

<b>MUNICIPALITY OF THE COUNTY OF ANNAPOLIS POLICY AND ADMINISTRATION MANUAL</b>	<b>POLICY 117</b>
<b>ADMINISTRATION</b>	Fire Services Capital Funding

**1. GENERAL**

This policy is referred to as the “**Fire Capital Policy.**”

**2. AUTHORITY FOR POLICY**

Section 294(6) of the *Municipal Government Act* states that a municipality may grant or lend money to, or guarantee a loan for, a registered fire department for operating or capital purposes.

Section 294(7) of the *Municipal Government Act* states that a municipality may grant or lend assets, without charge, to a registered fire department.

**3. DEFINITIONS**

Terms used in this policy shall have the same meaning as in the *Municipal Government Act*, or as their context applies according to a dictionary of the Canadian language, except as follows:

“fire apparatus” includes any vehicle designed or customized to used for fire fighting and includes a pumper, tanker, pumper/tanker, aerial, rescue truck, or similar vehicle, but shall not include non-fire related vehicles used for medical first response, boats, trucks, utility vehicles, all terrain vehicles, et cetera.

**4. OBJECTIVES**

The objectives of this policy are to:

- a. provide clear direction to all fire departments registered with Municipality of the County of Annapolis as it relates to the amount and criteria upon which funding will be provided annually for capital purposes; and
- b. provide a simple process for the application for, and withdrawal of, funds from the Municipality’s Fire Department Capital Reserve for each registered fire department; and
- c. provide for a consistent and clear method of reporting on expenditures from the Capital Reserve Fund by each fire department, including proof of expenditures and inclusion of assets on their annual financial audits and financial statements provided to the Municipality; and
- d. provide clear rules for what Capital Reserve Fund money can be spent on and what is eligible; and
- e. provide for conditions when the Municipality will guarantee loans for fire departments.

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**5. ANNUAL CAPITAL ALLOCATION**

Each fiscal year, the Municipality will deposit into a separate capital reserve account for each registered fire department within Municipality of the County of Annapolis an amount approved during the annual budget approval process. This amount will be deposited no later than September 30th of each year and an accounting of all current reserve funds and new deposits showing the current balance will be provided to each department in December of each year.

**6. APPLICATION PROCESS**

Any registered fire department within Annapolis County can apply to withdraw funds from their own capital reserve account up to the total amount in the account at that time, by applying to Manager of Protective Services.

Each application for a withdrawal of capital reserve funding must include a firm price quote from the department’s preferred vendor and be a price quote that is currently valid for the next 30 days. Fire departments are required to follow all provincial and federal procurement laws that apply to them and any failure to do so will be at the full expense and liability of the fire department and not the municipality.

Upon receipt of a full and complete application for a withdrawal from their fire capital reserve fund, and approval from Chief Administrative Officer that all policy criteria have been met, the Municipality will release the reserve funds to the fire department within 3 weeks thereafter. No application will be approved unless the requesting fire department has submitted a complete audited financial statement from the previous fiscal year to the Municipality, and it has been reviewed to ensure the fire department is financially able to purchase and pay for the new capital asset.

**7. REPORTING**

Upon the purchase of the new capital asset, the fire department shall provide proof of such purchase and a copy of the paid invoice(s) to the Municipality within 30 days after the purchase takes place.

If the fire department borrows money to repay any additional costs associated with this capital asset purchase, the fire department must clearly show these repayment costs and remaining balance each year on their audited financial statements. If the fire department is unable or does not make its required loan repayment on time during any year, it must immediately report this and the reasons why to the Municipality within seven (7) days of such default.

