



LAND AMBULANCE FUNDING

February 17, 2006

ISSUE:

Property taxpayers are paying more than they should for land ambulance services.

The Province is not living up to its commitment to fund 50% of ambulance costs. As a result Counties and those municipalities responsible for this service are forced to levy more on property taxpayers. In 2004 EOWC members paid \$7.9 million more than they should have had to pay.

PROPOSED RESPONSE:

The Eastern Ontario Wardens' Caucus fully supports AMO's efforts to force the Province back into the 50-50 funding relationship.

With ambulance costs now excluded from the Ontario Municipal Partnership Fund it is even more urgent to ensure that the Province pays its full 50% share of all land ambulance costs.

BACKGROUND:

Allan & Partners in the 2005 *Future Directions* Update identified a continuing concern about ambulance funding.

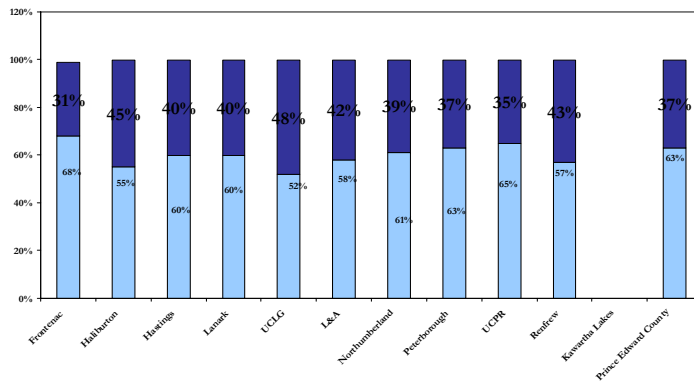
County budgets, particularly from 2003 to 2005, reflect a widening gap between provincial funding and net cost of running them. The shortfall in 2004 (2005 data won't be available until year-ends are finalized) was **\$7.9 million**. In 2003 the shortfall was \$4.5 million.

Ambulance funding used to be part of the CRF program and was reconciled each year subject to arbitrary decisions on the part of the Province as to what costs they would reconcile. For example, the province will only pay 50% of 2% annual increase in wages or 1%. Many arbitrated settlements and those attained

through collective bargaining exceeded 2%. As a result municipalities pick up a disproportionate share of salary and benefit costs. This is important when approximately 80% of all ambulance costs are wages and benefits.

The chart below highlights the continuing erosion of provincial funding of ambulance services. The cost sharing formula now ranges from 69% municipal to 52% municipal with an average across the EOWC of 59.18% municipal.

LAND AMBULANCE 2005 MUNICIPAL VS PROVINCIAL PORTION



**TOTAL INCREASE OF AMBULANCE DOWNLOADING= \$3,396,416
(10% INCREASE OVER 2004)**

The chart also indicates that as noted by Allan & Partners downloading onto the property taxpayer continues in 2005.