

## FISCAL AGENCY AGREEMENT

THIS AGREEMENT, entered into as of the 1 day of November, 2022, by and between the Township of Tuscarora (the "Township" or "Fiscal Agent") and the Indian River Area Library (the "Library").

WHEREAS, the Library was established in accordance with Public Act 164 of 1877 ("Act 164"); all Library Funds must be held by the Township in compliance with Act 164; the Township and Library agree as follows:

WHEREAS, the parties to this Fiscal Agency Agreement ("Agreement") desire to cooperate in administering the operation and maintenance of the Library for the purposes of providing library service, including service to the residents of the Township; and

WHEREAS, the Township has determined that it is in the best interests of the Township to assist the Library in carrying out its operations; and

WHEREAS, the parties desire to enter into a contract whereby the Township will act as the Fiscal Agent subject to the terms of this Agreement.

1. Township as Fiscal Agent. The Township, acting by and through the Township Treasurer, shall hold, maintain, disperse, reconcile, and invest the monies deposited in the Library Fund as provided for by Act 164 of the Public Acts of 1877 ("Act 164") and this Agreement. The Township shall have the following duties:

a. *Taxes; Revenue.* All proceeds from any millages ("Millage") for the benefit of the Library and money received by the Township for the Library, including but not limited to penal fines and state aid, shall be deposited into the Township Treasury to the credit of the Library Fund. The Township agrees to collect and deposit the Millage proceeds into the Library Fund as required by law.

b. *Payments.* The Township shall disperse payments as authorized by the Library Board from the Library Fund at least one (1) time per month or as needed to maintain vendor accounts in good standing.

c. *Documentation.* The Township shall maintain and provide to the Library the following documentation.

1) The Township shall provide the Library with a copy of the bank statements at the time they are received by the Township.

2) The Township shall keep and maintain records relating to the Library Fund that are required by reporting requirements and record retention policies. This includes providing documentation that payments

were made in the name of the Indian River Area Library and the Township shall record the invoice numbers with the payment.

3) The Township shall prepare and provide a monthly report with the following information at a minimum:

a) Trial Balance sheet reporting all assets, liabilities, balances with revenues and expenditures activity for the month, with year-to-date activity and current annual budget amounts.

b) Budget Report (comparative- previous year, original, amended, activity through, current.)

c) A General Ledger activity report for the month.

d. *Investments.* The Township shall invest the monies in the Library fund at the direction of the Library Board.

e. *Payroll.* The Township shall perform all payroll and associated recordkeeping tasks for the employees working at the Library. The parties agree that the employees working at the Library are employees of the Indian River Area Library and not employees of the Township.

f. *Audit.* The Township shall also audit the Library Fund as part of the Township's audit.

2. Exclusive Control. As provided in Section 5 of Act 164, the Library Board shall have exclusive control over the expenditures of all monies collected to the credit of the Library Fund. Nothing in this Agreement shall be interpreted to waive that exclusive control. The Township shall not release any funds from the Library Fund without express authorization from the Library.

3. Library Obligations. The Library shall approve a detailed budget and provide the Township with a copy by June 15th of each year. Each month and as needed, the Library Board shall prepare and present to the Township a statement of the invoices to be paid from the Library Fund, having attached to the invoice/voucher written evidence of the approval of such payment.

4. Acceptance of Duty to Act as Fiscal Agent. The Township hereby agrees to perform the duties of Fiscal Agent described in this Agreement and in the statutes, rules, regulations, and court decisions applicable to the expenditure of Library Funds as follows:

a. The Fiscal Agent shall carry out its obligations described in paragraph 1 above under this Agreement, using the same degree of care and skill it would use in the conduct of its own affairs.

b. The Fiscal Agent shall not be responsible for any statement, warranty or representation made by the Library to the public relating to the Library Fund or the use thereof.

c. As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper, or proceeding, the Fiscal Agent shall be entitled to rely on a certificate signed by a duly authorized representative of the Library as sufficient evidence of the facts described in such instrument, paper, proceeding or certificate.

d. Unless otherwise notified in writing by the Library, the Township shall apply all laws applicable to the Township relating to the holding of Township monies to the management of the Library Fund.

5. Term; Termination. The Agreement shall be for an indefinite duration unless terminated pursuant to this paragraph. This Agreement shall be terminated upon six (6) months' written notice by either party. However, both parties understand and acknowledge that Act 164 requires the Township to maintain the Library Fund in the Township Treasury and requires the Township to release the funds upon a properly authenticated voucher of the Library regardless of whether an Agreement between the parties exists.

6. Amendment. This Agreement may be amended at any time by the parties hereto in writing.

7. Governing Law. This Agreement shall be construed under the laws of the State of Michigan.

8. Severability. If any provision of this Agreement is held to be in conflict with any applicable statute or rule of law or is otherwise held to be unenforceable for any reason whatsoever, such circumstance shall not have the effect of rendering any other provision or provisions of this Agreement invalid, inoperative, or unenforceable to any extent whatsoever.

IN WITNESS WHEREOF, the Library and the Township have caused this Agreement to be duly exercised and delivered as of the date first written above.

**INDIAN RIVER AREA LIBRARY**

By:

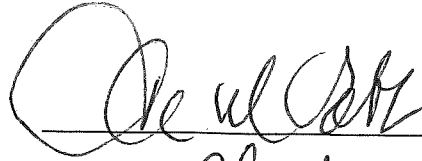
Kathy Cole

Its:

President

**TOWNSHIP OF TUSCARORA**

By:

A large, stylized handwritten signature in black ink, appearing to read 'Deul Singh'.

Its:

The word 'Clerk' written in a cursive, handwritten style in black ink.

80656:00001:6687513-2