



Subject: *Fire Service Funding Policy*
To: Corporate and Residential Services Committee
Date Prepared: 2025/04/23
Related Motions: C24(433)
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Approved by: Kim Ramsay, CAO

Summary

The Rural Fire Department Capital Fund is a reserve that provides capital funding to rural fire departments in Rawdon, Kennetcook, Noel, Walton, Gore and Maitland.

In 2024, Council awarded a \$100,000 grant from this reserve to each Noel, Maitland and Gore. Council provided direction to staff to bring forward policy amendments that establishes an equal allocation model of the reserve for departments to access. The Fire Service Funding Policy is the appropriate policy to included amendments.

While Council is reviewing these potential amendments, staff are seeking Council input on including additional statements that speak to how fire area rates are changed.

Lastly, Council has approved an annual allocation of \$20,000 towards maintenance and improvements to the fire training facilities in Noel and Elmsdale. This report recommends that Council put policy around how these funds are accessed by the fire service.

Financial Impact Statement

There is no direct financial impact to this decision. The policy amendments enable fairness for the fire departments to access the funds.

Recommendation

That amendments are made to the Fire Service Funding Policy to clarify how the Rural Fire Department Capital Fund reserve is allocated.

Council should discuss how fire areas rates are set and the desire to add the recommendations contained within the report to the policy.

Recommended Motion

Council Meeting (Policy) - May 13, 2025

Move that the Corporate and Residential Services Committee recommend that Council give notice of intent to approve an amendment to the Fire Service Funding Policy, as attached to the Executive Committee Agenda on May 13, 2025.

Regular Meeting of Council - May 21, 2025

Move that the Corporate & Residential Services Committee recommend that Council approve the amendment to the Fire Service Funding Policy as attached to the Executive Committee agenda dated May 13, 2025.

Background

RURAL FIRE DEPARTMENT CAPITAL FUND (G601)

This is a reserve that provides capital funding to rural fire departments in Rawdon, Kennetcook, Noel, Walton, Gore and Maitland as outlined in the Fire Service Funding Policy.

FIRE SERVICE FUNDING POLICY

9. Rural Fire Capital Assistance Fund

9.1. Rural volunteer fire departments of Rawdon, Kennetcook, Noel, Walton, Gore and Maitland are eligible for a Rural Fire Capital Assistance grant. This grant will cover the cost of capital acquisitions related to firefighting including equipment, apparatus and buildings. This grant fund is not intended to fund operational costs, equipment repairs and maintenance or routine building maintenance. Significant upgrades, including roofing, basement additions, or mechanical systems, are eligible to receive funding.

9.2. The fund is application-based and must be supported by majority vote at a duly called meeting of the Fire Service membership. Grant applications will be reviewed by the Senior Grant Review Committee, with award recommendations coming through consultation with Councillors representing the rural Policy districts of East Hants (Districts 5, 6 & 11). Council will approve all eligible Rural Fire Capital Assistance Fund grants. There is no annual deadline to apply.

MOTION C24(433)

“Passed that Council that the Rural Fire Department Capital Fund be partitioned among the remaining 3 departments who have not received funding, and that any interest or other funding that accrues after year end would be equally distributed amongst the six (6) rural departments with the caveat that the departments may discuss amongst themselves regarding specific funding; and that, any necessary policy changes come back to Council for consideration”.

Discussion

The balance of the Rural Fire Capital Fund at March 31, 2025 is \$298,427. This is before the allocation of year end interest. Once year end interest is calculated and applied, this balance will be approximately \$300,000. Council's motion is to split the interest equally amongst the 6 departments. Staff believe Council's intent would be to ensure all 6 departments received the \$100,000 initial grant and future contributions to this reserve and interest would be split equally amongst all 6.

Once year end interest has been allocated the funding will be ear marked equally to the remaining three departments (Walton, Rawdon, Kennetcook).

There is not an annual contribution to this reserve. Funding is contributed by Council on an ad hoc basis as financial allocations are made, typically at year end.

Rural Fire Capital Fund - Policy Amendment

Draft policy language to reflect the Council motion could be added to section 9 of the Fire Service Funding Policy. It would read as follows:

“Amounts added to this fund after March 31, 2025 will be allocated equally amongst all 6 departments. Departments may request Council re-allocate a portion of this reserve for Capital items that benefit multiple departments”.

Alternatively, moving forward Council could allocate contributions to the reserve based on assessment values. This is inconsistent with how the fire operating grants are provided to rural fire departments. The assessment breakdown is below.

	25/26 Est Assessments	%
Maitland	69,780,400.00	19.27%
Noel	74,914,400.00	20.69%
Walton	23,508,600.00	6.49%
Gore	50,414,400.00	13.92%
Kennetcook	56,843,300.00	15.70%
Rawdon	86,688,700.00	23.94%
	362,149,800.00	100.00%

Changing Fire Area Rate - Policy Amendment

Fire rates are established annually as part of Council's budgeting process. In the initial step of the budget process Council reviews the draft fire rates. These are communicated by the Finance Department to all fire departments for review. Each department is provided an opportunity to request an increase/decrease to their fire rate which is later reviewed and approved by Council as the budget is finalized.

There is not a prescriptive policy or process around the establishment of fire rates. The area councilors will often sit with representatives of their local department as part of the budget process and review short- and long-term needs. Should Council want to formalize this in policy it could read as follows:

"Fire Area Rates are approved by Council as part of the annual budget process. Requests for adjustments to a fire area rate shall be communicated to the Municipality by February 1st of each year in order to be approved by Council and implemented at the start of the fiscal year on April 1st. A fire department must demonstrate the following as part of a request to adjust a fire area rate:

1. The membership of the department making the request has approved the change; and that
2. The fire department has met with the local area Councillor(s) to discuss and demonstrate the financial need to adjust the rate.

An alternative is that Council could require a fire department to present their rate change request to Council as whole during a meeting. This would allow all of Council to ask questions of the department to ensure they feel informed as part of their decision-making process.

Fire Service Training Facility Capital - Policy Amendment

In the 2025/2026 operating budget, Council allocated a \$20,000 contribution to reserves for the fire service training facilities maintenance and improvements. The chiefs will be discussing accessing this fund at their June meeting. Below is recommended policy statement for this fund.

Fire Service Training Facility Capital

1. The Municipality will contribute \$20,000 annually into a reserve towards maintenance and improvements to the fire training facilities in Noel and Elmsdale.
2. To access funds, a written request must be made to the Municipality, supported by 2/3 of the Chiefs.
3. Municipal staff will administer this fund on behalf of Council.

Alternatively, Council may want to approve each request for use of the funds.

LEGISLATIVE AUTHORITY

Council has the authority to make these policy amendments.

FINANCIAL CONSIDERATIONS

Involving the local councillors in the fire rate process enables the councillors to understand the needs of their local department and speak to residents on inquiries. It also provides a mechanism for additional communication to Council.

Alternatives

Alternatives have been included in each section of the report where policy recommendations have been made.

Attachments

Fire Service Funding Policy - draft amendments