



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

Item No. 9.1
Halifax Regional Council
January 26, 2016

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed by Director

SUBMITTED BY:

Doug Trussler, Fire Chief

DATE: January 20, 2016

SUBJECT: Halifax Regional Fire & Emergency Operational Staffing – Supplementary Report

SUPPLEMENTARY INFORMATION REPORT

ORIGIN

The following motion was deferred pending a staff report on the financial implications:

That Halifax Regional Council:

1. Supplement existing career staffing at Station 4 (Lady Hammond Road) and Station 13 (King Street) with a complement of volunteer firefighters so they become permanent composite stations;
2. Add career firefighters at Station 8 (Bedford), Station 16 (Eastern Passage), Station 17 (Cole Harbour), and Station 58 (Lakeside) in order to staff each with crews of 4 career firefighters 24-7;
3. Add additional career firefighters at Station 2 (University Avenue) and Station 12 (Highfield Park) to staff the two aerials with crews of 4 career firefighters 24-7; and
4. The cost of these staffing changes to be applied to the general tax rate.

An additional motion was passed:

That staff provide a report on the cost implications of raising the maximum yearly honorarium for volunteer firefighters by an additional \$2,500 per member.

LEGISLATIVE AUTHORITY

The *Halifax Regional Municipality Charter* 2008, c. 39, s. 1. confers legislative authority to maintain and provide fire and emergency services by providing the service, assisting others to provide the service, or working with others to provide the service.

Administrative Order 24, Respecting Fire and Emergency Service in Halifax Regional Municipality establishes Halifax Regional Fire & Emergency (HRFE) as a fire department pursuant to Section 294 of the *Municipal Government Act*, 1998, c.18, s1.

BACKGROUND

May 12, 2015 – **MOVED** by Councillor Mason, seconded by Councillor Craig that Halifax Regional Council:

- 1) Request a staff report detailing a plan to meet the following direction of Regional Council within three years.
 - a) All fire trucks that are crewed by full time firefighters shall be crewed with four firefighters unless a safe alternative can be proposed; and
 - b) There shall be crewed aerials on the east and west sides of the harbour.
- 2) Further, direct that staff provide a report to Regional Council every six months with a progress update.

In response to the May 12, 2015 motion, Halifax Regional Fire & Emergency (HRFE) staff presented the following recommendations in a report to Regional Council on November 24, 2015:

It is recommended that Halifax Regional Council:

1. To improve the effectiveness and safety of fire protection and to crew apparatus, per Council's motion of May 12, 2015:
 - a) convert Station 4 (Lady Hammond) to an E Platoon Station;
 - b) convert Station 11 (Patton Road) to a Volunteer Station;
 - c) convert Station 13 (King Street) to an E Platoon Station.
2. Authorize staff to increase the HRFE's career firefighter complement from 413 positions to 423 positions, by close of fiscal 2017/2018.
3. Endorse the consolidation of equipment, career personnel and volunteer personnel in urban, suburban and rural fire stations, to more effectively and safely deliver fire services, as detailed in Table 2.

The motion was defeated and Staff was asked to bring an information report back to council outlining the financial implications of hiring additional firefighters based on the deferred motion outlined in the Origin of this report.

DISCUSSION

On January 12, 2016 the following motions were deferred pending a staff report on the financial implications:

That Halifax Regional Council:

1. Supplement existing career staffing at Station 4 (Lady Hammond Road) and Station 13 (King Street) with a complement of volunteer firefighters so they become permanent composite stations;
2. Add career firefighters at Station 8 (Bedford), Station 16 (Eastern Passage), Station 17 (Cole Harbour), and Station 58 (Lakeside) in order to staff each with crews of 4 career firefighters 24-7;
3. Add additional career firefighters at Station 2 (University Avenue) and Station 12 (Highfield Park) to staff the two aerials with crews of 4 career firefighters 24-7; and
4. The cost of these staffing changes to be applied to the general tax rate.

An additional motion was passed:

That staff provide a report on the cost implications of raising the maximum yearly honorarium for volunteer firefighters by an additional \$2,500 per member.

Relief Factor

The Relief Factor is the number of personnel required on the payroll to fill one position in Operations. Planned and unplanned absences, on average, equate to 13% time off for vacation and 9% time off for other absences; a total of 22%. HRFE requires 5 crew members to fill 4 positions; 20 to cover all 4 Platoons at a 24/7 station.

Table 1 shows the additional number of FTEs required to ensure 4 person crews at each of the stations specified in the motion.

Table 1: Additional FTEs required to attain 4 Person Crews by Station

Station #	Additional FTEs Required
Station 8 Bedford	5
Station 16 Eastern Passage	5
Station 17 Cole Harbour	5
Station 58 Lakeside	5
Station 2 University (Aerial)	12
Station 12 Highfield Park (Aerial)	20
Total	52

Hiring Strategy

HRFE is able to train a maximum of 32 new career firefighter recruits per year (two classes of 16 recruits). 12 of the new recruits each year would replace vacancies, while a maximum of 20 recruits would fill the new FTE positions. Using this strategy, it would take HRFE three years to hire the 52 recruits for the new FTE positions.

There are four firefighter levels as indicated in Table 2. At the start of their 4th year, firefighters attain Level 1 status.

Table 2: Step Levels for Firefighters

IAFF Level	Salary *	Salary & Benefits
Firefighter 4	\$42,016	\$53,077
Firefighter 3	\$58,822	\$73,708
Firefighter 2	\$71,427	\$88,244
Firefighter 1	\$84,031	\$102,779

*All salaries are based on the current collective agreement which expires May 31, 2016.

2006 Service Delivery Standard Report Comparison

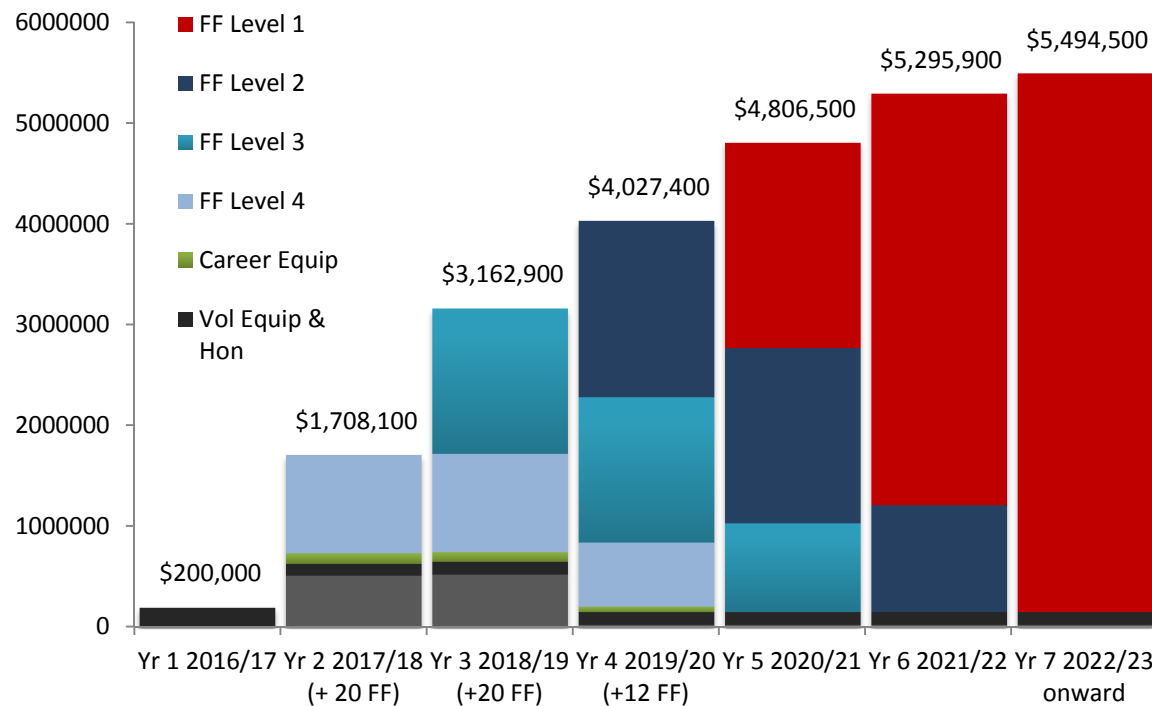
The Personnel section (page 4) of the February 14, 2006 Service Delivery Standard for Fire & Emergency Council Report (Appendix A) and the February 14, 2006 Council Minutes (Appendix B) indicated a need to hire 81 firefighters to support the implementation of the Service Delivery Standard.

There were 29 new firefighters hired between years 2006-2015 including two for Station 56 (Blackpoint) and five for Station 28 (Sheet Harbour) in 2015. Coincidentally, an additional hiring of 52 firefighters would bring the total to 81 since 2006, the same number indicated in the 2006 Service Delivery Standard Report.

FINANCIAL IMPLICATIONS

The hiring strategy for 52 new FTEs (Graph 1) spans over 7 years starting with a first career recruit class in 2017/18. The full financial impact of \$5.5M occurs in 2022/23 and carries forward in subsequent years. These numbers include both operating and capital (apparatus and firefighter equipment costs).

Graph 1. Financial implications of hiring 52 Career Firefighters and recruiting 40 Volunteers



The full impact of the financial implications of this plan occur in Year 7 after all 52 recruits have been trained and they have reached the maximum salary (Level 1) for a Firefighter. The salaries used in the graphs are based on the current IAFF Local 268 collective agreement which expires on May 31, 2016. These salaries should therefore be viewed as a minimum as they are likely to increase over the next seven years.

Financial Implications of Supplementing Career Staff with Volunteer Firefighters at Stations 4 (Lady Hammond) & 13 (King Street)

Recruiting 40 volunteer firefighters for the downtown core at Station 4 (Lady Hammond Road) and Station 13 (King Street) will have a maximum financial impact of \$200,000 (40 x \$5K) in one time equipment costs (Capital) in Year 1. Year 2 includes a \$120,000 (40 x \$3K) increase to the current volunteer honorarium budget. The \$120,000 increase to the honorarium is a permanent increase to the budget.

There are no additional fleet requirements for the volunteers in Year 1 (2016/17). However, an additional fire apparatus would be required in each of Year 2 (2017/18) and Year 3 (2018/19) with an estimated capital cost of \$500,000 per apparatus with operating costs of capital (OCC) at \$15,000 per unit per year.

Financial Implications of Raising the Maximum Yearly Honorarium for Volunteer Firefighters

The Volunteer Honorarium fund is currently \$1,629,300. This does not include volunteer officer stipends of \$275,000. Volunteer officers receive stipends as compensation for extra duties and responsibilities. The division captain stipend is \$10k per year, station chief is \$5k per year and lieutenant stipend is \$1k per year.

Using our current volunteer firefighter complement of 525, the cost implications of raising the maximum yearly honorarium for volunteer firefighters by an additional \$2,500 per member equates to an increase of \$1,312,500 to our current Honorarium fund. Honorarium payments are based on points that are awarded for participation at emergency incidents, training sessions and meetings. The value of one point varies from year to year. In 2015 one honorarium point was worth approximately \$16.

The impact of increasing volunteer honorariums has not been included in any of the graphs in this report. However Table 3 details the tax implication of increasing the volunteer honorarium by \$1,312,500.

Table 3: Tax Implications of Increasing the Volunteer Honorarium by \$2500 per Volunteer

	Total Cost	Change in Res Tax Rate	Change in Com Tax Rate	Change for Ave Home	Change for Ave Com Property
Honorarium increase	\$1,312,500	\$0.0030	\$0.0030	\$6.78	\$45.45

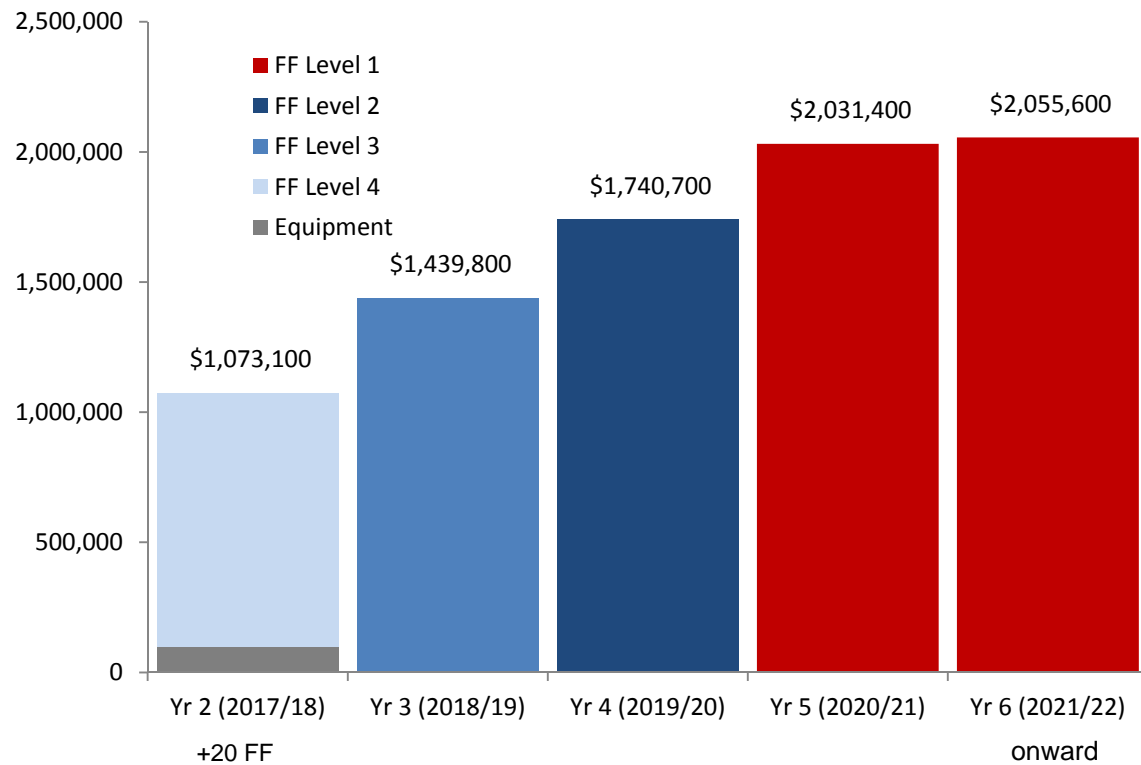
Financial Implications of Adding Career Firefighters

Overtime for career firefighters for the most part is reimbursed at straight time. HRFE’s current overtime budget would be adequate with less fluctuation in salary and overtime actuals. In time, with HRFE’s vacancies fully staffed, the projected annual overtime budget would be approximately \$1.2M for the Operations Division.

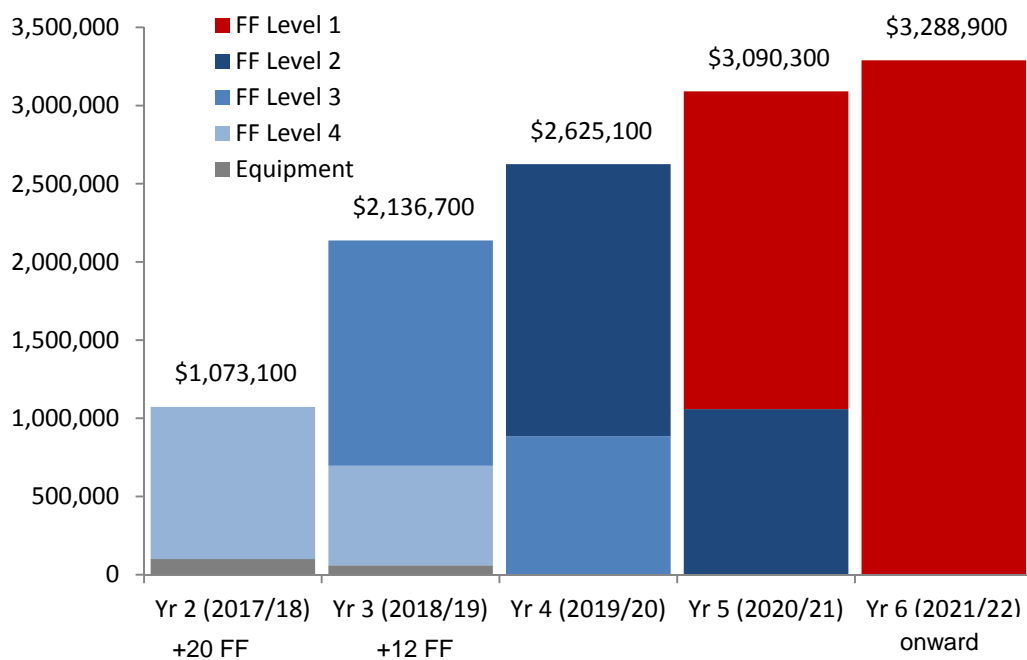
The financial implications of hiring 20 career firefighters for the Stations located in Bedford, Cole Harbour, Lakeside, and Eastern Passage are detailed in Graph 2 while the financial implications of hiring 32 career firefighters for the Aerials are detailed in Graph 3.

Staff was requested to cost each part of the motion separately. That is why the financial implications of hiring 20 firefighters for Stations 8 (Bedford), 16 (Eastern Shore), 17 (Cole Harbour) & 58 (Eastern Shore) in Graph 2 coincide with the hiring of 32 firefighters for aerials in Graph 3. If both parts of the motion are adopted, the hiring of 32 firefighters for the aerials would start in Year 3 (2018/19) based on HRFE’s maximum training capacity of 32 career firefighters per year.

Graph 2: Financial Implications of Hiring 20 Career Firefighters for Station 8 (Bedford), Station 16 (Eastern Passage), Station 17 (Cole Harbour) and Station 58 (Lakeside)



Graph 3: Financial Implications of Hiring 32 Career Firefighters for Aerial Apparatus



Tax Implications

On average, a single firefighter adds \$0.45 on the tax bill for the average (\$226,000) home and \$3.03 in commercial tax.

Tax Implications of Hiring 52 Career Firefighters*

	Total Cost	Change in Res Tax Rate (1)	Change in Com Tax Rate (1)	Change for Ave Home (2)	Change for Ave Com Property (3)
Year 1 (2016/17)	\$0	\$0.0000	\$0.0000	\$0.00	\$0.00
Year 2 (2017/18)	\$973,100	\$0.0023	\$0.0023	\$5.20	\$34.85
Year 3 (2018/19)	\$2,412,900	\$0.0056	\$0.0056	\$12.66	\$84.84
Year 4 (2019/20)	\$3,817,400	\$0.0088	\$0.0088	\$19.89	\$133.32
Year 5 (2020/21)	\$4,656,500	\$0.0108	\$0.0108	\$24.41	\$163.62
Year 6 (2021/22)	\$5,145,900	\$0.0119	\$0.0119	\$26.89	\$180.29
Year 7 (2022/23)	\$5,344,500	\$0.0124	\$0.0124	\$28.02	\$187.86

* if all other variables are held constant

- (1) A 1 cent increase in general tax rates generates approximately \$4,320,000 in revenue.
- (2) Based on an average assessment of \$226,000.
- (3) Based on an average assessment of \$1,515,000.

COMMUNITY ENGAGEMENT

N/A

ATTACHMENTS

A. February 14, 2006 Regional Council Report

<http://www.halifax.ca/council/agendasc/documents/FireEmergencyServiceDelivery.pdf>

B. February 14, 2006 Regional Council Minutes

<http://www.halifax.ca/council/documents/c060214.pdf>

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, Coordinator, Halifax Regional Fire & Emergency, 902.490-5614

Financial Approval by: _____

Amanda Whitewood, Director of Finance and Information Technology/CFO, 902.490.6308

Report Approved by: _____

Doug Trussler, Fire Chief, 902.490.4239
