PRESENTATION TO COUNCIL

Local Helicopter Emergency Response Organization (HERO) Foundation

November 28, 2016

Paul Spring
President and Board Chair

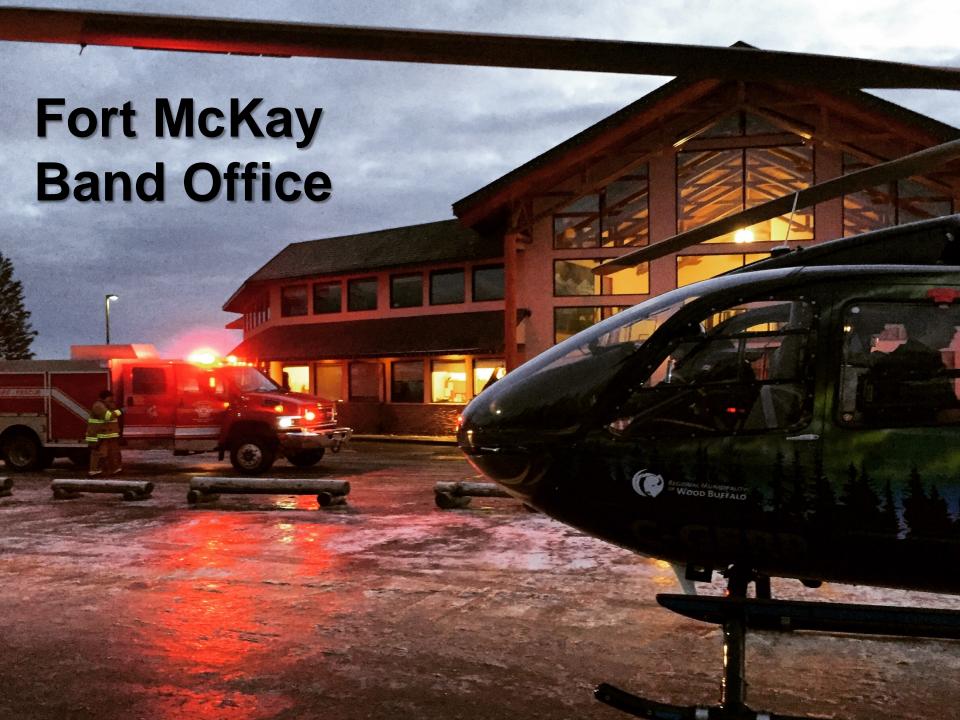


Andrea Montgomery Spring
Director of Stakeholder and Community Relations

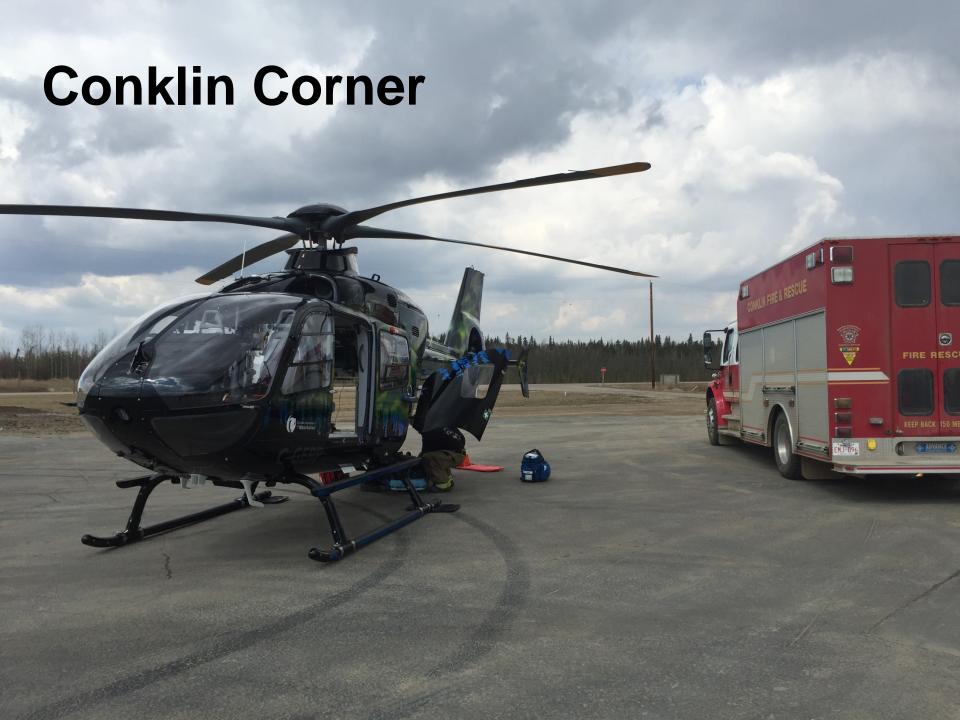
MANDATE



Community awareness and fundraising to support the delivery of 24/7 Helicopter Emergency Medical Services (HEMS) for the people of Northeastern Alberta.







HWY 63 at Hangingstone River





BUDGET



\$3,180,000

Revenue

 RMWB Municipal Grant 	\$ 1	,500,000
 AHS Fee For Service (projected) 	\$	950,000
 Industry Funding 	\$	730,000

Expenses

 Fixed Costs (crew and equipment) 	\$	3,000,000
 Variable Costs (flight time driven) 	\$	190,000
 Legal, Advertising, Accounting, GST 	<u>\$</u>	160,000
	\$	3 350 000

Legacy debt from start-up year \$1,608,400, down \$161,600 from 2015

PERSONNEL COSTS



Transport Canada mandated positions

 Operations 	Manager	(25%)	\$	8,500
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- Director of Maintenance (25%)
 \$ 40,500
- Chief Pilot (50%) \$ 89,500

Administration

President (25%)	\$	0
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- Accounting/Payroll/Travel (35%)
 \$ 32,500
- Stakeholder Relations
 \$ 95,000
- Safety/Quality Assurance (30%)\$ 27,000

Pilots (8) \$1,280,000

Mechanics (2 x 50% each) \$ 141,500

OPERATING COSTS



Variable Costs (per average annual flight hours)

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• Fuel	\$ 47,500
 Scheduled Maintenance (parts) 	\$ 16,500
 Dynamic Components 	\$ 75,000
 Engine Overhaul Reserve 	\$ 41,000
 Avionics Maintenance Reserve 	\$ 10,000
Fixed Costs	
 Training and Flight Checks 	\$ 162,500
 NVG Training and Maintenance 	\$ 54,000
 HERO 1 Helicopter - 	\$ 936,000
 Hangar Facilities, Utilities, Taxes 	\$ 60,000
 Liability/Hull Insurance Premium 	\$ 73,000

STAFF



Current

- 16 Staff
- 11.9 Full-time Equivalents

The existing staff are meeting the needs of the program, therefore no additional hiring is anticipated.

NEGATIVE IMPACTS



- Local HERO has been warned that continued landings at the Firehall 1 parking lot will result in prosecution and possible fines of \$30,000 for each medevac landing.
- To avoid prosecution, time-sensitive critical patients will have to be transferred by ambulance from HERO's airport helipad to the hospital.
- Patient transports declined due to size and/or weight.
- In the current economy of low oil prices, soliciting donations is more challenging.
- USD foreign exchange rates remain high.

POSITIVE HAPPENINGS



- Recognition by media and local businesses has raised public awareness of Local HERO's contributions to search and rescue, evacuation and medevac during the May fires.
- CRA charity status was achieved in August 2016, allowing Local HERO to seek additional funding by donation, fundraisers and lotteries. Save the date for HERO's first charity fundraising event on March 4, 2017.
- Transport Canada is using HERO's operation as the benchmark for new regulation governing the use of night vision goggles in commercial air transport.





MORE POSITIVES



- The excellent working relationship between HERO and the FMFD continues to utilize existing resources to keep program costs at a minimum while providing top-notch emergency medical services to our clients.
- HERO continues to provide industry leading personnel and equipment at the lowest comparable cost in Canada, including no fee backup helicopters with multi-dispatch capacity.
- A similar medevac program in Winnipeg using a much older helicopter costs Manitoba tax payers \$12.6 million/year more than Local HERO's operating budget.

QUESTIONS?



