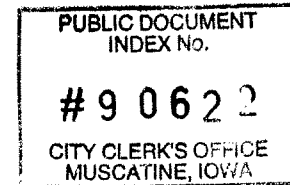


## Budget Agreement



This Budget Agreement, including Exhibits (the "Agreement") is entered into between the Muscatine County-Municipal Disaster Services Administration a/k/a Muscatine County Emergency Management Commission, an emergency management commission duly formed pursuant to Chapter 29C of the Code of Iowa (the "Commission") and the Muscatine County Joint Communications Commission, an entity formed by and between the City of Muscatine, Iowa and Muscatine County, Iowa pursuant to Chapter 28E of the Code of Iowa ("Muscom") as of the 19th day of December, 2007.

WHEREAS, Muscom exists to provide emergency communications services throughout Muscatine County and the City of Muscatine, Iowa; and

WHEREAS, Muscom controls, operates and maintains premises, facilities, equipment and personnel (the "Muscom Assets") to carry out its functions; and

WHEREAS, the Commission exists to provide emergency management leadership, coordination and services in and to Muscatine County, including the City of Muscatine; and

WHEREAS, Section 29C.12 of the Code of Iowa provides that emergency management commissions shall, whenever possible, utilize the services, equipment, supplies and facilities of other agencies and political subdivisions in carrying out their functions; and

WHEREAS, the Commission deems the Muscom Assets to be vital and necessary to the carrying out of its purposes and duties; and

WHEREAS, this Agreement has been prepared to clarify the relationship of the Commission to the Muscom Assets and to facilitate the inclusion of costs related to the operation, maintenance and replacement of the Muscom Assets in the Commission's annual budget;

NOW THEREFORE, the parties hereto agree as follows:

- 1) The Commission hereby declares that the Muscom Assets set forth on Exhibit A attached hereto, are vital and necessary for the carrying out of its purposes and duties. The Commission further declares that the proper functioning, and use of such Muscom Assets during a time of emergency are critical to the coordination of emergency management services in the Commission's jurisdiction.
- 2) Muscom hereby agrees to submit to the Commission by no later than January 15 of each year, commencing January 15, 2008, a line itemed report (the "Assets Expense Report") of the costs and expenses anticipated to be made by Muscom in the next succeeding fiscal year with respect to the Muscom Assets and which are intended for inclusion in the Commission's budget for said fiscal year. The costs and expenses reported shall be limited to such items as are reasonably associated with the purposes and duties of the Commission.

3) The Commission hereby agrees to include as part of each annual budget, pursuant to Section 29C.17 of the Code of Iowa, the costs and expenses submitted in the most recent Assets Expense Report. The Commission reserves the right to not include in its budget such reported costs and expenses as are not reasonably associated with the purposes and duties of the Commission. In the event that the Commission determines that it will not include any such costs or expenditures, the Commission shall notify Muscom of such decision and its rationale by no later than February 15 of that same year and will consider any response or amendment submitted by Muscom in response thereto, prior to the final submission of the Commission's annual budget on February 28.

4) On or before each July 15, October 15, January 15 and April 15 commencing July 15, 2008, subject to the receipt of monies attributable to the budgeted costs and expenses from the most recently submitted Asset Expense Report into its local emergency management fund, the Commission agrees to disburse the funds (the "Quarterly Disbursements") to Muscom for the payment of such budgeted costs and expenses in the fiscal year in which such disbursements are made.

5) Muscom agrees to use the Quarterly Disbursements for the sole purpose of paying the budgeted costs and expenses for the Muscom Assests in the fiscal year in which such disbursements are received.

6) This Agreement may not be amended or assigned by either party without the express permission of the other party.

7) This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

8) This Agreement shall be deemed to be a contract made under the laws of the State of Iowa and for all purposes shall be governed by and construed in accordance with laws of the State of Iowa.

9) All terms and definitions set forth in the Preamble of this Agreement shall apply and be binding as if set forth thereafter.

The Commission and Muscom have caused this Agreement to be signed, in their names and on their behalf by their duly authorized officers, all as of the day and date written above.

Muscatine County-Municipal Disaster Services Administration  
a/k/a  
Muscatine County Emergency Management Commission

By Jeffrey E. Custer

Attest:

Steven R. Dalbey

Muscatine County Joint Communications Commission

By Myra E. Hodel

Attest: Dorey Schneck