



CENTRAL YORK FIRE SERVICES

2019-06-13

FIRE SERVICES REPORT 2019-03 (REVISED)

To: Joint Council Committee

Origin: Central York Fire Services - Deputy Chief Rocco Volpe

Subject: **Motor Vehicle Collision (MVC) Cost Recovery Program**

RECOMMENDATIONS

THAT Fire Services Report 2019-03 (REVISED) MVC Cost Recovery Program dated 2019-06-13 be received;

And that the Joint Council Committee (JCC) review the options provided in this report and give approval to staff to proceed with option #3

And that JCC authorize a 24 month pilot of the MVC Cost Recovery Program

And that JCC approve the hiring of a regular part-time administrative assistant in October 2019 for a program launch in January 2020.

COMMENTS

The purpose of this report is to provide JCC with information on a cost recovery program which charges for services rendered at the scene of motor vehicle collisions on municipal roadways.

This program is the first phase of a cost recovery program that can be expanded to a variety of additional services, such as:

- Post Fire Investigations
- Nuisance False Alarms
- Natural Gas Leaks
- Drug Labs / Grow Ops & Clandestine Labs

BACKGROUND

The Municipal Act (S391 (1) a) provides that a municipality may impose fees or charges “for services or activities provided or done by or on behalf of it”. The Municipal Act also provides that the “costs included in a fee or charge may include costs incurred by the municipality related to administration, enforcement, and the establishment, acquisition and replacement of capital assets”.

CYFS provides a variety of services to the residents of Aurora and Newmarket, as well as providing emergency services for those who travel through these two municipalities. The costs to provide these fire services are funded from municipal taxes.

Within York Region, CYFS is the only fire service that does not charge service fees for attending motor vehicle collisions on municipal roadways. An in depth review of surrounding municipalities identified that a potential revenue source could be instituted by CYFS. The following chart indicates the revenue generated by surrounding municipalities invoicing for emergency services provided at motor vehicle collisions. These charges are for incidents on municipal roadways based on the current Ministry of Transportation (MTO) standard rate of \$477.00 per hour per truck, with the exception of Vaughan Fire Rescue whose rate at \$600/hr.

Due to accounting practices, Vaughan, Markham and Richmond Hill, are not able to separate the annual revenue generated from municipal roads and highways. Therefore, the dollar amount presented in the chart is for both municipal roads and highways. Fire Departments that have provincial highways running through their jurisdictions have the ability to recover some costs for services by submitting their invoices to the MTO. Unfortunately, the towns of Aurora and Newmarket do not have a provincial highway within their jurisdiction (Hwy 404), therefore CYFS cannot bill the MTO directly. CYFS currently provides extrication and rescue services in the Town of Whitchurch-Stouffville (WS) section of the highway and cover costs through a direct charge to WS through a Fire Protection Agreement.

York Region Fire Service	MVC Program (municipal roads)	Invoice Resident or Non	Invoice at Fault Drivers	Admin Fee	Rate Charged	Annual Revenue (estimated)
Georgina	Yes	Non Res only	Yes	No	MTO Rate	\$65,000
East Gwillimbury	Yes	Both	No	No	MTO Rate	\$45,000
Whitchurch/Stouffville	Yes	Non Res only	No	No	MTO Rate	\$55,000
King	Yes	Non Res only	Yes	No	MTO Rate	\$88,000
Vaughan	Yes	Both	Yes	No	\$600 / hr	\$650,000
Markham	Yes	Both	Yes	Yes	MTO Rate	\$205,000
Richmond Hill	Yes	Both	Yes	No	MTO Rate	\$300,000
Central York Fire Services	NO	N/A	N/A	N/A	N/A	\$0

For additional reference, here are two other local areas that implement a MVC cost recovery program.

Simcoe County Fire Services	MVC Program (municipal roads)	Invoice Resident or Non	Invoice at Fault Drivers	Admin Fee	Rate Charged	Annual Revenue (estimated)
Springwater	Yes	Both	Yes	No	MTO Rate	\$133,000
Essa	Yes	Both	Yes	No	MTO Rate	\$90,000
Barrie	Yes	Non-Res only	No	Yes	MTO Rate	\$55,000
New Tecumseth	Yes	Both	Yes	Yes	MTO Rate	\$30,000
Bradford	Yes	Non Res Only	No	No	MTO Rate	\$6,000
Orillia	Yes	Non Res only	Yes	No	MTO Rate	\$2,000

Durham Region Fire Departments	MVC Program (municipal roads)	Invoice Resident or Non	Invoice at Fault Drivers	Admin Fee	Rate Charged	Revenue (approx.)
Uxbridge	Yes	Both	Yes	Yes	MTO Rate	\$50,000
Brock	Yes	Non Res only	No	No	MTO Rate	\$10,000
Scugog	Yes	Non Res only	Yes	Yes	MTO Rate	Started program in 2019
Whitby	No	n/a	n/a	n/a	n/a	n/a
Clarington	No	n/a	n/a	n/a	n/a	n/a
Ajax	No	n/a	n/a	n/a	n/a	n/a
Pickering	No	n/a	n/a	n/a	n/a	n/a
Oshawa	No	n/a	n/a	n/a	n/a	n/a

Throughout 2018, CYFS started collecting data (license plates) from April to December. The data revealed there were 451 MVCs, however after reviewing all MVC reports, 378 incidents qualified to be invoiced. The analysis was undertaken in order to evaluate the number of incidents that could generate potential revenue. Based on recouping costs from the at fault driver, regardless of residency (option #3 below) revenue was in excess of 200K.

Central York Fire Services	MVC Program (municipal roads)	Invoice Resident or Non	Invoice at Fault Drivers	Admin Fee	Rate Charged	Revenue (approx.)
Option #1 (Status quo)	No	n/a	n/a	n/a	n/a	\$0
Option #2	Yes	Non Res only	No	Yes	MTO Rate	\$89,000
Option #3	Yes	Both	Yes	Yes	MTO Rate	\$203,000

The table below shows five years of MVC incidences that CYFS responded to in the Towns of Aurora and Newmarket. However, this is raw data and has not been determined to be billable. There will be times when MVCs will not be billable due to human error, services not required upon arrival of CYFS or police agency not posting the at fault report.

Billable MVC Calls for Aurora and Newmarket	
2019 (Jan – May)	203
2018 (Jan – Dec)	588
2017 (Jan – Dec)	592
2016 (Jan – Dec)	599
2015 (Jan – Dec)	554

Further direction from JCC regarding the invoicing model would be appreciated. The following options need to be determined to provide direction to staff on how to proceed:

- Invoice at fault driver only regardless of residency
- Invoice at fault driver only (non-residents only)
- Divide invoice equally between all parties involved in the collision (regardless of who is at fault and residency)
- Updating the Town of Newmarket & Aurora User Fees

CYFS recommends option #3 which is;

- ✓ At fault driver only,
- ✓ Full invoice (regardless of residency)
- ✓ Applying administration fees to invoice (\$15 per vehicle search)

FINANCIAL IMPACT

By implementing a fee for service for attending MVCs, CYFS will have the ability to generate revenue and offset a portion of current operational costs.

Currently, CYFS does not have sufficient administrative support complement to conduct a cost recovery program for MVCs. In order to implement and administer such a program, CYFS is requesting a regular part-time administrative assistant. In consultation with Human Resources, the estimated cost of this position would be:

- Permanent Part-Time (24 hours per week)
- \$39,962 + \$7,193 (benefits) = \$47,155
- If this was a contract position, there is a \$2,000 savings in benefits

CONCLUSION

Approval of option #3 provides CYFS the most revenue and is the normal practice for career fire departments in York Region. Based on 2018 actual, MVC events CYFS attended, revenue would have been in the excess of \$200K. The additional work load cannot be undertaken by the existing work force ensure success of the program. A part-time or contract administrative person needs to be added to the staff compliment for maximum program effectiveness. This MVC Cost Recovery Program is phase one of the cost recovery program and additional services can be added once the program is up and running.

CONSULTATION

The Senior Fire Management Team consulted with the Town of Newmarket Finance, Human Resources, as well as, fire departments within the regions of York, Durham and Simcoe County.

In addition, Richmond Hill Fire & Emergency Services provided CYFS with three cheque samples from insurance companies (TD Insurance, Royal & Sun Alliance and The Personal) that have paid an invoice on behalf of their client. Two samples were from residents of Richmond Hill, the other a non-resident (Toronto). Please see Appendix A attached to this report.

IMPACT ON THE MASTER FIRE PLAN

This report has no impact on the Master Fire Plan.

CONTACT

Deputy Chief Rocco Volpe



Rocco Volpe, Deputy Chief
Central York Fire Services

Attachment: Appendix A



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Appendix A

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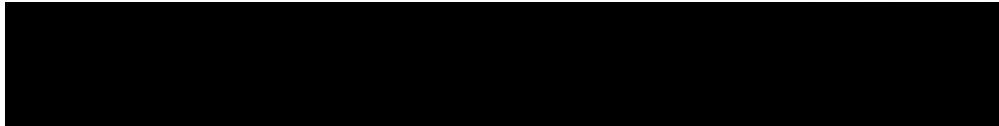
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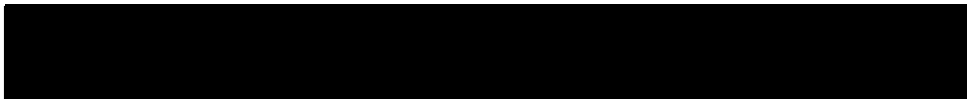
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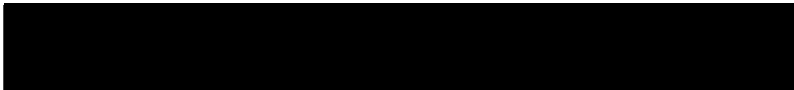
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