



Administrative Report

To: Warden MacDonald and Members of Essex County Council

From: Melissa Ryan, CPA, Director, Financial Services/Treasurer

Date: Wednesday, March 18, 2026

Subject: EMS Budget Overview and Master Plan Financial Impacts

Report #: 2026-0318-FIN-R09-MR

Purpose

The purpose of this report is to provide Council with a consolidated overview of Essex Windsor Emergency Medical Services (EWEMS) expenditures over the current term of Council and to outline the projected operational and capital financial impacts associated with potential implementation of the EMS Master Plan over the 2027–2030 planning horizon.

This report aims to equip Council with advanced awareness of projected financial pressures, while also summarizing the major supports extended to the EWEMS service throughout this term of Council.

Background

EWEMS represents a critical and demand-driven service delivered on behalf of the County and its municipal partners. Over the current term of Council, investments have been made to maintain legislated response standards, address increasing call volumes, and ensure continued delivery of high-quality paramedic services across the region.

The EWEMS Master Plan establishes a multi-year roadmap intended to guide future service delivery and infrastructure planning. The plan identifies potential requirements to:

- Align staffing levels with projected service demand
- Maintain response performance standards
- Replace and expand fleet where required

- Address facility and infrastructure requirements
- Support the long-term sustainability of the service

A preliminary capital forecast associated with the Master Plan was presented to Council in 2025. Since that time, additional operational assumptions have been developed and refined to provide a more comprehensive understanding of the potential financial impacts associated with implementation.

This report consolidates both historical financial trends and forward-looking projections to provide Council with a clearer picture of EMS-related financial pressures.

Discussion

To provide context for the financial outlook presented in this report, the following sections summarize key factors influencing EMS expenditures, including service demand trends, historical financial performance, and projected operating and capital requirements associated with the EMS Master Plan.

EWEMS represents one of the County's most significant demand-driven service areas. Expenditures are influenced by factors such as call volume growth, legislated response standards, labour requirements, fleet lifecycle replacement, and facility infrastructure needs.

Over the current Council term, the County has continued to invest in maintaining service levels and response performance standards. Looking forward, the EMS Master Plan identifies additional operational and capital investments that may be required to ensure the service remains capable of meeting projected demand.

Service Demand Trends

Demand for paramedic services continues to increase across the Essex-Windsor service area. As illustrated in the Table below, annual call volumes have increased from 55,513 calls in 2020 to 68,461 calls in 2025, representing an overall increase of approximately 23.3% over the five-year period. Sustained growth in call demand places ongoing pressure on staffing resources, fleet availability, and response time performance, and is a key factor informing the service capacity requirements identified within the EMS Master Plan.

| Year | Total Calls | Year Over Year Increase | % Increase |
|------|-------------|-------------------------|------------|
| 2020 | 55,513 | - | 0 |
| 2021 | 57,961 | 2,448 | 4.4% |
| 2022 | 61,103 | 3,142 | 5.4% |
| 2023 | 63,893 | 2,790 | 4.6% |
| 2024 | 65,513 | 1,620 | 2.5% |
| 2025 | 68,461 | 2,948 | 4.5% |

Historical Financial Trend (2023-2026)

The table below summarizes total EMS expenditures over the current term of Council based on approved budget figures. The table separates cost-shared operating and equipment expenditures from capital investments related to land and facility improvements, which are fully funded by the County. This distinction is important as it illustrates both the overall growth in EMS expenditures and the portion of costs that directly impact the County levy.

| Budget | Operating | Capital-Equipment | Total Expense | Y over Y change (%) | Capital-Land/R&M (100% County) | County Responsibility |
|--------|------------|-------------------|---------------|---------------------|--------------------------------|-----------------------|
| 2023 | 49,717,100 | 4,373,600 | 54,090,700 | 0.0% | 3,094,518 | 17,813,318 |
| 2024 | 54,696,700 | 3,747,600 | 58,444,300 | 8.0% | 30,000 | 15,630,660 |
| 2025 | 57,067,450 | 4,546,700 | 61,614,150 | 5.4% | 7,030,000 | 24,278,860 |
| 2026 | 60,744,910 | 4,012,000 | 64,756,910 | 5.1% | 4,350,000 | 22,518,540 |

It is important to note that a portion of EMS capital investments during this period were funded through draws from County Capital reserves rather than the annual levy, which affects the County’s overall financial exposure but is not fully reflected in annual levy increases.

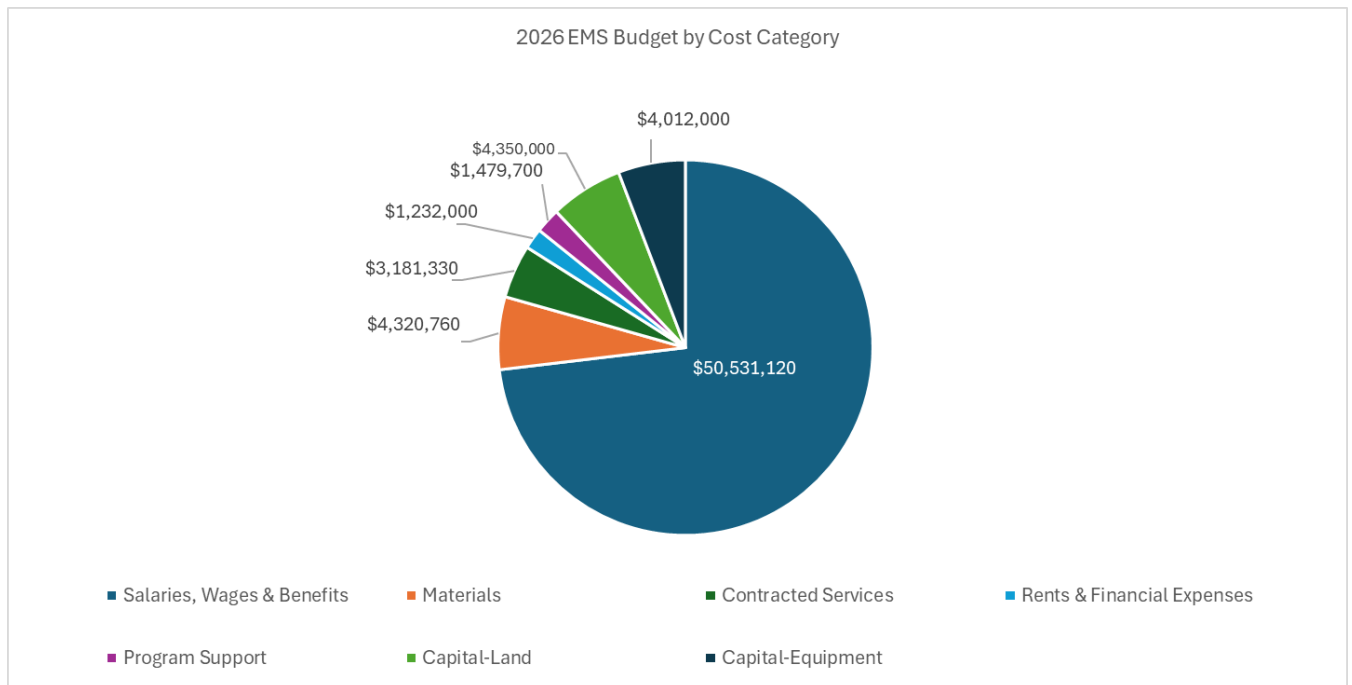
While overall EMS expenditures have increased steadily over the current Council term, the County’s share of costs has varied from year to year primarily due to capital investments related to EMS facilities and land improvements. Unlike operating expenditures which are partially funded through the provincial cost-sharing framework, these capital investments are fully borne by the County. As a result, years with significant infrastructure investments, such as 2025, reflect a higher County contribution.

Total Change (2023–2026):

- Total EMS Budget Increase: \$10,666,210 (19.7%)
- EMS Specific County Levy Increase (2024-2026): \$4,705,222

These increases form part of the County’s approved financial base and reflect continued investment in maintaining EMS service levels and operational capacity.

The Pie Chart below illustrates the breakdown of expenses across EMS for 2026 including salaries, materials, etc.



These historical investments provide important context for the financial projections associated with the EMS Master Plan discussed in the following sections.

Projected Master Plan Financial Impacts (2027-2030)

The EMS Master Plan identifies projected service capacity requirements to align with anticipated demand. The financial impacts fall into two primary categories: operating expenditure and capital investment.

Projected Operating Pressures

Projected incremental operating costs associated with potential implementation of the Master Plan are estimated as follows:

- 2027: \$6,016,750
- 2028: \$4,993,181
- 2029: \$5,310,000
- 2030: \$7,498,609

The cumulative projected incremental operating impact from 2026 through 2030 is approximately \$23.8 million.

These projections reflect anticipated requirements associated with:

- Staffing and service capacity
- Fleet expansion and maintenance
- Equipment and medical supplies
- Fuel and operating costs
- Operational support services

For operating costs, in the first-year, costs are split with the City of Windsor and the Township of Pelee based on the weighted assessment rates for the year. In subsequent years, 50% of the costs are split using the weighted assessment rates for the participating municipalities and 50% of the costs borne by the Ministry of Health.

These figures represent gross projections and do not yet reflect potential implementation phasing or offsetting Province, City, Pelee revenue.

Projected Capital Requirements

The Master Plan also identifies significant capital investments required to support service delivery infrastructure.

- 2027: \$10,600,000
- 2028: \$10,000,000
- 2029: \$10,000,000
- 2030: \$10,000,000

The total projected capital requirement from 2027 through 2030 is approximately \$40.6 million.

These investments primarily relate to the hub-and-spoke facility model identified within the EMS Master Plan, which is intended to support efficient deployment of paramedic resources across the service area.

Unlike operating costs, capital costs associated with County-owned infrastructure are fully borne by the County, as neither the Province nor partner municipalities contribute to County capital assets in this category.

These figures represent high-level planning estimates developed in 2024. As facility design, site selection, and project scoping advance, it is anticipated that cost estimates will be refined and may increase.

Projected EWEMS County Cost Outlook (Estimates)

| Year | Total Operating Budget | Annual Increase | % Increase | Capital (100% County) | Total County Cost | Annual County Increase |
|-------------|-------------------------------|------------------------|-------------------|------------------------------|--------------------------|-------------------------------|
| 2026 (Base) | 16,448,190 | - | 0 | 4,350,000 | 8,462,048 | - |
| 2027 | 22,464,940 | 6,016,750 | 36.6% | 10,600,000 | 16,216,235 | 7,754,188 |
| 2028 | 27,458,121 | 4,993,181 | 22.2% | 10,000,000 | 16,864,530 | 648,295 |
| 2029 | 32,768,121 | 5,310,000 | 19.3% | 10,000,000 | 18,192,030 | 1,327,500 |
| 2030 | 40,266,730 | 7,498,609 | 22.9% | 10,000,000 | 20,066,683 | 1,874,652 |

The table above shows a potential path of County EMS costs through 2030 if the Master Plan operating and capital investments were implemented based on current assumptions. The projection assumes the current funding framework whereby operating costs are shared between the Province (50%), the City of Windsor/Pelee Island (25%), and the County of Essex (25%), while capital infrastructure investments remain the 100% responsibility of the County.

The projections presented above are intended to provide a high-level financial outlook associated with the potential implementation of the EMS Master Plan. Operating cost projections reflect estimated service requirements identified in the Master Plan and are based on staffing models and wage rates contained within the current collective agreement as of January 2026. These projections do not incorporate future wage adjustments, inflationary impacts on goods and services, or potential operational efficiencies that may emerge through implementation planning.

Operating costs are assumed to be funded under the current cost-sharing framework whereby 50% of eligible operating expenditures are funded by the Province, with the remaining 50% shared between the City of Windsor, the County of Essex and Pelee Island based on the established weighted assessment funding formula. Capital investments related to EMS facilities and infrastructure are assumed to be fully funded by the County, as provincial and municipal partners do not participate in funding County-owned capital assets.

Capital estimates identified in the Master Plan represent preliminary planning-level figures developed during the master planning process. Detailed design, site servicing requirements, and market conditions may result in adjustments to these estimates as projects advance through future capital budget approvals.

Summary

When considered together, the historical increases in EMS expenditures and the projected investments identified within the EMS Master Plan represent a significant financial commitment for the County over the coming years.

As demand for paramedic services continues to grow, maintaining response standards and service reliability will require both operating capacity adjustments and investment in supporting infrastructure.

The information presented in this report is intended to provide Council with early awareness of these pressures in advance of the 2027 budget process so that implementation pacing, funding strategies, and long-term financial implications can be considered within the broader context of the County's other fiscal priorities.

Financial Implications

From 2023 to 2026, the total EMS budget increased by approximately \$10.7 million, representing a 19.7% increase over the current term of Council.

Of this amount, approximately \$1.87 million reflects the County's share of cost-shared EMS operating and equipment expenditures, with the remaining increase funded through the Province and municipal partners in accordance with the provincial cost-sharing framework.

During the same period, the County’s total EMS contribution increased from \$17.8 million in 2023 to \$22.5 million in 2026, representing an overall increase of approximately \$4.7 million. This increase reflects both the County’s share of operating growth and investments in EMS infrastructure that are fully funded by the County.

In addition to the levy-supported operating costs, the County has also funded several EMS facility and land-related capital investments during the current Council term. These expenditures were funded through draws from County capital reserves rather than the annual levy. While these investments do not directly impact the levy in the year they occur, they reduce reserve balances and represent a financial commitment that must be considered within the County’s broader long-term capital financing strategy.

The table below provides a summary of the estimated draws from the County’s EMS capital reserves related to EMS facility and land investments during the current term of Council.

| Year | Opening Balance | * Inflows | Draws | Closing Balance |
|-------------|------------------------|------------------|--------------|------------------------|
| 2023 | 13,102,510 | 2,320,571 | 3,094,518 | 12,328,563 |
| 2024 | 12,328,563 | 2,246,131 | 30,000 | 14,544,694 |
| 2025 | 14,544,694 | 2,134,329 | 7,030,000 | 9,649,023 |
| 2026 | 9,649,023 | 2,586,523 | 4,350,000 | 7,885,546 |
| 2027 | 7,885,546 | 3,500,000 | 10,600,000 | 785,546 |
| 2028 | 785,546 | 4,500,000 | 10,000,000 | (4,714,454) |
| 2029 | (4,714,454) | 5,500,000 | 10,000,000 | (9,214,454) |
| 2030 | (9,214,454) | 6,500,000 | 10,000,000 | (12,714,454) |

*For 2027 to 2030, reserve inflows are estimated based on the EMS Capital Plan, which assumes an increase in the annual capital contribution of \$1 million beginning in 2026. Where projected balances become negative, temporary borrowing from the County’s capital reserve pool is assumed, with replenishment occurring in subsequent years.

Total estimated EMS-related capital draws from reserves during the current term are approximately \$14.5 million.

Looking forward, the EMS Master Plan identifies projected operating increases totaling approximately \$23.8 million between 2027 and 2030. In addition, capital investments totaling approximately \$40.6 million are

anticipated over the same period to support the development of additional EMS infrastructure.

Combined, these projections represent potential operating and capital investments exceeding \$60 million over the next four years.

The ultimate impact on the County levy will depend on several factors including provincial funding levels, assessment growth, capital financing strategies such as debt issuance, reserve capacity, and Council decisions regarding the timing and pacing of implementation.

Capital financing decisions will also influence the County's long-term debt profile and associated interest costs. Utilization of reserves to fund capital investments reduces future financial flexibility and will require replenishment through future budget allocations.

The projections presented in this report represent planning-level estimates based on currently available information. As service planning progresses and capital design work advances, these estimates will continue to be refined.

All expenditures remain subject to Council approval through the annual budget process or through future Council reports.

Consultations

- Kelli Schmidt, Financial Analyst
- Justin Lammers, Chief EWEMS

Strategic Plan Alignment

| Working as Team Essex County | Growing as Leaders in Public Service Excellence | Building a Regional Powerhouse |
|---|--|--|
| <input checked="" type="checkbox"/> Scaling Sustainable Services through Innovation <input type="checkbox"/> Focusing “Team Essex County” for Results <input type="checkbox"/> Advocating for Essex County’s Fair Share | <input type="checkbox"/> Being an Employer with Impact <input type="checkbox"/> A Government Working for the People <input checked="" type="checkbox"/> Promoting Transparency and Awareness | <input type="checkbox"/> Providing Reliable Infrastructure for Partners <input checked="" type="checkbox"/> Supporting Dynamic and Thriving Communities Across the County <input checked="" type="checkbox"/> Harmonizing Action for Growth <input type="checkbox"/> Advancing Truth and Reconciliation |

Recommendation

That Essex County Council receive report number 2026-0318-FIN-R09, EMS Budget Overview and Master Plan Financial Impacts as information.

Approvals

Respectfully Submitted,

Melissa Ryan

Melissa Ryan, CPA, Director, Financial Services/Treasurer

Concurred With,

Sandra Zwiers

Sandra Zwiers, MAcc, CPA, CA, Chief Administrative Officer

| Appendix | Title |
|-----------------|--------------|
| N/A | N/A |