



Hyalite Rural Fire District

Board Meeting Synopsis Approval Form

The written synopsis of the November 17, 2020 Hyalite Rural Fire District (HRFD) Board of Trustees meeting was approved by motion of the HRFD Board of Trustees on December 15, 2020.

Chair Signature

Eugene M. Geddes, III

Printed Name

Secretary Signature

Nick Shrauger

Printed Name

**HYALITE RURAL FIRE DISTRICT
BOARD OF TRUSTEES REGULAR PUBLIC MEETING
SYNOPSIS**

DATE: NOVEMBER 17, 2020

TIME: 7:00 p.m.

LOCATION: Sourdough Fire Station, 4541 S. 3rd Rd., Bozeman, MT

In compliance with [MCA 2017 2-3-212](#) and the Hyalite Rural Fire District Bylaws, the minutes of HRFD Board of Trustees open public meetings are comprised of an audio recording and a written synopsis. The audio recording is designated as the official record of a meeting. The written synopsis serves to assist the public in accessing portions of the audio recording and is a good faith attempt to provide the public with another method to be informed about the actions of the Board. The minutes are available to the public at www.hyalitefire.org/board-meeting-minutes/ or at the Hyalite Rural Fire District Administrative Offices, 4541 S. 3rd Rd., Bozeman, MT, during its standard business hours.

TRUSTEES IN ATTENDANCE:

Pete Geddes
Nick Shrauger
Walt Zidack
Jason Jarrett

STAFF IN ATTENDANCE:

Jason Revisky, Fire Chief
Brian Nickolay, Assistant Fire Chief
Sheryl Wyman, Administrative Assistant

PUBLIC IN ATTENDANCE:

Pat Wilson
Steve White
Tony Wastcoat-Via Phone

0:00:01	CALL TO ORDER OF HYALITE RURAL FIRE DISTRICT Chair Geddes called the meeting to order and reminded the public that the meeting was being recorded. Chair Geddes asked for any public comment on non-agenda items. Community member Steve White makes comments. Chair Geddes asks for any more public comment on non-agenda items.
0:06:53	HYALITE CONSENT AGENDA Chair Geddes asked if there were any requests to remove items from the Consent Agenda. Trustee Shrauger asks about an expense and is explained by Chief Revisky. Chair Geddes asks for more board discussion comment on the Consent Agenda – None given. Motion: Trustee Zidack made the motion to approve consent agenda as presented. Trustee Jarrett seconded the motion. Vote: Jarrett-Aye; Zidack-Aye; Shrauger-Aye; Geddes-Aye. Unanimous approval. [See November 17, 2020 Board Packet for Consent Agenda items approved.]

	REGULAR AGENDA
0:08:12	<p>Discussion and Decision – Audit 2020 Presentation</p> <p>Sydni Tangaro with Tangaro & Company is in the third and final year of their contract to perform the audit. A decision will need to be made to renew the contract or have it go out to bid.</p> <p>Ms. Tangaro presented the FY20 audit results. Required communication and findings include:</p> <ul style="list-style-type: none"> • The responsibility is for management to provide the financial statements and their responsibility to audit and provide opinion on the financial statements. • They issued an unmodified clean opinion on the audit. • The annual financial statements were prepared by Anderson ZurMuehlen Company. Congratulations were offered on the smooth transition between accounting firms. • There were no new accounting standards adopted or required to be adopted. • A management letter comment was presented to help identify capital outlay in the budget. <p>Ms. Tangaro advises there are significant accounting standard changes for leases and to be aware if we should participate in any leases.</p> <p>Chair Geddes called for Board discussion or questions. Trustee Zidack addresses the management letter and ongoing discussions on capital expenditures and asks for recommendations on how to address those issues in the budget documentation. Ms. Tangaro provides suggestions on how to list capital outlay on the budget. She also suggests to possibly do an amended budget by going through the proper steps. Chief Revisky asks for clarification of what the proper steps entail in amending a budget. Ms. Tangaro gives guidance. Discussion is held with Trustees Geddes, Zidack and Chief Revisky.</p> <p>Chair Geddes asked for more board discussion. Trustee Jarrett thanks Trustee Zidack.</p> <p>Chair Geddes asked for public comment. Steve White makes comments and suggests putting the audit findings letter on the website.</p> <p>Chair Geddes asks for more board discussion. Trustee Zidack asks follow-up questions. Ms. Tangaro will submit the management letter along with the district's response and the audit.</p> <p>Motion: Trustee Zidack made a motion to accept the Audit as presented. Second: Trustee Jarrett seconded the motion. Vote: Jarrett-Yes; Zidack-Yes; Shrauger-Yes; Geddes-Yes-Unanimous approval.</p> <p><i>[See Board Packet for the draft audit presented]</i></p>

0:30:51	<p>Discussion and Decision – Ambulance Transport Billing Presentation</p> <p>Leslie Graves from Pintler Billing Services provides information on her services. They have specialized in EMS billing for the last ten years. Their mission is to know how to get the most revenue for their clients but within the framework of compliance.</p> <p>Ms. Graves described the ambulance transport billing process. She also gave information on the guidelines and standards they follow. They also work with their clients on compliance and offer support to crews in completing the documentation.</p>
0:41:33	<p>Chair Geddes asks for board discussion and questions. Chair Geddes asks questions regarding billing policies. Trustee Zidack asks about hardware and software needs. Trustee Shrauger asks questions regarding billing policies. Chair Geddes asks about other departments and their experience. Ms. Graves states that all of the agencies they have worked with has resulted in the ambulance supporting the fire department.</p>
0:59:49	<p>Chief Revisky discusses billing rates and how to charge. Ms. Graves goes over different rates and the challenges with rates. Trustees Geddes, Zidack, Shrauger and Chief Revisky asks questions and make comments.</p>
1:08:36	<p>Chair Geddes asks for public comment. Steve White makes comments. Chair Geddes asks Ms. Graves about her opinion and experience regarding delinquency and non-collectible accounts. Discussion is held on the accounting structure. Chief Revisky gives an example of the difference between what medical supplies are already being used versus what additional supplies would be needed or used during the transport of a patient. Trustee Jarrett asks a question regarding a delinquency rate.</p> <p>Chair Geddes asks for more public comment. None given. Ms. Graves is thanked for her attendance and information.</p> <p><i>[See Attachment A for Overview of Billing Services Provided by Pintler Billing Services]</i> <i>[See Attachment B for Medicare Ground Ambulance Data Collection Instrument July 21, 2020; The link for the document is https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AmbulanceFeeSchedule/Downloads/Medicare-Ground-Ambulance-Data-Collection-System-Instrument.pdf]</i></p>
1:20:02	<p>Fire Chief's Report</p> <p>Chief Revisky advises the board about the COVID situation at the station. The resident firefighters who have had to be quarantined due to exposure are staying at the Cottonwood station. There have been no exposures through work but rather socially. The volunteers are not allowed in the conference room and business office areas.</p> <p>Chief Revisky spoke to the collection of data for ambulance transport. He is asking the board to provide him with guidelines on what to track for costs. He gives a demonstration on a typical call. Trustee Zidack makes comments. Chair Geddes asks for board discussion. Trustees Jarrett, Shrauger, Zidack makes comments. Chief Revisky responds to the comments. Further comments are made by Trustees Geddes, Shrauger, Zidack and Chief Revisky. Chair Geddes suggests having a special session to work on these issues.</p>
2:02:26	<p>Chair Geddes asks for public comment. Steve White makes comments. Chair Geddes makes closing statements.</p>

	<p>Chief Revisky advises the board he has been working with three ambulance companies and is close to having the ambulance specs. He has submitted a grant request through CARES funds for two cots and two defibrillators. The amount of grants totals \$115,000</p> <p><i>[See Attachment C for Fire Chief's Report; Attachment D Breakdown of Incidents]</i></p>
2:14:12	<p>Trustees' Activities</p> <p>Trustee Zidack provides information regarding refinancing the bond. The first call date on the bonds is January 1, 2021. A letter will be signed requesting DA Davidson to pursue possible refinancing options with financial institutions and present the information to the board at a later date.</p> <p>Chair Geddes asks for any board or public comment. None given.</p> <p><i>[See Attachment E for Engagement Letter and Bond Information]</i></p>
2:18:24	<p>Announcements</p> <ul style="list-style-type: none"> • Next board meeting will be held December 15, 2020. • A special work session will be scheduled to go over billing policies for the ambulance transport service.
2:19:13	ADJOURNMENT

Overview of Billing Services

Provided by:



1-866-340-2505 ~ www.pintlerbillingservices.com

Thank you for considering Pintler Billing Services to provide your ambulance and response billing, collection, financial reporting, and analytical services. We are a complete revenue cycle management company specializing in serving EMS and fire departments. Billing for EMS services, and maintaining compliance, is becoming more complex. As your partner we provide ongoing crew training, support for rate and fee schedule development, assistance with insurance enrollments and re-enrollments, reports and data to allow analysis and better management of your service, and more. We meet you where you are, and are available in-person as well as via email, phone, and webinar format.

Pintler Billing Services has been providing EMS billing services for over 15 years, and in that time we have developed excellent procedures, invested in training and educating our qualified staff, and partnered with outstanding software vendors in order to be able to provide our clients with the very best service and revenue recovery results. We are a well-established company with a solid track record of steady growth and outstanding service.

The following pages contain a general overview of the services we provide, as well as the names and phone numbers of current clients. I am eager for you to speak with our references; our clients' satisfaction and their experiences with us are the best form of marketing we have. Thank you for your time and consideration, and for the important service you provide to your community.

Sincerely,

Leslie Graves, Owner

Key Service Areas

- **PCR (Patient Care Report)/Trip Report collection:**

1. Secure, HIPAA-compliant web portal for easy transmission of data (attachments, reports, deposits, etc.)
2. We work with several ePCR platforms (including EHR by ESO, Emergency Reporting, and ImageTrend) and will retrieve your PCRs directly from them

- **Billing:**

1. Pre-billing verification...coverage, eligibility & benefits verification PRIOR to billing, ensuring claims go to the correct payer
2. Sending correct claims speeds up time to payment, reduces take-backs and payer refunds, and enhances your revenue stream
3. Next day billing (from date trip report is assigned to us) is common, which gets you paid quickly

- **Payments:**

1. EFT payments set up on your behalf whenever possible
2. Physical payments mailed to our PO Box for posting and deposit directly into your bank account
3. We facilitate credit card and payment portals for patients, and maintain and monitor these on your behalf

- **Claims Follow-Up:**

1. Claims are worked each month; insurance companies called after 30 days
2. Patient accounts receivables worked 30 days after first statement if no payment is received

- **Patient Customer Service:**

1. Toll-free phone number for patient inquiries
2. Compassionate staff works with patients to set up payment plans
3. Professional and courteous staff, projecting a positive impression of your ambulance service in every interaction

- **Crew Training & Support:**

1. Documentation and compliance support provided daily as trip reports are reviewed and processed.
2. In-person or webinar training for your crew provided annually
3. Identify and provide feedback on focused topics of improvement and education
4. Support for development and maintenance of financial policy and fee schedule

ADDITIONAL INFORMATION

- Pre-billing Verification – Before billing we verify the patient information (usually with the receiving hospital) to determine insurance coverage & eligibility, address and contact information, and responsible party for payment.
- Each trip report is reviewed for:
 - Emergency Response Criteria being met
 - Medical necessity/reasonableness documentation
 - Transport to a covered destination
 - Mileage recorded
 - Signatures present
- Ensuring these basic items are present sometimes prevents take-backs and payment decision reversals down the road, and helps promote good documentation on the part of your crew, which is an important part of overall compliance.
- Patient balances are billed monthly on statement forms. The statement forms have a perforated top that the patient removes to mail back with payment. A return envelope is also included in order to make the process easy. If your service accepts credit cards, a box will appear on the statement to allow the patient to provide their credit card information for processing, or to direct them to a website to make an online payment. Our toll-free office number also appears on these statements as a resource for patients that have questions.
- Claims that are unpaid after 30 days are reviewed again, and we follow-up with the insurance company to determine why they haven't paid. This process recurs until each claim is fully resolved.
- If we are having difficulty locating a patient we work with the hospitals to verify current patient addresses and phone numbers, or to update insurance information when pursuing payment.

COLLECTIONS

We provide “soft” collections from our office. Skilled and professional members of our staff call patients that have not responded to their bills for over 30 days after the statement has been mailed. We work within the parameters of your financial policy to set up payment plans. Our entire staff emphasizes using a kind and professional approach when talking with patients and clients.

If we are unable to make contact with a patient using the data collected at the time of transport, we will communicate with the hospital where the patient was transported to cross-reference information and ensure we are using the most current phone numbers and address according to their records. We also share information we have learned with the hospitals, which facilitates the continued good relationship for future questions and requests.

Past due accounts are reviewed monthly. If there is a past due amount on an account, and we are unable to set up a payment plan or contact the patient, we will prepare a “packet” for you and your board to review as dictated by your financial policy. The packet consists of a patient account ledger, copy of the trip report, and detailed notes about our collections efforts, as well as any other applicable documents. At your direction, we will then take action on these accounts; we might offer a payment-in-full discount, write the balance off, or send these accounts to a professional collections company. Most of our clients use Centron Services, an agency based in Helena, MT that specializes in health care collections. Our long relationship with this company has overall been very satisfactory. Centron, through their other clients with hospitals and health care providers, can often trace patients who move frequently. They provide timely reports and are accessible for questions or requests at any time. We will of course work with whichever collections agency you choose.

REPORTS

We provide standard reports for accounts receivables, billing, and payments received at month end. There are dozens of other customizable reports available on any schedule you prefer, and we accommodate specific requests from our clients by providing individualized reports detailing unique data items they wish to track. Some of the standard reports include: monthly closing balance summary, trip report detail, patient aging, insurance aging, payment analysis by insurance company, deposit detail report, patient statement report, and many more are available upon request.

We also work with several ambulance providers that are wholly or partially owned or run by a county or city government. These entities need different reports on a different schedule, and we are able to provide all the necessary data in report form for both private and government purposes. Several of our current clients fall into this category, and they are available for questions if you would like to speak with them about how this process works.

In order to maintain good communication with you, we provide accessible reports that are easy to read, and provide clear, pertinent information about the services you provide. When you know exactly how your service is performing financially, it makes managing the other aspects of your service easier.

TRIP REPORTS

The ePCR method you use to capture your patient care reports is an important tool contributing to the success of billing for your services. We work with a variety of different programs, including EHR by ESO. This is a sister product to our billing software, and this company also now owns FIREHOUSE for NFIRS reporting. This software is cutting edge as far as being efficient in the field and providing powerful analytics to help manage your service. There is a demo available on their website at <http://www.esosolutions.com/software/ehr>.

Another option is Emergency Reporting, which also provides both a NFIRS and NEMSIS certified system. They offer a quick demo on their website which is www.emergencyreporting.com. They also offer a free trial where you can work with everything exactly as it is in the live program, and are very affordable for smaller agencies.

Image Trend offers either a paid version, or the free state-supplied version, and we have several clients who are currently using these solutions. If you choose the state-supplied option we will notify the State that we are your billing service, and they will connect our account with yours in the background. (Image Trend only provides the EMS aspect of their software via this option; their fire product requires a subscription.)

Your relationship with any of these vendors is completely independent from your agreement with Pintler Billing Services. You will simply add our office as a user with permissions to view and print the trip reports. We understand that your service may prefer a different method from any of these options, and we are willing to work with the method that you choose. The bottom line is that we want to make working with us as efficient and pleasant as possible, and we are always working to improve in order to guarantee your satisfaction.

COMPLIANCE

There are many compliance standards and regulations required of health care service providers, and you are likely aware of this and working to comply with the various laws. Many of these requirements are intertwined and a misstep in one small area can be magnified in scope because of the way these regulations are applied. Billing is one of these areas, and as billing professionals dedicated to this vital area of health care delivery, we can help you learn about and comply with the many regulations.

We review all PCRs and supporting documents for compliance, and work with you to confirm that we are working within guidelines when submitting claims. All of our staff have the CAC (Certified Ambulance Coder) certification and we maintain certification via annual trainings and conferences. We also have a Certified Ambulance Compliance Officer (CACO) on staff. Jodi Paine has successfully completed the intensive training and test offered by NAAC (National Academy of Ambulance Compliance), and she is a valuable resource available to us and to our clients.

Besides NAAC, we also belong to HBMA (a national organization of revenue cycle managers with an office in Washington, DC), as well as professional networking groups, and we value these relationships which allow us to maintain currency with laws and best practices. We gain valuable information which we can then pass on to you and use to ensure the most current and correct billing policies.

Our goal is to maximize your reimbursement within the framework of compliance, and to assist you in successfully running your EMS department. We stay in frequent contact with you to help educate your staff about requirements that apply to EMS providers, and to provide informal, ongoing documentation training. An annual documentation training for your crew is a standard part of our service and comes at no additional cost.

RATES AND FEES

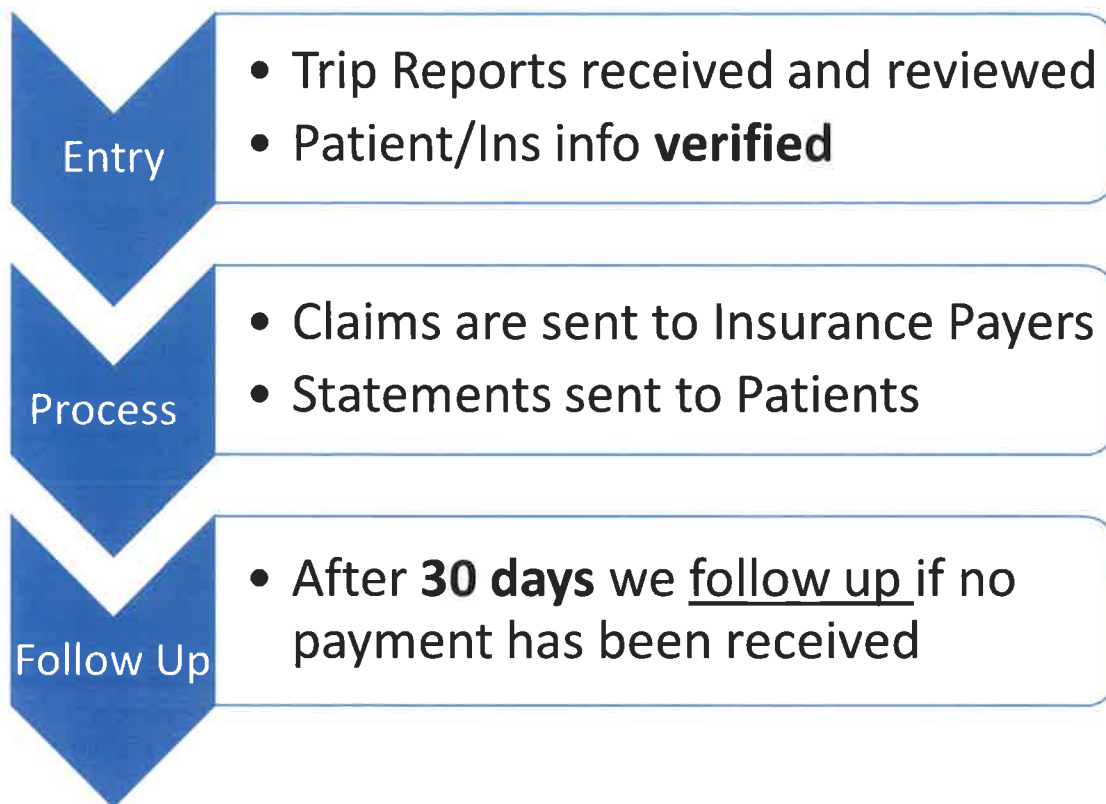
Typically there is no initial charge or financial outlay to use our services. If we begin billing for current charges and there is no back work, we will charge you only after you have received payment from our billing efforts, usually 15-30 days after the first trip report is received in our office. If there are additional, older accounts you would like us to work, we will evaluate the volume and difficulty and create a side agreement for the older accounts.

If it is necessary to (re)establish a relationship with Medicare, Medicaid, and other payers, there will be a fixed fee for work related to enrollment, revalidation, etc. This fee will be dependent upon the level of assistance your service requires to correct any issues with these payers, and the amount will be negotiated prior to the beginning of any work related to those specific services.

Except for any side agreements as mentioned above, the items outlined below are the specific charges that you will incur with our service. There are no hidden or additional fees.

- We bill on a percentage basis; this is a guarantee to you because we won't get paid until you do! Our rate is 8%.
- We itemize fees for the clearinghouse subscription (\$33/month) and patient statements (\$1.50/statement); these will show up as a line item on your monthly statement.
- You will receive a credit for our percentage of any payments that you receive that subsequently need to be refunded. In other words, if you have to refund a payer, we will refund you as well.

CLAIMS FOLLOW UP



This process is one of the biggest differences between Pintler Billing Services and our competitors. The frequency with which each claim is reviewed or touched directly correlates to the higher reimbursement we achieve for our clients. We are very conscientious about this, and it is part of our deeply-ingrained office culture of attention to detail and accountability.

REFERENCES

We are proud of our work and happy to have you talk to our current clients. Please ask them about their experience with us.

Chief Ron Lindroth, Central Valley Fire District, Belgrade
406-388-4480

John Maxness, Dan Nohrton, Owners – Montana Medical Transport
406-442-2190

Chief Craig Williams – Evergreen Fire Rescue
406-752-4636

Chief Ron Tocher – Anaconda-Deer Lodge County Ambulance
406-563-2164

Chief Mark Thiry, Cindy Norred (AEMT & Billing Assistant) – Bigfork Fire District 406-837-4590

Shelly Treece, Rachel Duram, Administrators/Managers – Eureka Volunteer Ambulance Service 406-297-3318

Brenda Kirkley, Jean Bergeson, Board Members – Beaverhead EMS
406-683-2833

Lance Westgard, Operations Manager – Three Rivers EMS
406-892-4244

Chief Amy Beick – Smith Valley Fire District
406-752-3548

More Available Upon Request

Table of Contents

1	General Survey Instructions.....	1
2	Organizational Characteristics	2
3	Service Area	4
4	Emergency Response Time	5
5	Ground Ambulance Service Volume	7
6	Service Mix	9
7	Labor Costs	12
7.1	Paid EMT/Response Staff Compensation and Hours Worked	15
7.2	Paid Administration, Facilities Staff, and Medical Director Compensation and Hours Worked	19
7.3	Volunteer Labor	24
8	Facilities Costs.....	26
8.1.	Facility Information	26
8.2.	Annual Lease, Mortgage, and Other Costs of Ownership for Facilities	27
8.3.	Insurance, Maintenance, Utilities, and Taxes	28
9	Vehicle Costs.....	29
9.1.	Ground Ambulance Vehicle Costs.....	29
9.2.	Other Vehicle Costs (Non-Ambulance)	30
9.3.	Other Costs Associated with Vehicles.....	33
10	Equipment, Consumable, and Supply Costs	34
10.1.	Medical Equipment/Supplies	34
10.2.	Non-Medical Equipment/Supplies	36
11	Other Costs	36
12	Total Cost.....	39
13	Revenues	40
	Version Notes	45

Hyalite Rural Fire District

Fire Chief's Report

November 2020

Prepared by: Fire Chief Jason Revisky

1. The Hyalite Fire Department has responded to 477 calls in 2020 (as of 11/01/2020).
2. Our current roster is at 45 members (effective 11/01/2020).
3. We currently have 8 resident firefighters living at the Sourdough Fire Station.
4. Staffing at the Cottonwood Fire Station is currently suspended due to COVID-19 concerns.
5. We have 3 resident renters at the Rae house.
6. We have experienced no firefighter injuries or significant mechanical breakdowns in the last month.
7. Discussion regarding budget and tracking ambulance transport expenses.
8. Discussion of appropriation of CARES reimbursement.

Hyalite Fire Department

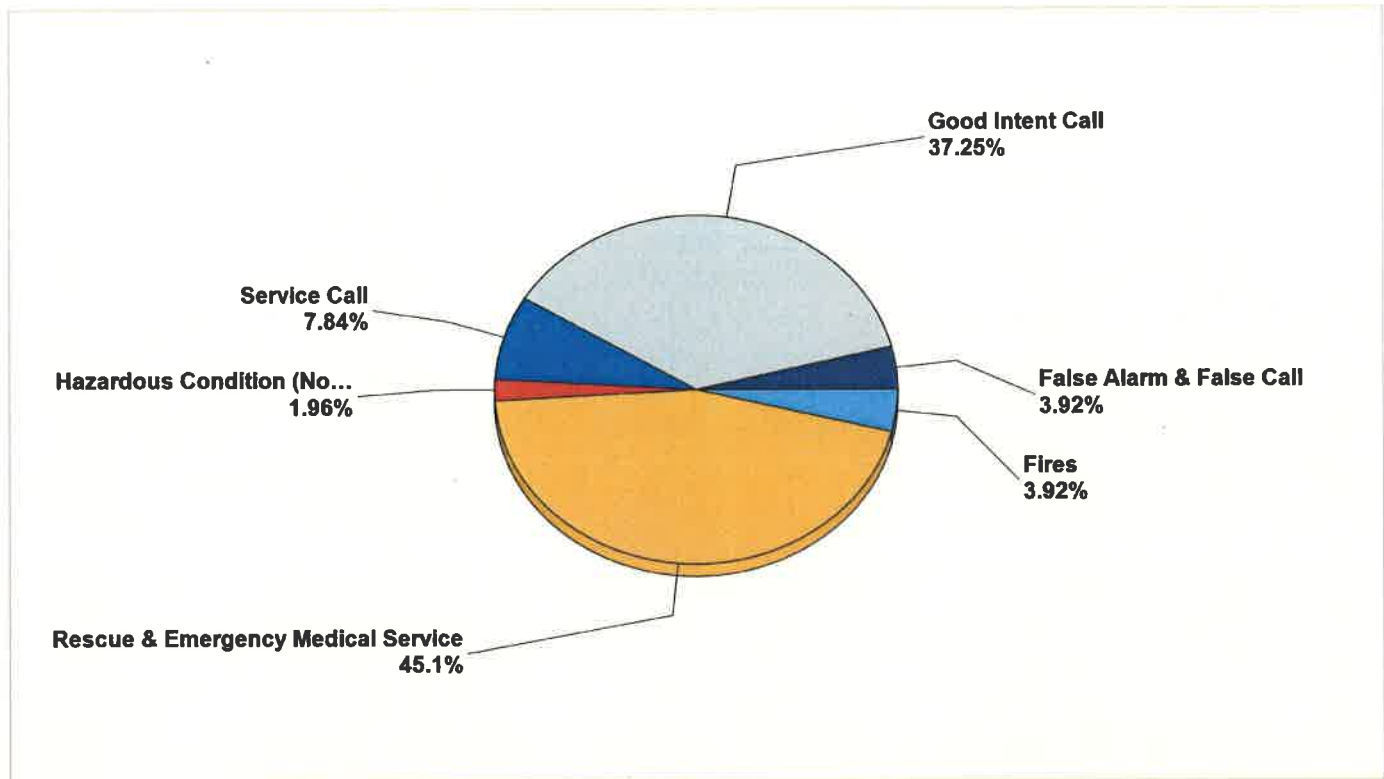
Bozeman, MT

This report was generated on 11/17/2020 10:29:48 AM



Breakdown by Major Incident Types for Date Range

Zone(s): All Zones | Start Date: 10/01/2020 | End Date: 10/31/2020



MAJOR INCIDENT TYPE	# INCIDENTS	% of TOTAL
Fires	2	3.92%
Rescue & Emergency Medical Service	23	45.1%
Hazardous Condition (No Fire)	1	1.96%
Service Call	4	7.84%
Good Intent Call	19	37.25%
False Alarm & False Call	2	3.92%
TOTAL	51	100%

Only REVIEWED and/or LOCKED IMPORTED incidents are included. Summary results for a major incident type are not displayed if the count is zero.



emergencyreporting.com
Doc Id: 553
Page # 1 of 2

Detailed Breakdown by Incident Type

INCIDENT TYPE	# INCIDENTS	% of TOTAL
111 - Building fire	1	1.96%
143 - Grass fire	1	1.96%
321 - EMS call, excluding vehicle accident with injury	14	27.45%
324 - Motor vehicle accident with no injuries.	9	17.65%
424 - Carbon monoxide incident	1	1.96%
554 - Assist invalid	3	5.88%
561 - Unauthorized burning	1	1.96%
611 - Dispatched & cancelled en route	14	27.45%
622 - No incident found on arrival at dispatch address	1	1.96%
631 - Authorized controlled burning	3	5.88%
671 - HazMat release investigation w/no HazMat	1	1.96%
733 - Smoke detector activation due to malfunction	2	3.92%
TOTAL INCIDENTS:	51	100%

Only REVIEWED and/or LOCKED IMPORTED incidents are included. Summary results for a major incident type are not displayed if the count is zero.

November 17, 2020

Hyalite Rural Fire District
Attn: Sheryl Wyman
4541 South 3rd Road
Bozeman, MT 59715



Re: Underwriting/Placement Agent Letter – Hyalite Rural Fire District – Potential Refinancing

Dear District Officials:

On behalf of D.A. Davidson & Co. (“Davidson”), we wish to thank you for the opportunity to serve as underwriter/placement agent for Hyalite Rural Fire District (the “District”) on a potential offering and issuance of General Obligation Refunding Bonds (the “Bonds”) to refinance your outstanding bonds that we originally issued for Sourdough Fire District in 2013. This letter will confirm the terms of our underwriting/placement agent engagement (the “Engagement”) where the Bonds would be sold in a public offering or placed with a bank depending on the plan chosen by the District and we will serve as the underwriter or placement agent (the “Underwriter”).

It is anticipated that this Engagement will be replaced and superseded by a bond purchase agreement for the Bonds to be entered into by the parties (the “Purchase Agreement”) upon successful completion of the bond offering process. The Purchase Agreement will present the interest rates, purchase price, redemption features and the public offering or sale prices of the Bonds. The District will consider the Purchase Agreement but it will not be obligated to accept the same and may reject the same. If the Bonds are not issued or placed by Davidson you would owe us \$0.

1. Services to be Provided by Davidson. The District hereby engages Davidson to serve as underwriter or placement agent of the proposed issuance of the Refunding Bonds, and in such capacity Davidson agrees to provide the following services to the extent required by the method of financing chosen by the District:

- a. Review all financial information necessary to determine the ability of the District to incur and repay the debt.
- b. Size the Bonds to account for the sources and uses of funds.
- c. Recommend maturity schedules, interest rates, call features, method and timing of the bond offering and closing and other terms necessary to achieve a low borrowing cost on the Bonds.
- d. Review the District’s status regarding Continuing Disclosure responsibilities (past and future).
- e. Coordinate the Bond transactions with District Officials and all Financing and/or Project Professionals to include Bond Counsel and the Paying Agent, and in that regard will prepare a financing time and responsibility schedules.
- f. Evaluate and make recommendations to the District concerning an underlying bond rating for the Bonds and facilitate such bond rating process.
- g. Consult with Bond Counsel and review and provide comment on Bond legal documentation.
- h. Prepare a Preliminary Official Statement (the “POS”) that will serve as the disclosure document for the Bonds pursuant to requirements set forth by the Securities Exchange Commission (the “SEC”). The POS will contain the legal authorization and terms of the Bond issue, the continuing disclosure undertaking, and general, financial and operating information concerning the District. The District’s POS will be distributed and made available to prospective investors, including local banks and other local investors. The final Official Statement will be sent to the investors. If a direct placement with a bank is preferred then a term sheet and summary disclosure information would be provided to the local banks looking at purchasing the Bonds.

Public Finance – www.davidson.com

402 East Main Street, Suite 202 • Bozeman, MT 59715 • (406) 556-6965 • (866) 415-6950 • FAX (406) 586-2160

- i. Obtain CUSIP numbers and arrange for their Depository Trust Company (DTC) book-entry eligibility if required.
- j. Contact potential investors, provide them with bond offering information, respond to their inquiries and, if requested, coordinate their due diligence sessions.
- k. Inform the District of the marketing and bond sale process.
- l. Negotiate the pricing, including the interest rate, and other terms of the Bonds with the District.
- m. Prepare the final debt service schedules, savings schedules and other related schedules and calculations for the District, the County Treasurer, Bond Counsel, and the Paying Agent/Registrar.
- n. Assist the District in delivery of the Bonds and bond proceeds in such a manner that bond proceeds will be immediately available for immediate reinvestment.
- o. Prepare and provide information relating to the total revenues necessary to retire the Bonds, including reserve funds and sinking funds.
- p. Examine the feasibility of a refinancing as applicable at a later date at no additional cost to the District.
- q. Such other customary underwriting services as may be requested by the District.

We will provide all services under this engagement letter pursuant to the 'underwriter exemption' under the SEC's municipal advisor rules (Rule 15Ba1-1 et seq.), which enables us to provide advice and recommendations with respect to the structure, timing, terms and other similar matters concerning the Bonds. In no event will we provide advice, recommendations or services with respect to matters that are outside the scope of the underwriter exemption.

As Underwriter, our primary role will be to purchase the Bonds as principal in a commercial arm's length transaction with the District. In our capacity as Underwriter and not as financial or municipal advisor and at the District's request, we can and will provide advice regarding the structure, timing, terms and other similar matters concerning the issuance of the Bonds. However, we do not assume any financial advisory or fiduciary responsibilities with respect to the District.

2. Fees and Expenses. Based on the final sizing of the Bonds, Davidson will have an underwriting fee that is based on a percent of the principal amount of the Bonds issued. The underwriting fee will represent the difference between the price that Davidson pays for the Bonds and the public offering price stated on the cover of the final official statement. Such fee will not exceed 0.80-1.10% depending on the type of financing the District chooses. The fee will be determined at the time the Resolution is adopted. In addition to the underwriting fee, the District shall pay to Davidson a fee not to exceed \$5,000 as compensation for its services in assisting in the preparation, printing and distribution of the Preliminary and final Official Statements and to reimburse for Davidson's payment of applicable CUSIP, and DTC fees for the Bonds. The District shall be responsible for paying for all other costs of issuance, as applicable, including without limitation, bond counsel, paying agent and registrar fees, rating and insurance fees, as applicable, and any other fees and expenses incident to the performance of the District's obligations under the proposed offering.

3. Disclosures Required by MSRB Rule G-17.

- a. MSRB Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers, such as the District, and investors.
- b. The underwriter's primary role is to purchase the Bonds with a view to distribution in an arm's-length transaction with the District. The underwriter's financial and other interests may differ from those of the District.
- c. Unlike a municipal advisor, the underwriter does not have a fiduciary duty to the District under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the District without regard to its own financial or other interests.

- d. The underwriter has a duty to purchase the Bonds from the District at a fair and reasonable price, but must balance that duty with their duty to sell the Bonds to investors at prices that are fair and reasonable.
- e. The underwriter will review the official statement for the Bonds in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction.
- f. While the compensation described in the section "Fees and Expenses" is customary in the municipal bond market, it presents a conflict of interest since the underwriter may have an incentive to recommend to the District a transaction that is unnecessary or to recommend that the size of the transaction be larger than necessary.
- g. Since Davidson has not recommended a "complex municipal securities financing" to the District, additional disclosures regarding the financing structure for the Bonds are not required. However, and in accordance with the requirements of MSRB Rule G-17, if Davidson recommends a "complex municipal securities financing" to the District, this letter will be supplemented to provide disclosure of the material financial characteristics of that financing structure as well as the material financial risks of the financing that are known to us and reasonably foreseeable at the time.
- h. Davidson has not identified any additional potential or actual material conflicts that require disclosure.

4. Term of Engagement. The term of this Engagement shall extend from the date of this letter to closing of the Bonds. Either party may end the Engagement at any time without liability of penalty upon written notice to the other party without cost.

5. Indemnification; Limitation of Liability. To the extent permitted by applicable law, the District shall indemnify, defend and hold Davidson and its employees, officers, agents and affiliates harmless from and against any losses claims, damages and liabilities that arise from or otherwise relate to this Engagement, actions taken or omitted in connection herewith, or the transactions and other matters contemplated hereby, except to the extent such losses, claims, damages or liabilities are judicially determined to be the result of Davidson's gross negligence or willful misconduct.

6. Miscellaneous. This Engagement shall be governed and construed in accordance with the laws of the State of Montana. This Engagement may be amended by written agreement executed by both parties hereto.

If the foregoing is consistent with your understanding of the Engagement, please have an authorized District Official sign and return a copy of this letter. If there is any aspect of this Engagement that the District believes requires further clarification, please do not hesitate to contact us. The District should consult with its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable to the extent you deem appropriate.

Again, we thank you for the opportunity to assist you with the proposed Bond issue financing and the confidence you have placed in us.

Very truly yours,
D.A. DAVIDSON & CO.



Bridget R. Ekstrom
Senior Vice President
Public Finance Banker

Accepted this 17th day of November, 2020
HYALITE RURAL FIRE DISTRICT

By: 
Title: Treasurer Hyalite Rural
Fire District

OFFICIAL STATEMENT dated October 24, 2013

NEW ISSUE
BOOK-ENTRY ONLYBANK QUALIFIED
NOT RATED

In the opinion of Jackson, Murdo & Grant, P.C., Bond Counsel, under existing laws, regulations, rulings and decisions, assuming compliance with certain covenants, interest on the Bonds is excludable from gross income of the recipient for purposes of federal income taxation and State of Montana individual income taxation. Interest is not an item of tax preference in determining federal alternative minimum tax applicable to individuals. Interest is includable, however, in the computation of the alternative minimum taxable income of corporations for purposes of the alternative minimum tax imposed under the Internal Revenue Code of 1986, as amended. The District has designated the Bonds "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. (See "QUALIFIED TAX-EXEMPT OBLIGATIONS" and "TAX EXEMPTION AND RELATED CONSIDERATIONS" herein.)

\$2,900,000
SOURDOUGH RURAL FIRE DISTRICT
GALLATIN COUNTY, MONTANA
GENERAL OBLIGATION BONDS, SERIES 2013

DATED: Date of Delivery (expected to be October 31, 2013) **DUE: July 1, as shown in the inside cover**
 Sourdough Rural Fire District, Gallatin County, Montana (the "District") provides this Official Statement in connection with the issuance of the District's General Obligation Bonds, Series 2013 (the "Bonds"). The Bonds mature on July 1 in each of the years and amounts set forth on the inside cover hereof and will bear interest from their date of delivery to their respective maturities, or date of prior redemption, at the rates as shown on the inside cover herein.

The Bonds will be issued as fully registered bonds and will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Bonds. Individual purchases and sales of the Bonds may be made in book-entry form only, in the principal amount of \$5,000 within a single maturity and in integral multiples thereof. Purchasers of the Bonds (the "Beneficial Owners") will not receive physical bond certificates. Interest on the Bonds will be payable semi-annually on each January 1 and July 1, commencing January 1, 2014. The District has appointed U.S. Bank National Association to serve as registrar and paying agent (the "Registrar") for the Bonds. The principal of and interest on the Bonds will be payable by the Registrar to DTC, which will in turn remit such principal and interest to DTC Participants for subsequent disbursement to the Beneficial Owners of the Bonds. (See "THE BONDS - Book-Entry Form" herein.)

The Bonds are general obligations of the District payable from the proceeds of an ad valorem tax that the District will covenant to cause Gallatin County, Montana (the "County") to levy annually on all taxable property within the District, without limitation as to rate or amount. The Bonds are being issued in accordance with the provisions of Title 7, Chapter 33, Montana Code Annotated. The proceeds of the Bonds will be used for the purpose of paying the costs of constructing, equipping and financing a new fire station in the District (the "Project"); and paying costs associated with the sale and issuance of the Bonds. (See "THE BONDS - Authorization," "- Security," and "- Purpose and Sources and Application of Funds" herein.) The Bonds maturing on or after July 1, 2021 are subject to redemption at the option of the District on January 1, 2021 and on any date thereafter at a price equal to the principal amount being redeemed plus interest accrued to the date of redemption, without premium. Term Bonds are subject to mandatory sinking fund redemption. (See "THE BONDS - Redemption" herein.)

The Bonds are offered when, as and if issued by the District, subject to prior sale, to withdrawal or modification of the offer without notice, and to the opinion as to validity and tax exemption of the Bonds by Jackson, Murdo & Grant, P.C., Helena, Montana, Bond Counsel. It is expected that the Bonds in definitive form will be available for book-entry delivery through the facilities of DTC on or about October 31, 2013 (the "Date of Delivery" or "Closing").

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire official statement to obtain information essential to making an informed investment decision.

D.A. DAVIDSON & CO.



SUMMARY OF BONDS REFUNDED

HYALITE RURAL FIRE DISTRICT GALLATIN COUNTY, MONTANA GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021 Current Refunding of Outstanding 2013 Bonds Option 2: Assumes Private Placement, Non-Callable [Preliminary - For Discussion Only]

Bond	Maturity Date	CUSIP	Interest Rate	Par Amount	Call Date	Call Price
10/31/13: Ser. 2013 NM (callable 1/1/21), SERIAL:	07/01/2021	836172 AH9	3.000%	190,000.00	02/26/2021	100.000
	07/01/2022	836172 AJ5	3.000%	195,000.00	02/26/2021	100.000
	07/01/2023	836172 AK2	3.000%	200,000.00	02/26/2021	100.000
	07/01/2024	836172 AL0	3.000%	205,000.00	02/26/2021	100.000
				790,000.00		
10/31/13: Ser. 2013 NM (callable 1/1/21), TERM26:	07/01/2025		3.500%	210,000.00	02/26/2021	100.000
	07/01/2026	836172 AN6	3.500%	220,000.00	02/26/2021	100.000
				430,000.00		
10/31/13: Ser. 2013 NM (callable 1/1/21), TERM28:	07/01/2027		3.875%	225,000.00	02/26/2021	100.000
	07/01/2028	836172 AQ9	3.875%	235,000.00	02/26/2021	100.000
				460,000.00		
				1,680,000.00		

prior
rates

2



SAMPLE
BOND PRICING

HYALITE RURAL FIRE DISTRICT
GALLATIN COUNTY, MONTANA
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021
Current Refunding of Outstanding 2013 Bonds
Option 2: Assumes Private Placement, Non-Callable
[Preliminary - For Discussion Only]

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Term Bond due 2028:					
	07/01/2021	205,000	1.200%	1.200%	100.000
	07/01/2022	215,000	1.200%	1.200%	100.000
	07/01/2023	215,000	1.200%	1.200%	100.000
	07/01/2024	215,000	1.200%	1.200%	100.000
	07/01/2025	215,000	1.200%	1.200%	100.000
	07/01/2026	220,000	1.200%	1.200%	100.000
	07/01/2027	220,000	1.200%	1.200%	100.000
	07/01/2028	225,000	1.200%	1.200%	100.000
		1,730,000			

Dated Date	01/21/2021	
Delivery Date	01/21/2021	
First Coupon	07/01/2021	
Par Amount	1,730,000.00	
Original Issue Discount		
Production	1,730,000.00	100.000000%
Underwriter's Discount		
Purchase Price	1,730,000.00	100.000000%
Accrued Interest		
Net Proceeds	1,730,000.00	

*Sample
new
rates*

3

~~SAMPLE~~
SAVINGS



HYALITE RURAL FIRE DISTRICT
GALLATIN COUNTY, MONTANA
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021
Current Refunding of Outstanding 2013 Bonds
Option 2: Assumes Private Placement, Non-Callable
[Preliminary - For Discussion Only]

Date	Prior Debt Service	Refunding Debt Service	Refunding Receipts	Refunding Net Cash Flow	Savings	Present Value to 01/21/2021 @ 1.2000458%
07/01/2021	218,287.50	214,226.67	3,926.60	210,300.07	7,987.43	7,965.89
07/01/2022	245,875.00	233,300.00		233,300.00	12,575.00	12,455.60
07/01/2023	245,025.00	230,720.00		230,720.00	14,305.00	13,978.07
07/01/2024	244,025.00	228,140.00		228,140.00	15,885.00	15,318.19
07/01/2025	242,875.00	225,560.00		225,560.00	17,315.00	16,481.79
07/01/2026	245,525.00	227,980.00		227,980.00	17,545.00	16,487.85
07/01/2027	242,825.00	225,340.00		225,340.00	17,485.00	16,222.16
07/01/2028	244,106.26	227,700.00		227,700.00	16,406.26	15,025.73
	1,928,543.76	1,812,966.67	3,926.60	1,809,040.07	119,503.69	113,935.28

time
value
of
money
calculation

Savings Summary

PV of savings from cash flow	113,935.28
Net PV Savings	113,935.28

- (*) Based on 1.20% quoted rate from a bank. (For sample purposes)
- (*) 3.00% net present value savings is the BFOA standard to proceed and the estimates above are at 6.78% net present value savings
- (*) The average coupon is 3.56% on the 2013 Bonds and so we would meet the State Code requirement of a reduction in rate of 0.50%.
- $3.56 - 1.20 = \underline{2.36\%}$ reduction in rate.

**DISCLAIMER**

HYALITE RURAL FIRE DISTRICT
GALLATIN COUNTY, MONTANA
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021
Current Refunding of Outstanding 2013 Bonds
Option 2: Assumes Private Placement, Non-Callable
[Preliminary - For Discussion Only]

D.A. Davidson and Co. ("The Firm or 'D.A. Davidson'") is serving as underwriter or placement agent on the prospective transaction, not as municipal advisor. As an underwriter, D.A. Davidson's primary role is to purchase or place securities or notes for distribution in an arms-length transaction. D.A. Davidson is acting in its own interests and does not owe you a fiduciary duty with respect to the information presented herein, or with respect to the transaction contemplated and any discussions, undertakings and procedures leading thereto. Pursuant to the federal securities laws, during the course of this transaction D.A. Davidson also owes certain duties to the capital markets and to the investing public. Furthermore, no information contained within constitutes a 'recommendation' or 'advice' within the meaning of Section 15B of the Exchange Act, with any existing or proposed Municipal Securities Rulemaking Board rules, or any other state or federal law, regulation, or statute. You should discuss the information and material contained in this communication with any and all internal or external advisors and experts, including without limitation your own legal, accounting, tax, financial and other advisors, that the municipal entity or obligated person deems appropriate before acting on this information or material. The information contained herein is limited to factual information describing one or more types of debt financing structures, and may include options such as fixed rate debt, variable rate debt, general obligation debt, debt secured by various types of revenues, or insured debt, among other alternatives.

Furthermore, should D.A. Davidson present multiple scenarios or even a comparison of the general characteristics of potential debt financing structures along with the risks, advantages, and disadvantages of each, D.A. Davidson is not providing any recommendation(s) or advice in regards to the scenarios presented or features of any particular option. The factual information presented herein and described above does not, and should not be construed to, contain subjective assumptions, opinions, or views. The conduct of D.A. Davidson's personnel or the content and manner of their presentation(s) should not in any way be construed as a suggestion, advice, or an opinion.

Information about interest rates and terms for SLGs is based on current publically available data, and treasury or agency rates for open-market escrows are tied to prevailing market interest rates for these types of credits; these do not necessarily reflect costs or rates that D.A. Davidson will be able to secure should you select the firm to act as underwriter or placement agent. All such information is gathered from publically available sources or from prevailing market rates. Should you retain D.A. Davidson as underwriter or placement agent, the firm will be able to provide more particular information as well as advice in connection with the relevant transaction.

5



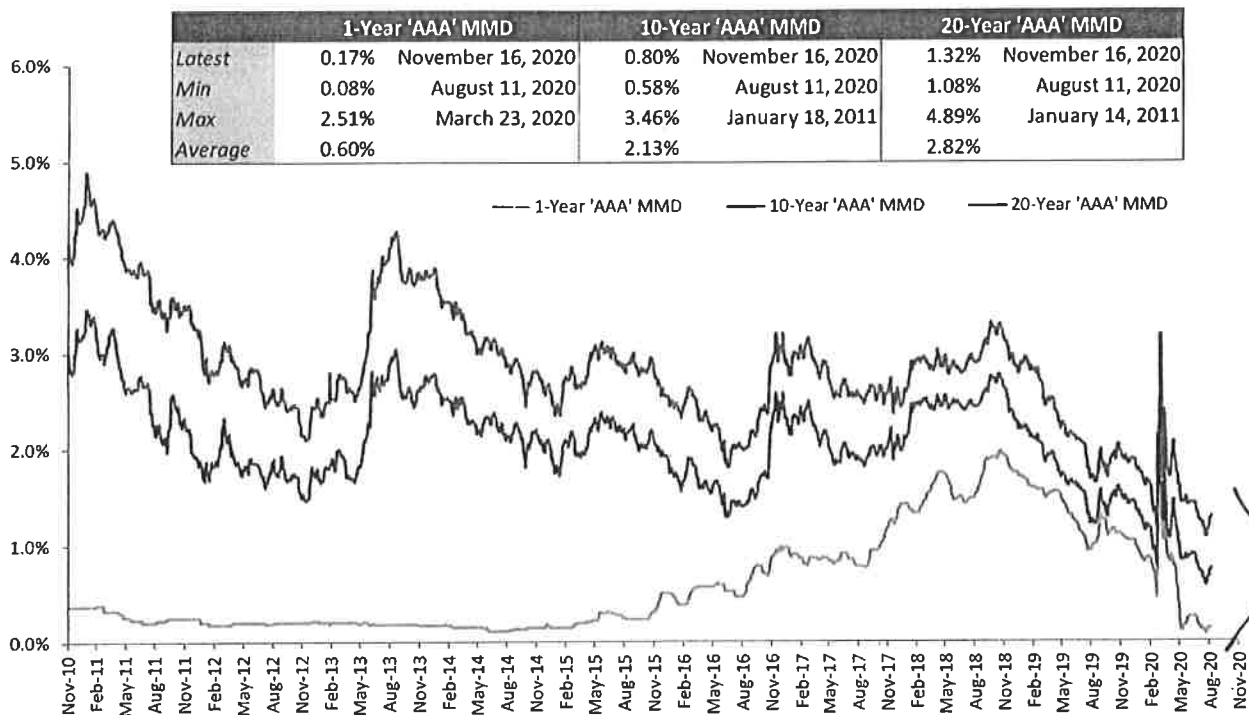
MUNICIPAL MARKET UPDATE

November 16, 2020

"AAA" MUNICIPAL MARKET DATA INDEX (MMD)

1-YEAR, 10-YEAR & 20-YEAR MATURITIES:

11/16/2010-11/16/2020



Source: © 2020 Thomson Reuters. All rights reserved. (P3). MMD SEC Filing Privacy Policy Trademarks
clientservice@tm3.com

close to
record
low rates