

Emergency Medical Services Agreement

Town of Manchester
Town of Dorset
Town of Danby
Town of Mount Tabor
Town of Winhall
Manchester Rescue Squad, Inc. d/b/a Northshire Rescue Squad

This Emergency Medical Services Agreement (the "Agreement") is entered as of June _____, 2022 by and among:

- (1) Manchester Rescue Squad, Inc. d/b/a Northshire Rescue Squad, a Vermont not-for-profit corporation ("NRS");
- (2) the Town of Manchester, a municipal corporation in the County of Bennington and State of Vermont ("Manchester");
- (3) the Town of Dorset, a municipal corporation in the County of Bennington and State of Vermont ("Dorset");
- (4) the Town of Danby, a municipal corporation in the County of Rutland and State of Vermont ("Danby");
- (5) the Town of Mount Tabor, a municipal corporation in the County of Rutland and State of Vermont ("Mt. Tabor"); and
- (6) the Town of Winhall, a municipal corporation in the County of Bennington and State of Vermont ("Winhall"),

(collectively the "Parties." Manchester, Dorset, Danby, Mt. Tabor and Winhall are collectively referred to as the "Towns."

WHEREAS each of the Towns wishes to provide access to emergency medical services, advanced life support and emergency transportation to its residents;

WHEREAS none of Manchester, Dorset, Danby or Mt. Tabor has equipment, facilities or personnel to provide emergency medical services, advanced life support and emergency transportation to its residents;

WHEREAS Winhall does provide emergency medical services for its residents, but wishes to supplement those services by working with several additional emergency medical service providers, including NRS;

WHEREAS NRS provides emergency medical services, advanced life support and emergency transportation in the geographic region where the Towns are located;

WHEREAS medical revenues earned by NRS through provision of emergency medical services are insufficient for NRS to meet its expenses in connection with providing emergency medical services in the Towns;

WHEREAS NRS relies on financial support from community members, businesses and the municipalities it serves to supplement its medical revenues to meet expenses;

WHEREAS, the Parties agree that it is to the advantage of the Parties to ensure the continued financial viability of NRS, to allow NRS to continue to serve each of the Towns that are party to this Agreement;

WHEREAS, the Parties agree that it will be useful to have regular dialogue amongst the Parties as a group, and to ensure transparency with respect to the financial and operating results of NRS and the relationship among the Parties;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the Parties agree as follows:

1. This Agreement will be effective as of July 1, 2022 (the "Effective Date") and will terminate on June 30, 2023 (the "Termination Date"), unless extended upon the written agreement of the Parties or under Section 10. For purposes of this Agreement, a fiscal year ("FY") shall start on July 1st and end on June 30th.
2. NRS agrees to be the primary provider of emergency services to Manchester, Dorset, Danby, Mt. Tabor and specified portions of Winhall (where NRS is the primary emergency services provider in case of emergency calls to "9-1-1"). NRS will work with other area EMS providers to ensure EMS coverage on all bona-fide "9-1-1" calls without regard to gender, race, religion, age, nationality of ability to pay. This obligation on the part of NRS to any individual Town will continue with respect to that Town for the term of this Agreement, provided that the specific Town meets its obligations as specified in this Agreement, and so long as the provision of such services is consistent with applicable law and regulations.
3. Each of the Towns agrees to have NRS provide emergency services to its respective population (with Winhall agreeing with respect to the specified portion of that Town).
4. Emergency Medical Services Board: The Parties agree to establish and maintain an Emergency Medical Services Board, with the following parameters:
 - a. The Parties agree that the Emergency Medical Services Board will include representatives (each a Representative and collectively, the "Representatives") from each of NRS, Manchester, Dorset, Danby, Mt. Tabor and Winhall.
 - b. NRS will be represented at the Emergency Medical Services Board by Board Members and/or Personnel determined by NRS to be the appropriate Representative(s) for the topics being discussed by the Emergency Medical Services Board at each meeting.
 - c. Each Town will have one or more Representatives on the Emergency Medical Services Board. Each Town is encouraged to have at least one Representative be a member of the Town Select Board. Each Town will designate Representatives to the Emergency Medical Services Board and will notify the other Towns and NRS when there is a permanent change in a designated Representative. A Town Representative can send an alternate Representative to any meeting but will notify Board Representatives of such a substitution.

- d. The Emergency Medical Services Board shall serve in an advisory role to NRS and shall be a mechanism for the Towns to receive information from NRS regarding its finances and operations and for the Parties to engage in discussions on managing the relationship between NRS and the Towns.
 - e. The Parties acknowledge that NRS is an independent not-for-profit corporation governed by a Board of Trustees, and that the Emergency Medical Services Board is not intended to have a governance role with respect to NRS. The NRS Representative(s) will present any Emergency Medical Services Board recommendations to the NRS Board of Trustees for its consideration.
5. Emergency Medical Services Board Meetings: Meetings will be held as deemed necessary by the Parties, with the ability of any of the Parties to request a Meeting at any time, with at least one week's notice, subject to availability and approval by a vote of the Towns, and subject to reasonable availability of NRS representatives. The intent of the Parties would be to hold two primary meetings each year:
- a. An annual meeting to be held in December, or earlier, each year will include a review of NRS's prior year (ended June 30 of each year) financial results, NRS's Board-approved budget for the current year, and NRS expectations and outlook for required Town support, based on available information at the time of the meeting and this Agreement. This meeting is an opportunity to discuss Town Meeting plans and materials. This meeting is expected to include a discussion and agreement on Service Fees (as defined in Section 8 below) for the year. NRS will propose a level of Service Fees for the next fiscal year, with an explanation for the proposal, prior to the meeting.
 - b. The second Emergency Medical Services Board Meeting shall be held within sixty (60) days following the latest Town Meeting to occur of those held by each of the Towns, to discuss results of all the Towns' Town Meetings and to provide an update on progress at NRS.
6. NRS provision of financial information:
- a. The NRS Board generally approves the NRS budget for the upcoming year (NRS fiscal year end is 6/30) in June of each year. NRS will send the NRS budget to each Town representative promptly after NRS Board Approval.
 - b. NRS reports actual annual financial results each year through filing an IRS Form 990, typically expected to be completed by the end of the calendar year, and NRS will send a copy of the Form 990 to each Town's Representative promptly after approval by the NRS Board and filing with the Internal Revenue Service.
7. The Towns agree to provide financial support to NRS in the form of "Dues," to support the periodic purchase of new ambulances to replace NRS ambulances deemed to no longer be suitable for the reliable provision of EMS services. The Parties acknowledge that NRS operates with a fleet of three ambulances, and normal operating plans call for the replacement of an

ambulance every three years, with the ambulance being replaced generally being at least nine years old.

- a. The cost of the most recently acquired well-equipped ambulance, delivered in 2021, was \$230,000. The estimated cost of a new well-equipped ambulance as of the date of this Agreement is \$250,000.
- b. Based on the three-year replacement plan, the annual Dues for all of the Towns combined for FY 22/23 shall be \$74,994. The Dues shall then increase or decrease after FY 22/23 as agreed to in writing by the Parties upon the extension of this Agreement, reflecting the cost of the next ambulance purchase and NRS’s policy of financing such purchases with a three-year lease.
- c. The Parties have agreed that each Town’s share of total Dues is based upon relative population of the Towns, and for the term of this Agreement those shares shall be the shares consistent with the 2020 Census figures below (2010 figures provided only to note shares that had been in use with the prior Agreement):

Population Share (Dues)				
Town	Pop. 2010	Pop %	Pop. 2020	Pop %
Manchester	4391	54.40%	4484	54.74%
Dorset	2031	25.20%	2133	26.04%
Danby	1311	16.20%	1284	15.68%
Mt Tabor	255	3.20%	210	2.56%
Winhall	80	1.00%	80	0.98%
Total 5 Towns	8068	100.00%	8191	100.00%

The Population Share percentages of the Towns shall be adjusted every ten years based upon the completed Census.

- d. The Parties agree that payment of Dues shall be made annually prior to December 31 of each FY.
8. The Towns agree to provide financial support to NRS in the form of “Service Fees,” which are intended to cover any annual operating net deficits (net losses) incurred through the operations of NRS. On an annual basis, as required in Section 5(a) of this Agreement, the Emergency Medical Services Board will meet to review the NRS Board-approved Budget for the current year and review the actual financial results for the prior year. This meeting is intended to review the sufficiency of Service Fees assessed in the prior year compared to actual operating results, and estimates based on the current year NRS Budget for Service Fees for the current year.
- a. The Parties agree that the total of Service Fees to be paid by the Towns are intended to equal NRS net losses for the year – to support NRS’s ability to operate at breakeven (zero loss/gain).

- b. The Parties agree that the calculation of net loss or gain shall: (1) exclude any income, loss or gain from investments held by NRS; and (2) include as cash expenses any amounts agreed by the Parties to represent a fair value for any in-kind contributions made by any of the Towns (as of the date of this Agreement there are no planned in-kind contributions from the Towns). The resulting adjusted net loss or gain shall be the amount used for all calculations pursuant to this Section 8.
- c. The Parties acknowledge that Manchester shall provide dispatch services and lease space to NRS, that Manchester will be paid for those services as long as NRS and Manchester have agreements with respect to such services, and that the amount paid for those services will be reflected in the financial results of NRS. The annual cost of the services Manchester provides to NRS shall be disclosed to the Towns via the NRS budget provided to the Towns. For FY22/23, NRS will pay Manchester the following:
 - i) Rent - \$43,000 per annum
 - ii) Dispatch - \$67,000 per annum
- d. The Parties agree that the determination of total Service Fees to be paid for the current year will be the sum of two calculated amounts:
 - i. A review of prior year actual financial results vs. the prior year budget will be used to determine any positive or negative variance from that budget, with such variance being the first part of the current year calculation of total Service Fees.
 - ii. A review of the NRS Board-approved Budget for the current year will be used to determine the expected net loss or gain for the current year – which shall be the second part of the current year calculation of total Service Fees. The calculation of Service Fees for the FY ending on June 30, 2023 is provided in Section 8(e) below.
- e. The Parties have agreed that each Town’s share of total Service Fees is based upon relative share of Service Calls made by NRS in the Towns. Upon the written extension of this Agreement, starting with the FY ending June 30, 2024, and continuing for each future FY, the Parties agree that those shares shall be based on the average annual number of Service calls made by NRS in each of the Towns as a percentage of the total of Service calls in the five Towns during the most recently available prior two fiscal years [e.g., for FY23, Service Fees proposed by December 2021 used FY20 and FY21 call volumes]. The Parties have agreed that each Town’s share of total Service Fees for the FY ending June 30, 2023 are as follows:

Service Fees (operations)	
Town	FY 22/23
Manchester	\$142,767
Dorset	\$32,510
Danby	\$13,817
Mt Tabor	\$3,657

Winhall	\$3,048
Total 5 Towns	\$195,799

f. The Parties agree that payment of Service Fees shall be made annually no later than December 31 of each FY.

9. The signatories below represent and warrant that they are duly authorized and empowered to execute this Agreement. This Agreement contains the final statement of the agreement between the parties with respect to the transactions set forth herein and all prior or contemporaneous written or oral agreements with respect to the subject matter hereof are merged herein. This Agreement may only be amended or modified by the written agreement of the Parties.

10. Each Town shall provide written notice to all of the Parties to this Agreement, within seven calendar days of the following: 1) the Town, or any third-party, files an application to operate a rescue squad for the Town; 2) the Town enters into an agreement, understanding or letter of intent with a third-party to operate a rescue squad for the Town; or 3) the Town's Select Board votes to establish a rescue squad or to engage a third-party to operate a rescue squad for the Town. The Termination Date shall be automatically extended until the 270th calendar day following the date of the Town's required written notice under this Section 10 (the "Termination Period"). However, the Termination Period shall not end prior to June 30, 2023. NRS shall continue to provide services and the Towns shall continue to pay all applicable Dues and Service Fees, at the FY 22/23 rate and pro-rated as necessary, during the Termination Period. In the event NRS is unable to provide the same level of service during the Termination Period as that provided as of July 1, 2022, then this Section 10 shall be null and void. This Section 10 shall remain in effect until December 31, 2023, unless otherwise extended by written agreement of the Parties.

11. In the event a dispute arises between the Parties to this Agreement, the disputing Parties will seek first in good faith to negotiate their differences and then, failing resolution, submit the matter in controversy to mediation. All Parties to this Agreement shall be given notice of the mediation and the subject of the controversy being submitted to mediation. All Parties to this Agreement, to include neutral or non-disputing parties to the controversy, shall thereafter be entitled to participate in the mediation, the results of which mediation shall be non-binding. If the controversy remains unresolved after mediation, any party involved in the dispute or controversy giving rise to the mediation shall be entitled to invoke the jurisdiction of the Courts in the State of Vermont to resolve the parties' differences. All Parties agree that jurisdiction and venue as to all matters hereunder shall be proper in the Superior Court in and for Bennington or Rutland Counties. This Agreement shall be governed by Vermont law.

Dated as of the Effective Date.

Manchester Rescue Squad, Inc. d/b/a Northshire Rescue Squad

By: _____
Name:
Title:

Town of Manchester

By: _____
Name:
Title:

Town of Dorset

By: _____
Name:
Title:

Town of Danby

By: _____
Name:
Title:

Town of Mount Tabor

By: _____
Name:
Title:

Town of Winhall

By: _____
Name:
Title: