

INTERLOCAL CONTRACT

This Interlocal Contract ("Contract") is entered into under authority of 24 V.S.A. §§ 4901-4902 by and between the Town of Rockingham, Vermont ("Town") and Bellows Falls Village Corporation, Vermont ("Village") through their respective Selectboard and Board of Trustees.

WHEREAS, for several years, Town and Village have made use of a common account for the pooled deposit, management and expenditure of their representative funds; and

WHEREAS, management of the above-described pooling account has enhanced internal controls over such funds and has made the accounting thereof efficient and comprehensible; and

WHEREAS, Town and Village desire to continue such pooling account management, and to memorialize their understandings thereof.

NOW THEREFORE, for good and valuable consideration, payment, receipt and sufficiency of which is mutually acknowledged, and in consideration of the several undertakings, commitments, representations and inducements set forth herein, Town and Village agree as follows:

- (1) The subject pooling account, shall continue in existence as currently constituted and operated until modified by Town and Village. Custody and administration of the pooling account shall be the responsibility of the Town Treasurer and/or the Town Finance Director and/or the Municipal Manager.
- (2) Unless required to the contrary by law, contract and other restriction, all revenue and receipts of Town and Village shall be deposited in the subject pooling

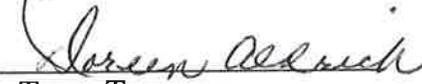
- account. Such deposits shall be allocated to sub-accounts established and maintained at all times for Town and Village.
- (3) With the advice of counsel, accountants and financial advisors, suitable controls will be established and implemented to ensure that all deposits into the pooling account, the crediting of interest thereon, the allocations thereof, and the expenditures of account balances therefrom are fully and clearly accounted for.
 - (4) Financial audit, examination and inspection of the Town and the Village shall include the subject pooling account and all sub-accounts thereof.
 - (5) No expenditure, transfer, withdrawal or reimbursement from the subject pooling account or any sub-account thereof shall be made without being evidenced by warrant approved by the legislative body of the Town or the Village, as appropriate.
 - (6) The parties acknowledge that for management and administrative efficiencies, funds deposited into the subject pooling account will be comingled. However, such deposits, and the custody and disposition thereof, shall be internally allocated and accounted for in separate sub-accounts.
 - (7) Subject to monthly reconciliation, and in conformance with procedures and controls approved by the legislative bodies of the parties, funds of a party on deposit in the subject pooling account may be paid, credited or otherwise used to replenish, reimburse, secure or pay a deficiency or deficit in any account or sub-account of another party.
 - (8) Neither party shall have or claim a legal or beneficial interest, including a security interest, in the funds of another party which are deposited and maintained in the subject pooling account.
 - (9) Fidelity bonds shall be secured and maintained for all persons having any supervisory or operational responsibility over the subject pooling account.
 - (10) This Contract shall be of indefinite duration, subject to termination by written notice to the other party at least one year in advance of such termination, unless a lesser notice period is agreed to by both parties.

(11) This Contract may be amended by both parties at any time, provided that any such amendment be in writing executed by both parties. The parties agree to review this Contract annually, and to assess the efficiency and security of the procedures and protocols established herein.

Approved at a special joint meeting of the Selectboard of the Town of Rockingham and the Board of Trustees of the Bellows Falls Village Corporation, duly convened on September 29, 2015.

TOWN OF ROCKINGHAM

By: 
Chair, Selectboard

And By: 
Town Treasurer

BELLOWS FALLS
VILLAGE CORPORATION

By: 
Village President

And By: 
Village Treasurer