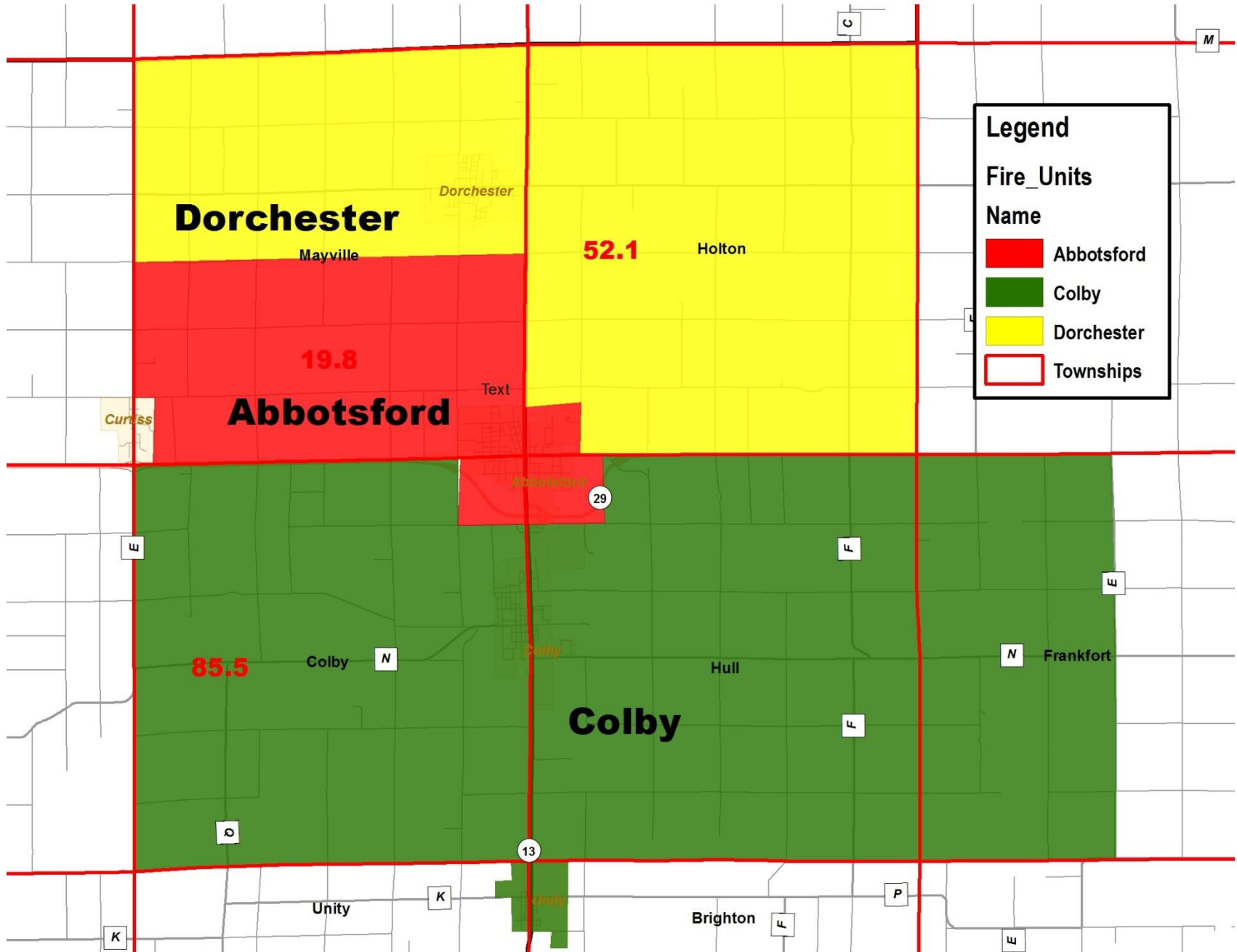


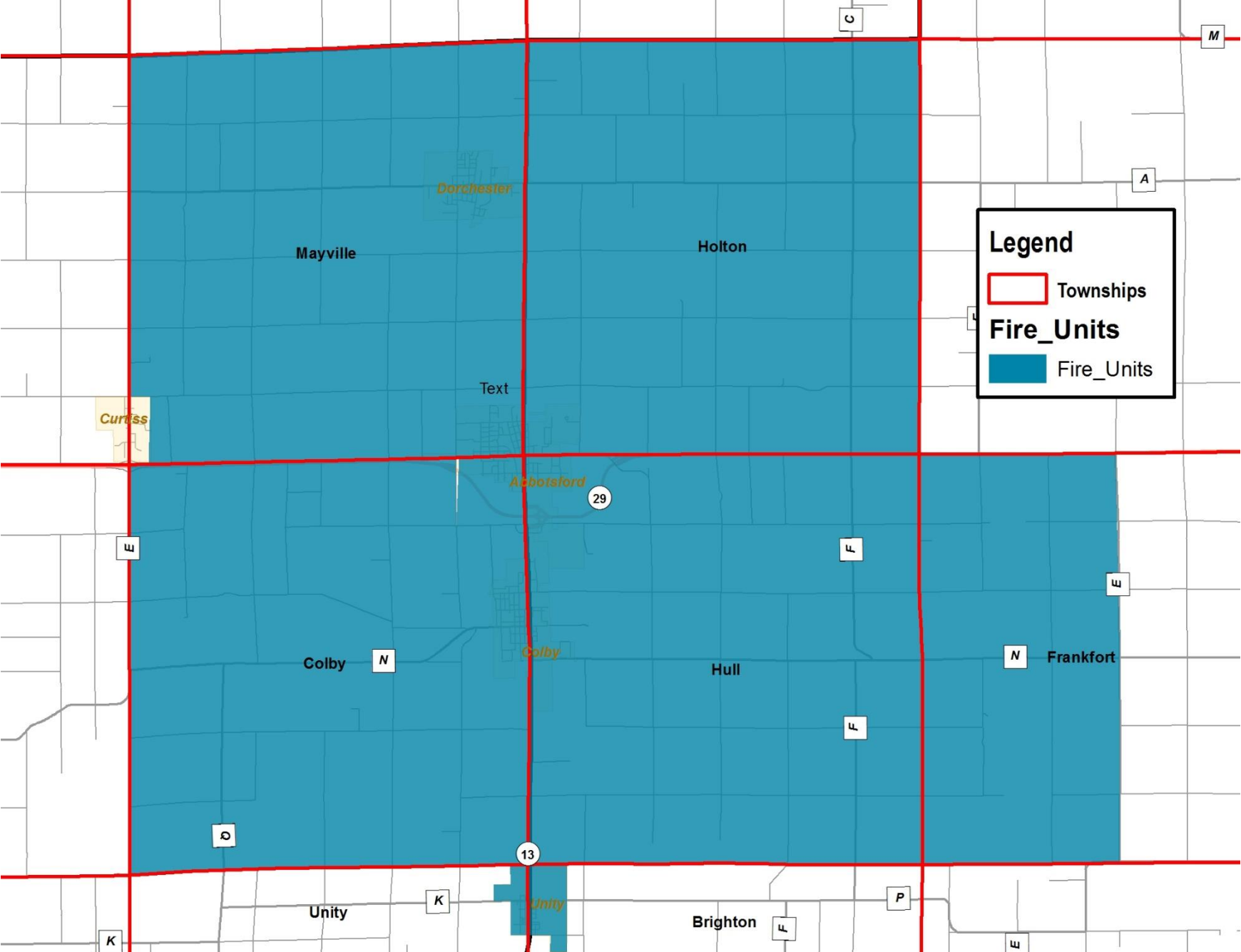
**UNITED SEVEN
FIRE AND RESCUE
SERVICES
INTERGOVERNMENTAL
AGREEMENT**



Existing Fire Areas 2016



United Seven Fire District 2017



Fire Department
Municipality Evaluations

Municipality	Total Valuation	% of Total Valuation
City of Colby	\$75,195,400	18.1%
City of Abbotsford	\$105,566,000	25.4%
Village of Dorches	\$46,479,300	11.2%
Town of Hull	\$51,133,200	12.3%
Town of Holton	\$50,896,100	12.2%
Town of Colby	\$37,677,300	9.1%
Town of Mayville	\$48,710,600	11.7%

TOTAL \$415,657,900 100.00%

Existing
Fire Budget 2016

Municipality	Amount
Colby	\$146,550
Abbotsford	\$111,720
Dorchester	\$112,800
TOTAL	\$371,070

Projected
United Seven Fire Budget 2017

Municipality	% of Total Valuation	Projected Fire Cost
City of Colby	18.1%	\$65,126
City of Abbotsford	25.4%	\$91,430
Village of Dorchester	11.2%	\$40,256
Town of Hull	12.3%	\$44,286
Town of Holton	12.2%	\$44,081
Town of Colby	9.1%	\$32,632
Town of Mayville	11.7%	\$42,188

TOTAL **\$360,000**

Projected United Seven Fire Budget 2017

Municipality	% of Total Valuation	Projected Fire Cost	Projected Ambulance cost
City of Colby	18.1%	\$65,126	\$0
City of Abbotsford	25.4%	\$91,430	\$0
Village of Dorchester	11.2%	\$40,256	\$0
Town of Hull	12.3%	\$44,286	\$0
Town of Holton	12.2%	\$44,081	\$0
Town of Colby	9.1%	\$32,632	\$0
Town of Mayville	11.7%	\$42,188	\$0
TOTAL		\$360,000	

Projected United Seven Fire Budget 2017

Municipality	% of Total Valuation	Projected Fire Cost	Projected Ambulance cost
City of Colby	18.1%	\$65,126	\$0
City of Abbotsford	25.4%	\$91,430	\$0
Village of Dorchester	11.2%	\$40,256	\$0
Town of Hull	12.3%	\$44,286	\$0
Town of Holton	12.2%	\$44,081	\$0
Town of Colby	9.1%	\$32,632	\$0
Town of Mayville	11.7%	\$42,188	\$0

TOTAL \$360,000

**Additional Revenue from
Ambulance Services \$40,000**

GRAND TOTAL \$400,000

Equipment Input Values

Municipality	Existing Equipment Input Fire	Existing Equipment Input Ambulance
Colby	\$900,000	\$250,000
Abbotsford	\$900,000	\$250,000
Dorchester	\$900,000	
TOTAL	\$2,700,000	\$500,000
		\$3,200,000

Startup Input Accounts

Municipality	One time Startup Money FIRE	One time Startup Money Ambulance
Colby	\$50,000	\$200,000
Abbotsford	\$50,000	\$200,000
Dorchester	\$50,000	
TOTAL	\$150,000	\$400,000
		\$550,000

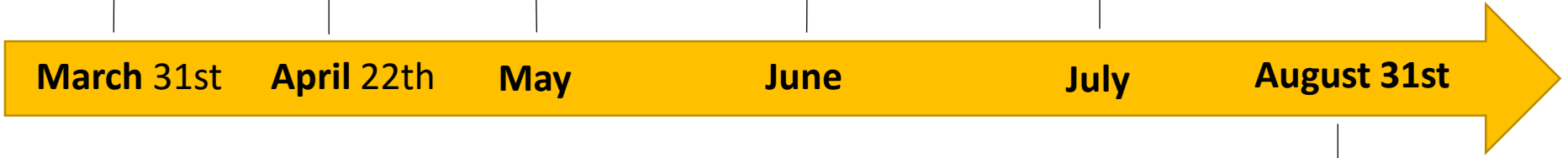
Hold first district board meeting, election of officers. Form committees and begin writing bylaws and operating procedures. Bank accounts and license reporting.

All Municipalities name district rep. and alternative rep.

Select municipality to do record keeping and billing. Determine responsibilities, write job description and post position

Final Decision (In or Out)

Report of Committee on hiring new Fire Chief position and interview process



Finish 2017 budget

TIMELINE 2016 – 2017

Final selection of New Fire Chief position

Interview prospects for Fire Chief position

Start date for New Fire Chief position.
Finalize all new bank accounts, reporting, insurance company, transfer ownership to fire district of all equipment

Begin operation of new United Seven Fire and Rescue Services.

September

November

December

January 2017

TIMELINE 2016-2017

Contract Highlights

- **Contract must be signed by ALL partys by MARCH 31st, 2016, or contract is NULL & VOID**
- **All personal will remain on Department & all stations will remain open**
- **Lease on Fire Halls, all 3 halls remain open, NO payments to Fire Hall for two years after that, \$1000 yr to each Fire hall for lease payment**
- **District pays for heat, sewer, water, electric and phones at Fire halls. Also provides Insurance in amount not to exceed replacement value. Janitorial service provided**
- **The Fire chief/EMS office will be in Abbotsford Fire Hall**

Contract Highlights

- **The district board shall consist of 7 members, 1 from each municipality – must be elected officials.**
 - **Also 7 alternate members to fill in case of primary board member not being able to attend. 1 from each municipality, must be elected as well**
- **Will have President, Vice President, Secretary/Treasurer. The Sec/Trea must be bonded, but does not have to be member of board.**
- **Board shall meet at least quarterly**

District Ownership

Title to all property, real or personal, acquired in respect to the district and regardless how acquired, shall be vested in the district for the benefit of the Municipalities.

Withdrawal from the district

A municipality may withdraw from the district at the end of any calendar year, provided it has given 18 months written notice of such intent. No municipality may withdraw before December 31, 2019.

This agreement shall remain in force for 10 years the agreement will automatically renew for additional 5 year terms.

Special voting

Any vote on a decision over \$50,000, including budget shall require 66% of the total equalized value. On other items, simple majority rule.

District Ownership

Budget must be submitted to the 7 municipalities by September 1st of each year. In the event no budget is done, previous years budget shall remain in effect.

Borrowing Money

Timing of Contributions

Feb 28, April 30, June 30, and Sept 30 of each Calendar year.

Top 10 points from attorney on contract

Section 1.4 of the document indicates that in order for the Agreement to become binding, it must be approved and executed by the municipalities prior to March 31, 2016. The reason for this is to make sure all of the municipalities are on board with the concept of a United Fire District; and to give to the newly created Commission, sufficient time to organize its affairs and for the municipalities to take the necessary actions to have the Fire District in operation on January 1, 2017. During the period from April 1 to year end, many things need to be done. The following is a partial listing; and I'm sure many additional items will come up during the course of preparing for the turnover:

- 1. Once created, the commission will have to select an accountant to assist it in setting up its books and records; and obtaining the appropriate federal identification number. Banking accounts will have to be opened etc.**
- 2. The municipalities will have to itemize all of the assets currently used by their respective fire departments, so they can be identified for purposes of transferring to the new District. Detailed inventories will have to be established so that the accountants can prepare the appropriate asset schedules and determine appropriate depreciation schedules for the equipment.**

Top 10 points from attorney on contract

3. The agreement contemplates that certain municipalities will lease to the Commission existing fire halls. These leases have to be negotiated and drafted. This will require discussions between the affected municipalities and an agreement on the exact lease terms. These leases should be in executed prior to December 31, 2016, and have an effective date of January 1, 2017.

4. The commission will have to develop a budget before December 31, 2016, for the calendar year 2017. The budgetary process should begin probably in August, so that the municipalities will have a completed budget in September/October, which would allow them to act on that budget in the normal course of events. The budgetary process may include not only an operating budget, but a capital budget. Discussions should be had with the accountants in terms of the preparation of such budgets.

5. The commission will have to organize itself by electing a president, secretary and treasurer. In addition, section 7.2 (c) provides that the commission may create standing committees. In our discussion, you indicated that one such committee may be a committee dealing with the volunteers. Other committees that could be created would be an executive committee, a finance committee and perhaps an HR committee. Again, this is for the commission to determine. If any committees are created, they probably will want to meet well before January 1, 2017 when the district becomes operational.

Top 10 points from attorney on contract

- 6. The new arrangement will require the termination of a number of existing agreements between municipalities relating to the provision of fire protection services. Existing agreements need to be reviewed; and decisions made as to how to terminate those documents and what is required. Also, a determination will have to be made as to what assets of these old organizations are to be transferred to the new.**
- 7. To the extent the new commission is going to enter into contracts for service with other municipalities who are not members, those contracts will have to be negotiated and executed.**
- 8. The new commission will have to select an insurance consultant to obtain appropriate insurance coverages for its activities.**
- 9. A determination will have to be made as to what the relationship will be between the new commission and the volunteers. In many instances, the volunteers form a nonprofit organization which they control, for purposes of providing support to the Commission. There are many options.**

Top 10 points from attorney on contract

10. Section 3.3 provides for the transfer of assets from identified municipalities to the new commission. I suspect there will be considerable time expended in preparing the appropriate schedules identifying these assets, and particularly with respect to the issue of cash contributions.

QUESTIONS?

