



Iowa League of Cities

Special Report

Fire and Emergency Response Services in Iowa

The League thanks all of those who contributed to this special report. We give special recognition to Patrick Callahan and George Oster, their knowledge and expertise was invaluable to the development of the report.

A core, essential function of municipal government in Iowa is providing fire and emergency services. Doing so helps protect residents and property from harm while promoting the long-term viability of a community.

Cities have a variety of options for providing these services, from simply contracting with another entity to having fully-staffed city departments. This report will review the requirements cities have under the *Code of Iowa*, how fire and emergency services are provided and best practices for working with partners in the efficient delivery of those vital services.

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Cities are encouraged to consult their city attorney to review any existing and proposed ordinances, policies and agreements regarding their fire and emergency response services.

Part I: Methods of Providing Fire and Emergency Services

The *Code of Iowa* requires all cities (Section 364.16) and all townships (Section 359.42) to provide fire protection. Emergency medical services (EMS) and other emergency response (such as rescue and hazardous materials spill response) may also be provided, but are not required.

Under Section 364.16, each city must “provide for the protection of life and property against fire and may equip, staff, uniform and maintain a fire department.” The state code further explains that cities have the ability to adopt regulations on the storage, use and transportation of flammables, inspect and abate fire hazards, establish conditions for which a city fire department will answer calls outside city limits and more.

Importantly, the *Code* requires cities to provide for fire protection but leaves open the method for how the service is delivered. The state code regarding township fire protection is much the same, leaving township trustees the option of selecting how to provide the service. Cities and townships have developed a variety of ways of providing this essential service as each community tries to find the most efficient way of providing quality service. Below are 10 ways fire protection can be offered, along with additional services:

- ***City service*** – City establishes a department to provide fire and/or emergency services
- ***Township service*** – Township establishes a department to provide fire and/or emergency services
- ***Corporation*** – Corporation (either nonprofit or for-profit formed under the *Code of Iowa*) provides emergency services through a 28E contract to a city or township
- ***Benefitted Fire District*** – Taxing district established prior to 1975 to provide fire protection (*Code* Chapter 357B)
- ***City Emergency Medical Services District*** – Taxing district established to provide EMS service to a city (*Code* Chapter 357G)
- ***County Emergency Medical Services District*** – Taxing district established to provide EMS service to township and unincorporated area (*Code* Chapter 357G)
- ***28E agency*** – Two or more cities and/or townships form separate government agency under the provisions of Chapter 28E of state code
- ***Contracted service*** – City, township or county contracts (following the provisions of Chapter 28E) to provide service for a city, township, 28E agency, corporation or benefitted district
- ***Mutual Aid agreement*** – City, township, 28E agency, corporation or benefitted fire district agrees to assist other city, township, 28E agency, corporation or benefitted district, on an as-needed basis with no fees (mutual aid agreements are usually developed countywide)
- ***County resolution*** – County board of supervisors assumes responsibility for fire protection in a specific township and contracts with a city, township, 28E agency, corporation or benefitted fire district (*Code* Sections 331.385 and 331.424)

It is common across Iowa for cities and townships to utilize volunteer firefighters and emergency responders for such services. Some cities staff their fire and/or EMS departments with career (salaried) personnel along with volunteers. Each city that operates a fire and/or EMS department should determine the best way to staff its department. Part IV of this report offers guidance on recruiting, retaining and training volunteers.

Establishing a City Fire/Emergency Services Department

The enactment of an ordinance that establishes a fire, EMS and/or emergency response department will define the duties and responsibilities of the department, its personnel (including the appointment of a fire chief), how the department will operate and clarify the overall purpose of the department. Most importantly, it defines the city is legally responsible to manage and finance the department. Along with providing the establishment of a department, city ordinances should also describe how workers' compensation and other insurance coverages will be managed.

Establishing a Fire/Emergency Services Department as a Corporation

Fire, EMS and other emergency services may also be provided by a corporation. The corporation may be nonprofit or for-profit. For-profit corporations currently offer EMS services in many Iowa communities.

Some communities are served by nonprofit fire departments. If a group of firefighters or EMS providers wish to form a nonprofit corporation to provide protection and service (above and beyond fundraising and social activities), they must form a corporation under the provisions of Chapter 504 of the state code and apply for tax exempt status from the Internal Revenue Service (IRS) under the provisions of section 501(c)(3) of the tax code.

Providing fire protection and EMS service using this method is somewhat complex and requires a great deal of work on the part of the volunteers, who must not only provide the service but must manage all funds, purchase and operate the station and vehicles, provide the various insurance coverages needed and completely manage the fire and EMS department. The only responsibility of a city or township is to contract and pay for the service from the corporation.

It should also be noted that such corporations are required to account for all funds and expenses as well as be subject to auditing requirements and annual filings with the IRS.

Benefited Fire Districts

In Iowa benefited districts are special taxing districts for providing a specific service to the public. Until 1975, the state code permitted the creation of benefited fire districts (see Chapter 357B). After townships were given responsibility for fire protection in that year, no new benefited fire districts were allowed. There are approximately 55 remaining benefited districts and their authority replaces the authority of cities and township with regard to providing fire protection.

In 1995, the state legislature authorized formation of EMS districts. They may be formed in cities under the authority of Chapter 357G and in areas outside incorporated cities by Chapter 357F.

Benefited fire districts offer the ability to provide a service district with a critical mass of political, economic, social and financial capital and deliver a high-level of service. Further, they place the decision making at the local level and provide taxing and bonding authority.

Using 28E Agreements for Fire, EMS and Emergency Services

Chapter 28E of the *Code* is a particularly useful tool for cities, townships and counties. It provides authority and guidance in various methods to share resources, provide services and develop new agencies for a public purpose. Virtually every city and township in Iowa uses some type of 28E agreement.

With regard to emergency services, Chapter 28E provides authority and guidance in three ways:

- ***Share resources***
Governmental entities may use 28E to develop mutual aid agreements, which make resources of one agency available to all others on an as needed basis.
- ***Provide services***
One entity, with the ability to provide a service, may contract with another entity to provide the service. The contract benefits both agencies because it spreads the cost of service over a greater population and provides service to an area which otherwise might be unable to provide service. The most common example in emergency services is the contract between a township and a city in which the city provides fire and/or EMS.
- ***Form an agency***
Two or more entities may join together to form a separate governmental body (called an “agency” or “28E agency”) to provide a service. An example is one city and three townships (four governmental entities) joining together to form a new, separate agency. A written charter forms the agency. In the case of a fire or EMS department, neither the city nor any of the townships are the legal parent for the department. The new agency is the legal authority and the department is operated by the agency, whose board of directors consists of members of the city and three townships. Any number of entities may join together to form a 28E agency. One disadvantage to a 28E agency is the inability to levy taxes or bond. This authority remains with the individual governmental bodies that comprise the agency.

The state code requires all 28E agreements to include the following items:

- The agreement, contract or charter between governing agencies must be executed in writing
- The document must, at a minimum, specify:
 - o Duration of the agreement
 - o The precise organization, composition and nature of any separate entity created and the powers of such entity
 - o The purpose or purposes of the agreement
 - o The manner of financing the joint or cooperative undertaking
 - o The manner of establishing and maintaining a budget
 - o The permissible methods to be used to partially or completely terminate the agreement
 - o The permissible methods to be used to dispose of any property upon such termination
 - o Any other necessary and proper matters
- The agreement, contract or charter must be filed electronically with the Iowa Secretary of State

In addition to the required elements, a 28E agreement may include an advisory board. To ensure good communications between all parties, an advisory board is highly recommended and should be instituted as part of the agreement.

County Resolution to Assume Emergency Services Responsibility

A county may assume the responsibilities for fire and EMS services in a specific township and establish an emergency services fund for paying for such service. *Code* Section 331.385 permits this type of action, which was enacted for use when a township is not fulfilling its obligations.

A county that is providing fire protection service or emergency services to a township pursuant to Section 331.385 shall establish an emergency services fund and may certify taxes not to exceed \$.6075 per \$1,000 of the assessed value of taxable property located in the township. The county has the authority to use a portion of the taxes levied and deposited in the fund for the purpose of accumulating moneys to carry out the purposes of fire protection and emergency services.

Rural Fire Boards and Associations

Prior to 1975 (when townships were first required to provide fire protection), many “rural fire boards” and “rural fire associations” were established to help rural residents contract for fire protection. Some of these fire boards and associations continue to exist today and have, in some cases, assumed the authority and responsibility of the township trustees. They may collect money from townships and negotiate a fire and/or EMS contract with a city.

Generally, there is no legal foundation for such rural fire boards and associations. This provides doubtful liability protection for the members of the board and, most importantly, provides no accountability. Further, cities and townships have a legal obligation to contract in writing for fire protection and EMS. It is suggested that such fire boards and associations either disband, establish as a legal entity to represent the townships (usually by incorporating as a nonprofit corporation or establishing a 28E agency) or establish the board or association as an advisory (only) board within the framework of a legal contract between the city and each township.

Part II: Collaborating with Partners to Provide Services

The working relationship between city officials, fire department personnel, emergency response department personnel and township trustees is an important factor in providing fire and emergency services to citizens. This partnership between city, township and department personnel sets the tone for delivery of services.

The type of relationship between these three groups can vary to a great degree. The relationship in some communities is one of mutual trust, respect, a cooperative spirit and a common goal of providing the best level of service in the most efficient way possible. However, the relationship of these same three groups in other communities can be described as one of mistrust, little or no mutual respect and a feeling that one entity is getting the better end of the deal.

Issues can arise in a variety of ways when collaborating to provide needed services. The following identifies potential areas for conflict as well as ways to resolve differences and build fulfilling partnerships.

Communication

As in many instances where individuals or groups are not working together, a portion of the problem is caused by a lack of or poor communication. The relationship between city officials, township trustees, and fire/EMS personnel can be greatly improved with better communication. In order to improve this partnership, all three groups must make a sincere effort to improve communications and gain a better understanding of each other’s needs. All three must communicate on a regular and ongoing basis. Most importantly, all must acknowledge that there is not “city protection” and “township protection”. There is an emergency response area in which there is an agency providing protection and service.

Communication can include both regular meetings of all the stakeholders in fire suppression and emergency response services as well as timely reports and summaries of activities. The reports can include financial statements, calls for service and other important activities provided by all three entities. Further, communication can be significantly improved by establishing a good, legal foundation for the services and activities of the department, city and township. Including a provision for an advisory board in 28E agreements is an excellent first step in ensuring good communication.

Effective communication requires a basic framework that clearly defines what is expected of all parties. The delivery and financial support for fire and emergency response services generally requires the following basic documents:

- Legal document creating a fire, EMS and/or emergency response department
- Written service contracts (meeting 28E requirements)
- Management by the city of public funds
- Organization of a firefighters nonprofit corporation (often called an association) and management of any donated funds
- Equitable and reasonable funding or cost-sharing formula for services
- Annual budget reports for the department
- Annual financial reports from all entities
- Annual service call reports

Developing these documents will help all parties understand their role in the partnership and the services being provided. It is also recommended to schedule regular meetings to review finances and services as well as discuss any needed changes to the agreement.

Funding

Many of the disagreements between cities, townships and departments regarding fire suppression, emergency medical and other emergency response services can be found in the funding of these services. Control of the funds and how much money each entity should pay for services are often the main questions. An accounting of the funds that have been spent is often of concern or subject for discussion, too.

Volunteer departments also solicit money from local citizens through direct appeals for donations and various fundraising activities, such as pancake breakfasts, dances and the like. In some cases, fire and EMS departments charge fees for services. Funds raised from these efforts must be placed in the city's general fund and may not be managed by the department. The money so raised can be a source of contention, as there may be disagreements regarding the control and use of the money, proper accounting of the funds and the use of public resources to generate the funds.

These issues can be resolved by the volunteers forming a public-benefit, nonprofit corporation to perform the civic, social and fundraising activities of benefit to the community. Nonprofit corporations may also apply for grants, including some grants not available to local governments. When such a corporation is established by volunteers, it must conform to all requirements for such organizations. Further, due to its special relationship with the city it has an obligation to inform the public of their finances and activities.

With that in mind, a successful collaboration among local entities must include agreed upon funding and accounting standards. Each entity must clearly understand its role in the partnership and in particular its fiduciary responsibilities. Part III provides more guidance on properly managing and accounting fire and emergency services funds.

Part III: Managing and Accounting for Fire and Emergency Services Funds

A fundamental aspect of municipal government in Iowa is that any funds generated by taxes, contracts, fees, grants, donations and other sources must be managed by the governing body. The most common form of management for emergency services in Iowa is a city service. Therefore, the example used in this discussion will focus on a department formed by a city. However, most of the recommendations and practices described pertain to other forms of governance.

In general, city councils should establish the following practices for managing fire and emergency services funds:

- Ensure city's financial officer is in charge of managing the funds (this is often the city clerk)
- Levy taxes for emergency services
- In cooperation with the department and partnering townships, develop a budget for the department
- Negotiate a fair share of costs with other cities and townships for which service is provided
- Negotiate a 28E agreement with townships and other cities for fire and emergency response services
- Establish an "emergency services account" within the general fund
- Establish reserve funds for capital or large item replacement (such as vehicles and stations)
- Establish a policy to roll over surplus funds from each year's budget into the next year's budget or into a reserve fund
- Develop a good financial relationship with the firefighters/EMS nonprofit corporation/association (including an agreement to provide corporation/association financial statements in city audits or financial examinations since many cities are now required to include them as a component unit)

Annual Fire/EMS Department Budget (as part of the city budget)

The fire and/or EMS department should develop a comprehensive and detailed annual budget that identifies all expenditures and estimated revenues. Remember, a budget is a plan of how resources will be utilized. At a minimum the budget report should have three columns of revenues and expenditures for the following three fiscal years:

1. Actual expenses and revenues for the most recently completed fiscal year
2. Estimated expenses and revenues for the current fiscal year
3. Proposed expenses and revenues for the upcoming fiscal year

The proposed department budget should be as detailed and complete as possible. It should include all expenses for wages and benefits, training and instruction, liability insurance, property insurance, vehicle insurance, malpractice or errors and omissions coverage, workers' compensation insurance, supplies, equipment, utilities and vehicles. It should contain annual appropriations to vehicle, truck, equipment and building replacement funds. The revenue side of the budget should include a listing of all anticipated revenues including city general fund support, township fees (from contracts), refunds, donations, sales of equipment, interest on investments and any other sources.

Annual Financial Reports

One of the most important documents needed to inform all stakeholders of a department's fiscal condition is an annual financial report. The financial report should list all expenditures and revenues and beginning/ending account balances. It should also include similar reports for any equipment and truck replacement funds and building depreciation accounts.

It is also very important that the township trustees provide a similar annual financial report to all stakeholders or interested parties. The township financial report should include the following items:

- Current property tax levies for fire and emergency response services
- Total amount of all revenues generated during the fiscal year
- The disbursement of funds to all departments that serve the township
- The beginning and ending fund balances of township accounts
- The investment of reserve funds controlled by the township trustees

Audit Reporting of Component Units

During an audit auditors request and report information based on requirements from the Governmental Accounting Standards Board (GASB). Based on the GASB criteria, auditors review information, such as articles of incorporation and bylaws, of separately-established fire associations to determine whether or not they are required to be reported as a component unit of a city (i.e., as part of a city’s “financial reporting entity”). GASB statements apply to all state and local governmental entities (in all 50 states) – this is not unique to Iowa.

The concept of “financial reporting entity” encompasses a government’s responsibility to report financial activity pertaining to the public services provided, no matter how those services are paid for. When an organization exists entirely or almost entirely, to financially support or help a government provide certain public services, GASB requires the financial activity of those organizations be reported as a component unit of a government’s financial reporting entity (i.e., be included in the audit report for that government).

Financial information included in a city’s audit does not affect or change the separate legal status of a separate fire association as a nonprofit organization. The association is not a “department” of the government and is not subject to open meetings or other laws. Also, the association’s financial information is not required as part of the city’s budget or the annual or monthly reports.

If the association is determined to be a component unit of the city, failure to include the financial information in the city’s audit could result in a modified opinion on the city’s financial statements. Financial advisors have indicated a modified opinion could result in a reduction in the government’s bond rating or increase interest rates paid on debt issued.

Service Calls, Equipment Usage and Volunteer Time Reports

Fire and emergency services departments need to report their activities to all stakeholders. This requires the department to maintain accurate records on the number of calls, hours of calls and type of calls by location. There should be a breakdown of the calls between the city and the individual townships, maintained by the department. This also helps describe the wide range of services provided and the usage of equipment in the delivery of services.

Another useful report that can be maintained is the number of hours contributed by volunteers. This should be kept for time spent in the station or “on-duty” and other hours spent (such as attending training out of town). Keeping a report for on-duty or station time can be helpful for insurance ratings since volunteers in a station or at a scene can be counted as full-time employees if enough time is accrued during a year.

These time reports can also be translated into dollars saved by the community. This is done by multiplying a dollar factor times the hours spent. For instance, if your volunteers contributed 7,800 hours in a year (this is only 6 hours per week per volunteer in a 25-person department) and the time was valued at \$10 per hour, the volunteers contributed \$78,000 in time to the city.

Cost Sharing Among Cities and Townships

One of the critical aspects of providing fire suppression, medical and other emergency response services is establishing an equitable and reasonable formula for cost sharing among several taxing bodies (such as cities and townships). A rational, three-factor formula giving equal weight to population, assessed property valuation and the number of emergency calls is recommended to determine the allocation of costs for fire suppression, medical and other emergency response services provided to participating entities. It is important to note the use of the three-factor formula for funding the department requires accurate and current information on the location of service calls, assessed property valuations and populations.

Keep in mind, there is no perfect formula for determining a fair share since fairness is often in the eyes of the beholder. However, this formula is a rational approach and uses factors that can be objectively measured. It uses the best and most accurate figures available to put all partners on a level playing field. A summary and example of a recommended cost-share formula is available in the appendix.

Fire Account within the General Fund

One of the most common roadblocks to preparing a financial report for the fire department is the fact that city fire and/or emergency services department budgets are contained and made a part of the general fund. The city's general fund includes many different activities and departments such as police, fire, public works, library, parks, recreation and administration. Most cities operate these different departments and services under the general fund. Therefore, it can be challenging for a city clerk to prepare a separate financial statement for just one department, such as the fire or EMS department.

The city's auditors often combine these activities within one statement known as the "General Fund Report". Since these departments are often combined under this one umbrella, there are no fund balances for the various city departments such as police, fire, parks and streets.

The city's accounting system and financial recording keeping is largely mandated by the Iowa Department of Management. However, the city does have some flexibility as to the degree of detail that can be provided by the city's internal accounting system. The *Code of Iowa*, for example, does not prohibit cities from establishing "departmental accounts" within the general fund. The creation of a fire and/or emergency services department account within the general fund makes it easier to access information and to provide the data needed to review revenues and expenditures pertaining to fire and emergency response services. While it may require some additional time to create and maintain a separate account, it is a legal and advantageous option.

A beginning and ending account balance can be maintained within the general fund for the fire and emergency services department. All expenditures and revenues for fire suppression, medical and other emergency response services can be listed within this special account which can continue to be a part of the city's general fund. The city's audit could also break out these numbers as a special account within the general fund.

If the city's accounting system is set up with a separate account for fire and emergency services, it will provide all interested parties with a complete and understandable financial picture. The reward for this additional staff time will be better informed officials and an improved understanding of the cost of providing the services. Hopefully, it will also enhance the working partnerships of the city officials, township trustees and fire/EMS personnel.

It is important to determine how to handle any surplus funds that are available if a department does not spend all allocated funds in a fiscal year. Cities are able to use such funds in different ways, although many have found it wise to roll surplus funds into a department's next fiscal year budget and/or into a reserve or replacement fund designated for future capital needs (rather than hastily spending remaining funds before the end of the fiscal year). This type of financial arrangement should be established in a policy approved in a resolution by the council.

Building/ Truck/ Equipment/ Replacement Funds

The operation of a fire and/or emergency services department requires the occasional purchase of very expensive items such as tankers, pumpers and fire stations. Given the cost, it is extremely important that cities and townships plan in advance for these expenditures.

Cities should establish truck replacement funds, equipment replacement funds and building depreciation funds. Cities should make annual transfers to these funds so that money is available to purchase trucks and equipment needed to provide quality services. If replacement or depreciation funds are not established and adequately funded, city and township officials will likely be faced with a difficult choice of either borrowing large sums of money to purchase these items or continuing to delay the purchases. As a result, the level of services could decline, it may become more difficult to recruit volunteers, and the reputation of the department and the community could diminish.

Note that if the city has established such a replacement fund as part of its budget and the city and townships are using the cost-share formula, then all partners are paying their share of future trucks and stations on a proportional basis.

Financial Planning and Reviews

While it is important to prepare written reports and financial statements regarding the fire and/or emergency services department, there is no substitution for periodic meetings among city officials, township trustees and department personnel. Therefore, it is highly recommended that annual meetings (or more) are scheduled of all the stakeholders involved with fire suppression, medical and other emergency response services. An advisory committee is also recommended as part of the contract between the city and each township. The best time to schedule an annual meeting is in the late fall of the year prior to the preparation of the next fiscal year budget.

The meeting could include reports on such topics as the department financial status, department accomplishments, data on calls, future needs of the department, trends in fire protection, condition of trucks and equipment, training of personnel, township financial report, and upcoming budget preparations.

Part IV: Recruiting, Retaining, Training and Equipping Volunteers

It is common for cities, townships and other entities to utilize volunteers to provide fire and emergency services. Many departments are staffed entirely with volunteers while some include a combination of volunteers (both unpaid and stipend-paid volunteers); paid on-call; and paid, professional members. With that in mind, it is imperative to find ways to recruit new volunteers, retain current members and ensure all firefighters and responders receive adequate training.

Recruiting volunteers is challenging for most communities as the demands of fire and emergency response services can narrow the pool of interested residents. Even so, cities, townships and other entities must make continual efforts to attract new members to help provide these essential public services. Effective recruitment includes frequent advertisements and notices in the local newspaper, utilizing social media and Web sites to announce recruitment drives, hosting open houses and other events to prospective volunteers, working with school districts to inform a community's youth of volunteer opportunities and more.

Retaining current members is equally important as veteran firefighters and emergency responders often possess the necessary training and experience to provide quality service. They can also help educate the next generation of volunteers while some may become leaders of the department. Retention of these valuable veterans can be done in several ways, but for many volunteer departments a simple recognition of their service is most appreciated. City council members and other city officials should develop ways to periodically recognize the contributions of volunteers and show their gratitude for providing essential services to the community. Additionally, cities should review available retirement fund options that are designed specifically for volunteer firefighters and responders.

Staffing a fire and/or EMS department with volunteers and professionals is vital to managing a successful department. Another important element is ensuring all members are sufficiently trained. In Iowa, any member of a fire department must complete training requirements identified in the job performance requirements for the Firefighter I classification by the National Fire Protection Association (NFPA) and meet continued training standards throughout their career. Similarly, those providing emergency medical services must meet minimum training standards.

Providing fire protection and emergency response services also requires a variety of equipment, gear, vehicles and apparatus. Not only does this equipment help provide services, it also keeps firefighters and emergency responders safe. City officials must understand the need to maintain the equipment necessary to do the job while working with department personnel and service partners to budget and fund future upgrades.

Cities, townships and other entities operating fire and/or EMS departments should recognize the need to recruit, retain and train its volunteers. In most cases, the members of a fire or EMS department volunteer to help provide a needed community service and make personal sacrifices to join a department. An adequate investment in city funds, resources and support will help build an effective and responsive department.

Part V: Participating in Civic and Social Activities

In addition to being a legally constituted department of a city, township or agency, fire and/or emergency services departments also serve important civic and social roles. They serve as focal points for many community activities and the members are often leaders in the community.

In many cases, the members of a department also perform fundraising activities. Sometimes, they manage the money raised by fees for service. It must be understood that *Code* Section 384.3 requires all money generated by a city (including city departments) through taxation, fees, donations, contracts and any other way, must be deposited in the government's general fund. Most commonly, this means the money goes into the city general fund and is managed by the city clerk under the direction of the city council.

In addition, there are a variety of grants available from foundations and corporations for fire and EMS services. However, some grants are not available to governmental agencies (such as cities and townships).

In recognizing the civic and social aspect of emergency services as well as providing a method for the department members to perform fundraising activities, manage donations and obtain grants, it is critical to separate the department members' social and civic activity from the governing body and its official functions. Activities should be separated legally, functionally and financially.

To this end, a fire and/or emergency service responders' association can be developed as a separate, legally-incorporated organization as a nonprofit corporation. These nonprofit corporations are often called "associations", although they are technically nonprofit corporations. To be legally incorporated under Chapter 504 of the state code as a nonprofit corporation, articles of incorporation and bylaws must be written and filed with the Secretary of State.

Further, the nonprofit corporation must file for tax-exempt status from the IRS under Section 501(c)(3) and obtain the corporation's own Employer Identification Number (EIN). Such filings provide a structure for managing the funds, and associations have the ability to account for their funds. It also provides donors, particularly corporations and foundations, a tax-exempt entity to donate money or provide grants.

Part V: Appendix

The following is a list of sample items that may be helpful in managing a local fire and/or emergency services department. These documents serve only as samples and will need to be modified to meet specific circumstances.

- City ordinance to establish a fire/EMS/emergency services department
- 28E agreement for mutual aid
- 28E agreement for fire, EMS and emergency services
- 28E agreement with charter to create agency
- Fire/EMS department financial report
- Township financial report
- Cost sharing formula for fire/emergency services
- Resolution to establish fire/EMS/emergency services account
- Resolution to establish vehicle replacement trust fund
- Resolution to establish building replacement trust fund

Cities are encouraged to consult their city attorney to review any existing and proposed ordinances, policies and agreements regarding their fire and emergency response services.