TOWN OF ONOWAY



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The following questions were posed to administration by a resident. The Town of Onoway is providing the response for information to all residents.

What happened to the meeting with Chief Ives? Did this or did this not take place prior to the mayor making the motion to not renew the contract?

The meeting with Chief Ives was cancelled for March 8th. The meeting was not required as Council made the decision to provide one year's notice to end the contract with North West Fire Rescue and the nine member municipalities that the Town of Onoway contracted fire services to. These contracts will end on March 7th, 2025.

What is the amount charged to the Town of Onoway for Fire Services?

As per the approved 2024 Operating Budget, The Town of Onoway's contract to North West Fire Rescue is budgeted at \$56,609 plus operating costs of \$14,533 totalling \$71,062. The total fire fund expenses of the Town of Onoway is \$109,526.92. The revenues are budgeted at \$68,222.32, which is a net loss for the fire service function of \$41,304.60. The revenues include an amount to administer the Fire services contract to the member municipalities. This amount is \$13,000 which included administration, postage and copies. The Town of Onoway subsidises this cost to administer the fire contract. The member municipalities declined to fully compensate the Town of Onoway for fire services administration.

The Onoway Regional Fire Service is a separate fund. This amount is budgeted as revenue neutral. The total amount of revenue/expenditures is \$440,046.30. Please note that these are Town of Onoway resident's funds that are used to pay for Onoway Regional Fire Services. The expectation is that all invoices are paid in 30 days. Please also note that there are amounts included for incident recovery of \$75,000. Incident recovery is never an easy item to budget as we hope that it is low.

The contract with NWFR/FRI to rent the fire hall is budgeted at \$24,000. Please note that this revenue does not cover the maintenance and utility costs of the fire hall. The fire hall function is an annual loss of \$41,304.60

What does the Town of Onoway charge the other 9 Municipalities to Administer the FRI Contract and who are the other 9 Municipalities? Is the Town of Onoway making a profit with the current contractual arrangement with FRI? Who is administering all of this?

The Town of Onoway does not make a profit with the current contractual arrangement with FRI. As noted earlier in this correspondence the member municipalities are not in a position to fairly compensate the Town of Onoway for the time spent administering the fire services contract. Council is responsible for the contract and as administration, staff complete all tasks required to administer.

Were there negotiations taking place prior to the decision to not renew the contract and

with whom?

There were no negotiations taking place prior to the decision not to renew the contract. The Town of Onoway has a responsibility to review contracts from time to time and Council chose to seek another service provider.

The Auditor said that the Contractual Obligations

a.) Emergency Services

The Contractual Obligations for the contract of \$260,000 was the original contract. There is an inflationary increase each year. In 2024 this amount is \$287,780. There is also a voluntary consumable amount of \$15,395.27 that all municipalities contribute to. Besides the contractual costs for the regional fire service there is operating cost budget of \$54,604. All municipalities contribute to these costs.

The Town of Onoway's cost for fire services is budgeted at \$71,042.

Economic Development Committee

The Economic Development Committee is a committee of Council and have no authority to make decisions for the Town of Onoway. They make recommendations to Council.

Business decisions are not easy decisions, and this Council does not make this decision lightly. Their dedication to the residents and businesses of the Town of Onoway is commendable and they exemplify leadership.