

GABRIOLA FIRE PROTECTION IMPROVEMENT DISTRICT

2025 Discussion and Analysis



GABRIOLA FIRE PROTECTION IMPROVEMENT DISTRICT

2025 DISCUSSION & ANALYSIS

Overview

The 2025 Discussion and Analysis provides an overview of the financial position, operating activities, and overall performance of the Gabriola Fire Protection Improvement District (GFPID) for the fiscal year ended December 31, 2025. This discussion should be read in conjunction with the Improvement District’s audited financial statements and related notes.

Organizational Highlights

The GFPID operates as a close collaboration between the trustees, responsible for oversight, and senior staff, responsible for fire department operations.

During the fiscal year, the Improvement District continued to fulfill its mission through the dedicated service of its members. Key accomplishments included:

- Responding to 456 emergency calls
- Continued training and certification of members to meet NFPA, wildland firefighting, and Emergency Medical Responder (EMR) standards/requirements.
- Maintenance and replacement of firefighting equipment and facilities to ensure operational readiness.
- Initiating a full replacement of firefighter turnout gear with PFAS-free gear. Replacement of all turnout gear is anticipated to be complete by 2028. This will meet the requirements of Province of BC Bill M206-2024.
- Ongoing community outreach and fire prevention education initiatives including the Junior Fire Fighter program, fire prevention presentations at the Gabriola Elementary School, FireSmart™ presentations and home assessments, debris chipping events, and an annual open house.
- Providing fire suppression and structural sprinkler services for RDN residents affected by the Wesley Ridge wildfire, through a BC Wildfire Service deployment.

Annual Call Volume

	2025	2024	2023
Medical	286	312	320
Burn Complaints	61	74	107
Assistance	31	29	96
Fire	71	117	23
Rescue	7	5	16
	<hr/> 456	<hr/> 537	<hr/> 562

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Financial Overview

As of Dec 31, 2025, tangible assets were valued at \$5.5M, consisting of \$3.4M of building assets and \$1.8M of firefighting equipment and vehicles. There was \$893K of cash, consisting of \$305K reserved for capital asset replacement, a \$100K advance on the 2026 levy, and \$450K in year-end surplus. It is this year-end surplus that is used to fund the first half of the following year, until the annual levy is received in early July. The 2025 surplus should provide adequate funding for operations in the first six months of 2026.

Revenue

Total revenues for the fiscal year were \$1.8M, primarily derived from the following sources:

- Provincial Levy: represents operational revenue of \$1,030,183 and capital, reserves, and contingency totalling \$375,840.
- Capital Tax Advance: represents monthly debt payments on the building loan. Matures July 2028.
- Grants: received from UBCM for equipment purchases and FireSmart™ activities.
- Training: represents revenue for services provided to Safer Ocean Systems (SOS). (revenue and expense analysis follows).
- Lease revenue: derived from two sources; Gertie lease (\$18.8K) and SOS office lease (\$24K).
- Deployment revenue: (revenue and expense analysis and discussion follows).
- Interest revenue: was reduced by a decline in interest rates as well as a decrease in the capital reserve as a result of the purchase of a new fire engine in August 2025.
- Donations: were high in 2024 due to spending in the Don Elkington/EMR fund (\$19,980). The fund balance of \$1,613 was recognized as donation income in 2025.

SOS Revenue and Expenses

	2025	2024
Revenue		
Training	\$ 52,295	\$ -
Office Lease	24,000	8,000
	<u>76,295</u>	<u>8,000</u>
Expenses – Instructor	18,759	-
	<u>\$ 57,536</u>	<u>\$ 8,000</u>

The SOS contract was initiated in July 2024 with a lease of office space. Training commenced in 2025.

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Deployment Revenue and Expenses

	2025	2024
Revenue	\$ 37,779	\$ 26,840
Expenses	12,374	8,330
	<u>\$ 25,405</u>	<u>\$ 18,510</u>

The GFPID has been hampered in attracting more deployment opportunities by the lack of a type 6 engine, which is sought after in wildfire fighting.

Expenses were higher in 2025 due to a longer deployment and purchases of wildfire uniforms and first-aid training required to deploy. Wages for deployment are paid at wildfire rates and account for the majority of the expenses (\$10.3K, \$5.3K in 2024)

Expenses

Total expenses for the fiscal year were \$1.2M. Major expense categories included:

- Wages: (expense analysis and discussion follows).
- Insurance: Building insurance premiums have decreased slightly in 2025 as a result of research done by the Corporate Officer. The building insurance renewal took place in October, so the impact for 2025 was minimal.
- Professional fees: (expense analysis and discussion follows).

Wages and Benefits

	2025	2024
Office	\$ 212,301	\$ 203,178
Duty officer	77,504	55,443
Day firefighters	31,912	41,404
Practice & Callout	90,970	123,790
Employee benefits	60,884	51,795
	<u>\$ 473,571</u>	<u>\$ 475,610</u>

Office wages include the chief, the deputy, the corporate officer, and the accounting assistant.

Practice & callout wages were reduced due to lower call volumes, lower staffing levels, and a change to the response matrix for medical calls in 2025.

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Professional fees

	2025	2024
Legal	\$ 64,645	\$ 4,688
Audit	18,781	11,350
HR consulting	14,775	-
FOI requests	9,795	32,378
Complaints/Investigation	4,033	-
	\$ 112,029	\$ 48,416

Capital Reserves and Contingency

	Opening Balance 01/01/25	2025 Contributions	Interest Earned	Expenditures	Closing Balance 12/31/25
Capital Reserves					
Truck	\$ 482,989	\$ 219,000	\$ 13,540	\$ (552,773)	\$ 162,756
Building	77,911	75,000	188	(31,904)	121,195
Equipment	-	85,000	33	(63,666)	21,367
	560,900	379,000	13,761	(648,343)	305,318
Contingency	27,814	10,000	241	-	38,055
	\$ 588,714	\$ 389,000	\$ 14,002	\$ (648,343)	\$ 343,373

The 2025 Levy included contributions to the capital reserves of \$305K and contingency of \$10K. Actual contributions to the equipment fund were increased by \$55K from SOS and Deployment revenues. The truck fund was supplemented with an additional \$19K from insurance proceeds on the loss of the ladder truck.

Capital Assets

As of year-end, the Improvement District owned capital assets with a net book value of \$5.5M (\$ 2024 \$5.1M), including fire apparatus, emergency vehicles, equipment, and buildings.

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The Improvement District anticipates future capital needs related to apparatus replacement and facility improvements and is actively planning for these through the long-term financial plan.

Staffing and Operations

The Department relies heavily on its members, with an active roster of 35 as of year-end. Recruitment and retention remain priorities, and management continues to explore incentives, training, and community engagement to sustain member participation. Voluntary contributions from the members and community provide crucial support to the GVFD.

Risks and Uncertainties

The Department faces several ongoing risks and challenges, including:

- Global political and financial uncertainties
- Provincial political and financial uncertainties
- Union negotiations
- Dependence on firefighter availability and recruitment.
- Insurance costs
- Tenure on the land for Hall 2 remains unresolved
- Hall 2 requires refurbishment

Management continues to monitor these risks and develop strategies to mitigate their potential impact.

Outlook and Future Plans

- Enhance recruitment and retention efforts
- Negotiate a fair Union Agreement
- Refine budgeting process
- Work on long-term planning and create a financially resilient organization
- Transition to federally mandated Internet Protocol-based technology for command vehicles
- Complete replacement of firefighter turnout gear to PFAS-free
- Replace medical vehicle
- Pursue appropriate grant opportunities

Conclusion

Management believes the Department is in sound financial condition and well-positioned to meet its service obligations. Through careful financial stewardship, strong community support, and the dedication of its members, the Department will continue to protect life and property and serve the community effectively.