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## **CYFS Budget Report – Third Quarter 2019 Staff Report**

Report Number: 2019-25

Department(s): Joint CYFS, Financial Services

Author(s): Dawn Schellenberg

Meeting Date: October 22, 2019

### **Recommendations**

That the report entitled CYFS Preliminary Budget Report – Third Quarter dated October 22, 2019 be received for information purposes.

### **Purpose**

This report is to provide the JCC with the third quarter operating and capital results for Central York Fire Services for the period ending September 30, 2019.

### **Background**

See Below.

### **Discussion**

#### **Operating**

Net expenditures are below budget by \$1,411,382 at the end of the third quarter of 2019. Revenues were \$198,601 compared to a budget of \$258,420.

Total expenses were \$1,471,201 below budget at the end of September. Wages and benefits are still below budget after accruing the budgeted amount for a new collective agreement. Overtime is below budget and there were Workplace Safety & Insurance Board reimbursements for 4 staff, as well as a number of unfilled positions due to retirements, leaves of absence and other vacancies. The planned hiring of the 4 additional firefighters in 2019 for the new fire station has been deferred to 2020.

At this point in the year, vehicles repairs are tracking on budget. This expense category has trended higher than budget in recent years and the 2019 budget has been increased as a result. The majority of the other variances are due to timing. The wellness program is on hold, pending the selection of a new provider.

The following chart summarizes the significant variances:

<b>Line items</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
Salaries and Benefits	\$ 15,008,035	\$ 16,160,217	\$1,152,182
Uniforms, Clothing	71,828	106,335	34,507
Equipment Repairs & Maintenance	62,968	94,477	31,509
Consulting Services	0	45,900	45,900
Wellness Program	3,677	108,749	105,072
Training	32,407	76,500	44,093
Other	2,955,968	3,013,906	57,938
<b>Total Expenses</b>	<b>\$ 18,134,883</b>	<b>\$ 19,606,084</b>	<b>\$ 1,471,201</b>
<b>Total Revenues</b>	<b>\$ 198,601</b>	<b>\$ 258,420</b>	<b>\$ -59,819</b>
<b>Net Expenditure</b>	<b>\$ 17,936,282</b>	<b>\$ 19,347,664</b>	<b>\$ 1,411,382</b>

#### Forecast

Wages and benefits will be below budget at year-end, due to the number of vacant positions as well as the delayed hiring of the 4 additional firefighters for the new fire station. Lieu time will be over budget by \$30,000. Fuel costs and vehicle repairs and maintenance are on budget at this point, but could be over budget somewhat at year-end. No further Wellness Program expenses will be made this year, as the search for a new provider continues. No consulting expenses are anticipated. Fire department recoveries are forecasted to be on budget. A year-end surplus in excess of \$1 million is forecasted.

#### Capital

In the first 9 months of 2019, expenditures of \$1,011,650 were incurred. \$864,744 of this amount represents the second installment payments plus equipment purchases for 2 replacement fire apparatus which have been delivered and are in service.

## **Conclusion**

At this point, a year-end surplus is anticipated.

## **Business Plan and Strategic Plan Linkages**

This report is consistent with the budget methodology set out in the Master Fire Plan.

## **Consultation**

There has been consultation between the Finance staff of both Aurora and Newmarket, as well as Fire Services management.

## **Human Resource Considerations**

Not applicable.

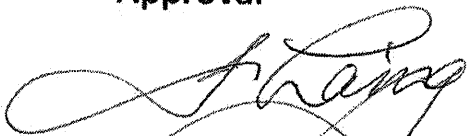
## **Budget Impact**

A year-end favorable variance of at least \$1 Million is projected, primarily due to gapping. Any year-end surplus in excess of the reserve fund requirement (currently \$700,000 based on 2020 budget) will be transferred to the asset replacement funds.


## **Attachments**

Operating Results for the Nine Months ending September 30, 2019

## **Approval**



Ian Laing, Fire Chief  
Central York Fire Services



Mike Mayes, CPA, CGA, DPA  
Director, Financial Services/Treasurer  
Town of Newmarket

Reviewed by:



Rachel Wainwright-van Kessel, CPA, CMA  
Director, Finance/ Treasurer  
Town of Aurora

**Contact**

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**CENTRAL YORK FIRE SERVICES**  
**OPERATING RESULTS**  
For the Nine Months Ending September 30, 2019

OBJECT ACCOUNTS	2018	2019 YTD (September 30, 2019)				2019 FULL YEAR BUDGET
	ACTUAL	ACTUAL	BUDGET	VARIANCE		
	\$	\$	\$	favourable/(unfavourable)	%	
<b>Expenses</b>						
4011 Management Salaries	634,370	468,577	480,764	12,187	2.53%	657,887
4021 Regular Salaries & Wages	14,889,721	11,088,446	11,695,662	607,216	5.19%	15,991,105
4024 Standby/Callback	24,874	597	35,622	35,025	98.32%	35,622
4025 Overtime	150,906	126,632	154,119	27,487	17.84%	205,493
4026 Lieu Time Paid	728,491	7,971	-	(7,971)	n/a	723,032
4028 WSIB Reimbursements	(59,301)	(106,987)	-	106,987	n/a	-
4031 Casual/Seasonal Wage	18,992	20,096	20,553	457	2.23%	28,125
4081 Payroll Allocations	27,785	-	-	-	n/a	-
4109 Direct Payroll Benefits	4,813,996	3,402,704	3,773,497	370,793	9.83%	5,163,733
<b>Sub Total Salaries and Benefits</b>	<b>21,229,832</b>	<b>15,008,035</b>	<b>16,160,217</b>	<b>1,152,182</b>	<b>7.13%</b>	<b>22,804,997</b>
4216 Stationery & Office Supplies	14,554	7,886	11,475	3,589	31.28%	15,300
4217 Photocopier Lease & Supplies	4,890	2,932	5,737	2,805	48.89%	7,650
4219 Emergency Mgmt. Materials	1,313	1,623	3,060	1,437	46.96%	4,080
4229 Janitorial Supplies	27,583	17,368	15,300	(2,068)	(13.52%)	20,400
4231 Machine Oil & Fuel	130,854	81,229	80,325	(904)	(1.13%)	107,100
4261 Uniforms, Clothing	120,896	71,828	106,335	34,507	32.45%	141,780
4269 Misc.	10,079	5,822	8,250	2,428	29.43%	11,000
4272 Vehicle Repairs & Maintenance	460,649	363,438	362,625	(813)	(0.22%)	483,500
4273 Building Repairs & Maintenance	157,142	106,460	91,800	(14,660)	(15.97%)	122,400
4278 Equipment Repairs & Maintenance	117,060	62,968	94,477	31,509	33.35%	125,970
4278 Radio Equipment Maintenance	35,536	735	26,775	26,040	97.25%	35,700
4299 Capital Acquisitions	42,498	55,009	52,454	(2,555)	(4.87%)	69,940
4303 Cell Phone	25,780	25,350	22,975	(2,375)	(10.34%)	30,633
4311 Hydro	73,982	62,394	96,534	34,140	35.37%	128,713
4321 Heat	35,534	25,212	34,425	9,213	26.76%	45,900
4331 Water	17,699	20,111	11,475	(8,636)	(75.26%)	15,300
4404 Consulting Services	3,000	-	45,900	45,900	100.00%	61,200
4425 Education/Corporate Tuition Assist.	3,089	2,386	6,502	4,116	63.30%	8,670
4462 Fire Prevention	35,319	35,501	21,420	(14,081)	(65.74%)	28,560
4462 Fire Prevention - Public education	10,070	8,011	7,650	(361)	(4.71%)	10,200
4463 Fire Investigation	1,914	645	1,912	1,267	66.27%	2,550
4464 Association Allowance	3,000	3,000	2,250	(750)	(33.33%)	3,000
4465 Dispatch Service	463,989	239,441	227,250	(12,191)	(5.36%)	454,500
4466 Wellness Program	24,586	3,677	108,749	105,072	96.62%	145,000
4471 Mileage/Parking/Tolls	2,014	1,937	2,295	358	15.62%	3,060
4474 Medical oversight	16,989	17,323	15,000	(2,323)	(15.48%)	20,000
4474 Training	157,289	32,407	76,500	44,093	57.64%	102,000
4478 Conferences & Seminar Fees	16,723	14,586	21,037	6,451	30.67%	28,050
4511 Street Snowploughing Contract	4,202	1,119	7,140	6,021	84.32%	10,200
4662 Contingency Account	62,883	27,378	34,425	7,047	20.47%	45,900
4667 Property lease	30,000	22,950	22,950	-	0.00%	30,600
Support cost allocation	964,508	831,423	846,165	14,742	1.74%	1,128,224
4936 Asset Replacement Fund	1,099,600	974,700	974,700	-	0.00%	1,299,600
<b>Total Expenses</b>	<b>25,405,056</b>	<b>18,134,883</b>	<b>19,606,084</b>	<b>1,471,201</b>	<b>7.50%</b>	<b>27,551,677</b>
<b>Revenues</b>						
7419 - Other Grant	7,113	-	-	-	n/a	-
7431 Fire Dept. Recoveries	308,756	177,812	245,127	(67,315)	-27.46%	326,836
7471 Misc. Charges	19,432	20,790	13,293	7,497	56.40%	10,000
<b>Total Revenues</b>	<b>335,301</b>	<b>198,601</b>	<b>258,420</b>	<b>(59,819)</b>	<b>-23.15%</b>	<b>336,836</b>
<b>Net Expenditure Before Transfers</b>	<b>25,069,755</b>	<b>17,936,282</b>	<b>19,347,664</b>	<b>1,411,382</b>	<b>7.29%</b>	<b>27,214,841</b>
<b>Transfers to/(from) Reserve Fund</b>						
4922 Transfer to Reserve Fund	-	-	-	-	n/a	-
4923 Transfer to Reserve	437,314	-	-	-	n/a	-
7542 From Reserve Fund	-	-	-	-	n/a	(7,725)
<b>Net Expenditure</b>	<b>25,507,069</b>	<b>17,936,282</b>	<b>19,347,664</b>	<b>1,411,382</b>	<b>7.29%</b>	<b>27,207,116</b>
Newmarket's share (2019- 58.9%; 2018-59.35 %)	15,138,446	10,564,470	11,395,774	831,163	7.29%	16,024,991
Aurora's share (2019 - 41.1%; 2018 - 40.65 %)	10,368,624	7,371,812	7,951,890	580,219	7.30%	11,182,125
	<b>25,507,069</b>	<b>17,936,282</b>	<b>19,347,664</b>	<b>1,411,382</b>	<b>7.29%</b>	<b>27,207,116</b>