

OFFICE *of the*  
FIRE COMMISSIONER  
2019-2020  
ANNUAL REPORT



Manitoba 



# MISSION

TO SAFEGUARD BOTH PERSONS AND PROPERTY FROM FIRE AND LIFE SAFETY HAZARDS THROUGH EDUCATION, INVESTIGATIONS, INSPECTIONS, EMERGENCY RESPONSE AND CODE APPLICATION.

# VALUES

WE BELIEVE PEOPLE HAVE THE RIGHT TO LIVE IN SAFE COMMUNITIES.

WE BELIEVE IN PROVIDING THE BEST POSSIBLE PROGRAMS AND SERVICES TO OUR CLIENTS.

WE BELIEVE IN BEING RESPONSIBLE FOR OUR ORGANIZATION AND IN OUR ORGANIZATION BEING FAIR, EFFECTIVE AND EFFICIENT.

WE BELIEVE IN THE LOYALTY OF OUR PEOPLE AND VALUE THEIR CONTINUED DEVELOPMENT.

# MISSION

PROTÉGER LES PERSONNES ET LES BIENS CONTRE L'INCENDIE ET LES AUTRES DANGERS POUR LA SÉCURITÉ DES PERSONNES AU MOYEN D'ÉDUCATION, D'ENQUÊTES, D'INSPECTIONS, D'INTERVENTIONS D'URGENCE ET DE L'APPLICATION DES CODES.

# VALEURS

NOUS CROYONS QUE LA POPULATION A LE DROIT DE VIVRE DANS DES COLLECTIVITÉS SÉCURITAIRES.

NOUS CROYONS QUE NOUS DEVONS OFFRIR LES MEILLEURS PROGRAMMES ET SERVICES POSSIBLE À NOS CLIENTS.

NOUS CROYONS QUE NOUS DEVONS ASSUMER NOS RESPONSABILITÉS AU NOM DE NOTRE ORGANISATION ET QUE CELLE-CI EST ÉQUITABLE, JUSTE, EFFCACE ET EFFCIENTE.

NOUS CROYONS DANS LA LOYAUTÉ DE NOS MEMBRES ET NOUS APPRÉCIONS LEUR DÉVELOPPEMENT PROFESSIONNEL CONTINU.





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**MINISTER  
OF MUNICIPAL RELATIONS**

Room 317  
Legislative Building  
Winnipeg, Manitoba R3C 0V8  
CANADA

Her Honour the Honourable Janice C. Filmon, C.M., O.M.  
Lieutenant Governor of Manitoba  
Room 235 Legislative Building  
Winnipeg MB R3C 0V8

May it Please Your Honour:

I have the privilege of presenting the final Annual Report of the Office of the Fire Commissioner as a Special Operating Agency for the fiscal year ended March 31, 2020. Going forward, the Office of the Fire Commissioner will report through the departmental annual report.

Respectfully submitted,

Rochelle Squires  
Minister





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MINISTRE  
DES RELATIONS AVEC LES MUNICIPALITÉS

Bureau 317  
Palais législatif  
Winnipeg (Manitoba) R3C 0V8  
CANADA

Son Honneur l'honorable Janice C. Filmon, C.M., O.M.  
Lieutenant-gouverneure du Manitoba  
Palais législatif, bureau 235  
Winnipeg (Manitoba) R3C 0V8



Madame la Lieutenant-Gouverneure,

J'ai le privilège de vous présenter le rapport annuel final du Bureau du commissaire aux incendies à titre d'organisme de service spécial pour l'exercice terminé le 31 mars 2020. À l'avenir, le Bureau rendra compte de ses activités dans le rapport annuel du ministère.

Je vous prie d'agréer l'expression de mon profond respect.

Rochelle Squires  
Ministre



Honourable Rochelle Squires  
Minister of Municipal Relations  
Room 317 Legislative Building  
Winnipeg MB R3C 0V8

Dear Minister:

I am pleased to submit, for your consideration, the final Annual Report of the Office of the Fire Commissioner as a Special Operating Agency for the year ended March 31, 2020. The Board and Management continued to strive to meet the important organizational mission of safeguarding both persons and property through education, investigations, inspection, emergency response and code application.

Due to the Office of the Fire Commissioner transitioning into core government under the Department of Municipal Relations, going forward, the Office of the Fire Commissioner will report through the departmental annual report.

Respectfully submitted,

Bruce Gray  
Deputy Minister of Municipal Relations



Madame Rochelle Squires  
Ministre des Relations avec les municipalités  
Palais législatif, bureau 317  
Winnipeg (Manitoba) R3C 0V8

Madame la Ministre,

J'ai l'honneur de vous présenter le rapport annuel final du Bureau du commissaire aux incendies à titre d'organisme de service spécial pour l'exercice terminé le 31 mars 2020. Le conseil d'administration et la direction continuent à s'efforcer de mener à bien l'importante mission du Bureau qui consiste à protéger les personnes et les biens grâce à l'éducation, aux enquêtes, aux inspections, aux interventions d'urgence et à l'application du code.

La transition en cours du Bureau du commissaire aux incendies au sein du gouvernement central sous l'égide du ministère des Relations avec les municipalités fera en sorte que le Bureau rendra compte de ses activités dans le rapport annuel du ministère.

Je vous prie d'agréer l'expression de mon profond respect.

Bruce Gray  
Sous-ministre des Relations avec les municipalités





## OFFICE *of the* FIRE COMMISSIONER

508 Norquay Building · 401 York Avenue  
Winnipeg, Manitoba, Canada R3C 0P8  
T: [204] 945-3322 | F: [204] 948-2089

[www.firecom.gov.mb.ca](http://www.firecom.gov.mb.ca)

Bruce Gray  
Deputy Minister of Municipal Relations  
311 Legislative Building  
Winnipeg MB R3C 0V8

Dear Mr. Gray:

I am pleased to submit for your review the 2019/2020 Annual Report of the Office of the Fire Commissioner (OFC) for the year ended March 31, 2020.

Over the past year, our primary focus has been to modernize the Agency's service delivery model in support of the June 2019 provincial action plan on planning, zoning and permitting in Manitoba. This has led to further organizational efficiencies and modernization in practices, which will come into effect April 1.

Other highlights from the past year that stand out as significant achievements include:

- Implementing program reforms that measure organizational efficiency and effectiveness, promote staff engagement and personal development.
- Supporting municipalities, indigenous communities, and other local authorities in the development of local emergency services, fire protection, fire prevention and public education programs.
- Responding to the training and education needs of the Manitoba fire service.
- Adapting our service delivery model to respect public health recommendations.
- Ensuring that the Agency is positioned to effectively respond to emergency incidents to support municipalities and other provincial agencies.

With its diverse mandate, the Agency plays a critical role in maintaining Manitoba's public safety network and remains committed to working towards operational excellence in all aspects of our diverse service delivery mandate.

Sincerely,

Marty Danielson  
A/ Fire Commissioner  
As at March 31, 2020





## OFFICE of the FIRE COMMISSIONER

508 Norquay Building · 401 York Avenue  
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Bruce Gray  
Sous-ministre des Relations avec les municipalités  
Palais législatif, bureau 311  
Winnipeg (Manitoba) R3C 0V8

Monsieur,

J'ai l'honneur de vous présenter le rapport annuel 2019-2020 du Bureau du commissaire aux incendies pour l'exercice se terminant le 31 mars 2020.

Au cours de la dernière année, nous nous sommes principalement concentrés sur la modernisation du modèle de prestation de services du Bureau afin d'appuyer le plan d'action provincial de juin 2019 en matière de planification, de zonage et d'octroi de permis au Manitoba. Nous avons ainsi pu augmenter l'efficacité organisationnelle et moderniser les pratiques par des mesures qui entreront en vigueur le 1<sup>er</sup> avril.

Les autres points saillants du dernier exercice se distinguant comme réalisations importantes comprennent notamment:

- la mise en place de réformes de programmes qui mesurent l'efficacité et l'efficacité organisationnelles tout en faisant la promotion de l'engagement du personnel et de l'épanouissement personnel;
- le soutien aux municipalités, aux communautés autochtones et aux autres autorités locales pour mettre en place des services d'urgence locaux, de protection contre l'incendie, de prévention des incendies et d'éducation publique;
- la satisfaction des besoins de formation et d'éducation des services d'incendie du Manitoba;
- l'adaptation de notre modèle de prestation de services afin de respecter les recommandations des responsables de la santé publique;
- l'assurance que le Bureau puisse répondre efficacement aux situations d'urgence afin de soutenir les municipalités et les autres organismes provinciaux.

Grâce à son mandat diversifié, le Bureau joue un rôle crucial dans le maintien du réseau de sécurité publique du Manitoba. Il demeure engagé à travailler en vue de l'excellence dans ses activités visant tous les aspects de notre mandat de prestation de services divers.

Veillez agréer l'expression de nos sentiments les meilleurs.

Marty Danielson  
Commissaire aux incendies du Manitoba par intérim  
at March 31, 2020

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# SPECIAL OPERATING AGENCY ADVISORY BOARD

*The role of the Advisory Board is to provide advice on the Office of the Fire Commissioner's (the Agency's) strategic operations and on changes to its mandate, structure, business practices and finances. The Advisory Board reviews and provides comments on proposed business plans, quarterly and annual reports.*

*The Advisory Board consists of the following individuals:*

**Bruce Gray**, Board Chair, Ex Officio  
Deputy Minister  
Municipal Relations

**Marty Danielson**, Ex Officio  
Fire Commissioner  
Office of the Fire Commissioner

## MEMBERS

**John Lane**, Client Representative  
Winnipeg Fire Paramedic Service

**Brad Mason**, Client Representative  
Mechanical Contractors Association of Manitoba

# AUDIT COMMITTEE

*The role of the Audit Committee is to oversee the Agency's financial reporting processes, understand financial and business risks, manage internal and external audit relationships, ensure compliance with public sector reporting requirements and internal policies, and to make recommendations regarding policies and procedures related to whistleblower protection in accordance with The Public Interest Disclosure Act, and fraud awareness. The Audit Committee reviews Agency reports and issues in conjunction with the Advisory Board.*

*The Audit Committee consists of the following individuals:*

**Bruce Gray**, Board Chair, Ex Officio  
Deputy Minister  
Municipal Relations

**Marty Danielson**, Ex Officio  
Fire Commissioner  
Office of the Fire Commissioner

**Nicole Morton**, Ex Officio  
Manager of Financial Services  
Office of the Fire Commissioner

## MEMBERS

**Dan McCausland**, External Representative  
Access Credit Union and  
Manitoba Fire Service Member





## AGENCY PROFILE

### *Historical Perspective*

***The Agency's role in public safety has expanded significantly since the first Fire Commissioner was appointed in 1876.***

The Fires Prevention Act was originally created in 1872 for the prevention of prairie fires and included the authority to conduct fire investigations. In 1876, the first Fire Commissioner was appointed to administer and enforce this act. In 1885, the act was amended to include fire protection of wooded lands. In 1940, the act was separated into two parts; Part I dealt with forest fires and Part II outlined the responsibilities of the Fire Commissioner in the area of fire prevention.

In the early 1960s, training of fire fighters was included in this act and in 1997, Part 1 of the Act was replaced with The Wildfires Act.

In addition to the responsibilities for fire prevention and management, the Agency is responsible for ensuring that buildings are constructed with public safety taken into account. The legal responsibility for building construction was first introduced in 1877 through The Manitoba Public Buildings Safe Egress Act and was followed by The Manitoba Public Building Act in 1884. The focus of both these acts was the assurance of safe public assembly buildings and means of egress. The proliferation of building codes and standards resulted in the creation of The Buildings and Mobile Homes Act in 1974.

Effective April 1, 1996, the Agency was designated as a special operating agency (SOA) under The Special Operating Agencies Financing Authority Act.

As a result of the tragic events on September 11, 2001, The Security Management (Various Acts Amended) Act was passed in 2002. This resulted in the renaming of The Fires Prevention Act as The Fires Prevention and Emergency Response Act and provided the Fire Commissioner with the authority to take whatever action is necessary in order to save lives and property, and to ensure that an effective incident management system is in place.

In 2011, the Mechanical and Engineering Branch of the then Department of Labour and Immigration was transferred to the Agency, and was renamed Inspection and Technical Services (ITS). This amalgamation expanded the Agency's mandate to include responsibilities for various technical safety acts, which include:

- The Amusements Act;
- The Electricians' Licence Act;
- The Elevator Act;
- The Gas and Oil Burner Act;
- The Power Engineers Act; and
- The Steam and Pressure Plants Act.

# ORGANIZATIONAL STRUCTURE AND SECTION RESPONSIBILITIES

## POLICY AND PLANNING

The Policy and Planning Section is responsible for the Agency's business planning, statistical analysis, regulatory and policy development. The Policy and Planning Section provides support to all sections of the Agency and assists them in achieving the Agency's goals and planned actions. This section also provides support to advisory boards and committees that have been established under the various statutes that the Agency administers.

## SUPPORT SERVICES

The Support Services Section provides comptrollership oversight, financial planning and processing, supports the Agency's information technology systems and provides direct administrative and clerical support to the Agency. The section also provides support through financial information to the Advisory Board and Audit Committee of the Agency.

## MUNICIPAL SUPPORT

The Municipal Support Section provides a variety of consultative and support services to municipal fire services, councils and Indigenous communities. These services relate to the operation and management of fire departments, oversight of the provincial mutual aid system, public education, and fire investigation services. This section also coordinates the Fire-Smart program, which assists communities across Manitoba by proactively addressing Wildland Urban Interface (WUI) fire risks.

The Fire Investigation Unit provides fire cause and origin investigation services across the province. Although investigating fires is a municipal responsibility, the Agency assists when called upon, and is essential for complex fires or where injuries, deaths, or major property damage has occurred.

## MANITOBA EMERGENCY SERVICES COLLEGE

The Manitoba Emergency Services College (MESC) provides comprehensive emergency services education and certification related to fire fighting, rescue, paramedic, critical incident stress management and mental health for first responders. Other courses include but are not limited to emergency driving, fire prevention, life safety education, emergency services instruction, fire officer, and management training.

The college, located in Brandon, consists of a main campus and an 11.4 acre practical training site. The MESC is also responsible for a satellite training facility in Thompson, and provides regional training across the province at the request of the Manitoba fire service. The MESC holds accreditation in 34 program areas. The traditional client of the MESC is the Manitoba fire service.

## INSPECTION AND TECHNICAL SERVICES

The Inspection and Technical Services Section is responsible for safety related to boilers and pressure vessels, and gas and oil burning equipment. This section conducts inspections of, and issues permits for, various types of mechanical equipment, examines and reviews installation designs, and conducts exams and issues licences to qualified trades people.

The following is an overview of the technical safety services provided by this section:

- boiler and pressure vessel inspections
- gas and oil burning equipment inspections
- pressure weld certification
- pressure vessel and piping registrations
- quality assurance program review and approvals
- trades licensing and examinations
- post-secondary technical training review and approvals





### **BUILDING AND FIRE SAFETY**

With the support of three units, the Building and Fire Safety Section administers and enforces the Manitoba construction codes, including the building, plumbing, farm building and energy codes. This section also administers The Manitoba Fire Code, The Electricians' Licence Act, The Elevator Act, Part 2 of The Amusements Act, and the Fire Safety Inspections Regulation.

The Building Code Inspection Unit administers the building code on a contract basis to municipalities throughout Manitoba. In areas of the province where the local authority has not been delegated with the authority to administer Part 3 of the Manitoba Building Code, the Building Code Inspection Unit provides this service.

The Electrical and Fire Safety Inspection Unit provides fire inspection services to other departments and government agencies on behalf of the Agency, and provides education and support to local authorities when implementing their fire inspection programs. As well, this unit is responsible for approvals of electrical equipment and installations.

The Elevator and Amusements Unit is responsible for the inspection of amusement rides and the installation, inspection and review of elevating and lifting devices. This unit is also responsible for renewing the licences of individuals working on elevators and lifting devices in the province.

### **EMERGENCY RESPONSE**

Under the direction of the Fire Commissioner, the Agency's Emergency Response services are a shared responsibility across all sections of the Agency. This is not a dedicated section of the Agency, but due to the importance of this service within the Agency's mandate, it is important to identify it separately.

In support of the Manitoba Emergency Plan, the Agency also provides emergency response services on behalf of the province to support municipalities, provincial departments, policing agencies and other local authorities when emergency incidents are too large or complex for local or regional resources.

Emergency response services provided by the Agency include, but are not limited to:

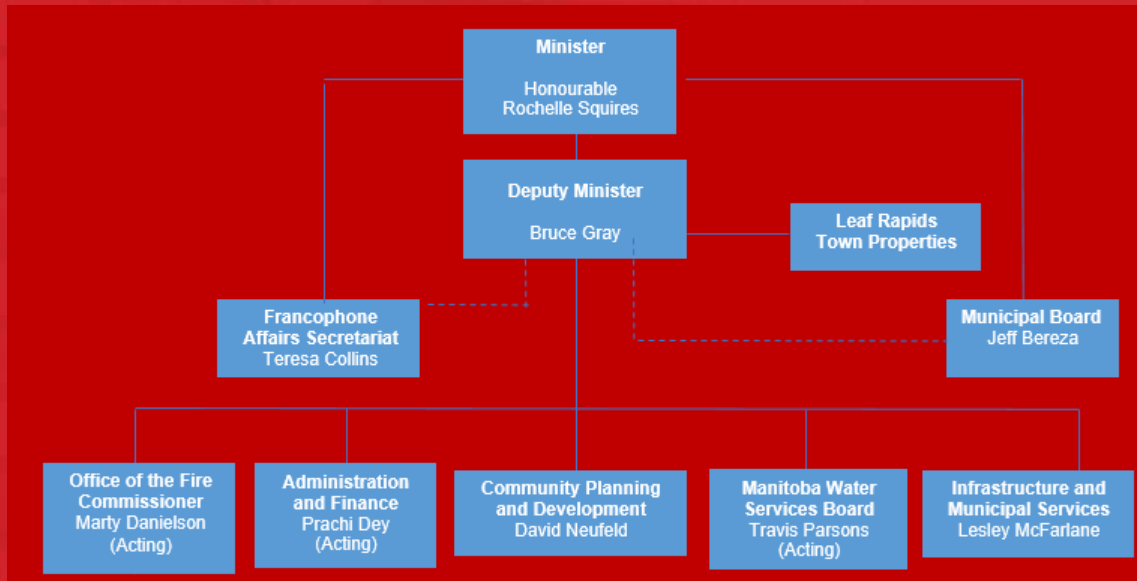
- Ground Search and Rescue (GSAR)
- Heavy Urban Search and Rescue (HUSAR)
- Chemical, Biological, Radiological, Nuclear and Explosive events (CBRNE)
- Hazardous Materials response (technician level)
- Wildland Urban Interface (WUI) fires and community protection
- Implementation of the Incident Command System (ICS) at the scene of major emergencies or disaster



# ORGANIZATIONAL STRUCTURE

## DEPARTMENT OF MUNICIPAL RELATIONS

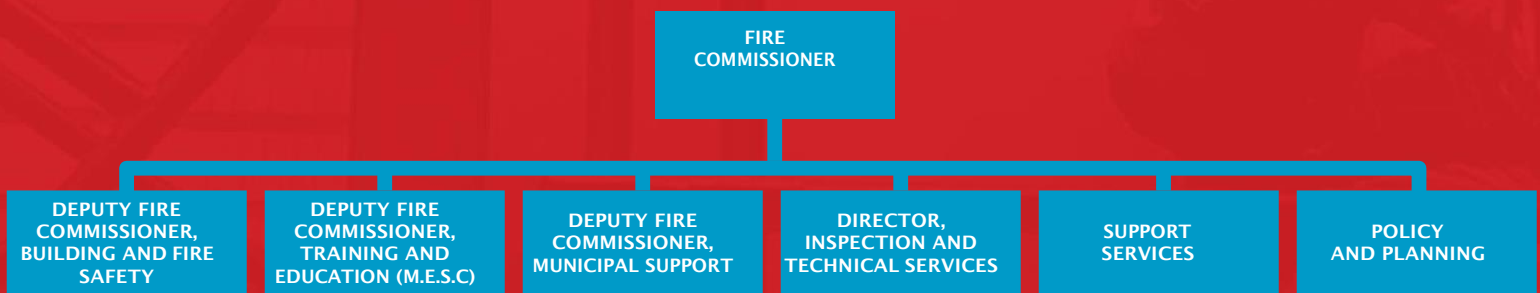
The Fire Commissioner provides overall supervision and guidance to the Agency. The senior management team is responsible for the day-to-day management of the organization. The Policy and Planning Section provides policy and planning support to all sections of the organization. The Agency has offices in Winnipeg, Brandon, Portage la Prairie, and Dauphin. The Agency was approved for 114 regular staff in the 2019/20 fiscal year.



# ORGANIZATIONAL STRUCTURE

## OFFICE OF THE FIRE COMMISSIONER 2019-20

The Agency is a Special Operating Agency within the department of Growth, Enterprise and Trade and reports directly to the Assistant Deputy Minister of Labour and Regulatory Services, as illustrated in the following organizational structure:



# PROVINCIAL FIRE STATISTICS

## INJURIES AND FATALITIES

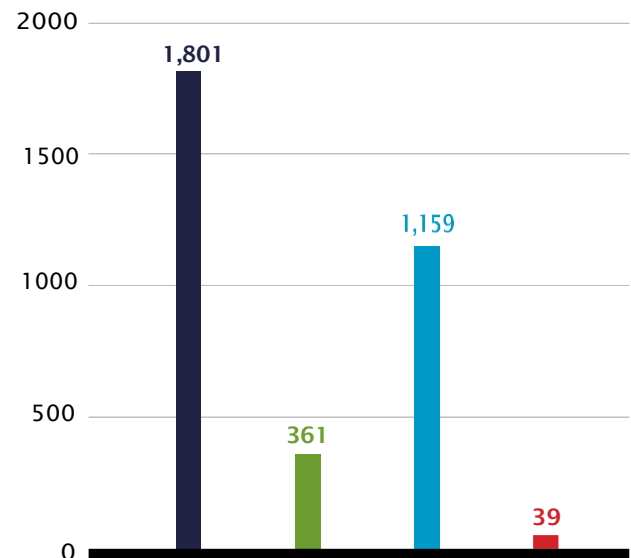
Thirteen adults and two children lost their lives as a result of fires in 2019. Fourteen fatalities occurred in residential fires. There were 94 fire related injuries reported in 2019, which represents a decrease of 39% compared to 2018. The Manitoba Fire Service assisted in evacuating 693 individuals from fires in 2019.

TABLE 1.1 – NUMBER OF INJURIES AND FATALITIES DUE TO FIRE

	2016	2017	2018	2019
Injuries	112	141	154	94
Fatalities	20	11	14	15

The majority of fires reported were in Winnipeg, which accounted for 54% of all reported fires in Manitoba in 2019.

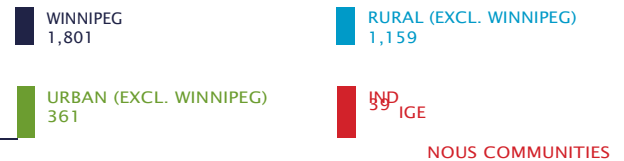
CHART 1.1 – NUMBER OF FIRES REPORTED BY AREA



Manitoba reported 3,360 fires in 2019. This was a decrease of 556 fires, or 14% compared to 2018.

TABLE 1.2 – DISTRIBUTION OF FIRES

	2016	2017	2018	2019
Winnipeg	1,519	1,579	1,845	1,801
Urban (Excluding Winnipeg)	423	355	381	361
Rural (Excluding Winnipeg)	1,121	1,317	1,654	1,159
Indigenous Communities	56	21	36	39
Total	3,119	3,272	3,916	3,360





# PROVINCIAL FIRE STATISTICS

## SUSPICIOUS FIRES

In 2019, the City of Winnipeg reported 431 incidents that were determined to be incendiary\* or suspicious in nature. This was an increase of 8% or 88 fires, compared to 2018. Of the 431 incendiary or suspicious fires in Winnipeg in 2019, 199 involved outdoor property.

For regions other than Winnipeg, 285 fires were determined as incendiary or suspicious. This was an increase of 6% or 25 fires, compared to 2018.

The table below shows the percentages of fires and property damages in 2019 resulting from four major causes: incendiary, suspicious, accidental and undetermined.

TABLE 1.7-MANITOBA INCENDIARY/SUSPICIOUS FIRES 2015-2019

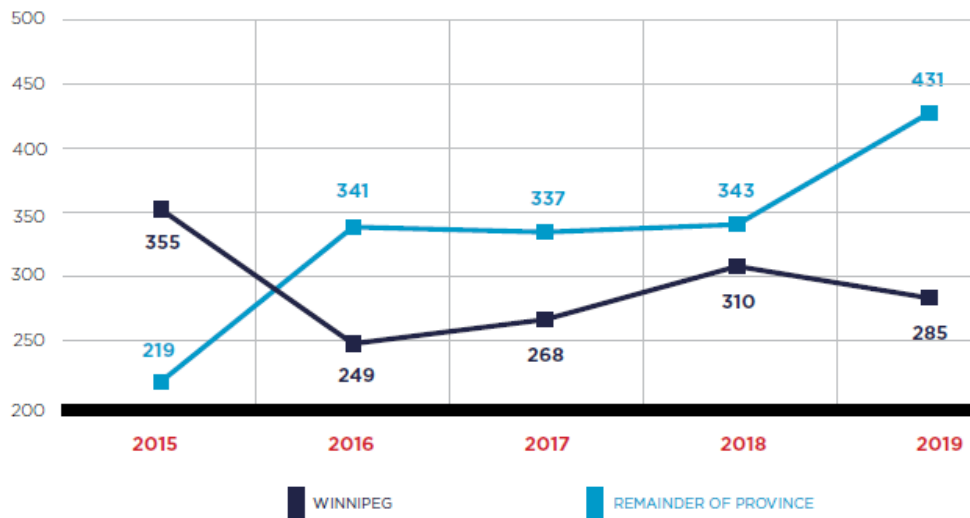


TABLE 1.8-2019 NUMBER OF FIRES AND PROPERTY DAMAGE BY CAUSE

	NUMBER OF FIRES	% OF FIRES	EST. PROPERTY DAMAGE
Incendiary	529	17	\$22,957,172
Suspicious	187	1	\$1,729,030
Accidental	1,342	41	\$48,682,034
Undetermined	1,302	41	\$96,448,847

\*Incendiary is defined as a fire that has been deliberately ignited under circumstances in which the person knows that the fire should not be ignited.

Note: All statistics presented in this section are based on information provided to the Agency by local authorities, insurance adjusters, Manitoba fire investigators, RCMP/police authorities. Information is based on a calendar year and may change as new information is received.

# PROVINCIAL FIRE STATISTICS

## PROPERTY DAMAGE AND LOSS

Forty-one major loss fires (damages of \$500,000 and over) accounted for \$106.9 million (63%) of the total estimated property loss in 2019. In 2018, Manitoba recorded 42 major losses with damages of \$72.0 million.

TABLE 1.3 – FIRES AND PROPERTY DAMAGE BY PROPERTY TYPE

	NUMBER OF FIRES	EST. VALUE LOSS
Structure	1,319	\$122,558,428
Vehicle	407	\$5,424,362
Outdoor Property	1,634	\$42,064,293

TABLE 1.4 – PROPERTY LOSS AS A RESULT OF FIRES IN MANITOBA

	2016	2017	2018	2019
Total	\$146,900,497	\$109,636,512	\$160,903,908	\$170,047,083

TABLE 1.5 – MAJOR LOSS FIRES RESULTING IN \$500,000 OR MORE IN PROPERTY VALUE LOSS IN MANITOBA

	2016	2017	2018	2019
Number of major loss fires	46	50	42	41
Total Est. Value Loss (\$) per million	\$52.5	\$99.0	\$71.6	\$106.9
% of total property loss recorded as major loss	48	61	54	63

**In 2019, an estimated \$6.8 billion in property was saved as a result of the containment and suppression of fires by the Manitoba fire service.**



The City of Winnipeg accounted for 37% of property damages resulting from fires in Manitoba in 2019.

CHART 1.3 – PERCENTAGE OF FIRES BY PROPERTY TYPE

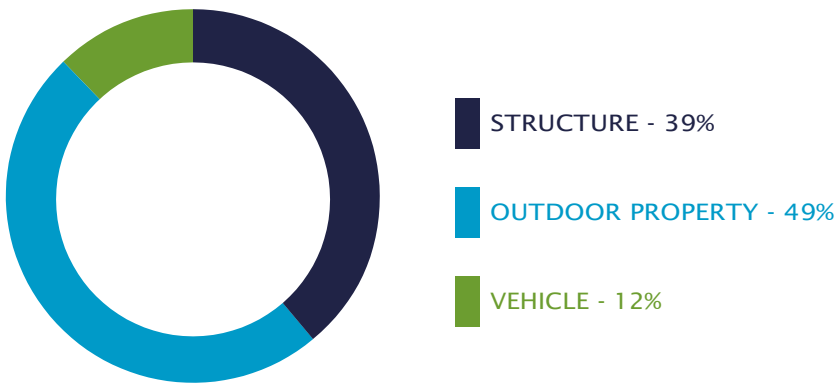


CHART 1.2 – MANITOBA FIRES-PROPERTY VALUE LOSS BY AREA (\$ MILLION)

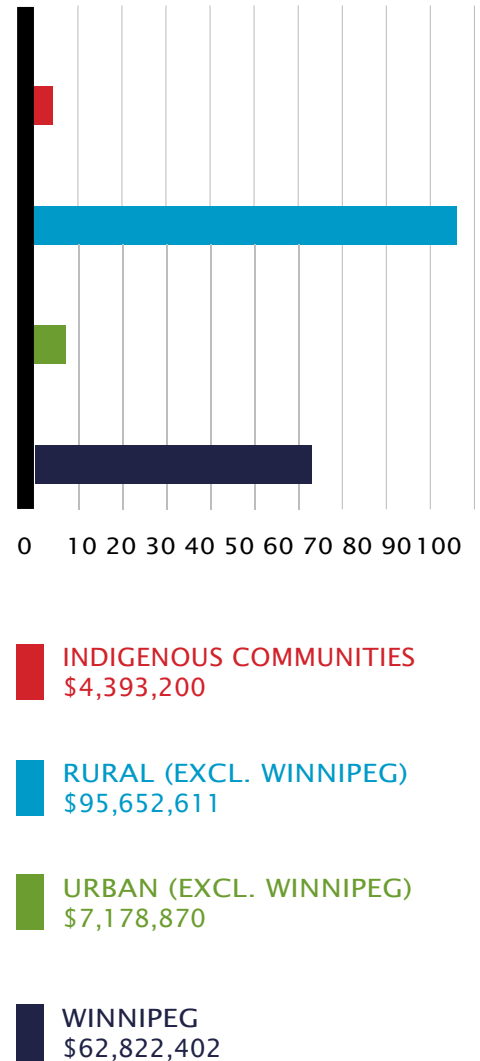


TABLE 1.6 – MANITOBA PROPERTY VALUE LOSS BY AREA

	EST. PROPERTY LOSS (\$ MILLIONS)	% OF LOSSES
Winnipeg	\$62,822,402	37
Urban (Excluding Winnipeg)	\$7,178,870	4
Rural (Excluding Winnipeg)	\$95,652,611	56
Indigenous Communities	\$4,393,200	3
<b>Total</b>	<b>\$170,047,083</b>	<b>100</b>

# KEY CONTINUOUS IMPROVEMENT OBJECTIVES

*The Agency identified five key priorities in the 2019/2020 Business Plan. These priorities were in addition to its core year-to-year activities.*

## MODERNIZING THE AGENCY'S REGULATORY AND POLICY FRAMEWORK IN SUPPORT OF RED TAPE REDUCTION AND ORGANIZATIONAL EFFICIENCIES

During 2019/2020, the Agency focused on a number of legislative and regulatory reforms to recognize advances in technology, harmonize requirements with other provinces, reduce the administrative burden on clients, and streamline the Agency programs. These changes will allow the Agency to better allocate resources, reduce expenditures and improve its service delivery models going forward.

In June of 2019, Treasury Board Secretariat released recommendations on planning, zoning and permitting practices in Manitoba. These recommendations included supporting the creation of a province-wide framework

which outlines roles and responsibilities of different government departments and agencies which will reduce duplication of effort and delays in planning, zoning and permitting activities.

In 2019/2020, the Agency also moved forward with implementing these recommendations including the development of The Building and Electrical Permitting Improvement Act.

The Building and Electrical Permitting Improvement Act establishes a new appeal process for disputes related to technical, building and electrical code matters. It also provides for the appointment of a roster of technical experts as adjudicators for appeals, allows the establishment of service standards necessary for building and electrical code approving authorities to make decisions on building and electrical permit applications and conducting associated inspections.

Further the Technical Safety Act was passed by the legislature on June 15, 2015 with the goal of bringing six pieces of existing safety legislation under one modern statute. Regulatory development of the Elevating Devices Schedule, the Recreational Vehicle and Mobile Homes Schedule and the Administrative Provisions under the Technical Safety Act continued. Once completed, the Technical Safety Act will be proclaimed.

Work also continued to migrate the Agency from a Special Operating Agency into core government with two separate areas being created within the Department of Municipal Relations as a result of this transition; the Inspection and Technical Services Branch and the Office of the Fire Commissioner Division.

Reporting to the Assistant Deputy Minister of the Community Planning and Development Division, Inspection and Technical Services responsibilities will include inspections of and issuing permits for mechanical equipment such as:

- Boilers
- Pressure vessels
- Refrigeration systems
- Gas and oil burning equipment
- Elevating devices
- Electrical equipment
- Amusement rides

Other responsibilities include:

- Reviewing facility and equipment designs
- Issuing licences to qualified trades people
- The Manitoba Fire Code
- The Manitoba construction codes, including the building, plumbing, farm building and energy codes

The issuing of different electrician licenses based on The Electricians' License Act and The Electricians Licensing Regulation is one of the responsibilities and priorities of Inspection and Technical Services.





This includes journey person licenses and limited specialized trade licences.

The limited specialized trade licences (also known as ‘M’ Licences) are issued to individuals who are regularly employed in a trade other than the electrical trade. The licence holder is permitted to do electrical work only in connection with an installation directly associated with that other trade.

To modernize the test and streamline processes, the Agency undertook a comprehensive review of the limited specialized trade license. This review ensured that the exams and administrative processes are responsive and up-to-date.

Historically, the Agency has been responsible for administering qualification testing and retesting of pressure welders, although to reduce red tape for industry and to align with the practices of other provinces, the Agency enlisted the services of third party providers to administer

the tests. In addition to streamlining the testing and licensing process, this program change includes a cost-recovery fee structure, which will help to ensure recovery of costs associated with administering the licensing portion of the program in the future.

To continue to support industry in Manitoba, changes were made to update the Steam and Pressure Plants Regulation. Work has continued on process improvements for the implementation of risk-assessed inspections in the boiler and pressure vessel unit. These changes will streamline the process involved in the inspection of technical equipment in the province, while still maintaining public safety.

In support of reducing red tape and creating process efficiencies, the Agency worked to implement The Reconciliation Agreement for the Canadian Registration Number (CRN) for Pressure Equipment. The CRN system is a standardized method of

reviewing and registering the design of boilers, pressure vessels, and the fittings used to construct them.

Historically, review, approval and registration was required in each jurisdiction where the equipment was being used. However, the new agreement allows participating provinces and territories to accept the review and approval process used for the design review and registration of the same equipment used in other jurisdictions, instead of conducting their own lengthy review and approval process.

Reporting to the Deputy Minister of Municipal Relations, the Office of the Fire Commissioner is responsible for:

- Training and Education programs through the Manitoba Emergency Services College
- Municipal Support Services
- Fire Investigations, and
- Emergency Response

### RESPONDING TO THE TRAINING AND EDUCATION NEEDS OF THE MANITOBA FIRE SERVICE

Through the Manitoba Emergency Services College (MESC), the Agency provides comprehensive emergency services training and certification related to firefighting, rescue paramedic, critical incident stress management and mental health for first responders.

The demands for training and certification by the Manitoba fire service continued to be high in 2019/2020, and the MESC continued work to enhance programming provided to the Manitoba fire service. This included reviewing existing course content, delivery methods and offering new training opportunities.

To address the growing and very real concern of emergency responder mental health, wellness and resilience, eight specialized instructors received training





from the Mental Health Commission of Canada to teach the “Working Minds First Responders – Primary and Leadership” levels. These courses, developed by clinicians and peers based on scientific research and best practices, aim to provide skills to support fire fighters and to assist them in maintaining their mental health and promoting positive mental wellbeing

Four sessions of the Working Minds First Responder-Primary course were offered, and 72 members from across the Province attended. The MESC will continue to offer these courses province-wide to ensure that all fire fighters in Manitoba are able to understand the normal reactions to stress, how to manage these reactions, and have the ability to recover from stress, traumatic events and adverse situations.

As well, MESC continued to offer the Critical Incident Stress Management (CISM) courses and to provide peer Stress Management (CISM) courses and to provide peer support to the Manitoba fire service in dealing with traumatic events.

In 2019/2020, work also began on the MESC’s application for re-accreditation with Accreditation Canada for the Primary Care Paramedic (PCP) program. The

self-assessment document is being prepared and the on-site review of the curriculum and facilities will take place in February 2021. Accreditation Canada is one of the three accrediting bodies that reviews MESC programs to assure that standards and educational quality are being met or exceeded.

### **SUPPORTING MUNICIPALITIES, INDIGENOUS COMMUNITIES, AND OTHER LOCAL AUTHORITIES IN THE DEVELOPMENT OF LOCAL EMERGENCY SERVICES, FIRE PROTECTION, FIRE PREVENTION AND PUBLIC EDUCATION PROGRAMS**

The Agency continued work with the Frontier School Division to offer a high-school credit level course at the Frontier Collegiate Institute in Cranberry Portage. Students from remote communities are provided opportunities to learn and practice fire protection, and to develop the skills involved with fire prevention, life safety, first aid, ground search, rescue, and basic firefighting. The Agency also delivered Fire Protection Workshops for Elected Officials and chief administrative officers. This day-long workshop provided participants with a more comprehensive understanding about the scope, roles and needs facing their local fire service including administration and management of their fire service.

The Agency also maintained its support of community resiliency and capacity by providing high-pressure, medical-grade air compressors for use by the Manitoba fire service. These compressors work to provide the breathable air required for use in self-contained breathing apparatus.

Compressors are located throughout the province and were replaced in Dominion City, Manitou and Moosehorn this fiscal year. This rotation also saw a significant commitment to some of the most remote communities in Manitoba with the replacement of the compressor in Churchill.

The Agency also participated in town hall sessions across the province delivering fire and life safety planning and preparedness information to high-risk Wildland Urban interface fire areas. Based on town hall and information sessions, the City of Thompson researched and published a Community Wildfire Protection Plan. The Plan is the first of its kind in Manitoba and includes actions to be taken by the Thompson Fire and Emergency Services, provincial fire crews, and steps that homeowners can take to drastically reduce the risk of property loss in the event of a dangerous wildfire.

### **ENSURING THE AGENCY IS POSITIONED TO EFFECTIVELY RESPOND TO SUPPORT MUNICIPALITIES AND OTHER PROVINCIAL AGENCIES**

In 2019/2020 Manitoba’s Canada Task Force (CANTF-4) Urban Search and Rescue team participated in the international 2019 Urban Search and Rescue Joint Task Force Full-Scale Exercise. This exercise saw the deployment of CANTF-4 to a dedicated structural collapse training ground in Indiana, USA.

Teams from across Canada, the USA and Australia conducted extensive, realistic scenarios involving a full range of teamskills.

Manitoba’s CANTF-4 is comprised of a partnership of agencies and volunteers including Manitoba Hydro, RCMP-D Division, Winnipeg Police Service, Brandon Fire Department, Brandon Police Service, Manitoba Indigenous Police Service, Northern Regional Health Authority, Thompson Fire





and Emergency Services, Saskatchewan Public Safety Agency and a number of volunteer members.

The Agency worked towards creating efficiencies in the deployment of CANTF-4 members, equipment and resources. These efficiencies were based on lessons learned from the Federal Emergency Task Force training exercise that the CANTF-4 team was able to participate in, which provided valuable lessons that will help to ensure the continued efficient and effective deployment of response resources.

As well, the Agency responded to a number of emergency incidents across the province involving missing persons and provided valuable support to search and rescue efforts and to the October snowstorm that affected much of the province.

Agency staff contributed to the strategic safety planning and the coordination of the Manitoba CANTF-4 members who were on standby.

### **IMPLEMENT PROGRAM REFORMS THAT MEASURE ORGANIZATIONAL EFFICIENCY AND EFFECTIVENESS, AND PROMOTE STAFF ENGAGEMENT AND PERSONAL DEVELOPMENT**

The Agency continued to provide staff with opportunities to make meaningful changes to the way the Agency operates. These changes build on the momentum of the continuous improvement projects undertaken by the Agency in past years.

In keeping with the Government's Transformation Strategy, the Agency worked to implement the L10 meeting standard, to provide staff with developmental opportunities through the in-house opportunity process and to identify key performance indicators to move towards a system of balanced scorecards. Scorecards are designed to align the work of Agency staff to government priorities, and to identify key measures of performance, and continuous improvement to help keep projects on track and focused on outcomes.

A main priority of the Agency has been a focus on cross training and professional development. To help facilitate this the Agency continued to work to promote and encourage staff to prioritize their professional development through both informal and formal learning opportunities. All Agency staff were asked to complete learning plans with support from their supervisors to ensure that they are on track to achieve their professional development goals and to identify professional development opportunities.

Agency staff participated in a number of courses and workshops to promote innovation, staff development, and workplace health and safety. Senior management staff participated in the "Leadership Principles for Effective Innovation Training" course, which consists of six half-day sessions and focused on key leadership principles. The course provided leaders with tools to build work environments that fosters innovation and promote staff development. Staff attended an

"Ethics and Professionalism" workshop designed to assist staff in developing skills and abilities to perform their duties with a high level of ethics and professionalism in the workplace and as Civil Servants.





## KEY PERFORMANCE INDICATORS

### FIRE INVESTIGATIONS

Fire investigations are conducted by members of the Manitoba fire service or the Agency in co-operation with policing authorities. Clients request the services of Agency fire investigators for situations involving fire fatalities, serious injuries, explosions, fires resulting in a major loss to the community, or where origin or cause cannot be determined at the local level. The investigation work done by the Agency may assist local authorities police agencies in laying criminal charges, which may lead to possible conviction. No specific targets are set in these areas, as the number of charges and convictions fluctuate with the number of arson related incidents, decisions made and actions taken by the police and prosecutors influence both the number of arson charges and the

number of convictions. Investigative work also identifies how a structure performed during a fire. This valuable information provides direct support to the building and fire code development process, or for national safety standards development or testing organizations.

In 2019/2020, the Winnipeg Police Service laid 79 arson-related charges. Of those charged, 22% were youths under the age of 18. The Agency also provided coordination and support to the provincial Youth Fire Stop program. In 2019/2020, 15 youths were referred to the program.

The Agency continues to support police services in responding to illegal drug operations, such as methamphetamine laboratories and marijuana grow operations. In

2019/2020, the Agency responded to two illegal drug operations.

### MUNICIPAL SUPPORT

In addition to providing advice and training to municipalities on fire fighting, the Agency has been working with municipalities to place greater emphasis on fire prevention and public education in an effort to minimize loss to life and property.

In support of the Provincial Mutual Aid System, Agency staff representatives regularly attended meetings of the Provincial Mutual Aid and Northern Training Districts, to provide consultative support and to promote district training. In 2019/2020, Agency staff attended 58% of the Provincial Mutual Aid and Northern Training district meetings.

### EDUCATION AND TRAINING

The MESC provides the following training programs: Public Fire Paramedic, Fire Fighting and Emergency Medical Response, Emergency Services Instructor, Fire and Life Safety Instructor, Critical Incident Management, Technical Rescue, Canine Search and Rescue, Hazardous Materials, Emergency Vehicle Driver/ Operator, Incident Command, Fire Officer, Fire Investigation, Fire Safety Inspection. The large number of graduates from MESC courses help ensure that the Province maintains a network of trained emergency response personnel and fire prevention officers.

Clients of the MESC ranked their satisfaction with course content, instructional effectiveness and other aspects of course delivery at 91% for 2019/2020.

INDICATORS	2017	2018	2019
Fire Investigations	146	136	108
Percentage for which cause was determined	78	86	83



September 2019 to June 2020 (Full time 10 month program)		
Public Fire and Paramedic*	14	40
April 2019 to March 2020 (Includes MESC Scheduled, Contract, District, and WFPS Courses)		
Emergency Services Instructor	1	10
Fire & Life Safety Educator	2	20
Critical Incident Management & Working Minds for First Responders	7	130
Rescue	6	77
Canine Search and Rescue	0	0
Hazardous Materials	2	12
Emergency Vehicle Driver/Operator	0	0
Management and Fire Officer	7	91
Incident Command	12	270
Fire Investigation	0	0
Fire Inspector	2	37
April 2019 to March 2020 (registered and delivered by the Manitoba fire service)		
Fire Fighting	7	74
Emergency Medical Response	0	0

\*This is a 10-month pre-employment program.

## INSPECTION AND TECHNICAL SERVICES

Inspection and Technical Services conducts inspections of, and issues permits for, mechanical equipment. They also review facility and equipment designs, and issue licences to qualified trades people.

The goal is to ensure that Manitobans are not exposed to hazardous situations related to any mechanical or electrical equipment covered by legislation, including boilers, pressure vessels, refrigeration systems, and gas and oil burning equipment.

INDICATORS	2017/18	2018/19	2019/20
Boiler, Pressure Vessel and Refrigeration Plant Inspections	5,476	6,147	5,679
Canadian Registration Number Designs (boilers, pressure vessels, etc.) Reviewed	1,181	672	1,272
Gas Permits Issued	21,215	20,679	19,967
Special Acceptance approval of Electrical and Gas Equipment	278	199	242
Variance Approvals	44	39	35
Quality Assurance Manual and Audit Reviews and Approvals	98	112	129
Trades Licences issued*	4,980	3,653	3,640
Number of Trade Examinations Written (Electrical, Gas and Power Engineering)	1,611	1,522	1,120

\*Subject to annual fluctuations due to various trades requiring four-year renewal.

## BUILDING AND FIRE SAFETY

The Building and Fire Safety Section works to ensure that buildings meet the provincial building, fire, plumbing, electrical and elevating device codes by reviewing building plans, inspecting buildings and providing consultative services to the public. The goal is to reduce injuries, deaths and property losses arising from substandard construction or building maintenance. As well, this section is responsible for the inspection of amusement rides.

INDICATORS	2017/18	2018/19	2019/20
Elevator and Handicap Lift Inspections	3,671	3,183	1,928
Amusement Rides Inspections	171	182	187
Rope & Ski Tows & Chair Lift Inspections	25	25	22
Building Permits Issued	696	645	456
Plumbing Permits Issued	184	156	124
Occupancy Permits Issued	172	161	127
Recreational Vehicle Inspections	70	53	23
Mobile Home Inspections	27	29	25
Fire Safety Inspections	240	251	268
Assistance to Local Authorities	14	5	3
Delivery of Educational Programs for other Government Agencies	5	0	1
Delivery of Stakeholder Information Sessions	3	7	0

## EMERGENCY RESPONSE

The Agency engages in a wide variety of emergency response operations, including Ground Search and Rescue (GSAR), Wildland Urban Interface (WUI) and Hazmat incidents. In 2019/2020, the Agency responded to 32 emergency situations, including eight GSAR incidents, one Hazmat incident, two wildfires and 21 other incidents. The Agency also trains and manages a number of specialized tactical teams. These teams are trained to effectively engage in emergency response and are supported by various provincial and federal funding arrangements. These teams are nationally recognized and include: CANTF-4, Heavy Urban Search and Rescue, CBRNE and the Search and Rescue Manitoba Volunteer Network.

# FINANCIAL DISCUSSION AND ANALYSIS

The following is a discussion and analysis for the fiscal year April 12, 2019 to March 31, 2020 compares the actual operating results to the budget. It is recommended that this analysis be read in conjunction with the Agency's audited financial statements.

## OPERATING RESULTS (000S)

Net income for the year was \$2,746.

### Revenues

The actual revenues of \$18,671 did not meet the \$18,850 budgeted amount; there was a shortage of \$179. The variance for the categories are as follows:

CATEGORY	2019-20 ACTUALS	2019-20 BUDGET	VARIANCE	RATIONALE
Federal Government – New Initiatives Fund (NIF)	\$498	\$525	(27)	The \$525K Federal Grant revenue received will be recognized on the purchases in 19-20 to satisfy the grant. Purchasing did not meet required threshold.
Insurance Levy	\$10,173	\$9,268	905	Revenue received was higher than anticipated. 7% increase from 2018-19 actuals.
Construction Permit Fee	\$2,007	\$2,341	(34)	Fewer permits issued than budgeted.
Term Investment	\$151	\$70	81	Higher interest rate received for investments.
Inspection and Technical Services Fees	\$4,780	\$5,526	(746)	Reduced number of inspections completed, compared to previous years.
MESC Tuition	\$932	\$950	(18)	Contract revenue reduced due to college resources being focused on providing educational opportunities to the MB Fire Service.
Fire Inspections	\$124	\$150	(26)	Reduced number of illegal grow operations.
Other Revenue	\$6	\$20	(14)	
	\$18,671	\$18,850	(179)	

### Expenses (000s)

Expenses of \$15,925 were under budget by \$854. The variance of these expenses are account for as follows:

CATEGORY	2019-20 ACTUALS	2019-20 BUDGET	VARIANCE	RATIONALE
Supplies and Services	\$1,378	\$1,580	(202)	Reduction of discretionary purchases due to expenditure management initiatives.
Mutual Aid	\$247	\$360	(113)	Mutual Aid Districts did not capitalize on full funds available.
Personnel Services	\$9,463	\$10,781	(1,318)	Higher staff vacancies than anticipated
Communications	\$230	\$410	(180)	Change to phone usages and plans.
Emergency Response	\$715	\$350	365	Increased emergency response than anticipated.
Transportation	\$483	\$618	(135)	Returned used units resulting in reduced expenses.
Minor Capital	\$191	\$318	(127)	Reduction due to expenditure management.
Amortization	\$1,955	\$1,000	955	Higher amortization expense due to the retirement of assets that do not meet the threshold of the Department of Finance.
Other	\$1,263	\$1,362	(99)	Reduction in travel expenses, publications, insurance and other operating expenses.
	\$15,925	\$16,779	(854)	

### Financial Position (000s)

The accumulated surplus has increased to 27,981 due to an increase of \$\$2,746 of net income for the year.

During the year ended March 31, 2020, the designation of the Agency as a Special Operating Agency under The Special Operating Agencies Financing Authority Act (SOAFA) was revoked by Manitoba Order in Council No. 65/2020 dated March 10, 2020. The Agency's Operating Charter and delegations of ministerial powers to the Fire Commissioner were cancelled effective the close of business on March 31, 2020 and the net assets of the Agency were transferred to SOAFA.

Effective April 1, 2020 the former operation of the Agency will continue to operate within the Department of Municipal Relations.



# OFFICE OF THE FIRE COMMISSIONER

MANAGEMENT REPORT AND FINANCIAL STATEMENTS

MARCH 31, 2020



### **Management's Responsibility for Financial Reporting**

The accompanying financial statements are the responsibility of management of Office of the Fire Commissioner and have been prepared in accordance with Canadian Public Sector Accounting Standards. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgments regarding all necessary estimates and all other data available as at July 17, 2020.

Management maintains internal controls to properly safeguard the assets of Office of the Fire Commissioner and to provide reasonable assurance that the books and records from which the financial statements are derived accurately reflect all transactions and that established policies and procedures are followed.

The financial statements of Office of the Fire Commissioner have been audited by Magnus LLP, Chartered Professional Accountants, independent external auditors. The responsibility of the auditor is to express an independent opinion on whether the financial statements of Office of the Fire Commissioner are fairly presented, in all material respects, in accordance with Canadian Public Sector Accounting Standards. The Independent Auditor's Report outlines the scope of the audit examination and provides the audit opinion on the financial statements.

**On behalf of Management of  
Office of the Fire Commissioner**

**Marty Danielson**

*A/ Fire Commissioner*

508 Norquay Building • 401 York Avenue • Winnipeg, Manitoba • Canada • R3C 0P8  
Telephone: 204-945-3322 • Fax: 204-948-2089 • Website: [www.firecomm.gov.mb.ca](http://www.firecomm.gov.mb.ca)

## INDEPENDENT AUDITOR'S REPORT

To the Special Operating Agencies Financing Authority  
and Office of the Fire Commissioner

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Office of the Fire Commissioner (the "Agency"), which comprise the statement of financial position as at March 31, 2020, and the statements of operations, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Agency as at March 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

#### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Agency in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

Management is responsible for the other information. The other information comprises the information included in the Agency's 2019-2020 annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Agency or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Agency's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Agency's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Agency to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

July 17, 2020  
Winnipeg, Canada



Chartered Professional Accountants



**OFFICE OF THE FIRE COMMISSIONER  
AN AGENCY OF THE PROVINCIAL GOVERNMENT  
PROVINCE OF MANITOBA**

Statement of Financial Position  
(in thousands)  
March 31, 2020

	2020 Actual	2019 Actual
<b>Financial assets</b>		
Cash and cash equivalents	\$ -	\$ 18,596
Accounts receivable (Note 5)	-	1,049
Portfolio investments	-	787
	-	20,432
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 6)	-	969
Deferred revenue and government grants (Note 7)	-	1,153
Employee future benefits (Note 8)	-	1,064
	-	3,186
<b>Net financial assets</b>	-	17,246
<b>Non-financial assets</b>		
Tangible capital assets (Note 9)	-	7,471
Prepaid expenses	-	184
Inventories of supplies	-	334
	-	7,989
<b>Accumulated surplus (Note 10)</b>	<b>\$ -</b>	<b>\$ 25,235</b>

Nature of organization (Note 1)

Designated assets (Note 11)

Commitments (Note 12)

Contingency (Note 16)

See accompanying notes to financial statements.

**OFFICE OF THE FIRE COMMISSIONER  
AN AGENCY OF THE PROVINCIAL GOVERNMENT  
PROVINCE OF MANITOBA**

Statement of Operations

(in thousands)

Year ended March 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Revenue (Schedule 1):			
Government grants/transfers:			
Federal Government	\$ 525	\$ 498	\$ 379
Fees and other revenue	18,255	18,022	17,376
Investment income	70	151	142
	18,850	18,671	17,897
Expenses:			
Salaries and employee benefits	10,781	9,463	9,836
Mutual Aid expenses	360	247	264
Travel and transportation	618	483	591
Communications	410	230	296
Supplies and services (Schedule 2)	1,580	1,378	1,368
Emergency response	350	715	845
Minor capital expenses	318	191	69
Amortization of tangible capital assets	1,000	1,955	1,046
(Gain) on disposal of tangible capital assets	-	(8)	(16)
Other operating expenses (Schedule 3)	1,362	1,271	1,027
	16,779	15,925	15,326
Net income before transfer of funds to the Province of Manitoba	2,071	2,746	2,571
Transfer of funds to the Province of Manitoba (Note 13)	-	-	950
Transfer of assets and liabilities to SOAFA (Notes 1 and 4)	-	27,981	-
Net (loss) income for the year	2,071	(25,235)	1,621
Accumulated surplus, beginning of year	24,850	25,235	23,614
Accumulated surplus, end of year	\$ 26,921	\$ -	\$ 25,235

See accompanying notes to financial statements.

**OFFICE OF THE FIRE COMMISSIONER  
AN AGENCY OF THE PROVINCIAL GOVERNMENT  
PROVINCE OF MANITOBA**

Statement of Change in Net Financial Assets

(in thousands)

Year ended March 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Net (loss) income for the year	\$ 2,071	\$ (25,235)	\$ 1,621
Tangible capital assets:			
Acquisitions of tangible capital assets	(1,565)	(422)	(538)
Disposals of tangible capital assets	-	-	1
Amortization of tangible capital assets	1,000	1,955	1,046
Transfer of tangible capital assets to SOAFA	-	5,938	-
Net acquisition of tangible capital assets	(565)	7,471	509
Other non-financial assets:			
(Increase) in prepaid expenses	-	(15)	(27)
Transfer of non-financial assets to SOAFA	-	533	-
Net acquisition of other non-financial assets	-	518	(27)
Change in net financial assets	1,506	(17,246)	2,103
Net financial assets, beginning of year	16,960	17,246	15,143
Net financial assets, end of year	\$ 18,466	\$ -	\$ 17,246

See accompanying notes to financial statements.

**OFFICE OF THE FIRE COMMISSIONER  
AN AGENCY OF THE PROVINCIAL GOVERNMENT  
PROVINCE OF MANITOBA**

Statement of Cash Flow  
(in thousands)  
Year ended March 31, 2020

	2020 Actual	2019 Actual
Cash provided by (applied to)		
Operating activities:		
Net (loss) income for the year	\$ (25,235)	\$ 1,621
Adjustments for:		
Amortization of tangible capital assets	1,955	1,046
(Gain) on disposal of tangible capital assets	(8)	(16)
	(23,288)	2,651
Changes in the following prior to transfer:		
Accounts receivable	862	(48)
Accounts payable and accrued liabilities	103	(456)
Deferred revenue and government grants	-	177
Employee future benefits	47	(44)
Prepaid expenses	(15)	(27)
Transfer of net working capital to SOAFA	(1,829)	-
Cash provided by (applied to) operating activities	(24,120)	2,253
Capital activities:		
Acquisitions of tangible capital assets	(422)	(538)
Proceeds on disposal of tangible capital assets	8	17
Transfer of tangible capital assets to SOAFA	5,938	-
Cash (applied to) capital activities	5,524	(521)
Change in cash and cash equivalents	(18,596)	1,732
Cash and cash equivalents, beginning of year	18,596	16,864
Cash and cash equivalents, end of year	\$ -	\$ 18,596

See accompanying notes to financial statements.

**OFFICE OF THE FIRE COMMISSIONER  
AN AGENCY OF THE PROVINCIAL GOVERNMENT  
PROVINCE OF MANITOBA**

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Notes to Financial Statements

(in thousands)

Year ended March 31, 2020

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**1. Nature of organization**

Effective April 1, 1996, the Office of the Fire Commissioner (the "Agency") was designated as a Special Operating Agency (SOA) pursuant to *The Special Operating Agencies Financing Authority Act*, Cap. S185, C.C.S.M. and operates under a charter approved by the Lieutenant Governor in Council.

Effective April 1, 1996, a Transfer Agreement between the Government of Manitoba (Labour) and the Special Operating Agencies Financing Authority (SOAFA), a corporation pursuant to *The Special Operating Agencies Financing Authority Act*, transferred all assets in the Fires Prevention Fund valued at \$11,809 to the Financing Authority. A Management Agreement executed between the Financing Authority and the Government of Manitoba (Labour) assigned responsibility for these assets to the Agency to manage and account for the related assets and operations on behalf of the Financing Authority. The Agency does not hold title to these assets. Effective April 1, 1996, the Financing Authority established a fund referred to as the Fires Prevention Fund to hold these assets.

Effective April 1, 2011, the operations and related net liabilities valued at \$358 of the former Mechanical and Engineering Branch of the Department of Labour and Immigration were transferred to the Financing Authority to be managed and accounted for by the Office of the Fire Commissioner.

The Agency is part of the Department of Municipal Relations, previously the Department of Growth, Enterprise and Trade, and is ultimately under the policy direction of the Minister of Municipal Relations. The Agency is bound by relevant legislation and regulations. The Agency is also bound by administrative policy except where specific exemptions have been provided for in its charter in order to meet business objectives.

During the year ended March 31, 2013, the Agency's operating charter was updated and an Audit Committee established to oversee the financial reporting and overall operations of the Agency.

During the year ended March 31, 2020, the designation of the Agency as a SOA under *The Special Operating Agencies Financing Authority Act* was revoked by Manitoba Order in Council No. 65/2020 dated March 10, 2020 and the Agency's operating charter and the delegations of ministerial powers to the Fire Commissioner was cancelled effective the close of business on March 31, 2020. Therefore, effective the close of business on March 31, 2020, the net assets of the Agency were transferred to SOAFA (Note 4).

Effective April 1, 2020, the former operations of the Agency will continue to operate within the Department of Municipal Relations.

**2. Basis of accounting**

These financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards which are Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board.

**OFFICE OF THE FIRE COMMISSIONER  
AN AGENCY OF THE PROVINCIAL GOVERNMENT  
PROVINCE OF MANITOBA**

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Notes to Financial Statements

(in thousands)

Year ended March 31, 2020

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**3. Summary of significant accounting policies**

**(a) Revenue**

Government grants/transfers

Government transfers without eligibility criteria or stipulations are recognized as revenue when the transfer is authorized.

Government transfers with eligibility criteria but without stipulations are recognized as revenue when the transfer is authorized and all eligibility criteria have been met.

Government transfers with or without eligibility criteria but with stipulations are recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met, except when and to the extent that the transfer gives rise to a liability.

Fees and other revenue

Insurance levy revenue is recognized in accordance with the underlying legislation. *The Fires Prevention and Emergency Response Act* imposes a special assessment on licensed insurers in Manitoba equal to a set percentage of total property insurance premiums. The levy rate is currently set at 1.25% (2019 - 1.25%). The Agency collects this levy based on the value of premiums and assessments relating to property insurance premiums in a calendar year. Levy revenue with respect to the 2019 calendar year is recognized as revenue in the fiscal year ending March 31, 2020 with no amounts recognized in the financial statements for January to March of the current fiscal year due to it not being practicable to determine a reasonable estimate for these amounts.

Inspection technical services revenue including amusement rides, boiler and pressure vessel, gas and oil, electrical, and elevator fees including certificates, design registrations, examinations, inspections, licenses, permits, searches and special acceptances under *The Amusements Act*, *The Electricians' License Act*, *The Elevator Act*, *The Gas and Oil Burner Act*, *The Power Engineers Act* and *The Steam and Pressure Plants Act* are recognized on the accrual basis.

Codes and standards revenue including building, mobile home and plumbing code inspections and permits under *The Buildings and Mobile Homes Act* is recognized on the accrual basis. Fire inspections, investigations and reports under *The Fires Prevention and Emergency Response Act* are recognized on the accrual basis.

Tuition fees, emergency services and other conferences revenue are recognized on the accrual basis. Amounts received in advance for tuition fees, conferences and inspection technical services are deferred on the statement of financial position and recognized as revenue during the period the revenue relates to.

Investment income and all other revenue is recognized on the accrual basis.

**(b) Expenses**

Expenses

Expenses incurred for goods and services are recorded on the accrual basis when the related goods or services are received.

Government transfers

Government transfers are recognized as expenses in the period in which the transfers are authorized and all eligibility criteria have been met.

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**3. Summary of significant accounting policies (continued)**

**(c) Financial assets**

Cash and cash equivalents

Cash and cash equivalents include cash on hand and short term investments and deposits with original maturities of three months or less.

Accounts receivable

Accounts receivable are recorded at the lower of cost and net realizable value. An allowance for doubtful accounts is recorded when there is uncertainty whether the amounts will be collected.

Portfolio investments

Portfolio investments are investments and deposits with original maturities of more than three months. These investments are recognized at cost.

**(d) Liabilities**

Liabilities are present obligations as a result of transactions and events occurring at or prior to the end of the fiscal year the settlement of which will result in the future transfer or use of assets or other form of settlement. Liabilities are recognized when there is an appropriate basis of measurement and a reasonable estimate can be made of the amount involved.

**(e) Non-financial assets**

Non-financial assets do not normally provide resources to discharge existing liabilities of the Agency. These assets are normally employed to provide future services.

Tangible capital assets

Tangible capital assets are recognized at cost. Cost includes the purchase price as well as other acquisition costs. During the year ended March 31, 2020, the Agency changed its capitalization and amortization policies to align its policies with the Province of Manitoba in preparation for the transfer of its tangible capital assets to SOAFA (Notes 1, 4 and 9).

The costs of tangible capital assets, less any residual value, are amortized over their estimated useful lives as follows:

Building	40 years straight-line (2019 - 5% declining balance)
Practical training site	25 years straight-line (2019 - 10% declining balance)
Equipment	10 years straight-line (2019 - 20% declining balance)
Fire engines	10 years straight-line (2019 - 30% declining balance)
Other vehicles	5-10 years straight-line (2019 - 30% declining balance)
Air compressors	10 years straight-line (2019 - 20% declining balance)
Furniture	10 years straight-line (2019 - 20% declining balance)
Computer equipment and software	4-15 years straight-line (2019 - 30% declining balance)
Leasehold improvements	Term of lease (2019 - 10% declining balance)

The change in capitalization and amortization policies during the year was accounted for prospectively and resulted in an increase in amortization expense for the year of \$1,079.

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**3. Summary of significant accounting policies (continued)**

Prepaid expenses

Prepaid expenses are payments for goods or services which will provide economic benefits in future periods. The prepaid amount is recognized as an expense in the year the goods or services are consumed.

Inventories of supplies

Inventories of supplies are recorded at cost and recognized as an expense in the year the supplies are consumed.

**(f) Financial instruments - measurement**

Financial instruments are classified into one of two measurement categories: (a) fair value; or (b) cost or amortized cost.

The Agency records its financial assets at cost, which include cash and cash equivalents, accounts receivable and portfolio investments. The Agency also records its financial liabilities at cost, which include accounts payable and accrued liabilities.

Gains and losses on financial instruments measured at cost or amortized cost are recognized in the statement of operations in the period the gain or loss occurs. Gains and losses on financial instruments measured at fair value, if any, are recorded in accumulated surplus as remeasurement gains and losses until realized; upon disposition of the financial instruments, the cumulative remeasurement gains and losses are reclassified to the statement of operations.

**(g) Measurement uncertainty**

The preparation of financial statements in accordance with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingencies at the date of the financial statements, and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically and adjustments are recognized in the period they become known. Actual results may differ from these estimates.



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**4. Transfer of assets and liabilities to SOAFA**

Upon cancellation of the Agency's operating charter effective the close of business on March 31, 2020, the following assets and liabilities were transferred to SOAFA:

Financial assets:	
Cash and cash equivalents	\$ 23,872
Accounts receivable (Note 5)	187
Portfolio investments	787
Non-financial assets:	
Tangible capital assets (Note 9)	5,938
Prepaid expenses	199
Inventories of supplies	334
	31,317
Liabilities:	
Accounts payable and accrued liabilities	(1,072)
Deferred revenues and government grants (Note 7)	(1,153)
Employee future benefits (Note 8)	(1,111)
	(3,336)
<b>Total net assets transferred to SOAFA on March 31, 2020</b>	<b>\$ 27,981</b>

**5. Accounts receivable**

	2020	2019
Financial Institutions Branch of the Department of Finance -		
Fire Prevention Levy	\$ -	\$ 211
Public Safety Canada - National Heavy Urban Search and Rescue Program	-	525
Trade accounts receivable	620	685
Allowance for doubtful accounts (Note 15)	(433)	(372)
	187	1,049
Less: Transfer to SOAFA on March 31, 2020	(187)	-
	\$ -	\$ 1,049

**6. Accounts payable and accrued liabilities**

	2020	2019
Trade payables and accruals	\$ 349	\$ 141
Vacation and overtime entitlements	717	760
City of Winnipeg - professional services	-	53
Provincial sales and goods and services taxes payable	6	15
	1,072	969
Less: Transfer to SOAFA on March 31, 2020	(1,072)	-
	\$ -	\$ 969

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**7. Deferred revenue and government grants**

Prior to the transfer to SOAFA on March 31, 2020, included in deferred revenue and government grants was \$605 (2019 - \$578) relating to funding received and/or receivable from Public Safety Canada pursuant to the Heavy Urban Search and Rescue Program for which the related eligible expenditures have not been incurred.

**8. Employee future benefits**

	2020	2019
Severance benefits	\$ 980	\$ 926
Sick pay benefits	131	138
	1,111	1,064
Less: Transfer to SOAFA on March 31, 2020	(1,111)	-
	\$ -	\$ 1,064

**Pension benefits**

Employees of the Agency are eligible for pension benefits in accordance with the provisions of *The Civil Service Superannuation Act (CSSA)*, administered by the Civil Service Superannuation Board. The CSSA established a defined benefit plan to provide benefits to employees of the Manitoba Civil Service and to participating agencies of the Government, including the Agency, through the Civil Service Superannuation Fund.

Effective March 31, 2001, pursuant to an agreement with the Province of Manitoba, the Agency transferred to the Province the pension liability for its employees. Commencing April 1, 2011, the Agency was required to pay to the Province an amount equal to the current pension contributions of its employees. The amount paid for the year ended March 31, 2020 was \$620 (2019 - \$643). Under this agreement, the Agency has no further pension liability.

**Severance benefits**

Effective April 1, 1998, the Agency began recording accumulated severance pay benefits for its employees. The amount of severance pay obligations is based on actuarial calculations. The periodic actuarial valuations of these liabilities may determine that adjustments are needed to the actuarial calculations when actual experience is different from expected and/or because of changes in the actuarial assumptions used. The resulting actuarial gains or losses are amortized over the expected average remaining service life (EARSL) of the related employee group.

An actuarial report was completed for the severance pay liability as at March 31, 2017. The report provides a formula to update the liability on an annual basis. In accordance with the formula, the Agency's actuarially determined net liability for accounting purposes as at March 31, 2020 is \$980 (2019 - \$926), with the net actuarial losses of \$289 (2019 - \$289) based on the completed actuarial reports being amortized over the 15 year EARSL of the employee group.

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**8. Employee future benefits (continued)**

Significant long-term actuarial assumptions used in the March 31, 2017 valuation, and in the determination of the March 31, 2020 present value of the accrued severance benefit liability, are:

Annual rate of return:	
Inflation component	2.00% (2019 - 2.00%)
Real rate of return	1.80% (2019 - 1.80%)
	3.80% (2019 - 3.80%)
Assumed salary increase rates:	
Annual productivity increase	1.00% (2019 - 1.00%)
Annual general salary increase	2.75% (2019 - 2.75%)
	3.75% (2019 - 3.75%)

The severance benefit liability at March 31 includes the following components:

	2020	2019
Accrued benefit liability, beginning of year	\$ 1,081	\$ 1,133
Current period service costs	64	67
Interest on accrued severance benefits	41	43
Severance benefits paid	(70)	(162)
Accrued benefit liability, end of year	1,116	1,081
Less: unamortized actuarial losses	(136)	(155)
Severance benefit liability, end of year	\$ 980	\$ 926

The total expense related to severance benefits for the year ended March 31 includes the following components:

	2020	2019
Current period service costs	\$ 64	\$ 67
Interest on accrued severance benefits	41	43
Amortization of actuarial losses over EARSL	19	19
Total expense related to severance benefits	\$ 124	\$ 129

**Sick pay benefits**

The Agency provided sick leave benefits for employees that accumulate but do not vest. The accrued benefit obligation related to sick leave entitlements earned by employees is determined using a valuation model developed by an actuary. The valuation is based on employee demographics, sick leave usage and actuarial assumptions. These assumptions include a 5.00% (2019 - 5.00%) annual return and a 3.00% (2019 - 3.00%) annual salary increase. The Agency's sick leave benefit liability as at March 31, 2020 based on the valuation model is \$131 (2019 - \$138). The decrease in the sick leave benefit liability of \$7 (2019 - decrease of \$11) represents the total sick leave benefit recovery for the year.

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**9. Tangible capital assets**

	2020			
	Opening Balance	Additions	Disposals/ Transfers	Closing Balance
<b>Cost</b>				
Buildings	\$ 7,835	\$ -	\$ (7,835)	\$ -
Practical training site	3,212	-	(3,212)	-
Equipment	3,606	-	(3,606)	-
Fire engines	2,105	-	(2,105)	-
Other vehicles	1,752	178	(1,930)	-
Air compressors	1,703	244	(1,947)	-
Furniture	294	-	(294)	-
Computer equipment and software	641	-	(641)	-
Leasehold improvements	74	-	(74)	-
	\$ 21,222	\$ 422	\$ (21,644)	\$ -
<b>Accumulated amortization</b>				
Buildings	\$ (4,085)	\$ (804)	\$ 4,889	\$ -
Practical training site	(2,091)	(334)	2,425	-
Equipment	(2,557)	(280)	2,837	-
Fire engines	(1,826)	(81)	1,907	-
Other vehicles	(1,324)	(199)	1,523	-
Air compressors	(1,105)	(149)	1,254	-
Furniture	(205)	(17)	222	-
Computer equipment and software	(528)	(47)	575	-
Leasehold improvements	(30)	(44)	74	-
	\$ (13,751)	\$ (1,955)	\$ 15,706	\$ -
<b>Net book value</b>	\$ 7,471	\$ (1,533)	\$ (5,938)	\$ -

During the year ended March 31, 2020, the Agency changed its capitalization and amortization policies resulting in an increase in amortization expense of \$1,079 and a write-down of tangible capital asset cost and related accumulated amortization of \$4,800. In addition, during the year ended March 31, 2020, the Agency disposed of tangible capital assets with a total cost and related accumulated amortization of \$40. Effective the close of business on March 31, 2020, the Agency transferred tangible capital assets with a cost of \$16,804 and related accumulated amortization of \$10,866 to SOAFA. As at March 31, 2020, the total net book value of tangible capital assets not subject to amortization is \$nil (2019 - \$nil).

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**9. Tangible capital assets (continued)**

	2019			
	Opening Balance	Additions	Disposals	Closing Balance
<b>Cost</b>				
Buildings	\$ 7,835	\$ -	\$ -	\$ 7,835
Practical training site	2,772	440	-	3,212
Equipment	3,478	149	(21)	3,606
Fire engines	2,118	-	(13)	2,105
Other vehicles	1,676	80	(4)	1,752
Air compressors	1,703	-	-	1,703
Furniture	294	-	-	294
Computer equipment and software	641	-	-	641
Leasehold improvements	74	-	-	74
Capital assets under construction	131	(131)	-	-
	\$ 20,722	\$ 538	\$ (38)	\$ 21,222
<b>Accumulated amortization</b>				
Buildings	(3,887)	(198)	-	(4,085)
Practical training site	(2,012)	(79)	-	(2,091)
Equipment	(2,327)	(251)	21	(2,557)
Fire engines	(1,718)	(120)	12	(1,826)
Other vehicles	(1,155)	(173)	4	(1,324)
Air compressors	(956)	(149)	-	(1,105)
Furniture	(182)	(23)	-	(205)
Computer equipment and software	(480)	(48)	-	(528)
Leasehold improvements	(25)	(5)	-	(30)
	\$ (12,742)	\$ (1,046)	\$ 37	\$ (13,751)
<b>Net book value</b>	\$ 7,980	\$ (508)	\$ (1)	\$ 7,471

During the year ended March 31, 2019, capital assets under construction of \$131 were transferred to practical training site additions due to construction being completed.

**10. Accumulated surplus**

A portion of the Agency's accumulated surplus is restricted pursuant to *The Fires Prevention and Emergency Response Act* to be used by the Agency in carrying out its duties and responsibilities in accordance with this Act therefore cannot be used by the Agency for any other purpose.

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**11. Designated assets**

The Agency had allocated \$787 (2019 - \$787) of its portfolio investments as designated assets for cash received from the Province of Manitoba for vacation entitlements earned by employees of the Agency prior to its designation as a SOA and for severance pay benefits for certain of its employees. As at March 31, 2020, \$559 (2019 - \$559) is designated for the vacation entitlements and severance pay benefits accumulated to March 31, 1998 for certain of its employees and \$228 (2019 - \$228) is designated for the severance pay benefits accumulated to April 1, 2011 for employees transferred from the former Mechanical and Engineering Branch, now Inspection Technical Services. These amounts are held in an interest bearing account until the cash is required to discharge the related liabilities. Any unused balance is re-invested annually.

**12. Commitments**

The Agency had entered into a lease agreement with the City of Brandon for the land on which the practical training facility has been constructed. The term of the lease expires May 31, 2022. Minimum annual rent is \$18 due in equal monthly installments, plus all operating costs with respect to the subject land.

The Agency had entered into leases on a fleet of 36 vehicles.

These leases give rise to lease commitments as follows:

2021	\$	188
2022		164
2023		115
2024		51
2025		5

**13. Transfer of funds to the Province of Manitoba**

During the year, with Lieutenant-Governor-in-Council approval by Order in Council, the Agency transferred \$nil (2019 - \$950) of its surplus funds to the Province of Manitoba.

**14. Professional services**

The Agency had a professional services agreement with the Department of Growth, Enterprise and Trade for the provision of legislation and policy services to the Agency as needed throughout the year. This agreement ended in October of 2019. The total amount paid pursuant to this agreement for the year ended March 31, 2020 was \$25 (2019 - \$56). As at year end, no amounts are owing pursuant to this agreement (2019 - \$nil).

**15. Financial instruments and financial risk management**

The Agency does not have any significant financial instruments subsequently measured at fair value or denominated in a foreign currency therefore the Agency did not incur any remeasurement gains or losses during the year (2019 - \$nil).



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**15. Financial instruments and financial risk management (continued)**

**Financial risk management – overview**

The Agency had exposure to the following risks from its use of financial instruments: credit risk; liquidity risk; market risk; interest risk; and foreign currency risk.

**Credit risk**

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. Financial instruments which potentially subject the Agency to credit risk consist primarily of cash and cash equivalents, accounts receivable and portfolio investments.

The maximum exposure of the Agency to credit risk at March 31 is:

	2020	2019
Cash and cash equivalents	\$ 23,872	\$ 18,596
Accounts receivable	187	1,049
Portfolio investments	787	787
	24,846	20,432
Less: Transfer to SOAFA on March 31, 2020	(24,846)	-
	\$ -	\$ 20,432

Cash and cash equivalents and portfolio investments: The Agency is not exposed to significant credit risk as these amounts are held primarily by the Minister of Finance.

Accounts receivable: The Agency is exposed to credit risk on its trade accounts receivable. The Agency establishes an allowance for doubtful accounts that represents its estimate of potential credit losses. The allowance for doubtful accounts is based on management's estimates and assumptions regarding current market conditions, customer analysis and historical payment trends. These factors are considered when determining whether past due accounts are allowed for or written off.

The balance in the allowance for doubtful accounts prior to the transfer to SOAFA on March 31, 2020 was \$433 (2019 - \$372). The change in the allowance for doubtful accounts during the year is as follows:

	2020	2019
Balance, beginning of the year	\$ 372	\$ 472
Net provision for receivable impairment	87	(100)
Amounts deemed uncollectible recorded against the allowance	(26)	-
Balance, end of the year	\$ 433	\$ 372

The aging of accounts receivable and the related allowance for doubtful accounts prior to the transfer to SOAFA on March 31, 2020 was as follows:

	Accounts receivable	Allowance	Net
Current	\$ 65	\$ -	\$ 65
30-60 days past the billing date	74	-	74
61-90 days past the billing date	48	-	48
Over 90 days past the billing date	433	(433)	-
Balance, end of the year	\$ 620	\$ (433)	\$ 187

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**15. Financial instruments and financial risk management (continued)**

**Liquidity risk**

Liquidity risk is the risk that the Agency will not be able to meet its financial obligations as they come due. The Agency manages liquidity risk by maintaining adequate cash balances and by review from the Province of Manitoba to ensure adequate funding will be received to meet its obligations.

**Market risk**

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Agency's income or the fair values of its financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate exposure relates to cash and cash equivalents and portfolio investments.

The interest rate risk on cash and cash equivalents is considered to be low because of their short-term nature. The interest rate risk on portfolio investments is considered low as the original deposits are reinvested at rates for investments with similar terms and conditions.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Agency is not exposed to significant foreign currency risk as it does not have any significant financial instruments denominated in a foreign currency.

**16. Contingency**

The Agency has been named in a legal action. The outcome of this claim is not determinable and management is of the opinion that any loss or liability to the Agency will not be material. No amounts related to this claim are included in these financial statements. Losses, if any, will be recognized in the period any amounts involved can be reasonably determined.

**17. COVID-19 implications**

During March of 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the Agency's operations are not known at this time. Management is of the opinion that financial implications, if any, will be temporary and will not have a significant long-term impact on the Agency's operations as at the date of approval of these financial statements.

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Schedule 1 - Revenue

(in thousands)

Year ended March 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Revenue:			
Government grants/transfers:			
Federal Government:			
Public Safety Canada - Heavy Urban Search			
and Rescue Program	\$ 525	\$ 498	\$ 379
Fees and other revenue:			
Insurance levy	9,268	10,173	9,465
Inspection technical services	5,526	4,780	4,477
Codes and standards	2,341	2,007	2,276
Tuition fees	950	917	915
Fire inspections, investigations and reports	150	124	111
Other revenue and recoveries	20	21	132
Total fees and other revenue	18,255	18,022	17,376
Investment income	70	151	142
	\$ 18,850	\$ 18,671	\$ 17,897

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Schedule 2 - Supplies and Services Expenses

(in thousands)

Year ended March 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Supplies and services expenses:			
Supplies	\$ 205	\$ 148	\$ 137
Repairs and maintenance	300	231	127
Rent	390	393	386
Professional services - Growth, Enterprise and Trade (Note 14)	50	25	56
Professional fees - contracted services	325	306	293
Professional fees - legal and audit	-	52	93
Mutual Aid - air compressor maintenance	130	89	126
Fuel - training supplies	40	16	18
Utilities	100	89	104
Other	40	29	28
	\$ 1,580	\$ 1,378	\$ 1,368

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Schedule 3 - Other Operating Expenses

(in thousands)

Year ended March 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Other operating expenses:			
Desktop management	\$ 513	\$ 560	\$ 492
Travel	275	194	237
Bad debt expense (recovery)	50	87	(100)
Property taxes	164	164	167
Insurance	145	134	122
Clothing	65	27	36
Publications	30	12	3
Professional development	50	71	44
Seminar and conference registration	10	4	7
Memberships and subscriptions	10	7	9
Mutual Aid - meetings	-	2	2
Other	50	9	8
	\$ 1,362	\$ 1,271	\$ 1,027

