

Agenda
Finance & Audit Committee
Special 2022 Budget Meeting
Salt Spring Island Fire Protection District

Meeting will be held as follows:

Date: August 5, 2021

Time: 1:00 P.M.

Place: Training Room, Ganges Fire Hall

1. Call to Order
2. Approval of Agenda
3. 2022 Operating Fund Budget – Trustee Expenses

That the Staff Report dated July 24, 2021, regarding 2022 Budget – Trustee Expenses be received for information.

THAT it is the recommendation of the Finance & Audit Committee to the Board of Trustees that the 2022 Operating Fund Budget for Total Trustee Expenses (Budget Line # 70) be \$*

4. Motion to move to In-camera session to discuss 2022 Operating Fund Budget – Wages & Benefits
5. Arise & Report

THAT it is the recommendation of the Finance & Audit Committee to the Board of Trustees that the 2022 Operating Fund Budget for Total Wages & Benefits (Budget Line # 90) be \$*

6. Next meeting date *
7. Adjournment

Minutes of the Finance & Audit Committee Special Meeting Salt Spring Island Fire Protection District

Date: August 5, 2021

Location: Training Room, Ganges Fire Hall

Members Present: Rollie Cook, Chair
Howard Holzapfel, Trustee
Mary Lynn Hetherington, Trustee
Peter Parker, Member-at-Large

Trustees Present: Wynona Cook, Trustee
John Wakefield, Trustee

Staff Members Present: Andrew Peat, Acting Corporate Administrator and Financial Officer
Tony Denman, Admin

These minutes follow the order of the agenda although the sequence may have varied.

1. CALL TO ORDER

Committee Chair R. Cook called the meeting to order at 1:05 p.m.

2. APPROVAL OF AGENDA

A copy of the agenda was circulated prior to the meeting.

By general consent, the agenda was approved.

3. 2022 OPERATING FUND BUDGET – TRUSTEE EXPENSES

3.1 Staff report dated July 24, 2021, regarding 2022 Budget – Trustee Expenses

By general consent, the staff report dated July 24, 2021, regarding 2022 Budget – Trustee Expenses was received.

After discussion it was the consensus of the Committee that the 2022 Operating Budget include:

- Budget Line No. 59 – Administration Support be \$10,000.00, unchanged. The Recording Secretary for the Board is a contracted employee hired to take minutes for most trustee and some committee meetings.
- Budget Line No. 60 – Advertising/Elections be \$8,000.00, unchanged.
- Budget Line No. 61 – Annual Dinner be \$7,000.00, unchanged.
- Budget Line No. 62 – Consulting Fees be \$25,000.00, an increase of \$10,000 (+66.67%). Acting Chief Holmes has advised that Superior Tanker Shuttle accreditation is up for renewal next year (estimated cost \$10,000) – extensions were granted in 2020 and 2021 because of the Covid-19 pandemic.
- Budget Line No. 63 – Fireworks be \$2,500.00, unchanged.
- Budget Line No. 64 – Legal be \$10,000.00, an increase of \$5,000 (+50%). In fiscal year 2020 actual expenses were \$22,885. Most legal expenses relate to human resources matters.
- Budget Line No. 65 – Labour Relations be \$20,000.00, unchanged. Proposed 2022 budget includes GVLRA membership fees (% of Gross Payroll) and additional costs to prepare for the next round of collective bargaining – the current IAFF contract expires December 31, 2022 and notice to begin bargaining can be given by either party any time after July 1, 2022.
- Budget Line No. 66 – Communications & Miscellaneous be \$2,000.00, unchanged.
- Budget Line No. 67 – New Fire Hall Planning & Public Engagement be \$10,000.00, a decrease of \$15,000 (-60%). It was the consensus of the meeting that the cost of a robust public engagement process relating to the New Fire Hall project in 2021 and probably 2022 will likely be more expensive than that included in the 2021 budget.
- Budget Line No. 68 – Fire Hall Referendum be \$5,000.00, a decrease of \$10,000 (-66.67%). In the discussion CAO Peat advised that with the mail-in ballot vote to approve borrowings for the New Fire Hall, the cost for postage alone is estimated to be higher than the 2021 budget (\$15,000) and additional funds would be required for printing the ballot package and cover referendum expenses.
- Budget Line No. 69 – Fire Hall Advisory Committee Soft Costs be \$nil, a decrease of \$100,000 (-100%).
- Budget Line No. 70 – Total Trustee Expenses be \$99,500., a decrease of \$110,000 (-52.51%)

The staff report noted that in the 2021 approved Operating Fund Budget, expenses relating to the New Fire Hall Project totalling \$140,000 (Budget Lines No.'s 68 – 70) were “offset” by a transfer from the General Capital Purposes Reserve Fund and not funded by the Tax Requisition.

By general consent, it is the recommendation of the Finance & Audit Committee to the Board of Trustees that the 2022 Operating Fund Budget for Total Trustee Expenses (Budget Line No. 70) be \$99,500.00.

4. IN-CAMERA MEETING

4.1 Motion to Close the Meeting

MOVED by Member Holzapfel and SECONDED by Member Hetherington,
That the Finance and Audit Committee close this meeting to discuss the 2022 Operating Fund Budget Wages & Benefits and that staff be invited to remain.
CARRIED

The meeting moved to an In-camera meeting at 1:43 p.m.

4.2 Motion to Re-open the Meeting

By general consent, the Finance and Audit Committee re-opened this meeting to a public session.

The meeting reopened to the public at 2:42 p.m.

4.3 Arise and Report

It is the consensus of the Finance and Audit Committee that the 2022 Operating Budget include:

- Budget Line No. 75 – Career/Excluded/Casual Staff Wages & Salaries be \$1,867,000.00 an increase of \$398,050 (+27.09%). Cost-of-living increases was budgeted for IAFF members and Excluded Staff and funding included for the Deputy Fire Chief position and the New Hires (2) and promotions mandated by the Arbitration Award. Savings from moving to wage parity and elimination of the Standby Duty shift largely offset by increased cost of backfilling for sick and vacation relief – the Arbitration Award gave IAFF members the right of first refusal to work all backfill shifts.
- Budget Line No. 76 – Paid-on-call Members Wages be \$247,750.00 a decrease of \$131,350 (-34.64%). In the 2021 Budget the cost of to backfill Career Members (\$130,000) was included in POC Wages but for 2022 is included in Budget Line No. 75. The 2022 Budget assumes no change in hours worked, and wage rates include a 2% cost-of-living increase.
- Budget Line No. 77 – Total Wages be \$2,114,750.00, an increase of \$266,700 (+14.43%).
- Budget Line No. 79 – Employer CPP Expense be \$52,000.00, an increase of \$10,000 (+23.81%) because of higher staff numbers (Deputy Chief and New Hires) and increased contribution rates and contributory earnings because of the enhanced Canada Pension Plan benefits.
- Budget Line No. 80 – Employer EI Expense be \$21,000.00, an increase of \$2,000 (+10.53%) because of increased staff numbers and contributory earnings.
- Budget Line No. 81 – Group Life, AD&D & WCB be \$66,500.00, an increase of \$11,500 (+20.90%). The 2021 Budget was prepared before the District was advised on the WCB Premium Rate, which materially increased because of

adverse claim experience. Also, the 2021 Budget did not include the increase in assessable earnings for WCB from \$87,000 in 2020 to \$100,000 in 2021.

- Budget Line No. 82 - Employer Health Tax & BC Medical Services Plan be \$43,500.00, an increase of \$4,600 (+11.83%) because of higher assessable earnings.
- Budget Line No. 83 - Employee Group Health, Dental Plans & LTD be \$130,500.00, an increase of \$60,750 (+87.10%). The cost of LTD insurance premiums was materially underestimated in previous budgets – the variance largely because of greater POC enrolment in the short-term income replacement insurance benefit offered. 2022 Budget includes group benefits for Deputy Chief and New Hires.
- Budget Line No. 84 – HUB Health Benefits (POC members) be \$50,500.00, a decrease of \$9,500 (-15.83%) to reflect actual expenses incurred.
- Budget Line No. 85 – Employer Registered Pension Plan & Supplemental Pension Benefit be \$252,00.00, an increase of \$56,000 (+28.57%). Increase because of new positions (Deputy Chief and 2021 New Hire) and employer contributions on overtime wages paid IAFF members.
- Budget Line No. 86 – Fire fighter Employee Assistant Plan be \$20,000, an increase of \$8,000 (+66.67%). Increased to reflect actual expenses incurred.
- Budget Line No. 87 – Matching RRSP be \$15,000.00, a decrease of \$4,000 (-21.05%) reflecting an anticipated lower number of eligible participants.
- Budget Line No. 88 – Employee Allowances be \$1,750.00, unchanged.
- Budget Line No. 89 – Total Statutory & Group Benefits be \$652,750, an increase of \$139,350 (+27.14%)
- Budget Line No. 90 – Total Wages & Benefits be \$2,767,500.00, an increase of \$406,050 (+17.19%)

By general consent, it is the recommendation of the Finance & Audit Committee to the Board of Trustees that the 2022 Operation Fund Budget for Total Wages & Benefits (Budget Line No. 90) be \$2,767,500.00.

5. ADJOURNMENT

By general consent, the meeting adjourned at 2:42 p.m.

Rollie Cook, Chair
Finance & Audit Committee

Andrew Peat
Acting Corporate Administrator

SALT SPRING ISLAND FIRE PROTECTION DISTRICT

STAFF REPORT

DATE: July 24, 2021
SUBJECT: PROPOSED 2022 Operating Fund Budget – Trustee Expenses
TO: Finance & Audit Committee
Chair and Board of Trustees
FROM: Andrew Peat, Acting CAO

2022 Trustee Expenses

It is the recommendation of staff that:

- Budget Line # 59 – Administration Support be \$10,000, unchanged from the approved 2021 Budget. In Fiscal year 2020, actual expense was \$8,579. The recording secretary is a contract employee hired to take minutes for most trustee and some committee meetings.
- Budget Line # 60 – Advertising/Election be \$8,000, unchanged from approved 2021 Budget. In Fiscal year 2020, actual expense was \$7,379. Records the cost of advertising Board related matters including the AGM, trustee meeting schedules, election notices, and senior management hiring. Operations related and Referendum related advertising would be charged to different budget lines (Budget Lines #12 and #68).
- Budget Line # 61 – Annual Dinner be \$7,000, unchanged from approved 2021 Budget. Because of Public Health Orders and COVID-19 there was no Annual Dinner in 2020, actual expense in 2019 was \$7,562.
- Budget Line # 62 – Consulting Fees be \$25,000, an increase of \$10,000 over the approved 2021 Budget amount. In Fiscal year 2020, actual expense was \$10,549. Acting Chief Holmes advised that Fire Underwriters Survey (FUS) Superior Tanker Shuttle accreditation is up for renewal next year (estimated cost \$10,000) – extensions granted in 2020 and 2021 because of the COVID-19 pandemic. Consultants have been hired in the past to do Board workshops (governance and strategic planning) and assist with HR matters (review staffing models and assisting with recruiting).
- Budget Line # 63 – Fireworks be \$2,500, unchanged from approved 2021 Budget. Because of Public Health Orders limiting public gatherings there were no fireworks events in 2020. The funds are a donation to the Salt Spring Island Firefighters Association who host annual community fireworks displays (Canada Day and Halloween).
- Budget Line # 64 – Legal be \$10,000, an increase of \$5,000 over the approved 2021 Budget amount. In Fiscal year 2020, actual expenses were \$22,885. In the past, most legal expenses relate to Human Resources matters.
- Budget Line # 65 – Labour Relations be \$20,000, unchanged from approved 2021 Budget. In Fiscal year 2020, actual expenses were \$137,971 and largely related to the decision to go to arbitration to settle outstanding matters relating to the Collective Bargaining Agreement with IAFF Local 4467. Proposed 2022 budget is for GVLRA membership fees (% of Gross Payroll) and possible legal advice to prepare for the next round of bargaining – IAFF contract expires December 31, 2022 and notice to begin bargaining can be given by either party any time after July 1, 2022.

- Budget Line # 66 – Communications & Miscellaneous be \$8,000, unchanged from approved 2021 Budget. In fiscal year 2020, actual expense \$834 which was largely for Lions Club Hall rental.
- Budget Line # 67 – New Fire Hall Planning & Public Engagement (2021 Budget \$25,000)
Budget Line # 68 – Fire Hall Referendum (2021 Budget \$15,000)
Budget Line # 69 – Fire Hall Advisory Committee Soft Costs (2021 Budget \$100,000)
In the approved 2021 budget, expenses relating to the New Fire Hall Project were to be funded by a \$140,000 transfer from the New Fire Hall Reserve Fund. In fiscal year 2020, actual expenses were \$92,537 which were covered by operating funds. It is assumed that if New Fire Hall project related expenses are deferred until 2022 fiscal year, actual expenses will be funded by a transfer from reserve funds.

2022 Total Trustee Expenses

Proposed 2022 Budget for Trustee Expenses is \$84,500, a decrease of \$125,000 compared with the approved 2021 Budget. Making allowances for New Fire Hall expenses funded from reserves, budgeted increase is \$15,000.

Respectfully submitted,

Andrew D. Peat
Acting Corporate Administrator

2022 Trustee and Payroll Expenses Budget Summary

	2021 Budget						Proposed	2022 Budget vs 2021 Budget
	2016 Budget Operating Fund	2017 Budget Operating Fund	2018 Budget Operating Fund	2019 Budget Operating Fund	2020 Budget Operating Fund	2021 Budget Operating Fund	2022 Budget Operating Fund	
66 Trustee Expenses								
66 Administration Support	\$0.00	\$9,000.00	\$9,000.00	\$4,000.00	\$9,000.00	\$10,000.00	\$19,000.00	\$0.00
60 Advertising/Election	\$5,000.00	\$9,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$8,000.00	\$8,000.00	\$0.00
61 Annual Dinner	\$8,000.00	\$5,000.00	\$5,000.00	\$8,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$0.00
62 Consulting Fees	\$60,000.00	\$16,000.00	\$15,000.00	\$6,000.00	\$26,000.00	\$15,000.00	\$28,000.00	\$10,000.00
63 Fireworks	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$0.00
64 Legal	\$100,000.00	\$25,000.00	\$10,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$10,000.00	\$5,000.00
65 Labour Relations	\$0.00	\$0.00	\$0,000.00	\$65,000.00	\$65,000.00	\$20,000.00	\$20,000.00	\$0.00
66 Communications & Miscellaneous	\$0.00	\$0.00	\$10,000.00	\$5,000.00	\$5,000.00	\$2,000.00	\$2,000.00	\$0.00
67 New Fire Hall Planning & Public Engagement	\$0.00	\$0.00	\$0.00	\$25,000.00	\$25,000.00	\$25,000.00	\$0.00	-\$25,000.00
68 Fire Hall Referendum	\$0.00	\$0.00	\$0.00	\$0.00	\$15,000.00	\$15,000.00	\$0.00	-\$15,000.00
69 Fire Hall Advisory Committee - Soft costs	\$0.00	\$0.00	\$0.00	\$0.00	\$100,000.00	\$100,000.00	\$0.00	-\$100,000.00
70 Total Trustee Expenses	\$173,500.00	\$62,500.00	\$117,500.00	\$144,500.00	\$285,500.00	\$209,500.00	\$84,800.00	-\$125,000.00
74 Wage & Related Expenses								\$0.00
76 Career/Excluded/Casual Staff Wages & Salaries	\$1,300,000.00	\$1,288,050.00	\$1,376,260.00	\$1,446,500.00	\$1,582,500.00	\$1,488,850.00	\$1,887,000.00	\$398,050.00
76 Paid-on-call Members Wages	\$256,000.00	\$268,300.00	\$214,000.00	\$246,700.00	\$284,750.00	\$379,100.00	\$247,750.00	-\$131,350.00
77 Total Wages	\$1,556,000.00	\$1,556,350.00	\$1,590,260.00	\$1,693,200.00	\$1,867,250.00	\$1,868,050.00	\$2,134,750.00	\$268,700.00
78 Statutory & Group Benefits								
78 Employer CPP Expense	\$30,557.00	\$28,125.00	\$28,600.00	\$34,000.00	\$38,000.00	\$42,000.00	\$62,000.00	\$10,000.00
80 Employer EI Expense	\$18,030.00	\$16,075.00	\$13,450.00	\$16,250.00	\$17,250.00	\$19,000.00	\$21,000.00	\$2,000.00
81 Group Life, AD&D & WCB	\$28,481.00	\$42,500.00	\$45,500.00	\$46,750.00	\$55,000.00	\$55,000.00	\$66,500.00	\$11,500.00
82 Employer Health Tax & BC Medical Services Plan	\$22,164.00	\$17,800.00	\$17,100.00	\$42,750.00	\$37,250.00	\$38,900.00	\$43,500.00	\$4,800.00
83 Employee Group Health, Dental Plans & LTD	\$78,455.00	\$74,500.00	\$61,250.00	\$98,000.00	\$99,750.00	\$99,750.00	\$130,500.00	\$80,750.00
84 HUB Health Benefits (POC members)	\$34,000.00	\$38,000.00	\$34,000.00	\$34,000.00	\$40,000.00	\$60,000.00	\$50,500.00	-\$8,500.00
85 Employer Registered Pension Plan & Suppl. Pension	\$194,709.00	\$179,100.00	\$172,250.00	\$163,500.00	\$210,250.00	\$196,000.00	\$252,000.00	\$66,000.00
86 Fire Fighter Employee Assistance Plan	\$4,000.00	\$2,000.00	\$3,000.00	\$3,000.00	\$10,000.00	\$12,000.00	\$20,000.00	\$8,000.00
87 Matching RRSP	\$0.00	\$22,000.00	\$13,280.00	\$10,000.00	\$10,000.00	\$19,000.00	\$15,000.00	-\$4,000.00
88 Employee Allowances	\$0.00	\$0.00	\$360.00	\$1,000.00	\$1,750.00	\$1,750.00	\$1,750.00	\$0.00
89 Total Statutory & Group Benefits	\$406,395.00	\$419,100.00	\$388,750.00	\$440,250.00	\$489,250.00	\$613,400.00	\$662,750.00	\$139,350.00
90 Total Wages & Benefits	\$1,962,395.00	\$2,005,450.00	\$1,979,000.00	\$2,133,450.00	\$2,336,500.00	\$2,381,450.00	\$2,767,500.00	\$406,050.00

*2022 Proposed Budget
Trustee & Wages & Benefits
with 6-year comparison*

2022 Trustee and Payroll Expenses Budget Summary

	2020 Audited		Proposed		
	Operating Fund	2020 Budget Operating Fund	2021 Budget Operating Fund	2022 Budget Operating Fund	2022 Budget vs 2021 Budget
58 Trustee Expenses					
59 Administration Support	\$8,579.85	\$9,000.00	\$10,000.00	\$10,000.00	\$0.00
60 Advertising/Election	\$7,379.05	\$6,000.00	\$8,000.00	\$8,000.00	\$0.00
61 Annual Dinner	\$0.00	\$7,000.00	\$7,000.00	\$7,000.00	\$0.00
62 Consulting Fees	\$10,549.80	\$26,000.00	\$15,000.00	\$25,000.00	\$10,000.00
63 Fireworks	\$0.00	\$2,500.00	\$2,500.00	\$2,500.00	\$0.00
64 Legal	\$22,865.15	\$5,000.00	\$5,000.00	\$10,000.00	\$5,000.00
65 Labour Relations	\$137,971.02	\$85,000.00	\$20,000.00	\$20,000.00	\$0.00
66 Communications & Miscellaneous	\$834.21	\$5,000.00	\$2,000.00	\$2,000.00	\$0.00
67 New Fire Hall Planning & Public Engagement	\$0.00	\$25,000.00	\$25,000.00	\$0.00	-\$25,000.00
68 Fire Hall Referendum	\$0.00	\$15,000.00	\$15,000.00	\$0.00	-\$15,000.00
69 Fire Hall Advisory Committee - Soft costs	\$92,537.48	\$100,000.00	\$100,000.00	\$0.00	-\$100,000.00
70 Total Trustee Expenses	\$280,716.56	\$265,500.00	\$209,500.00	\$84,500.00	-\$125,000.00
74 Wage & Related Expenses					
75 Career/Excluded/Casual Staff Wages & Salaries	\$1,875,693.45	\$1,582,500.00	\$1,468,950.00	\$1,867,000.00	\$398,050.00
76 Paid-on-call Members Wages	\$151,166.10	\$284,750.00	\$379,100.00	\$247,750.00	-\$131,350.00
77 Total Wages	\$2,026,859.55	\$1,847,250.00	\$1,848,050.00	\$2,114,750.00	\$266,700.00
78 Statutory & Group Benefits					
79 Employer CPP Expense	\$42,833.77	\$38,000.00	\$42,000.00	\$52,000.00	\$10,000.00
80 Employer EI Expense	\$19,006.82	\$17,250.00	\$19,000.00	\$21,000.00	\$2,000.00
81 Group Life, AD&D & WCB	\$44,871.91	\$55,000.00	\$55,000.00	\$66,500.00	\$11,500.00
82 Employer Health Tax & BC Medical Services Plan	\$42,350.30	\$37,250.00	\$38,900.00	\$43,500.00	\$4,600.00
83 Employee Group Health, Dental Plans & LTD	\$89,203.08	\$69,750.00	\$69,750.00	\$130,500.00	\$60,750.00
84 HUB Health Benefits (POC members)	\$50,781.78	\$40,000.00	\$60,000.00	\$50,500.00	-\$9,500.00
85 Employer Registered Pension Plan & Suppl. Pension	\$193,402.63	\$210,250.00	\$196,000.00	\$252,000.00	\$56,000.00
86 Fire Fighter Employee Assistance Plan	\$17,519.67	\$10,000.00	\$12,000.00	\$20,000.00	\$8,000.00
87 Matching RRSP	\$20,565.76	\$10,000.00	\$19,000.00	\$15,000.00	-\$4,000.00
88 Employee Allowances	\$330.36	\$1,750.00	\$1,750.00	\$1,750.00	\$0.00
89 Total Statutory & Group Benefits	\$620,865.88	\$488,250.00	\$613,400.00	\$652,750.00	\$139,350.00
90 Total Wages & Benefits	\$2,647,725.43	\$2,336,500.00	\$2,361,450.00	\$2,767,500.00	\$406,050.00

*2022 Proposed Budget
Trustee / Wages & Benefits
with 2020 Audited & 2021 Budget*