical response for the City of Toronto residents is constantly faced with the following challenges in the delivery of their services:

- Maintaining effective deployment of available resources to meet the established response time standards of 1996 of 84% within 8:59 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 69.1% within 8:59 minutes in 2007. The additional 8 paramedics approved in 2007 added one additional ambulance 24/7 to EMS operations and will improve response times to life threatening emergency calls within 8:59 minutes to a projected 74% in 2008.
- 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, these measures will further contribute 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.
- Increase in call volumes are expected as the population ages. For instance, Toronto EMS transports about 29% of all people in Toronto over the age of 75 from at least one emergency call every year. As the "baby-boom" population moves over the age of 55, their use of EMS services is expected to rise dramatically, placing increased load on the EMS system.

EMS currently has two initiatives that will result in efficiencies and service improvements to EMS' service delivery for 2008 and beyond:

- The implementation of a new electronic data patient system will free paramedics from extensive manual paperwork. Incident reports are now completed on line by paramedics resulting in the elimination of data input by clerical staff. This will result in the reduction of 4 temporary clerical positions in 2008.
- The re-design of the Communication Centre and the operational deployment (dispatch) will improve overall system efficiency, improve response time performance and help mitigate the impact of hospital offload delay. This project is expected to improve the process by which EMS receives, prioritizes and dispatches ambulance calls in Toronto.

As part of the City's management and accountability framework, a program review of EMS' and Fire Services' administration and management support services functions commenced in 2007 and is anticipated to be completed in 2008. The review focused on the following:

- Identifying opportunities for better coordination of information and use of common data sources across administrative functions;
- Increasing efficiency of administration and provide permanent savings to current base expenditures; and,

**Strategic Priorities**

The 2008 Recommended Operating Budget supports the following initiatives outlined in Council's policy agenda:

- ***Making a Safe City Safer***

The expansion of the Public Access Defibrillation (PAD) Program, approved in 2006, will provide approximately 50-100 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 and private sector clients in the use of the AEDs.

- ***A City of Opportunity for All***

EMS has a multi-cultural coordinator to ensure that 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.

### Section C: 2008 Recommended Base Budget

**Table 3: 2008 Recommended Base Budget**

	2007 Appvd. Budget	2008 Recommended Base	Change 2008 Recommended Base v. 2007 Appvd. Budget		FY Incremental Outlook	
					2009	2010
(In \$000s)	\$	\$	\$	%	\$	\$
<b>GROSS EXP.</b>	148,007.0	151,744.8	3,737.8	2.5	623.8	952.3
<b>REVENUE</b>	87,607.0	89,869.7	2,262.7	2.6	346.5	564.9
<b>NET EXP.</b>	60,400.0	61,875.1	1,475.1	2.4	277.3	387.4
<b>Approved Positions</b>	1,215.0	1,204.0	(11.0)	(0.9)		
<b>NET TARGET</b>		<b>60,400.0</b>				
<b>\$ Over / (Under) Program Target</b>		<b>1,475.1</b>			<b>277.3</b>	<b>387.4</b>
<b>% Over / (Under) Program Target</b>		<b>2.4%</b>			<b>0.46%</b>	<b>0.64%</b>

### 2008 Recommended Base Budget

- The 2008 Recommended Base Budget of \$61.875 million net represents a 2.4% or \$1.475 million increase over the 2007 Approved Operating Budget, after the recommended service level and efficiency adjustments of \$0.518 million.
- The increase of \$3.738 million in recommended gross expenditures include COLA, merit and step increments, annualized impact of the job evaluation for non-union staff, and an additional working day in 2008, offset by increased Provincial revenues of \$0.555 million, cost containment savings of \$0.418 million and the implementation of operating efficiencies of \$0.1 million.
- The recommended base budget includes a net staff reduction of 11 positions (\$1.244 million gross; \$0 net) due to the following:
  - A reduction of 1 temporary position, funded one-time in 2007 by the Heart and Stroke Foundation. Funding was provided to assist in the installation and distribution of an additional 40 AEDs in public locations throughout the City.
  - A reduction of 6 temporary Duty Officer positions, funded one-time in 2007 by the Ministry of Health and Long Term Care (MOHLTC) to assist EMS in providing 24/7 coverage in deployment services. Due to the success of this initiative, the Province has indicated that funding may be available in 2008, however, this has not been confirmed in writing by the Province.

- A reduction of 4 temporary clerical staff results from the implementation of the Electronic Patient Data Collection system. Incident reports are now completed on line by paramedics thus, eliminating requirements for manual input by clerical staff. The reduction in salaries and benefits will be partially offset by an increase in service maintenance costs for the new system.

### **2008 Key Cost Drivers and Reduction Strategies**

Key cost drivers for 2008 include:

- Cost of providing the current level of service requires \$4.2 million for COLA, merit and step increases, and \$0.333 million for inflationary increases for non-labour costs;
- Annualized impact of 8 paramedic positions approved in 2007 (\$0.340 million) and the job evaluation of non-union positions completed in 2007 (\$0.497 million) totaling \$0.837 million;
- Cost of training and equipment maintenance of \$0.133 million for approximately 70 AEDs to be distributed to City facilities in 2008 under the Public Access Defibrillator (PAD) capital project.

These base budget pressures are offset by cost containment measures implemented in 2007 and continuing into 2008 (noted on page 7) of \$0.418 million and service efficiencies of \$0.100 million, based on actual experience.

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

The 2009 Outlook of \$0.277 million net represents ongoing merit and step increases, reversal of the additional day in 2008 (leap year), and operating impacts of the 2008 Approved Capital Budget.

The 2010 Outlook net increase of \$0.387 million includes merit and step increases and the operating impact of the Public Access Defibrillation capital project.

Both the 2009 and 2010 Outlooks do not include a provision for COLA, as the increase is subject to future negotiations.

### **Operating Impact of the 2008 Capital Budget**

The approval of the 2008 Capital Budget results in operating impacts of \$0.066 million in 2008, \$0.148 million in 2009 and \$0.073 million in 2010 as shown in the table below:

<b>Operating Impact of the 2008 Capital Budget</b>				
<b>Capital Project</b>	<b>Net</b>			
	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>TOTAL</b>
in \$000s:	\$	\$	\$	\$
Public Access Defibrillator (PAD) Program	66	73	73	212
Station Security		75		75
<b>TOTAL</b>	<b>66</b>	<b>148</b>	<b>73</b>	<b>287</b>

- The Public Access Defibrillator (PAD) Program, previously approved in 2006, designated EMS as the primary administrator of the Public Access Defibrillator (PAD) Program on behalf of the City. The PAD Project, to be completed in 2009, provides funding for the distribution of 70 Automatic External Defibrillators (AEDs) per year to City of Toronto workplaces and facilities. The operating funds for training, medical oversight and defibrillator maintenance of \$0.066 million in 2008, \$0.073 million in 2009, and \$0.073 million in 2010, were approved by City Council in 2006.
- The Station Security Project is a new capital project in 2008 that will provide funding for the installation of an electronic card access security system to all EMS stations by 2009. This new system will also be used to access equipment and supply assets (such as drug stocks) at ambulance stations for better asset control which was a key concern in the Auditor General's review conducted in 2004. The operating impact of \$0.075 million is for monitoring services once the project is completed in 2009.

### Section D: 2008 Recommended Service Priorities

**Table 4: Summary of 2008 New / Enhanced Service Priorities (In \$000s)**

Priority	Description	2008 Recommended		Rec. New Positions	Net Incremental Impact	
		Gross Exp.	Net Exp.		2009	2010
		\$	\$		#	\$
(a) Enhanced Service Priorities - Council Approved:						
(b) Enhanced Service Priorities - Program Initiated:						
Central Ambulance Communication Centre (CACC)		159.5	0.0	2.0	0.0	0.0
- increase of 2 positions						
Public Access Defibrillation (PAD) Program		64.2	0.0	1.0	0.0	0.0
- increase of 1 position						
Sub-Total Enhanced Service Priorities		223.7	0.0	3.0	0.0	0.0
(a) New Service Priorities - Council Approved:						
(b) New Service Priorities - Program Initiated:						
Sub-Total New Service Priorities		0.0	0.0	0.0	0.0	0.0
Total Recommended New / Enhanced Service Priorities		223.7	0.0	3.0	0.0	0.0

### 2008 Recommended Services Priorities

#### Recommended Enhanced Services – Program Initiated:

The two recommended new/enhanced service priorities will result in a \$0 net impact to the City.

***Central Ambulance Communication Centre (CACC)-(\$0.160 million gross / \$0 net (two new permanent positions effective April 2008)***

Two new positions were approved by the Ministry of Health and Long Term Care (MOHLTC) with 100% Provincial funding: one CACC Emergency Planner and one Manager, Ambulance Liaison and Project Co-ordination (Business Support).

- The CACC Emergency Planner position was approved by MOHLTC for contingency planning, business continuity planning, and disaster recovery planning for events such as SARS, the 2003 Blackout, and the growing threats of pandemic and terrorist events. A

specialist trained in these areas of expertise is required to interface with the various systems and programs within EMS.

- The Manager, Ambulance Liaison and Project Co-ordination (Business Support) position is required to provide strategic advice to the Chief and Senior Management team regarding CACC related systems, budget oversight and cross-divisional activities and workflow processes. This position will liaise with City Programs and MOHLTC staff regarding organizational change, succession planning, short and long term business planning, allocation of resources for effective and efficient delivery of service, performance management, and collective agreement applications.

***Public Access Defibrillator (PAD) Program - \$0.064 million gross / \$0 net (one new permanent position effective April 2008)***

One new permanent position is required to support the expansion of the PAD Program. This program, approved by City Council in 2006, designated EMS as the primary administrator of both the Capital and Operating budgets associated with the expansion of the PAD program. EMS, on behalf of the City, will distribute 70 Automatic External Defibrillators (AEDs) per year (up to 2009) to City workplaces and facilities.

- EMS currently provides support to approximately 400 AEDs located across the City of Toronto. In 2007, EMS installed 100 AEDs in public locations, with approximately 40 funded by the Mikey Network and the Heart and Stroke Foundation. These two agencies also provided funding for 1 position in 2007 to coordinate the installation of these AEDs in schools, community centres, gyms, arenas and other high risk locations and the training required in their use.
- The rate of expansion of this program has exceeded expectations and has increased the demand for AED training and system support especially from external clients. Currently, EMS has only one Community Health Officer to coordinate the installation, training and system support required. It is recommended that an additional Community Health Officer is necessary to address the increased demands for service from both City Program staff and external clients. Revenues generated from the private sector will fully fund this new position.
- It is recommended that the Community Health Officer position be approved subject to securing sufficient revenues generated from external sources under the PAD program to fully fund this position.



## Section E: Issues for Discussion

### 2008 Operating Budget Issues

#### Hospital Offload Delays:

- Over the past several years, Toronto EMS paramedics are required to continue caring for ambulance patients for extended periods after their initial arrival to the hospital. Paramedics are 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.
- The Hospital Offload Delay has 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 8:59 minutes in 1996 to only 69.1% within 8:59 minutes currently.
- See table below for a summary overtime costs since 2003

OT Costs (\$000s)	2003	2004	2005	2006	2007	2008
Budget	1,481.1	1,706.3	2,424.3	2,595.5	3,060.4	2,578.0
Actual	4,335.0	6,242.5	6,820.0	6,502.2	6,725.7	
Variance (over)	(2,853.9)	(4,536.2)	(4,395.7)	(3,906.7)	(3,665.3)	2,578.0

- EMS has attempted to offset this pressure through gapping and other non-salary reductions. However, since overtime costs increased by almost 50% between 2003 and 2004, this sustained pressure cannot be absorbed through increased gapping without significantly impacting service levels.
- In an effort to relieve the overtime pressure, some scheduling changes were implemented in late 2005 to redeploy the number of vehicles on duty at peak demand periods, thus overtime expenditures stabilized at an average of \$6.6 million level in 2006 and 2007.
- EMS will continue to partially offset this over expenditure through gapping and other non salary reductions. EMS is in discussion with hospitals and the Province on an off-load delay strategy and reviewing best practices in other jurisdictions affected by off-load delay.

**EMS Response Time to Life Threatening Calls**

- 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 of 1996. In 1996, Toronto EMS arrived at life threatening emergency calls in 8:59 minutes 84% of the time.
- Current response time for 2007 is 69.1%, an improvement from the 68.2 % in 2006, partially due to the additional 8 paramedic positions approved in 2007. EMS' challenge to meet the Provincial standard is largely influenced by the following key factors:
  - Increase in assigned emergency call volumes from a monthly average of 19,686 in 2002 to 23,395 in 2007, an increase of 19% over a five-year period. This is primarily due to population growth as well as an aging population.
  - 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 average 65 minutes in 2007.
  - 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.
- The additional 8 paramedics approved in 2007 added one additional ambulance 24/7 to EMS operations. EMS also received one-time provincial funding (100%) in 2007 for 6 temporary Duty Officer positions, to assist EMS in providing 24/7 coverage in deployment services. Due to the success of this initiative, the Province has indicated that funding may be available in 2008, however, this has not been confirmed in writing by the Province. It is recommended that the General Manager of EMS report back to the Budget Committee if funding is confirmed by the Province.
- EMS' long term objective is to improve the response time (within 8:59 minutes) to 74 % in 2008, 78% in 2009, 82% in 2010, and eventually to 90% as the ultimate goal.

# Appendix 1

## Summary of Recommended Base Budget Changes From 2007 Approved Budget

(In \$000s)	Summary of 2008 Base Budget Adjustments				Net Incremental Outlook	
	Approved Positions	Gross Expenditures	Revenues	Net	2009	2010
		\$	\$	\$	\$	\$
<b>2007 Council Approved Operating Budget</b>	<b>1,221.3</b>	<b>149,196.5</b>	<b>87,607.0</b>	<b>61,589.5</b>	<b>0.0</b>	<b>0.0</b>
In-year approvals and technical adjustments	(6.3) *	(1,174.3)	0.0	(1,174.3)		
Corporate adjustments	0.0	(15.2)	0.0	(15.2)		
<b>2007 Approved Operating Budget</b>	<b>1,215.0</b>	<b>148,007.0</b>	<b>87,607.0</b>	<b>60,400.0</b>	<b>0.0</b>	<b>0.0</b>
Prior year impacts	(11.0)	178.7	(610.0)	788.7	459.3	387.4
Zero base items	0.0	0.0	0.0	0.0		
Economic factors	0.0	3,750.1	2,088.7	1,661.4	0.0	
<b>Adjusted Base Budget</b>	<b>1,204.0</b>	<b>151,935.8</b>	<b>89,085.7</b>	<b>62,850.1</b>	<b>459.3</b>	<b>387.4</b>
Other base changes	0.0	326.5	228.5	98.0	(182.0)	0
Base revenue changes	0.0	0.0	455.5	(455.5)		
Recommended Service Level Adjustments:						
Service efficiencies	0.0	(517.5)	0.0	(517.5)		
Revenue adjustments	0.0	0.0	100.0	(100.0)		
Minor service impact						
Major service impact						
<b>Total Recommended Base Adjustments</b>	<b>0.0</b>	<b>(191.0)</b>	<b>784.0</b>	<b>(975.0)</b>	<b>(182.0)</b>	<b>0.0</b>
<b>2008 Recommended Base Budget</b>	<b>1,204.0</b>	<b>151,744.8</b>	<b>89,869.7</b>	<b>61,875.1</b>	<b>277.3</b>	<b>387.4</b>
<b>2008 Program Operating Target</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>60,400.0</b>	<b>0.0</b>	<b>0.0</b>
<b>% Over (Under) Program Target</b>				<b>2.4%</b>	<b>0.46%</b>	<b>0.64%</b>
<b>% Over (Under) 2007 Appvd. Budget</b>				<b>2.4%</b>	<b>0.46%</b>	<b>0.64%</b>

\*Represents positions transferred to Policy, Planning, Finance and Administration (Cluster B) as part of the re-allocation of costs for administrative services shared by former Works & Emergency Services (WES) Programs.

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

**Appendix 3**

**Summary of 2008 Recommended New / Enhanced Service Priorities**

## Appendix 4

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

(In \$000s)

Reserve / Reserve Fund Name	Project / SubProject Name and Number	Projected Balance as of December 31, 2007	Proposed Withdrawals				
			2008	2009	2010	2011	2012
XQ1019 Equipment Reserve	<b>Beginning Balance</b>	<b>\$1,973,954</b>	<b>\$1,973,954</b>	<b>\$2,338,954</b>	<b>\$3,043,954</b>	<b>\$3,043,954</b>	<b>\$3,043,954</b>
	Projected Contributions (Operating)		\$705,000	\$705,000			
	AMB907094 - 1 - Defibrillator Purchases 2006-2008		(\$340,000)				
	<b>Total Proposed Withdrawals</b>		<b>\$365,000</b>	<b>\$705,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL RESERVE FUND BALANCE AT YEAR-END</b>		<b>\$1,973,954</b>	<b>\$2,338,954</b>	<b>\$3,043,954</b>	<b>\$3,043,954</b>	<b>\$3,043,954</b>	<b>\$3,043,954</b>
XQ1018 - Vehicle Reserve	<b>Beginning Balance</b>	<b>\$1,421,082</b>	<b>\$1,421,082</b>	<b>\$1,421,082</b>	<b>\$1,421,082</b>	<b>\$1,421,082</b>	<b>\$1,421,082</b>
	Projected Contributions (Operating)		\$3,635,000	\$3,635,000			
	CFL013 - EMS Vehicle/Equipment Replacement		(\$3,635,000)	(\$3,635,000)			
	<b>Total Proposed Withdrawals</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL RESERVE FUND BALANCE AT YEAR-END</b>		<b>\$1,421,082</b>	<b>\$1,421,082</b>	<b>\$1,421,082</b>	<b>\$1,421,082</b>	<b>\$1,421,082</b>	<b>\$1,421,082</b>