



P.O. Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Item No. 15.2.1**  
**Halifax Regional Council**  
**September 26, 2023**

**TO:** Mayor Savage and Members of Halifax Regional Council

Original Signed

**SUBMITTED BY:**

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Councillor Cathy Deagle Gammon, Chair, Grants Committee

**DATE:** September 11, 2023

**SUBJECT:** **Volunteer Search & Rescue Grants Program – Fiscal Year 2023-24**

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**ORIGIN**

September 11, 2023 meeting of the Grants Committee, Item 9.1.1.

**LEGISLATIVE AUTHORITY**

Legislative Authority is outlined in the attached staff report dated August 23, 2023.

**RECOMMENDATION**

The Grants Committee recommend that Regional Council amend the motion on the floor from the August 22, 2023, Regional Council meeting to:

1. Approve an additional \$25,212.55 in Operating Grants for the three (3) Volunteer Ground Search and Rescue Teams listed in Table 1 of the Discussion section of the staff report dated August 23, 2023,
2. Approve a one-time operating grant to the Sheet Harbour and Area Ground Search and Rescue equivalent to an operating grant under Administrative Order 2014-018-ADM in the amount of \$33,352.23,
3. Direct the Chief Administrative Officer to prepare a recommendation report with respect to the feasibility of repealing Administrative Order 2014-018-ADM Grants to Volunteer Search and Rescue/EMO Organizations and replacing the current policy with a Municipal Service Agreement model for each of those Ground Search and Rescue Teams recognized by Halifax Regional Municipality,

**Recommendation continued on page 2...**

4. Direct the Chief Administrative Officer to prepare a recommendation report with respect to the implementation of a Municipal Registry for Emergency Service Providers pursuant to Section 306 of the *Halifax Regional Municipality Charter*, and

5. Direct the Chief Administrative Officer to include an increase in funding to volunteer emergency service providers for consideration in the fiscal 2024/25 budget process.

### **BACKGROUND**

The Grants Committee received a staff recommendation report dated August 23, 2023 to consider approving the recommendation that Regional Council amend the motion on the floor from the August 22, 2023 Regional Council meeting as outlined in the staff report.

For further information refer to the attached staff report dated August 23, 2023.

### **DISCUSSION**

The Grants Committee considered the staff report dated August 23, 2023 and approved the recommendation to Halifax Regional Council as outlined in the report.

### **FINANCIAL IMPLICATIONS**

Financial implications are outlined in the attached staff report dated August 23, 2023.

### **RISK CONSIDERATION**

Risk consideration is outlined in the attached staff report dated August 23, 2023.

### **COMMUNITY ENGAGEMENT**

The Grants Committee is comprised of 6 citizen members and 4 Councillors. Meetings are live webcast on Halifax.ca. The agenda, reports, video, and minutes of the Committee are posted on Halifax.ca.

For further information on Community Engagement refer to the attached staff report dated August 23, 2023.

### **ENVIRONMENTAL IMPLICATIONS**

Environmental implications are outlined in the staff report dated August 23, 2023.

### **ALTERNATIVES**

Alternatives are outlined in the attached staff report dated August 23, 2023.

### **ATTACHMENTS**

Attachment 1 – Staff recommendation report dated August 23, 2023.

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A copy of this report can be obtained online at [halifax.ca](http://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Elizabeth Macdonald, Legislative Assistant, Municipal Clerk's Office 902.497.7548

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P.O. Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Item No. 9.1.1**  
**Grants Committee**  
**September 11, 2023**

**TO:** Chair and Members of Grants Committee

**SUBMITTED BY:** **Original Signed**  
\_\_\_\_\_  
Cathie O'Toole, Chief Administrative Officer

**DATE:** August 23, 2023

**SUBJECT:** **Volunteer Search and Rescue Grants Program - Fiscal Year 2023-24**

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## SUPPLEMENTARY REPORT

### ORIGIN

August 22, 2023, Halifax Regional Council [Item 15.6.3]

THAT Halifax Regional Council approve the award of three (3) Operating Grants as described in the Discussion section of the staff report dated June 30, 2023 for a total of \$141,300.

MOVED by Councillor Mancini, seconded by Councillor Russell

THAT Item 15.6.3 Volunteer Search and Rescue Grants Program: Recommended Awards Fiscal Year 2023-24 and Item 15.8.4 Councillor Hendsbee – Funding Request for Sheet Harbour Ground Search and Rescue be referred to the Grants Committee for reconsideration.

MOVED by Councillor Mancini, seconded by Councillor Deagle Gammon

MOTION PUT AND PASSED

### LEGISLATIVE AUTHORITY

- *Halifax Regional Municipality Charter, SNS 2008, c 39*

**Section 7A** The purposes of the Municipality are to (a) provide good government; (b) provide services, facilities, and other things that, in the opinion of the Council, are necessary or desirable for all or part of the Municipality; and (c) develop and maintain safe and viable communities.

**RECOMMENDATIONS ON PAGE 3**

**Section 79A** (1) Subject to subsections (2) to (4), the Municipality may only spend money for municipal purposes if

- (a) The expenditure is included in the Municipality's operating budget or capital budget or is otherwise authorized by the Municipality;

**Section 306** (1) A body corporate may apply to the Municipality for registration as an emergency services provider to provide emergency services other than fire services.

(2) The Municipality shall not refuse to register a body corporate that complies with this Act if

- (a) the Municipality is satisfied that the body corporate is capable of providing the services it has undertaken to provide;
- (b) the body corporate carries liability insurance, as required by the Municipality;
- (c) the body corporate does not provide the emergency services for profit; and
- (d) the Municipality does not provide the same services for the same area.

(3) A body corporate that applies pursuant to subsection (1) shall register in each municipality in which it provides emergency services.

(4) A registered emergency services provider shall provide the Municipality with a list of specific services it will endeavor to provide and the area in which the services will be provided.

(5) Registration continues in force until withdrawn by the Municipality for cause or the emergency services providers requests the registration be revoked.

(6) The Municipality may grant or lend money, or guarantee a loan, for an emergency services provider for operating or capital purposes.

(7) The Municipality may grant or lend assets, without charge, to a registered emergency services provider.

(8) Registration does not make an emergency services provider an agent of the Municipality.

(9) A registered emergency services provider is not a municipal enterprise to the *Finance Act*, 2008, c.39; 2002, c.38, s.23.

- *Municipal Government Act, S.N.S., c.18, 1998 as amended.*

3. In this Act,

...

(ab) 'emergency services' means services related to the provision of emergency services, including fire services, emergency medical services, search and rescue, water rescue, and assistance for people and property in the event of disasters including but not limited to floods, hurricane, motor vehicle accidents, and chemical spills.

- *Assessment Act, S.N.S., c.23, 1998 as amended*

**Section 5** (1) The following property is exempt from taxation under this Act:

...

(ia) the property of a fire department or an emergency services provider, registered pursuant to the Municipal Government Act, used directly and solely for community purposes or fund-raising activities of the department or provider;

- *Administrative Order 2014-018-ADM Respecting Grants to Volunteer Search and Rescue/EMO Organizations.*
- *Administrative Order 2019-007-ADM Respecting Public Disclosure of Municipal Grants*

## **RECOMMENDATION**

It is recommended that the Grants Committee recommend that Regional Council amend the motion on the floor from the August 22, 2023, Regional Council meeting to:

1. Approve an additional \$25,212.55 in Operating Grants for the three (3) Volunteer Ground Search and Rescue Teams listed in Table 1 of the Discussion section of this report,
2. Approve a one-time operating grant to the Sheet Harbour and Area Ground Search and Rescue equivalent to an operating grant under Administrative Order 2014-018-ADM in the amount of of \$33,352.23,
3. Direct the Chief Administrative Officer to prepare a recommendation report with respect to the feasibility of repealing Administrative Order 2014-018-ADM Grants to Volunteer Search and Rescue/EMO Organizations and replacing the current policy with a Municipal Service Agreement model for each of those Ground Search and Rescue Teams recognized by Halifax Regional Municipality,
4. Direct the Chief Administrative Officer to prepare a recommendation report with respect to the implementation of a Municipal Registry for Emergency Service Providers pursuant to Section 306 of the *Halifax Regional Municipality Charter*, and
5. Direct the Chief Administrative Officer to include an increase in funding to volunteer emergency service providers for consideration in the fiscal 2024/25 budget process.

## **BACKGROUND**

This report responds to Council's motion to re-examine the level of Operating Grant provided to each of the four (4) volunteer ground search and rescue teams ("GSAR") with the expectation that if the current program's budget is insufficient, additional funds be provided in fiscal 2023. Notification of the referral to the Grants Committee for reconsideration was communicated to the four GSAR teams by email on August 23, 2023. The teams were advised that a supplementary report would be prepared after a review of the financial information submitted in accordance with policy. To guide participants' expectations, the notification states that "Any additional funding (above the program's budget allocation) would be a one-time amount and any change to the program budget would be considered during the 2024 budget deliberations".

The mandate of GSAR teams is exclusively that of an emergency service provider. Members receive mandatory training and are formally affiliated with government agencies. These characteristics distinguish GSAR teams from assistance provided by other nonprofit organizations (radio communications or comfort centres), and the "spontaneous" support of individuals and organizations who volunteer in the event of an emergency.

Traditionally, volunteer ground search and rescue ("GSAR") teams have aided government authorities in the event of a missing person, notably in wilderness areas and/or severe weather. Increasingly, this role has expanded to include pre-emptive evacuation or evacuation following a natural or human-induced disaster<sup>1</sup>, wellness checks (post disaster recovery or in support of the homeless), and searches for persons with a cognitive disability or mental illness. Although searches were predominately located in rural locations, the scope of GSAR operations has grown exponentially during the past few years into the suburban and urban areas. Increasingly, human resources and access to specialized equipment may need to be combined to provide regional coverage or to address the scale, duration, or complexity of an emergency. Changing environmental and social conditions, and expectations regarding disaster preparedness,

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<sup>1</sup> Examples: infrastructure failures, pollution/toxic waste/chemical, radiation, or technology failure.

response, and recovery are exerting pressure on volunteer recruitment and retention, especially in rural communities with a comparatively small population and limited fundraising capacity.

The support provided GSAR teams through operating and project-specific grants intentionally excludes call-out claims. These service-related expenses are reimbursed by the agent of jurisdiction. Instead, municipal funding is targeted towards supporting the basic operations of the organization<sup>2</sup>, volunteer recruitment, retention, and training. Without this operational foundation there is limited capacity to respond to an order or formal request to assist in an emergency or special work, irrespective of which agent of jurisdiction reimburses the expenses. However, basic operational support is increasingly challenging. For example, the transition to property ownership, technological innovation (hardware, licenses, software upgrades), the need, or desire, for expensive specialized equipment, utilities, and insurance costs, in combination with volume and type of call-out, exerts pressure on annual operating budgets and future recapitalization costs.

**DISCUSSION**

The 2023/24 budget for the grants to volunteer ground search and rescue/EMO organizations is \$141,300. This amount has not increased in the past decade, while costs have continued to rise. The combined values of requests for operating grants from Eastern Shore, Halifax, and Musquodoboit Valley GSAR’s exceeded the budget allocation and the Sheet Harbour GSAR did not submit an on-time application. No requests were received for capital or small-scale, non-recurring projects.

**Recommendation #1 – Operating Grants 2023/24**

Upon receipt of the Sheet Harbour and Area GSAR financial report for fiscal 2022/23 the 3-Year Average for operating expenses was completed and the revised 3-year average operating expense is shown below.

<b>Amended 3-Year Average Operating Expenses: 2020-2022.</b>				
<b>Actual Operating Expenses</b>	<b>Eastern Shore GSAR</b>	<b>Halifax Regional GSAR</b>	<b>Musquodoboit Valley GSAR</b>	<b>Sheet Harbour &amp; Area GSAR</b>
2020/21 Fiscal	\$18,435	\$64,768	\$28,989.00	\$21,465.00
2021/22 Fiscal	\$31,570	\$73,119	\$14,432.00	\$26,922.00
2022/23 Fiscal	\$43,133	\$109,915	\$114,120.66	\$51,669.69
<b>3-Year Average</b>	<b>\$31,046</b>	<b>\$82,601</b>	<b>\$52,514</b>	<b>\$33,352.23</b>

The combined total funding amount for all four teams is \$199,864.78 and exceeds the program’s budget of \$141,300. A cost overrun of \$58,564.78 can be largely attributed to the provision of an Operating Grant to the Sheet Harbour and Area Ground Search and Rescue team (57%) and the Halifax Regional Search and Rescue team (39%) as shown below in Amended Table 1.

**Amended Table 1. Proposed Operating Grants – Fiscal Year 2023/24**

<b>Organization</b>	<b>Initial Award</b>	<b>Revised Award</b>	<b>Difference</b>	<b>Status</b>
Eastern Shore Ground Search and Rescue Team	\$28,872.17	\$31,046	+2,173.83	Registered charity. Property Owner.

<sup>2</sup> Subsection 4(b) lists rent, insurance, telecommunications, utilities, medical supplies, office supplies, furnishings, and small equipment.

Halifax Regional Search and Rescue Team	\$59,738.04	\$82,601	+\$22,862.96	Registered charity. Property Owner.
Musquodoboit Valley Ground Search and Rescue Team	\$52,689.79	\$52,865.55*	+\$175.76	Registered Society. Property Owner.
<b>REVISED TOTAL</b>	<b>\$141,300</b>	<b>\$166,512.55</b>	<b>+\$25,212.55</b>	

\*Despite the 3-Year Average amount being lower than the Initial Award in this case, the group will still be receiving an increase as their operating expenses have continued to grow. The Revised Award amount has been amended to reflect this change and it is why it does not match the 3-Year Average.

Note to Table 1.

A program review conducted in 2019 determined that the presentation of financial information by applicants varies substantially in both method (accrual vs cash) and the degree of detail. For example, some teams record the amortization of capital assets, including clothing, under “expenses” while others do not. In the absence of any mandatory, standardized, financial reporting format the identification and verification of eligible grant expenses, and the exclusion of deployment call-out expenses, is administratively inefficient and difficult to verify.

Sheet Harbour GSAR did not submit an application on-time in accordance with Administrative Order 2014-018-ADM. It is recommended that Sheet Harbour GSAR receives an operating grant of \$33,352.23 equivalent to a grant under the Administrative Order.

**Recommendation #2 - Annual Cash Grants vs Multi-Year Service Agreement**

The recommendation to assess the feasibility of moving from a “grant” model to a municipal service agreement is intended to increase funding predictability and to realize administrative efficiencies for both HRM and the GSAR teams. A service agreement would establish municipal standards of practice and target funding to meet and maintain those standards. The agreement could also aid predictability through multi-year funding with indexing customized to align with specific recurring annual operating costs, especially those prone to market-driven increases or fluctuation. For example, heating fuel, gasoline/diesel fuel, insurance, or interest rates as applicable. The timing of annual funding disbursements could also be expedited.

**Recommendation #3 – Municipal Registry of Emergency Services Providers**

The term “emergency services provider” is defined in the *Municipal Government Act* and includes search and rescue services. As proposed, a Municipal Registry for Emergency Services Providers has the potential to broaden the range of options available to the Municipality in supporting volunteer GSAR teams. For example, cash grants, the loan of assets and money, or loan guarantees. Within this context, loans or loan guarantees could be secured to protect the public interest by (i) a lien on the applicant’s property, (ii) the right of offset – a reduction in the amount of grant that corresponds to the amount payable to HRM by the GSAR team, or (iii) a combination of both. Further, property owned and operated by a municipally registered emergency services provider is exempt under Subsection (5) (1) (ia) of the *Assessment Act*. The latter negates the need for the GSAR teams to make application/annual renewal under HRM’s Tax Relief for Non-Profit Organizations Program.

**FINANCIAL IMPLICATIONS**

As recommended, an increase in the value of four (4) Operating Grants in fiscal 2023/24 will realize a one-time budget over-expenditure in the amount of \$58,564.78 in Operating Account cost centre C801-8004. This over-expenditure will be offset using the balance of uncommitted funds in Fiscal Services M311-8006 in fiscal 2023/24. However, the ability to offset the over-expenditure in 2023 cannot be sustained next year due to the number of tax relief applications received and/or anticipated for the 2024/25 program.

Volunteer Search and Rescue/EMO Organizations Grants Program 2023/24	\$141,300
Recommended Awards (4) – Amended Amount	(\$199,864.78)
<b>Balance: Surplus/(Deficit)</b>	<b>(\$58,564.78)</b>

Any adjustment to the budget for grants to Volunteer Ground Search and Rescue teams will be considered during the regular budget process for fiscal 2024/25.

### **RISK CONSIDERATION**

Low. Under current practice and policy financial statements are submitted annually to the Director of Emergency Management, HRM Community Safety.

The primary risks associated with cash grants are representational (accuracy of information), financial misappropriation or loss, and reputational risk to the Municipality.

### **COMMUNITY ENGAGEMENT**

No community engagement was required.

### **ENVIRONMENTAL IMPLICATIONS**

No environmental implications were identified.

### **ALTERNATIVES**

The Grants Committee could choose to:

1. Recommended that Regional Council not support a one-time program budget over-expenditure and instead approve the three (3) awards and the amounts recommended in the staff report dated June 30, 2023, as presented to the Grants Committee meeting of July 24, 2023 [Item 4].
2. Recommend alternatives to the staff recommendations set out in this report with respect to annual cash grants, an analysis of the implications of replacing the current grants program with individual service agreements, or the implementation of a Municipal Registry of Emergency Service Providers.

### **ATTACHMENTS**

None.

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A copy of this report can be obtained online at [halifax.ca](http://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Peta-Jane Temple, Team Lead Grants & Contributions, Finance & Asset Management  
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