



City Budget
2012

Fire Services
Capital Budget Analyst Notes

The City of Toronto's budget is presented by program and service, in Analyst Note format. The City's Capital Budget funds major infrastructure.

2012–2021 Capital Program

2012 CAPITAL BUDGET ANALYST BRIEFING NOTES BUDGET COMMITTEE NOVEMBER 28, 2011

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PART I: RECOMMENDATIONS

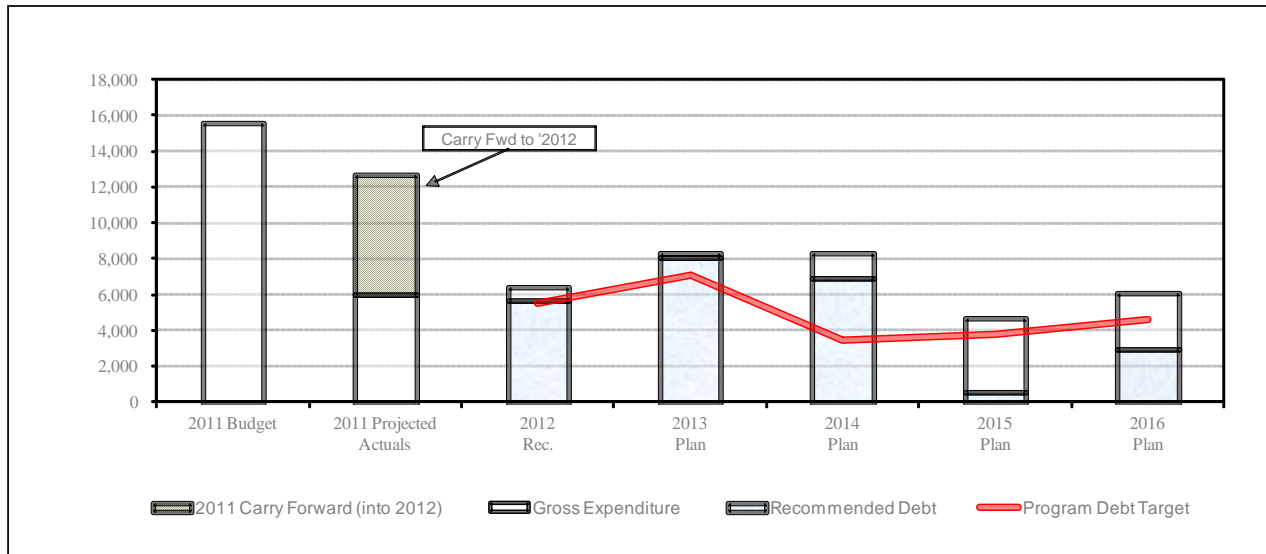
The City Manager and Chief Financial Officer recommend that:

1. Council approve the 2012 Recommended Capital Budget for Toronto Fire Services with a total project cost of \$16.209 million, and 2012 cash flow of \$6.425 million and future year commitments of \$13.319 million comprised of the following:
 - a) New Cash Flow Funding for:
 - i) 4 new sub-projects with a 2012 total project cost of \$16.209 million that requires cash flow of \$4.793 million in 2012, \$6.317 million in 2013 and \$5.099 million in 2014;
 - ii) 2 previously approved sub-projects with a cash flow of \$1.632 million in 2012 and \$1.903 million in 2013;
 - b) 2011 approved cash flow for 3 previously approved sub-projects with carry forward funding from 2011 into 2012 totalling \$6.705 million;
2. Council approve new debt service costs of \$0.080 million in 2012 and incremental debt costs of \$0.552 million in 2013, \$0.742 million in 2014 and \$0.477 million in 2015 resulting from the approval of the 2012 Recommended Capital Budget, to be included in the 2012 and future year operating budgets;
3. Council approve the 2013–2021 Recommended Capital Plan for Toronto Fire Services totalling \$45.044 million in project estimates, comprised of \$8.320 million in 2013; \$8.309 million in 2014; \$4.707 million in 2015; \$6.125 million in 2016; \$5.800 million in 2017; \$0.300 million in 2018; \$0.300 million in 2019; \$10.301 million in 2020; and, \$0.882 million in 2021; and,
4. Council consider operating impacts of \$0.068 million in 2012; \$0.105 million in 2013; (\$0.033) million in 2014, \$0.184 million in 2015 including 1 position, (\$0.050) million in 2016, \$0.085 million in 2017 and (\$0.050) million in 2018 emanating from the approval of the 2012 Recommended Capital Budget for inclusion in the 2012 and future year operating budgets.
5. Council approve the 2012 Recommended Capital Budget for the Radio Communication System Replacement project with a 2012 cash flow of \$34.562 million and future year commitments of \$34.558 million comprised of the following:
 - a) New Cash Flow Funding for:
 - i) 6 previously approved sub-projects that require cash flow of \$6.067 million in 2012 with future year commitments of \$24.192 million in 2013 and \$10.366 million in 2014;

- ii) 5 sub-projects from previously approved projects with carry forward funding from 2010 and prior requiring 2012 cash flow of \$27.884 million which forms part of the affordability targets that requires Council to reaffirm its commitment; and
 - a) 2011 approved cash flow for 2 previously approved sub-projects with carry forward funding from 2011 into 2012 totaling \$0.611 million;
- 6. The Fire Chief, in consultation with the Chief Financial Officer, determine the operating impacts arising from the completion of the Radio Communication Replacement project in time for the 2013 Capital Budget process.

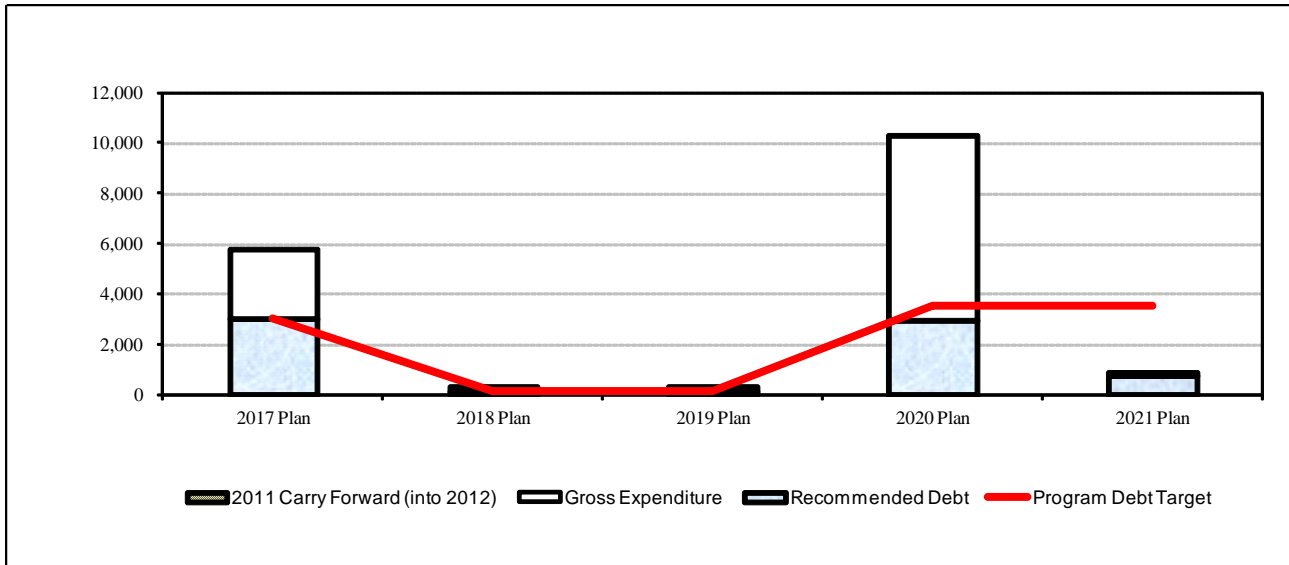
PART II: 2012 - 2021 CAPITAL PROGRAM

10-Year Capital Plan 2012 Recommended Budget, 2013-2016 Recommended Plan (In \$000s)



| | 2012 Rec. Budget and 2013-2016 Plan | | | | | | | | |
|--|-------------------------------------|------------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|
| | 2011 | | 2012 | 2013 | 2014 | 2015 | 2016 | 2012-2016 | 5-Year Total |
| | Budget | Projected Actual | | | | | | | |
| Gross Expenditures: | | | | | | | | | |
| 2011 Capital Budget & Approved FY Commitments | 15,546 | 5,984 | 3,535 | | | | | 3,535 | 10% |
| Recommended Changes to Approved FY Commitments | | | (1,903) | 1,903 | | | | | |
| 2012 New/Change in Scope and Future Year Commitments | | | 4,793 | 6,317 | 5,099 | | | 16,209 | 48% |
| 2013 - 2016 Capital Plan Estimates | | | | 100 | 3,210 | 4,707 | 6,125 | 14,142 | 42% |
| 2-Year Carry Forward for Reapproval | | | | | | | | | |
| 1-Year Carry Forward to 2012 | | 6,705 | | | | | | | |
| Total Gross Annual Expenditures & Plan | 15,546 | 12,689 | 6,425 | 8,320 | 8,309 | 4,707 | 6,125 | 33,886 | 100% |
| Program Debt Target | | | 5,500 | 7,040 | 3,414 | 3,769 | 4,599 | 24,322 | |
| Financing: | | | | | | | | | |
| Recommended Debt | | | 5,644 | 8,092 | 6,908 | 582 | 2,956 | 24,182 | 71% |
| Reserves/Reserve Funds | | | | | 47 | 3,900 | 1,951 | 5,898 | 17% |
| Development Charges | | | 631 | 78 | 1,204 | 75 | 1,068 | 3,056 | 9% |
| ISF | | | | | | | | | |
| Provincial/Federal | | | 150 | 150 | 150 | 150 | 150 | 750 | 2% |
| Other Revenue | | | | | | | | | |
| Total Financing | | | 6,425 | 8,320 | 8,309 | 4,707 | 6,125 | 33,886 | 100% |
| By Project Category: | | | | | | | | | |
| Health & Safety | | | 343 | 5,581 | | 3,900 | 1,000 | 10,824 | 32% |
| Legislated | | | 200 | 200 | 200 | 200 | 200 | 1,000 | 3% |
| SOGR | | | | 100 | 1,100 | 100 | 100 | 1,400 | 4% |
| Service Improvement | | | 1,556 | 927 | | | | 2,483 | 7% |
| Growth Related | | | 4,326 | 1,512 | 7,009 | 507 | 4,825 | 18,179 | 54% |
| Total By Project Category | | | 6,425 | 8,320 | 8,309 | 4,707 | 6,125 | 33,886 | 100% |
| Asset Value - end of each year (\$) | 483,431 | | 489,313 | 491,752 | 498,761 | 499,268 | 504,093 | | |
| Yearly SOGR Backlog Estimate (not addressed by current plan) | | | | | | | | | |
| Accumulated Backlog Estimate (end of year) | | | | | | | | | |
| Backlog: Percentage of Asset Value (%) | | | | | | | | | |
| Debt Service Costs | | | 80.2 | 592.0 | 1,005.9 | 752.4 | 121.5 | 2,552.1 | |
| Operating Impact on Program Costs | | | 67.5 | 105.0 | (32.5) | 184.0 | (50.0) | 274.0 | |
| New Positions | | | | | | 1.0 | | 1.0 | |

10-Year Capital Plan 2017–2021 Recommended Plan (In \$000s)



| | 2017 - 2021 Capital Plan | | | | | | | 10-Year Total Percent |
|--|--------------------------|------------|------------|---------------|--------------|---------------|-------------|-----------------------|
| | 2017 | 2018 | 2019 | 2020 | 2021 | 2012-2021 | | |
| Gross Expenditures: | | | | | | | | |
| 2011 Capital Budget & Approved FY Commitments | | | | | | 3,535 | 7% | |
| Recommended Changes to Approved FY Commitments | | | | | | | | |
| 2-Year Carry Forward for Reapproval | | | | | | | | |
| 2012 New/Change in Scope and Future Year Commitments | | | | | | 16,209 | 31% | |
| 2017 - 2021 Capital Plan Estimates | 5,800 | 300 | 300 | 10,301 | 882 | 31,725 | 62% | |
| Total Gross Annual Expenditures & Plan | 5,800 | 300 | 300 | 10,301 | 882 | 51,469 | 100% | |
| Program Debt Target | 3,025 | 150 | 150 | 3,490 | 3,490 | 34,627 | | |
| Financing: | | | | | | | | |
| Recommended Debt | 3,025 | 150 | 150 | 2,935 | 732 | 31,174 | 61% | |
| Reserves/Reserve Funds | 2,625 | | | 4,300 | | 12,823 | 25% | |
| Development Charges | | | | 2,916 | | 5,972 | 12% | |
| ISF | | | | | | | | |
| Provincial/Federal | 150 | 150 | 150 | 150 | 150 | 1,500 | 3% | |
| Other Revenue | | | | | | | | |
| Total Financing | 5,800 | 300 | 300 | 10,301 | 882 | 51,469 | 100% | |
| By Project Category: | | | | | | | | |
| Health & Safety | 5,000 | | | 4,300 | | 20,124 | 39% | |
| Legislated | 200 | 200 | 200 | 200 | 200 | 2,000 | 4% | |
| SOGR | 100 | 100 | 100 | 100 | 100 | 1,900 | 4% | |
| Service Improvement | 500 | | | | | 2,983 | 6% | |
| Growth Related | | | | 5,701 | 582 | 24,462 | 48% | |
| Total By Project Category | 5,800 | 300 | 300 | 10,301 | 882 | 51,469 | 100% | |
| Asset Value - end of each year (\$) | 504,593 | 504,593 | 504,593 | 510,294 | 510,876 | | | |
| Yearly SOGR Backlog Estimate (not addressed by current plan) | | | | | | | | |
| Accumulated Backlog Estimate (end of year) | | | | | | | | |
| Backlog: Percentage of Asset Value (%) | | | | | | | | |
| Debt Service Costs | 377.5 | 327.4 | 19.1 | 74.8 | 329.4 | 3,680.1 | | |
| Operating Impact on Program Costs | 85.0 | (50.0) | | | | 309.0 | | |
| New Positions | | | | | | 1.0 | | |

10–Year Capital Plan Overview

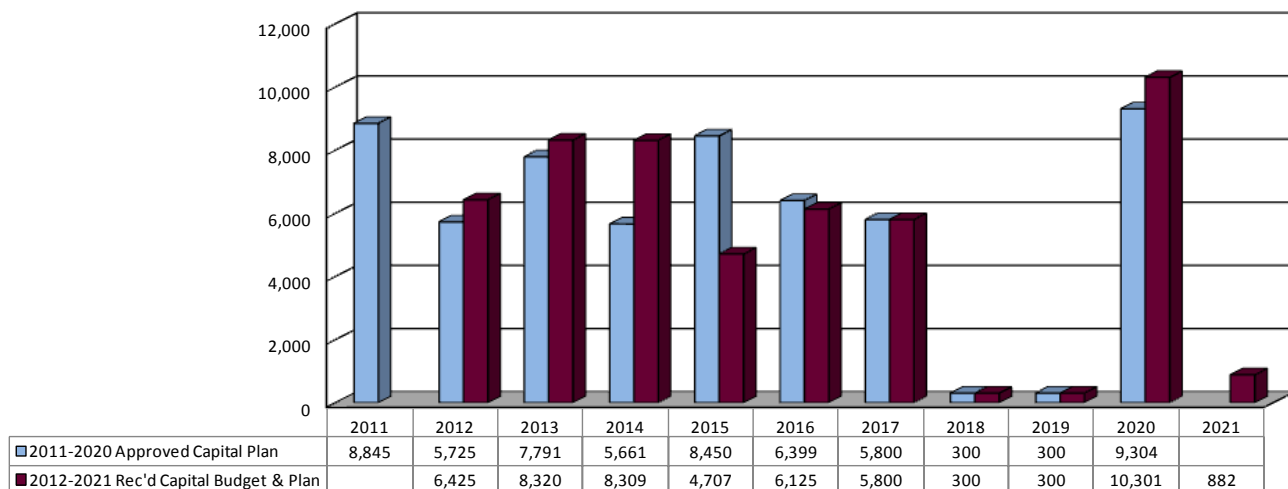
- The 10–Year Recommended Capital Plan totaling \$51.469 million focuses on funding new fire station construction as well as the rehabilitation and replacement of existing fire stations. The requirement for new fire stations was projected in the Master Fire Plan that was approved by City Council in 2007 and is based on anticipated population density and required emergency response times. In addition, the 10–Year Recommended Capital Plan allocates funding for the lifecycle replacement of emergency equipment and training facilities.
- The 10–Year Recommended Capital Plan (excluding carry forward funding), totals \$51.469 million of which \$33.886 million or 66% is projected for the first 5 years, with the final 5 years requiring funding of \$17.583 million or 34% of total recommended funding.
- The 10–Year Recommended Capital Plan includes are Growth–Related projects to construct new fire stations to achieve improved emergency response times as recommended in the Master Fire Plan including:
 - Station D at Eglinton and Midland with a total project cost of \$7.391 million and is projected to be complete in 2013;
 - Station B on Keele Street between Sheppard and Wilson with a total project cost of \$9.885 million which is expected to complete land acquisition in 2012 and be completed by 2014;
 - Station A at Highway 27 and Rexdale Blvd. with a total project cost of \$7.242 million which is projected to start with land acquisition in 2014;
 - Station G at Sunnybrook Hospital with a total project cost of \$11.821 million which is projected to start with land acquisition in 2020.
- The 10–Year Recommended Capital Plan also includes funding for:
 - Service Improvement projects such as the replacement of Chaplin Fire Station due to structural problems with the old station and is expected to be complete in 2013. Total project cost is \$4.934 million.
 - SOGR projects such as Training Simulator Rehabilitation (\$0.900 million) and the Replacement of the Emergency Phone System (\$1 million).
 - Health & Safety and Legislated projects such as the lifecycle replacement of portable radios (\$5 million), bunker suits (\$8.2 million), breathing apparatus (\$5.8 million), defibrillators (\$1 million) and HUSAR equipment (\$2 million).
- 61% or \$31.174 million of the total 10–Year Recommended Capital Plan of \$51.469 million is funded from debt. Over the 10–Year Plan, the Program is \$3.453 million or

9.9% under the debt target. The remaining capital financing is comprised of reserve and reserve funds of \$12.823 million (25%), Development Charges \$5.972 million (12%) and provincial funding of \$1.5 million (3%).

- The Radio Communication System Replacement project is a corporate initiative involving three Programs: Fire Services, Police Services and Emergency Medical Services and does not reside in any one of these Programs’ Capital Plans. Radio Communication System Replacement completion is expected in 2014 for a total project cost of \$70 million.
- There is no change to the total capital funds required for the Radio Communication System Replacement project beyond what has already been approved in the 2011 Capital Budget and 2012–2020 Capital Plan. The project cost is consistent with last year’s plan but due to delay in the issuing of an RFP, the estimated completion date is now 2014 rather than 2013.

Key Changes to the 2011 – 2020 Approved Capital Plan

**Changes to the 2011–2020 Approved Capital Plan
(In \$000s)**



- The 2012 Recommended Capital Budget and 2013–2021 Capital Plan has increased by \$0.857 million or 26% from the 2011–2020 Approved Capital Plan. The increase is mainly due to:
 - The re-phasing of Station G to allow for land acquisition to happen first in 2020 (\$0.997 million), the acquisition of a mobile air compressor to refill oxygen tanks in 2012 (\$0.100 million) and the immediate replacement of HUSAR equipment in 2012 and 2013 (\$0.400 million);

- These increases were partially offset by the deferral of the following projects: of future HUSAR equipment acquisitions (\$0.400 million), Training Simulator Rehabilitation (\$0.100 million) and the acquisition of the District Chiefs' van (\$0.140 million).
- In addition, cash flow funding estimates have been adjusted to reflect the re-phasing of new fire station projects to allow for land acquisition then design then construction. This change affects the Station B, Station A as well as the Station G projects' phasing and timing.
- Cash flow funding has been adjusted to reflect the latest progress projected for both the Station D construction project and the Chaplin Station project due to delays originating with the initial planning, design and tendering process. Both projects are now expected to be completed in 2013.
- The following chart details the recommended project cash flow changes to the 2011–2020 Approved Capital Plan.

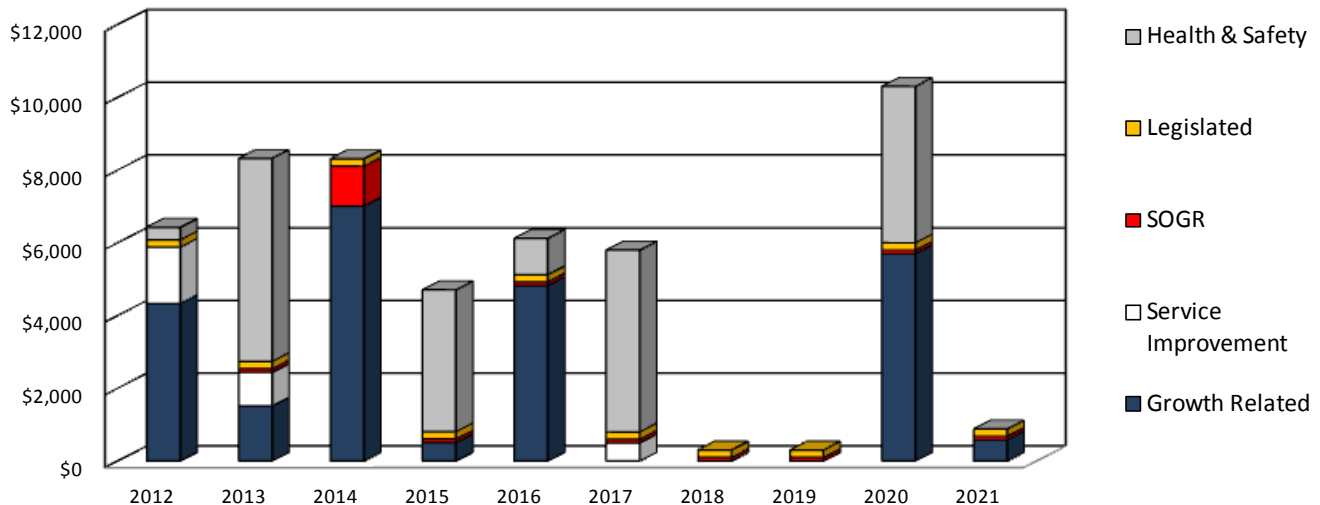
Summary of Project Changes

(In \$000s)

| Key Projects | Total Project Cost | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2012 - 2020 | Revised Total Project Cost |
|---|--------------------|------------|------------|--------------|----------------|--------------|------|------|------|------------|-------------|----------------------------|
| Station B(Stn 144)-Keele St betw Sheppard/Wilson) | 9,885 | 4,250 | 536 | 4,563 | (4,250) | (5,099) | | | | | | 9,885 |
| Station A (Stn 414)- Hwy 27 and Rexdale Blvd | 7,242 | (507) | (1,910) | (2,915) | 507 | 4,825 | | | | | | 7,242 |
| Station G(New Station 124) - Sunnybrook | 4,705 | | | | | | | | | 997 | 997 | 5,702 |
| Station D (New Station 221)-Eglinton and Midland | 7,391 | (976) | 976 | | | | | | | | | 7,391 |
| Replacement of Defibrillators | 1,000 | | | | | | | | | | | 1,000 |
| Replacement of HUSAR Equipment | 1,800 | (200) | (200) | | | | | | | | (400) | 1,400 |
| Replacement Of Portable Radios | 5,000 | | | | | | | | | | | 5,000 |
| New DC Van for District 17th | 140 | (140) | | | | | | | | | (140) | |
| Fire Prevention -South District Consolidations | 500 | | | | | | | | | | | 500 |
| Self- Contained Breathing Apparatus - Replacement | 5,824 | | | | | | | | | | | 5,824 |
| Training Simulators Rehabilitation-Future Years | 900 | (100) | | | | | | | | | (100) | 800 |
| Chaplin Station | 4,934 | (927) | 927 | | | | | | | | | 4,934 |
| Emergency Phone System Upgrade | 1,000 | (1,000) | | | | | | | | | (1,000) | |
| Emergency Phone System Replacement (New Platform) | | | | 1,000 | | | | | | | 1,000 | 1,000 |
| Replacement of Bunker Suits | 8,200 | | | | | | | | | | | 8,200 |
| Air Compressor | | 100 | | | | | | | | | 100 | 100 |
| Replacement of HUSAR Equipment (2012/2013) | | 200 | 200 | | | | | | | | 400 | 400 |
| Total Change | 58,521 | 700 | 529 | 2,648 | (3,743) | (274) | | | | 997 | 857 | 59,378 |

2012 – 2021 Recommended Capital Plan

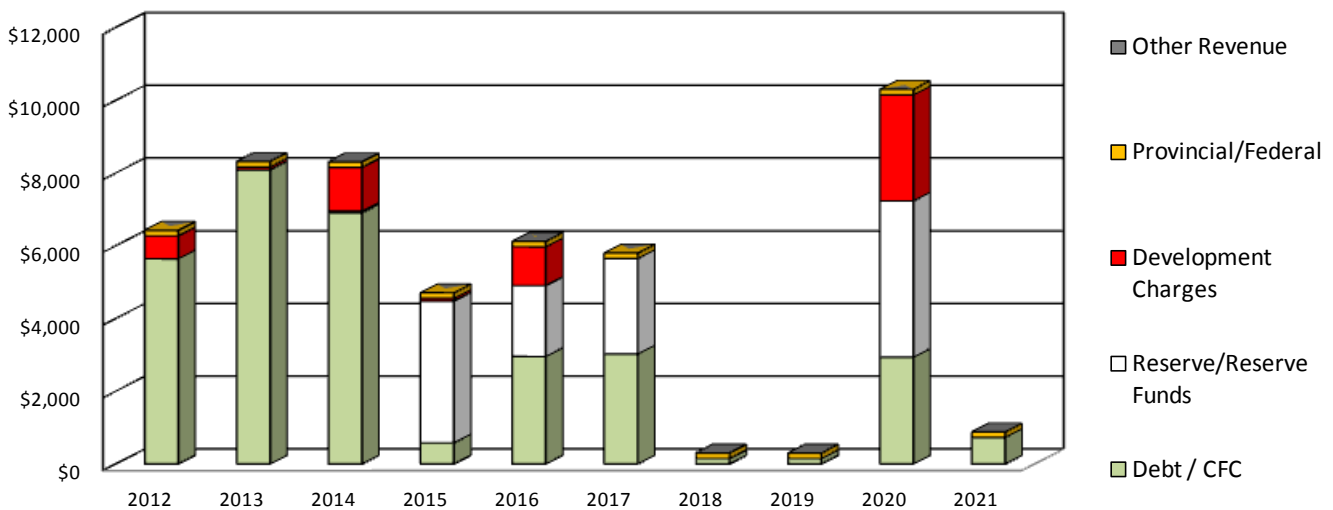
2012–2021 Capital Plan by Project Category
(In \$000s)



- Over the 10 year, the Capital Plan is allocated as following: 39% to health and safety related projects, 4% to legislated related projects, 4% to SOGR related projects, 6% to service improvement related projects and 48% to growth related projects.
- *State of Good Repair, (including Health & Safety and Legislated)* related projects include the replacement of breathing apparatus, emergency phone system, defibrillators, portable radios and bunker suits with the majority of spending in 2013, 2015, 2017 and 2020.
 - Over the first 5 years investment in these projects represents 35% or \$11.8 million of all project funding increasing to 59% or \$10.3 million in the second 5 years as spending is more focused more with equipment replacement and less with station builds.
 - Significant spending includes the following: replacement of portable radios (\$5 million in 2017), bunker suits (\$3.9 million in 2015 and \$4.3 million in 2020) and breathing apparatus (\$5.8 million in 2012/2013).
- *Service Improvements and Growth* related projects include key projects that will establish new facilities are as follows:
 - Station B on Keele St.(\$4.3 million in 2012, \$0.5 million in 2013 and \$5.1 million in 2014);
 - Station A Hwy 27 at Rexdale (\$1.9 million in 2014, \$0.5 million in 2015 and \$4.8 million in 2016);

- Station G at Sunnybrook (\$5.7 million in 2020 and \$0.6 million in 2021); and
- Chaplin Fire Station (\$1.6 million in 2012, and \$0.927 in 2013).
- *Growth Related Projects* include the construction of new 4 new fire stations.
 - Over the first 5 years, investment in these projects represents 54% or \$18.2 million of all recommended project funding declining to 36% or \$6.3 million in the second 5 years as only Station G will start by 2020.

**2012–2021 Capital Plan by Funding Source
(In \$000s)**



- Over the 10–year Capital Plan period, Fire Services Capital Plan is under its debt target by \$3.453 million. Of the total 10 Year Capital Plan funding sources debt funding comprises 61%, reserve funding comprises 25%, development charges funding comprises 12% and Federal funding comprises 3%. For the first 5 years, debt funds the following projects:
 - Station B (\$8.5 million);
 - Station A (\$4.6 million);
 - Chaplin Station (\$2.5 million);
 - Station D (\$1.1 million);
 - Replacement of breathing apparatus (\$5.8 million);
 - Replacement of HUSAR equipment (\$1 million);
 - Replacement of emergency phone system (\$1 million); and,
 - Rehabilitation of training simulators (burn houses) (\$0.4 million)

- The debt requirements in the last five years are mainly to fund Station G. ongoing HUSAR equipment replacement and portable radios.
- Over the 10 years, reserve funding comprises 25% of all funding sources. In 2015, 2016, 2017 and 2020 the Vehicle Reserve Fire Equipment will fund the bunker suit, portable radio and defibrillator replacements.
- All station new fire projects are partially funded by Development Charges as these stations respond to increased population growth. Development Charges comprise 12% of all funding sources and have been allocated to Stations B, A, and G in accordance with the 2009 Development Charge Bylaw and prior bylaws.
- Federal funding for HUSAR equipment replacement comprises 3% or \$ ____ of all funding sources over the 10 year period. The JEPP subsidy represents an on-going commitment to fund 25% of this capital project's funding requirements.

Summary of Major Capital Initiatives by Category
(In \$000s)

| | Total Project Cost | 2012 Rec. Budget | 2013 Plan | 2014 Plan | 2015 Plan | 2016 Plan | 2017 Plan | 2018 Plan | 2019 Plan | 2020 Plan | 2021 Plan | 2012-2021 Total |
|--|--------------------|------------------|--------------|--------------|--------------|--------------|--------------|------------|------------|---------------|------------|-----------------|
| State of Good Repair (incl. H&S , & Leg.) | | | | | | | | | | | | |
| Replacement of Portable Radios | 5,000 | | | | | | 5,000 | | | | | 5,000 |
| Replacement of Breathing Apparatus | 5,824 | 243 | 5,581 | | | | | | | | | 5,824 |
| Replacement of Bunker Suits Lifecycle - 2015 | 3,900 | | | | 3,900 | | | | | | | 3,900 |
| Replacement of Bunker Suits Lifecycle- 2020 | 4,300 | | | | | | | | | 4,300 | | 4,300 |
| Replacement of Defibrillators Lifecycle | 1,000 | | | | | 1,000 | | | | | | 1,000 |
| Air Compressor Trailer | 100 | 100 | | | | | | | | | | 100 |
| Replacement of HUSAR Equipment | 1,600 | | | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 1,600 |
| Replacement of HUSAR -2012/2013 | 400 | 200 | 200 | | | | | | | | | 400 |
| Training Simulators Rehabilitation | 900 | | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 900 |
| Emergency Phone System Replacement | 1,000 | | | 1,000 | | | | | | | | 1,000 |
| Sub-Total | 24,024 | 543 | 5,881 | 1,300 | 4,200 | 1,300 | 5,300 | 300 | 300 | 4,600 | 300 | 24,024 |
| Service Improvements | | | | | | | | | | | | |
| Chaplin Fire Station (Station 135) | 4,934 | 1,556 | 927 | | | | | | | | | 2,483 |
| Fire Prevention - South District Consolidations | 500 | | | | | | 500 | | | | | 500 |
| Sub-Total | 5,434 | 1,556 | 927 | 0 | 0 | 0 | 500 | 0 | 0 | 0 | 0 | 2,983 |
| Growth Related | | | | | | | | | | | | |
| Station B (Stn. 144) - Keele St. | 9,885 | 4,250 | 536 | 5,099 | | | | | | | | 9,885 |
| Station A (Stn. 414) - Hwy 27 and Rexdale | 7,242 | | | 1,910 | 507 | 4,825 | | | | | | 7,242 |
| Station G(New Station 124) - Sunnybrook | 5,702 | | | | | | | | | 5,701 | 582 | 6,283 |
| Station D (New Station 221) - Eglinton And Midland | 7,391 | 76 | 976 | | | | | | | | | 1,052 |
| Sub-Total | 30,220 | 4,326 | 1,512 | 7,009 | 507 | 4,825 | 0 | 0 | 0 | 5,701 | 582 | 24,462 |
| Total | 59,678 | 6,425 | 8,320 | 8,309 | 4,707 | 6,125 | 5,800 | 300 | 300 | 10,301 | 882 | 51,469 |

Major Capital Initiatives

The 10–Year Recommended Capital Plan for Fire Services is mainly composed of Growth related projects for the construction of new fire stations; State of Good Repair projects that ensure ongoing asset replacement; Health & Safety and Legislated projects for emergency equipment replacement and on–going asset refurbishment. As strategic priorities, the construction of facilities has been prioritized and included in the 10–Year Recommended Capital Plan in order to make progress on the Master Fire plan as approved by City Council in 2007.

State of Good Repair (SOGR), Health & Safety, & Legislated

- Several projects are recommended for the planned lifecycle replacement of key firefighting equipment. The 10–Year Recommended Capital Plan includes funding of \$13.8 million for the Replacement of HUSAR Equipment (\$2.0 million, 75% federal funding), the Replacement of Breathing Apparatus for firefighters (\$5.8 million), the Replacement of Cardiac Defibrillators carried on fire trucks (\$1.0 million) and a future provision for the Replacement of Portable Radios (\$5.0 million).
 - The original radios are currently being acquired as part of the Radio Communication System Replacement corporate project. Also included are the future year projects for Replacement of Bunker Suits (total \$8.2 million). This will replace bunker suits purchased in 2011/2012.

Service Improvements

Chaplin Station Project

- This urgent project was added in 2011 for the rebuild of an existing facility on existing land in the same area. The existing facility was condemned due to structural problems with the garage floor which could not support the weight of fire trucks. This project will ensure emergency response time and services for the area are maintained. Construction is to begin by July 2012 with completion expected by October 2013.

Fire Prevention –South District Consolidations

- This project will consolidate Fire Prevention and Public Education services from South District into one location in 2017. Funding of \$0.500 million will be used to rehabilitate an existing Fire Services location and reflects the cost for consolidating 60 Fire prevention staff in one mid–city location. Staff deployment issues require site consolidation for more effective coverage by Fire Prevention staff doing site visits and inspections across South district. The consolidation of locations was an audit recommendation. Work scheduling and prioritizing is expected to improve performance as a result.

Growth Related

Station D at Midland & Eglinton:

- This new station is required to improve emergency response times in the Scarborough area. Land acquisition occurred in December 2010. The tender for construction will be issued in December 2011, with a purchase order expected to be issued in March 2012 and construction to begin in April 2012 for completion in 2013.

Stations A, B and G

- Cash flows for these projects were initially projected in the Master Fire Plan 2007. The recommended funding in this 10-year Capital Plan is consistent with the Master Fire Plan and the Development Charges Background Study and can be accommodated within existing annual debt targets.
 - Station A near new housing at Woodbine Racetrack at Hwy 27 and Rexdale will be complete in 2016; discussions are underway with the developer in the area regarding land acquisition.
 - Station B on Keele St. between Sheppard and Wilson Avenue is planned to be completed in 2014. Land acquisition is dependent on discussions with the area developer.
 - Station G at Sunnybrook Hospital is planned to be completed beyond the 10 year planning horizon in 2022. The total project cost of Station G is estimated to be \$11.821 million with land acquisition planned in 2020 for \$5.7 million.
- Exhibition Place Station
 - The rehabilitation of Exhibition Place Fire Station was approved in 2011 as a growth related project in order to better manage emergency response times in the King Street West area. The total project cost of Exhibition Place Station is estimated to be \$1 million with \$0.2 million to be spent in 2011 and \$0.8 million to be carried forward from 2011 into 2012.

State of Good Repair (SOGR) Backlog

The Fire Services' 10-Year Recommended Plan does not account for SOGR backlog of Fire facilities as all Asset Management projects for Fire Services' existing stations and buildings were moved to the corporate Facilities Management portfolio in 2010.

10–Year Capital Plan: Operating Impact Summary
(In \$000s)

| | 2012 Rec. Budget | 2013 Plan | 2014 Plan | 2015 Plan | 2016 Plan | 2017 Plan | 2018 Plan | 2019 Plan | 2020 Plan | 2021 Plan | 2012- 2021 Total |
|---|------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------------------|
| 2012 Recommended Capital Budget | | | | | | | | | | | |
| Program Net | 67.5 | 105.0 | (32.5) | 85.0 | (50.0) | | | | | | 175.0 |
| Approved Positions | | | | | | | | | | | |
| Recommended 10-Year Capital Plan | | | | | | | | | | | |
| Program Net | | | | 99.0 | | 85.0 | (50.0) | | | | 134.0 |
| Approved Positions | | | | 1.0 | | | | | | | 1.0 |
| Total | | | | | | | | | | | |
| Program Net | 67.5 | 105.0 | (32.5) | 184.0 | (50.0) | 85.0 | (50.0) | | | | 309.0 |
| Approved Positions | | | | 1.0 | | | | | | | 1.0 |

The 10–Year Recommended Capital Plan will increase future year Operating Budgets by a total of \$0.309 million net over the 2012–2021 period. Approved positions will increase by 1 over the 10 years. Approval of the 2012 Recommended Capital Budget will result in an operating budget increase of \$0.175 million by 2016. This is comprised of costs to maintain:

- *Communications Disaster Recovery & CAD2CAD Interface*: The \$0.030 impact in 2012 is the estimated cost of software annual maintenance;
- *Exhibition Place Station*: The \$0.038 million impact in 2012 and 2013 is the estimated annual costs for building utilities as a result of leasing the site as a year–round operational fire station.
- *Station D (New Station 221)–Eglinton and Midland*: The \$0.068 million impact in 2013 is the estimated first year maintenance costs following completion of this project. This will be reduced by \$0.033 million to an ongoing \$0.035 million operating cost beginning in 2014.
- *Station B – (Keele St)*: The \$0.085 million impact in 2015 is the estimated cost for first year maintenance costs after completion of this project. This will be reduced by \$0.050 million to an ongoing \$0.035 million operating cost beginning in 2016.

Approval of the 2013–2021 Recommended Capital Plan will result in an additional operating budget increase of \$0.134 million by 2018. This is driven by:

- *Station A – (Hwy 27/Rexdale)*: The \$0.085 million impact in 2017 is the estimated cost for first year maintenance costs after completion of this project. This will be reduced by \$0.050 million to an ongoing \$0.035 million operating cost beginning in 2018.
- *Emergency Phone System Replacement*: The \$0.099 million in 2015 is for 1 permanent staff to manage the new IP based 911 system.

The detailed operating impact by project is as follows:

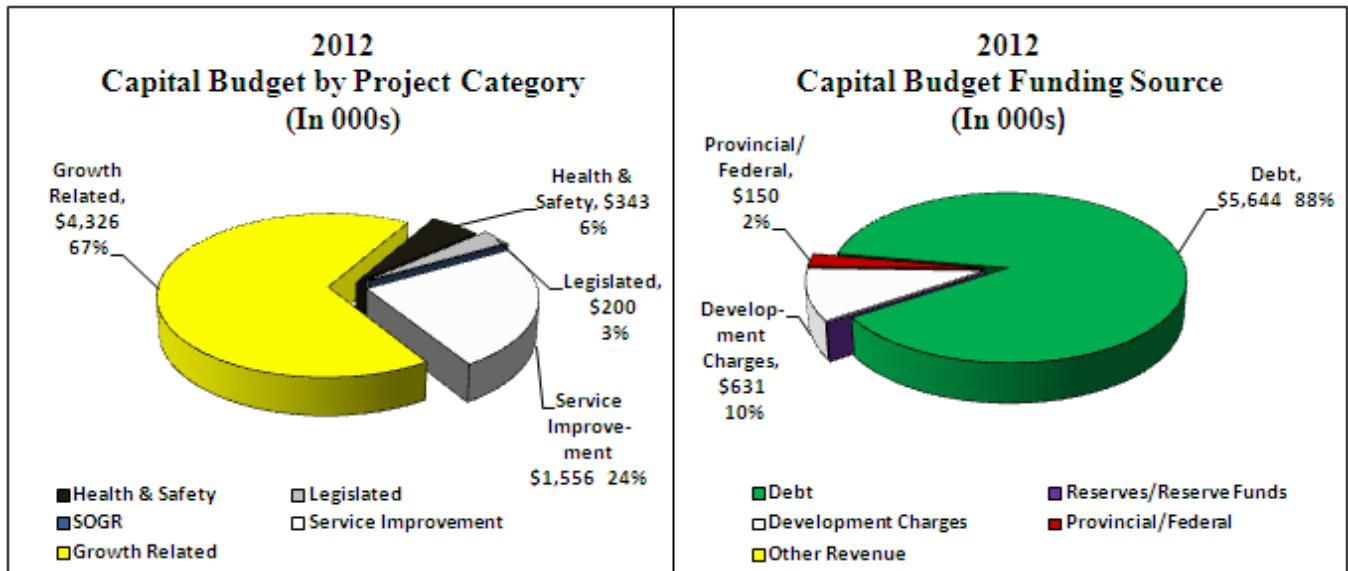
| Sub-Project | 2012 Rec. Budget | 2013 Plan | 2014 Plan | 2015 Plan | 2016 Plan | 2017 Plan | 2018 Plan | 2019 Plan | 2020 Plan | 2021 Plan | 2012- 2021 |
|--|------------------------|--------------|---------------|--------------|---------------|--------------|---------------|--------------|--------------|--------------|---------------|
| Construction of Station D (221) | | 67.5 | (32.5) | | | | | | | | 35.0 |
| Emergency Phone System Replacement | | | | 99.0 | | | | | | | 99.0 |
| Station A (Stn 414) - Hwy 27 and Rexdale | | | | | | 85.0 | (50.0) | | | | 35.0 |
| Station B (Stn 144)-Keele St | | | | 85.0 | (50.0) | | | | | | 35.0 |
| Communications Disaster Recovery | 15.0 | | | | | | | | | | 15.0 |
| CAD2CAD | 15.0 | | | | | | | | | | 15.0 |
| Exhibition Place Fire Station | 37.5 | 37.5 | | | | | | | | | 75.0 |
| Total | 67.5 | 105.0 | (32.5) | 184.0 | (50.0) | 85.0 | (50.0) | | | | 309.0 |

Capital Project Delivery, Temporary Positions

Fire Services has no temporary positions dedicated to capital project delivery.

PART III – 2012 RECOMMENDED CAPITAL BUDGET

2012 Capital Budget by Project Category and Funding Source



The 2012 Recommended Capital Budget requires 2012 funding of \$6.425 million for:

- Legislated projects that account for 3% of the total planned cash flow for 2012 at \$0.2 million, 6% or \$0.343 million for Health & Safety projects, 24% or \$1.556 million for Service Improvement and 67% or \$4.326 million for SOGR projects;
- Legislated projects includes the replacement of HUSAR equipment (\$0.2 million);
- Health & Safety projects include the initial estimated costs for breathing apparatus replacement (\$0.243 million) and the acquisition of a mobile air compressor to replenish oxygen tanks (\$0.1 million);
- Service Improvement projects includes the on-going work on the replacement of Chaplin Station (\$1.556 million);
- Growth projects for 2012 include the land acquisition costs for Station B on Keele Street (\$4.3 million) as well as the on-going work on the completion of Station D on Eglinton (\$0.076 million).
- The 2012 Recommended Capital Budget is funded by a combination of debt (88% of the 2012 recommended cash flow funding of \$5.644 million), Development Charges (10% or \$0.631 million) and federal funding (2% or \$0.150 million). The Fire Services City-wide Development Charge Reserve Fund is funding \$0.631 million (17%) of the Station B project (land acquisition) with the balance of \$3.619 million debt funded.

- Debt funding for 2012 of \$5.644 million is \$0.144 million or 2.6% above the debt target of \$5.5 million due to project requirements in 2012. Over the period 2012 to 2016, the total recommended debt for Fire Services is under the target by 0.6% or \$0.140 million.

2012 Recommended Cash Flow & Future Year Commitments (In \$000s)

| | 2010 & Prior Year Carry Forward | 2012 Previously Approved Cash Flow Commitments | 2012 New Cash Flow Rec'd | 2012 Total Cash Flow Rec'd | 2011 Carry Forwards | Total 2012 Cash Flow (Incl 2010 C/Fwd) | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | Total Cost |
|--------------------------|---------------------------------|--|--------------------------|----------------------------|---------------------|--|-------|-------|------|------|------|------|------|------|------|------------|
| Expenditures | | | | | | | | | | | | | | | | |
| Previously Approved | | 1,632 | | 1,632 | 6,705 | 8,337 | 1,903 | | | | | | | | | 10,240 |
| Change in Scope | | | | | | | | | | | | | | | | |
| New | | | 100 | 100 | | 100 | | | | | | | | | | 100 |
| New w/Future Year | | | 4,693 | 4,693 | | 4,693 | 6,317 | 5,099 | | | | | | | | 16,109 |
| Total Expenditure | | 1,632 | 4,793 | 6,425 | 6,705 | 13,130 | 8,220 | 5,099 | | | | | | | | 26,449 |
| Financing | | | | | | | | | | | | | | | | |
| Debt | | 1,632 | 4,012 | 5,644 | 3,081 | 8,725 | 7,992 | 4,449 | | | | | | | | 21,166 |
| Other | | | | | | | | | | | | | | | | |
| Reserves/Res Funds | | | | | 369 | 369 | | | | | | | | | | 369 |
| Development Charges | | | 631 | 631 | 3,255 | 3,886 | 78 | 650 | | | | | | | | 4,614 |
| ISF | | | | | | | | | | | | | | | | |
| Provincial/Federal | | | 150 | 150 | | 150 | 150 | | | | | | | | | 300 |
| Total Financing | | 1,632 | 4,793 | 6,425 | 6,705 | 13,130 | 8,220 | 5,099 | | | | | | | | 26,449 |

*Please refer to Appendix 4 for detailed project listings.

Fire Services' 2012 Recommended Capital Budget is \$13.130 million which provides \$6.705 million in cash flow funding carried forward funding from 2011 projects not completed, \$1.632 million for previously approved projects underway and \$4.793 million for new projects.

- Previously approved projects require cash flow funding of \$1.632 million in 2012 for Station D (\$0.076 million) and Chaplin Station (\$1.556 million).
- New projects require cash flow funding of \$4.793 million in 2012 for Station B (\$4.250 million), Self-Contained Breathing Apparatus (\$0.243 million), HUSAR equipment replacement (\$0.2 million) as well as the acquisition of an Air Compressor Trailer (\$0.1 million).
- Project funding of \$6.705 million carried forward from 2011 into 2012 includes funding for Station D (\$3.754 million), Chaplin Station (\$2.151 million) and Exhibition Place Station (\$0.800 million).
- Approval of the 2012 Recommended Capital Budget of \$13.130 million will result in future year commitments of \$8.220 million in 2013 and \$5.099 million in 2014.
 - Multi-year funding is required for the completion of Station B, Self-Contained Breathing Apparatus and additional HUSAR equipment replacement projects.

- For 2012, including funding carried forward from previous years, projects are funded by federal subsidy of \$0.150 million (1.1%), reserve funding of \$0.369 million (2.8%), Development Charges of \$3.886 million (29.6%) and debt of \$8.725 million (66.5%).
 - The reserve funding is carried forward in the Capital Financing Reserve Fund for the completion of Station D (Eglinton/Midland).

2012 Recommended Capital Project Highlights

2012 Recommended Capital Projects (In \$000s)

| Project | Total Project Cost | 2012 | 2013 | 2014 | 2015 | 2016 | 2012 - 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2012 - 2021 |
|--|--------------------|---------------|--------------|--------------|------|------|---------------|------|------|------|------|------|---------------|
| Station D (New Station 221) - Eglinton / Midland | 7391 | 3,830 | 976 | | | | 4,806 | | | | | | 4,806 |
| Chaplin Fire Station (Station 135) | 4934 | 3,707 | 927 | | | | 4,634 | | | | | | 4,634 |
| Rehabilitation of Exhibition Place Fire Station | 1000 | 800 | | | | | 800 | | | | | | 800 |
| Replacement of HUSAR -2012/2013 | 400 | 200 | 200 | | | | 400 | | | | | | 400 |
| Station B (Stn. 144) - Keele St. | 9885 | 4,250 | 536 | 5,099 | | | 9,885 | | | | | | 9,885 |
| Replacement of Breathing Apparatus | 5824 | 243 | 5,581 | | | | 5,824 | | | | | | 5,824 |
| Air Compressor Trailer | 100 | 100 | | | | | 100 | | | | | | 100 |
| Total (including carry forward) | 29,534 | 13,130 | 8,220 | 5,099 | | | 26,449 | | | | | | 26,449 |

The 2012 Recommended Capital Budget provides funding of \$26.449 million to:

- Complete the construction of Station D in 2013 (\$4.806 million);
- Complete the construction of Chaplin Station in 2013 (\$4.634 million);
- Complete the Rehabilitation of Exhibition Place Fire Station in 2012 (\$0.8 million);
- Continue Replacement of HUSAR Equipment in 2012/2013 (\$0.4 million);
- Begin the construction of Station B on Keele St. (\$9.885 million);
- Begin the Replacement of Breathing Apparatus for firefighters (\$5.824 million);
- Acquire a new Air Compressor Trailer to enable on-scene refilling of oxygen tanks (\$0.1 million);

PART IV: ISSUES FOR DISCUSSION

2012 Issues

Fire Station Construction

- The construction of Fire Stations to improve service and address growth has been planned as recommended in the approved Master Fire Plan (2007) in order to optimize available resources and minimize response times in districts that are in the proximity of these facilities. The recommended cash flow funding estimates represent the optimal balance between the Master Fire Plan, current opportunities and debt affordability.
- The approved cash flows for 2011 included provision for the construction of Station D (\$3.638 million mainly in debt funding) and Chaplin Station (\$2.865 million in debt funding). Both these projects were partially deferred to 2012 for completion due to debt affordability. Based on the latest post-submission information, the construction of Station D and Chaplin Station will now be on-going into 2013. Construction of Station D is estimated to begin in April 2012 and Chaplin Station is estimated to begin in July 2012. With an average 260-day construction phase, Chaplin Station is now expected to be complete in October 2013 and Station D is projected to be complete in June 2013. Fire Services has revised cash flow funding for Station D and Chaplin Station including estimated funding to be carried forward into 2012 and the cash flow funding required for 2013 to reflect the current projected dates of completion.
- Project phasing has also been revised for fire station projects to reflect the acquisition of land in the first year of the standard 3-year project. The second year is budgeted for design and planning with construction occurring in the last year. This sequence has been applied to Station A, B and G in the 10-Year Recommended Capital Plan.

911 System Project

- The 2011 Approved Capital Budget included communication systems project funding totaling \$0.950 million to be funded by debt for the Emergency Phone System Upgrade (\$0.300 million) which is proceeding as planned and is the first step to improving this essential 911 system. The second phase of this project is recommended to be deferred to 2014 based on a review of Fire Services' readiness to proceed. This project which will allow movement to a new internet protocol (IP) based platform is estimated to be \$1 million.

Future Year Issues

Master Fire Plan 2007

City Council on June 19, 20 and 22, 2007, adopted the following recommendations:

1. The Toronto Fire Services Fire Master Plan 2007 document be adopted as the guiding principles for the development of the Service over the next five years.
2. Funding for implementation of the Master Fire Plan recommendations be addressed as part of the TFS annual Operating and Capital budget submissions.

The Council approved Master Fire Plan included a Fire Station Development Plan that addresses future fire station needs for the period 2008–2017. These operational needs are based on future growth projections. The Master Fire Plan has resulted in a confirmation of the future station requirements and identifies the years they are required based on current call volumes, population and growth statistics. Current road response times average 4 minutes, 51 seconds. In accordance with NFPA (National Fire Protection Association) standard 1710, the goal is to reduce emergency response times and achieve a four minute road response 90% of the time. This goal will be achieved by effectively distributing resources through these new stations.

Table 1 shows the stations as specified in the Master Fire Plan 2007. There are also new developments in the City which will require additional stations in areas such as the Portlands which is estimated at \$5.074 million and envisioned for 2017 but is not been recommended in Fire Services 2012–2021 Recommended Capital Plan. City Planning will work with Fire Services to help identify these areas and the timing for when these stations are required.

Table 1: Original Master Fire Plan

| Project (\$000s) | 2008 | 2009 | 2010 | 2011 | 2012 | Total 5 Yr Program | 2013-2017 |
|---|--------------|--------------|--------------|--------------|--------------|--------------------|---------------|
| New Station Development | | | | | | | |
| Station D (New Station 221) (Eglinton Ave & Midland Ave) | 3,299 | 1,745 | | | | 5,043 | |
| Station G (New Station 124) - Sunnybrook | | 4,352 | 1,635 | | | 5,988 | |
| Station B (New Station 144) (Keele St between Sheppard/Wilson) | | | 3,798 | 1,913 | | 5,710 | |
| Station A (New Station 414) (Hwy 27 & Rexdale Blvd) | | | | 2,042 | 1,811 | 3,853 | |
| Chaplin Fire and Ambulance Station (Station 135) | | | | | 2,171 | 2,171 | 2,904 |
| Co-location Stations 323 & 324 (Pape/Jones) ² | | | | | | | 6,464 |
| Co-location 424 & 425 (Bloor West) ² | | | | | | | 8,025 |
| Station 141 - Relocation for York University/York Region Subway | | | | | | | 7,092 |
| New Station - (King Street between Dufferin & Bathurst) | | | | | | | 7,438 |
| Total New Station Development | 3,299 | 6,097 | 5,433 | 3,955 | 3,982 | 22,766 | 31,923 |

Table 2 illustrates the current plan for fire station construction on a priority basis. The period 2012 to 2020 includes three stations: Station A, Station B and Station G. Chaplin Fire Station had been advanced to 2011 as the original site had been condemned in 2010 due to structural issues with the main floor. Each station is eligible for up to 29% funding from development charges as prescribed in the 2009 Development Charge Bylaw.

Table 2: Current Master Fire Plan for Station Builds

| STATION (\$000s) | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | TOTAL 2012- 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | TOTAL 2012- 2026 |
|----------------------|--------------|--------------|--------------|------------|--------------|------|------|------|--------------|------------|------------------------|--------------|------|------|------|------|------------------------|
| Station D-Eglinton | 76 | 976 | | | | | | | | | 1,052 | | | | | | 1,052 |
| Station A-Rexdale | | | 1,910 | 507 | 4,825 | | | | | | 7,242 | | | | | | 7,242 |
| Station B-Keele St | 4,250 | 536 | 5,099 | | | | | | | | 9,885 | | | | | | 9,885 |
| Station G-Sunnybrook | | | | | | | | | 5,701 | 582 | 6,283 | 5,538 | | | | | 11,821 |
| Chaplin Fire Station | 1,556 | 927 | | | | | | | | | 2,483 | | | | | | 2,483 |
| Total | 5,882 | 2,439 | 7,009 | 507 | 4,825 | | | | 5,701 | 582 | 26,945 | 5,538 | | | | | 32,483 |

Each project has been phased as necessary, with distinct land acquisition, design and construction phases set out to occur over three years. The build sequence has been adjusted to reflect land acquisition, design and construction phases in three consecutive years. For example, Station G –Sunnybrook project would be planned to start the land acquisition phase in 2020.

Radio Communication System Replacement

- The Radio Communication System Replacement project is a corporate initiative involving three Programs: Fire Services, Police Services and Emergency Medical Services and does not reside in any one of these Programs' Capital Plans. This project represents a unique and effective partnership among the City's three emergency services. It also represents a significant expenditure for the City. For both these reasons the proper oversight and involvement from the City Manager's Office, Finance and Internal Audit has been established. The Steering Committee for the Radio Communication System Replacement project consists of Deputy Chiefs from the 3 Services and has been formed in consultation with the City Manager's Office.
- In the 2008 Capital Budget it was approved that the Steering Committee report to Budget Committee on an annual basis starting in July 2008 to update the status of the project including project management costs and infrastructure issues, the last report dated January 7, 2011 was submitted to Budget Committee on January 12, 2011.
- This project will be fully funded by debt at a total cost of \$70.0 million for the replacement of the joint radio communication system infrastructure. As confirmed by

a consultant's study and Motorola, the current equipment and system infrastructure will be unsupported and in need of replacement by 2011.

- A report from the Fire Chief to Budget Committee dated September 19, 2008 provided a status on this project and advised that due to new radio frequency spectrum regulatory issues that have an impact on the system design, the timelines of the subsequent project phases will be delayed by one year. Further impact from preparations for the G20/G8 Conference in June 2010 has delayed the project completion to 2014. The deferral does not present additional risk to the radio infrastructure and do not impact the overall success of the project. Every necessary step is being taken to ensure that the vendor continues to support the existing system into 2014.

Expenditure Plan

- There is no change to the total capital funds required for the project beyond what has already been approved in the 2011 Capital Budget and 2012–2020 Capital Plan. The project cost is consistent with last year's plan with a planned completion in 2014. The total project cost is budgeted at \$70 million, with the majority of the funds required between 2012 and 2014 (\$34.562 million in 2012, \$24.192 million in 2013 and \$10.368 million in 2014). In the approved 2011 to 2020 Capital Plan the project was to be completed in 2013. Due to delay in the issuing of an RFP, the estimated completion date is now 2014.
 - In 2007, \$0.027 million was spent for consulting and educational/training initiatives. The consulting firm of Lapp–Hancock was retained and worked with the three public safety services to develop a Governance Agreement. Funds were also spent on training/educational initiatives related to the technical subcommittee in order to enhance knowledge of the current industry standards. \$0.223 million in remaining funds were carried forward into 2008 and added to the \$0.250 million already approved for that year.
 - Costs for 2008 included a Project Manager who was expected to be hired in the last quarter of 2008 for an estimated cost of \$24,000. The Technical Subcommittee, with the approval of the Steering Committee, initiated procurement activities for the acquisition of specialized testing equipment estimated at \$130,000 and support tools (propagation modeling, standards, asset management) estimated at \$230,000. An additional \$80,000 is estimated for travel and registration costs related to training and testing activities for the Technical Subcommittee members.

- For 2009, an estimated \$250,000 was recommended to fund the detailed design of the system including project management services, detailed coverage analysis, and release of an RFP. This amount was carried forward to 2010.
- In 2010, project management was contracted-out with an RFEOI released in August 2010. The G20 summit event in June 2010 required key Project resources from all three services (Police, Fire, and EMS) for over six months, seriously delaying the project. The RFEOI gauged market reaction to the G20 event. The RFEOI included Commercial in Confidence Meetings (CICM) with respondents that requested such a meeting. Results from the RFEOI & CICM's established that there was a high level of continued vendor interest in the Project and to participate in a Request for Proposal notwithstanding the sole sourced G20 Summit Event.
- The G20 event created an urgent need to substantially increase radio communications capabilities in a manner that interfaced transparently with the current radio system. This resulted in a separately funded expenditure for radio system infrastructure via sole source procurement with the incumbent system supplier and created a requirement to review the procurement strategy for the corporate Radio Communications System Replacement Project. The G20 initiative replaced some of the most vulnerable core equipment so that the risk of legacy equipment failure prior to new system implementation in 2014 has been reduced.
- The RFP was released in June 2011. Submissions from vendors are currently being evaluated with an award expected by year-end 2011. Ongoing project management and site connectivity with terrestrial fibre-optic cabling is expected to proceed as planned in 2012. Due to the delay in issuing the RFP, the estimated completion date is now 2014. As a result, \$27.9 million is being carried forward from 2010 to 2012.
- This radio infrastructure project includes costing for the replacement of Fire mobile (in-vehicle) radios and a contingency for Fire handheld radios. This is estimated to be \$7 million and also includes upgrade costs for existing radios from all three agencies. However there are also replacement and/or additional radios budgeted within the Police and Emergency Medical Services Capital Budgets. These radios are currently being purchased as required. The Steering Committee determined that Fire Services will utilize the provision within the radio infrastructure project to purchase replacement portable radios. As a result, Fire Services' project for the annual Replacement of Portables Radios was deferred to 2017 for \$5.0 million when the normal life-cycle replacement will occur.

Appendix 1

2011 Performance

2011 Key Accomplishments

- ✓ Completed the Replacement of Bunker Suits project – \$5.0 million (carry forward from 2010); the project was fully funded by a rotating loan from the Capital Financing Reserve repaid over a five year period from an annual debt repayment provision included in the approved Operating Budget. This is a 5-year lifecycle replacement project for 2,800 firefighter bunker suits where the contract calls for the initial order of 2,800 bunker suits plus up to 200 bunker suits per year over 5 years (funded through the operating budget) for new recruits and suits damaged beyond repair. The actual capital cost of \$2.849 million for the awarded contract was lower than the approved budget of \$5 million.
- ✓ Completed the Replacement of HUSAR Equipment; the \$0.236 million carry forward provided for the continuous replacement of depleted stock and supplementary equipment required by Fire's HUSAR team; the project is subsidized at a rate of 75% by the Federal government's JEPP program.
- ✓ Completed the Business Intelligence project for \$0.500 million that will create a system for statistical analysis of data from Fire's dispatch/communications systems enabling the establishment of performance metrics that will facilitate the continuous improvement essential to achieving compliance with NFPA standards.
- ✓ Continued the Training Simulators project for the rehabilitation of the East Tower burn house simulator to address the accelerated deterioration that the building is subject to by the live-fire training regimen for firefighters. The repairs were not as extensive as those previously required at the West Burn House site, thereby allowing necessary funds of \$0.175 million to be transferred to the TFS Payroll Time Entry project.
- ✓ Began the construction phase of Station D (#221) at Eglinton & Midland, a \$7.391 million project with a three year timeframe. This new station is required to improve emergency response times in the Scarborough area. The project was delayed by a year pending the acquisition of a suitable site for the station. The land acquisition negotiations were completed in December, 2010. The tender for construction will be issued in November 2011 and construction to begin in April 2012. Completion date is estimated to be in June 2013.
- ✓ Began the rehabilitation of Exhibition Place Station (Stn 346) – \$1.0 million; the project was added to the program to provide improved service in the King Street area between

Bathurst and Dufferin Street as identified in the Master Fire Plan. Construction should start in December of 2011 with a completion date in September of 2012.

- ✓ Began the replacement of Chaplin Station, which has a 2011 cash flow of \$2.451 million (total cost \$4.934 million). The current Station 135 was evacuated in July 2010, as a result of an engineering assessment that indicated that the apparatus bay floor could not support the vehicle weight. The new building site is situated on City owned land in the area. The contract was awarded and work has begun on the design and tender document with construction to begin by July 2012. Project completion is anticipated for October 2013.
- ✓ Continued work on the Radio Communications System Replacement corporate project with a total project cost of approximately \$70 million; the year-end expenditures are expected to be \$0.273 million. The Project RFP closed and evaluations of submissions began in September 2011. Financial envelopes of the submissions should be opened before year-end 2011 and contract award recommendations should be completed prior to year-end. Spending is mainly for a fairness consultant to oversee procurement and work on release of a Request for Expression of Interest (RFEOI) and the RFP.

2011 Capital Variance Review

2011 Budget to Actuals Comparison – Total Gross Expenditures

(In \$000s)

| 2011 Approved | Actuals as of September 30th (3rd Qtr Variance) | | Projected Actuals at Year End | | Unspent Balance | |
|---------------|--|---------|-------------------------------|---------|-----------------|-----------|
| | \$ | % Spent | \$ | % Spent | \$ | % Unspent |
| 15,546 | 2,993 | 19.3% | 5,174 | 33.3% | 10,372 | 66.7% |

- The Toronto Fire Services' capital expenditures for the period ended September 30, 2011 totaled \$2.993 million or 19.3% of the 2011 Approved Capital Budget of \$15.546 million. Fire Services is projecting year-end spending of \$5.174 million or 33% of the 2011 Approved Capital Budget. The under spending is noted below:
- The new Station D project that will improve in emergency response times in the Scarborough area has a 2011 approved cash flow funding of \$4.3 million which was \$0.08 million or 1.7% spent as of September 30th. The land acquisition occurred in December 2010 and the construction contract is projected to be awarded in March 2012. As a result, \$0.4 million is projected to be spent in 2011 on planning and design with the balance of \$3.9 million to be carried forward into 2012.

- The Replacement of Chaplin Fire Station #135 due to structural problems with the main floor has a 2011 approved cash flow funding of \$2.5 million which has \$0.01 million or 0.3% spent as of September 30th. Work has begun on the design and tender document with construction to begin by July 2012 and completion expected by October 2013. The construction contract is projected to be awarded in June 2012. Due to planning delays between Corporate Facilities and Real Estate and Fire Services, \$0.3 million is projected to be spent in 2011 with the balance of \$2.2 million to be carried forward into 2012.
- The Rehabilitation of Exhibition Place Station project (Station #346) with a 2011 approved cash flow of \$1 million had no spending as of September 30th. Projected spending by year end is expected to be \$0.2 million for design work only. The delay in 2011 is due to planning and procurement delays. In addition, the lease of the building from the CNE has been referred by Executive Committee to the Budget Committee to clarify staffing and equipment issues. The construction contract is projected to be awarded in January 2012. As a result, \$0.8 million will be carried forward into 2012.
- The Bunker Suits Lifecycle Replacement project has 2011 approved cash flow funding of \$5 million of which \$2.7 million was spent as of September 30th. The contract award for 2800 bunker suits is valued at \$2.9 million and as a result, this project will be under-spent by \$2.2 million or 43% when the project is 100% complete at year-end.
- The Communications Disaster Recovery Improvements project and the CAD2CAD Interfaces project have 2011 approved cash flow funding of \$0.500 million and \$0.150 million respectively and had no spending as of September 30th. The Communications Disaster Recovery project will allow the transition of emergency communications from the primary centre at 4330 Dufferin to the backup centre at 703 Don Mills. The CAD Interfaces project will enable automatic input of call requests directly into CAD, similar to the EMS interface; a requirement driven by the Tiered Response Committee. Spending in these projects will be deferred to 2012 because of a delay in the CAD (Computer Aided Dispatch) system upgrade on which the projects depend. As of September 2011, the CAD release version has been changed and is undergoing testing. All funding will be carried forward from 2011 into 2012.
- The amount of funding to be carried forward from 2011 to 2012 will be updated and reported with the 1st Quarter Capital Variance Report in 2012.

Radio Communication System Replacement: capital expenditures are not included in the table above as this is a corporate initiative.

- For the period ended September 30, 2011, the project spent \$0.178 million or 0.6% of the 2011 Approved Capital Budget of \$28.058 million. Spending was mainly for the professional services of a fairness consultant and project manager to oversee procurement and development of the RFP.

- The 2011 year–end projected actual spending is \$0.273 million with unspent funding in 2011 to be carry forward into 2012 of \$27.785 million. Submissions from vendors are currently being evaluated with an award expected by year–end.
- Project completion is expected in 2014 for a total project cost of \$70 million.

Appendix 2

10 – Year Recommended Capital Plan Project Summary

| Project (\$000s) | Total Project Cost | 2012 | 2013 | 2014 | 2015 | 2016 | 2012 - 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2012 - 2021 |
|--|--------------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|------------|------------|---------------|------------|---------------|
| Replacement of Portable Radios | 5,000 | | | | | | | 5,000 | | | | | 5,000 |
| Replacement of Breathing Apparatus | 5,824 | 243 | 5,581 | | | | 5,824 | | | | | | 5,824 |
| Replacement of Bunker Suits Lifecycle - 2015 | 3,900 | | | | 3,900 | | 3,900 | | | | | | 3,900 |
| Replacement of Bunker Suits Lifecycle- 2020 | 4,300 | | | | | | | | | | 4,300 | | 4,300 |
| Replacement of Defibrillators Lifecycle | 1,000 | | | | | 1,000 | 1,000 | | | | | | 1,000 |
| Air Compressor Trailer | 100 | 100 | | | | | 100 | | | | | | 100 |
| Replacement of HUSAR Equipment | 1,600 | | | 200 | 200 | 200 | 600 | 200 | 200 | 200 | 200 | 200 | 1,600 |
| Replacement of HUSAR -2012/2013 | 400 | 200 | 200 | | | | 400 | | | | | | 400 |
| Training Simulators Rehabilitation | 900 | | 100 | 100 | 100 | 100 | 400 | 100 | 100 | 100 | 100 | 100 | 900 |
| Emergency Phone System Replacement | 1,000 | | | 1,000 | | | 1,000 | | | | | | 1,000 |
| Chaplin Fire Station (Station 135) | 4,934 | 1,556 | 927 | | | | 2,483 | | | | | | 2,483 |
| Fire Prevention - South District Consolidations | 500 | | | | | | | 500 | | | | | 500 |
| Station B (Stn. 144) - Keele St. | 9,885 | 4,250 | 536 | 5,099 | | | 9,885 | | | | | | 9,885 |
| Station A (Stn. 414) - Hwy 27 and Rexdale | 7,242 | | | 1,910 | 507 | 4,825 | 7,242 | | | | | | 7,242 |
| Station G (New Station 124) - Sunnybrook | 11,821 | | | | | | | | | | 5,701 | 582 | 6,283 |
| Station D (New Station 221) - Eglinton And Midland | 7,391 | 76 | 976 | | | | 1,052 | | | | | | 1,052 |
| Total | 65,797 | 6,425 | 8,320 | 8,309 | 4,707 | 6,125 | 33,886 | 5,800 | 300 | 300 | 10,301 | 882 | 51,469 |

Note: Does not include 2011 funding carried forward into 2012.

Appendix 3

2012 Recommended Capital Budget; 2013 to 2021 Capital Plan

Appendix 4

2012 Recommended Cash Flow and Future Year Commitments

Appendix 5

2012 Recommended Capital Project with Financing Details

Appendix 6

2012 Reserve / Reserve Fund Review

Reserve/Reserve Fund Review – Program Specific

| Reserve / Reserve Fund Name | Project / SubProject Name and Number | Projected Balance as of | Proposed Cash Flows \$000s | | | | | | | | | | |
|---|--|-------------------------|----------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | | | 2012 Rec. | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2012 - |
| Pre-Amalgamation Development Charges RF | Beginning Balance (Jan. 1) | 624.4 | 624.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 624.4 |
| | Contributions (Estimated DC inflows) | | | | | | | | | | | | - |
| | Station D (Midland & Eglinton) | | (622.0) | | | | | | | | | | (622.0) |
| | | | | | | | | | | | | | - |
| | | | | | | | | | | | | | - |
| | Total Proposed Contributions (Withdrawals) | - | (622.0) | - | - | - | - | - | - | - | - | - | (622.0) |
| TOTAL RESERVE FUND BALANCE AT YEAR-END | | 624.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 |

| Reserve / Reserve Fund Name | Project / SubProject Name and Number | Projected Balance as of December 31, 2011 | Proposed Cash Flows \$000s | | | | | | | | | | |
|---|--|---|----------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------------|
| | | | 2012 Rec. Budget | 2013 Plan | 2014 Plan | 2015 Plan | 2016 Plan | 2017 Plan | 2018 Plan | 2019 Plan | 2020 Plan | 2021 Plan | 2012 - 2021 Total |
| XR2023 Development Charges RF Fire | Beginning Balance (Jan. 1) | 1,203.4 | 1,203.4 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 1,203.4 |
| | Contributions (Estimated DC inflows) | | | | | | | | | | | | - |
| | Station D (Midland & Eglinton) | | (1,199.5) | | | | | | | | | | (1,199.5) |
| | | | | | | | | | | | | | - |
| | | | | | | | | | | | | | - |
| | Total Proposed Contributions (Withdrawals) | - | (1,199.5) | - | - | - | - | - | - | - | - | - | (1,199.5) |
| TOTAL RESERVE FUND BALANCE AT YEAR-END | | 1,203.4 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 |

Appendix 6

2012 Reserve / Reserve Fund Review

Reserve/Reserve Fund Review – Program Specific

| Reserve / Reserve Fund Name | Project / SubProject Name and Number | Projected Balance as of December 31, 2011 | Proposed Cash Flows \$000s | | | | | | | | | | |
|--|--|---|----------------------------|----------------|--------------|----------------|--------------|----------------|----------------|----------------|----------------|----------------|-------------------|
| | | | 2012 Rec. Budget | 2013 Plan | 2014 Plan | 2015 Plan | 2016 Plan | 2017 Plan | 2018 Plan | 2019 Plan | 2020 Plan | 2021 Plan | 2012 - 2021 Total |
| XR2118 Development Charges RF Fire (2009) | Beginning Balance (Jan. 1) | 1,156.3 | 2,082.6 | 637.2 | 1,190.2 | 636.2 | 1,230.2 | 851.2 | 1,561.2 | 2,292.2 | 3,045.2 | 3,821.2 | 1,156.3 |
| | Contributions (Estimated DC inflows) | 926.3 | 619.0 | 631.0 | 650.0 | 669.0 | 689.0 | 710.0 | 731.0 | 753.0 | 776.0 | 799.0 | 7,953.3 |
| | Station D (Midland & Eglinton) | | (1,433.5) | | | | | | | | | | (1,433.5) |
| | Station A (Hwy 27/Rexdale) | | | | (554.0) | (75.0) | (1,068.0) | | | | | | (1,697.0) |
| | Station B (Keele St) | | (631.0) | (78.0) | (650.0) | | | | | | | | (1,359.0) |
| | Station G (Sunnybrook) | | | | | | | | | | | (1,364.2) | (1,364.2) |
| | Total Proposed Contributions (Withdrawals) | 926.3 | (1,445.5) | 553.0 | (554.0) | 594.0 | (379.0) | 710.0 | 731.0 | 753.0 | 776.0 | (565.2) | 2,099.7 |
| TOTAL RESERVE FUND BALANCE AT YEAR-END | | 2,082.6 | 637.2 | 1,190.2 | 636.2 | 1,230.2 | 851.2 | 1,561.2 | 2,292.2 | 3,045.2 | 3,821.2 | 3,256.0 | 3,256.0 |

| Reserve / Reserve Fund Name | Project / SubProject Name and Number | Projected Balance as of December 31, 2011 | Proposed Cash Flows \$000s | | | | | | | | | | |
|--|--------------------------------------|---|----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------------|
| | | | 2012 Rec. Budget | 2013 Plan | 2014 Plan | 2015 Plan | 2016 Plan | 2017 Plan | 2018 Plan | 2019 Plan | 2020 Plan | 2021 Plan | 2012 - 2021 Total |
| XQ1020 Vehicle Reserve Fire Equipment | Beginning Balance (Jan. 1) | 1,269.1 | 2,391.5 | 3,613.9 | 4,836.3 | 6,058.7 | 3,381.1 | 3,603.5 | 2,200.9 | 3,423.3 | 4,645.7 | 1,568.1 | 1,269.1 |
| | Contributions (Operating) | 1,222.4 | 1,222.4 | 1,222.4 | 1,222.4 | 1,222.4 | 1,222.4 | 1,222.4 | 1,222.4 | 1,222.4 | 1,222.4 | 1,222.4 | 13,446.4 |
| | Replacement of Defibrillators | (100.0) | | | | | (1,000.0) | | | | | | (1,100.0) |
| | Replacement of Bunker Suits | | | | | (3,900.0) | | | | | (4,300.0) | | (8,200.0) |
| | Replacement of Portable Radios | | | | | | | (2,625.0) | | | | | (2,625.0) |
| Total Proposed Contributions (Withdrawals) | 1,122.4 | 1,222.4 | 1,222.4 | 1,222.4 | (2,677.6) | 222.4 | (1,402.6) | 1,222.4 | 1,222.4 | (3,077.6) | 1,222.4 | 1,521.4 | |
| XQ1020 Vehicle Reserve Fire Equipment BALANCE AT YEAR-END | | 2,391.5 | 3,613.9 | 4,836.3 | 6,058.7 | 3,381.1 | 3,603.5 | 2,200.9 | 3,423.3 | 4,645.7 | 1,568.1 | 2,790.5 | 2,790.5 |

Appendix 6

2012 Reserve / Reserve Fund Review

Reserve/Reserve Fund Review – Program Specific

| Reserve / Reserve Fund Name | Project / SubProject Name and Number | Projected Balance as of December 31, 2011 | Proposed Cash Flows \$000s | | | | | | | | | | |
|---|---|---|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------|
| | | | 2012 Rec. Budget | 2013 Plan | 2014 Plan | 2015 Plan | 2016 Plan | 2017 Plan | 2018 Plan | 2019 Plan | 2020 Plan | 2021 Plan | 2012 - 2021 Total |
| XQ4205 Fire Svcs Public Education Reserve | Beginning Balance (Jan. 1) | 329.4 | 298.1 | 298.1 | 298.1 | 298.1 | 298.1 | 298.1 | 298.1 | 298.1 | 298.1 | 298.1 | 329.4 |
| | Contributions (Operating) | | | | | | | | | | | | - |
| | Risk Watch Program Initiative-450 packages of educational material.(Operating) | (31.3) | | | | | | | | | | | |
| | Harbourfront - Public Education/Training Centre--Multimedia Programming | | | | | | | | | | | | - |
| | Harbourfront - Public Education/Training Centre--Design and Construction - Future Years | | | | | | | | | | | | - |
| Total Proposed Contributions (Withdrawals) | | - | - | - | - | - | - | - | - | - | - | - | - |
| XQ4205 Fire Svcs Public Education Reserve BALANCE AT Y/E | | 298.1 | 298.1 | 298.1 | 298.1 | 298.1 | 298.1 | 298.1 | 298.1 | 298.1 | 298.1 | 298.1 | 329.4 |

Reserve/Reserve Fund Review – Corporate

| Reserve / Reserve Fund Name | Project / SubProject Name and Number | Projected Balance as of December 31, 2011 | Proposed Cash Flows \$000s | | | | | | | | | | |
|--|--------------------------------------|---|----------------------------|--------------|--------------|--------------|----------------|-----------|-----------|-----------|-----------|-----------|-------------------|
| | | | 2012 Rec. Budget | 2013 Plan | 2014 Plan | 2015 Plan | 2016 Plan | 2017 Plan | 2018 Plan | 2019 Plan | 2020 Plan | 2021 Plan | 2012 - 2021 Total |
| XQ0011 Capital Financing Reserve | Beginning Balance | 124,567.0 | | | | | | | | | | | |
| | Contributions | | | | | | | | | | | | |
| | Station D (Midland & Eglinton) | (412.3) | | | | | | | | | | | |
| | Station A (Hwy 27/Rexdale) | | | | (47.0) | (951.0) | | | | | | | (998.0) |
| | Bunker Suits | (5,000.0) | | | | | | | | | | | |
| | Bunker Suit Pay-back (Operating) | 727.3 | 727.3 | 727.3 | 727.3 | 727.3 | | | | | | | 2,909.0 |
| Other Programs | | | | | | | | | | | | | |
| XQ0011 Capital Financing Reserve BALANCE AT Y/E | | TBD | 727.3 | 727.3 | 680.3 | 727.3 | (951.0) | | | | | | 1,911.0 |