



Works and Emergency Services  
Barry Gutteridge, Commissioner

Bruce Farr  
General Manager

Emergency Medical Services  
4330 Dufferin Street  
Downsview, Ontario  
M3H 5R9

## **2004 BUDGET BRIEFING NOTE – Non-Program**

### Emergency Medical Services – Administrative Support

#### **Issue/Background:**

BAC on March 12, 2004 requested an increase of \$59,000.00 for Administrative Support Recoveries to the Non-Program Budget from the 2004 Operating Budget of Emergency Medical Services. Traditionally, the City of Toronto did not include corporate overhead costs in the budget of individual operating departments. During 1999, as part of a general restructuring and a move to isolate the full costs of programs and services, the City began the process of allocating corporate service and overhead charges to certain operating divisions where provincial subsidy was anticipated. The EMS allocation was identified as \$5.9 million.

#### **Key Point(s):**

- EMS initially included a percentage of the corporate services costs in the Central Ambulance Control Centre (CACC) budget submission to the province for cost sharing consideration. The province declined to consider the corporate services costs for the CACC funding agreement.
- During 2001, the Association of Municipalities of Ontario (AMO) agreed to a proposal to develop a funding template for all Upper Tier Municipalities (UTMs) to base their Land ambulance operating budget submissions.
- The design of the Land Ambulance Approved Cost Funding Template helped address the definition of ‘approved costs’ and made it simpler to isolate the true costs of service delivery. The template identified an area of ‘Administrative Costs’ described as ‘the provision of all office administrative services, accounting, legal, advisory committees, etc.’ and ‘Administrative costs not to exceed 10% of budget’.
- Subsequent 50/50 Land funding requests were to be considered by the province on the basis of individual business case submissions.
- 2001 EMS base Land funding was determined based on the template submission. EMS estimated administrative costs as defined by the province, including the \$5.9 million corporate services charges and approximately \$2.2 million internal support services costs totaled approximately \$9.4 million. Of this amount, \$7.9 million was included in the submission, restricted to the 10% as identified under the template guidelines. This indicates the initial funding submission excluded \$1.5 million of the estimated administrative costs.

- After 2001, these corporate charges did not attract subsidy and the overall subsidy has not kept pace with expenditure increases.
- Salaries, fringe benefits and training costs were included in the template at a reduced level to meet the provincial goal of a maximum 2% funding increase.
- Major outstanding funding issues include the Local 416 and Armstrong Awards increases for the years 2002, 2003 and 2004.

**Conclusion:**

EMS continues to negotiate at their level with the province for outstanding and increased funding. In view of the present funding gap especially related to EMS salaries and wages, it would appear highly unlikely the province will provide additional funding for increased corporate services costs. Therefore, any increase in this area would quite likely result in a net increase.

**Date: March 19, 2004**