

NOTICE OF ADOPTION

The Chelsea Area Fire Authority (with approval of its incorporating municipalities the City of Chelsea and the Townships of Lima, Lyndon and Sylvan) have adopted the following Restated Articles of Incorporation for the Chelsea Area Fire Authority:

RESTATED

ARTICLES OF INCORPORATION

OF

CHELSEA AREA FIRE AUTHORITY

DATED SEPTEMBER 23, 2020

RESTATED ARTICLES OF INCORPORATION

OF

CHELSEA AREA FIRE AUTHORITY

These RESTATED Articles of Incorporation (“Articles”) are adopted for the purpose of creating the Chelsea Area Fire AUTHORITY (“AUTHORITY”) under the provisions of the Emergency Services to Municipalities Act, 1988 PA 57, as amended.

**ARTICLE I
NAME AND OFFICE**

A. Name. The name of this AUTHORITY is “Chelsea Area Fire Authority,” referred to as the “AUTHORITY.”

B. Principal Office. The principal office of the AUTHORITY will be located at 200 West Middle Street, Chelsea, MI 48118, or at such other office location as may be designated by the the AUTHORITY.

**ARTICLE II
DEFINITIONS**

A. Act 57 means the Emergency Services to Municipalities Act, 1988 PA 57, as amended.

B. Authority means the Chelsea Are Fire AUTHORITY incorporated under the provisions of Act 57.

C. Board shall mean the AUTHORITY’s governing board.

D. Emergency Services means fire protection or any other emergency health or safety related services (except police protection services) designated in these Articles.

E. Incorporating Municipalities means a Municipality that is part of this AUTHORITY or joins in a manner provided for in these Articles.

F. Municipal Emergency Service means an emergency service performed by a Municipality rather than by this AUTHORITY.

G. Municipality means a county, city, village or township.

H. Non-Incorporating Municipalities means a Municipality that does not become part of this AUTHORITY in the manner provided for in these Articles.

Other terms shall have such meaning as may be specified in the various provisions of these Articles.

ARTICLE III INCORPORATING MUNICIPALITIES

The INCORPORATING MUNICIPALITIES creating this AUTHORITY are the City of Chelsea, the Township of Lima, the Township of Lyndon, and the Township of Sylvan, each located in the County of Washtenaw, State of Michigan, which are each hereby designated as an INCORPORATING MUNICIPALITY. Any municipality that subsequently joins the AUTHORITY pursuant to Act 57 and these Articles shall also be an “INCORPORATING MUNICIPALITY.” If any INCORPORATING MUNICIPALITY that is a general law township shall become a charter township, the successor charter township shall also be bound by these Articles.

ARTICLE IV PURPOSE

The purpose of this AUTHORITY shall be and is to provide Emergency Services in accordance with the authorization contained in Act 57. The AUTHORITY may provide such Emergency Services within or without its jurisdiction described in Article V of these Articles as may be authorized by these Articles or pursuant to contract with the AUTHORITY by any INCORPORATING MUNICIPALITY, Non-Incorporating Municipality, or any other lawful entity in accordance with Act 57.

ARTICLE V
JURISDICTION

This AUTHORITY's jurisdiction shall include all the territory included within the corporate boundaries of its INCORPORATING MUNICIPALITIES as now constituted or as hereafter expanded through annexation, consolidation or change of municipal identity. The AUTHORITY has exclusive authority to determine how Emergency Services will be provided within its jurisdiction.

ARTICLE VI
POWERS

A. Body Corporate. This AUTHORITY shall be a body corporate, with power to sue or be sued in any court of the State of Michigan.

B. Powers. The AUTHORITY shall possess all of the powers now or hereafter granted by Act 57, by any other applicable statute of the State of Michigan, by these Articles of Incorporation, and those incident to those purposes, including but not limited to the following:

1. *Bylaws and Rules*. Adopt bylaws and rules of administration to accomplish the purposes of this Act.

2. *Ordinances*. Pursuant to the procedures set forth in Act 57, adopt ordinances that allow the AUTHORITY to assess fees on owners or occupants of property who receive Emergency Services to cover the costs of providing Emergency Services under Act 57.

3. *Grants, Loans or Contributions*. Apply for and accept grants, loans, or contributions from the federal government or any of its agencies, the state, or other public or private agencies to be used for any of the purposes of this Act and to do any and all things within its express or implied powers necessary or desirable to secure that financial or other aid or cooperation in the carrying out of any of the purposes of Act 57.

4. *Contracts.* Enter into any contracts with other entities not prohibited by law.

5. *Investigation.* Investigate Emergency Services requirements, needs, and programs and engage, by contract, consultants as may be necessary and cooperate with the federal government, state, political subdivisions, and other authorities in those investigations.

6. *Employees; Consultants.* As stated more fully in Article XVII and subject to the provisions of Act 57, Michigan law and these Articles, hire employees, attorneys, accountants, and consultants as the AUTHORITY considers necessary to carry out the purposes of the AUTHORITY.

7. *Additional Powers.* The AUTHORITY shall possess all other powers authorized by law that are necessary to carry out the purposes of its incorporation and those incident to those purposes.

8. *Property.* The AUTHORITY may acquire private property by purchase, lease, gift, devise or condemnation, either within or without its corporate limits and may hold, manage, control, sell, exchange or lease such. For the purposes of condemnation, the AUTHORITY may proceed under the Acquisition of Property by State Agencies and Public Corporations Act, 1911 PA 149 of the Uniform Condemnation Procedures Act, 1980 PA 87.

C. Limitations. The enumeration of any powers herein shall not be construed as a limitation upon its general powers unless the context or Michigan law shall clearly indicate otherwise.

D. Corporate Seal. The AUTHORITY may adopt a corporate seal, and may alter the

seal, and may use it by causing it or a facsimile thereof to be affixed, impressed or reproduced in any other manner.

ARTICLE VII
TERM

This AUTHORITY shall continue in existence perpetually or until dissolved by act of the parties or by law, if such dissolution is permitted by law.

ARTICLE VIII
FISCAL YEAR

The fiscal year of the AUTHORITY shall commence on the first day of January in each year and shall end on December 31 of that year.

ARTICLE IX
BOARD OF MEMBERS

A. Board Members. The governing body of this AUTHORITY shall be a BOARD of Members, hereinafter referred to as the BOARD, which shall be composed of one representative Member from each INCORPORATING MUNICIPALITY and one additional Member selected at-large from the jurisdiction as follows:

B. Appointments.

1. *Incorporating Municipalities.* The governing body of each INCORPORATING MUNICIPALITY shall appoint one (1) regular Member and one (1) alternate Member.

2. *At-Large Member.* The BOARD shall also select one (1) at-large regular Member and one (1) at-large alternate Member at the annual meeting. By the December regular BOARD meeting that precedes any new term, any INCORPORATING MUNICIPALITY may provide the BOARD with a recommendation on the appointment of the regular or alternate at-large members. The at-large regular and alternate Members

must be approved by a majority of the BOARD appointed and serving.

3. *Continuation of Terms.* The regular and alternate BOARD Members serving at the time of the Effective Date of these Amended Articles shall continue to serve for the remainder of their terms in accordance with their original appointments.

C. Terms. After the initial terms provided in Article IX.B. above, each BOARD Member appointed by an INCORPORATING MUNICIPALITY shall serve a term designated by the INCORPORATING MUNICIPALITY at the time of appointment. The at-large BOARD Member shall serve a two year term. However, each BOARD Member shall serve until that BOARD Member's successor is appointed and qualified. All terms of office shall begin on January 1. Terms of the regular BOARD Members for each INCORPORATING MUNICIPALITY shall coincide with terms of the alternate Members for that INCORPORATING MUNICIPALITY. The term of the regular at-large BOARD Member shall also coincide with the term of the alternate at-large BOARD Member. Because the terms may vary depending on the INCORPORATING MUNICIPALITY, the INCORPORATING MUNICIPALITIES have the responsibility for recording and monitoring when its BOARD Member needs to be appointed or re-appointed.

D. Voting Rights; Participation. All regular Members shall have full rights of vote at each meeting. Alternate Members shall only have the right to vote at any particular meeting if the respective regular Member is not in attendance. However, the Alternate Members shall have the right to participate in the BOARD business at any meeting.

E. Timing of Appointment. No appointment to the BOARD shall be deemed to be invalid because it was not made within or at the time specified in these Articles.

F. Qualifications. Each regular and alternate Member shall be a qualified elector residing within the territorial boundaries of the INCORPORATING MUNICIPALITY who

appointed him or her and within the jurisdiction of the AUTHORITY. A Member of the BOARD shall not be an officer, member or employee of any emergency service transferred to, operated by, or contracted with the AUTHORITY, including a person who has contracted with or receives a direct financial benefit or compensation from the AUTHORITY.

G. Oath. Each regular and alternate Member of the BOARD shall qualify by taking the constitutional oath of office and filing his or her oath with the AUTHORITY and as otherwise required by law.

H. Expenses of Board of Members. Regular and alternate Members of the BOARD shall not be compensated by the AUTHORITY for attending meetings of the AUTHORITY. However, regular and alternate Members may be reimbursed for expenses actually made by him or her in carrying out the duties of the AUTHORITY (exclusive of BOARD meetings) only upon approval of the AUTHORITY BOARD in advance of the expenditure and to the extent authorized by the budget for the AUTHORITY for each fiscal year.

I. Vacancies. A vacancy shall be defined as the six (6) month continuous absence of, or the retirement, removal, resignation, or death of a BOARD Member. In the event of a vacancy of a regular or alternate Member on the BOARD, the governing body of the INCORPORATING MUNICIPALITY that selected the vacating Member shall fill the vacancy for the remainder of the unexpired term. If the vacancy occurs in the position of a regular BOARD Member, the alternate Member shall serve until the regular BOARD Member's successor is appointed and qualified. In the event of a vacancy of the regular or alternate at-large Member of the BOARD, such vacancy shall be filled by the BOARD for the remainder of the unexpired term in the manner provided in Article IX.B.2

J. Removal. Any Member of the BOARD, appointed by an INCORPORATING

MUNICIPALITY as its representative, may be removed at any time for cause or without cause by action of the governing body of that INCORPORATING MUNICIPALITY that appointed the Member. The regular at-large or alternate at-large Member may be removed at any time for cause or without cause by the action of the AUTHORITY's BOARD by a majority of the BOARD appointed and serving.

ARTICLE X **MEETINGS**

A. Annual Meeting. The BOARD shall meet on the third Tuesday of January each year for the annual meeting. The annual meeting in any given year may be changed by the majority vote of the BOARD if the BOARD cannot meet on the third Tuesday of January.

B. Meetings. Regular meetings of the BOARD shall be held at least quarterly at such time and place as shall be determined by motion of the BOARD at the annual meeting; provided, however, the BOARD shall conduct an annual meeting as set forth in this Article and the annual meeting shall constitute one of the quarterly meetings. Special meetings of the BOARD may be called by the Chairperson or any two Members. Public notices of all regular, special or rescheduled regular meetings of the BOARD shall be given pursuant to the applicable provisions of the Open Meetings Act, 1976 PA 267, as amended from time to time.

C. Quorum. A majority of the Members of the BOARD who are appointed and serving shall be required for a quorum.

D. Voting. The BOARD shall act by motion or resolution, unless a particular format is required by law. Each Member shall have one vote. The passage of any resolution providing for the execution of any contract, appointment of at-large regular or alternate Members, election of officers, adoption of by-laws, rules and regulations, or the levying of any tax, there shall be required a majority vote of the Members appointed and serving. In all other matters, a vote of a

majority of the Members of the BOARD present at any meeting at which a quorum is present and who are authorized to vote on such matters shall be sufficient for passage. The BOARD shall keep minutes of its proceedings as required by law. All votes shall be “yeas” or “nays” except that where the vote is unanimous, it shall only be necessary to so state.

E. Adoptions of Rules and Procedures. The BOARD shall have the right to adopt rules governing its procedure which are not in conflict with Michigan law, federal law or these Articles. The BOARD shall also have the right to establish rules and regulations for the use of its property, personal or real, owned, held or operated by it under the provisions of law.

ARTICLE XI
OFFICERS AND OFFICER DUTIES

A. Appointment of Officers. At each annual meeting, the BOARD shall select a Chairperson, Vice-Chairperson, Secretary, and a Treasurer, each of whom shall be a member of the BOARD. Such officers shall serve until the next annual meeting or until their respective successors shall be selected and qualify. No selection of an officer of the BOARD shall be deemed to be invalid because it was not made within or at the time specified in these Articles.

B. Officers. The Officers of the BOARD shall have such other powers and duties as may be conferred upon them by the BOARD and Act 57, including but not limited to the following responsibilities:

1. *Chairperson.* The Chairperson of the BOARD shall be the presiding officer. Except as otherwise provided by these Articles, the Chairperson shall not have any executive or administrative function in the AUTHORITY, other than as a Member of said BOARD.

2. *Vice-Chairperson.* In the absence or disability of the Chairperson, the Vice-Chairperson shall perform the duties of the Chairperson.

3. *Secretary.* The Secretary shall be the recording officer of the BOARD and the custodian of the AUTHORITY'S records. The BOARD may hire consultants necessary to assist the Secretary with his or her duties.

4. *Treasurer.* The Treasurer shall be the custodian of the funds of the BOARD and shall give a bond conditioned upon the faithful performance of the duties of his or her office. The BOARD may hire consultants necessary to assist the Secretary with his or her duties.

C. Duties Regarding Authority Fund. All moneys shall be deposited in a financial institution or financial institutions designated by the BOARD into the AUTHORITY fund. All checks or other forms of withdrawal from the AUTHORITY fund, including paychecks, shall be signed by two authorized persons. Authorized persons include the Chairperson, Vice-Chairperson, or other authorized BOARD member, and the Chief Administrative Employee of the AUTHORITY. All authorized signatories shall give a bond to the AUTHORITY conditioned upon the faithful performances of his or her office. The cost of said bond shall be paid by the AUTHORITY.

ARTICLE XII **BUDGET AND AUDIT**

A. Annual Budget. The Chief Administrative Employee and Chairperson shall prepare a proposed annual operating and capital budget reflecting the projected revenues and projected expenditures of the AUTHORITY for the next fiscal year beginning January 1 as follows:

1. *Authority Authorized Millage Budget.* If the AUTHORITY is authorized by voters to levy an AUTHORITY-wide millage at the time the budget must be completed (by December 31 prior to the next fiscal year) or if there is a ballot on the November

election prior to the next fiscal year authorizing the AUTHORITY to levy an AUTHORITY-wide millage on December 1 preceding the next fiscal year, the preliminary budget shall be prepared and presented for a budget meeting in October prior to the next fiscal year. The final budget shall be prepared and presented for a BOARD budget meeting in December. The INCORPORATING MUNICIPALITIES shall have the opportunity to provide comments on the budget but do not have the authority to change or approve the budget. However, the BOARD shall give final approval by four-fifths majority of BOARD Members appointed and serving vote to that AUTHORITY budget prior to the beginning of its fiscal year. The budget may be adjusted from time to time upon approval by the BOARD with a four-fifths majority vote.

2. *Budget if there is No Authority-Wide Millage.* If the majority of the AUTHORITY'S budget for a fiscal year includes direct funding by the individual INCORPORATING MUNICIPALITIES (for example, if there was no AUTHORITY-wide millage in effect to adequately fund a majority of the AUTHORITY'S budget for a given fiscal year), the preliminary budget for the next fiscal year shall be prepared for and presented at a budget meeting no later than a September BOARD meeting prior to the end of the fiscal year. The BOARD shall approve submittal of the budget for the next fiscal year to the INCORPORATING MUNICIPALITIES at least sixty (60) days before the end of the fiscal year. The budget must include what percentage of the annual budget each INCORPORATING MUNICIPALITY must pay as agreed to by AUTHORITY and the INCORPORATING MUNICIPALITIES. The INCORPORATING MUNICIPALITIES must unanimously approve the budget. After approval of the proposed budget by the governing bodies of the INCORPORATING MUNICIPALITIES by November 30, the

BOARD shall give final approval to the AUTHORITY budget for the next fiscal year by the majority of BOARD Members appointed and serving.

B. Accounting and Budgeting Procedures. The accounting and budgeting practices of the AUTHORITY shall conform to standard accounting practices, the Uniform Budgeting and Accounting Act, 1968 PA 2, and all other applicable provisions of law. The BOARD shall cause an annual audit to be made of the books, records and financial transactions of the AUTHORITY by an independent certified public account and shall furnish at least two copies thereof to each INCORPORATING MUNICIPALITY. The books and records of the AUTHORITY shall be open for inspection by any INCORPORATING MUNICIPALITY at all reasonable times.

ARTICLE XIII
COOPERATIVE AGREEMENTS; EMERGENCY SERVICE AGREEMENTS

The AUTHORITY may enter into agreements with any INCORPORATING MUNICIPALITY, Non-INCORPORATING MUNICIPALITIES, or other entities pursuant to Act 57, the Urban Cooperation Act, 1967 PA 7, 1951 PA 33, or another applicable Michigan law for the purpose of, among other things, providing emergency services to the AUTHORITY, INCORPORATING MUNICIPALITIES and Non-INCORPORATING MUNICIPALITIES and their residents. Contracts by the AUTHORITY to provide emergency services under Section 8 of the Act (MCL 124.608) shall be executed in the name and on behalf of the AUTHORITY by its Chairperson and Secretary by manual or facsimile signature, and the corporate seal of the AUTHORITY or facsimile thereof, shall be printed on and affixed to the contract. An INCORPORATING MUNICIPALITY may transfer any Municipal Emergency Service to the AUTHORITY by transfer agreement.

ARTICLE XIV
ADOPTION OF ORDINANCES

Unless and until the AUTHORITY adopts such ordinances as provided in Article XIII.B.2, INCORPORATING MUNICIPALITIES, in cooperation with each other, shall promulgate uniform ordinances providing for cost recovery. In addition, the INCORPORATING MUNICIPALITIES, in cooperation with each other, may promulgate ordinances regarding other lawful issues related to the provision of emergency service. From the date on which these ordinances shall take effect, the provisions thereof shall be controlling within the limits of the AUTHORITY. At any time, the BOARD may adopt other ordinances in a similar fashion, provided they are applicable to the purpose of the AUTHORITY.

ARTICLE XV
FINANCING THE AUTHORITY

A. Property Tax Levy by Authority. Subject to the terms and conditions provided in Section 12 of Act 57, the AUTHORITY may levy a tax upon all of the taxable property within the jurisdiction of the AUTHORITY for the purposes of Act 57. The tax shall not be levied without the approval of a majority of the registered electors residing within the AUTHORITY's jurisdiction and qualified to vote and voting on the tax. The election may be called by resolution of the BOARD of the AUTHORITY pursuant to Michigan law and in compliance with Act 57. Taxes authorized by the AUTHORITY may be levied at a rate not to exceed twenty (20.00) mills and for a period as determined by the BOARD in the resolution calling the election and included in the ballot proposal. The taxes shall be levied, collected and paid by each tax assessing and collecting officer and the County Treasurer to the AUTHORITY as provided by Act 57..

B. Interim Period Financial Contribution From Each Incorporating Municipality. During any time where an AUTHORITY-wide tax has not been approved and levied as provided in Subsection A above ("Interim Period"), each INCORPORATING MUNICIPALITY agrees to provide support to the AUTHORITY through direct general fund contributions proportional to the

Taxable Value of the INCORPORATING MUNICIPALITY. For each budget year during the Interim Period, the Chief Administrative Employee and Chairperson shall prepare a proposed annual operating and capital budget as provided in Article XII. The INCORPORATING MUNICIPALITIES agree to pay the annual amounts set forth in the budget in monthly installments. The monthly payments by the City of Chelsea shall commence on July 1 following the last year that an AUTHORITY-wide millage was levied by the AUTHORITY and shall continue until June 30 of the next year in which any AUTHORITY-wide millage is authorized and levied by the AUTHORITY. The monthly payments by Lima, Lyndon and Sylvan Townships shall commence on December 1 following the last year that an AUTHORITY-wide millage was last levied by the AUTHORITY and shall continue until November 30 of the next year in which any AUTHORITY-wide millage is authorized and levied by the AUTHORITY. The INCORPORATING MUNICIPALITY may place a proposal on the ballot, establish a special assessment district or use any other lawful means to raise such funds or provide the Interim Period funding required by this Section.

C. Property Tax Levy by Municipality. Any INCORPORATING MUNICIPALITY or municipality granted taxing authority under Michigan law may levy a tax on all of the taxable property within the limits of its political subdivision and appropriate, grant, or contribute the proceeds of the tax to the AUTHORITY for the purposes of Act 57 or to provide sufficient money to fulfill its contractual obligation to the AUTHORITY, which tax shall be within the charter statutory constitutional limitations.

D. Other Sources of Revenue. The sources of revenue for financing the AUTHORITY specified herein are non-exclusive. The AUTHORITY, the INCORPORATING MUNICIPALITIES and any Non-INCORPORATING MUNICIPALITIES may provide for their

respective financial contributions to the AUTHORITY from all other sources of revenue authorized by law.

E. Federal or State Grants in Aid. The AUTHORITY shall have the power to apply for and accept grants, loans, or contributions from the United States of America or any agency or instrumentality thereof, the State of Michigan or other public or private agencies; and to do any and all things necessary or desirable to secure such financial or other aid or cooperation in carrying out any of the purposes of Act 57.

ARTICLE XVI
IMPROVEMENTS: FINANCING

A. Property Owned by Municipalities. With approval of a Municipality that owns the building, the AUTHORITY may acquire, construct, purchase, improve, enlarge or extend buildings for the provision of emergency services, and the necessary sites therefor, together with appurtenant properties and facilities necessary or convenient for the effective use thereof, and furnish and equip the same. If the AUTHORITY is not the owner of the property, the AUTHORITY shall not improve, enlarge or extend any building without authorization from owner and complying with the terms of any applicable lease.

The INCORPORATING MUNICIPALITIES shall take whatever action is legally necessary for the purpose of obtaining funds to finance the cost of acquiring, constructing, purchasing, improving, enlarging or extending buildings for the provision of emergency services, and the necessary sites therefor, together with appurtenant properties and facilities necessary or convenient for the effective use thereof, or furnishing or equipping the same, including, but not limited to, any and all action required to establish a joint building authority pursuant to 1948 PA 31. The INCORPORATING MUNICIPALITIES shall, if necessary, pledge their full faith and credit toward the repayment of any obligations incurred to obtain funds to finance the cost of the

improvements described in this Article XVII.

B. Property Owned by the Authority. The AUTHORITY may acquire public or private property by purchase, gift, lease, devise or condemnation pursuant to the requirements of Act 57.

ARTICLE XVII
EMPLOYEES AND INDEPENDENT CONTRACTORS

A. Power to Employ. Subject to the terms and conditions provided in Section 10 of Act 57, the BOARD shall have the power to hire all officers and employees as it may consider desirable to carry out the functions of the AUTHORITY.

B. Chief Administrative Employee. The BOARD is authorized to hire a Chief Administrative Employee of the AUTHORITY who shall be the Fire Chief. The Fire Chief shall administer the activities conducted and services provided by the AUTHORITY on a daily basis as may be more fully determined by the BOARD.

C. Independent Contractors and Consultants. The AUTHORITY may retain from time to time the services of attorneys, accountants, and other consultants as the AUTHORITY considers necessary to carry out the purpose of the AUTHORITY.

ARTICLE XVIII
INVESTMENT

The Treasurer of the AUTHORITY and/or his or her consultant when authorized by resolution of the BOARD may invest general funds of the AUTHORITY. Such investment by the Treasurer or consultants shall be made in compliance with the laws of the State of Michigan.

ARTICLE XIX
PUBLICATION

These Articles shall be published once in the newspaper of record for the AUTHORITY, The Sun Times, Chelsea, Michigan, The Ann Arbor News, electronically on Chelsea Update and

once on each municipalities web site, which newspaper and web sites have general circulation within the jurisdiction of the AUTHORITY. One printed copy of the Articles of Incorporation, certified as a true copy, as hereinafter provided, with the dates and places of publication shown by publishers' Affidavit of Publication attached hereto, shall be filed with the Secretary of State. The Secretary of the AUTHORITY is hereby designated as the person to cause these Articles to be published, certified and filed as aforesaid.

ARTICLE XX
WITHDRAWAL OF INCORPORATING MUNICIPALITY

A. Procedure for Withdrawal. An INCORPORATING MUNICIPALITY may withdraw from the AUTHORITY by resolution of the INCORPORATING MUNICIPALITY'S legislative body approving the withdrawal, a certified copy of which resolution shall be provided to the BOARD at least twelve (12) months prior to the beginning of a new fiscal year for the AUTHORITY. Such new fiscal year shall serve as the effective date for the withdrawal. If there is no AUTHORITY-wide tax levied under Section 12 of Act 57, the INCORPORATING MUNICIPALITY that withdraws shall continue to be financially obligated to continue all funding, including operations and capital equipment budgets, as required by these Articles or other contract until the Effective Date of the withdrawal.

B. Tax Liability. An INCORPORATING MUNICIPALITY that withdraws from the AUTHORITY ("Withdrawing Municipality") shall continue to be subject to any tax levied in its jurisdiction under Section 12 of Act 57 for the duration of the period of that tax as determined pursuant to Section 12(3) of Act 57.

C. Debts and Liabilities. A Withdrawing Municipality shall remain liable for a proportion of the debts and liabilities of the AUTHORITY incurred while the Withdrawing Municipality was a part of the AUTHORITY. The proportion of the AUTHORITY's debts for

which a Withdrawing Municipality remains liable as a result of its withdrawal from the AUTHORITY shall be determined by dividing the state equalized value of the real property in the Withdrawing Municipality by the state equalized value of all real property in the AUTHORITY on the effective date of the withdrawal.

D. Authority Property. Any property owned by the AUTHORITY, which is in the possession of the Withdrawing Municipality or in the possession of personnel who will no longer remain with the AUTHORITY as a result of the Withdrawing Municipality's withdrawal from the AUTHORITY, shall be returned to the AUTHORITY before the effective date of the withdrawal. The Withdrawing Municipality shall not be entitled to the return of any credit for any property or money it transferred to or paid to the AUTHORITY prior to the withdrawal.

E. Employees. Employees of the AUTHORITY who perform emergency services in the jurisdiction of the Withdrawing Municipality shall be protected in relation to the Withdrawing Municipality to the same extent as employees of the INCORPORATING MUNICIPALITY are protected in relation to the AUTHORITY under Section 10 of Act 57.

F. City of Chelsea as Withdrawing Municipality. Unless bound by a lease or other contractual obligation and assuming it is owned by the City of Chelsea at the time of withdrawal, the AUTHORITY shall no longer be authorized to use the main fire station located at 200 West Middle Street, Chelsea, Michigan, if the City of Chelsea is the Withdrawing Municipality unless otherwise agreed to by the City of Chelsea.

G. Dissolution. If all of the INCORPORATING MUNICIPALITIES withdraw or if the AUTHORITY is otherwise dissolved as permitted by law, all assets of the AUTHORITY shall be disbursed at the time of dissolution to the INCORPORATING MUNICIPALITIES based on the proportionate share of the taxable value of all taxable property placed on the tax roll in each

INCORPORATING MUNICIPALITY'S jurisdiction, computed the year the dissolution is effective.

ARTICLE XXI
EFFECTIVE DATE

The AUTHORITY was originally established in 1999. These Amendments to the Articles of Incorporation shall become effective upon the filing of certified copies of these Amended Articles with the Secretary of State, as provided in the preceding Article.

ARTICLE XXII
AMENDMENTS

These Articles of Incorporation may be amended at any time so as to permit any county, city, village, township or charter township to become a part of this AUTHORITY if such amendment to the Articles of Incorporation is adopted by the governing body of such county, city, village, township or charter township proposing to become a member, and if such amendment is adopted by the governing body of each INCORPORATING MUNICIPALITY of which the AUTHORITY is composed. If there is an AUTHORITY-wide tax, the AUTHORITY shall condition acceptance of any county, city, village or township on the authorization of that AUTHORITY-wide millage by the majority of the electors of the municipality desiring to become part of the AUTHORITY. Other amendments may be made to these Articles of Incorporation at any time if adopted by the governing body of each INCORPORATING MUNICIPALITY of which the AUTHORITY is composed. Any such amendment shall be endorsed, published, certified and printed copies thereof filed in the same manner as the original Articles of Incorporation, except that the printed and filed copies shall be certified by the Secretary of this AUTHORITY.

ARTICLE XXIII
MISCELLANEOUS

A. Counterparts. These Articles of Incorporation may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

B. Captions. The captions of these Articles of Incorporation are for convenience only and shall not be considered as part of these Articles of Incorporation or in any way limiting or amplifying the terms and provisions hereof.

ARTICLE XXIV
ENDORSEMENT

These Articles have been adopted by the City of Chelsea, the Township of Sylvan, the Township of Lima, and the Township of Lyndon, as set forth in the following endorsements, and in witness whereof the Supervisor and the Clerk of the Townships of Lima, Lyndon and Sylvan; the Mayor and the Clerk of the City of Chelsea; have endorsed thereon the statement of such adoption.

* * * * *

These Articles have been adopted by the several INCORPORATING MUNICIPALITIES.

* * * * *

SIGNATURES

These Articles of Incorporation were adopted by the Township BOARD of the Township of Lima, County of Washtenaw, State of Michigan, at a meeting duly called on the ____ day of _____, 20__.

TOWNSHIP OF LIMA

Lima Township Supervisor

Lima Township Clerk

* * * * *

These Articles of Incorporation were adopted by the Township BOARD of the Township of Lyndon, County of Washtenaw, State of Michigan, at a meeting duly called on the ____ day of _____, 20__.

TOWNSHIP OF LYNDON

Lyndon Township Supervisor

Lyndon Township Clerk

* * * * *

These Articles of Incorporation were adopted by the Township BOARD of the Township of Sylvan, County of Washtenaw, State of Michigan, at a meeting duly called on the ____ day of _____, 20____.

TOWNSHIP OF SYLVAN

Sylvan Township Supervisor

Sylvan Township Clerk

* * * * *

These Articles of Incorporation were adopted by the City Council of the City of Chelsea,
County of Washtenaw, State of Michigan, at a meeting duly called on the ____ day of
_____, 20__.

CITY OF CHELSEA

Mayor of the City of Chelsea

Clerk of the City of Chelsea

* * * * *

CERTIFICATE OF AUTHORITY SECRETARY

I, _____, hereby certify that I am the Secretary for the Chelsea Area Fire Authority, State of Michigan; that the above is a true and complete copy of the printed Second Amendment to the Articles of Incorporation of the Chelsea Area Fire Authority, a public corporation incorporated under the provisions of Act 57 which Articles were published on _____ in the _____, and on _____ in the _____, as stated in the attached affidavits of publication and are on file in said Secretary's office at _____.

Secretary, Chelsea Area Fire Authority

Dated: _____, 2020

EXHIBITS

Submitted by:

Tom Demske, Secretary
Chelsea Area Fire Authority
tdemske@hotmail.com
734-645-1803