



Toronto 2016 BUDGET

OPERATING BUDGET NOTES



Toronto Fire Services

2016 OPERATING BUDGET OVERVIEW

Toronto Fire Services (TFS) provides City of Toronto residents and businesses with protection against loss of life, property and the environment from the effects of fire, illness, accidents, and all other hazards through preparedness, prevention, public education, and emergency response with an emphasis on quality services, efficiency, effectiveness, and safety.

2016 Budget Highlights

The total cost to deliver these services to Toronto residents is \$433.234 million gross and \$417.905 million net as shown below.

(in \$000's)	2015 Approved		Change	
	Budget	2016 Budget	\$	%
Gross Expenditures	432,888.7	433,233.5	344.9	0.1%
Gross Revenues	17,000.2	15,328.7	(1,671.5)	(9.8%)
Net Expenditures	415,888.5	417,904.9	2,016.4	0.5%

The net pressure of \$2.016 million is due mainly to an increase of \$1.400 million in funding for Workplace Safety Insurance Board (WSIB) claims based on actual experience and known salary and benefit adjustments which have been partially offset by Personnel Expenditure Planning (PEP) savings identified through moving to position-based budgeting.

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Fast Facts

- Toronto Fire Services is currently the largest municipal fire service in Canada with:
 - 83 Fire Stations across Toronto;
 - 370 heavy & light emergency support and training vehicles; and
 - 3,151 full time positions.

Trends

- With the hiring of Fire Prevention and Public Education staff in 2014 and 2015, TFS has been able to prioritize the inspections and education activities for more complex and high-risk buildings, including vulnerable occupancies, high rise buildings and multi-residential buildings.
- Growth, densification and congestion contribute to the volume and complexity of emergency incidents in the City. As a result, multiple specialized trucks and crews are required to respond. On average, the number of vehicles responding to an emergency incident increased by 27% from 1.96 vehicles in 2009 to 2.49 vehicles in 2014.
- The demand for multiple trucks and crew responses is forecasted to grow alongside population growth and density. This has been estimated at 3.4% per year in both 2016 and 2017.

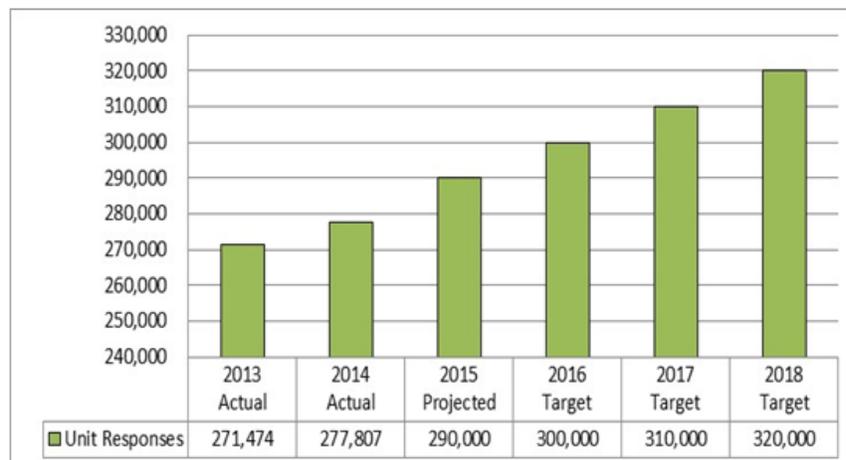
Our Service Deliverables for 2016

Toronto Fire Services is responsible for providing 24-hour emergency response to individuals experiencing injury or illness.

The 2016 Preliminary Operating Budget will:

- Provide 24-hour emergency response for the City of Toronto from 83 fire stations located across the City
- Replace 18 emergency response vehicles in 2016
- Respond to and manage approximately 115,000 emergency incidents resulting in approximately 300,000 vehicle responses
- Respond to and manage 26,000 fire alarms and over 11,000 working fires
- Respond to and manage 53,500 medical emergencies and over 12,900 vehicle incidents and rescues
- Conduct 291 vulnerable occupancy inspections
- Complete 6,603 complaint/ request inspections
- Inspect 330 rooming houses/ multi-residential apartment buildings/vacant buildings
- Conduct 600 Elementary school fire safety presentations
- Conduct 250 fire safety presentations for Seniors

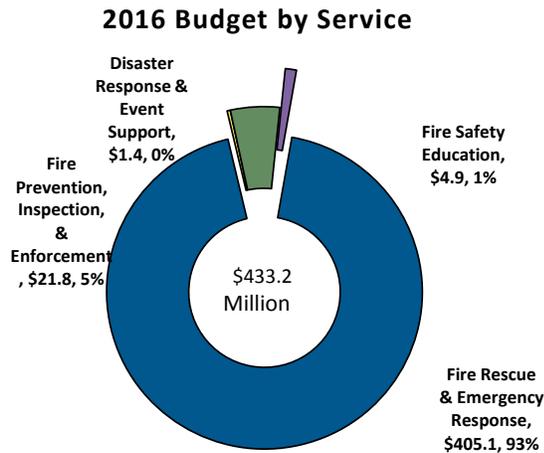
of Frontline Emergency Apparatus Responding to Emergencies Incidents



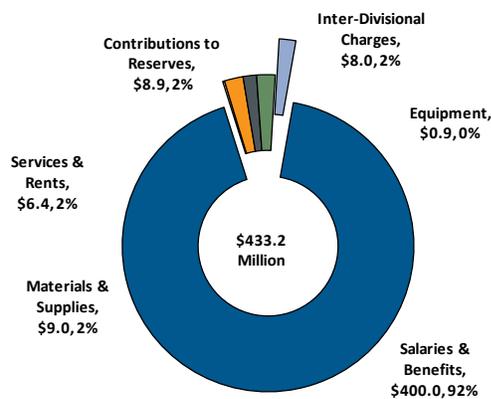
2016 Operating Budget Expenses & Funding

Our Key Issues & Priority Actions

Where the money goes:

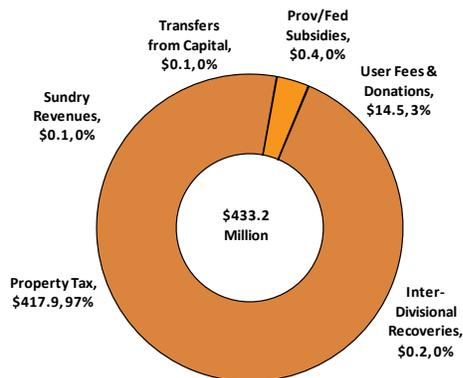


2016 Budget by Expenditure Category



Where the money comes from:

2016 Budget by Funding Source



- **Transition to Fire Underwriters Survey (FUS) insurance grade rating of Class 2** - TFS strategic plan is to focus resources on prevention, public education, inspection to reduce the incidence of fires and other emergencies.

 - ✓ During 2013 - 2015, 65 new fire prevention and public education positions were added.
 - ✓ The transition of FUS rating to "Class 2" will require additional 50 Fire Prevention officers as well as other technological improvements.
 - ✓ The 10-Year Capital Plan includes investment in technology such as dynamic staging/predictive modelling capability that will aid in the deployment of fire resources and help transition to Class 2.
 - ✓ The 2016 Budget does not include funding for additional Fire Prevention Officers but is on the list forwarded by the City Manager and Deputy City Manager & CFO for consideration by the Budget Committee and Council as part of the 2016 Budget process.
- ✓ **Aging Fire Trucks** - Review undertaken in 2015 called for a contribution of \$7.200 million per year to the TFS Vehicle Reserve to clear the backlog of 15 year old vehicles over a five-year period (2015-2019).

 - ✓ TFS Vehicle Reserve with the 2016 contribution of \$6.203 million has sufficient funding to meet TFS's objective to replace a total of 18 heavy vehicles in 2016 of which 12 are over 15 years old (of the 24 vehicles that are over 15 years old identified in 2015). Therefore the incremental \$0.500 million contribution in 2016 is not required.
 - ✓ Financial Planning and TFS will review the sufficiency of the Vehicle Reserve for the 2017 Budget process to ensure the backlog continues to be replaced as per the plan.

2016 Operating Budget Highlights

- The 2016 Preliminary Operating Budget for Toronto Fire Services of \$433.234 million gross and \$417.905 million net provides funding for four services: Fire Rescue & Emergency Response; Disaster Response & Event Support; Fire Prevention, Inspection & Enforcement; and Fire Safety Education.
- The budget is \$2.016 million or 0.5% over the 2015 Approved Budget.
- Any reductions to the operating budget will negatively impact TFS' capacity to maintain adequate service levels across the City on a daily basis.

Actions for Consideration

Approval of the 2016 Preliminary Budget as presented in these notes requires that:

1. City Council approve the 2016 Preliminary Operating Budget for Toronto Fire Services of \$433.234 million gross, \$417.905 million net for the following services:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Fire Rescue & Emergency Response:	405,071.2	390,632.9
Disaster Response & Event Support:	1,445.9	1,045.8
Fire Prevention, Inspection & Enforcement:	21,781.8	21,302.1
Fire Safety Education	4,934.6	4,924.0
Total Program Budget	433,233.5	417,904.9

2. City Council approve the 2016 service levels for Toronto Fire Services as outlined on pages 13, 15, 18, and 21 of this report, and associated staff complement of 3,151.3 positions.
3. City Council approve the 2016 rationalized user fees for Toronto Fire Services identified in Appendix 7f, for inclusion in the Municipal Code Chapter 441 “Fees and Charges”.
4. City Council direct that Toronto Fire Services finalize its service levels for *Disaster Response & Event Support* service in time for the 2017 Budget process.
5. City Council direct the City Manager, in consultation with Toronto Fire Services, request the Province to reassess the impact of Bill 221 and provide funding to offset the pressures related to the Workplace Safety Insurance Board (WSIB) claims.



Part I:

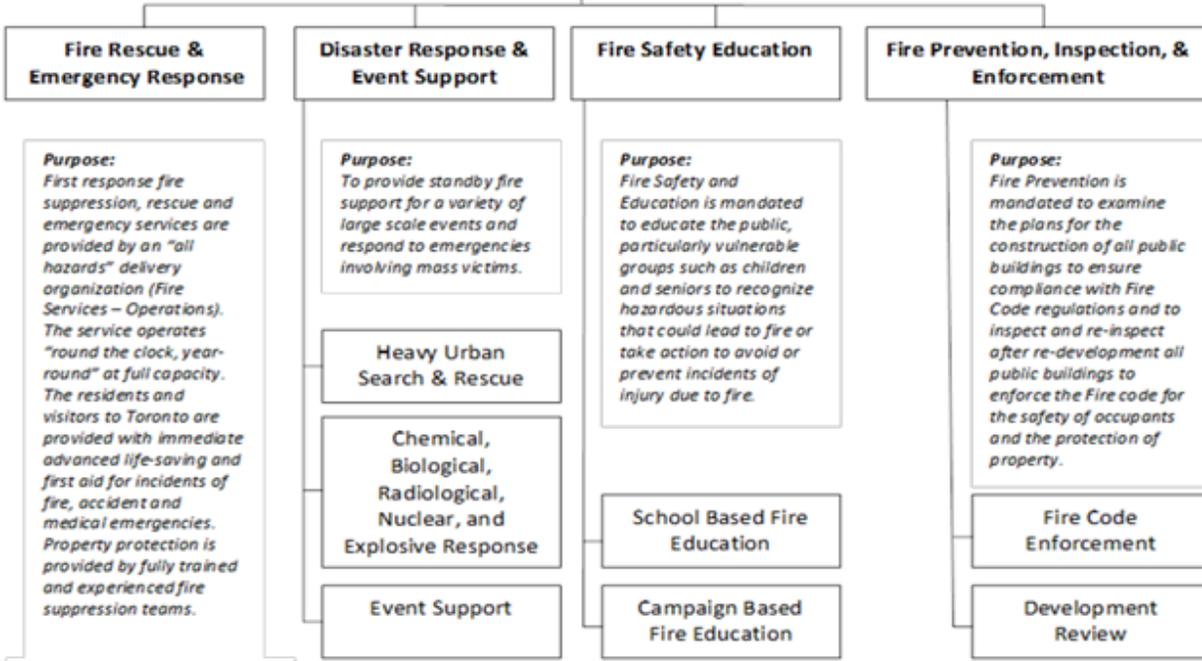
2016 – 2018

Service Overview and
Plan

Program Map

Fire Services

The Toronto Fire Service provides high quality, safe, efficient, effective and caring emergency response and fire prevention and education services to those who live in, work in, and visit our City in order to: a) Protect life, property and the environment from the effects of fire, illness, accidents, natural disasters and all other hazards; b) Enhance fire and life safety, and raise community awareness about all hazards; c) Pursue the acquisition and use of the most effective technology, equipment and resources to ensure performance in a competent and professional manner.



<p>Service Customer</p> <p>Fire Rescue & Emergency Response</p> <ul style="list-style-type: none"> • Incident Victim • Property owner • Property occupant • Adjacent Property owners • Insurance Companies 	<p>Disaster Response & Event Support</p> <ul style="list-style-type: none"> • Incident Victim(s) • Corporations • City Divisions – Office of Emergency Management, Shelter Support & Housing Administration, Emergency Medical Services, Toronto Police Services • Large Event Attendees • Insurance Companies • Local Businesses • Local Residents 	<p>Fire Safety Education</p> <ul style="list-style-type: none"> • Toronto Elementary School Teachers • Community Groups • Businesses • Elementary School Children • Parents / Guardians • General Public <p>Fire Prevention, Inspection, & Enforcement</p> <ul style="list-style-type: none"> • Property owners • Property User / Occupant • Adjacent Property Owners / Neighbours
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Table 1
2016 Preliminary Operating Budget and Plan by Service

(In \$000s)	2015		2016 Operating Budget			2016 vs. 2015 Budget		Incremental Change 2017 and 2018 Plan			
	Approved Budget	Projected Actual	2016 Base	2016 New/Enhanced	2016 Budget	Approved Changes		2017		2018	
By Service	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%
Fire Rescue & Emergency Response											
Gross Expenditures	405,447.4	404,675.8	405,071.2		405,071.2	(376.1)	(0.1%)	3,352.6	0.8%	4,086.4	1.0%
Revenue	13,641.3	13,941.3	14,438.3		14,438.3	797.0	5.8%				
Net Expenditures	391,806.0	390,734.4	390,632.9		390,632.9	(1,173.1)	(0.3%)	3,352.6	0.9%	4,086.4	1.0%
Disaster Response & Event Support											
Gross Expenditures	3,729.0	2,789.0	1,445.9		1,445.9	(2,283.1)	(61.2%)	(67.6)	(4.7%)	2.4	0.2%
Revenue	2,846.7	2,306.7	400.0		400.0	(2,446.7)	(85.9%)				
Net Expenditures	882.3	482.3	1,045.8		1,045.8	163.6	18.5%	(67.6)	(6.5%)	2.4	0.2%
Fire Prevention, Inspection, & Enforcement											
Gross Expenditures	19,236.0	19,203.5	21,781.8		21,781.8	2,545.9	13.2%	287.4	1.3%	368.9	1.7%
Revenue	500.9	500.9	479.8		479.8	(21.1)	(4.2%)				
Net Expenditures	18,735.1	18,702.6	21,302.1		21,302.1	2,567.0	13.7%	287.4	1.3%	368.9	1.7%
Fire Safety Education											
Gross Expenditures	4,476.4	4,468.3	4,934.6		4,934.6	458.2	10.2%	121.7	2.5%	95.4	1.9%
Revenue	11.3	11.3	10.6		10.6	(0.6)	(5.6%)				
Net Expenditures	4,465.1	4,457.0	4,924.0		4,924.0	458.9	10.3%	121.7	2.5%	95.4	1.9%
Total											
Gross Expenditures	432,888.7	431,136.6	433,233.6		433,233.6	344.9	0.1%	3,694.1	0.9%	4,553.0	1.0%
Revenue	17,000.2	16,760.2	15,328.7		15,328.7	(1,671.5)	(9.8%)				
Total Net Expenditures	415,888.5	414,376.3	417,904.9		417,904.9	2,016.4	0.5%	3,694.1	0.9%	4,553.0	1.1%
Approved Positions	3,156.8	3,156.8	3,151.3		3,151.3	(5.5)	(0.2%)				

The Toronto Fire Services' 2016 Operating Budget is \$433.234 million gross and \$417.905 million net, representing a 0.5% increase to the 2015 Approved Net Operating Budget which is over the reduction target as set out in the 2016 Operating Budget Directions and Guidelines.

- Base pressures totaling \$2.016 million are mainly attributable to increases in WSIB claim payments based on actual experience, known salary and benefit adjustments offset by PEP savings, and operating impact of completed capital projects.
- The budget pressures have been partially offset by increased revenues from user fees due to an increase in charges for emergency response on provincial highways as authorized by the Province.
- Approval of the 2016 Operating Budget will result in Toronto Fire Services reducing its total staff complement by 5.5 positions from 3,156.8 to 3,151.3.
- The 2017 and 2018 future year incremental costs are mainly attributable to step increments and progression pay increases, and additional contribution to the vehicle reserve in 2017 subject to the review of the Fleet Replacement Plan for TFS.

**Table 2
Key Cost Drivers**

(In \$000s)	2016 Operating Budget								2016 Base Budget	
	Fire Rescue & Emergency Response		Disaster Response & Event Support		Fire Prevention, Inspection, &		Fire Safety Education		Total	
	\$	Position	\$	Position	\$	Position	\$	Position	\$	Position
Gross Expenditure Changes										
Prior Year Impacts										
Reversal of Pan Am Games (100% funded by Ontario/TO2015)				(4.0)						(4.0)
Reversal of Temp Capital Funded Position		(1.0)								(1.0)
Reversal of Fleet Fuel Savings Adjustments	230.3				4.7				235.0	
Operating Impacts of Capital										
Operating Impact: Dynamic Staging/Predictive Modelling Project	60.0								60.0	
Operating Impact: Emergency Phone System Replacement	116.2	1.0							116.2	1.0
Economic Factors										
Corporate Economic Factors	78.5		1.3		3.4		0.8		84.1	
Divisional Economic Factors	231.8		16.7		9.9		4.3		262.6	
Facilities Maintenance - Increased Landscaping (New Contract)	95.0				4.0		1.0		100.0	
Salary and Benefits										
Salaries	(509.9)	(1.5)	569.6		3,254.4		620.2		3,934.3	(1.5)
Progression Pay	198.5		8.0		13.3		7.0		226.7	
Benefits Adjustment	(930.0)		(64.0)		297.2		45.7		(651.1)	
PEP Savings due to position based budgeting	(1,470.2)		(367.9)		(1,095.3)		(229.8)		(3,163.1)	
Overtime Increase - Training	250.0								250.0	
WSIB Increase	1,330.0				56.0		14.0		1,400.0	
Other Base Changes										
Elimination of Cont. to Capital Financing Reserve (Bunker Suit fully paid in 2015)	(690.9)				(29.1)		(7.3)		(727.3)	
Increase in Mechanical Maintenance - Parts	490.0				10.0				500.0	
SWM-Utility Charges	224.7				9.5		2.4		236.6	
New Desktops					30.0				30.0	
IDC/IDR	69.6				4.1				73.7	
Technical Adjustment	(6.7)				6.3		0.4			
Total Gross Expenditure Changes	(233.1)	(1.5)	163.6	(4.0)	2,578.4		458.7		2,967.7	(5.5)
Revenue Changes (Increase) / Decrease										
Use Fees-Inflation					(11.4)				(11.4)	
Increase in Revenue-MOT Rate Changes	(940.0)								(940.0)	
Total Revenue Changes	(940.0)				(11.4)				(951.4)	
Net Expenditure Changes	(1,173.1)	(1.5)	163.6	(4.0)	2,567.0		458.7		2,016.3	(5.5)

Key cost drivers for Toronto Fire Services are discussed below:

- **Prior Year Impacts:**
 - Reversal of the costs (including deletion of 4 temporary positions) associated with TFS' participation during the PanAm games which is fully funded from Ontario/TO2015.
- **Operating Impacts of Capital:**
 - The Emergency Phone System Replacement project will require one permanent position (Systems Integrator) to manage and monitor the new IP based 911 system at a cost of \$0.116 million net.
 - The Dynamic Staging/Predictive Modelling software will require funding of \$0.060 million for system maintenance and licensing costs.
- **Economic Factors:**
 - Divisional economic factor increase includes an increase of \$0.100 for a contract awarded to provide grounds maintenance, clean-up, grass cutting, fertilizing, etc. at various Fire Halls and TFS facilities.

- Salary and Benefits:
 - The salary and benefits increase of \$4.161 million for progression pay and step increments (includes annualize salaries and benefits of 25 new positions approved in 2015) was reduced by PEP savings of \$3.163 million identified through moving to position-based budgeting that aligned the salary and benefit budget with actual PEP calculated salary and benefit costs.
 - Cost of Living Adjustment (COLA) is not included as it is subject to collective bargaining.
- Other Base Changes:
 - In 2011, TFS was required to payback the cost of the purchase of Bunker Suits for a period of 5 years (2011 – 2015) through a contribution to the Capital Financing Reserve in the amount of \$0.727 million. 2015 was the last year of payment, resulting in a base reduction of \$0.727 million in 2016
 - Increase of \$0.500 million for Mechanical Maintenance Parts. TFS is experiencing a continuing increase in the cost of heavy truck repair parts which can be attributed in part to an unfavourable US exchange rate, as well the fact that a significant number of components are for custom built fire truck cab & chassis, proprietary aerial device components, and fire pump parts.
 - Overtime increase of \$0.250 million: Toronto Fire Service' Professional Development and Training Unit has not been able to meet the training demands of recruit training and in-service. This funding will allow additional staff hours to meet the needs of the division.
- Revenue Changes:
 - Revenues will increase by \$0.940 million due to an increased rates for emergency response by TFS' on provincial highways as authorized by the Province.

**Table 5
2017 and 2018 Plan by Program**

Description (In \$000s)	2017 - Incremental Increase					2018 - Incremental Increase				
	Gross Expense	Revenue	Net Expense	% Change	# Positions	Gross Expense	Revenue	Net Expense	% Change	# Positions
<i>Known Impacts:</i>										
Progression Pay/Step Increases and Associated Benefits	2,651		2,651	0.6%		4,475		4,475	1.1%	
Contribution to the Vehicle Reserve Fund	1,000		1,000	0.2%						
IDC - IT (High Speed Internet)/Fleet Services (Fuel)	43		43	0.01%		78		78	0.02%	
Sub-Total	3,694		3,694	0.9%		4,553		4,553	1.1%	
Total Incremental impact	3,694		3,694	0.9%		4,553		4,553	1.1%	

Future year incremental costs are primarily attributable to the following:

Known Impacts:

- Step increments and associated benefit cost increases of \$2.651 million in 2017 and \$4.475 million in 2018. These estimates do not include provisions for COLA which will be subject to the outcome of collective bargaining.
- Increased contribution to the Fleet vehicle reserve of \$1.000 million in 2017 is based on the previous plan (developed in 2015) to incrementally increase the reserve contribution by \$0.500

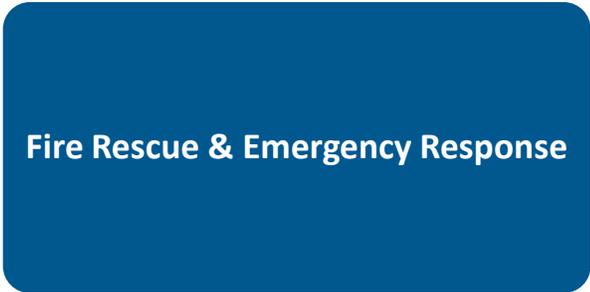
million annually between 2016 and 2018 for a total increase of \$1.500 million to bring the total contribution to \$7.200 million. Financial Planning and TFS will review the sufficiency of the Vehicle Reserve for the 2017 Budget process and revise the plan accordingly.

- Increase in interdivisional charges of \$0.043 million for fuel from Fleet Services (0.024 million) and high speed internet from IT Division (\$0.024 million) for a total of \$0.043 million in 2017 and \$0.078 million in 2018.
- The financial impact of any additional new positions in Fire Prevention and Public Safety Education is not reflected in the Outlooks. Please refer to the "Issues" section on page 25 for more details.



Part II: 2016 Budget by Service

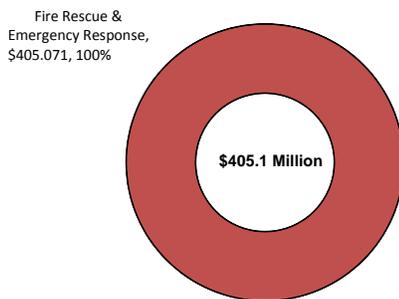
Fire Rescue & Emergency Response)



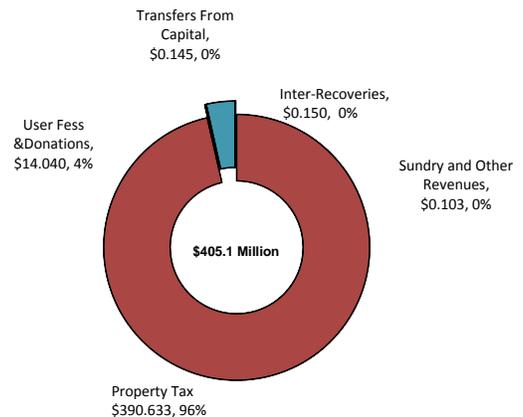
What We Do

- First response fire suppression, rescue and emergency services are provided by Toronto's only "all hazards" emergency response organization (Fire Services – Operations). The service operates 24/7/365 at full capacity. The residents and visitors to Toronto are provided with all-hazards emergency response across the City of Toronto.

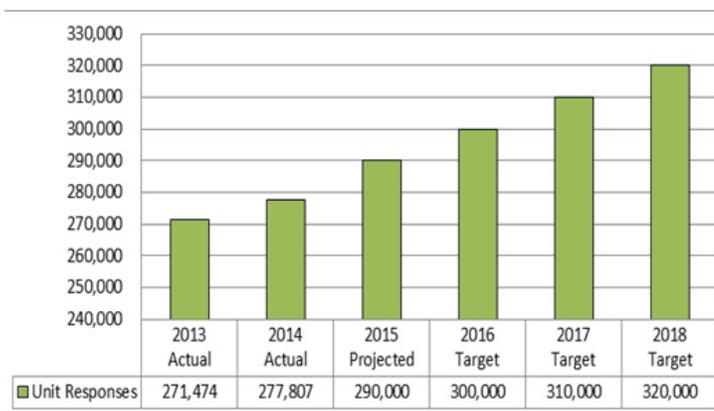
2016 Service Budget by Activity (\$Ms)



Service by Funding Source (\$Ms)



of Frontline Emergency Apparatus Responding to Emergency Incidents



- The complexities of heavy urban emergency response drive the requirement for multiple specialized apparatus and crews to respond to many emergency incidents.
- The average number of vehicles responding to each emergency incident has increased by 27% from 1.96 vehicles in 2009 to 2.49 vehicles in 2014.
- The demand for multiple apparatus and crew responses is forecasted to grow in conjunction with population growth.

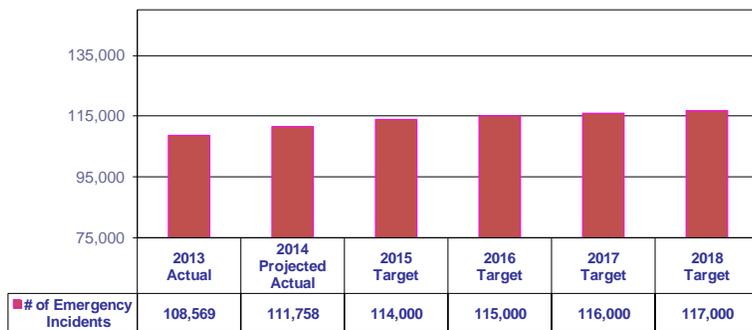
2016 Service Levels Fire Rescue & Emergency Response

Service	Activity	Type	Service Levels				
			2012	2013	2014	2015 YTD	2016
Fire Rescue & Emergency Response	Call Processing Time (call received to dispatch) (1:00, 90% of the time as per NFPA 1221)		New in 2015		90%	90%	90%
	Actual				92%	94%	
	Turnout Time (dispatch to 1st truck responding) (1:20, 90% of the time as per NFPA 1710)		New in 2015		90%	90%	90%
	Actual				43%	47%	
	Travel Time (1st truck responding to on scene) (4:00, 90% of the time as per NFPA 1710)		New in 2015		90%	90%	90%
	Actual				75%	76%	
	Total Response Time (call received to 1st truck on scene) (6:20, 90% of the time as per NFPA 1710)		New in 2015		90%	90%	90%
	Actual				80%	81%	
Total Response Time (full 1st alarm assignment) (10:20, 90% of the time)		New in 2015			90%	90%	
Actual				87%	87%		

Overall, the 2016 Service Levels are consistent with the approved 2015 Service Levels to show the response time for distinct service types.

Service Performance

Output Measure – Number of Emergency Incidents



- Emergency incidents include TFS response to all types of emergencies including fires, emergency medical incidents, all types of rescue including water, high-angle, and specialized services including hazardous materials, etc.
- The reduction in incidents in 2013 onwards is the result of changes to the Tiered Response criteria where TFS responds to less medical calls.
- The 2016 – 2018 targets for emergency incidents are based on approximately 1% increase on a year to year basis based on the 2013 and 2015 experience.

Table 6

2016 Preliminary Service Budget by Activity

(\$000s)	2015	2016 Operating Budget							2016 Budget vs. 2015 Budget		Incremental Change				
	Approved Budget	Base Budget	Service Changes	2016 Base Budget	Base Budget vs. 2015 Budget	% Change	New/Enhanced	2016 Budget			2017 Plan		2018 Plan		
	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%	\$	%	
GROSS EXP.															
Fire Rescue & Emergency Response	405,447.4	405,071.2		405,071.2	(376.1)	(0.1%)		405,071.2	(376.1)	(0.1%)	3,352.6	0.8%	4,086.4	1.0%	
Total Gross Exp.	405,447.4	405,071.2		405,071.2	(376.1)	(0.1%)		405,071.2	(376.1)	(0.1%)	3,352.6	0.8%	4,086.4	1.0%	
REVENUE															
Fire Rescue & Emergency Response	13,641.3	14,438.3		14,438.3	797.0	5.8%		14,438.3	797.0	5.8%					
Total Revenues	13,641.3	14,438.3		14,438.3	797.0	5.8%		14,438.3	797.0	5.8%					
NET EXP.															
Fire Rescue & Emergency Response	391,806.0	390,632.9		390,632.9	(1,173.1)	(0.3%)		390,632.9	(1,173.1)	(0.3%)	3,352.6	0.9%	4,086.4	1.0%	
Total Net Exp.	391,806.0	390,632.9		390,632.9	(1,173.1)	(0.3%)		390,632.9	(1,173.1)	(0.3%)	3,352.6	0.9%	4,086.4	1.0%	
Approved Positions	2,945.7	2,943.8		2,943.8	(1.9)	(0.1%)		2,943.8	(1.9)	(0.1%)					

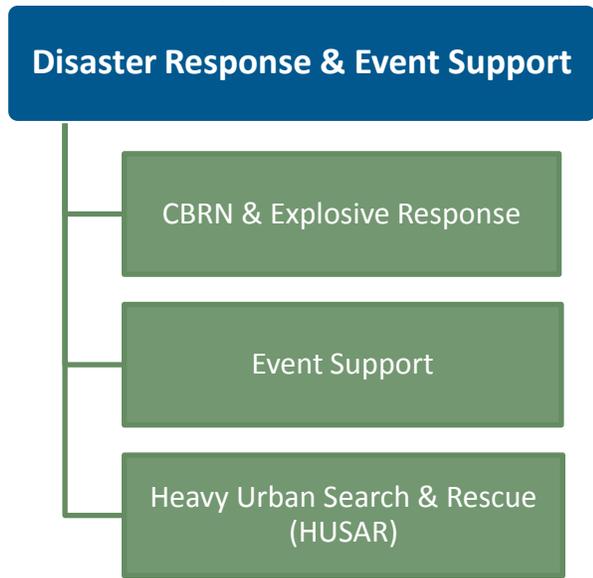
The **Fire Rescue & Emergency Response** service provides first response fire suppression, rescue and emergency services by an “all hazards” delivery team (Fire Services – Operations). This service operates “round the clock, year-round” at full capacity and residents and visitors to Toronto are provided with immediate advanced life-saving and first aid for incidents of fire, accident and medical emergencies.

The 2016 Preliminary Operating Budget for the Fire Rescue & Emergency Response of \$405.071 million gross and \$390.633 million net is \$1.173 million or 0.3% under the 2015 Approved Net Budget.

Base budget pressures in Fire Rescue & Emergency Response service are primarily due to the following:

- Increased funding of \$1.330 million required to align WSIB 2016 budget to actual experience, operating impact of two completed capital projects as well as increased Solid Waste collection charges are driving the costs for this service. Other base pressures due to salary and benefit adjustments have been more than offset by PEP savings resulting from moving to position based budgeting and realignment of staff to other services for accurate reporting.
- These pressures were more than offset by revenue changes arising from the elimination of contribution of \$0.690 million to the Capital Financing Reserve which is no longer required as well as increased user fee revenues following the increased rates for emergency response by TFS' on provincial highways.
- The 2017 and 2018 Plan reflects the inflationary cost increases for progression pay, and fringe benefits adjustments and an increase to the vehicle reserve of \$1.000 million in 2017 which was deferred in 2016.

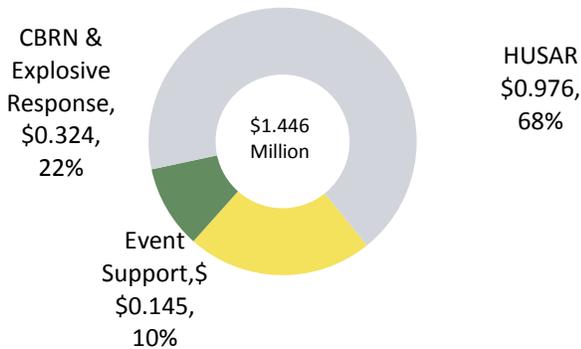
Disaster Response & Event Support



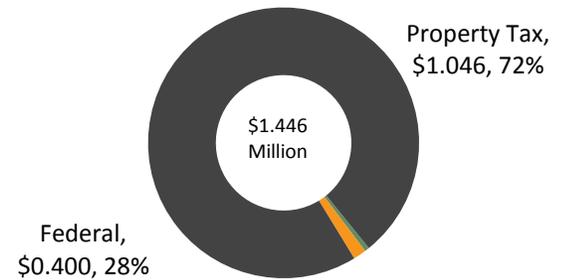
What We Do

- Provide proactive support and emergency response planning for a variety of large scale events and respond to emergencies involving mass victims, including chemical, biological, radiological, nuclear & explosive (CBRNE) response to emergency incidents both within the City and as requested by the provincial and/or federal governments.

2016 Service Budget by Activity (\$Ms)



Service by Funding Source (\$Ms)



2016 Service Levels

Disaster Response & Event Support

Service	Activity	Type	Service Levels				
			2012	2013	2014	2015	2016
Disaster Response and Event Support	Heavy Urban Search and Rescue		Service level currently under development				
	Chemical, Biological, Radiological, Nuclear, and Explosive Response		Service level currently under development				
	Event Support		Service level currently under development				

TFS will be working with Financial Planning to finalize service levels in time for the 2017 Budget process.

Table 6
2016 Preliminary Service Budget by Activity

(\$000s)	2015	2016 Operating Budget							2016 Budget vs. 2015 Budget		Incremental Change			
	Approved Budget	Base Budget	Service Changes	Base Budget vs. 2015 Budget		New/Enhanced	2016 Budget	2017 Plan			2018 Plan			
	\$	\$	\$	2016 Base	% Change	\$	\$	\$	%	\$	%	\$	%	
GROSS EXP.														
Chemical, Biological, Radiological, Nuclear & Explosive Response	318.5	324.3		324.3	5.8	1.8%		324.3	5.8	1.8%	(1.0)	(0.3%)	0.1	0.0%
Event Support	2,446.7	145.3		145.3	(2,301.4)	(94.1%)		145.3	(2,301.4)	(94.1%)	(59.1)		0.6	0.7%
Heavy Urban Search & Rescue	963.8	976.3		976.3	12.5	1.3%		976.3	12.5	1.3%	(7.5)	(0.8%)	1.6	0.2%
Total Gross Exp.	3,729.0	1,445.9		1,445.9	(2,283.1)	(61.2%)		1,445.9	(2,283.1)	(61.2%)	(67.6)	(4.7%)	2.4	0.2%
REVENUE														
Chemical, Biological, Radiological, Nuclear & Explosive Response	100.0	100.0		100.0				100.0						
Event Support	2,446.7				(2,446.7)	(100.0%)			(2,446.7)	(100.0%)				
Heavy Urban Search & Rescue	300.0	300.0		300.0				300.0						
Total Revenues	2,846.7	400.0		400.0	(2,446.7)	(85.9%)		400.0	(2,446.7)	(85.9%)				
NET EXP.														
Chemical, Biological, Radiological, Nuclear & Explosive Response	218.5	224.3		224.3	5.8	2.7%		224.3	5.8	2.7%	(1.0)	(0.5%)	0.1	0.1%
Event Support		145.3		145.3	145.3	N/A		145.3	145.3	N/A	(59.1)		0.6	N/A
Heavy Urban Search & Rescue	663.8	676.3		676.3	12.5	1.9%		676.3	12.5	1.9%	(7.5)	(1.1%)	1.6	0.2%
Total Net Exp.	882.3	1,045.9		1,045.9	163.6	18.5%		1,045.9	163.6	18.5%	(67.6)	(6.5%)	2.4	0.2%
Approved Positions	6.3	8.4		8.4	2.1	32.4%		8.4	2.1	32.4%				

The **Disaster Response & Event Support** service provides standby fire support for a variety of large scale events and response to emergencies involving mass victims.

The 2016 Operating Budget for **Disaster Response & Event Support** of \$1.446 million gross and \$1.046 million net is \$0.163 million or 18.5% over the 2015 Approved Net Budget.

Base budget pressures in **Disaster Response & Event Support service** are primarily due to known salaries and benefit adjustments and inflationary increases for non-salary accounts.

- The reduction of \$2.301 million under the activity, Event Support, mainly reflects the reversal of one-time funding of \$2.446 million gross and \$0 net for TFS' participation in the PanAm Games partially offset by inflationary increase in salaries and benefits.

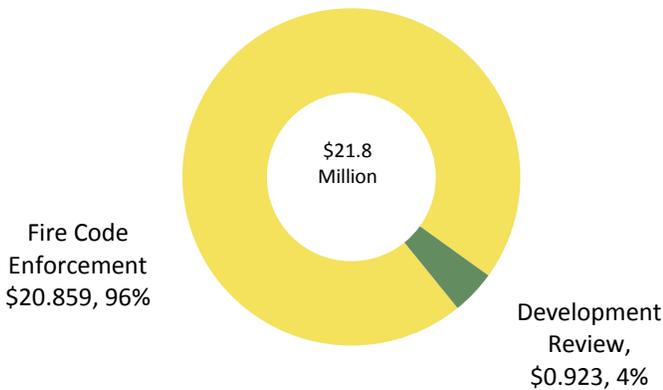
Fire Prevention, Inspection & Enforcement



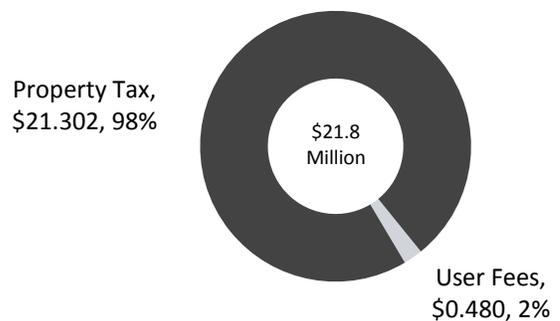
What We Do

- Fire Prevention is mandated to examine the plans for the construction of all public buildings to ensure compliance with Fire Code regulations and to inspect buildings for the purposes of enforcing the Ontario Fire Code for the safety of occupants and the protection of property.

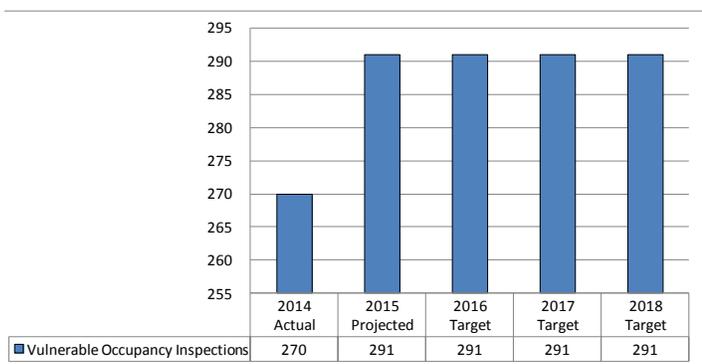
2016 Service Budget by Activity (\$Ms)



Service by Funding Source (\$Ms)



Vulnerable Occupancy Inspections



- In 2014 the Ontario Fire Code was amended to enhance the fire safety of occupants in care occupancies, hospital/care and treatment occupancies, and retirement homes.
- TFS allocated 4,260 hours to inspect 270 vulnerable occupancies in 2014, making high risk occupancies a top priority. An additional 2,200 hours was allocated in 2015 to inspect a total of 291 buildings.
- The 2016 and future year targets are based on the newly released NFPA 1730 standard for Fire Prevention and Public Education; and is subject to increase with the addition of new vulnerable occupancies.

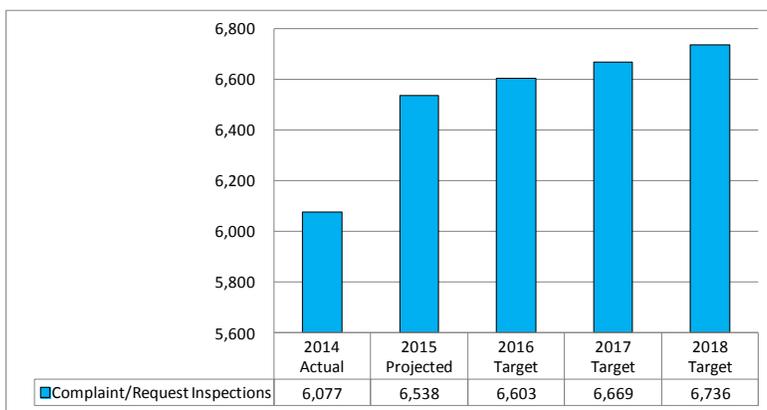
2016 Service Levels Fire Prevention, Inspection & Enforcement

Service	Activity	Type	Service Levels					
			2012	2013	2014	2015	2016	
Fire Prevention, Inspection, & Enforcement	Development Review		29% of inspections completed within 7 days		Service levels under review		Discontinued and replaced by specific type below.	
		# of Ontario Building Code Inspections	New in 2016				2,073	
	Fire Code Enforcement			25% of inspections compliant on first inspection		Service levels under review		Discontinued and replaced by specific type below.
		# of Vulnerable Occupancy Inspections conducted annually	New in 2016				291	
		# of Complaint/Request inspections conducted annually	New in 2016				6,603	
		# of Post-Fire Inspections conducted annually	New in 2016				250	
		# Rooming Houses, MRAB & Vacant Building inspections conducted annually	New in 2016				330	

Overall, the 2016 Service Levels are consistent with the approved 2015 Service Levels. Two of the service levels have been replaced with 5 new service levels as a result of the new legislated annual requirements that came into force on January 1, 2014 that enhance fire safety in facilities housing seniors, people with disabilities, and other vulnerable Ontarians; including witnessed and timed mandatory fire drills to ensure all duties under the approved safety plan are carried out and a mandatory Inspection Checklist to ensure fire protection systems are up to date.

Service Performance

Output Measure – Number of Complaints / Requested Inspections



- TFS is mandated to assess requests/ complaints made by or on behalf of an owner of a building regarding non-compliance to the fire code to determine whether it would be advisable to conduct a fire safety inspection in the building or a part of the building as a result of the request/complaint.
- Based on the number of enquiries from the public, TFS projects an increase of 1% per year from 2016 to 2018.

Table 6
2016 Preliminary Service Budget by Activity

(\$000s)	2015	2016 Operating Budget							2016 Budget vs. 2015 Budget		Incremental Change				
	Approved Budget	Base Budget	Service Changes	Base Budget vs. 2015			New/Enhanced	2016 Budget			2017 Plan		2018 Plan		
	\$	\$	\$	2016 Base	Budget	% Change	\$	\$	\$	%	\$	%	\$	%	
GROSS EXP.															
Development Review	796.9	923.0		923.0	126.1	15.8%		923.0	126.1	15.8%	(3.9)	(0.4%)	12.6	1.4%	
Fire Code Enforcement	18,439.1	20,858.8		20,858.8	2,419.7	13.1%		20,858.8	2,419.7	13.1%	291.3	1.4%	356.3	1.7%	
Total Gross Exp.	19,236.0	21,781.8		21,781.8	2,545.9	13.2%		21,781.8	2,545.9	13.2%	287.4	1.3%	368.9	1.6%	
REVENUE															
Development Review	14.6	14.1		14.1	(0.6)	(3.8%)		14.1	(0.6)	(3.8%)					
Fire Code Enforcement	486.2	465.7		465.7	(20.6)	(4.2%)		465.7	(20.6)	(4.2%)					
Total Revenues	500.9	479.8		479.8	(21.1)	(4.2%)		479.8	(21.1)	(4.2%)					
NET EXP.															
Development Review	782.3	909.0		909.0	126.7	16.2%		909.0	126.7	16.2%	(3.9)	(0.4%)	12.6	1.4%	
Fire Code Enforcement	17,952.8	20,393.1		20,393.1	2,440.3	13.6%		20,393.1	2,440.3	13.6%	291.3	1.4%	356.3	1.7%	
Total Net Exp.	18,735.1	21,302.1		21,302.1	2,567.0	13.7%		21,302.1	2,567.0	13.7%	287.4	1.3%	368.9	1.7%	
Approved Positions	175.8	169.1		169.1	(6.7)	(3.8%)		169.1	(6.7)	(3.8%)					

The **Fire Prevention, Inspection and Enforcement** service is mandated to examine the plans for the construction of all public buildings to ensure compliance with Fire Code regulations and to inspect and re-inspect after re-development all public buildings to enforce the Fire code for the safety of occupants and the protection of property.

The 2016 Operating Budget for Fire Prevention, Inspection and Enforcement of \$21.782 million gross and \$21.302 million net is \$2.567 million net or 13.7% over the 2015 Approved Net Budget.

- Base budget pressures in Fire Prevention, Inspection and Enforcement are primarily due to known salaries and benefit adjustments, including the annualized salaries and benefits of the 19 new positions approved in 2015, and inflationary increases for non-payroll accounts.
- The financial impact of the addition of new positions in Fire Prevention is not reflected in the 2017 and 2018 Outlooks. Please refer to the "Issues" section on page 25 for more details.

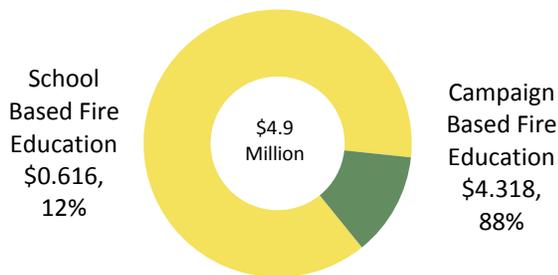
Fire Safety Education



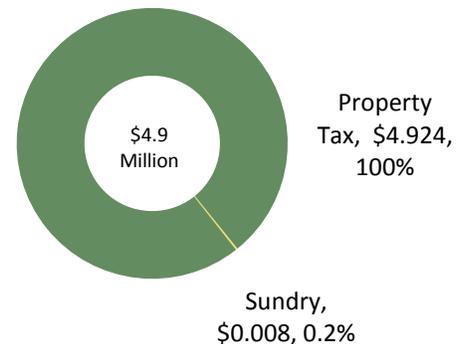
What We Do

- Fire Safety Education is mandated through the Ontario Fire Protection and Prevention Act (FPPA) to educate the public, particularly vulnerable groups such as children and seniors to recognize hazardous situations that could lead to fire or take action to avoid or prevent incidents of injury due to fire.

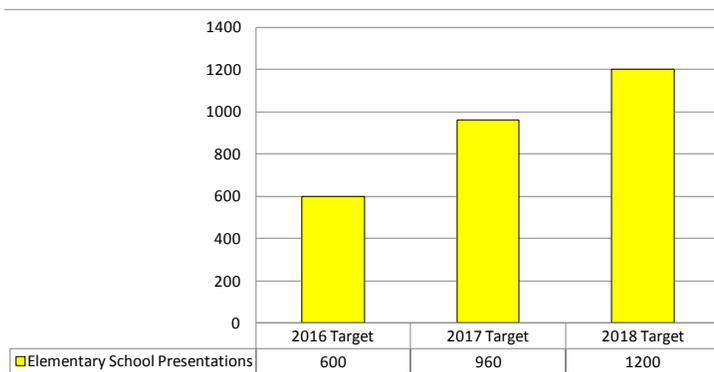
2016 Service Budget by Activity (\$Ms)



Service by Funding Source (\$Ms)



Elementary School Presentation



- The presentations are designed to teach children from Prep to Grade 6 about basic home fire safety and are developed for Public Education in accordance with the new NFPA 1730 standard.
- Risk Watch is a school-based curriculum to provide information to help children and their families prepare for natural disasters, and teaches children how to make safer choices and avoid unintentional injuries.
- The 2016 and future year targets reflect the addition of 50 positions over a period of 3 years (2016-2018) in Fire Prevention and Public Education subject to Council consideration in 2016 and future year operating budget processes.

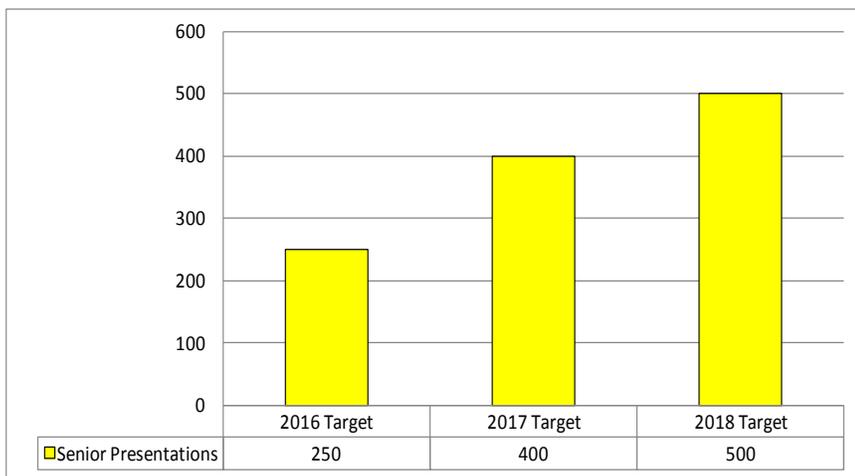
2016 Service Levels Fire Safety Education

Service	Activity	Type	Service Levels				
			2012	2013	2014	2015	2016
Fire Safety Education	School Based Fire Education		100% of Schools, up to grade 4; and, grades 5 to 8 by June 2012 in all TCDSB and TDSB schools.	Continue to expand annual public education initiatives promoting fire safety and awareness	Continue to expand annual public education initiatives promoting fire safety and awareness	Continue to expand annual public education initiatives promoting fire safety and awareness	Discontinued and replaced by below
		# Elementary school presentations conducted annually	New in 2016				
	Campaign Based Fire Education	Fire Education Material / Brochures	1 public educator per 130,000 population		1 public educator per 103,879 population	1 public educator per 94,299 population	Discontinued and replaced by below
		Fire Education Training Sessions*	1 public educator per 130,000 population		1 public educator per 103,879 population	1 public educator per 94,299 population	Discontinued and replaced by below
		Public Events	1 public educator per 130,000 population		1 public educator per 103,879 population	1 public educator per 94,299 population	Discontinued and replaced by below
		# Presentations conducted annually for Seniors	New in 2016				

The 4 service levels approved in 2015 has been replaced by 2 new service levels.

Service Performance

Output Measure – Number of Senior Presentations



- Educational fire safety programs and presentations are implemented by TFS to help plan and implement fire safety interventions for the high-risk group of older adults.
- Statistically, older adults are more than two times as likely to die in a fire than any other age group and is important to identify the main causes of senior fire deaths and injuries and provide ways to avoid these incidents.
- Based on the number of enquiries from the public, TFS projects an increase of 1% per year.

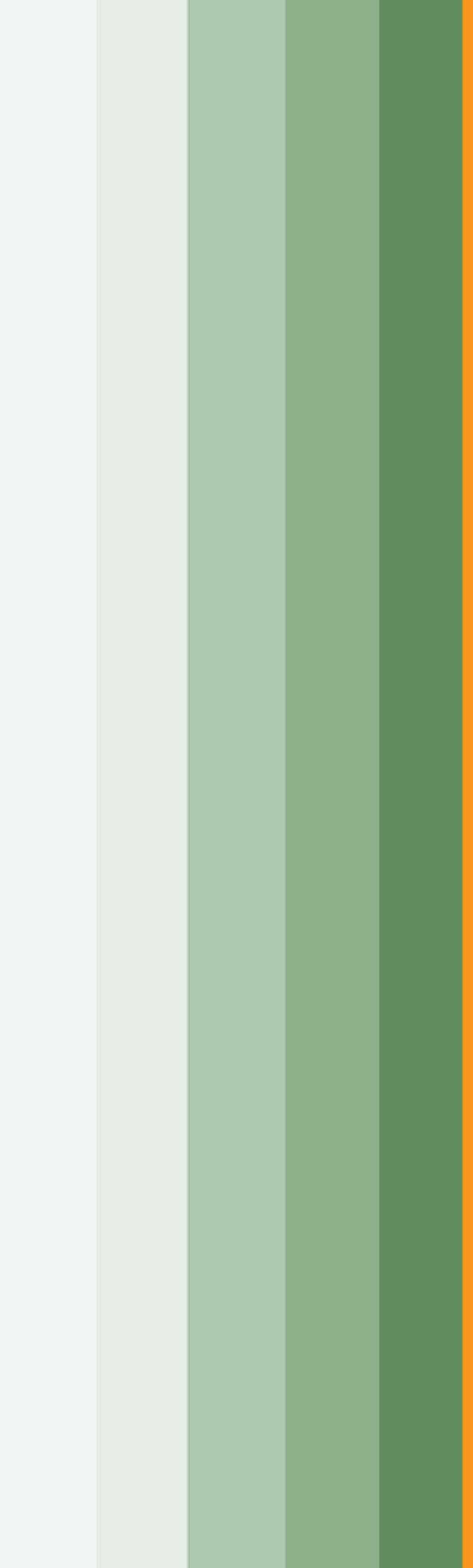
Table 6
2016 Preliminary Service Budget by Activity

(\$000s)	2015	2016 Operating Budget							2016 Budget vs. 2015 Budget		Incremental Change			
	Approved Budget	Base Budget	Service Changes	Base Budget vs. 2015 Budget		New/Enhanced	2016 Budget	2017 Plan			2018 Plan			
	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%		
GROSS EXP.														
Campaign Based Fire Education	3,943.1	4,318.3		4,318.3	375.2	9.5%		4,318.3	375.2	9.5%	119.7	2.8%	85.0	1.9%
School Based Fire Education	533.3	616.4		616.4	83.0	15.6%		616.4	83.0	15.6%	2.0		10.4	1.7%
Total Gross Exp.	4,476.4	4,934.6		4,934.6	458.2	10.2%		4,934.6	458.2	10.2%	121.7	2.5%	95.4	1.9%
REVENUE														
Campaign Based Fire Education	3.2	2.6		2.6	(0.6)	(19.9%)		2.6	(0.6)	(19.9%)				
School Based Fire Education	8.1	8.1		8.1				8.1						
Total Revenues	11.3	10.6		10.6	(0.6)	(5.6%)		10.6	(0.6)	(5.6%)				
NET EXP.														
Campaign Based Fire Education	3,939.9	4,315.7		4,315.7	375.8	9.5%		4,315.7	375.8	9.5%	119.7	2.8%	85.0	1.9%
School Based Fire Education	525.3	608.3		608.3	83.0	15.8%		608.3	83.0	15.8%	2.0		10.4	1.7%
Total Net Exp.	4,465.1	4,924.0		4,924.0	458.9	10.3%		4,924.0	458.9	10.3%	121.7	2.5%	95.4	1.9%
Approved Positions	29.0	29.0		29.0				29.0						

The **Fire Safety Education** service is mandated to educate the public, particularly vulnerable groups such as children and seniors to recognize hazardous situations that could lead to fire or take action to avoid or prevent incidents of injury due to fire.

The 2016 Operating Budget for **Fire Safety Education** of \$4.935 million gross and \$4.924 million net is \$0.459 million or 10.3% over the 2015 Approved Net Budget.

Base budget pressures in **Fire Safety Education** are primarily due to known salaries and benefit adjustments including the annualized salaries and benefits of the 6 new positions approved in 2015..



Part III:

Issues for Discussion

Issues for Discussion

Issues Impacting the 2016 Budget

Impact of Additional Fire Prevention/Public Education Positions on Service Levels and FUS Rating:

- In July 2013, a report entitled "*Results of the Service and Organizational Review of Toronto Emergency Medical Services and Toronto Fire Services*" was adopted by City Council on the recommendations resulting from the *Toronto Fire Services / EMS Efficiency Review* conducted by a third party consulting firm, Pomax Ltd., in partnership with Berkshire Advisors, MGT of America and Stantec. The recommendation stated that:

"the Fire Chief and General Manager, Fire Services to implement a strategy to increase the focus on prevention, public education, and inspection to reduce the incidence of fires and other emergencies and report further through 2013 and future years' Committee process as required."

- The report included a recommended disposition of the Pomax recommendation which stated the following for TFS.

"Implement a strategy to focus TFS resources on prevention, public education, inspection to reduce the incidence of fires and other emergencies. The strategy should consider increasing public education, prevention and inspection staff at TFS by 54 FTEs in the shorter-term with a further increase of 46 FTEs in future years."

Link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.EX33.11>

- In December 2013, City Council adopted TFS' strategic plan to improve the Public Fire Protection Classification from Class 4 to Class 3; and from Class 3 to Class 2 in a report entitled "Results of the Fire Insurance Grades Study". The Plan included the addition of 25 new Fire Prevention and Public Safety officers each year from 2014 to 2017 for a total of 115 positions by 2017, including the 15 positions approved in 2013.
- In 2013, 15 Fire Prevention Officers (FPO) were added to pilot a risk-based inspection program and to launch a pre-fire planning program across the City. Both of these programs were identified as requirements by FUS to maintain and improve the City of Toronto's PFPC. Both proposals were established and underway prior to year end 2013.
 - A risk-based awareness program allows for more fulsome development of fire inspections, code enforcement and fire investigations which are key components to decreasing fire occurrence as well as the resulting impact upon people and property.
 - Inspections are conducted based upon the risk associated with particular classifications of buildings.
- In 2014, 25 more Fire Prevention positions were added to TFS complement and training completed in December 2014. The additional 25 staff were assigned to both fire prevention and public education, as well as further development of a new fire investigations unit. Fire prevention and education programs focused on highest risk occupancies as a priority.
 - TFS has developed enhanced performance measures for 2016 which includes the completion of the following:

- 291 vulnerable occupancy inspections annually
 - 6,603 complaint / request inspections annually
 - 250 post-fire inspections annually
 - 330 Rooming houses / multi-residential apartment buildings / vacant buildings inspected annually
- In 2014, the Province of Ontario amended the Ontario Fire Code to enhance the fire safety of occupants in care occupancies, hospital/care and treatment occupancies, and retirement homes. New legislated annual requirements include witnessed and timed mandatory fire drills to ensure all duties under the approved safety plan are carried out and a mandatory Inspection Checklist to ensure fire protection systems are up to date.
- The provincial legislation had a large impact on the allocation of Fire Prevention resources as the roll out of new legislated fire safety programs (most recently including hotels and vulnerable care occupancies) required a significant amount of staff time in Toronto as compared to other municipalities due to the volume of buildings involved.
- In 2015, TFS inspected 270 vulnerable occupancies and 291 are scheduled to be completed in 2016.
- In 2015, 25 new Fire Prevention and Public Safety positions were added and training will be completed by December 2015. The impact on service levels will be determined in 2016.
 - During the 2016 administrative review process, an alternative proposal to add the remaining 50 Fire Prevention officers over a period of 3 years instead of adding over a period of 2 years was considered and is presented in the table below.

Table 1: New/Enhanced Service Priorities

New / Enhanced Service Description (\$000s)	2016 Impact				Net Incremental Impact			
	Gross	Revenue	Net	Positions	2017 Plan		2018 Plan	
					Net	Positions	Net	Positions
Not Included								
Council Directed for Consideration								
Add: Fire Prevention & Public Education Staff	692.7		692.7	17.0	1,302.3			
Add: Fire Prevention & Public Education Staff - 2017					692.7	17.0	1,302.3	
Add: Fire Prevention & Public Education Staff - 2018							692.7	16.0
Total New/Enhanced Services (Not Included)	692.7		692.7	17.0	1,995.0	17.0	1,995.0	16.0

- The initiative listed above is not included in the 2016 Preliminary Operating Budget for Toronto Fire Services or reflected in the outlooks, however it is included for Council's consideration as part of the list of New/ Enhanced requests to be distributed for Budget Committee's consideration in the 2016 budget process. The future year impacts in 2017 and 2018 would be subject to consideration as part of the annual budget process.

Impact of Bill 221 - Workplace Safety and Insurance Amendment Act (Presumptions for Firefighters) 2007

- In May 2007, Bill 221 - Workplace Safety and Insurance Amendment Act (Presumptions for Firefighters), 2007 received Royal Assent which amended the Workplace Safety and Insurance Act, 1997.
 - The regulation recognizes specific diseases or injuries that are presumed to be work-related for the purpose of workers' compensation and sets out the conditions and restrictions for each.
 - The regulation, as approved in 2007, covered 8 types of cancer as well as heart injuries suffered within 24 hours of fighting a fire or participating in a training exercise involving a simulated fire emergency.
- On April 30, 2014, the Province amended the list of presumed occupational diseases, and in so doing expanded the current regulation to include 6 additional cancers presumed to be work-related for Fire Fighters under the Workplace Safety and Insurance Act (WSIA) bringing the total cancer related illnesses on the presumptive legislation list to 14.
 - The presumptions for the additional 6 cancers, as with the previous 8, apply to full-time, part-time and volunteer fire fighters and fire investigators and would be retroactive to January 1960.
 - The additional 6 cancers, which are being phased in from 2014 through 2017 will drive significant WSIB claim costs for TFS.
- The Workplace Safety Insurance Board (WSIB) has been working on assessing the financial impact of this change on municipalities and although the work has not been finalized, it is estimated there will be an approximate increase of \$257.0 M (plus administration costs) in the liabilities for all Schedule 2 employers (who pay the dollar for dollar costs of claims plus administrative fees to WSIB). The City of Toronto is a Schedule 2 employer.
- The City of Toronto represents approximately 30% (\$77.000 million) of the total Schedule 2 costs from the period 1960 to 2013. WSIB has indicated that an increase in the claims costs is anticipated over the next 4 years with City of Toronto's share calculated at 30% as shown below:
 - 2014 - \$3.3 million
 - 2015 - \$6.3 million
 - 2016 - \$12.0 million
 - 2017 - \$4.8 million
- Although WSIB charges are regulated by the Province, the full impact of this change on TFS is unknown at this time. TFS' 2016 Preliminary Operating Budget does not include funding for the anticipated claims costs due to the additional cancers.
- Financial Planning and TFS, in conjunction with Occupational Health and Safety and Accounting Services will continue to monitor WSIB claim payments related to the new cancers.
- The Province of Ontario offered no funding assistance or relief from costs associated with these amendments to the Presumptive Legislation Regulations.
- It is recommended that the City Manager, in consultation with TFS request the Province to reassess the impact of Bill 221 and provide funding to offset the pressures related to WSIB claims.

Contribution to the Toronto Fire Services Vehicle Reserve

- In 2011, TFS reviewed the adequacy of its vehicle reserve contribution, the current status of the existing fleet and the projected necessary annual contribution level to provide sustainable management of the TFS fleet.
- It was determined that the annual fleet replacement reserve contribution of \$7.200 million would be required for TFS to clear the backlog of 15 year old vehicles over a five-year period. TFS’ heavy fire apparatus fleet currently consists of 180 vehicles, of which 28 vehicles or 16% (24 was identified in 2015) will be at least 15 years.
 - Older vehicles result in fire apparatus being removed from service more often and require an increase in funding for vehicle maintenance. As well, vehicles over 15 years of age are not recognized by the Fire Underwriters Survey as reliable fire equipment and will negatively impact the rating when determining the fire risk benchmark that may impact the City’s Public Fire Protection Classification (PFPC) grade rating.
- The purchase of 10 specialized trucks, which was approved in 2014 and is anticipated to be delivered by the end of 2016, will partially address this issue, thereby reducing the current backlog.
- In 2015, the vehicle reserve contribution was increased by \$0.500 million in 2015, from \$5.703 million to \$6.203 million, with a planned annual increase of \$0.500 million in 2016 and 2017 resulting in a total contribution of \$7.200 million by 2017.
 - FPD undertook an in-depth review of TFS Fleet Reserve and planned replacements in 2016 to 2019 to determine the sufficiency of reserve funds. It was determined that the current balance of the vehicle reserve will support the planned purchase of vehicles in 2016 and the additional contribution of \$0.500 million is not required. Please refer to the table below for more details.

Table3: TFS Vehicle Replacement Reserve

	2015	2015 Actuals	To be Carried Forward to 2016	2016 Incl. 2015 CF	2017	2018	2019	Total 4 YRS
Heavy/Light Vehicles								
Over 15 years-Heavy Vehicles-Backlog-5 YRS	16	13	3	6	3	2	2	13
Scheduled for Replacement-Heavy	7		7	12	9	10	9	40
Total Replacement-Heavy	23	13	10	18	12	12	11	53
Over 10 years-Light Vehicles	16	31		32	0	5	20	57
Total Funding Requirements- Heavy	14,565	9,706	4,859	11,465	7,202	7,076	6,702	32,445
Funding Requirements- Light Vehicles				1,212		127	501	1,840
Total Funding Requirements (Budget)- Heavy & Light	14,565	9,706	4,859	12,677	7,203	7,203	7,203	34,285
Funding in Reserves-(\$0.500m over 3 years)	16,181	9,706	4,859	12,678	7,204	7,204	7,203	34,288
Surplus/(Shortfall)	1,616			1	1	0	1	

- Financial Planning and Toronto Fire Services will undertake a review of TFS’s Vehicle Reserve in 2016 and develop a multi-year funding plan that aligns contributions to the Vehicle and Equipment Replacement Reserve with optimal replacement requirements while taking into consideration program’s readiness and capacity.

TFS Service Efficiency Initiatives

- TFS continually strives to explore service efficiency initiatives to respond to rapidly increasing service level demand.
- Over the last 6 years, TFS implemented measures directed towards achieving a more efficient and effective service delivery while at the same time reducing costs.
- Table 1 below illustrates the measures taken to achieve service efficiencies and associated savings/cost avoidance of approximately \$26.374 million from 2010 to 2015.

Table 1 – Summary of Budget Changes and Efficiencies

Changes/Efficiencies	2010	2011	2012	2013	2014	2015	TOTAL	Comments
	\$000s							
Absorb Inflationary Increases	248.1	279.1	657.3	435.9		77.3	1,697.7	
Savings from Overtime	232.0						232.0	Overtime reduced as a result of re-allocation of resources in Emergency Communication, Marketing/Fundraising and Fire Prevention.
Reductions from Line by Line Reviews		477.1	120.0	20.9		300.0	918.0	
Deferred Fleet Reserve Contribution to match spending	570.0						570.0	
Reduction to Fleet Reserve Contribution to match spending	928.0						928.0	
Reduction in Support Staff; Training/Development; Outreach			460.6	166.1			626.7	
Conversion of 2 Fire Captains to Fire Prevention Inspectors			85.7				85.7	
Re-organization of Support Divisions and Supervisors				1,393.5			1,393.5	Recruit Induction Training Section eliminated; Recruit training delivery absorbed within the Professional Development and Training Division
Removal of 1 District in North Command				956.9			956.9	4 District Chief and 4 Fireground Incident Technician positions accommodated within vacant positions
Savings from the deletion of 63 fire fighter positions				3,226.1			3,226.1	Positions were funded for 6 months but were retained for the full year with funding through attrition and normal gapping practices in 2013
Removal of Pumpers 413, 213, 424, 215 from service					8,256.0		8,256.0	Reductions were achieved through normal attrition. Improved Response times in the impacted areas and across the City.
Inspections of Vulnerable Occupancies					246.8	374.2	621.0	Cost avoidance: in 2014, 270 vulnerable occupancies were inspected (4,260 hours); annualized impact: 6,460 hours of inspection
TFS Recruit Training - change in recruitment requirements					106.0	424.0	530.0	Training streamlined from 16 weeks to 9 weeks due to change in recruitment requirements. Cost avoidance of \$106,000 per class.
Exemptions to the Nuisance False Alarm Fees	4,750.0	1,582.0					6,332.0	Fees charged for every response to a Nuisance False Alarm. (\$6.332 million/per year)
TOTAL	6,728.1	2,338.2	1,323.6	6,199.4	8,608.8	1,175.5	26,373.6	

- In 2014, Provincial legislation was enacted, requiring mandatory inspections and witnessed fire drills in vulnerable occupancies. TFS complied with the regulatory and legislative amendments within existing staff complement. The total number of additional hours required to achieve compliance was 6,460; equivalent to 6 Fire Prevention Officer positions. Total savings of \$1.151 million in 2014 and 2015.
- In 2014, TFS amended the recruitment process requiring additional pre service qualifications resulting in efficiencies in the form of training cost avoidance.

- Decreased Resources and Increased Call Volume
 - In 2014, budget challenges resulted in the elimination of four frontline operational crews (84 firefighters) from service (4% efficiency).
 - At the same time, call volume increased by 2.09% and unit utilization increased by 2.33%.
 - Overall performance improved by 4%, however, any further reductions would significantly impact service (Total Response Time compliance increased from 76% in 2013 to 80% in 2014).

RESPONDED TO
111,000+
EMERGENCIES,
representing a 2.09%
increase over 2013.

CONDUCTED
277,807
UNIT RESPONSES
representing a 2.33%
increase over 2013.

**OVERALL EFFICIENCIES
INCREASED BY
4%**
due to reduced
number of
trucks.

**NFPA 1710
PERFORMANCE
BENCHMARK
4%**
Total Response Time
improvement.

Efficiency Study Implementation Progress

A Consolidated Toronto Emergency Medical Service (now Toronto Paramedic Services-PS) and Toronto Fire Service Communications

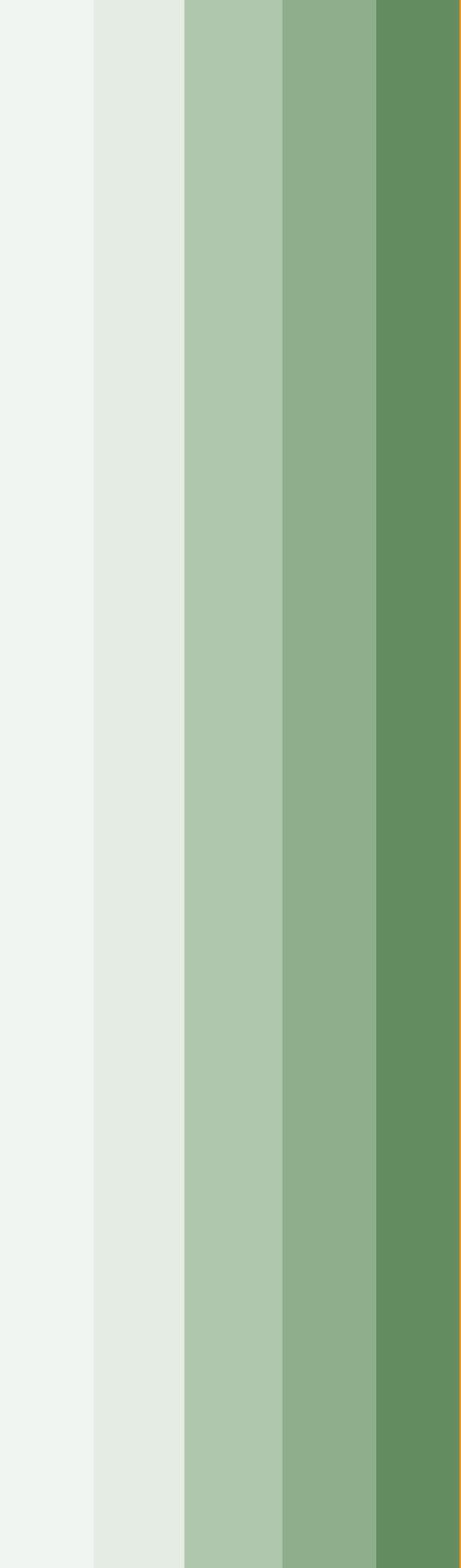
- As part of the 2013 TFS/PS Efficiency Study, the City Manager and Deputy City Managers, in consultation with the Chiefs of TEMS and TFS were requested to undertake further evaluation of a consolidated communications centre for these two services.
- A report, entitled "A Consolidated TEMS and TFS Communications Centre" adopted by City Council in August, 2014 presented the conclusion of the evaluation determining that a consolidation could achieve cost savings while maintaining or improving dispatch, only if the necessary conditions are in place to move forward with this service delivery model. These conditions include:

Link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.EX44.10>

- Legislative and collective agreement amendments to allow employees in a consolidated communications centre to include City employees who are not firefighters. TFS communication centre are staffed by fire fighters under the current Local 3888 collective agreement.
- Toronto Paramedic Services Communications Centre is 100 % funded by the Ministry of Health and Long-Term Care (MOHLTC). Prior to moving forward with any consolidation efforts, confirmation from MOHLTC is required with respect to ensuring that the 100% funding will continue in a consolidated delivery model, including information technology support.
- City Council further requested the following:
 - the Province of Ontario amend the Fire Protection and Prevention Act, 1997 to remove the requirement that communications staff be firefighters and authorize the City Manager and Executive Director of Human Resources to pursue collective agreement amendments.
 - the City Manager, in collaboration with the Chief of PS, consult with the MOHLTC for confirmation that they will continue to provide the necessary current and future funding in a consolidated model, including support for information technology, and
 - the Association of Municipalities (AMO) supports the required legislative changes to the Fire Protection and Prevention Act, 1997 and confirmation that current and future Provincial funding

levels will be maintained in a consolidated communications centre model.

- To date, these conditions have not been met, nor does there appear to be any indication that the Ontario Government is considering any such amendments to the FPPA. Notwithstanding, should these pre-requisites be achieved, the City Manager, in consultation with the Chiefs of Toronto Paramedic Services and Toronto Fire Services, will bring forward a more detailed implementation plan including required investments and projected savings.



Appendices:

Appendix 1

2015 Service Performance

2015 Key Service Accomplishments

In 2015, Toronto Fire Services accomplished the following:

Fire Rescue & Emergency Response

- ✓ Trained 119 new fire fighting recruits for Fire Operations with another class of 39 commencing their training on November 16, 2015.
- ✓ Provided planning and operational support for the 2015 Pan Am Games.
- ✓ Newly acquired Fire Boat (Wm. Thornton) refurbished and placed into active service in October 2015.
- ✓ Led implementation of the Toronto Radio Infrastructure Project (TRIP), installing emergency radio system infrastructure for Toronto Fire Services, Toronto Paramedic Services, and Toronto Police Services. As of October 2015, all 3 Divisions are now fully using the radio system.
- ✓ Implemented the Fire Station Alerting (FSA) system in all TFS fire stations which will assist in reducing overall response time and improve the communication of response details between Communications and Operations.
- ✓ As of October 2015, the Predictive Modelling Program has been implemented. This tool will better inform future decisions on station locations, apparatus locations, and staffing models for maximizing operational effectiveness and efficiency.

Fire Prevention, Inspection & Enforcement

- ✓ Conducted proactive inspections of all Pan Am Games' venues; and provided consultation, planning and approval of Display Fireworks and Special Effect Pyrotechnics for Pan Am Games related events.
- ✓ Completed inspections and timed evacuation drills of Vulnerable Occupancies to provide fire safety for individuals with special care needs in retirement homes, hospitals, Long-Term Care facilities and applicable care facilities.

Fire Safety Education

- ✓ Completed the *Safety Awareness Week Campaign* focussed on fire safety for high rise residents. Staff visited over 5,468 units representing an increase of 75% over the 2014 campaign.
- ✓ TFS partnered with the Fire Marshal's Public Fire Safety Council to deliver the NFPA's "Learn Not to Burn" curriculum to 120 fire and life safety educators. New curriculum to be introduced / rolled out to TDSB and TCDSB elementary schools in early 2016.
- ✓ Commenced a pilot program using NFPA's *Remembering When* program which focussed on older adults and seniors, and *Circle of Care* an agency providing home care visits to vulnerable seniors.

Appendix 2

2016 Preliminary Operating Budget by Expenditure Category

Program Summary by Expenditure Category

Category of Expense (\$000's)	2013	2014	2015	2015	2016	2016 Change from		Plan	
	Actual	Actual	Budget	Projected	Budget	2015 Approved		2017	2018
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries and Benefits	383,890.0	390,430.7	400,338.2	397,416.0	400,000.1	(338.1)	(0.1%)	402,651.3	407,126.2
Materials and Supplies	9,112.2	8,568.5	7,836.5	9,056.5	9,018.7	1,182.2	15.1%	9,018.7	9,018.7
Equipment	906.1	810.0	1,028.3	878.3	896.8	(131.5)	(12.8%)	896.8	896.8
Services & Rents	4,654.5	5,267.7	6,413.1	6,213.1	6,437.3	24.2	0.4%	6,437.3	6,437.3
Contributions to Capital									
Contributions to Reserve/Res Funds	8,927.8	8,894.7	9,584.0	9,584.0	8,856.7	(727.3)	(7.6%)	9,856.7	9,856.7
Other Expenditures	11.9	66.7							
Interdivisional Charges	7,114.4	8,858.8	7,688.6	7,988.6	8,023.9	335.3	4.4%	8,066.8	8,144.9
Total Gross Expenditures	414,617.0	422,897.0	432,888.7	431,136.5	433,233.5	344.9	0.1%	436,927.7	441,480.7
Interdivisional Recoveries	676.7	398.1	247.4	247.4	158.1	(89.3)	(36.1%)	158.1	158.1
Provincial Subsidies	433.5	336.4	400.0	800.0	400.0			400.0	400.0
Federal Subsidies									
Other Subsidies									
User Fees & Donations	16,023.3	14,009.8	13,563.5	13,863.5	14,514.9	951.4	7.0%	14,514.9	14,514.9
Transfers from Capital Fund		2.5	231.8	231.8	144.9	(86.9)	(37.5%)	144.9	144.9
Contribution from Reserve/Reserve Funds	36.4	187.9	2,549.4	1,609.4		(2,549.4)	(100.0%)		
Sundry Revenues	234.2	124.2	8.1	8.1	110.8	102.7	1267.9%	110.8	110.8
Total Revenues	17,404.0	15,058.9	17,000.2	16,760.2	15,328.7	(1,671.5)	(9.8%)	15,328.7	15,328.7
Total Net Expenditures	397,212.9	407,838.1	415,888.5	414,376.3	417,904.9	2,016.4	0.5%	421,599.0	426,152.0
Approved Positions	3,185.3	3,126.8	3,156.8	3,156.8	3,151.3	(5.5)	(0.2%)	3,156.8	3,156.8

* Based on the 2015 9-month Operating Variance Report

For additional information regarding the 2015 Q3 operating variances and year-end projections, please refer to the attached link for the report entitled "Operating Variance Report for the Nine-Month Period Ended September 30, 2015" approved by City Council at its meeting on December 9, 2015.

Link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.EX10.27>

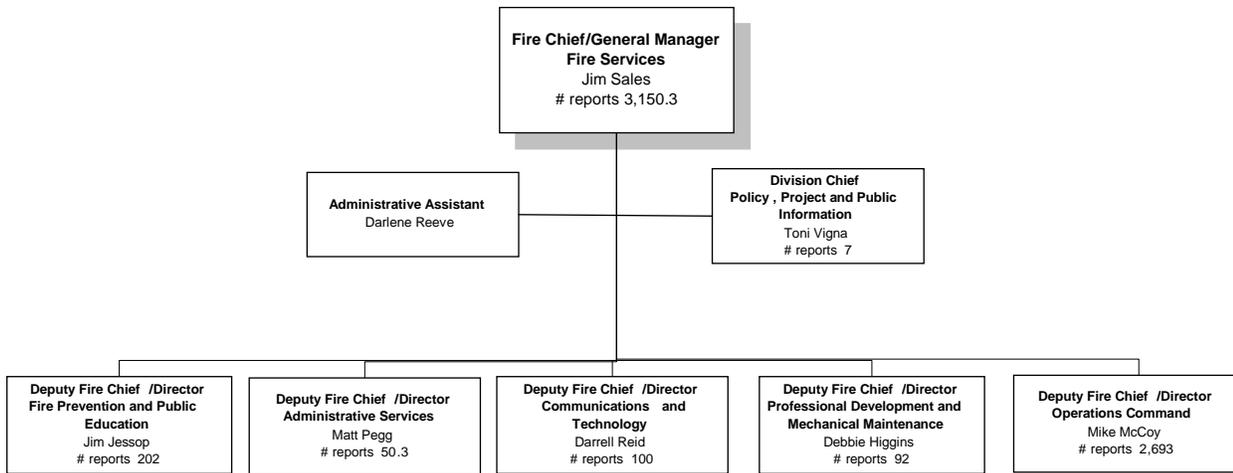
Impact of 2015 Operating Variance on the 2016 Preliminary Operating Budget

- The under expenditures in salaries and benefits will have no impact in the 2016 Operating Budget as vacant positions are expected to be filled by the end of 2015.

Appendix 3

2016 Organization Chart

Toronto Fire Services



2016 Complement

Category	Senior Management	Management	Exempt Professional & Clerical	Union	Total
Permanent	1.00	38.00	24.00	3,087.00	3,150.00
Temporary				1.30	1.30
Total	1.00	38.00	24.00	3,088.30	3,151.30

Appendix 6

Inflows/Outflows to/from Reserves & Reserve Funds

Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (\$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2015 \$	Withdrawals (-) / Contributions (+)		
			2016 \$	2017 \$	2018 \$
Projected Beginning Balance		7,181	7,181	4,703	2,301
Equipment Reserve - Fire Equipment	XQ1020				
<i>Proposed Withdrawals (-)</i>					
<i>Replacement of Portable Radios</i>				(2,625)	
<i>Bunker Suits Lifecycle Replacement</i>			(3,700)		
<i>Defibrillators Lifecycle Replacement</i>				(1,000)	
<i>Contributions (+)</i>			1,222	1,222	1,222
Total Reserve / Reserve Fund Draws / Contributions		7,181	(2,478)	(2,403)	1,222
Balance at Year-End		7,181	4,703	2,301	3,523

Reserve / Reserve Fund Name (\$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2015 \$	Withdrawals (-) / Contributions (+)		
			2016 \$	2017 \$	2018 \$
Projected Beginning Balance		6,474	6,474		
Vehicle Reserve - Fire Equipment	XQ1017				
<i>Proposed Withdrawals (-)</i>					
<i>Replacement of vehicles</i>			(12,677)	(7,203)	(7,203)
<i>Contributions (+)</i>			6,203	7,203	7,203
Total Reserve / Reserve Fund Draws / Contributions		6,474	(6,474)		
Balance at Year-End		6,474			

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (\$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2015 \$	Withdrawals (-) / Contributions (+)		
			2016 \$	2017 \$	2018 \$
Projected Beginning Balance		25,335.2	25,335.2	26,766.5	28,197.8
Insurance Reserve Fund	XR1010				
<i>Contributions (+)</i>			1,431.3	1,431.3	1,431.3
Total Reserve / Reserve Fund Draws / Contributions		25,335.2	26,766.5	28,197.8	29,629.1
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		25,335.2	26,766.5	28,197.8	29,629.1

Appendix 7f

User Fees for Rationalization

Service	2015			2016			Comments
	Rate ID	Rate Description	Approved Rate	Rate ID	Rate Description	Budget Rate	
Fire Rescue & Emergency Response	FR028	Malicious False Alarms - Fee for each Operations Crew and vehicle dispatched to a specific address in response to a malicious false fire alarm	\$410.00	FR028	Malicious False Alarms - Fee for each Operations Crew and vehicle dispatched to a specific address in response to a malicious false fire alarm	\$450.00	Align with Provincial Directive
Fire Rescue & Emergency Response	FR030	Vehicle incident - non City resident First hour - Fee for Fire Apparatus response to vehicle incidents	\$410.00	FR030	Vehicle incident - non City resident First hour - Fee for Fire Apparatus response to vehicle incidents	\$450.00	Align with Provincial Directive
Fire Rescue & Emergency Response	FR031	Vehicle incident - non City Resident - each additional half hour -Fee for Fire Apparatus response to vehicle incidents	\$205.00	FR031	Vehicle incident - non City Resident - each additional half hour -Fee for Fire Apparatus response to vehicle incidents	\$225.00	Align with Provincial Directive
Fire Rescue & Emergency Response	FR032	Non-emergency elevator incident response - Fee for Fire Apparatus response to Release or assist individual in elevator that is a non-emergency incident	\$362.83	FR032	Non-emergency elevator incident response - Fee for Fire Apparatus response to Release or assist individual in elevator that is a non-emergency incident	\$398.23	Align with Provincial Directive
Fire Rescue & Emergency Response	FR044	Nuisance False Alarms -Fee for three Operations Crews and vehicles dispatched to a specific address other than a Single Family Home in response to a nuisance false fire alarm	\$1,230.00	FR044	Nuisance False Alarms -Fee for three Operations Crews and vehicles dispatched to a specific address other than a Single Family Home in response to a nuisance false fire alarm	\$1,350.00	Align with Provincial Directive
Fire Rescue & Emergency Response	FR045	Nuisance False Alarms -Fee for three Operations Crews and vehicles dispatched to a specific address that is a Single Family Home, as defined in response to the first nuisance false fire alarm in a 12 month calendar year	\$820.00	FR045	Nuisance False Alarms -Fee for three Operations Crews and vehicles dispatched to a specific address that is a Single Family Home, as defined in response to the first nuisance false fire alarm in a 12 month calendar year	\$900.00	Align with Provincial Directive
Fire Rescue & Emergency Response	FR046	Nuisance False Alarms -Fee for three Operations Crews and vehicles dispatched to a specific address that is a Single Family Home, as defined in response to any additional nuisance false fire alarm in a 12 month calendar year	\$1,230.00	FR046	Nuisance False Alarms -Fee for three Operations Crews and vehicles dispatched to a specific address that is a Single Family Home, as defined in response to any additional nuisance false fire alarm in a 12 month calendar year	\$1,350.00	Align with Provincial Directive