

Item No. 4
Budget Committee
February 14, 2018

TO: Chair and Members of Budget Committee
(Standing Committee of the Whole on Budget)

SUBMITTED BY: Original Signed by 

Jacques Dubé, Chief Administrative Officer

DATE: January 23, 2018

SUBJECT: Proposed 2018/19 Multi-year Halifax Regional Fire & Emergency Budget and Business Plan

ORIGIN

As per Administrative Order 1 and the Budget and Business Plan consultation schedule presented to Regional Council on November 14, 2017, staff is required to present the 2018/19 draft Business Unit Budget and Business Plans to the Budget Committee for review and discussion prior to consideration by Regional Council.

LEGISLATIVE AUTHORITY

Halifax Charter, section 35 (1) The Chief Administrative Officer shall (b) ensure that an annual budget is prepared and submitted to the Council.

RECOMMENDATION

It is recommended that Budget Committee direct staff to proceed to prepare the 2018/19 Multi-year Halifax Regional Fire & Emergency Budget and Business Plan, as proposed in the accompanying presentation and consistent with the preliminary fiscal direction.

BACKGROUND

As part of the design of the 2018/19 Budget and Business Plan development process, the Budget Committee is reviewing each Business Unit's budget and proposed plans in advance of detailed HRM Budget and Business Plan preparation.

At the December 5, 2017 Committee of the Whole meetings, Regional Council considered and confirmed their Council Priority Outcomes and on December 13, 2017 provided fiscal direction for the 2018/19 multi-year budget, directing staff to: "develop the 2018/19 Multi-year Budget and Business Plans in support of the fiscal direction and approved priorities."

DISCUSSION

Staff has prepared the proposed 2018/19 Budget consistent with the preliminary fiscal direction received from Council on December 13, 2017 and aligned with Council Priorities as approved on December 5, 2017.

Following direction from the Budget Committee, staff will proceed to prepare the detailed Budget and Business Plan for inclusion in the proposed HRM 2018/19 Multi-year Budget and Business Plan documents to be presented to Council, as per the process and schedule in the November 14, 2017 staff report.

FINANCIAL IMPLICATIONS

The recommendations in this report will lead to the development of a proposed 2018/19 Multi-year budget. There are no immediate financial implications from these recommendations. The broader financial implications will be discussed and debated as the budget is developed in more detail.

RISK CONSIDERATION

None are specifically associated with this report.

COMMUNITY ENGAGEMENT

None are specifically associated with this report.

ENVIRONMENTAL IMPLICATIONS

None

ALTERNATIVES

The Budget Committee can choose to amend the Budget and Business Plan as proposed in the accompanying presentation through specific motion, and direct staff to proceed to prepare the Budget and Business Plan for inclusion in the proposed HRM Budget and Business Plan documents.

ATTACHMENTS

- Halifax Regional Fire & Emergency 2018/19 Multi-year Budget and Business Plan Presentation
- Halifax Regional Fire & Emergency 2018/19 Capital Project Package

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Rita Clarke, Coordinator, Halifax Regional Fire & Emergency, 902.490.5614

Financial Approval by: Original Signed
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Report Approved by: Original Signed
Ken Stuebing, Chief, Halifax Regional Fire & Emergency, 902.490.4239



HALIFAX

Halifax Regional Fire & Emergency

**2018/19 Multi-Year
Budget & Business Plan**

Committee of the Whole on Budget

Halifax Regional Fire & Emergency



Our members are dedicated to enhancing and preserving quality of life, property and environment through education, leadership, partnerships and effective response to emergencies to ensure the citizens of HRM live in safe, inclusive and welcoming communities.

Service Areas

Fire

Operations

The Operations Division provides emergency service protection using both Career and Volunteer fire crews, providing a full range of emergency services to every part of HRM operating out of 51 fire stations:

- 9 - 24hr Career Stations
- 9 - 24hr Career Composite Stations (Career & Volunteer)
- 11 - 10.5hr Career Composite Stations (Career & Volunteer)
- 22 - Volunteer Stations

Support & Logistics

Support Divisions operate from a number of satellite locations in HRM providing a number of functions including:

- Fire Prevention services (public fire safety education, fire investigation, life safety inspections and plans examination)
- Professional Development, Training and Safety-related services
- Logistics services

Service Areas

Emergency Management Office

The EMO coordinates multi-agency/multi-jurisdictional response, and coordinates a professional municipal response to emergencies by providing leadership to HRM and agencies to ensure readiness in the event of a disaster or large scale emergency situation.

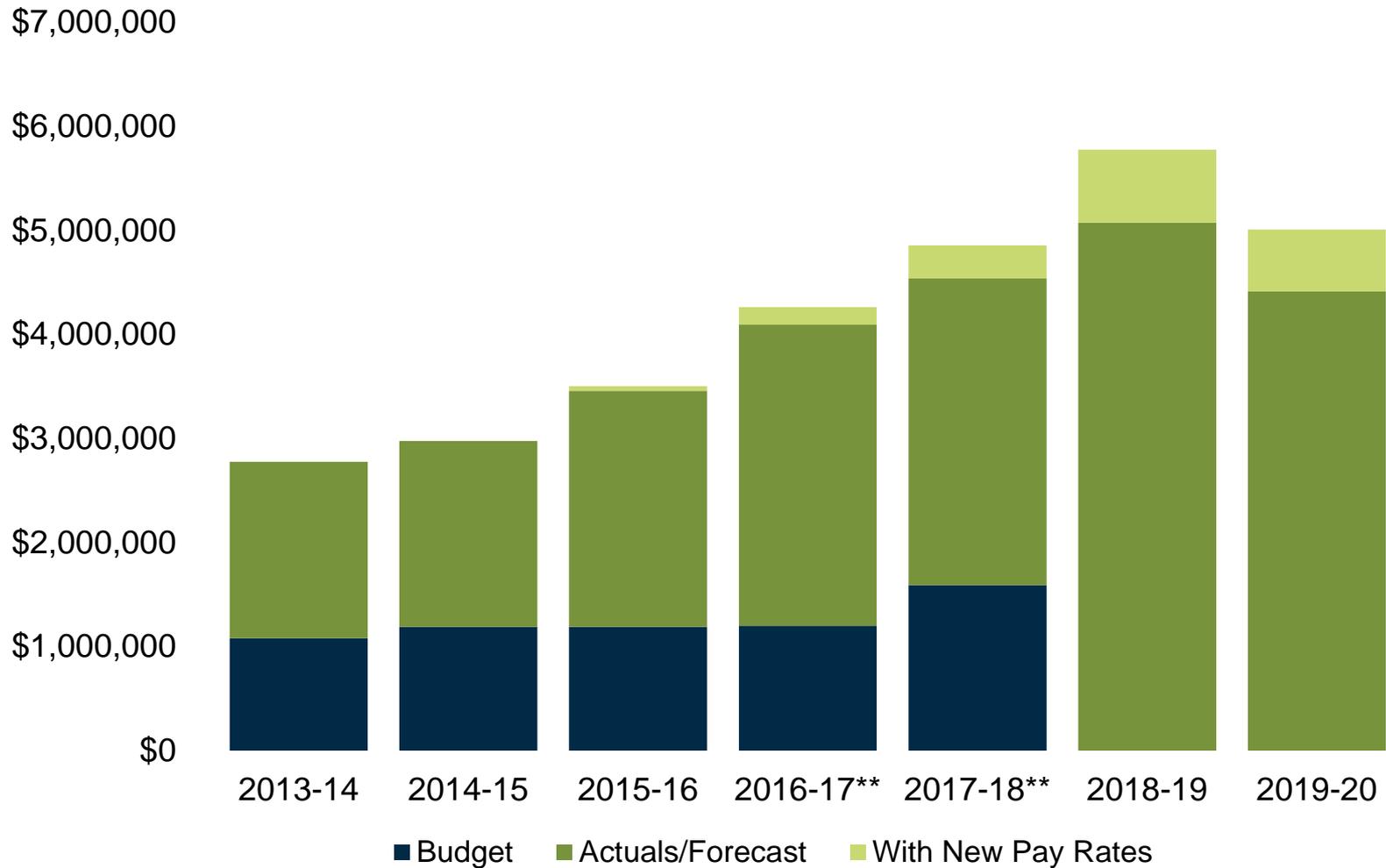
Responsibilities / Accomplishments

- 11,550 Total Emergency Incidents 2017
 - 1,020 fire responses
 - 1,844 motor vehicle incident responses
 - 2,422 medical-related responses
 - 3,487 alarms
 - 2,777 other
- Fire Prevention Review as of December 2017
 - Fire Safety Maintenance Inspection (FSMI) Inspections - closing legislated inspection gap
 - Improved business processes resulted in increased completed inspections
 - 20% increase in completed inspection files (vs 2016)
 - 567% increase in FSMI inspections (vs 2016)

Responsibilities / Accomplishments

- Trained 78 new Volunteer Recruits
- Trained 38 new Career Recruits
- Situational Awareness Tool operationalized in January 2018
- Drones purchased and operational
- Participated in international emergency preparedness Staunch Maple exercise
- 16 senior staff trained for deployment in Municipal Emergency Operations Centre (EOC) during emergencies
- Completed collective agreement negotiations
- Avoided binding arbitration

Estimated Overtime



** spike in overtime caused by mass retirement & Council's direction to hire staff and staff trucks (4 ff)



Current & Planned Initiative Updates

Healthy, Liveable Communities – Public Safety

HRFE Operational Plan Implementation

Operational Review Recommendations – Currently using the Service Delivery Standards developed in 2006. Further data collection required to update the current standards.

Next Steps:

- Continue with technology roadmap initiatives to improve data collection, quality, and reporting.
- Finalize Service Level Agreement with Integrated Emergency Services

Future Priorities:

- Strategic Plan
- Red Tape reduction
- Performance Excellence initiatives

Current & Planned Initiative Updates

Healthy, Liveable Communities – Public Safety

HRFE Operational Plan Implementation cont.

Career Recruitment – Continued hiring and staffing of apparatus. Crew sizes have been increased at:

- Stn 8 (Bedford)
- Stn 16 (Eastern Passage)
- Stn 17 (Cole Harbour)
- Stn 58 (Lakeside)

Next Steps:

- Staff aerial at Stn 12 (Highfield Park)
- Create a pool of firefighter applicants.

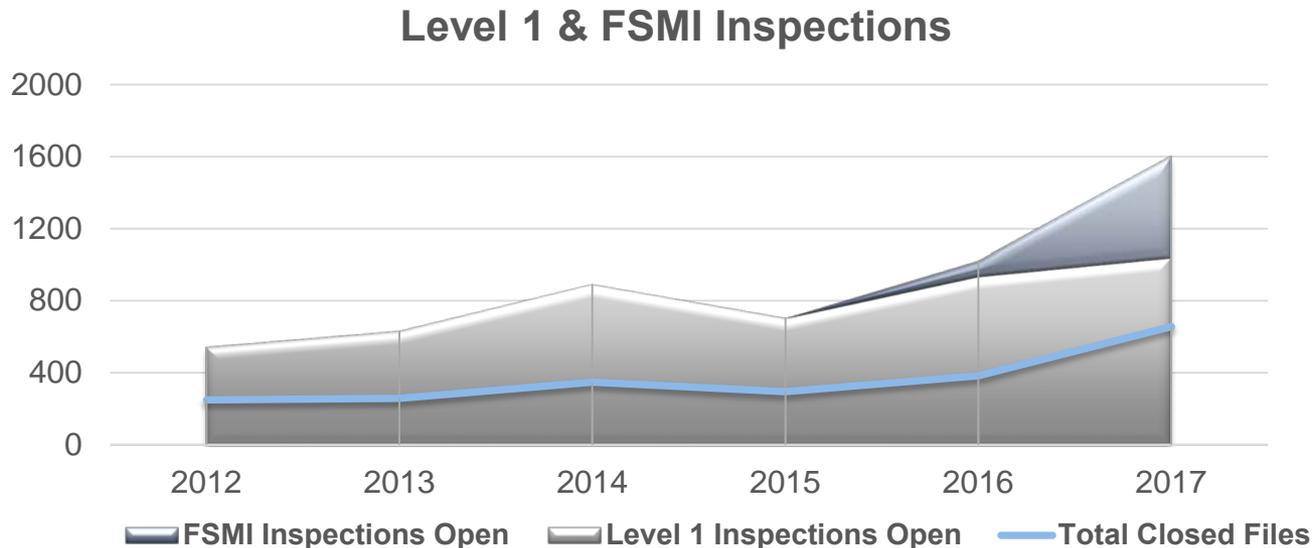


Current & Planned Initiative Updates

Healthy, Liveable Communities – Public Safety

HRFE Operational Plan Implementation cont.

Fire Prevention Process Changes – Legislated inspection gap is narrowing



Next Steps:

- Transition Fire Safety Maintenance Inspection (FSMI) to a permanent program
- Expand program to include more building types and increase inspections to maximum coverage and frequency



Current & Planned Initiative Updates

Healthy, Liveable Communities – Public Safety

HRFE Communications and Technology Roadmap

- **Roster Management** – RFP will be awarded by end of February 2018 with start of 18 month implementation to begin after contract negotiations are complete.
- **FDM Upgrades** – Phased upgrades continue – personnel & property near completion, training in flight.
 - Next phase: Incident/investigation, station log and hydrants
- **Dispatch / Call Management Process** – Mobile Data Terminals (MDT) available on 42 apparatus by March 2018.
 - Next phase: Investigate expansion of MDTs to additional frontline apparatus
- **Data Management and Process Review** – Increase ability to report on enhanced data from mobility expansion and AVL.
 - Next Steps: Expansion of AVL installations. AVL/Business Intelligence pilot to investigate data collection and reporting possibilities



Current & Planned Initiative Updates

Our People - Talent

HRFE Human Resource Initiatives

- Ongoing Career Recruitment
- Ongoing Volunteer Recruitment – Stations 4 (Lady Hammond) and 13 (Queen Street) have a full volunteer complement.
 - Recruitment remains difficult in Musquodoboit Valley area, Eastern Shore and Black Point
- Diversity & Inclusion Officer nearing end of the 2 year term



Current & Planned Initiative Updates

Our People - Talent

HRFE Human Resource Initiatives cont.

Next steps:

- Continue to investigate and pilot new volunteer recruitment, retention options and partnerships
- Continue to use technology to improve station alerting and response time capabilities
- Create a new pool of career recruit candidates
- Continue development of succession plan & career path initiatives
- Continue workplace culture initiatives
- Hire permanent Diversity & Inclusion officer*
- Hire 3 training officers to support training increased staffing complements*

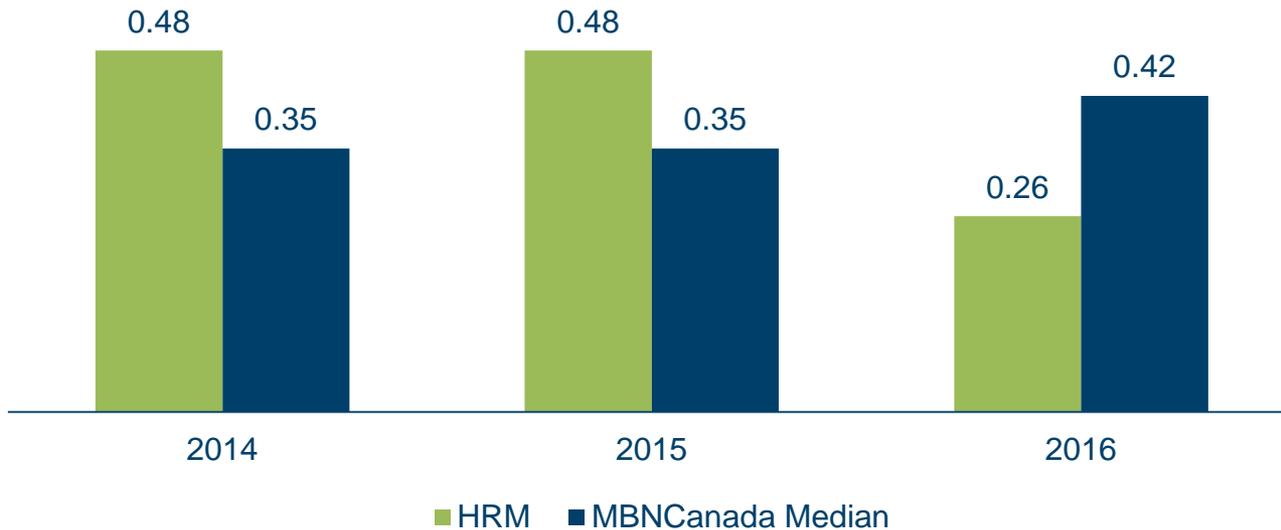
* Positions offset by overtime savings



16/17 Key Performance Indicators

Healthy, Liveable Communities – Public Safety

Residential Fire Related Fatalities per 100,000 Population



- There were zero fire related fatalities in HRM in 2017!

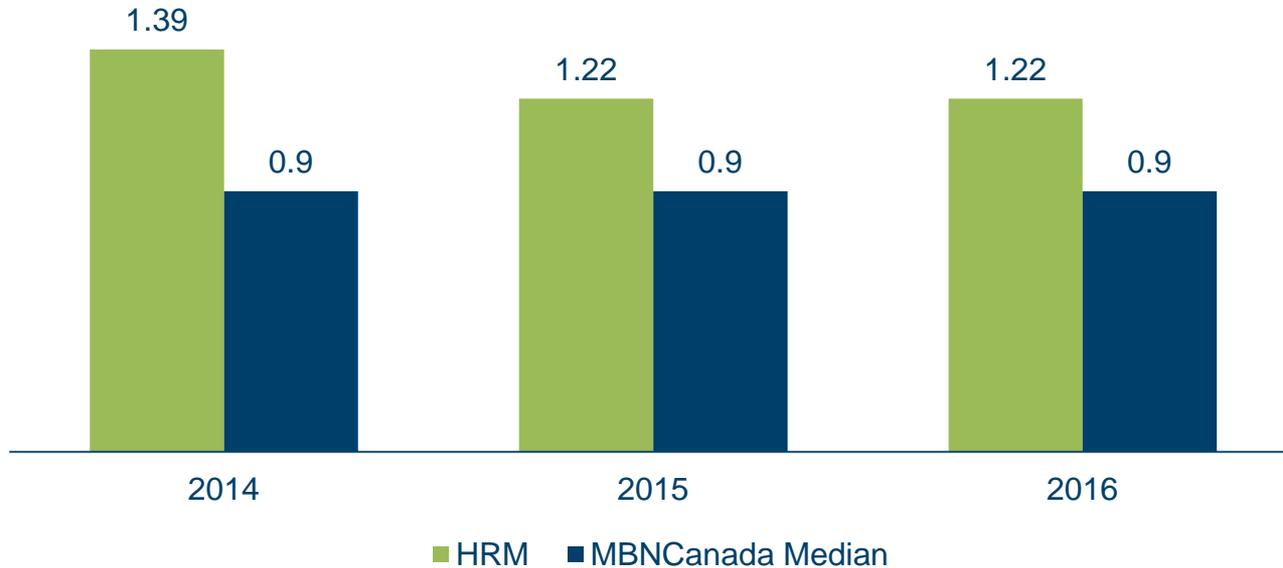
MBNC: Municipal Benchmarking Network Canada
Measure: FIRE110 – Residential Fire Related Fatalities per 100,000 Population



16/17 Key Performance Indicators

Healthy, Liveable Communities – Public Safety

Rate of Residential Structural Fires with Losses per 1,000 Households



MBNC: Municipal Benchmarking Network Canada
Measure: FIRE115 – Rate of Residential Structural Fires with Losses per 1,000 Households



Operating Budget Overview

Expenditures	2016-17 Budget	2017-18 Budget	2017-18 Projected	2018-19 Approved in Principal	2018-19 Proposed Budget
Compensation and Benefits	54,929,700	55,789,300	58,174,400	55,530,000	68,312,100
Office	252,100	252,100	275,900	252,100	252,100
External Services	487,500	487,500	430,300	487,500	487,500
Supplies	589,000	589,000	1,050,500	589,000	589,000
Materials	0	0	100	0	0
Building Costs	171,600	171,600	223,500	171,600	171,600
Equipment & Communications	408,300	408,300	663,600	408,300	408,300
Vehicle Expense	0	0	100	0	0
Other Goods & Services	904,900	979,900	1,355,300	904,900	904,900
Interdepartmental	0	0	-2,700	0	0
Debt Service	682,100	658,800	658,800	637,200	637,200
Other Fiscal	192,500	192,500	151,900	192,500	192,500
Total	58,617,700	59,529,000	62,981,700	59,173,100	71,955,200
Revenues					
Fee Revenues	(81,100)	(221,100)	(231,100)	(221,100)	(221,100)
Other Revenue	(231,600)	(231,600)	(232,800)	(231,600)	(231,600)
Total	(312,700)	(452,700)	(463,900)	(452,700)	(452,700)
Net Surplus/Deficit	58,305,000	59,076,300	62,517,800	58,720,400	71,502,500



Service Area Budget Overview

Business Unit Net Expenses	2016-17 Budget	2017-18 Budget	2017-18 Projected	2018-19 Approved in Principle	2018-19 Proposed Budget
Operations	47,057,800	47,637,100	50,126,400	47,281,200	59,012,600
Emergency Measures	254,500	263,400	263,800	263,400	263,900
Training	2,227,800	2,277,100	2,703,100	2,277,100	2,816,400
Fire Prevention	1,905,500	2,120,800	1,843,200	2,120,800	2,311,500
Administration	4,558,500	4,489,400	4,673,800	4,489,400	4,731,900
Building & Logistics	2,000,200	1,988,200	2,554,200	1,988,200	2,057,000
Communications	300,700	300,300	353,300	300,300	309,200
BU Total	58,305,000	59,076,300	62,517,800	58,720,400	71,502,500



Summary of Proposed Budget Adjustments

Proposed Adjustments	Impact on Service Delivery	Projected 18/19 \$ Impact	Amount
18/19 Approved in Principle*			\$58,720,400
Eliminate vacancy target in Operations as vacancies must be backfilled to ensure 4 staff per truck		\$891,000	
12 New Firefighter positions as mandated by Council	Staffed aerial	\$553,600	
Operations overtime required to ensure 4 staff per truck. <i>\$464,000 could be allocated for 3 new Training Officers and a Diversity & Recruitment Officer as they would reduce OT required.</i>		\$4,886,500	
Salary increases required for IAFF Collective Agreement, Step Increases and 2017-18 Non-Union ISA		\$6,451,000	
Total Proposed Changes			\$12,782,100
18/19 Proposed Budget necessary to maintain current service levels			\$71,502,500

* Restated for April 2017 reorganization. Includes approved in principle changes from 17/18 budget discussions including \$200,000 for false alarm fee revenue which will be moved to Finance in 18/19 but which are included in the above totals.



Staff Counts

Service Area	16/17 Approved	17/18 Approved	18/19 Approved in Principle	18/19 Proposed
Operations	413	433	445	445
Emergency Measures	1	1	1	1
Training	12	12	12	15
Fire Prevention	17	17	17	17
Administration	36	34	34	35
Building & Logistics	9	9	9	9
Communications	1	1	1	1
Business Unit Total	489	507	519	523



Business Unit Capital Budget

Business Unit Total Capital Investment	Additional Business Unit OCC for 2018/19*
\$7,480,000	\$84,000

Business Unit Key Capital Projects

Capital Project Name	Outcome Supported	BU 18/19 Capital Cost
Equipment Replacement **	Healthy, Livable Communities Public Safety	\$1,250,000
Opticom Signalization System **	Healthy, Livable Communities Public Safety	\$80,000
Corporate Scheduling	Healthy, Livable Communities Public Safety	\$795,000
Apparatus Replacement	Healthy, Livable Communities Public Safety	\$2,455,000

* Includes Operating Cost of Capital (OCC) from past Capital Projects that are just now becoming operational
For full project list and additional project detail, see report attachment [2018/19 Capital Project Package](#)

** Directly managed by HRFE. All other projects are managed by Corporate Customer Service.



Business Unit Capital Budget

Business Unit Total Capital Investment	Additional Business Unit OCC for 2018/19*
\$7,480,000	\$84,000

Business Unit Key Capital Projects

Capital Project Name	Outcome Supported	BU 18/19 Capital Cost
Station 2 University Ave	Healthy, Livable Communities Public Safety	\$1,000,000
Fire Station Repairs	Healthy, Livable Communities Public Safety	\$250,000
FDM Upgrades	Healthy, Livable Communities Public Safety	\$150,000
Sambro Harrietsfield Fire Station	Healthy, Livable Communities Public Safety	\$1,500,000

* Includes Operating Cost of Capital (OCC) from past Capital Projects that are just now becoming operational
For full project list and additional project detail, see report attachment [2018/19 Capital Project Package](#)

** Directly managed by HRFE. All other projects are managed by Corporate Customer Service.



Pressures and Risks

Pressures

HRFE has unfunded operating pressures related to:

- Increase in requirement for training materials & courses - required by Department of Labour to maintain standard (\$294,000)
- Requirement for uniforms and clothing for Career & Volunteer recruits - Collective Agreement obligation (\$268,000)
- Increase to resolve Logistics cost pressures (building & equipment repairs, etc.) (\$278,000)





QUESTIONS?

2018/2019 Capital Budget Form

Project Name:	Fire Apparatus Replacement
Project Number:	CVJ01088
Budget Category:	Equipment & Fleet
Project Type:	State of Good Repair
Discrete/Bundled:	Bundled
Project Manager:	Rajiv Massey

Project Summary:

The replacement of the Fire Services Apparatus Fleet is necessary to support operations. The apparatus fleet is comprised of aerials, pumpers, tankers, rescues, de-con units, etc. totalling 188 units. These units are used to support all areas of the Fire Service for both rural and urban operations. Regular replacement of these units is necessary to support continued operations. Units that are being replaced are first stripped of any salvageable equipment that HRM may be able to reuse and then, depending on condition, will be sold at auction and the revenue assigned to the appropriate reserve(s).

Total Capital Request: (5 Years) \$ 20,305,000

Supports Outcome Area: Healthy, Liveable Communities (Council Priority)

Project Status: Tender Awarded

Approximate accuracy of budget estimate +-5%

Capital Costs - Cash Flow

Fiscal Year	2018/19	2019/20	2020/21	2021/22	2022/23
Gross Budget:	2,455,000	7,350,000	4,500,000	3,000,000	3,000,000

Funding Source:	2018/19	2019/20	2020/21	2021/22	2022/23
	-	-	-	-	-
	-	-	-	-	-
Total Funding:	-	-	-	-	-
Net Budget:	2,455,000	7,350,000	4,500,000	3,000,000	3,000,000

Fiscal Year	2023/24	2024/25	2025/26	2026/27	2027/28
Gross Budget:	3,000,000	3,000,000	3,000,000	3,000,000	-

Funding Source:	2023/24	2024/25	2025/26	2026/27	2027/28
	-	-	-	-	-
	-	-	-	-	-
Total Funding:	-	-	-	-	-
Net Budget:	3,000,000	3,000,000	3,000,000	3,000,000	-

Detailed Work Plan:

	2018/19	2019/20
2 Rescue pumpers	1,225,000	-
2 Tankers	1,275,000	-
Light support vehicles	536,000	-
2 Rescue pumpers	-	1,240,000
1 Platform	-	1,500,000
7 Engines	-	4,490,000
Light support vehicles	-	120,000
	-	-
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Total Estimated Work Plan	3,036,000	7,350,000
Less: Projected Carry Forward from Previous Years	581,000	N/A
Gross Budget Request	2,455,000	7,350,000

2018/2019 Capital Budget Form

Project Name:	Fire Services Equipment Replacement
Project Number:	CE010001
Budget Category:	Equipment & Fleet
Project Type:	State of Good Repair
Discrete/Bundled:	Bundled
Project Manager:	David Clement

Project Summary:

Replace personal and apparatus firefighting equipment including personal protective equipment (bunker gear), truck ladders, fire hoses, nozzles and couplings, thermal imaging cameras, exhaust fans, gas detectors, heavy rescue tools, etc. The heavy lift bags have reached their expiry date and require replacement. Additional funding is required in 2018-19 for the mid-life refit of Self-Contained Breathing Apparatus (SCBA).

Total Capital Request: (5 Years) \$

6,050,000

Supports Outcome Area:

Healthy, Liveable Communities (Council Priority)

Project Status:

Planning

Approximate accuracy of budget estimate

+-25%

Capital Costs - Cash Flow

Fiscal Year	2018/19	2019/20	2020/21	2021/22	2022/23
Gross Budget:	1,250,000	1,200,000	1,200,000	1,200,000	1,200,000
Funding Source:					
	-	-	-	-	-
	-	-	-	-	-
Total Funding:	-	-	-	-	-
Net Budget:	1,250,000	1,200,000	1,200,000	1,200,000	1,200,000

Fiscal Year	2023/24	2024/25	2025/26	2026/27	2027/28
Gross Budget:	1,200,000	1,200,000	1,200,000	1,200,000	-
Funding Source:					
	-	-	-	-	-
	-	-	-	-	-
Total Funding:	-	-	-	-	-
Net Budget:	1,200,000	1,200,000	1,200,000	1,200,000	-

Detailed Work Plan:

	2018/19	2019/20
Truck ladders (30) replacement	90,000	-
Fire hoses replacement	250,000	-
Thermal imaging cameras replacement: 7 in 2017/18; 5 in 2018/19	35,000	-
Exhaust fans (10) replacement	40,000	-
Personal Protective Equipment replacement (bunker gear) (150)	390,000	-
Bunker gear, uniforms, boots, flash hoods, gloves and helmets replacement	145,000	-
Heavy lift bags replacement: 2017/18 - 28 trucks, 2018/19 - 12 trucks	35,000	-
Equipment for new trucks	115,000	-
Mid-life Refit of Self-Contained Breathing Apparatus (SCBA)	150,000	-
	-	-
	-	-
	-	-
	-	-
	-	-
Total Estimated Work Plan	1,250,000	-
Less: Projected Carry Forward from Previous Years	-	N/A
Gross Budget Request	1,250,000	1,200,000

2018/2019 Capital Budget Form

Project Name:	Fire Station 2, University Ave. Recapitalization
Project Number:	CB000052
Budget Category:	Buildings
Project Type:	State of Good Repair
Discrete/Bundled:	Discrete
Project Manager:	John MacPherson

Project Summary:

Fire Services has identified Station #2 on University Ave. as a station that not only requires recapitalization but also improvements to the functionality of the space on the upper floor and improved exiting. The project will include renovations to the station to accommodate two full crews of four people for a total of eight people. To undertake this renovation, temporary accommodations for staff will be required on site and/or in adjacent stations to maintain service levels; 1) improvements to the kitchen/dining quarters; 2) improvements to the washrooms and locker rooms; 3) construction and fit-out of a training room and fitness area.

Total Capital Budget Request: (5 Years) \$ 1,000,000

Supports Outcome Area: Healthy, Liveable Communities (Council Priority)

Project Status: Preliminary

Approximate accuracy of budget estimate +25%

Capital Costs - Cash Flow

Fiscal Year	2018/19	2019/20	2020/21	2021/22	2022/23
Gross Budget:	1,000,000	-	-	-	-
Funding Source:					
	-	-	-	-	-
	-	-	-	-	-
Total Funding:	-	-	-	-	-
Net Budget:	1,000,000	-	-	-	-

Fiscal Year	2023/24	2024/25	2025/26	2026/27	2027/28
Gross Budget:	-	-	-	-	-
Funding Source:					
	-	-	-	-	-
	-	-	-	-	-
Total Funding:	-	-	-	-	-
Net Budget:	-	-	-	-	-

Detailed Work Plan:

	2018/19	2019/20
Renovations to Fire Station #2, including: Second floor renovations, crew accommodations, kitchen upgrades, training room and fitness area, improved exiting, and temporary accommodations to maintain service levels	-	-
	1,570,000	-
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Total Estimated Work Plan	1,570,000	-
Less: Projected Carry Forward from Previous Years	570,000	N/A
Gross Budget Request	1,000,000	-

2018/2019 Capital Budget Form

Project Name:	Fire Station Replacements
Project Number:	CB000065
Budget Category:	Buildings
Project Type:	Growth
Discrete/Bundled:	Bundled
Project Manager:	John MacPherson

Project Summary:

The scope of this project includes the following initiatives:
 1) As part of the overall response time strategy HRM plans to concurrently construct two new fire stations during 2019/2020, with one of them to replace Station #8 (Convoy Run), at an approximate cost of 4.5 Million each.
 2) In 2020/2021, expand the fire training facility located at fire station #7 (Knightsridge) and construct a new fire training facility at an approximate cost of \$ 4 Million to further improve the fire training capacities for career and volunteer firefighters and consolidate training staff at one location. A LPG (propane gas) and Class A (wood) burn building will also be required at the Fire Training Facility at an additional cost of \$1 Million.

Total Capital Budget Request: (5 Years) \$ 14,000,000

Supports Outcome Area: Healthy, Liveable Communities (Council Priority)

Project Status: Planning

Approximate accuracy of budget estimate +25%

Capital Costs - Cash Flow

Fiscal Year	2018/19	2019/20	2020/21	2021/22	2022/23
Gross Budget:	-	9,000,000	5,000,000	-	-
Funding Source:					
	-	-	-	-	-
	-	-	-	-	-
Total Funding:	-	-	-	-	-
Net Budget:	-	9,000,000	5,000,000	-	-

Fiscal Year	2023/24	2024/25	2025/26	2026/27	2027/28
Gross Budget:	-	-	-	-	-
Funding Source:					
	-	-	-	-	-
	-	-	-	-	-
Total Funding:	-	-	-	-	-
Net Budget:	-	-	-	-	-

Detailed Work Plan:

	2018/19	2019/20
Carry forward from previous years	2,000,000	-
Tender Fire Station #8 and begin construction and confirm location of new station	-	9,000,000
	-	-
	-	-
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	-	-
Total Estimated Work Plan	2,000,000	9,000,000
Less: Projected Carry Forward from Previous Years	2,000,000	N/A
Gross Budget Request	-	9,000,000

