



Central York Fire Services

Agenda

Joint Council Committee

Date: October 18, 2021
Time: 10:00 AM
Location: Electronic VIA ZOOM
See How to Login Guide

Pages

1. Additions & Corrections to the Agenda

2. Conflict of Interest Declarations

3. Presentations

3.1. CYFS 2022 Preliminary Draft Budget

1

Note: Mike Mayes, Town Treasurer, Andrea Tang, Manager of Finance & Accounting, and Anita Gibson, Senior Financial Analyst, Town of Newmarket will be in attendance to provide a presentation on this matter.

1. That the presentation regarding the CYFS 2022 Preliminary Draft Budget be received.

4. Deputations

5. Items

5.1. CYFS Draft 2022 Operating and Capital Budgets

15

Note: This item was deferred from the September 7, 2021 Regular meeting for consideration at a Special Budget meeting.

1. That Fire Services Report JCC-2021-10 CYFS Draft 2022 Operating and Capital Budgets dated September 7, 2021 be received; and,
2. That the Joint Council Committee (JCC) receive the draft budgets; and,
3. That the JCC recommend the draft budgets to Aurora Council for review and then to Newmarket Council for

approval, per the Joint Services Agreement.

6. **Closed Session (if required)**
7. **Adjournment**



CYFS 2022 Preliminary Draft Budget

Prepared by: CYFS & Newmarket

Financial Services

Date: October 18, 2021

Agenda

1. Operating Budget
 - A. Wages & Benefits
 - B. Staffing Request
 - C. Revenues
2. Shared Services Allocation
3. Capital Budget
4. Next Steps



1. Operating Budget

- Starting point was based on the CYFS 10-year plan

Component	As per Plan	Revisions	Total
Base	567,500	26,000	593,500
Growth	112,000	- 66,000	46,000
Contribution to ARF	35,000		35,000
Total	714,500	- 40,000	674,500



1A. Operating Budget⁴ Wages & Benefits



- Increases based on collective agreement
- Base budget currently includes 8 new staff for station 4-5 (not hired yet); gapping dollars to be transferred to reserve until station opens
- **NEW:** Budget implications on the Federal Statutory Holiday National Day for Truth and Reconciliation
 - 2022 - recommend to fund from Reserve
 - to be included in the 2023 budget for consideration



1B. Operating Budget⁵ Staffing Request



- 1 staffing request – Accounts Administrator for Cost Recovery Program (conversion from part-time to full-time) – incremental increase offset by reductions in base operating budget
- No additional staffing request for station 4-5



1C. Operating Budget⁶ Revenues



- Revenue loss of \$65,000 – protection services for other municipalities
- Motor Vehicle Collision (MVC) Program – report to be brought forward to the November JCC meeting
 - No additional revenues in 2022 budget



2. Shared Services Allocation



- Allocation based on three factors
 - Call volume
 - Population
 - Assessment value
- Weighted average methodology
 - 40% current year and 20% each of the preceding three years



2. Shared Services Allocation



- Equal weighting on three service indicators (Step 1)
 - Call volume
 - Population
 - Assessment value

Service Indicators - December 31, 2020					TOTAL	
	Newmarket		Aurora		(Newmarket + Aurora)	
Population	90,221	58.78%	63,258	41.22%	153,479	100.00%
Number of Emergency Calls	2,677	62.62%	1,598	37.38%	4,275	100.00%
Weighted Taxable Assessment*	21,153,743,374	53.58%	18,330,099,440	46.42%	39,483,842,814	100.00%
*2020 CVA for 2021 Tax Levy						
Allocation (%) based on equal weighting of Service Indicators		2022		2022		
		58.33%		41.67%		100.00%



2. Shared Services Allocation



- Weighted average on past 4 years allocation (Step 2)
 - 40% current year and 20% each of the preceding three years

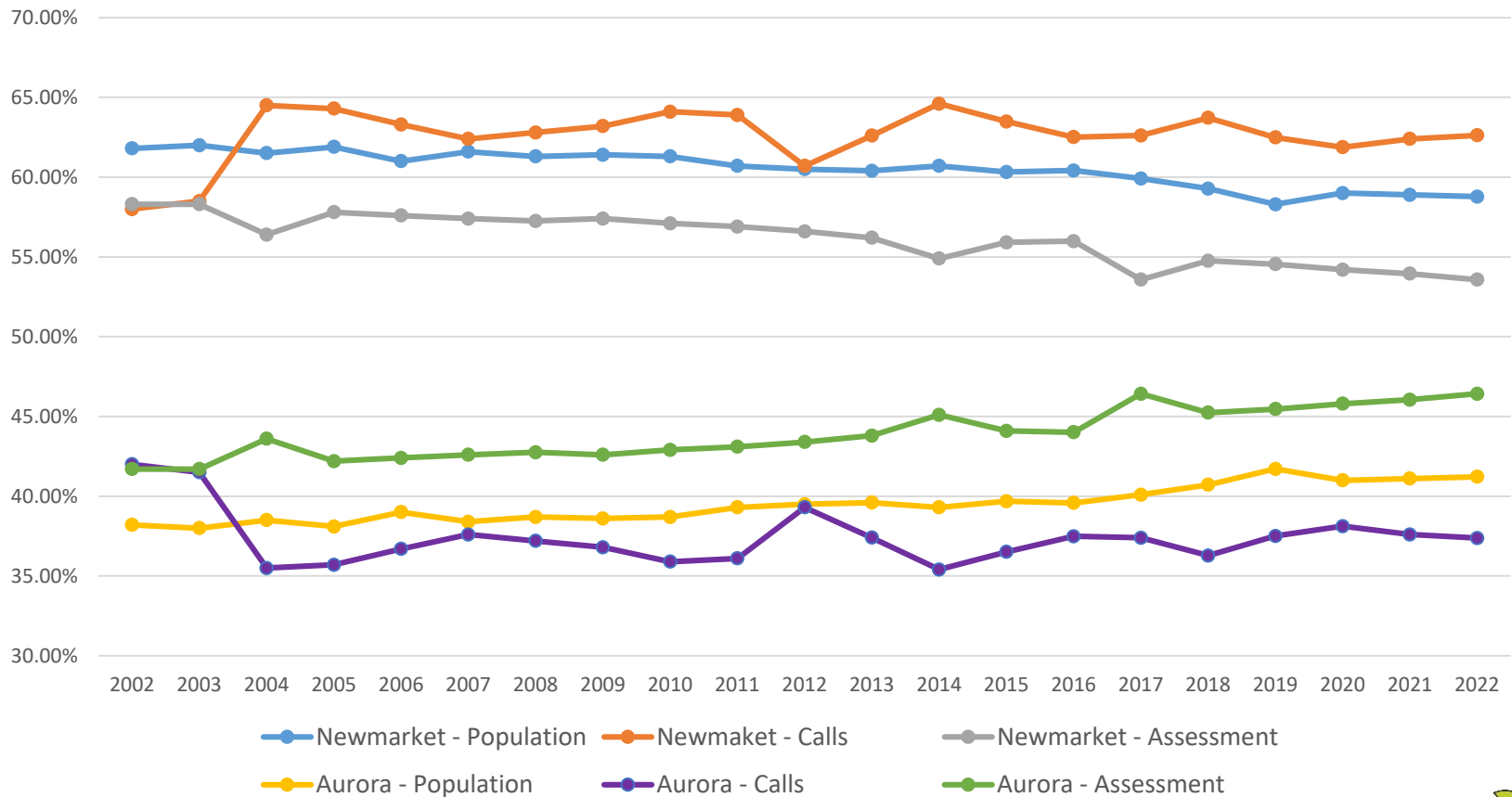
Allocation Percentage of Central York Fire Services							
YEAR	NEWMARKET		AURORA		(Newmarket + Aurora)		
2019	58.45%	11.69%	41.55%	8.31%	100.00%	20.00%	
2020	58.35%	11.67%	41.65%	8.33%	100.00%	20.00%	
2021	58.42%	11.68%	41.58%	8.32%	100.00%	20.00%	
2022	58.33%	23.33%	41.67%	16.67%	100.00%	40.00%	
Allocation For 2022 Budget		58.38%		41.62%		100.00%	



2. Shared Services Allocation¹⁰ Historic Allocation



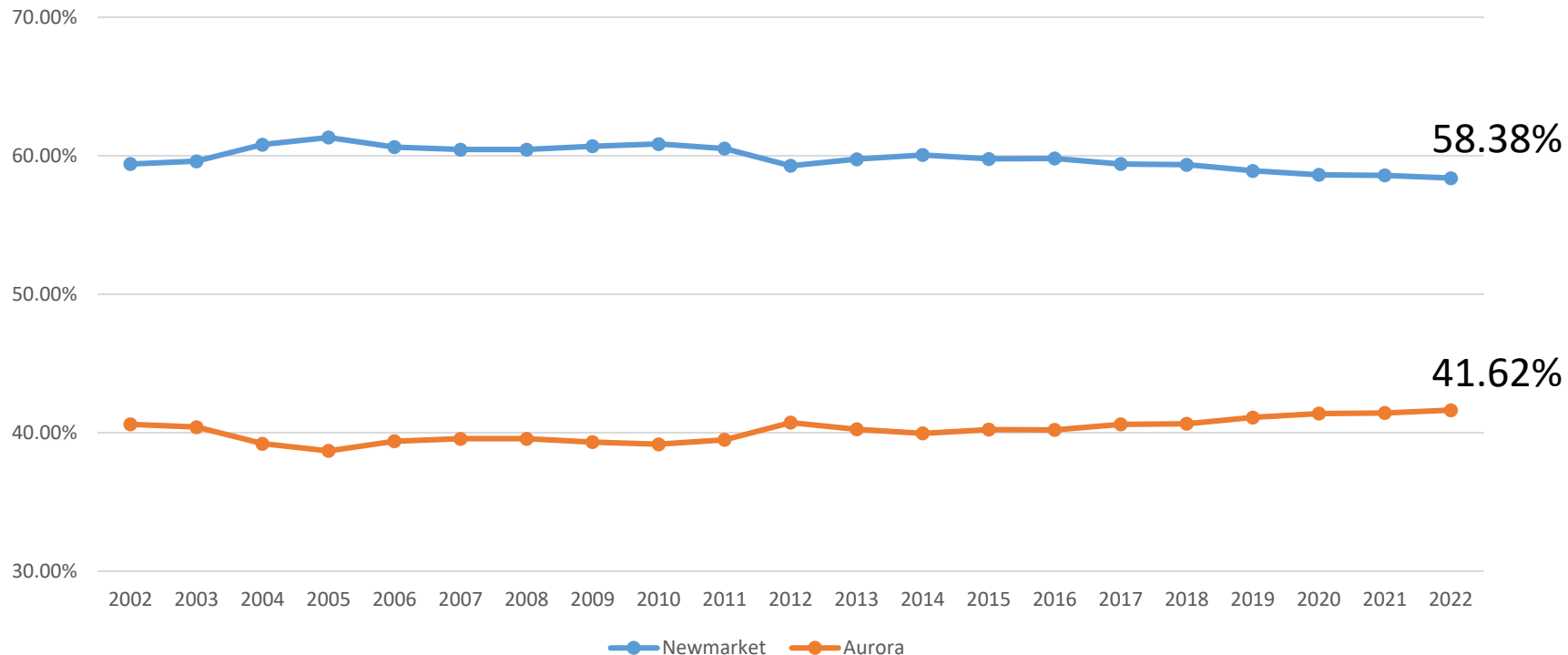
Central York Fire Services
Historic Cost Allocation



2. Shared Services Allocation¹¹ Historic Allocation



Central York Fire Services
Historic Cost Allocation





2. Shared Services Allocation

Historic allocations

Budget Year	Newmarket	Aurora
2017	59.40%	40.60%
2018	59.35%	40.65%
2019	58.90%	41.10%
2020	58.62%	41.38%
2021	58.58%	41.42%
2022	58.38%	41.62%

} 0.20%

- Results in a shift of \$59,000 in annual operating costs between Aurora and Newmarket



3. Capital Budget

Item #	Project	\$	Funding Source
1	Assistant Deputy and Deputy Chief Vehicle Replacement	180,000	ARF
7	Upgrade of Assistant Deputy, Deputy Chief, and Investigation Vehicles to Electric	70,000	CYFS Reserve
2	Life Cycle Replacement of Personal Protective Equipment	180,000	ARF
3	Recruit Firefighter Uniforms, PPE, and Equipment	150,000	ARF – 75,000 DC – 75,000
4	Firefighter PPE Washing System	100,000	CYFS Reserve
6	Fire Prevention - Fire Investigation Vehicle (4404)	70,000	ARF
	Station 4-5 Construction (Previously approved)	2,700,000	DC
	DEFERRED Station 4-1 renovations		



4. Next Steps

Activity	Date	Meeting
Newmarket – Capital and Rate-Supported Operating Budget	Oct. 18	Newmarket Special CoW
Aurora Council – comments on budget	Oct. 26	Aurora Council
Newmarket – Tax-Supported Operating Budget	Nov. 8	Newmarket Special CoW
Presentation by Fire Chief	Nov. 15	Aurora Budget Committee
Newmarket – Report on 2022 Budget	Dec. 6	Newmarket CoW
Newmarket Council – 2022 Budget approval	Dec. 13	Newmarket Council





CENTRAL YORK FIRE SERVICES

CYFS Draft 2022 Operating and Capital Budgets Fire Services Report

Report Number: JCC-2021-10
To: Joint Council Committee
Author: Central York Fire Services - M. Mayes, Director of Finance
Meeting Date: Tuesday, September 7, 2021

Recommendations

1. That Fire Services Report JCC-2021-10 CYFS Draft 2022 Operating and Capital Budgets dated September 7, 2021 be received.
2. That the Joint Council Committee (JCC) receive the draft budgets; and,
3. That the JCC recommend the draft budgets to Aurora Council for review and then to Newmarket Council for approval, per the Joint Services Agreement.

Purpose

The purpose of this report is to seek the Joint Council Committee's (JCC) approval of the Operating and Capital Budget requests for 2022.

It is understood that JCC may require more time for deliberation. Past practice has included setting a separate meeting for budget discussions.

Background

The proposed 2022 Operating Budget targets were presented to JCC at the July 6, 2021 meeting. Based on the CYFS 10-year forecast, the 2022 budget will include considerations for the Base budget, Growth and contributions to Asset Replacement Fund ("ARF"). Outlined in the chart below.

In setting the budget targets for 2022, Newmarket Council required reductions, which resulted in reducing the budget allocation by \$40,000 to \$674,500. The proposed budget is \$676,601.

	\$
Base	567,500
Growth	112,000
ARF	35,000
Per 10-year plan	714,500
Reductions	- 40,000
Revised Target	674,500

CYFS was able to absorb a \$65,000 loss in revenue and \$46,000 in growth-related expenditures for Station 4-5. This was achieved by JCC's direction to defer additional hires and other budget reductions.

Cost allocations between the Town of Newmarket ("Newmarket") and Town of Aurora ("Aurora") are based on the 2022 respective allocation splits. The 2022 budget reflects a 0.2% change in the cost allocation – Newmarket's share being decreased to 58.38% (2021 - 58.58%) and Aurora's share increasing to 41.62% (2021 – 41.42%). This results in a shift of \$59,000 in annual operating costs between the two municipalities. The impact on Aurora is partially offset by its share of the overall budget reduction (\$17,000 of the \$40,000).

Financial Impact

Operating Budget

Efforts have been made to align budget lines to represent actual spending trends.

Wages and benefits

Increases to the base budget are largely for salaries and benefits, which is based on the most recent contract. Savings of deferred hiring of staff for station 4-5 (aka "wage gapping") will continue to be transferred to reserve until Station 4-5 opens.

Overtime & Lieu Time Paid

The 2022 budget request was adjusted for inflation and the roll-out of the new crews at Station 4-5.

New hires

A request has been made to convert an Administrator position from a 0.8 FTE to 1.0. This position administers the motor vehicle cost-recovery program. This increase has been offset by reducing other budget line items.

Fleet Maintenance

An inflationary increase was added to the budget to account for the size of fleet and align with previous year's spending trends. If the electric vehicle capital requests are approved, there is a potential for savings on the conversion.

Building Repairs & Maintenance

An increase to the budget was made to align with previous year's spending trends and the opening of Station 4-5 (growth expense).

Hydro, Heat & Water

An increase to the budget was made due to the increased costs associated with the opening of Station 4-5 (growth expense).

Dispatch services

An increase to the budget was made due to population growth and future cost increases for required system upgrades.

Snowplowing contract

An Increase to budget was made due to new contract terms.

Support costs

The Town of Newmarket allocates a proportional share of its overhead costs to CYFS. This includes a share of human resources, payroll, accounting, procurement, legal, insurance, and communications. These costs have been increased by 1.7%. Support costs as a percentage of total expenses remain at 4.0%.

Infrastructure Levy / Asset Replacement Fund (ARF)

CYFS / Finance Report 2017-14, Capital and Asset Replacement Fund Forecast, presented options to JCC on how to deal with the infrastructure deficit. The contributions to the Asset Replacement Fund were increased by \$35,000 based on CYFS 10-year forecast.

MVC Program (MTO Recoveries)

Costs to administer this program have been added to the budget; however, revenue has not been adjusted. At this time, due to pandemic delays there is not sufficient experience to securely forecast additional revenues.

Fire Recoveries

A decrease to the budget was made to recognize the terms of the new contract with Whitchurch-Stouffville.

Capital Budget

Capital replacements are funded by the Asset Replacement Fund (ARF). This includes the following for 2022:

- Assistant Deputy and Deputy Chief Vehicle Replacement - \$180,000
- Lifecycle replacement of Personal Protective Equipment - \$180,000
- Recruit Firefighter Uniforms, PPE and Equipment - \$75,000
- Station 4-1 Renovations - \$200,000
- Fire Investigation/Prevention vehicle - \$70,000

Capital request funded by Development charges:

- Recruit Firefighter Uniforms, PPE and Equipment - \$75,000

Capital requests funded by the CYFS Reserve fund:

- Firefighter PPE Washing System - \$100,000
- Upgrade to Electric vehicles; Assistant Deputy, Deputy Chief and Investigation Vehicles - \$70,000

The CYFS Reserve has sufficient funds to cover these requests.

In addition to the above new requests for 2022, the following capital request has been carried forward to 2022:

- Station 4-5 Constructions - \$2,700,000

Conclusion

Newmarket will be presenting to council the preliminary draft budgets on October 3, 2021. Currently, the next scheduled JCC meeting is November 2, 2021. However, as previously mentioned, if JCC requires more time for budget deliberations a separate meeting for budget discussions may be scheduled.

Consultation

This report has been prepared by Newmarket finance staff based on budget submissions from Fire Services Management, and reviewed by Aurora finance.

Impact On The Master Fire Plan

This report is consistent with the budget methodology set out in the Joint Services Agreement and the budget incorporates recommendations from Fire Master Plan.

Attachments

Draft 2022 CYFS Operating Budget
Draft 2022 CYFS Capital Budget

Contact

Mike Mayes, Director of Finance & Treasurer, Town of Newmarket
mmayes@newmarket.ca

**CENTRAL YORK FIRE SERVICES
DRAFT 2022 OPERATING BUDGET**

OBJECT ACCOUNTS	2020	2021	2021 Budget	DRAFT 2022 Budget		Increase/(Decrease)	
	Actual	Q1 & Q2 Actuals	Total	Base	Total	\$	%
Expenses							
4011 - Management Salaries	666,228	309,965	668,218	678,241	678,241	10,023	1.5%
4021 - Regular Salaries & Wages	16,292,298	7,754,239	17,194,961	17,468,861	17,468,861	273,900	1.6%
4024 - Standby/Callback	240	-	-	-	-	-	0.0%
4025 - Overtime	252,889	73,031	217,143	217,143	227,143	10,000	4.6%
4026 - Lieu Time Paid	883,806	5,616	770,000	770,000	850,000	80,000	10.4%
4028 - WSIB Reimbursements	(238,757)	(125,539)	-	-	-	-	0.0%
4031 - Casual/Seasonal Wage	-	-	18,000	20,000	20,000	2,000	11.1%
4035 - Regular Part-Time Wage	34,157	19,906	41,052	43,017	52,148	11,096	27.0%
4081 - Payroll Allocations	-	-	-	-	-	-	0.0%
4109 - Direct Payroll Benefits	5,288,572	2,510,102	5,463,900	5,528,946	5,536,018	72,118	1.3%
Sub Total Salaries and Benefits	23,179,432	10,547,321	24,373,274	24,726,208	24,832,411	459,137	1.9%
4216 - Stationery & Office Supplies	8,921	3,446	15,606	15,606	12,606	(3,000)	-19.2%
4217 - Photocopier Lease & Supplies	3,418	934	7,803	7,803	6,803	(1,000)	-12.8%
4219 - Emergency Mgmt. Materials	94,471	33,946	4,885	4,885	4,885	-	0.0%
4229 - Janitorial Supplies	18,427	10,011	25,808	25,808	25,808	-	0.0%
4231 - Machine Oil & Fuel	74,994	48,547	109,242	109,242	105,242	(4,000)	-3.7%
4261 - Uniforms, Clothing	137,579	65,762	136,816	136,816	131,816	(5,000)	-3.7%
4269 - Misc.	8,762	3,038	15,000	15,000	10,000	(5,000)	-33.3%
4272 - Vehicle Repairs & Maintenance	372,044	219,631	493,170	493,170	501,170	8,000	1.6%
4273 - Building Repairs & Maintenance	170,834	42,547	127,571	127,571	162,571	35,000	27.4%
4278 - Equipment Repairs & Maintenance	86,486	58,882	136,850	136,850	156,850	20,000	14.6%
4278 - Radio Equipment Maintenance	33,648	-	32,653	32,653	33,653	1,000	3.1%
4299 - Capital Acquisitions	44,311	14,750	65,039	65,039	65,039	-	0.0%
4303 - Cell Phone	32,356	6,892	35,746	35,746	39,746	4,000	11.2%
4311 - Hydro	80,540	34,523	131,287	131,287	141,287	10,000	7.6%
4321 - Heat	31,809	21,339	46,818	46,818	49,318	2,500	5.3%
4331 - Water	24,080	11,119	15,606	15,606	27,606	12,000	76.9%
4404 - Consulting Services	-	-	62,424	62,424	60,424	(2,000)	-3.2%
4425 - Education/Corp.Tuition Asstnc	4,484	-	8,843	8,843	8,843	-	0.0%
4437 - MTO Recoveries	3,150	900	-	-	7,000	7,000	0.0%
4462 - Fire Prevention	17,673	1,550	29,131	29,131	30,000	869	3.0%
4462 - Public Educ. Fire Prevention	10,071	946	10,404	10,404	13,000	2,596	25.0%
4463 - Fire Investigation	1,293	2,135	2,601	2,601	3,000	399	15.3%
4464 - Association Allowance	3,000	-	3,000	3,000	3,000	-	0.0%
4465 - Dispatch Service	476,990	2,097	449,500	449,500	463,000	13,500	3.0%
4466 - Wellness Program	15,362	3,569	147,900	147,900	147,900	-	0.0%
4471 - Mileage/Parking/Tolls	959	458	3,121	3,121	3,121	-	0.0%
4472 - Memberships & Subscriptions	4,257	3,160	7,803	7,803	7,803	-	0.0%
4474 - Medical Oversight	12,484	9,046	24,400	24,400	25,000	600	2.5%
4474 - Training	49,605	35,324	100,040	100,040	100,040	-	0.0%
4478 - Conferences & Seminar Fees	8,970	3,126	16,808	16,808	16,808	-	0.0%
4511 - Street Snowploughing Contract	4,631	11,646	11,404	11,404	21,404	10,000	87.7%
4662 - Contingency Account	4,172	4,500	46,818	46,818	44,818	(2,000)	-4.3%
4667 - Property lease	31,212	15,750	31,500	31,500	23,500	(8,000)	-25.4%
4936 - Asset Replacement Fund	1,399,597	699,800	1,399,600	1,399,600	1,434,600	35,000	2.5%
5151- 5162 Support Cost Allocation	1,156,431	592,672	1,185,342	1,185,342	1,205,342	20,000	1.7%
Total Expenses	27,606,454	12,509,366	29,313,813	29,666,747	29,925,414	611,601	2.1%
Revenues							
7419 - Other Grant	-	39,000	-	-	-	-	-
7431 - Fire Dept. Recoveries	437,565	36,732	439,503	439,503	374,503	(65,000)	-14.8%
7471 - Misc. Charges	12,146	62,845	10,000	10,000	10,000	-	0.0%
Total Revenues	449,711	138,577	449,503	449,503	384,503	(65,000)	-14.5%
Net Surplus before additional transfers	27,156,742	12,370,789	28,864,310	29,217,244	29,540,911	676,601	2.3%
Transfers to/(from) Reserve Fund							
Wage gapping - Station 4-5	1,187,000	465,306	-	-	-	-	0.0%
Wellness savings to Asset Replacement	130,000	70,381	-	-	-	-	0.0%
Covid Expenditures	(80,085)	-	-	-	-	-	0.0%
Additional Reserve Fund Transfers	1,236,915	535,687	-	-	-	-	-
Net Expenditure	28,393,657	12,906,476	28,864,310	29,217,244	29,540,911	676,601	2.34%
Newmarket's share(2022-58.38%; 2021-58.58%)	16,638,683	7,560,614	16,908,713	17,057,027	17,245,984	337,271	2.0%
Aurora's share(2022-41.62%; 2021-41.42%)	11,754,974	5,345,862	11,955,597	12,160,217	12,294,927	339,330	2.8%
	28,393,657	12,906,476	28,864,310	29,217,244	29,540,911	676,601	2.34%

2022 CAPITAL BUDGET

FIRE SERVICES

Project Description

EXPENDITURES

FINANCING

Total Cost

Asset Replace.
Fund

Develop.
Charges

Reserves &
Reserve
Funds

Operating
Fund

Other

Remarks

Central York Fire Services

Assistant Deputy and Deputy Chief Vehicle Replacement

180,000

180,000

Life Cycle Replacement of Personal Protective Equipment

180,000

180,000

Recruit Firefighter Uniforms, PPE, and Equipment

150,000

75,000

75,000

Firefighter PPE Washing System

100,000

-

100,000

Station 4-1 Rennovations

200,000

200,000

Fire Prevention - Fire Investigation Vehicle (4404)

70,000

70,000

Upgrade of Assitant Deputy, Deputy Chief, and Investigation Vehicles to Electric

70,000

70,000

Total - Central York Fire Services

\$ 950,000

\$ 705,000

\$ 75,000

\$ 170,000

\$ -

\$ -