



Policy 17

FIRE DEPARTMENT LOAN GUARANTEE

POLICY PURPOSE

- 17.1 It shall be the policy of the Municipality of the District of Shelburne to have a standard process with respect to loan guarantees for registered volunteer fire departments servicing the Municipality.

POLICY DETAILS

- 17.2 A registered volunteer fire department with the Municipality may apply to the Municipality to guarantee a loan of the department.
- 17.3 The loan guarantee shall only apply to capital requirements of the registered volunteer fire department.
- 17.4 The volunteer fire department applying to the Municipality for a guarantee shall hold a public meeting in the community to discuss the purpose for which the loan is required and associated costs, in order to inform the residents of the need for the loan and asset.
- 17.5 The registered volunteer fire department applying to the Municipality for a guarantee shall provide the Municipality with details of the following:
- a. Cost of capital asset
 - b. Financing plan of the asset
 - c. Scheduled date, time, and location of public meeting
- 17.6 Municipal Council may require that the registered volunteer fire department enter into an agreement with the Municipality which shall certify that the department has complied with all terms of the Policy and are aware of conditions that may be imposed by the Municipality should the department fail to meet loan obligations.
- 17.7 In the event that the volunteer fire department defaults on the loan, and the financial institution calls in the total loan amount, the Municipality shall establish an area rate, the details of which to be determined by Council, to recover from the residents served by the registered volunteer fire department the principal and interest costs associated with the payment of the guarantee or loan, according to such terms and conditions approved by Council.

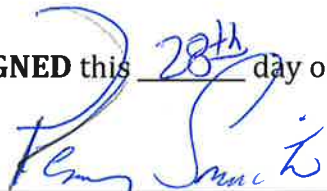
- 17.8 It shall be at the sole discretion of Council to limit the number of loan guarantees that it issues to fire departments at any given time.
- 17.9 In order to be eligible to receive a loan guarantee from the Municipality, the registered volunteer fire department shall ensure its year-end reporting is up to date, including submission of the Notice to Reader formatted financial report, confirmation of insurance, and proof of good standing with the Registry of Joint Stock Companies.

REPEAL

- 17.10 Fire and Emergency Services Policy adopted by Council of the Municipality of the District of Shelburne on the 27th day of October, 2014, is hereby repealed.

THIS IS TO CERTIFY that the Council of the Municipality of the District of Shelburne duly passed the policy respecting Fire Department Loan Guarantee on the 27th day of March, 2017.

SIGNED this 28th day of March, 2017



WARDEN



CHIEF ADMINISTRATIVE OFFICER

Approved by Council: March 27, 2017

Effective Date: April 1, 2017