



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 4
Committee of the Whole
February 2, 2016

TO: Mayor Savage and Members of Halifax Regional Council

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SUBMITTED BY:

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Doug Trussler, Fire Chief, Halifax Regional Fire & Emergency

DATE: January 20, 2016

SUBJECT: Proposed 2016/17 Halifax Regional Fire & Emergency
Budget and Business Plan

ORIGIN

As per Administrative Order 1 and the Budget and Business Plan consultation schedule presented in the Information Report of September 22, 2015, staff is required to present the 2016/17 draft Business Unit Budget and Business Plans to the Committee of the Whole 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 the Committee of the Whole direct staff to proceed to prepare the 2016/2017 Halifax Regional Fire & Emergency Budget and Business Plan as proposed in the accompanying presentation, incorporating additional direction provided by motion of Committee of the Whole for inclusion in the proposed HRM 16/17 Budget and Business Plan documents.

BACKGROUND

As part of the design of the 2016/2017 Budget and Business Plan development process, the Committee of the Whole is reviewing each Business Unit's high level budget and proposed plans in advance of detailed HRM Budget and Business Plan preparation.

At the November 24, 2015 Committee of the Whole Regional Council considered and confirmed their Council Priority Outcomes and directed staff to: "develop the 2016/17 Budget and Business Plans in support of these priorities."

DISCUSSION

Staff has prepared the proposed 16/17 Budget consistent with the preliminary fiscal direction received from Council on October 20, 2015 and aligned with Council Priorities as directed on November 24, 2015.

Following direction from the Committee of the Whole, staff will proceed to prepare the detailed Budget and Business Plan for inclusion in the proposed HRM 2016/17 Budget and Business Plan documents to be presented to Council, as per the process and schedule in the September 22, 2015 Information Report.

FINANCIAL IMPLICATIONS

The recommendations in this report will lead to the development of a proposed budget for 2016-17. 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.

COMMUNITY ENGAGEMENT

None are specifically associated with this report.

ENVIRONMENTAL IMPLICATIONS

None

ALTERNATIVES

The Committee of the Whole 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 2016 – 2017 Budget and Business Plan Presentation

Halifax Regional Fire & Emergency

Proposed 2016/2017 Halifax Regional Fire & Emergency Budget and Business Plan

Committee of the Whole

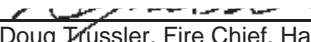
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A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Rita Clarke –Policy and Business Initiatives Coordinator,
Halifax Regional Fire & Emergency, 902.490.5614

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Report Approved by: 
Doug Trussler, Fire Chief, Halifax Regional Fire & Emergency, 902.490.4239

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Report and Financial Approval by: 
Amanda Whitewood, Director of Finance & ICT/CFO, 902.490.6308



HALIFAX

2016/17 Halifax Regional Fire & Emergency Draft Budget & Business Plan

Committee of the Whole

February 2, 2016

Business Unit Overview

Halifax Regional Fire and Emergency (HRFE) serve and protect 419,000 permanent residents in a 5,577 km² area.

Strategically located in 51 fire stations throughout HRM, career and volunteer fire crews provide a full range of emergency services including: fire prevention, fire suppression and rescue, technical rescue, hazardous materials response including CBRNE, pre-hospital emergency medical services, and emergency preparedness.



Service Areas REVISED

- ❑ **Operations** – The Operations Division provides emergency service protection to every part of HRM operating out of 51 fire stations: 18 – twenty four hour Career Stations, 9 Composite Stations (Career and Volunteer) and 24 Volunteer Stations.

 - ❑ **Operations Support** – The primary role of this division is to provide public fire safety information and prevention services in addition to supporting emergency operations. The division operates from a number of satellite locations in HRM.

 - ❑ **Emergency Management Office** – Coordinates multi-agency / multi-jurisdictional response, and ensures 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.
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Halifax Regional Fire & Emergency Accomplishments

- 10307 total responses
 - 653 major fire responses
 - 1211 minor fire responses
 - 2067 motor vehicle accident responses
 - 1955 medical responses
- Fire Prevention Review
- Operational Review
- Career Recruitment Process
- Outreach
- Learning Management System
- TMR2
- Communications & Technology Roadmap Year 1



15/16 Update

15/16 Plan	Status Update
HRFE Communications and Technology Roadmap	<ul style="list-style-type: none"> Year 1 deliverables include a review of data management, dispatch and FDM
HRFE Human Resource Initiatives	<ul style="list-style-type: none"> Career recruitment process approved by Regional Council. The hiring process started and information meetings have been held. Outreach is up and running Volunteer Recruitment is ongoing
HRFE Operational Review/Strategic Master Plan	<ul style="list-style-type: none"> Direction was given by Regional Council to hire 32 firefighters over the next three years to staff all first in apparatus with 4 person crews and aerials with 2 person crews. Volunteers will be recruited for two urban fire stations. Request For Proposal process has begun for review of Administrative Order 24 and Service Level Targets



Operating Budget Overview

Cost Element Groups	2014-15		2015-16		2016-17
	Budget	Actual	Budget	3 rd Quarter Projection	Proposed
* Compensation and Benefits	54,258,400	54,124,300	55,130,400	55,182,300	54,929,700
* Office	272,100	257,000	272,100	236,400	252,100
* External Services	517,500	538,000	542,500	370,300	487,500
* Supplies	492,000	651,800	559,000	697,100	589,000
* Materials		83,900		(60,900)	
* Building Costs	170,600	234,700	171,600	283,600	171,600
* Equipment & Communications	409,300	510,600	408,300	462,600	408,300
* Vehicle Expense		2,100		6,100	
* Other Goods & Services	1,114,900	934,300	944,900	918,700	904,900
* Interdepartmental		7,800		(74,800)	
* Debt Service	907,700	907,700	726,400	726,400	682,100
* Other Fiscal	152,500	150,300	167,500	167,500	192,500
** Total	58,295,000	58,402,400	58,922,700	58,915,300	58,617,700
Revenues					
* Fee Revenues	(81,100)	(69,300)	(81,100)	(72,800)	(81,100)
* Other Revenue	(461,600)	(402,300)	(261,600)	(361,400)	(231,600)
** Total	(542,700)	(471,600)	(342,700)	(434,200)	(312,700)
Net Surplus/Deficit	57,752,300	57,930,900	58,580,000	58,481,100	58,305,000

2016/17 Halifax Regional Fire & Emergency
Draft Budget and Business Plan



HALIFAX

Service Area Budget Overview

Net Operations Support Expenses by Service Area	14/15		15/16		16/17
	Budget	Actual	Budget	3 rd Quarter Projection	Proposed Budget
Operations	46,592,200	46,593,600	47,210,400	47,459,000	47,057,800
Operations Support	11,160,100	11,337,300	11,369,600	11,022,100	11,247,200
Business Unit Total	57,752,300	57,930,900	58,580,000	58,481,100	58,305,000



Staff Counts (FTEs)

Service Area	2015/2016 FTEs	2016/2017 FTEs
Business Unit Total	489	489
Operations	425	425
Operations Support	64	64



16/17 Cost Reductions

Cost Reduction Initiative	Proposed 16/17 Saving	Projected 17/18 Saving	Projected 18/19 Saving	Impact on Service Delivery
Increase in Gapping Management (one time only)	275,000			
Line item savings	85,000	85,000	85,000	
Debt Service reduction	44,300			
Total Reductions:	404,300	85,000	85,000	

** Reductions in 16/17 are offset by increases in Compensation/Benefits(\$74k) mostly due to the pension premium increases, re-establishing the EMO Reserve contribution(\$25k) and the loss of the Provincial CBRN grant (\$30k). Projected savings in 17/18 and 18/19 are not incremental.*



16/17 Initiatives

Initiative and Associated Priority Outcome	Proposed 16/17 Cost	Projected 17/18 Cost	Projected 18/19 Cost	Efficiency Gain / Value for \$ / Comment
HRFE Communications and Technology Roadmap <i>Healthy Communities - Public Safety</i>	0	0	0	
HRFE Human Resource Initiatives <i>Our People - Top Talent</i>	0	0	0	
HRFE Operational Review/Strategic Master Plan <i>Healthy Communities - Public Safety</i>	\$200,000 Capital	\$973,100	\$2,076,700	



16/17 Initiatives

HRFE Communications and Technology Roadmap

- Enhancements and upgrades to FDM to improve data quality, management and reporting
- Volunteer notification
- Continued improvement for Dispatch/Call management
- Roster management software implementation will assist compliance with the Auditor General recommendations to efficiently manage roster staffing requirements

Review of Administrative Order 24 & Service Level Targets

- Bring forward recommendations for Regional Council's consideration with respect to AO 24 and Service Level Targets based on consultants findings.



16/17 Initiatives

Fire Prevention

- Continue with implementing the recommendations from Fire Prevention department review to increase the number of fire inspections completed yearly. Expand the current pilot project that engages operational crews with initial fire inspections.

Heavy Urban Search & Rescue

- Continue funding discussions through Atlantic Canada EMOs with the Federal Government to re-establish a HUSAR capability in HRM.



16/17 Initiatives

Recruitment

- Regional Council recently approved a new recruitment process as well as the hiring of 32 new firefighters. A new pool of recruits will be created and the first class of 16 will graduate in December 2016. Hiring of the 32 new firefighters will take approximately 3 years based on the need to fill vacant positions and the limitation of training 32 firefighters per year

Outreach

- The outreach committee will continue its efforts to promote firefighting as a viable career option to everyone including under represented communities. This is a permanent program.



16/17 Initiatives

Facilities

- Work is underway with Facilities and Real Estate for land acquisition and planning for the building of two new stations as approved by Regional Council.
- A Regional Council report is being developed to determine the best approach for consolidating stations 62 (Harrietsfield) & 63 (Sambro).
- Staffing of Station 28 (Sheet Harbour) will be complete after renovations in April 2016.

Collective Bargaining

- The current IAFF agreement expires on May 31, 2016. Senior staff is working with corporate Labour Relations Department to develop bargaining objectives.



Volunteers – Current State

- HRFE relies solely on Volunteer response in all rural areas of HRM.
- There are challenges in recruiting and retaining volunteers in many rural areas.
- 525 volunteers
- Honorariums
 - Honorarium points 1pt = ~\$16 in 2015
 - Average member received \$2950 for 2015
 - Total honorarium budget = \$1,629,300
- Awards \$100/yr per active member
- Injury/life insurance coverage



Volunteers – Options

Option 1

Complete a review of the volunteer program, in consultation with Volunteer Firefighter Council. The objective is to enhance volunteer recruitment, retention and participation in rural areas. Report back to Regional Council with options for implementation in 17/18.

Option 2

Increase honorarium budget by \$1.1M to better ensure a volunteer response through an on call/standby system for rural stations and/or through a guaranteed minimum flat rate based on station location (rural, suburban, urban) and direct staff to return to Council with the details of the new program before implementation.



REVISED

Volunteers – Option 2 Flat Rate

Fire Management would consult with the Volunteer Firefighter Council and details of the plan would be provided in a Regional Council report in June before an implementation on October 1st.

- **Flat Rate (method 1)**

The rate would be determined by station location and the presence of career firefighters.

One example of this idea could look like this:

Volunteers who meet the participations standard and work out of a station with:

- 24/7 career coverage would receive \$1000.00
- E platoon career coverage would receive \$2000.00
- Rural/no career firefighters would receive \$3000.00

Based on our current number of volunteers this would cost \$1.17M annually (\$555K in 2016/17).



REVISED Volunteers – Option 2 On Call

Fire Management would consult with the Volunteer Firefighter Council and details of the plan would be provided in a Regional Council report June before an implementation on October 1st.

- **Standby/On call (method 2)**

This method has clear potential to enhance service and fairly compensate volunteers at E platoon and Rural Stations

- Volunteers who meet the participation standard would sign up to be on call
- Compensated 2 hours of pay per day
- Station Chief controls the schedule
- Firefighters must be able to respond to calls from within their catchment area as per the standard and must be able to safely work

The cost of paying 4 firefighters 2 hours per day for 365 days a year at E Platoon and Rural stations would be \$1.1M annually (\$550K in 2016/17).



Questions and Discussion



2016/17 Halifax Regional Fire & Emergency
Draft Budget and Business Plan



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