



P.O. Box 1749
Halifax, Nova Scotia
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Item No.
Audit & Finance Standing Committee
March 20, 2013

TO: Chair and Members of Audit & Finance Standing Committee

Original Signed

SUBMITTED BY: _____
Doug Trussler, Fire Chief, Fire and Emergency

DATE: March 12, 2013

SUBJECT: 13/14 Preliminary Budget Presentation

ORIGIN

At the December 4, 2012 Committee of the Whole, Regional Council directed staff to present the 2013/14 draft Budget and Business Plans to the Audit and Finance Committee for review and discussion prior to consideration by Regional Council.

RECOMMENDATION

It is recommended that the Audit and Finance Committee direct staff to proceed to prepare the Fire and Emergency Budget and Business Plan as proposed in the accompanying presentation, incorporating additional direction provided through the committee discussion on March 20, 2013 for inclusion in the proposed HRM 13/14 Budget and Business Plan documents.

BACKGROUND

As part of the design of the 2013-2014 Proposed Budget, the Audit and Finance Committee is reviewing each Business Unit's high level budget and proposed plans in advance of detailed Budget and Business Plan preparation.

At the December 4, 2012 Committee of the Whole Regional Council considered their Strategic Priority Outcomes and directed staff to: *"present the 2013/14 draft Budget and Business Plans to the Audit and Finance Committee for review and discussion prior to consideration by Regional Council following the priority outcomes described in Attachment "A" having regard to the changes and additional priorities raised by Council during the course of discussion in Committee of the Whole."*

DISCUSSION

Staff has prepared a draft Business Unit Budget and Business Plan presentation consistent with the fiscal direction received from the Audit and Finance Committee on December 19, 2012 and aligned with the Council Priorities discussed at the December 4th Committee of the Whole.

The priorities for the coming year will see Fire and Emergency focusing on the Fire Underwriters Survey which we anticipate being completed late fall. The Operational Review/ Strategic Master Plan will further encompass the recommendations from the Fire Underwriters Survey as a building block in the development of a Strategic Master Plan.

Following direction from the Audit and Finance Committee, staff will proceed to prepare the detailed Budget and Business Plan for inclusion in the proposed HRM 13/14 Budget and Business Plan documents to be presented to Audit and Finance Committee as per the process and schedule endorsed by Regional Council on December 4, 2012.

FINANCIAL IMPLICATIONS

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of the Project and Operating reserves, as well as any relevant legislation.

COMMUNITY ENGAGEMENT

None are associated with this report.

ENVIRONMENTAL IMPLICATIONS

None

ALTERNATIVES

The Audit and Finance Standing 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

Presentation

A copy of this report can be obtained online at <http://www.halifax.ca/boardscom/SCfinance/index.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Darlene Ellis, Coordinator, Fire and Emergency, 490-5614

Original Signed

Financial Approval by:

Greg Keefe, Director of Finance & Information Technology/CFO, 490-6308

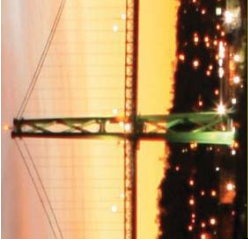
Audit & Finance Committee 13/14 Draft Budget and Business Plan



Fire & Emergency

March 20, 2013





Fire & Emergency - Overview

Coverage Area: 5,577 km²

Population Served: 413,700 permanent residents

Call Volume: 11,907 Responses

57 Fire Stations:

- 18 - 24 Hour Career Stations

- 15 - Composite Stations

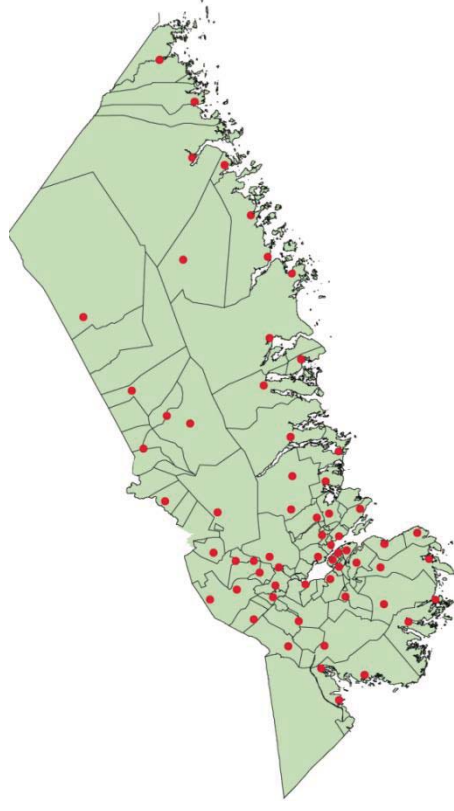
- 24 - Volunteer Stations

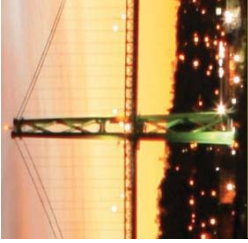
Operations Staff:

- 406 Career IAFF Members

- 159 Urban Volunteer Members

- 533 Rural Volunteer Members





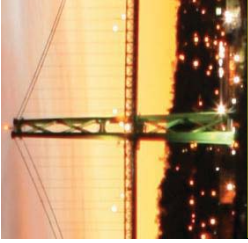
Fire & Emergency - Service Areas

Operations

- Fire Suppression & Rescue – Structural & Wildland/Urban Interface
- Pre-Hospital Emergency Medical Services (MFR)
- Technical Rescue - Auto Extrication, Ice /Water, Confined Space, Trench, High/Low Angle Rope (Tower Crane), Urban Search and Rescue (HRM only)
- Hazardous Materials / Dangerous Goods Response
- Chemical Biological Radiological & Nuclear (CBRN) – Provincial Response
- Emergency Management Office (EMO)

Approved Service Standard (Travel Time – First Arriving Engine Company)

- Urban – Population exceeding 100 persons per km² – 5 Minutes, 90% of the time
- Rural – Population under 100 persons per km² – 10 Minutes, 90% of the time



Fire & Emergency - Service Areas

Emergency Response Calls

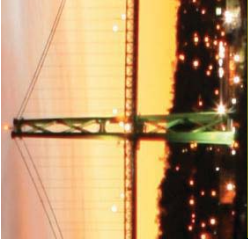
Fires – 1361; Alarms / Smoke Investigations – 4211; Accidents – 1441;
Dangerous/Hazardous – 120; Public Assist (Medical, Rescues, etc.) – 4774

Fire Fleet

156 Front Line Apparatus & 164 Support Vehicles

Career Staffing

- Current daily staffing threshold for 18 - 24 hour fire stations = 70 members per platoon.
- When staffing drops below 70, due to planned or unplanned leaves of absence, it results in an overtime situation.
- To reduce overtime costs, one option is to redeploy staff to other stations for the duration of the shift. This results in stations being periodically unstaffed. This is primarily a summer event due vacations.



Fire & Emergency - Service Areas

Operations Support

Fire Prevention Division

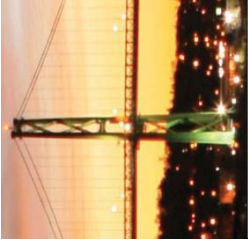
Life Safety Inspections, Fire Investigations, Public Fire Safety Education, and Minimum Residential Standards M-100

- 11 fire inspectors
- 150,267 total properties in our Records Management System (RMS)
- 26,919 are currently unclassified as per type of occupancy

Professional Development, Training & Safety Division

Operations, Special Operations, Recruit (Career & Volunteer) Officer Development, Health & Safety, Pre-Hospital Emergency Medical Service

- Nine training officers
- All training for 692 volunteer firefighters and 466 career firefighters



Fire & Emergency - Service Areas

Logistics Division

Equipment Procurement & Maintenance, Firefighter Personal Protective Equipment (PPE), Self Contained Breathing Apparatus (SCBA), and Emergency Scene Support

- Two equipment technicians; two SCBA technicians; two stores people; one division captain
- Processed 6,204 requests for services for clothing, supplies, equipment, equipment repairs, SCBA maintenance, etc.

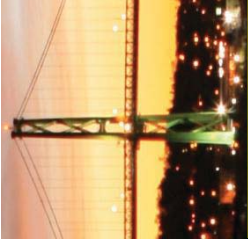
Communication & Technology Division

Computer Aided Dispatch (CAD), Records Management System (RMS), Radio Communications & Pagers, Mobile Data Terminals (MDTs), GIS

- Maintains 500 portable radios, 175 mobile radios, and 750 pagers.
- FDM – Records Management System – Data system for daily rosters and training records for 1,180 members, daily incident reporting, inspections, investigations, and equipment inventory for all members.

Liaison with Transportation & Public Works (TPW)

Building Maintenance Services (BMS) & Fleet Services



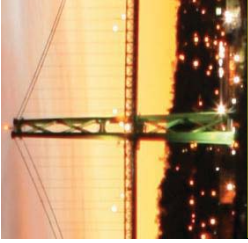
Fire & Emergency - Budget

Realignment - Management

July, 2012 - Fire Realignment eliminated nine management positions including one entire layer of management (assistant chief rank).

- The terms of the realignment provided for the creation of 2 new positions
 - Volunteer Program Manager and a Division Commander for the Eastern Shore volunteer stations.
- Transferred 1 position to TPW BMS.

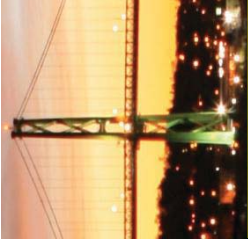
The resulting net savings is \$722,500.



Fire & Emergency - Budget

Budget Pressures

- International Association of Fire Fighters (IAFF) Local 268 Collective Agreement
 - Salary increase of 5.96% in October 2013.
 - 49% Increase since the signing of the CA in June, 2004.
- Overall compensation and benefits increase due to the above amount results in a 4.80% lift in 2013/14; a \$2.39 million increase to budget (4.30% increase in overall budget).
- Provincial Transfers
 - EMS Training: Medical First Responder - \$60,000 & Life Flight - \$7,000 / year.
- Professional Development and Succession Planning
 - Transition to recognized industry standards and professional certification for all positions in the department (career & volunteer).



Budget Overview

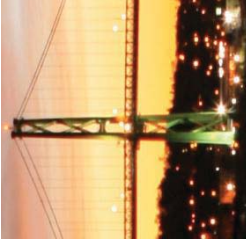
In this budget presentation you will see:

- **New revenue opportunities – cost recovery**
- **Corporate efficiencies in fire station alignment**
- **Capitalization of major equipment purchases**
- **Interdepartmental budget transfer for rural fire station utility & maintenance costs to TPW (\$800,000)**



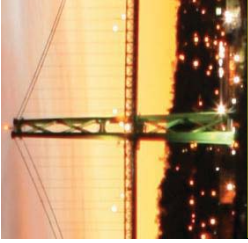
12/13 Operating Budget Overview

Cost Element Groups	2010-11	2011-12	2012-13	2012-13
	Budget	Budget	Budget	Q3 Projection
Expenditures				
* Compensation and Benefits	46,909,900	49,377,900	49,746,800	50,177,823
* Office	321,280	312,800	414,300	441,007
* External Services	308,900	291,400	279,300	284,885
* Supplies	833,150	683,200	585,600	511,900
* Materials				23,254
* Building Costs	1,121,600	1,038,900	949,100	1,120,571
* Equipment & Communications	1,666,300	1,650,800	1,166,200	895,096
* Vehicle Expense	127,500			2,055
* Other Goods & Services	1,019,075	926,341	1,002,600	811,766
* Interdepartmental	2,701,431	2,884,700		28,886
* Debt Service	815,160	816,800	1,059,000	1,046,932
* Other Fiscal	351,000	333,500	208,500	189,375
** Total	56,175,296	58,316,341	55,411,400	55,533,550
Revenues				
* Tax Revenue				
* Area Rate Revenue				
* Fee Revenues	(70,000)	(70,000)	(81,100)	(77,500)
* Other Revenue	(583,500)	(583,500)	(274,400)	(225,113)
** Total	(653,500)	(653,500)	(355,500)	(302,613)
Net Surplus/Deficit	55,521,796	57,662,841	55,055,900	55,230,937



Service Area Budget Overview

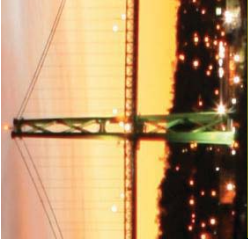
Net Fire Expenses by Service Area	10/11 Budget	11/12 Budget	12/13 Budget	Q3 Projection
Operations Division	41,938,460	44,189,300	44,276,800	44,845,878
Training Division	1,306,300	1,489,649	1,646,900	1,572,327
Fire Prevention Division	1,826,700	1,893,220	1,948,200	1,898,533
Logistics Division	2,032,100	1,969,400	1,449,800	1,436,399
Administration	5,255,880	4,883,046	4,828,900	4,554,261
Other	3,162,556	3,238,226	905,300	923,539
Fire Net Expenses	55,521,796	57,662,841	55,055,900	55,230,937



Year to Year Base Comparison

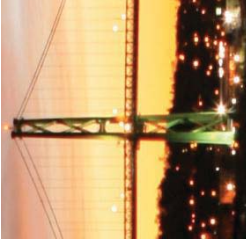
12/13 Services at 13/14 Costs including inflation, contracts, etc.

Service Area	12/13 Budget	13/14 Cost	13/14 Proposed
Operations Division	44,276,800	45,685,200	45,049,400
Training Division	1,646,900	1,703,000	1,688,000
Fire Prevention Division	1,948,200	2,043,500	1,738,500
Logistics Division	1,449,800	1,480,800	1,741,500
Administration	4,828,900	4,742,100	4,227,000
Other	905,300	934,600	959,100
Business Unit Total	55,055,900	56,589,200	55,403,500



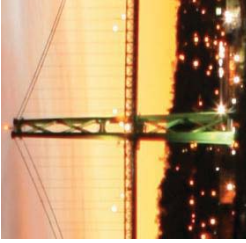
13/14 Cost Reduction Initiatives

Cost Reduction Initiatives	Proposed 13/14 Saving	Projected 14/15 Saving	Projected 15/16 Saving
Fire Realignment and Vacancy Management Savings	722,500		
Reserve Contribution Savings	160,000		
Cost Recovery (New) – for Legislated Inspections	300,200		
Corporate Efficiencies	430,000		
Total Efficiencies	1,612,700		



13/14 Priority Initiatives

Priority Alignment	Priority Initiative	Proposed 13/14 Cost	Projected 14/15 Cost	Projected 15/16 Cost
Excellence in Service Delivery - Service Efficiency & Productivity	Operational Review / Strategic Master Plan Recommendations		TBD	
Excellence in Service Delivery - Service Efficiency & Productivity	Fire Underwriters Survey Recommendations		TBD	
Organizational Capacity - Succession Planning	Recruitment & Community Outreach	TBD		
Organizational Capacity - Succession Planning	Volunteer Recruitment Campaigns - Various communities	\$40,000		

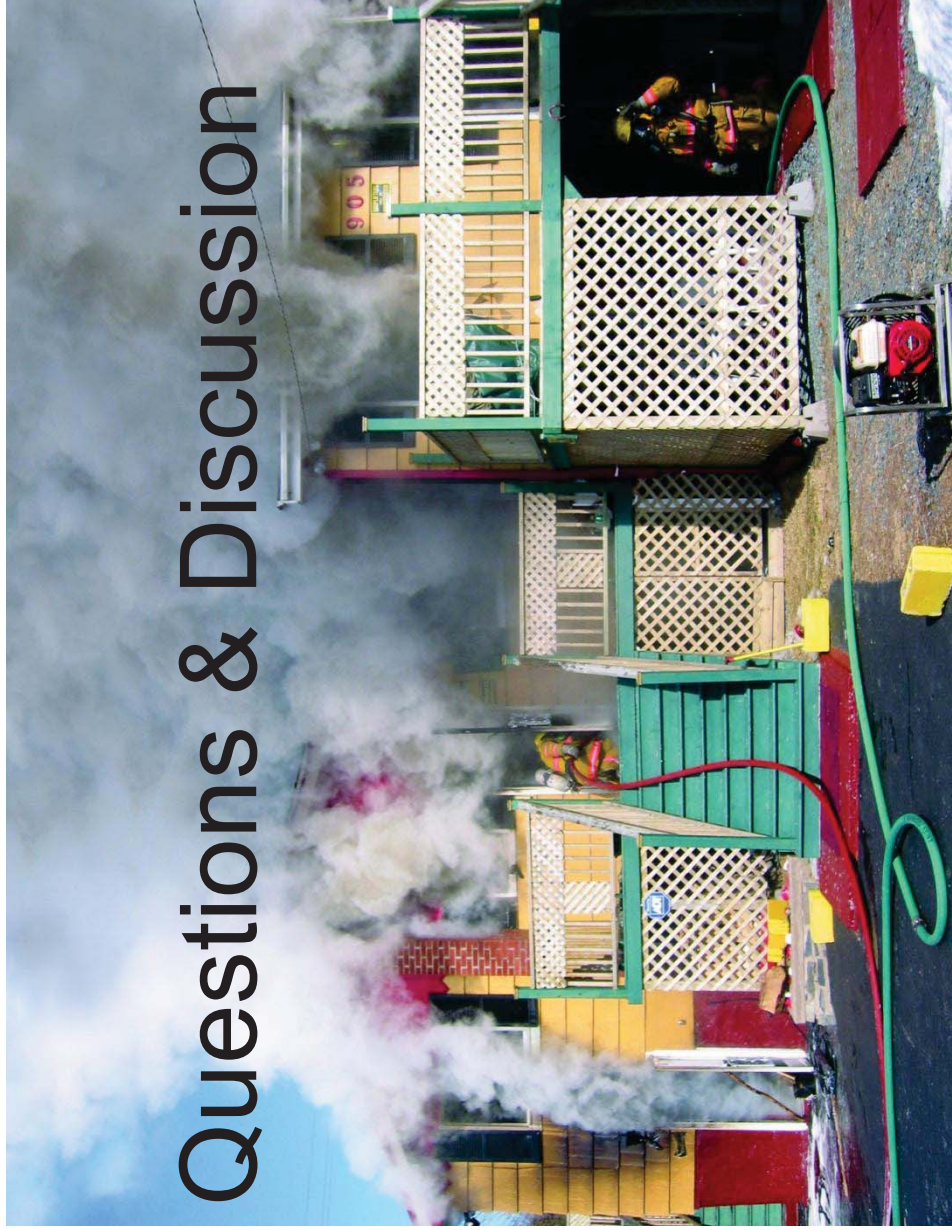


13/14 New or Expanded Services

These items are not reflected in current envelope & would require additional funding:

Priority Alignment	New or Expanded Service	Proposed 13/14 Cost	Projected 14/15 Cost	Projected 15/16 Cost
Organizational Capacity – Learning	Professional Development & Certification	\$250,000		
Organizational Capacity – Business Intelligence	Emergency Communications Technical Support	\$180,000		
Organizational Capacity – Health & Safety	Fire Training Centre - Phase 1 Land Acquisition (CBX01102)	Staff Time – No incremental costs	1,000,000	TBD
Organizational Capacity – Continuous Learning	Municipal Emergency Operations Centre (EOC) – transition from Emergency Management System (EMS) to Incident Command System (ICS). Requires site-specific management and operations training and exercising for all members of the EOC.	Staff Time – No incremental costs.	TBD	TBD

Questions & Discussion



Fire & Emergency

March 20, 2013

