



Subject: *Financial Guidelines for Volunteer Fire Departments update*
To: Corporate and Residential Services Committee
Date Prepared: June 26, 2025
Related Motions:
Prepared by: Michael Hatfield, Procurement Officer
Approved by: Adam Clarkson, Director of Corporate Services

Summary

This report recommends adopting changes to the *Financial Guidelines for Volunteer Fire Departments* to bring it into line with proposed Council Procurement Policy currently under consideration.

The primary change is the threshold at which three quotations must be requested which would be increased from \$10,000, as updated in January 2025, to \$25,000. The threshold at which open competition is required would be increased to the applicable Canada Free Trade Act (CFTA) threshold.

Purchase	Request Three Quotations	Open Competition	ALTP Approval
Goods and Services	\$25,000 to \$133,800	Over \$133,800 +	Membership
Construction	\$25,000 to \$334,400	Over \$334,400	Membership

Financial Impact Statement

None.

Recommendation

Approve the changes to the *Financial Guidelines for Volunteer Fire Departments* to align the changes being made to the Council Procurement Policy and administrative controls, including the other revisions specified in the draft Guidelines.

Recommended Motion

Regular Meeting of Council (Policy & In Camera) July 15, 2025

Move that the Corporate and Residential Services Committee recommends to Council that Council give notice of intent to amend the Financial Guidelines for Volunteer Fire Departments as attached to the Executive Agenda July 15, 2025 with such amendment to be effective beginning September 1, 2025.

Regular Meeting of Council July 23, 2025

Move that the Corporate and Residential Services Committee recommends to Council that Council amend the Financial Guidelines for Volunteer Fire Departments as attached to the Executive Agenda July 15, 2025 with such amendment to be effective beginning September 1, 2025.

Background

The *Financial Guidelines for Volunteer Fire Departments* were developed to provide guidance to Fire Departments who are entrusted to spend public money granted to them through the levy or through loans which will be paid through the levy or the fundraising activities of the individual Fire Department.

The Guidelines were updated in 2022 to modernize the language in the document and increase the thresholds at which a Fire Department could do different procurement activities to align with the Council Procurement Policy as the thresholds in place at the time were very low. In January of 2025, the low value threshold was increased from \$5,000 to \$10,000, giving each Fire Department better discretion for low value purchases.

This update increases the threshold again to \$25,000.

Discussion

This change recognizes that most of the money spent in fire departments will be for operational needs. Many of these operational needs are specific to the fire service and, in cases, to the specific Fire Department, if there are compatibility or maintenance restrictions on where such equipment and supplies must be purchased. It also recognizes that individual Fire Departments may not have the internal resources to develop competitions for their needs, even if those needs have significant value. These changes reduce the risk to a department by giving them increased flexibility on when they seek competitive bids.

DUE DILIGENCE

Due diligence is always a requirement when purchases are made for goods, services, or construction. The overall responsibility on a Fire Department Chief to ensure due diligence does not change. Chiefs will need to continue to ensure that their Fire Department is doing reasonable due diligence with purchases less than \$25,000 in value.

OTHER CHANGES/UPDATES

The procurement section of the *Financial Guidelines for Volunteer Fire Departments* has been substantially rewritten to reduce complexity. The information being deleted was originally provided in the spirit of providing some best practice, but Staff believe the benefit of that language is reduced at the higher thresholds. The Procurement Officer recommends sharing the Procurement Guidelines (when revised for the changes in the Council Policy) be shared with Fire Departments to service this purpose.

The meal allowances have also been updated to align with the current values (\$18, \$21, and \$30), respectively, to align with the Council Remuneration & Travel Reimbursement Policy.

STRATEGIC ALIGNMENT

This change embraces the Organizational Value of Fiscal Responsibility by empowering change which uses tax dollars and staff effort more efficiently.

LEGISLATIVE AUTHORITY

Municipal Government Act.

FINANCIAL CONSIDERATIONS

There are no financial implications with respect to making this change other than the cost of staff time to make this change. Such additional time necessary to make the change should be offset by savings in time made in the reduced workload in Finance and in departments.

Alternatives

The alternatives are:

1. Choose not to adopt these changes at this time. In this event, no changes are required to the *Financial Guidelines for Volunteer Fire Departments*.
2. Direct Staff to make alterations to the proposed changes, subject to a specific motion by Council.
3. Direct Staff to engage the Fire Service on the changes. Note that the Guidelines allow individual Departments to implement more restrictive controls should they choose to.

Attachments

Link or list any related documentation relevant to the report:

1. Current version of *Financial Guidelines for Volunteer Fire Departments*
2. Draft amended *Financial Guidelines for Volunteer Fire Departments* with tracked changes
3. Draft amended *Financial Guidelines for Volunteer Fire Departments* with changes adopted.