

# Staff Report



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To	<b>Joint Social Services and Land Ambulance Committee</b>
Service Area	Office of the Chief Administrative Officer
Date	Wednesday, June 11, 2025
Subject	<b>Paramedic Services First Quarter 2025 Budget Variance Report</b>

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## Recommendation

1. That the Joint Social Services and Land Ambulance Committee recommends to City Council that the 2026 forecasted budget of \$1,019,200 for PM0010 Paramedic Vehicle Replacement be advanced to 2025 to align the budget to the time of procurement per normal City process, as part of the Second Quarter Budget Monitoring Report scheduled for September 3, 2025.
  2. That the Joint Social Services and Land Ambulance Committee recommends to City Council that the 2026 forecasted budget of \$300,000 for PM0002 Paramedic Growth Vehicle be advanced to 2025 for the early ordering of one growth ambulance, as part of the Second Quarter Budget Monitoring Report scheduled for September 3, 2025.
  3. That the Joint Social Services and Land Ambulance Committee recommends to City Council that the 2027 forecasted budget of \$779,700 for PM0010 Paramedic Vehicle Replacement be advanced to 2025 for the early ordering of three ambulances, as part of the Second Quarter Budget Monitoring Report scheduled for September 3, 2025.
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## Executive Summary

### Purpose of Report

This report provides a summary of the risks and opportunities identified in first quarter (Q1) 2025 for the operating and capital budget for Land Ambulance Services provided by the City of Guelph (City).

### Key Findings

The Q1 2025 budget monitoring report is anticipating negative variances by year end. This deficit is anticipated to be driven by compensation, purchased goods, and purchased services. There is no quantitative forecast at this time. A year-end projection will be provided in the second quarter (Q2) report scheduled for September 10, 2025.

The Land Ambulance Q1 2025 capital budget monitoring is trending on budget. We recommend bringing forward the budgets for 2026 and 2027 to better align our budget with the current pre-ordering processes due to the long lead times for receiving these vehicles.

## Strategic Plan Alignment

The Paramedic Services Q1 2025 Budget Variance Report supports the People and Economy theme of the Future Guelph Strategic Plan.

### Future Guelph Theme

People and Economy

### Future Guelph Objectives

People and Economy: Support community well-being

### Financial Implications

The Q1 2025 budget monitoring report provides an opportunity to review the current variances for land ambulance in both capital and operating expenses. At Q1, we highlight any risks or opportunities that may result in a negative or positive variance by year-end. We do not provide a quantitative forecast at this time. A year-end projection will be provided in the Q2 2025 Budget Variance Report.

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## Report

### Q1 2025 Operating and Capital Budget Monitoring Report

The Paramedics Services Q1 2025 variance report details various risks and opportunities within the land ambulance operating and capital budgets.

### Operating Variance Details

Table 1: Operating Summary (in thousands of dollars)

<b>Paramedic Services Operating Budget</b>	<b>2025 Budget</b>	<b>2025 YTD Actuals</b>	<b>2025 YTD % Spent</b>
Salaries, Wages and Benefits	24,696	6,380	26%
Purchased Goods	1,696	409	24%
Purchased Services	1,331	406	31%
Internal Charges and Recoveries	3,442	1,467	43%
Debt and Transfers	1,135	699	62%
Revenue from User Fee & Service Charges	(35)	(1)	3%
<b>Total net expenses</b>	<b>32,265</b>	<b>9,360</b>	<b>29%</b>
Ministry of Health Grant Revenue	(15,737)	(3,451)	22%

<b>Paramedic Services Operating Budget</b>	<b>2025 Budget</b>	<b>2025 YTD Actuals</b>	<b>2025 YTD % Spent</b>
Net Expenses to be shared between the City and County	16,528	5,909	36%
City call volumes	63.0%	64.0%	
County call volumes	37.0%	36.0%	
City's share	10,413	3,782	36%
County's share	6,115	2,127	35%

**Salaries and Benefits**

- There is a risk of running a deficit in salaries and wages. GWPS continues to see an elevated level of leaves being taken, consistent with 2024, resulting in the need for higher than budgeted levels of backfill staffing to cover shifts. This is being managed with temporary staff rather than overtime to lower the impact of these costs. Increased leaves also result in higher WSIB payments which we may continue to see throughout 2025. Additional supports have been put in place for managing leaves and helping staff return to work as soon as possible, and enhanced mental health supports for front-line supervisors have been implemented to match the supports provided for paramedics given that both groups respond on scene.

**Purchased Goods**

- There is a risk of deficits in fuel and medical supplies. While fuel savings from the reduction of the consumer carbon tax are expected, those savings are expected to be offset by increased call volumes, which are accompanied by increased usage in fuel and medical supplies.
- There is a risk of deficits in uniforms. GWPS is hiring a second class of paramedics in 2025, and we could see an increase in costs from more uniforms and inflation impacts.

**Purchased Services**

- There is a risk of deficits in vehicle repairs and maintenance and building repairs and maintenance. Aging vehicles will continue to drive repair costs until new ambulances are delivered (later in 2025) and with ongoing aging facilities, we will see increased maintenance costs to keep them operational. The 2025 and 2026 renewal ambulances have been ordered based on receiving Council's approval in May 2024 to place these orders in 2024 to respond to long delivery lead times. Staff are also recommending advancing the orders for the 2027 ambulances in 2025 as the two-year lead time means that placing the orders in 2025 will see the units delivered in 2027. Through the 2026 budget update staff will propose revised timing for ambulance purchases to reflect the two-year lead time which is expected to continue for the foreseeable future.
- Training costs are also a risk with new recruit classes requiring training.

- Software costs have been steadily increasing as well and will be monitored for potential budget changes in the future.

**Internal Charges and Debt and Transfers**

- Some of these entries are booked as one-time Q1 entries, driving the high percentage spent in Q1. These categories are not projected to go over budget.

**Ministry of Health Grant Revenue**

- Revenue is currently behind the Q1 target due to the timing of Ministry funding approval. The updated funding amounts will be received in third quarter (Q3) and will be in line with budget.

**Call Volumes**

- Call volumes have been trending higher over the last couple years, with 2024 resulting in 38.4 per cent County share versus the budgeted 37 per cent. In 2025 as of the end of the first quarter, this trend had reversed, with higher call volumes for the City. The ratio of call volumes compared with budgeted call volumes can contribute to a budget variance for both the City and the County and is monitored throughout the year.

**Capital Variance Details**

Table 2: Capital Summary (in thousands of dollars)

<b>Paramedic Services Capital Budget</b>	<b>Prior Year's Carry Forward Budget</b>	<b>2025 Approved Budget</b>	<b>Total Approved Budget</b>	<b>2025 Actual Spend</b>	<b>Remaining Budget</b>
Projects funded from Paramedics Capital Reserve	740	398	1,138	362	776
City Share of Paramedics Capital Projects	1,277	694	1,971	453	1,518
County Share of Paramedics' Capital Projects	881	461	1,342	255	1,087
<b>Total</b>	<b>2,898</b>	<b>1,553</b>	<b>4,451</b>	<b>1,070</b>	<b>3,381</b>

Attachment-1 provides a list of capital projects, and the year-to-date amount spent along with the remaining budget.

**PM0010 – Paramedic Vehicle Replacement Budget Realignment**

In May 2024, Council approved the pre-ordering of 2025 and 2026 ambulances due to long lead times for delivery of the new vehicles. This two-year lead time continues to be the reality for new ambulances.

The four 2026 ambulances have been ordered, with the deposit paid in 2025 and the remaining balance to be paid upon delivery in 2026. Staff are recommending in

recommendation one that the budget be brought forward into 2025 from 2026, to align with the City's capital budgeting approach to budget in the year of procurement and the previous recommendation to [Council on May 28, 2024](#) to pre-order ambulances without the associated budget adjustment. The total budget for these four ambulances is \$1,019,200, with the budget impact being \$244,634 for the County, \$366,886 for the City, and \$407,680 in Provincial funding. The 30 per cent deposits have been paid in Q1 2025 for a total of \$303,314 and the final payment totaling \$707,843 would not be made until 2026 when the ambulances are delivered. The County portion of the final payment is \$169,900, expected to occur in 2026.

Three 2027 replacement ambulances also need to be pre-ordered in 2025 to ensure delivery in the appropriate replacement year. Recommendation three in this report, pending Council approval, requests that the total budget be brought forward from 2027 to 2025 of \$779,700, with the budget impact being \$187,100 for the County, \$280,700 for the City, and \$311,900 in Provincial funding. The 30 per cent deposit of approximately \$227,486 would be paid in 2025, with the final payments totaling \$521,619 not expected until 2027. The County portion of the final payment would be \$125,170 in 2027.

### **PM0002 – Paramedic Vehicle Growth Budget Realignment**

One 2026 growth ambulance needs to be pre-ordered in 2025 to ensure delivery for the ambulance to be in service when needed. Recommendation two, pending Council approval, is for the total budget to be brought forward in the amount of \$300,000, with the budget impact being \$114,000 for the County, and \$186,000 for the City (Development Charge funding). The 30 per cent deposit of approximately \$90,000 would be paid in 2025 with County share of \$34,200. The County portion of the final payment is \$79,800 in 2027.

### **Financial Implications**

Overall, the 2025 operating budget for paramedic services is projected to result in a deficit. Operating pressures have been consistent over the last two years, with increased staffing costs to manage leaves and increased cost of supplies due to supply chain issues and rising costs. Appropriate adjustments will be recommended through the 2026 budget update process to address these persistent challenges.

Capital pressures from aging facilities and fleet are driving higher repairs and maintenance costs. The recommendations to advance the budgets for 2026 and 2027 ambulance purchases into 2025 result in a capital budget adjustment totaling \$2,098,900 for 2025 (\$545,734 County, \$833,586 City, \$719,580 Provincial funding from reserve). That aligns the full budget with the year of procurement as per City process. However, the total costs to be paid in 2025 will be the deposits on these units only, approximately \$620,800 (\$161,591 County, \$246,883 City, and \$212,326 Provincial funding) based on budgeted call volumes.

### **Consultations and Engagement**

Operating and Capital results to March 31, 2025 were reviewed in consultation with Paramedic Services and were shared with County Finance staff in late April 2025.

City Fleet Services staff have reviewed and support the recommendations to advance the vehicle procurement.

## **Attachments**

Attachment-1 Q1 2025 Capital Spending

## **Departmental Approval**

Stephen Dewar, Chief and General Manager, Guelph Wellington Paramedic Services

Doug Godfrey, General Manager, Operations

## **Report Author**

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## **This report was approved by:**

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## **This report was recommended by:**

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## Attachment-1 Q1 2025 Capital Spending

Table 1 Detailed Capital Variance Table (in thousands of dollars)

<b>Paramedic Services Capital Budget</b>	<b>Total Approved Budget</b>	<b>Total 2025 YTD Spend</b>	<b>Total Remaining Budget</b>	<b>Total Remaining City Budget</b>	<b>Total Remaining County Budget</b>
PM0001 Facilities Renewal	741	1	740	286	176
PM0002 Vehicles Growth	624	149	475	289	186
PM0005 Planning Study and Needs Assessment	27	4	23	14	9
PM0009 Paramedic Furniture Replacement	20	5	15	5	3
PM0010 Paramedic Vehicle Replacement	2,016	829	1,187	432	320
PM0011 Paramedic Equipment Replacement	155	0	155	65	32
PM0012 Paramedic Equipment Growth	179	82	97	60	38
PM0013 Paramedic Vehicle ERV Growth	47	0	47	29	17
PM0015 Paramedics Facility Replacement (Elmira Rd)	642	0	642	337	305
Total Land Ambulance Capital	4,451	1,070	3,381	1,517	1,086