



CENTRAL YORK FIRE SERVICES

November 11, 2016

JOINT CENTRAL YORK FIRE SERVICES/CORPORATE SERVICES - FINANCE REPORT 2016-54

TO: Joint Council Committee

SUBJECT: 2016 CYFS Budget Report – Third Quarter

ORIGIN: Central York Fire Services – Fire Chief
Director, Financial Services/Treasurer

RECOMMENDATIONS

THAT Joint CYFS / Corporate Services Report – Financial Services – 2016-54 dated November 11, 2016 regarding 2016 CYFS Budget Report – Third Quarter be received for information purposes.

COMMENTS

Purpose

This report is to provide the JCC with the 2016 operating and capital results for Central York Fire Services for the period ending September 30, 2016.

Budget Impact

A surplus in the range of \$100,000 to \$300,000 is projected for 2016.

Summary

In operating, CYFS net expenditures were \$1,173,626 lower than budget at the end of the third quarter. This is primarily due to wages which continue to be paid at 2015 rates pending a new collective agreement. Retroactive changes are expected upon settlement. Any 2016 CYFS operating surplus would be transferred to the CYFS Reserve Fund to help reach the recommended target level of \$780,000 for 2016.

BACKGROUND

This report is to provide the JCC with the 2016 operating and capital results for Central York Fire Services for the period ending September 30, 2016.

Operating

Revenue at the end of the third quarter totalled \$67,804. Expenses were \$16,060,694 compared to a budget of \$17,186,766 for the same period. Salaries and benefits were \$844,979 under budget, as wages continue to be paid at 2015 rates until a new collective agreement is negotiated and ratified. Upon settlement, retroactive adjustments are expected to eliminate this surplus.

Wellness and dispatch expenses are trending below budget. The wellness/fitness program is expected to start soon, as agreement has been reached on the program details. Dispatch service costs are tracking lower than budget (we show no year-to-date expense), due to the timing of the receipt of the invoice for the first half of the year. These expenses are anticipated to be under budget at the end of the year and the 2017 budget has been adjusted accordingly. Uniforms and clothing expenses are higher than budget, due mainly to the hiring of two classes of probationary firefighters and are projected to be somewhat over budget at year-end. Vehicle maintenance has been more aggressive to maintain or extend useful lives and avoid costly downtime, resulting in higher expenses. We have reached the annual budget amount with 3 months to go in the year.

At this point in time, a surplus in the range of \$100,000 to \$300,000 is projected. Any potential 2016 operating surplus would be transferred to the CYFS Reserve Fund to assist in achieving the recommended target level (\$780,000 for 2016).

Capital

The capital budget, including carryovers, totals \$10,503,065. Land for a new fire station to be built in Aurora has been purchased based on a 59.8%; 40.2% cost sharing arrangement between Newmarket and Aurora, as well as some replacement fire equipment.

It is anticipated that there will be a substantial carry-over of unspent capital into 2017, as the majority of the 2016 budgeted capital expenditures are for the construction of the new fire station and two replacement apparatus.

IMPACT ON THE MASTER FIRE PLAN

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.

BUDGET IMPACT

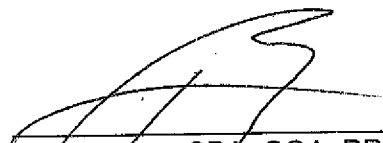
A surplus of between \$100,000 to \$300,000 is currently forecasted for 2016. Any 2016 CYFS operating surplus would be used to help achieve the target level of \$780,000 for the reserve fund.

CONTACT

For more information on this report, contact: Mike Mayes at 905-953-5300, ext. 2102 or via e-mail at mmayes@newmarket.ca



Ian Laing, Fire Chief
Central York Fire Services



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

Reviewed by:

Dan Elliott, Director
Financial Services/Treasurer
Town of Aurora

MM:DS/ne
Attachment

**CENTRAL YORK FIRE SERVICES
OPERATING RESULTS
For the Nine Months Ending September 30, 2016**

OBJECT ACCOUNTS	2015	2016 YTD (September 30, 2016)				2016 FULL YEAR BUDGET	2016 REMAINING BUDGET
	ACTUAL	ACTUAL	BUDGET	VARIANCE			
	\$	\$	\$	\$	%	\$	\$
Expenses							
4011 Management Salaries	447,340	422,055	449,569	27,514	6.12%	615,201	193,146
4021 Regular Salaries & Wages	13,562,366	9,945,577	10,379,226	433,649	4.18%	14,191,054	4,245,477
4024 Standby/Callback	21,750	509	86,000	85,491	99.41%	86,000	85,491
4025 Overtime	299,194	140,146	165,000	24,854	15.06%	220,000	79,854
4026 Lieu Time Paid	638,407	9,325	-	(9,325)	n/a	617,000	607,675
4028 WSIB Reimbursements	(64,618)	(12,886)	-	12,886	n/a	-	12,886
4031 Casual/Seasonal Wage	12,281	20,218	8,769	(11,449)	(130.56%)	12,000	(8,218)
4035 Regular Part-Time Wages	16,384	-	-	-	n/a	-	-
4106 Workers' Compensation	93,504	70,128	68,326	(1,802)	-2.64%	93,500	23,372
4109 Direct Payroll Benefits	4,337,924	3,044,711	3,327,871	283,160	8.51%	4,553,930	1,509,219
Sub Total Salaries and Benefits	19,364,531	13,639,782	14,484,761	844,979	5.83%	20,388,685	6,748,903
4213 Licences	720	(44)	-	44	n/a	-	44
4216 Stationery & Office Supplies	15,818	12,783	11,250	(1,533)	(13.63%)	15,000	2,217
4217 Photocopier Lease & Supplies	7,157	6,371	3,750	(2,621)	(69.89%)	5,000	(1,371)
4219 Emergency Mgmt. Materials	1,793	2,014	2,999	985	32.85%	4,000	1,986
4229 Janitorial Supplies	18,489	12,307	16,499	4,192	25.41%	22,000	9,693
4232 Fuel for Vehicles	94,379	67,695	90,000	22,305	24.78%	120,000	52,305
4261 Uniforms, Clothing	115,402	146,644	93,750	(52,894)	(56.42%)	125,000	(21,644)
4269 Misc.	8,747	10,478	7,125	(3,353)	(47.05%)	9,500	(978)
4272 Vehicle Repairs & Maintenance	348,432	295,466	231,373	(64,093)	(27.70%)	308,500	13,034
4273 Building Repairs & Maintenance	120,507	115,714	76,274	(39,440)	(51.71%)	101,700	(14,014)
4278 Equipment Repairs & Maintenance	122,507	73,592	85,124	11,532	13.55%	113,500	39,908
4278 Radio Equipment Maintenance	6,882	-	18,749	18,749	100.00%	25,000	25,000
4299 Capital Acquisitions	64,851	46,843	50,249	3,406	6.78%	67,000	20,157
4303 Cell Phone	18,474	17,318	13,500	(3,818)	(28.29%)	18,000	682
4311 Hydro	86,414	79,167	69,000	(10,167)	(14.74%)	92,000	12,833
4321 Heat	44,041	22,135	41,250	19,115	46.34%	55,000	32,865
4331 Water	12,289	10,954	12,750	1,796	14.08%	17,000	6,046
4404 Consulting Services	32,810	-	44,999	44,999	100.00%	60,000	60,000
4425 Education/Corporate Tuition Assist.	2,768	490	8,250	7,760	94.06%	11,000	10,510
4462 Fire Prevention	26,198	15,664	18,749	3,085	16.46%	25,000	9,336
4463 Fire Investigation	1,222	24	1,874	1,850	98.70%	2,500	2,476
4464 Association Allowance	3,000	3,000	2,250	(750)	(33.33%)	3,000	-
4465 Dispatch Service	428,582	-	252,500	252,500	100.00%	505,000	505,000
4466 Wellness Program	21,462	17,032	108,749	91,717	84.34%	145,000	127,968
4471 Mileage/Parking/Tolls	3,888	811	2,850	2,040	71.56%	3,800	2,990
4474 Training	97,389	56,068	72,749	16,681	22.93%	97,000	40,932
4478 Conferences & Seminar Fees	28,895	29,208	16,499	(12,709)	(77.03%)	22,000	(7,208)
4511 Street Snowploughing Contract	9,647	2,000	7,893	5,893	74.67%	11,275	9,275
4662 Contingency Account	73,555	69,922	33,750	(36,172)	(107.17%)	45,000	(24,922)
4666 Vehicle Lease	-	-	-	-	n/a	-	-
Support cost allocation	857,404	664,805	664,801	(4)	(0.00%)	886,407	221,602
4911 Transfer to Capital	6,600	4,950	4,950	-	0.00%	6,600	1,650
4936 Asset Replacement Fund	850,000	637,500	637,500	0	0.00%	850,000	212,500
Total Expenses	22,894,853	16,060,694	17,186,766	1,126,072	6.55%	24,160,467	8,099,773
Revenues							
7431 Fire Dept. Recoveries	262,796	60,715	-	60,715	n/a	258,530	197,815
7471 Misc. Charges	9,282	7,089	11,250	(4,161)	(36.99%)	15,000	7,911
Total Revenues	272,078	67,804	11,250	56,554	502.70%	273,530	205,726
Net Expenditure Before Transfers	22,622,776	15,992,890	17,175,516	1,182,626	6.89%	23,886,937	7,894,047
Transfers to/(from) Reserve Fund							
4922 Transfer to Reserve Fund	55,000	41,250	41,250	0	0.00%	55,000	13,750
7542 From Reserve Fund	-	-	(9,000)	(9,000)	100.00%	(12,000)	(12,000)
Net Expenditure	22,677,776	16,034,140	17,207,766	1,173,626	6.82%	23,929,937	7,895,797
Newmarket's share(2015-59.77%; 2016- 59.8%)	13,554,507	9,588,416	10,290,244	701,476	6.82%	23,929,937	4,721,687
Aurora's share(2015-40.23%; 2016 - 40.2%)	9,123,269	6,445,724	6,917,522	472,150	6.83%	-	3,174,110
	22,677,776	16,034,140	17,207,766	1,173,626	6.82%	23,929,937	7,895,797