

Purpose

Report requested by resolution ES2020-03 at the February 12, 2020 Emergency Services Committee, "That staff be directed to prepare a report detailing the 2019 costs apportioned by station for all operating expenses to be presented at Emergency Services Committee in Q3".

Background

Operating expenses are derived from established service levels. These service levels are then translated into a financial plan for the year through the annual budget process. The budget for Fire Services is established based on actual historical trends as well as predicted future expenses to be incurred.

The annual operating budget for Fire Services is compiled for the City of Greater Sudbury as a whole. The budget is not based on individual stations since the City offers consistent service level standards for the community.

Financial Analysis

Total 2019 cost apportioned by fire station for all operating expenses.

| Fire District | Fire Station Number | Fire Station Name | Total Cost |
|-------------------|---------------------|-------------------|---------------------|
| 1 | 1 | Van Horne | \$7,905,318 |
| | 2 | Minnow Lake | \$3,855,238 |
| | 3 | New Sudbury | \$3,936,395 |
| | 4 | Long Lake | \$3,888,661 |
| 2 | 5 | Copper Cliff | \$203,113 |
| | 6 | Waters | \$427,201 |
| | 7 | Lively | \$295,760 |
| | 8 | Whitefish | \$310,393 |
| | 9 | Beaver Lake | \$101,316 |
| 3 | 10 | Azilda | \$500,843 |
| | 11 | Chelmsford | \$593,133 |
| | 12 | Dowling | \$307,007 |
| | 13 | Vermillion Lake | \$45,462 |
| | 14 | Levack | \$233,886 |
| 4 | 15 | Val Caron | \$239,656 |
| | 16 | Val Therese | \$2,019,872 |
| | 17 | Hanmer | \$311,247 |
| | 18 | Capreol | \$295,933 |
| 5 | 20 | Garson | \$425,841 |
| | 21 | Falconbridge | \$127,450 |
| | 22 | Skead | \$117,893 |
| | 23 | Coniston | \$263,293 |
| | 24 | Wahnapiatae | \$292,739 |
| Total Cost | | | \$26,697,650 |

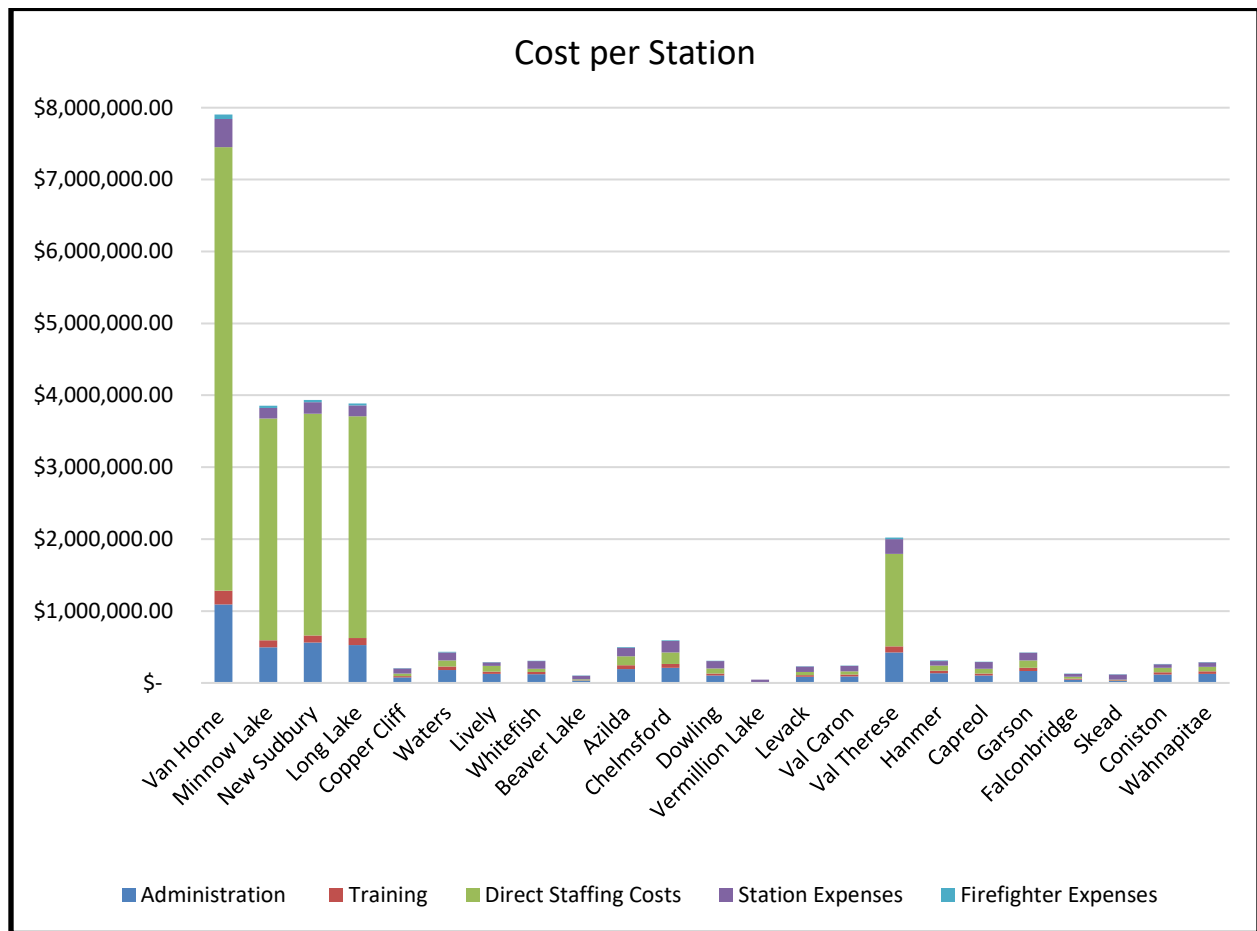
All of the 2019 Fire Services operating costs were included in the analysis with the exception of costs related to fire prevention and education. These costs were excluded since they relate to services delivered to the community as a whole and are unrelated to fire districts and stations.

Operating expenses were first broken down into cost categories based on the nature of the expense. These categories allow for distinction between operating expenses that are fixed & variable in nature.

For the purpose of this report, the operating expense categories identified are:

- Administrative & overhead
- Training expense
- Direct staffing
- Station expense
- Firefighter expense

Where applicable, costs that were distinct and location-specific were allocated to each of the stations. For instance, insurance and energy costs are location-specific which means they are allocated directly to each station. Non-distinct costs were then allocated to the stations based on common denominators. For example, training costs were allocated to the stations based on staffing ratios.



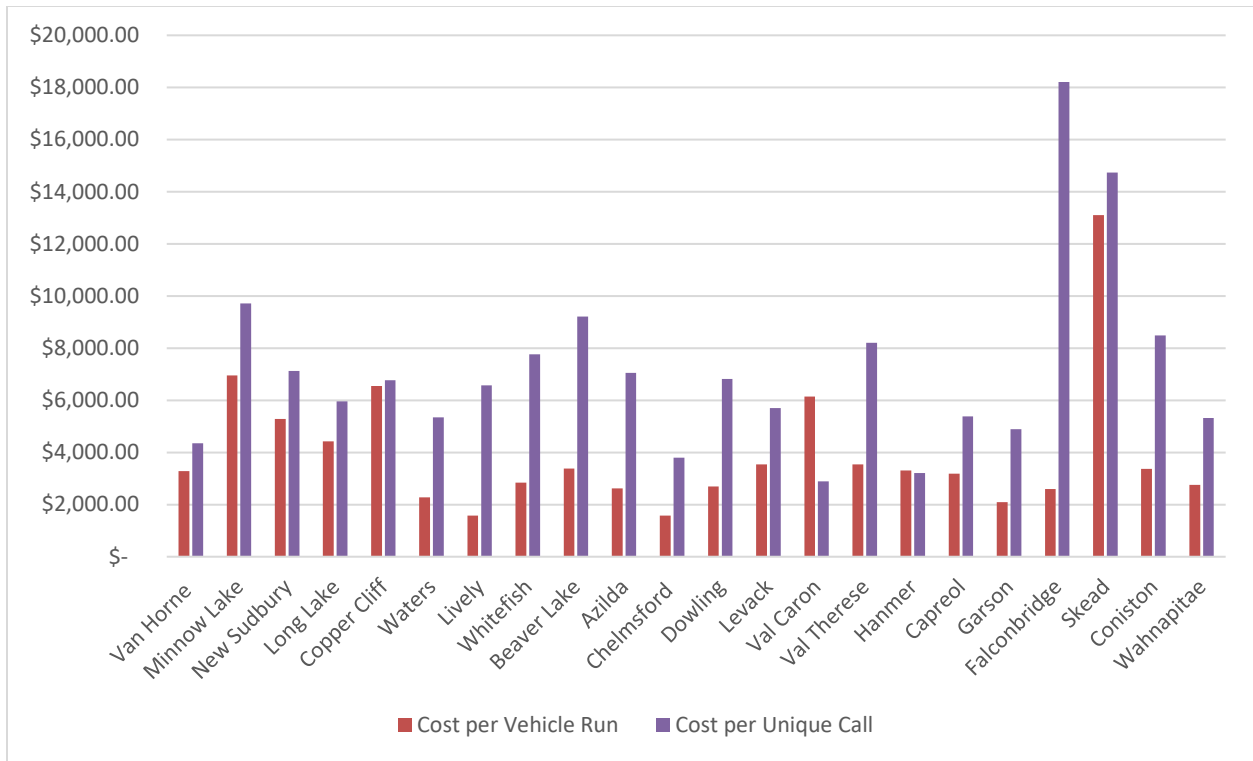
Appendix A includes a financial breakdown of operating expense by category. Appendix B provides definitions of the five cost categories.

Data Analysis

In order to connect costs to service levels, a comparison of cost per unique calls by station and cost per total vehicle runs by station were considered.

Unique calls for service can be defined as each emergency incident to which Fire Services is called to attend. Each unique call for service includes all units which are part of the incident.

Total vehicle runs per station can be defined as the total number of times a station deployed a vehicle to an emergency incident. Each unique call for service may include several vehicles runs from various stations.



Vermillion Lake Station has been excluded from this analysis since as it does not have any firefighters assigned. The last firefighter assigned to this station was reassigned to the Dowling Fire Station in 2018. The building still continues to be maintained and station costs continue to be incurred. Calls for service in this response area are responded to by Dowling and Chelmsford stations, which has been the case for a number of years.

The average cost per vehicle run & unique call, omitting Vermillion Lake station, is:

| Station Type | Average Cost per Vehicle Run | Average Cost per Unique Call |
|-------------------|------------------------------|------------------------------|
| Career Station | \$4,989.67 | \$6,791.06 |
| Composite Station | \$3,537.43 | \$8,210.86 |
| Volunteer Station | \$3,743.22 | \$7,186.33 |
| All Stations | \$3,960.49 | \$7,161.03 |

Conclusion

The 2019 fire services operating expenses have been apportioned by station utilizing several distribution methods and categorized by cost category as requested. In order to provide a link between costs and service level, a high level analysis based on unique calls by station and total vehicle runs by station was provided.

Resources Cited

Fire Protection and Prevention Act, 1997, S.O. 1997, c.4
<https://www.ontario.ca/laws/statute/97f04>

Fire Service – Establishing and Regulating By-Law Update
<https://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&id=1521&itemid=18145&lang=en>