

**Memorandum of Understanding between Town of Essex and Village of Essex Junction
Re: Shared Bank Account**

This Memorandum of Agreement (Agreement) is entered into this 20th day of July 2015, by and between the Town of Essex ("Town") and the Village of Essex Junction ("Village") (each a "Party" and collectively the "Parties").

WITNESSETH:

WHEREAS, the Parties continue to work cooperatively on a shared services model to improve the delivery of governmental services for the mutual benefit of the residents of the Town and Village; and

WHEREAS, as part of these efforts, the Parties have created the position of Director of Administrative Services for the day-to-day oversight and supervision of the delivery of central office administrative functions for the Town and Village; and

WHEREAS, the Town and Village computer systems will be combined, and payroll and accounts payable functions are being consolidated, thereby strengthening the overall finance team in the Town and Village; and

WHEREAS, the Parties have determined that the creation of a shared bank account will create efficiencies in the delivery of financial services for both entities;

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

1. Commencing July 1, 2015, the Town and Village will deposit their respective cash balances into a new bank account under the name "Town of Essex/Village of Essex Junction" for the purposes of collection, management and preservation of their cash resources.

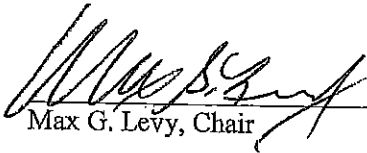
2. The Town's Federal Tax identification number will be the sole identification number listed on the new shared bank account.
3. The Treasurer of the Village will be the primary signatory on the new shared bank account. The Town Treasurer shall also be a named signatory on the account.
4. All deposits in the new shared bank account not insured by the FDIC will be collateralized by the Town and Village in proportion to their respective total cash contributions to this account.
5. The amounts deposited into the new shared bank account by each Party will be accounted for and kept separate by identifying a separate set of accounts in the Town's NEMRC accounting system for each entity. The separate amounts will be reconciled on a monthly basis and annually audited by an independent auditor.
6. In the event a judgment is entered against either the Town or the Village as a result of a lawsuit against one of them, the cash resources of the other Party in the shared bank account shall not be available to satisfy such judgment, and the Party incurring such judgment shall defend, indemnify and hold harmless the other Party against any such judgment.
7. This Agreement may be terminated by either Party upon ninety (90) days advance written notice to the other Party. Upon termination, each Party's respective share of the total amounts then in the shared bank account shall be paid to that Party.
8. This Agreement may be modified only by a written amendment signed by the Parties. If any provision of this Agreement shall be found to be invalid, inoperative or unenforceable in law or equity, such finding shall not affect the validity of any other provisions of this Agreement, which shall be construed, reformed and enforced to effect

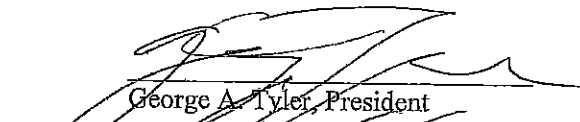
the purposes of this Agreement to the fullest extent permitted by law. This Agreement shall be governed by and construed under the law of the State of Vermont, without application of principles of conflicts of laws, and constitutes the entire agreement of the Parties with respect to the subject matter hereof, superseding all prior oral and written communications, proposals, negotiations, representations, understandings, courses of dealing, agreements, contracts, and the like between the Parties in such respect.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first above written.

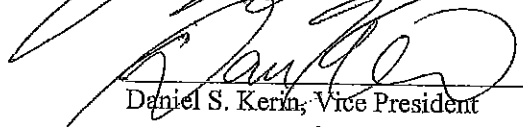
For the Town of Essex Selectboard

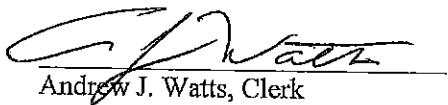
For the Village of Essex Junction Board of Trustees

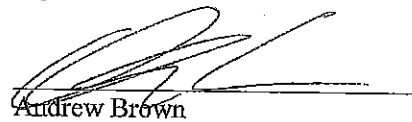

Max G. Levy, Chair

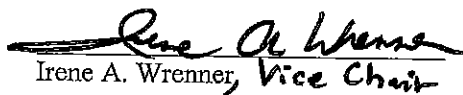

George A. Tyler, President

Brad M. Luck, Vice Chair

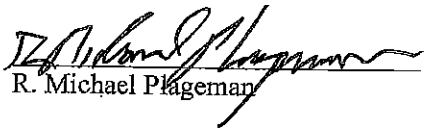

Daniel S. Kerin, Vice President

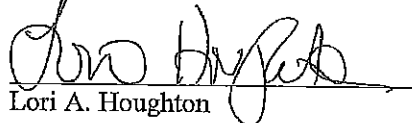

Andrew J. Watts, Clerk


Andrew Brown


Irene A. Wrenner, Vice Chair


Elaine Sopchak


R. Michael Plageman


Lori A. Houghton