

CYFS aims to recover costs of firefighting through new program

Central York Fire Services, which serves Aurora and Newmarket, could soon implement a new program that will see them recover partial costs of fighting fires from insurance companies.

The new initiative, which will be subject to Council's approval this week, is set to see the CYFS task Fire Marque Inc. with assisting with accessing monies available through insurance companies by initiating claims on behalf of municipalities like Aurora and Newmarket.

Most commercial and home insurance policies provide coverage for Fire Department charges under the insured peril clauses of the owner's policy, said Aurora Municipal Clerk Mike de Rond in a report to Council. The provisions for Fire Department expenses coverage can range from \$500 to \$25,000. Municipalities do not typically have the expertise to initiate claims for cost recovery from insurance companies related to fire incidents, however, there are external companies that provide this service on behalf of municipalities.

While Council ratification is yet to come, the potential new initiative was presented to local lawmakers at the Committee level earlier this month by CYFS Chief Rocco Volpe.

In his presentation, Volpe said there will be no direct impact on the taxpayer if the two communities go down this road.

Central York Fire Service operates a Cost Recovery program with several avenues to recover costs for the services we provide, such as motor vehicle collisions, false alarms, gas leaks, etc., said Volpe. There was an opportunity to enhance it working with an agency and CYFS took full opportunity of that.

At the year end, we will have completed five years with our cost recovery program and we have revenue well over \$500,000. CYFS is seeking approval to enhance the program by recovering firefighting costs for incidents involving property damage i.e. fires through insurance companies.

Most insurance companies, he said, cover fire department costs through the aforementioned clauses, with coverage ranging from \$500 to \$25,000.

Should the new initiative be brought forward, Fire Marque will be awarded a one-year contract with four one-year renewal options for a total of five years.

The proposed cost recovery program would enhance current efforts to recover firefighting, generating additional revenue, Chief Volpe said, noting that 70 per cent of what is recovered, with the remaining 30 per cent retained by Fire Marque. No cost is passed to the property owners directly. All recoveries come solely from the insurance. Recoveries will not increase homeowners' insurance rates as they are part of existing premiums.

Discussion on the proposal was limited at the Committee level, but received the tentative green light to proceed.

I am very glad to hear about this and I think it is a wonderful idea, said Ward 3 Councillor Wendy Gaertner. I especially like that they are not going to charge people who don't have insurance and the insurance rates won't go up. I think it is a win-win.

By Brock Weir