



Hamilton

Fairness to Hamilton Campaign Sub-Committee

REPORT 07-001

Thursday, September 6, 2007

2:00 p.m., Room 205

Hamilton Convention Centre

Hamilton, Ontario

Present: Mayor F. Eisenberger (Ex Officio), Councillor B. Clark (Chair), T. Cooper (Vice-Chair), Councillor B. Bratina R. Adams and J. Dolbec

Absent with regrets: Councillor M. McCarthy and J. Wingard, previous commitments

Also Present: A. Tokaci, Chamber of Commerce
J. Rinaldo, T. Tollis, M. Zegarac, Finance Department
M. Devorski, Mayor's Office
I. Bedioui, City Clerk's Office

THE FAIRNESS TO HAMILTON CAMPAIGN SUB-COMMITTEE PRESENTS REPORT 07-001 AND RESPECTFULLY RECOMMENDS:

- 1. Financial Impact of Provincial Downloading (City Wide) (FCS07086)**

That Report FCS0607086 respecting Financial Impact of Provincial Downloading and attached hereto as Appendix A be received for information.
- 2. Net Property Tax Impact Per Household**
 - (a) That Finance staff be directed to calculate the net property tax impact per household as a result of the Provincial downloading.
 - (b) That staff from the Mayor's office be directed to develop a strategy to communicate the impact that Provincial downloading has on the property tax per household to the public and to the leaders of the Provincial parties and the local candidates of the upcoming Provincial elections.
- 3. Long Term Public Relations Strategy**

That appropriate staff be directed to develop a long term public relations strategy to communicate the issues relating to the Provincial downloading and the impact this has on the Hamilton property tax payers including but not limited to developing a web site.

FOR INFORMATION

(a) CHANGES TO THE AGENDA

The Clerk advised that the Minutes from the August 15, 2007 meeting were added for approval by the Sub-Committee.

(b) DECLARATIONS OF INTEREST

None declared.

(c) APPROVAL OF MINUTES (Added Item)

That the Minutes of the April 15, 2007 meeting be approved as presented.

(d) DISCUSSION ITEMS

(i) Draft staff report respecting Financial Impact of Provincial Downloading (Item 3.1)

Mike Zegarac provided a verbal overview of the draft report highlighting the financial information in the various tables and appendices and explaining that the report is still in draft form.

The Sub-Committee discussed the contents of the report and staff responded to questions. The Sub-Committee also discussed how this information could be provided to the public and the Provincial candidates prior to the upcoming election.

Staff were directed to break down the budget impact of the Provincial downloading to determine the cost for each household.

Staff agreed to submit the final copy of the report to the September 11, 2007 Committee of the Whole Meeting.

(e) ADJOURNMENT

There being no further business, the Committee adjourned at 3:35 p.m.

Respectfully submitted,

**Councillor Brad Clark, Chair
Fairness to Hamilton Campaign Committee**

**Ida Bedioui
Legislative Assistant
Fairness to Hamilton Campaign Committee
September 6, 2007**

CITY OF HAMILTON

CORPORATE SERVICES DEPARTMENT
Budgets and Finance Division

Report to:	Chair and Members Fairness to Hamilton Committee	Submitted by:	Joseph L. Rinaldo General Manager Finance and Corporate Services
Date:	September 6, 2007	Prepared by:	Mike Zegarac ext. 2739

**SUBJECT: Financial Impact of Provincially Mandated Programs (FCS07086)
(City Wide)**

COMMENDATION:

That Report FCS07086 “Financial Impact of Provincially Mandated Programs” be received for information.

Joseph L. Rinaldo
General Manager
Finance and Corporate Services

EXECUTIVE SUMMARY:

At the request of the Fairness to Hamilton Committee, report FCS07086 provides a preliminary financial review of the impact of Provincially Mandated Programs as it applies to the City of Hamilton. In 2006, at the request of the City of Hamilton’s Social Services Downloading Steering Committee (SSDSC), **the Centre for Community Study** prepared the report titled, *Downloaded Dilemma: Background Report for the Social Services Downloading Steering Committee*. This report was intended to inform the efforts of the SSDSC which represented a variety of community interests within Hamilton and was charged with the task of examining the issue of Provincial downloading as it applies to Hamilton.

The City of Hamilton continues to be financially negatively impacted by responsibilities that were downloaded to municipalities beginning in the late 1990’s. The financial burden on the City, created by changes to the delivery and funding of social assistance, child care, land ambulance, social housing, public health and court security has increased annually and has limited the City’s ability to provide essential municipal

services badly needed in our Community including addressing our infrastructure requirements.

Since 1999, the City has been forced to manage new mandated/downloaded program costs for Ontario Disability Support Program (ODSP), the Ontario Drug Benefit (ODB), Social Housing, Public Health and Court Services. In 2007, the gross cost of these downloaded programs amounts to approximately \$150 million (refer to Appendix 1 of report FCS07086).

Costs in downloaded programs have been driven up over time by policy changes made by the Province, inflation, wage settlements, growing service demand, increasing client service needs and aging infrastructure. For example, when social housing was devolved by the Province, capital reserves downloaded from the Province in 2001 were under-funded. Housing staff have had capital reserve studies completed on City-owned social housing units and non-profit social housing units in the City of Hamilton. City-owned capital reserves are under-funded by \$900,000 (2005\$) and the non-profit capital reserves are under-funded by \$9,500,000 (2005\$); both on a yearly basis. The cumulative deficit in Housing exceeds \$160 million.

In the Fall of 2006, the Province and its' municipal partners embarked on a review of the provincial-municipal relationship that will focus on identifying a new fiscal and service delivery partnership for the 21st century. The Review will be broad, in scope, including the financing and funding relationship, as well as, service delivery and service governance.

The Review, which will be completed in the Spring of 2008, is expected to produce a consensus-based summary report for public release, including recommendations for next steps and implementation thereafter. The process will not preclude other provincial-municipal discussions including those related to specific municipal governments.

The current government has pre-empted the 2008 report to announce that the Province, over the next 4 years, will upload ODB and ODSP. The regulatory changes include uploading the municipal share of ODSP and ODB costs to the Province, commencing January 1, 2008.

SUBJECT	EFFECTIVE DATE
ODB cost sharing	January 1, 2008
ODSP administration	January 1, 2009
OSDP income support, including benefits	January 1, 2010 (50%) January 1, 2011 (100%)

The Province has yet to announce what impact the uploading will have on the Ontario Municipal Partnership Fund over the long-term. It is clear that with this announcement, along with the elimination of GTA Pooling, the Province has finally recognized that the cost of income redistribution programs, such as, Social Services should not be funded from property taxes. Ontario is one of the only jurisdictions in North America that currently follows this practice.

The Terms of Reference for the Review identifies that the Review should lead to a sustainable, provincial-municipal relationship where both orders of government can meet their responsibilities and will focus on:

- Affordability and fiscal sustainability for both orders of government;
- Fairness for taxpayers and residents;
- Timely infrastructure investments;
- Provincial and municipal services effectively delivered across Ontario; and
- Long-term economic development and prosperity for Ontario and its communities.

In addition to directly downloaded programs, municipalities in Ontario and their commercial/industrial stakeholders have been impacted by taxation regulations, including the “Heads and Beds Tax” and the “Business Education Tax”.

The Municipal Act, 2001 provides the authority for municipalities to pass by-laws to levy annual taxes payable on colleges and universities, hospitals and correction institutions in an amount not to exceed the prescribed amount. Ontario Regulation #384/98, as amended, prescribes a rate of \$75 for each full-time student, provincially-rated bed or resident place respectively.

In 2006, City By-Laws provided for levies on institutions in Hamilton of:

Universities/Colleges	\$ 2,111,550
Health Care	\$ 231,600
Detention	<u>\$ 37,650</u>
<u>TOTAL:</u>	<u>\$ 2,380,800</u>

Alternatively, if these properties were taxed at the City’s commercial/industrial tax rate, the City would generate \$26 million in taxes annually. This treatment would be similar to other PIL properties which are owned by the Province and the Federal Government (refer to Appendix 2 of FCS07086).

The Ontario Government announced in its’ 2007/08 Provincial Budget, over the next seven years, that the Government will cut Business Education Taxes (BET) by \$540 million by lowering BET rates to a target maximum rate of 1.60 per cent. This is expected to result in an annual savings of \$8.1 million for commercial and industrial property owners in the City when fully evolved in 2014.

 **BACKGROUND:**

The pressures on Hamilton that occurred in the latter part of the 1990’s, as a result of amalgamation, were compounded by a major reorganization of roles, responsibilities and cost-sharing arrangements initiated by the Provincial Government as a part of Local Service Realignment (LSR). Under LSR, Hamilton and other Ontario municipalities, became responsible for the delivery and cost-sharing of a wide range of Provincial

programs while the Province retained primary control over program policy and service delivery models. This group of changes is commonly referred to as “downloading”.

This mismatch between responsibility and authority, created by LSR and related changes, has severely constrained the City’s ability to contain the financial burden created by downloaded programs on the property tax base.

Since 1998, the City has used all of the tools at its’ disposal, including draws from reserves, tax rate increases, service reductions and service efficiencies to minimize the impact of downloaded program costs.

Over time, the Province has mitigated some of the impact of downloading with the introduction of 50% funding for emergency medical services (EMS) and public health in 1999 (up from the original LSR proposed level of 0% funding); phased increases from 2004-07 in provincial contributions for Public Health Services to 75%.

Ontario Works Cost of Administration

The cost of administration of the Ontario Works Program is subject to a 50/50 cost-sharing agreement with the Provincial Government. However, the Province has capped the amount it contributes and, in 2007, there is an expected difference of \$590,486 (net), \$1,180,973 (gross) between the municipal budget of \$9,492,707 (net), \$18,985,415 (gross) and the MCSS’s estimated amount of \$8,902,221 (net), \$17,804,442 (gross).

The expenditures funded from the OW Cost of Administration have risen in the past five years although 2007 is the first year that it is anticipated that the MCSS will not be able to cost share up to the budgeted amount. In general, the increase is due to higher salary and benefit costs per the Collective Agreement, rising accommodation and utility costs and additional case managers to improve service levels.

Emergency Medical Services

Emergency medical services are funded by a 50/50 cost-sharing agreement for land ambulances and 100% provincial funding for Central Ambulance Communications Centre. In prior years, the Province had capped its’ contribution to salary increases and failed to recognize inflationary increases, creating significant funding shortfall for the City (refer to Appendix 3 of report FCS07086). In 2007, the City has increased its’ commitment to EMS in an effort to mitigate the potential risk of delayed response times.

Hamilton City Council on July 11, 2007, approved increased funding of approximately \$7 million for the City’s Emergency Medical Services (EMS) 2008 budget. The significant funding increase is expected to address the need to meet the provincial standard for Hamilton of a 10.02 minute emergency response, 90% of the time. In 2006, Hamilton’s average response time was 11 minutes and 27 seconds, 90% of the time, 10.02 minutes, 82% of the time.

Several factors have contributed to exceeding the emergency response provincial standard including:

- increased emergency calls arising from an aging population:
 - since ambulance service was downloaded to the City in August 2000, code 4 (emergent) call volumes have increased by more than 50%;
 - in 2006, there was a new EMS emergency call across the City every 10 minutes;
 - the average EMS paramedic in Hamilton does more calls in a shift than the average paramedic in other area communities.

- longer turnaround times for ambulances at hospitals' emergency departments (ED):
 - hospital off-load delays are costing the City the equivalent of \$7.6M annually according to the third party consultant, Integrated Performance Solutions;
 - in 2005, paramedics spent up to 55 minutes in the ED, 90% of the time;
 - in 2006, paramedics spent up to 64 minutes in the ED, 90% of the time.

- Provincial enforcement of legislated meal breaks for paramedics:
 - ambulance drivers are to receive an uninterrupted lunch break after five hours of duty;
 - the increasing EMS wait times in hospital emergency departments consume ambulance resources, limiting opportunities for paramedics to return to the stations for uninterrupted breaks;
 - in 2005, of approximately 42,181 meal breaks, medics assert 342 were delayed or missed;
 - in 2006, of approximately 42,181 meal breaks, medics assert 1,558 were delayed or missed.

If the Province does not commit to 50% sharing for the forecast 2008 budget, the City will have to absorb the full 2008 incremental impact, reducing the Province's cost-sharing to 35%.

Ontario Disability Support Program and Ontario Drug Benefits

Although the City plays no role in the delivery of these programs and has no actual control over program expenditures, current cost-sharing agreements require that the City pay 20% of the gross program costs and 50% of the cost of administration for these two programs.

The Province has reported, assuming the re-election of the current government in 2007, that the Province, over the next 4 years, will upload ODB and ODSP. The regulatory changes upload the municipal share of ODSP and ODB costs to the Province, effective January 1, 2008:

SUBJECT	EFFECTIVE DATE
ODB cost sharing	January 1, 2008
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The Province has yet to announce what impact the uploading will have on the Ontario Municipal Partnership Fund over the long-term.

Social Housing

In 2007, the downloaded operating program cost of social housing is forecast at \$39.3 million. In addition, to operating program costs, are the rising capital costs of maintaining the aging housing stock.

In the past, the City has been able to capitalize on the mortgage renewals at lower interest rates to free up sufficient resources to manage most of the growing costs in the program area. With all the gains from lower mortgage rates now achieved, Social Housing will continue to be a Levy pressure.

Policing

Beginning in 1997, the City was required to assume new policing responsibilities including the provision of security for criminal courts. As with the above noted example, this additional policing responsibility is not within the City's control and has placed a growing burden on the City's budget. The Police Service's 2007 budget for Court Security is over \$3.7 million, in addition, to over \$1.1 million for its' Court Documents Section which is responsible for providing effective case management, witness notification, etc. These costs are partially off-set by a provincial grant for Bail Safety Project of \$308,310.

Public Health

Effective 2007, the Province of Ontario increased funding to municipalities to support Public Health to levels last witnessed before 1997. Before 1997, the Province funded 75% of Public Health expenditures and municipalities funded 25%. In 1997, Ontario introduced legislation to download all public health financing, yet the Province was to maintain authority to set provincial standards. The total downloading of Public Health funding to municipalities lasted about a year. In March 1999, the Province's share increased to 50%. The City's 2007 Public Health budget is approximately \$8.4 million.

Child Care

The City has been forced to operate Child Care Services within a level of funding that reflects the fact that provincial funding for base programs is not indexed to inflation and has been frozen at levels established in 1995.

Transit

Previous to Provincial downloading, HSR received Provincial funding for Operating and Capital of 20% and 75%, respectively. In addition to HSR funding, ATS (Darts) similarly was eligible for 50% funding from the Province.

Under the Gas Tax Revenue Sharing Agreement between the Province and the City, the City is the recipient of approximately \$11.3 million in gas tax dedicated to Transit.

 **ANALYSIS/RATIONALE:**

The following Table provides a cursory review of the impact of Provincially mandated programs. Based on a number OF identified programs and off-setting funding sources, the City can expect to be financially negatively impacted by approximately \$97 million by downloading of Provincial programs.

SUMMARY OF PROVINCIALY MANDATED PROGRAM COSTS

	2007
Mandated Programs	
ODSP/ODB	\$ 47,757,000
OW	\$ 29,572,000
Social Housing	\$ 39,262,000
Court Service	\$ 4,532,690
Land Ambulance	\$ 17,529,000
Public Health	\$ 8,416,000
GO Transit	<u>\$ 2,600,000</u>
Sub-total downloaded programs	\$ 149,668,690
Offsets to Mandated Programs	
OMPF	\$ (38,200,000)
Special Funding	\$ (12,000,000)
POA	<u>\$ (2,600,000)</u>
Sub-total offsets	\$ (52,800,000)

Net impact of Provincially mandated programs	\$ 96,868,690
Impact on typical household	\$ 425

IMPACT ON TYPICAL HOUSEHOLD	
Municipal taxes per typical household	\$2,528
Reduction: elimination of Provincially mandated programs	(\$425)
Revised Municipal taxes per typical household	\$2,103

Additional Provincial Impacts

Heads and Beds	\$12.3 M - \$43 M
BET	\$8.1M
Transit	\$26.4M

The SSDSC reported in 2006:

“Ontario is one of the only jurisdictions of all the G-8 Nations that downloads the cost of social services to the local property tax base. Also, Ontario’s municipalities have the highest property taxes in the country. Revenues from property taxes do not grow with the economy, as is the case with income taxes, yet Ontario municipalities have to rely on the property tax base to fund social

services. There has been substantial analysis and discussion on the issue of municipal financial sustainability and social service funding and an oft-repeated conclusion is to fund income redistribution programs from income tax not property tax. In practice, this means returning a significant portion of social services costs to the province to fund”.

Business Education Property Tax Cuts

The Ontario government announced, through its’ 2007/08 Provincial Budget, that over the next seven years; the government will cut Business Education Taxes (BET) by \$540 million by lowering BET rates to a target maximum rate of 1.60 per cent. This new maximum rate is well below the current average BET rate of 1.85 per cent. BET rates that are currently below 1.60 per cent will not be increased under this plan.

Starting in 2008, the government will introduce an initial annual ceiling rate of 2.50 per cent for commercial properties and 3.00 per cent for industrial properties with the annual ceiling rates being reduced until they reach the target maximum BET rate of 1.60 per cent on January 1, 2014. Each year, BET rates that are below the annual ceiling rate will be reduced by two per cent of the amount by which they exceed 1.60 per cent. All new construction initiated after March 22, 2007, will immediately be subject to the 1.60 maximum BET rate.

Hamilton Business Education Property Tax Cuts		
Property Class	Projected 2014 Tax Cut (\$)	Projected 2014 Tax Cut (%)
Industrial	1,690,000	10
Commercial	6,978,000	10

Competitiveness of Hamilton BET

Commercial Education Tax Rates (Residual Class)			
	2001	2006	% Change
London	2.9744%	2.4393%	-18%
Waterloo	2.4954%	2.0415%	-18%
Brantford	2.3860%	2.0236%	-15%
Sudbury	2.1153%	1.9840%	-6%
Toronto	2.6541%	1.9758%	-26%
Windsor	2.1132%	1.8201%	-14%
Hamilton	2.9351%	1.7863%	-39%
Ottawa	2.2831%	1.7440%	-24%
Niagara	1.9056%	1.5929%	-16%
Peel	2.0754%	1.5539%	-25%
York	2.0020%	1.4929%	-25%
Durham	2.0039%	1.4876%	-26%
Halton	1.8321%	1.3747%	-25%
Industrial Education Tax Rates (Residual Class)			
	2001	2006	% Change
London	3.9672%	2.8796%	-27%

SUBJECT: Financial Impact of Provincially Mandated Programs (FCS07086) (City Wide)

Brantford	3.8308%	2.8212%	-26%
Niagara	3.7062%	2.6344%	-29%
Waterloo	3.7030%	2.6169%	-29%
Sudbury	2.9647%	2.6063%	-12%
Windsor	3.2189%	2.3572%	-27%
Ottawa	2.7004%	2.3010%	-15%
Toronto	3.8170%	2.0599%	-46%
Halton	2.8797%	1.9296%	-33%
Durham	2.6113%	1.9218%	-26%
Hamilton	3.5633%	1.7863%	-50%
Peel	2.6784%	1.7811%	-34%
York	2.5031%	1.6581%	-34%

PILS

The Municipal Act, 2001 provides the authority for municipalities to pass by-laws to levy annual taxes payable on colleges and universities, hospitals and correction institutions in an amount not to exceed the prescribed amount. Ontario Regulation #384/98, as amended, prescribes a rate of \$75 for each full time student, provincially-rated bed or resident place respectively.

In 2006, City By-Laws provided for levies on institutions in Hamilton of:

Universities/Colleges	\$ 2,111,550
Health Care	\$ 231,600
Detention	\$ <u>37,650</u>

TOTAL: \$ 2,380,800

Based on alternative tax rates, as well as 2006 current value assessment for the impacted properties of over \$962 million, these institutions could contribute between \$12.3 million to \$43 million annually to the City, (refer to Appendix 2 of report FCS07086). It should be noted that the “Heads and Beds” prescribed rate has not been changed by the Province over an extended period of time.

ALTERNATIVES FOR CONSIDERATION:

N/A

FINANCIAL/STAFFING/LLEGAL IMPLICATIONS:

N/A

POLICIES AFFECTING PROPOSAL:

N/A

RELEVANT CONSULTATION:

- Community Services
- Police Services
- EMS
- Corporate Services (Taxation)

KEY STRATEGIC COMMITMENT:

By evaluating the “**Triple Bottom Line**”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Community Well-Being is enhanced. Yes No

Environmental Well-Being is enhanced. Yes No

Economic Well-Being is enhanced. Yes No

Does the option you are recommending create value across all three bottom lines?
 Yes No

Do the options you are recommending make Hamilton a City of choice for high performance public servants?
 Yes No



2007 Impact of Provincially Mandated Costs on the City of Hamilton

Appendix 1 of FCS07086

	2007 Gross Expenditures	2007 Provincial Transfers	2007 Net Levy
Provincially Mandated Programs			
ODSP & ODB	\$ 47,756,470	\$ -	\$ 47,756,470
Ontario Disability Support Program	\$ 10,036,090	\$ -	10,036,090
Ontario Drug Benefit	\$ 37,720,380	\$ -	37,720,380
Ontario Works	\$ 112,056,465	\$ (82,484,330)	\$ 29,572,135
Employment Assistance - Employment and Income	9,665,370	(7,739,880)	1,925,490
Employment Assistance - SERVC Funded	175,570	(175,570)	-
OW Client Costs	81,948,270	(64,059,010)	17,889,260
Ontario Works Administration	\$ 18,985,415	\$ (9,484,350)	\$ 9,501,065
LEAP	1,281,840	(1,025,520)	256,320
Social Housing	\$ 79,087,580	\$ (39,825,550)	\$ 39,262,030
Emergency Medical Services	\$ 27,582,060	\$ (10,052,873)	\$ 17,529,187
Court	\$ 4,841,400	\$ (308,310)	\$ 4,533,090
Public Health	\$ 39,182,850	\$ (30,766,930)	\$ 8,415,920
GO Transit	\$ 2,600,000	\$ -	\$ 2,600,000
SUB-TOTAL	\$ 313,106,825	\$ (163,437,993)	\$ 149,668,832
OFFSETS			
POA	\$ (2,600,000)	\$ -	\$ (2,600,000)
OMPF	\$ -	\$ (38,200,000)	\$ (38,200,000)
Special Funding	\$ -	\$ (12,000,000)	\$ (12,000,000)
SUB-TOTAL	\$ (2,600,000)	\$ (50,200,000)	\$ (52,800,000)

Payments in Lieu of Taxes relative to Current Value Assessment

		If Taxable/Same Assessment				
Assessment	Code	Mun/Ed Comm.	Mun/Ed Res.	Mun Comm.	Mun. Res.	
		0.04472476	0.015425194	0.02686213	0.01278194	
		\$	\$	\$	\$	
Properties subject to Heads & Beds:						
McMaster Hospital	EN	187,789,630	8,398,846	2,896,691	5,044,429	2,400,316
Hamilton General Hospital	EN	84,097,000	3,761,218	1,297,213	2,259,025	1,074,923
Henderson Hospital	EN	83,666,000	3,741,942	1,290,564	2,247,447	1,069,414
St. Joseph's Health Care	EN	77,725,000	3,476,232	1,198,923	2,087,859	993,476
Sister's of St. Joseph	EN	15,208,000	680,174	234,586	408,519	194,388
St. Peter's Hospital	EN	23,000,000	1,028,669	354,779	617,829	293,985
Chedoke Hospitals (includes Chedoke Health Corp.)	EN	46,283,400	2,070,014	713,930	1,243,271	591,592
Psychiatric Hospital	EN	38,049,400	1,701,750	586,919	1,022,088	486,345
Hamilton Civic Hospital	EN	1,559,000	69,726	24,048	41,878	19,927
		<u>557,377,430</u>	<u>24,928,572</u>	<u>8,597,655</u>	<u>14,972,345</u>	<u>7,124,365</u>
Colleges/University/Jail						
McMaster	EN	281,579,150	12,593,560	4,343,413	7,563,816	3,599,128
Mohawk	EN	60,581,000	2,709,471	934,474	1,627,335	774,343
Hillfield Strathallan	EN	10,793,000	482,714	166,484	289,923	137,955
Redeemer Reformed	EN	40,287,000	1,801,826	621,435	1,082,195	514,946
Barton Jail	EN	12,153,000	543,540	187,462	326,455	155,339
		<u>405,393,150</u>	<u>18,131,111</u>	<u>6,253,268</u>	<u>10,889,723</u>	<u>5,181,711</u>
		<u>962,770,580</u>	<u>43,059,683</u>	<u>14,850,923</u>	<u>25,862,068</u>	<u>12,306,076</u>

CS07086

Mun. Ind.

0.04470937

\$

8,395,956

3,759,924

3,740,654

3,475,036

679,940

1,028,316

2,069,302

1,701,165

69,702

24,919,994

12,589,226

2,708,538

482,548

1,801,206

543,353

18,124,872

43,044,866

City of Hamilton Emergency Medical Services Costs

Appendix 3 of FCS07086

	2001	2002 *	2003	2004	2005	2006 **	2007	2008 ***
MOH Approved Funding	\$ 6,650,828	\$ 7,250,584	\$ 7,583,215	\$ 7,757,310	\$ 8,127,150	\$ 9,337,232	\$ 10,052,873	\$ 10,052,873
Gross Municipal Budget	12,964,660	16,365,100	17,740,990	19,035,040	19,793,620	19,793,620	20,482,060	28,798,390
Actual Operating Expenses	13,296,128	15,889,378	16,891,568	17,875,561	18,900,032	20,795,267		
% of Budget Funded	51%	44%	43%	41%	41%	47%	49%	35%
% of Actuals Funded	50%	46%	45%	43%	43%	45%		

Notes:

* 2002 budget and actual cost increases over 2001 reflect program enhancements (increased staffing, coverage hours, training, uniform costs, etc)

** 2006 funding includes one time funding of \$306,833 and a grant of \$1,050,897 to narrow the funding gap.

*** 2008 Projected budget reflects approved program enhancements by COW on July 11, 2007, and assumes Provincial funding equal to 2007 allocation.

*** Provincial government has committed to move towards a 50:50 sharing of the cost of municipal land ambulance services by 2008 based on 2006 costs.