

**CORPORATION OF THE TOWNSHIP OF ARMOUR
CORPORATION OF THE VILLAGE OF BURKS FALLS
CORPORATION OF THE TOWNSHIP OF RYERSON**

TRI-COUNCIL MEETING

Monday June 27, 2016 –7:00 p.m.

NOTES

Hosted by the Village of Burk`s Falls at the Yonge at Heart Senior Centre.

A meeting of the Councils of the Township of Armour, the Village of Burks Falls and the Township of Ryerson was held Monday evening June 27, 2016 at 7:00 p.m.

Attendance list attached.

Reeve Cathy Still chaired the meeting and opened the meeting at 7:00 p.m.

- At the last Tri-Council/Shared Services meeting held May 30, 2016 it was agreed that each Council would draft 3 or 4 scenarios for cost sharing just as starting points for discussion – we don't have to agree with any or all of them but we will plan to come to a consensus on one or a combination of them that are acceptable. Senior staff from each municipality met to determine the budget numbers in order to create the scenarios.

Presentations of Scenarios

Each municipality provided handouts of the scenarios.

The scenarios for the Fire Department included:

1. A review of the budget split at a portion split into equal one third shares and the remaining split into a separate formula. Splits included:
A. 90/10 B. 70/30 C. 50/50
The separate formula is one third each of number of households, total population, and total assessment (net of PIL and Exempt properties)
2. No split and entire budget based on properties or properties with structures

The scenarios and base data are attached as part of the notes.

Discussion Summary of the Scenarios

Reality of fixed costs versus variable costs is close to 90% fixed and 10% variable. This means that without the shared service 90% of the costs would need to be assumed by each municipality individually. So together there would be savings. Discussion included that the service may not be to the same level as others, based on affordability or would have to pay more regardless. Then decision included that if separately offering services the equipment needs would be different as well.

The 90 to 10 split was dismissed as it would involve a large change in the funding model and is not necessarily affordable for Ryerson and Burk`s Falls to absorb in one year. The 50 to 50 split was dismissed as Armour feels it is not representative of reality. The concept of a 70 to 30 split was felt to be a compromise. Municipalities agreed to consider the budgets with a 70 to 30 split, with a 2% increase for inflation for further review. If the costs are not affordable then each municipality was instructed to review the numbers themselves to determine where in the budget savings could be accomplished.

User pay was discussed and dismissed as there is only data available for one year and that is not a fair measurement of the fire service. There would be many resources required to provide a more in-depth calculation.

There was discussion on using the full budget and dividing it by the number of properties in each municipality. This was debated with properties, vacant land, only properties with structures, residential housing, commercial buildings, etc.... there are a number of variables and no resolution was found on which ones to use. When using properties for fire service the percentage shared is very similar to the current formula used and not far from the percentage if using only households. There was no resolution to this concept.

Armour agreed to concept of equal one third costs and indicated that whatever the split was they would assume 50% of that split. Example, at 70 to 30 split they will pay one third of 70% and 50% of the 30% variable formula. Burk`s Falls and Ryerson are to determine how they would split the remaining 50% variable costs.

Discussion on how other services may be split with fixed costs versus variable. Consideration given that Arena, Economic Development and Library would be one third even split.

There was discussion on impact of potential Armour and Burk`s Falls amalgamation. It was stated that the two processes are separate and there would be no impact on shared services. They would still be shared but instead of three there would be two municipalities.

Reeve Still also presented a formula concept based on properties and assessment as presented to Burk`s Falls from a member of the public, John Wilson. She handed out the formula for everyone to consider as well.

Action Items

1. Decide when the new formula will be implemented. Armour informed Ryerson and Burk`s Falls that they would like to open the current agreement a year in advance and begin the new formula for the 2017 budgets. They would be open to phase in of the formula if it is implemented early. Otherwise, they would like the new formula to begin in 2018 without a phase in period.
2. Research opportunities for savings. All shared services equal approximately \$1 million budget. Consider all services and the levels to find efficiencies. This could be increasing certain fees or reducing services. Armour indicated they are not hiring landfill site staff to fill a retirement. It could also mean bringing in other municipalities for a shared service.
3. Burk`s Falls and Ryerson to determine formula on how they would share the remaining variable portion.

Next Meeting

Monday September 26, 2016 at the Senior Centre at 7:00 p.m., Armour Host.

Monday, October 24, 2016 report and budget Tri Council meeting at 7:00 pm

Agenda: Action Items answers.

Adjournment

The meeting adjourned at 8:10 p.m.