

Municipality of East Ferris

Report to Council

Report No.: FD-2021-02

Date: February 23rd, 2021

Originator: Frank Loeffen, Fire Chief/CEMC

Subject: Volunteer Firefighters and Officer Wage Comparison

RECOMMENDATION

1. That the Council for the Municipality of East Ferris accepts the recommendation of the Fire Chief to increase the annual points system budget by \$10,000 over the 2020 budget for 2021, and for future years beginning in 2022, continue with the annual point budget increase of 3% per year;
2. That the Council for the Municipality of East Ferris accepts the recommendation of the Fire Chief to increase the annual officer honorarium by 2% per year beginning in 2021; and
3. That the Council for the Municipality of East Ferris accepts the recommendation of the Fire Chief to revise the remuneration structure for the Fire Prevention Officer from \$50.00/inspection to the same honorarium being received by the other Officers.

BACKGROUND

During the 2020 operating budget discussions, Council requested a review and comparison of our firefighter remuneration program to the department wages of neighbouring municipalities.

A spreadsheet was sent to eight neighbouring departments requesting information: officer and volunteer firefighter wages and benefits; the 2020 budget amount for remuneration costs; the number of calls attended; the number of training sessions; and whether they are on a point system or hourly pay system. See Appendix A for the completed spreadsheet.

This information was compared with our Department which is also included in the spreadsheet.

A similar request for information was sent out in 2017 by the Ontario Association of Fire Chiefs (O AFC) seeking departments that use point systems and those using hourly pay systems to try and develop a standard system. A number of departments responded, and it was determined that there are no set structures. Fulltime, composite or volunteer, union and non-union, every municipality seems to have a different pay structure.

In reviewing the information received, the remuneration structure for all departments varies in some way. Some pay hourly and some pay on a point system. There are several variations on how and when new recruits/probationary members and volunteers are reimbursed. Some received an automatic 2-3 points, and one department awards an automatic 4 points, on the initial page. Some are paid different rates for their skill level or years of service and some are paid a set amount. Rates also vary for emergency and non-emergency calls. Officers of different rank vary in hourly, monthly, and annual pay. Some are strictly salary, others monthly salary plus points, and some are paid annually plus points. One responding department pays a \$500 annual fee plus points to all its members.

The number of volunteers sharing the budget amount for wages and the call volume can change during the year and affects the points earned and the dollar value per point. In comparing East Ferris to other similar sized departments, the annual points budget is mid level. According to the data received from neighbouring municipalities, the average points budget is \$54,566 (\$491,096/9) and if the lowest and highest budgets are removed, as these figures skew the data, the average points budget is \$47,624 (\$333,371/7). For 2020, our points budget was \$44,558. Our points budget for 2020 was \$10,008 lower than the average of the 9 departments.

When it comes to Officer remuneration, East Ferris pays \$3,660/year to Battalion Chiefs, and \$1,060/year to Station Captains and the Training Officer. Our Fire Prevention Officer receives \$50/inspection. All Officers are included in the point system as well. Comparing

our Officer remuneration to other departments, we are at the top of the compensation scale except for our Fire Prevention Officer.

Most municipalities provide their members with the Volunteer Firefighter Insurance Services (VFIS) benefits to some extent. Department members are covered by WSIB when they are responding to, during, and returning from calls or participating in department approved activities. The Municipality of East Ferris provides its members and their family 24 hour on and off-duty injury and death coverage with VFIS including the Employee and Family Assistance Services (EFAP) at no cost to the members. Also, driver medicals, D/Z license renewals, and license classification upgrades from G to D/Z, to allow members to operate the department apparatus, are all reimbursed by the municipality upon submission of receipts.

FINANCIAL IMPLICATIONS

There has been some discussion about moving towards a minimum wage per point system. This type of remuneration system is unpredictable for budgetary purposes as call numbers and number of members fluctuate and actual expenditures may leave us in a surplus or deficit position. Using the current minimum wage rate in effect of \$14.25/hour, in 2020 we would have spent \$35,896 (2,519 total points) which would have been \$8,662 under budget. For 2019, the actual costs using the minimum wage at the time would have been \$59,388 (4,242 points); \$68,390 for 2018 (4,885 points); and \$51,585 for 2017 (4,447 points). Based on these figures, costs would have decreased by 19.4% in 2020, but increased by 37.3% in 2019 (\$43,260 budgeted), 62.8% in 2018 (\$42,000 budgeted), and 28.9% in 2017 (\$40,000 budgeted) over what was budgeted. In 2020, if all 28 members would have attended all calls and training (a total of 230 points available per member), costs would have amounted to \$91,770.

Through the information collected, East Ferris is currently mid range in what the volunteers and officers are paid through the point system and honorarium. Increasing the annual points system by \$10,000 for 2021 will have a \$10,000 impact on the budget but will closer align with the average points system budget of \$54,566. Maintaining a 3%

increase annually to the points system budget provides an on-going increase but eliminates the possibility of running a deficit.

For Officer remuneration, comparing our Officer remuneration to other departments, we are at the top of the compensation scale except for our Fire Prevention Officer. Increasing Officer honorarium by 2% and revising the pay structure for our Fire Prevention Officer will result in an increase of \$1,145 for the 2021 budget.

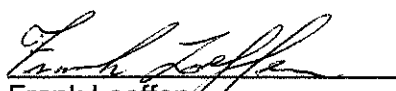
RECOMMENDATION

Through the information collected, East Ferris is currently mid range in what the volunteers and officers are paid through the point system and honorarium. It is being recommended that the annual points system budget be increased by \$10,000 over the 2020 budget (\$44,558) for the year 2021 to better align with the average points system budget of \$54,566. For future years beginning in 2022, it is recommended that we continue with annual increase to the points system budget of 3% per year.

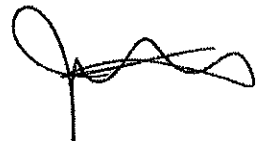
For honorariums paid to Officers, it is being recommended that the annual Officer honorarium increase by 2% per year beginning in 2021. The 2021 annual remuneration would be \$1,081.20 per Officer.

For honorarium paid to the Fire Prevention Officer, it is being recommended that this Officer be paid the same honoraria as all other Officers. This amount would be \$1,081.20 for 2021 and would increase by 2% annually beginning in 2022.

Respectfully Submitted,


Frank Loeffen
Fire Chief/CEMC

I concur with this report
and recommendation:



Jason H. Trottier, HBBA, CPA, CMA
CAO/Treasurer