

Arrowbear Park County Water District

REGULAR MEETING OF THE BOARD OF DIRECTORS

AGENDA

DATE: July 20, 2023

TIME: 6:30 p.m. Open Session

APCWD BOARD OF DIRECTORS
P.O. Box 4045
Arrowbear Lake, CA 92382-4045

POSTING: This agenda was
posted prior to 5:00 p.m. on
July 14, 2023 per Policy #5020.40

MEETING LOCATION
Arrowbear Park County Water District Office
2365 Fir Drive
Arrowbear Lake, CA 92382

OPEN SESSION

- A. CALL TO ORDER – Terisa Bonito, President
- B. PLEDGE OF ALLEGIANCE TO THE FLAG
- C. AGENDA POSTING CERTIFICATION
- D. ROLL CALL
- E. PUBLIC COMMENT

This portion of the agenda is reserved for the public to discuss matters of interest, within the District's jurisdiction, which are *not on the agenda*. For public comment on items not on the agenda, no action may be taken by the Board, except to refer the matter to staff and/or place it on a future agenda. It is in the best interest of the person speaking to the Board to be concise and to the point. *A time limit of five minutes per individual will be allowed.* Visitors are reminded to please refrain from making comments or talking amongst themselves while the meeting is in progress. Public comments may be made when a Discussion/Action Item is being discussed, provided the visitor raises their hand *and* are recognized by the President.

F. STATEMENT REGARDING THE PURPOSE OF THE CLOSED SESSION

Closed session is being held pursuant to Government Code section 54957.6, Conference with Labor negotiator. District designated representative: Brad Neufeld of Varner and Brandt.
Unrepresented employee: General Manager

G. CLOSED SESSION

Closed session is being held pursuant to Government Code section 54957.6, Conference with Labor negotiator. District designated representative: Brad Neufeld of Varner and Brandt.
Unrepresented employee: General Manager

H. ADJOURNMENT OF CLOSED SESSION

I. OPEN SESSION

J. PUBLIC ANNOUNCEMENT OF ACTION TAKEN (IF ANY) IN CLOSED SESSION

K. PRESENTATION BY DISTRICT'S LEGAL COUNSEL

Brad Neufeld of Varner and Brandt, with Q & A from the Board.

L. CONSENT AGENDA

The following consent items are expected to be routine and non-controversial and will be acted on at one time without discussion, unless an item is withdrawn by a Board member for questions or discussion. Any person wishing to speak on the Consent or Open agenda may do so by raising their hand and being recognized by the President.

- A) Minutes of Regular Meeting, June 15, 2023.
- B) Summary of Bank Balances / Income & Expense Summary.
- C) Expense & Budget Reports.
- D) Vacation and Sick Leave Balances.

M. STAFF REPORTS

- A) Water & Sewer Field Operations Supervisor Weber
 - 1. Monthly Report
- B) Chief Lindley
 - 1. Calls for the previous month.
- C) General Manager Huff
 - 1. Administrative Highlights.

Excuse Staff not needed for Action Items

N. DISCUSSION / ACTION ITEMS

- A) Fire Department
 - 1. Discussion and review with motion as needed of Resolution #2023-6-15, Fire Department cost recovery fees.
 - 2. Discussion with motion as needed to allocate reserve funds from 3-3110 Unrestricted Replacement - Facilities in the amount of \$7,500.00 to 3-8005-0063 Station Modification to replace the apparatus bay door motor for Engine 271 and Water Tender 271 and finish the repair work to the driveway apron of fire station. Staff Recommendation: Approve Motion.
 - 3. Discussion with motion to authorize Fire Chief to enter into Memorandum of Understanding (MOU) with the California Fire Foundation's (CFF) Supplying Aid to Victims of Emergency (SAVE) Program. There is no cost to the District or Fire Department. Staff Recommendation: Approve Motion.

B) Board

4. Discussion with motion as needed regarding IRS COVID Relief payroll tax refunds.
5. Discussion with motion to approve Resolution #2023-07-20 and Lease Agreement with Leasing2, Inc. for lease of Skidsteer and related attachments, Sewer Jetter, and Sewer Inspection Unit.
Staff Recommendation: Approve Motion
6. Discussion with motion to appoint Halliday & Co. as auditors for the FY 2022-2023 Audit and authorize General Manager Huff to execute engagement agreement.
Staff Recommendation: Approve Motion
7. Discussion with motion as needed regarding drafting a new General Manager Employment Agreement.
8. Report from the Personnel Committee with discussion and motion(s) as needed regarding General Manager recruiting and transition process, requirements, dates, and milestones.

O. STATEMENT REGARDING THE PURPOSE OF THE CLOSED SESSION

Closed session is being held pursuant to Government Code section 54957(b)(1) to consider the appointment, employment, ... of a public employee. Position: General Manager

P. CLOSED SESSION

Closed session is being held pursuant to Government Code section 54957(b)(1) to consider the appointment, employment, ... of a public employee. Position: General Manager.

Q. ADJOURNMENT OF CLOSED SESSION

R. OPEN SESSION

S. PUBLIC ANNOUNCEMENT OF ACTION TAKEN (IF ANY) IN CLOSED SESSION

T. ANNOUNCEMENTS / REPORTS

A) President

B) Board Members

C) Staff

The next Regular Board Meeting will be August 17, 2023 at 6:30 p.m.

U. ADJOURNMENT

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Caroline Rimmer, Board Secretary at (909) 867-2704 at least 48 hours before the meeting, if possible.

Materials related to an item on this agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the District's office located at 2365 Fir Dr., Arrowbear Lake, during normal business hours.

NOT APPROVED

Arrowbear Park County Water District
Regular Meeting
June 15, 2023
6:30 PM

The regular meeting of the Board of Directors of Arrowbear Park County Water District was held June 15, 2023, at the District office located at 2365 Fir Drive, Arrowbear Lake, California.

Directors in attendance:

President Terisa Bonito
Vice-President Mark Bunyea
Director Seth Burt
Director Paul Miller
Director Sheila Wymer

Directors who were absent:

None

Also present were the following:

General Manager Huff
Secretary Rimmer

Visitors present:

None

Open Session

President Bonito called the meeting to order. Vice President Bunyea led the recitation of the Pledge of Allegiance. President Bonito certified the posting of the agenda. President Bonito performed a roll call, Directors that were present: Directors Miller, Wymer, Bunyea, Burt, and Bonito. Directors that were absent: None

Approval of Consent Agenda:

Director Wymer made a motion to accept the consent agenda, second was by Director Miller. Motion passed by unanimous vote.

Ayes: Burt, Bunyea, Bonito, Wymer, and Miller
Nays: None
Abstain: None
Absent: None.

Public Comments:

There were no public comments.

Staff Reports:

- A) Field Operations Supervisor Weber was excused for the meeting and General Manager Huff reported on his behalf to the Board. General Manager Huff reported that the personnel exercised valves, inspected and operated hydrants, and that Running Springs Water District water was turned back on at 35 GPM.
- B) Chief Lindley was excused from the meeting and Staff reminded the Board that the annual Firefighter's Association Picnic would be Saturday, July 1, 2023 at Tucker Field from 10:00 AM to 2:00 PM.

- C) General Manager Huff reported that the District received the funds from the Internal Revenue Service for CARES ACT Relief for payroll taxes and a portion of health insurance paid during the COVID 19 outbreak.

Discussion / Action Items:

A) Fire Department

1. There was a discussion regarding Resolution #2023-6-15, the adoption of Fire Department cost recovery fees. Motion to approve Resolution #2023-6-15 was made by Director Wymer, seconded by Director Burt, and approved by a unanimous vote.
Ayes: Miller, Wymer, Bunyea, Burt, and Bonito
Nays: None
Abstain: None
Absent: None
2. There was a discussion regarding amending the Fire Department SOP #3602, to increase coverage compensation to incentivize advancement and add additional coverage categories – effective July 1, 2023. Motion to amend Fire Department SOP #3602 was made by Director Wymer, seconded by Director Miller, and approved by a unanimous vote.
Ayes: Burt, Bunyea, Wymer, Miller, and Bonito
Nays: None
Abstain: None
Absent: None

B) Board

3. There was a discussion with a Motion to amend District Rules and Regulations #2060 Sewer Service Charges & Billing and #3050 Water Service Charges and Billing to reflect the Board approved rates effective for the July 2023 billing cycle. The motion to approve amending District Rules and Regulations #2060 and #3050 was made by Director Wymer, seconded by Director Miller, and approved by a unanimous vote.
Ayes: Burt, Bunyea, Bonito, Wymer, and Miller
Nays: None
Abstain: None
Absent: None
4. There was a discussion with a Motion to approve the financing of the sewer jetter, sewer inspection setup, and skid steer with attachments (\$294,378.08). The Board opted for financing with Leasing2, Inc. for a term of 5 years. The motion to approve the financing of the Master Plan equipment with Leasing2, Inc. and for the term of 5 years in the amount of \$294,378.08 was made by President Bonito, seconded by Director Wymer, and approved by a unanimous vote
Ayes: Miller, Wymer, Bonito, Bunyea, and Burt
Nays: None
Abstain: None
Absent: None
5. There was a discussion with a Motion to approve the allocation of budgeted master plan surplus, unused, or over budgeted funds from FY 2022-2023 (estimated \$327,589.98), and FY 2022-2023 budget surplus funds (estimated \$132,000.00) to unrestricted asset accounts specified in FY 2022-2023 Unrestricted Funds Allocation Report (for a total of an estimated \$459,589.98). Actual amounts will be distributed in a like manner upon

close of FY 2022-2023. The motion to approve the allocation of budgeted master plan surplus, unused, or over budgeted funds from FY 2022-2023 (estimated \$327,589.98), and FY 2022-2023 budget surplus funds (estimated \$132,000.00) to unrestricted asset accounts specified in FY 2022-2023 Unrestricted Funds Allocation Report (for a total of an estimated \$459,589.98). Actual amounts will be distributed in a like manner upon close of FY 2022-2023 was made by Director Wymer, seconded by Vice President Bunyea, and approved by a unanimous vote

Ayes: Burt, Bunyea, Bonito, Wymer, and Miller
Nays: None
Abstain: None
Absent: None

6. There was a discussion with a Motion to approve the proposed FY 2023-2024 Master Plan with allocation of FY 2023-2024 master plan funds from unrestricted asset accounts to master plan expense accounts specified in FY 2022-2023 Unrestricted Funds Allocation Report (\$665,598.01). The motion to approve the proposed FY 2023-2024 Master Plan with allocation of FY 2023-2024 master plan funds from unrestricted asset accounts to master plan expense accounts specified in FY 2022-2023 Unrestricted Funds Allocation Report (\$665,598.01) was made by Director Wymer,, seconded by Director Miller, and approved by a unanimous vote

Ayes: Miller, Wymer, Bonito, Bunyea, and Burt
Nays: None
Abstain: None
Absent: None

7. There was a discussion regarding approving the proposed FY 2023-2024 Budget (including Master Plan project allocations). Motion to approve the proposed FY 2023-2024 Budget (including Master Plan project allocations) was made by Director Wymer, seconded by Director Miller and approved by a unanimous vote.

Ayes: Bunyea, Burt, Wymer, Miller, and Bonito
Nays: None
Abstain: None
Absent: None

8. There was a discussion regarding voting for Directors in the SDRMA Board of Directors election. Motion to vote for Robert Swain, Acquannetta Warren, and Sandy Seifert-Raffleson for the SDRMA Board of Directors election was made by Director Burt, seconded by President Bonito and approved by a unanimous vote.

Ayes: Miller, Wymer, Bonito, Bunyea, and Burt
Nays: None
Abstain: None
Absent: None

9. There was a discussion regarding voting for Directors in the CSDA Board of Directors Elections Ballot (Term 2024-2026; Seat C – Southern Network. Motion to vote for Arlene Schafer for the CSDA Board of Directors Elections Ballot (Term 2024-2026; Seat C – Southern Network was made by President Bonito, seconded by Director Miller and approved by a unanimous vote.

Ayes: Burt, Bunyea, Bonito, Wymer, and Miller
Nays: None
Abstain: None

Absent: None

President Bonito announced that a Closed Session is being held pursuant to Code 54957(b) for the purpose of Employment Agreement negotiations. Position: General Manager.

Adjournment of Open Session: 7:50 PM

The Board took a brief recess.

Closed Session began: 8:00 PM

Closed Session was held pursuant to Code 54957(b) for the purpose of the Employment Agreement negotiations. Position: General Manager.

Adjournment of Closed Session: 8:30 PM

Open Session began: 8:30 PM

Public announcement of action taken (if any) during Closed Session.

In Closed Session a Motion was made to allow General Manager Huff's current Employment Agreement to expire at the end of its current term, effective August 28th, 2023, by consent of both parties to the agreement and grant General Manager Huff three (3) months' severance compensation. Motion was made by President Bonito, seconded by Director Wymer, and approved by a unanimous vote.

Ayes: Burt, Bunyea, Wymer, Miller, and Bonito

Nays: None

Abstain: None

Absent: None

The Board directed the Personnel Committee (Chairperson Bunyea and President Bonito), to meet and discuss recruitment options for the position of General Manager and directed staff to support the Committee by drafting and placing advertisements, placing an announcement on the District's website, as well as any other support needed.

Announcements:

- A) The President had no announcements.
- B) The Board had no announcements.
- C) Staff had no announcements.

The next Regular Board Meeting will be July 20, 2023, at 6:30 PM.

Adjournment of Open Meeting

There being no further business, President Bonito adjourned the meeting at 8:33 PM.

Terisa Bonito, President

Caroline V. Rimmer, Secretary

SUMMARY OF BANK BALANCES

6/1/2023 to 6/30/2023

	GENERAL ACCOUNTS	RESTRICTED ACCOUNTS
	First Foundation Bank	CALPers OPEB
Account Beginning Balance	\$ 141,574.11	\$ 208,548.97
5Total Cleared Deposits - 58	\$ 243,967.93	
Total Cleared Checks/Debits - 76	\$ (144,533.90)	
Interest earned (Investment Loss)	\$ 9.79	
Service Charge(s)	\$ -	
Ending Balance	\$ 241,017.93	\$ 208,548.97
Investment Accounts	LAIF GENERAL	CEPPT
Beginning Balance	\$ 790,669.61	\$ 17,860.40
Quarterly Interest	\$ 6,608.79	
Service Charge(s)		
Transfer From/To General Checking Account		
Ending Balance	\$ 797,278.40	\$ 17,860.40
TOTALS	\$ 1,038,296.33	\$ 226,409.37

SUMMARY OF INCOME & EXPENSES

	June 2023	YEAR TO DATE	BUDGET	REMAINING	%
TOTAL INCOME	\$ 236,848.80	\$ 1,657,429.31	\$1,465,800.00	\$ (191,629.31)	113.07%
TOTAL OPERATING EXPENSES	\$ 119,042.86	\$ 1,467,886.98	\$1,363,958.05	\$ (103,928.93)	107.62%
NET SURPLUS / (DEFICIT)	\$ 117,805.94	\$ 189,542.33	\$ 101,841.95	\$ (87,700.38)	

Arrowbear Park County Water District

Vendor Activity

From 6/1/2023 Through 6/30/2023

Vendor Name	Description	Expenses	
Amazon	Training FD	<u>1,973.25</u>	
		<u>1,973.25</u>	Transaction Total
Total Amazon		1,973.25	
American Water Works	AWWA Job Posting	<u>349.00</u>	
		<u>349.00</u>	Transaction Total
Total American Water Works		349.00	
ATT	FD	<u>23.49</u>	
		<u>23.49</u>	Transaction Total
Total ATT		23.49	
Av Engrave	Fire Fighter Plaque	<u>500.00</u>	
		<u>500.00</u>	Transaction Total
Total Av Engrave		500.00	
Bacon Wagner Excavating, Inc.	Encina Proj.	<u>7,425.00</u>	
		<u>7,425.00</u>	Transaction Total
Total Bacon Wagner Excavating, I...		7,425.00	
Blake Matthews	05/28/23 - 06/10/23 (4) Hard Shifts	400.00	
	06/11/23 - 06/24/23 (4) Hard Shifts	<u>400.00</u>	
		<u>800.00</u>	Transaction Total
Total Blake Matthews		800.00	
Brown & Caldwell	Brown & Caldwell Job Posting	<u>200.00</u>	
		<u>200.00</u>	Transaction Total
Total Brown & Caldwell		200.00	
Buehler Millworks & Finishing	Station Modifications	<u>632.59</u>	
		<u>632.59</u>	Transaction Total
Total Buehler Millworks & Finishing		632.59	
CA Special District Association	CSDA Job Posting	<u>205.00</u>	
		<u>205.00</u>	Transaction Total
Total CA Special District Association		205.00	
CalPERS	05/24/23 - 06/06/23 PERS	1,148.09	

Arrowbear Park County Water District

Vendor Activity

From 6/1/2023 Through 6/30/2023

Vendor Name	Description	Expenses	
	06/07/23 - 06/20/23 PERS #1	28.74	
	06/07/23 - 06/20/23 PERS #2	<u>1,124.79</u>	
		<u>2,301.62</u>	Transaction Total
Total CalPERS		2,301.62	
CalPERS Health Ins	June 2023 Health Premium	<u>11,943.97</u>	
		<u>11,943.97</u>	Transaction Total
Total CalPERS Health Ins		11,943.97	
Center Electric	Trouble Shoot Well 1	<u>287.50</u>	
		<u>287.50</u>	Transaction Total
Total Center Electric		287.50	
Charter Cable	Cable FD Jun 2023	149.98	
	Jun 2023 Cable DO	<u>177.96</u>	
		<u>327.94</u>	Transaction Total
Total Charter Cable		327.94	
Costco	Fuel	<u>33.01</u>	
		<u>33.01</u>	Transaction Total
Total Costco		33.01	
County of San Bernardino	Trash	<u>70.03</u>	
		<u>70.03</u>	Transaction Total
Total County of San Bernardino		70.03	
Cross Connections Emergency Ser...	(5) Radios	<u>11,990.16</u>	
		<u>11,990.16</u>	Transaction Total
Total Cross Connections Emergen...		11,990.16	
Customer Returned Transactions	Chg Back #0539	308.13	
	Ret. Ck #0474	<u>98.00</u>	
		<u>406.13</u>	Transaction Total
Total Customer Returned Transact...		406.13	
De Lage Landen Financial Services...	June 2023 Copier Lease	<u>65.61</u>	
		<u>65.61</u>	Transaction Total
Total De Lage Landen Financial Se...		65.61	

Arrowbear Park County Water District

Vendor Activity

From 6/1/2023 Through 6/30/2023

Vendor Name	Description	Expenses	
Dick's Sporting Goods	Station Modifications	978.73	
	Station Modifications FD	<u>772.09</u>	
		<u>1,750.82</u>	Transaction Total
Total Dick's Sporting Goods		1,750.82	
Dunn Edwards Paint	Station Modifications FD	<u>683.51</u>	
		<u>683.51</u>	Transaction Total
Total Dunn Edwards Paint		683.51	
Ebay	Office Supplies - FD	274.54	
	Tires DO	<u>694.27</u>	
		<u>968.81</u>	Transaction Total
Total Ebay		968.81	
Eric Gomez	06/22/23 Notary Fee	15.00	
	Notary Fees 06/02/23	<u>45.00</u>	
		<u>60.00</u>	Transaction Total
Total Eric Gomez		60.00	
Freddie Rodriguez, Jr.	05/28/23 - 06/10/23 (2) Hard Shifts - Probationary	100.00	
	06/11/23 - 06/24/23 (3) Hard Shifts - Probationary	<u>125.00</u>	
		<u>225.00</u>	Transaction Total
Total Freddie Rodriguez, Jr.		225.00	
Frontier Communications	Jun 2023 Warehouse	<u>110.95</u>	
		<u>110.95</u>	Transaction Total
Total Frontier Communications		110.95	
Heartland PR Co	06/14/23 PR	120.51	
	PR 06/28/23	<u>137.26</u>	
		<u>257.77</u>	Transaction Total
Total Heartland PR Co		257.77	
Houston and Harris PCS Inc	2023 Sewer Video/Jetting	<u>20,246.75</u>	
		<u>20,246.75</u>	Transaction Total
Total Houston and Harris PCS Inc		20,246.75	
Humberto's Garage Doors	FD Bay Door Repair	<u>595.00</u>	

Arrowbear Park County Water District

Vendor Activity

From 6/1/2023 Through 6/30/2023

Vendor Name	Description	Expenses	
		<u>595.00</u>	Transaction Total
Total Humberto's Garage Doors		595.00	
Iconix Waterworks Inc	CR U2315002087	70.43	
	Highway 18 Project	525.70	
	Repairs	<u>207.42</u>	
		<u>803.55</u>	Transaction Total
Total Iconix Waterworks Inc		803.55	
Image Trend, Inc.	Annual Fee FD	<u>1,250.00</u>	
		<u>1,250.00</u>	Transaction Total
Total Image Trend, Inc.		1,250.00	
International Code Council	FD Membership	<u>60.00</u>	
		<u>60.00</u>	Transaction Total
Total International Code Council		60.00	
Invoice Cloud	Jun 2023 CC Process. Fees - Invoice Cloud	<u>180.80</u>	
		<u>180.80</u>	Transaction Total
Total Invoice Cloud		180.80	
Jacob Sanchez	05/28/23 - 06/10/23 (3) Hard Shifts	<u>300.00</u>	
		<u>300.00</u>	Transaction Total
Total Jacob Sanchez		300.00	
Joseph Carpenter	05/28/23 - 06/10/23 (2) Hard Shifts	100.00	
	06/11/23 - 06/24/23 (2) Hard Shifts - Probationary	<u>100.00</u>	
		<u>200.00</u>	Transaction Total
Total Joseph Carpenter		200.00	
Josue Macuil	05/28/23 - 06/10/23 (2) Hard Shifts	200.00	
	06/11/23 - 06/24/23 (2) Hard Shifts	<u>200.00</u>	
		<u>400.00</u>	Transaction Total
Total Josue Macuil		400.00	
Keith Ortiz	06/11/23 - 06/24/23 (1) Availability Shift	<u>50.00</u>	
		<u>50.00</u>	Transaction Total
Total Keith Ortiz		50.00	

Arrowbear Park County Water District

Vendor Activity

From 6/1/2023 Through 6/30/2023

Vendor Name	Description	Expenses	
Kennedy Toscano	05/28/23 - 06/10/23 (2) Hard Shifts - Probationary	100.00	
	06/11/23 - 06/24/23 (1) Hard Shifts - Probationary	<u>50.00</u>	
		<u>150.00</u>	Transaction Total
Total Kennedy Toscano		150.00	
Lloyd Pest Control	Pest Control - FD	<u>80.00</u>	
		<u>80.00</u>	Transaction Total
Total Lloyd Pest Control		80.00	
Lowes	Tools	<u>40.19</u>	
		<u>40.19</u>	Transaction Total
Total Lowes		40.19	
Managsorn Mekchai	05/14/23 - 05/27/23 (1) Hard Shift	100.00	
	05/28/23 - 06/10/23 (2) Hard Shifts	200.00	
	06/11/23 - 06/24/23 (2) Hard Shifts	<u>200.00</u>	
		<u>500.00</u>	Transaction Total
Total Managsorn Mekchai		500.00	
Max Taylor	05/28/23 - 06/10/23 (4) Hard Shifts	350.00	
	06/11/23 - 06/24/23 (4) Hard Shifts	<u>350.00</u>	
		<u>700.00</u>	Transaction Total
Total Max Taylor		700.00	
Nathanael Kahlen	05/28/23 - 06/10/23 (2) Hard Shifts	<u>200.00</u>	
		<u>200.00</u>	Transaction Total
Total Nathanael Kahlen		200.00	
New Usa Funding	FD	<u>29.95</u>	
		<u>29.95</u>	Transaction Total
Total New Usa Funding		29.95	
Nicholas Novelich	05/28/23 - 06/10/23 (4) Hard Shifts	400.00	
	06/11/23 - 06/24/23 (4) Hard Shifts	<u>400.00</u>	
		<u>800.00</u>	Transaction Total
Total Nicholas Novelich		800.00	
Paya CC Processing	Jun 2023 CC Process. Fees - Paya	<u>710.91</u>	

Arrowbear Park County Water District

Vendor Activity

From 6/1/2023 Through 6/30/2023

Vendor Name	Description	Expenses	
		<u>710.91</u>	Transaction Total
Total Paya CC Processing		710.91	
Raistone Capital Holdings, LLC	SF0026126, SF0026133, SF0026135, SF0026140, SF...	<u>35,730.18</u>	
		<u>35,730.18</u>	Transaction Total
Total Raistone Capital Holdings, LLC		35,730.18	
RS Market	Board Mtg	<u>10.58</u>	
		<u>10.58</u>	Transaction Total
Total RS Market		10.58	
Running Springs Water District	Jun 2023 WWTP	<u>29,907.00</u>	
		<u>29,907.00</u>	Transaction Total
Total Running Springs Water District		29,907.00	
San Bernardino County Recorder-...	#0212 Release of Lien	<u>20.00</u>	
		<u>20.00</u>	Transaction Total
Total San Bernardino County Reco...		20.00	
Showtime Custom Coach, Inc.	Command Vehicle Repair	<u>538.40</u>	
		<u>538.40</u>	Transaction Total
Total Showtime Custom Coach, Inc.		538.40	
Sonsray Machinery LLC	Vehicle Maint. DO	<u>415.08</u>	
		<u>415.08</u>	Transaction Total
Total Sonsray Machinery LLC		415.08	
Southern California Edison	Jun 2023 DO	129.09	
	Jun 2023 Pumps	<u>3,545.32</u>	
		<u>3,674.41</u>	Transaction Total
Total Southern California Edison		3,674.41	
Staples	Office Supplies FD	<u>89.12</u>	
		<u>89.12</u>	Transaction Total
Total Staples		89.12	
Superior Automotive Warehouse	Vehicle Maint. DO	39.91	
	Vehicle Maintenance	14.00	
	Vehicle Manintenance	<u>21.73</u>	

Arrowbear Park County Water District

Vendor Activity

From 6/1/2023 Through 6/30/2023

Vendor Name	Description	Expenses	
		<u>75.64</u>	Transaction Total
Total Superior Automotive Wareho...		75.64	
Technical Duplicator Services, Inc.	Copier May 2023	<u>36.09</u>	
		<u>36.09</u>	Transaction Total
Total Technical Duplicator Service...		36.09	
Temu.com	Uniforms DO	<u>44.77</u>	
		<u>44.77</u>	Transaction Total
Total Temu.com		44.77	
The Alpine Mountaineer	Alpine Mtneer Job Posting	<u>388.00</u>	
		<u>388.00</u>	Transaction Total
Total The Alpine Mountaineer		388.00	
The Gas Company	Gas - Cedar	25.56	
	Gas - Fir	<u>86.70</u>	
		<u>112.26</u>	Transaction Total
Total The Gas Company		112.26	
The Standard Life Insurance Com...	Jun 2023 Dental Premium	<u>595.74</u>	
		<u>595.74</u>	Transaction Total
Total The Standard Life Insurance...		595.74	
Timothy Richard, Sr.	06/11/23 - 06/24/23 (1) Hard Shift	<u>100.00</u>	
		<u>100.00</u>	Transaction Total
Total Timothy Richard, Sr.		100.00	
TransUnion	FD	<u>375.00</u>	
		<u>375.00</u>	Transaction Total
Total TransUnion		375.00	
Underground Service Alert of So Cal	Jun 2023 Dig Alerts	<u>52.00</u>	
		<u>52.00</u>	Transaction Total
Total Underground Service Alert of...		52.00	
United States Postal Service	Certified Mailing	<u>6.25</u>	
		<u>6.25</u>	Transaction Total

Arrowbear Park County Water District

Vendor Activity

From 6/1/2023 Through 6/30/2023

Vendor Name	Description	Expenses	
Total United States Postal Service		6.25	
Varner and Brandt	Legal - June 2023	<u>1,029.60</u>	
		<u>1,029.60</u>	Transaction Total
Total Varner and Brandt		1,029.60	
Verizon Wireless	Jun 2023 After Hours Phone	<u>84.34</u>	
		<u>84.34</u>	Transaction Total
Total Verizon Wireless		84.34	
Village Hardware	Maint. FD	32.31	
	Maintenance	<u>3.22</u>	
		<u>35.53</u>	Transaction Total
Total Village Hardware		35.53	
WEX Bank	Fuel - Jun 2023	<u>1,484.36</u>	
		<u>1,484.36</u>	Transaction Total
Total WEX Bank		1,484.36	
Williamson Plumbing and Backflow	Annual Back Flow Test - Keeter	<u>75.00</u>	
		<u>75.00</u>	Transaction Total
Total Williamson Plumbing and Ba...		75.00	
Zachary Kim	05/28/23 - 06/10/23 (3) Hard Shifts - Probationary	125.00	
	06/11/23 - 06/24/23 (3) Hard Shifts - Probationary	<u>150.00</u>	
		<u>275.00</u>	Transaction Total
Total Zachary Kim		275.00	
Zoom	Jun 2023	<u>15.99</u>	
		<u>15.99</u>	Transaction Total
Total Zoom		15.99	
Report Opening/Current Balance			
Report Transaction Totals		<u>146,058.65</u>	

Report Current Balances

Date: 7/14/23 08:54:10 AM

Note: Partial Payments may cause totals to be overstated in the Expenses or the Charges column.

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Arrowbear Park County Water District

Statement of Revenues and Expenditures

Water

From 6/1/2023 Through 6/30/2023

	Current Period Actual	Current Year Actual	Total Budget \$	Total Budget \$ Variance	Percent Total Budget Remaining
Income Categories					
4000	Sales And Fees	36,636.74	438,926.67	440,000.00	(1,073.33) (0.24)%
4010	Sales To Other Agencies	1,656.70	50,444.21	65,000.00	(14,555.79) (22.39)%
5000	Property Taxes	0.00	7,800.00	7,800.00	0.00 0.00%
5005	Standby Charges	0.00	37,869.24	34,000.00	3,869.24 11.38%
5010	Interest Income	5.87	7,677.63	2,000.00	5,677.63 283.88%
5015	Late Charge Income	495.11	5,929.15	7,000.00	(1,070.85) (15.30)%
5020	Grant Income	0.00	0.00	500.00	(500.00) (100.00)%
5030	Other Adjustment	(1,168.00)	(4,717.09)	(2,000.00)	(2,717.09) 135.85%
5035	Other Fees Charges	95,734.98	102,598.45	6,500.00	96,098.45 1,478.44%
	Total Income Categories	133,361.40	646,528.26	560,800.00	85,728.26 15.29%
Expense Categories					
6000	Salaries Wages Mgmt	5,292.32	68,802.53	75,059.71	6,257.18 8.34%
6005	Salaries Wages Office Reg	3,273.60	40,233.60	43,336.57	3,102.97 7.16%
6010	Salaries Wages Office Ot	0.00	0.00	660.90	660.90 100.00%
6015	Salaries Wages Field Reg	8,278.40	109,317.93	101,870.50	(7,447.43) (7.31)%
6020	Salaries Wages Field Ot	935.34	14,511.26	12,121.61	(2,389.65) (19.71)%
6035	Payroll Taxes	1,569.87	18,257.27	18,479.99	222.72 1.21%
6100	Benefits Retirement	1,379.71	20,208.18	18,810.30	(1,397.88) (7.43)%
6105	Benefits Dental Insurance	357.44	4,096.48	4,081.82	(14.66) (0.36)%
6110	Benefits Health Ins Active	4,307.49	50,023.06	46,358.00	(3,665.06) (7.91)%
6115	Benefits Health Ins Retired	2,650.19	31,335.30	34,853.08	3,517.78 10.09%
6116	Benefits OPEB	0.00	9,000.00	9,000.00	0.00 0.00%
6118	CEPPT Trust	0.00	12,000.00	12,000.00	0.00 0.00%
6120	Training	0.00	0.00	900.00	900.00 100.00%
6200	Director Fees	2,789.06	6,805.28	8,519.28	1,714.00 20.12%
6205	Director Training Conference	0.00	0.00	120.00	120.00 100.00%
6210	Board Misc	15.94	352.81	240.00	(112.81) (47.00)%
6300	Prof Svcs Legal	617.76	3,339.12	1,800.00	(1,539.12) (85.51)%
6305	Prof Svcs Accounting	21,795.41	22,620.79	1,680.00	(20,940.79) ...246.48)%
6310	Prof Svcs Engineering	0.00	0.00	250.00	250.00 100.00%
6315	Prof Svcs Audit	0.00	12,269.34	11,560.00	(709.34) (6.14)%
6320	Prof Svcs Dues Membership Fees	10.00	3,959.12	5,160.00	1,200.88 23.27%
6325	Prof Svcs Bank Fees Charges	799.64	8,971.98	5,920.00	(3,051.98) (51.55)%
6330	Prof Svcs Regulatory Fees	0.00	7,501.08	4,400.00	(3,101.08) (70.48)%
6335	Prof Svcs Testing Lab	0.00	8,729.07	4,500.00	(4,229.07) (93.98)%
6340	Prof Svcs Computer Network	0.00	524.49	1,370.00	845.51 61.72%
6345	Prof Svcs Misc	711.20	1,940.87	1,080.00	(860.87) (79.71)%
6400	Office Supplies	0.00	749.95	720.00	(29.95) (4.16)%
6405	Office Printing	61.02	2,086.61	960.00	(1,126.61) (117.36)%
6410	Office Postage	3.75	2,432.10	4,680.00	2,247.90 48.03%
6415	Office Software Computer	0.00	162.06	240.00	77.94 32.48%
6420	Office Equipment/Furniture	0.00	648.54	240.00	(408.54) (170.22)%
6425	Office Misc	0.00	43.68	120.00	76.32 63.60%
6500	Insurance Workers Comp	0.00	19,042.19	20,870.69	1,828.50 8.76%
6505	Insurance Property Liability Vehicle	0.00	37,859.32	22,800.00	(15,059.32) (66.05)%
6600	Vehicle Maintenance	689.56	3,397.33	4,200.00	802.67 19.11%

Arrowbear Park County Water District

Statement of Revenues and Expenditures

Water

From 6/1/2023 Through 6/30/2023

	Current Period Actual	Current Year Actual	Total Budget \$	Total Budget \$ Variance	Percent Total Budget Remaining	
6605	Vehicle Fuel	516.32	7,168.84	6,600.00	(568.84)	(8.62)%
6700	Utility Phone Internet	248.35	3,392.48	3,500.00	107.52	3.07%
6705	Utility Gas	117.96	3,092.07	2,880.00	(212.07)	(7.36)%
6710	Utility Electric Facilities	77.45	914.16	1,080.00	165.84	15.36%
6715	Utility Electric Pumping	2,508.41	33,137.08	30,000.00	(3,137.08)	(10.46)%
6720	Utility Security	0.00	622.74	768.00	145.26	18.91%
6800	Operations Routine Maint	565.35	2,442.22	4,200.00	1,757.78	41.85%
6805	Operations Repairs	0.00	8,376.74	6,500.00	(1,876.74)	(28.87)%
6810	Operations Inspecting/Testing	75.00	248.21	400.00	151.79	37.95%
6815	Operations Facilities	43.94	1,026.65	1,200.00	173.35	14.45%
6820	Operations Tools Equipment	24.11	2,448.37	1,200.00	(1,248.37)	(104.03)%
6825	Operations Uniforms	26.86	693.34	720.00	26.66	3.70%
6830	Operations Safety Equipment	0.00	727.10	900.00	172.90	19.21%
6837	Water Standby Purchase	0.00	2,323.00	2,323.00	0.00	0.00%
	Total Expense Categories	<u>59,741.45</u>	<u>587,834.34</u>	<u>541,233.45</u>	<u>(46,600.89)</u>	<u>(8.61)%</u>
	Net Surplus/(Deficit)	<u>73,619.95</u>	<u>58,693.92</u>	<u>19,566.55</u>	<u>39,127.37</u>	<u>199.97%</u>
	Master Plan Expenses					
0059	Hwy 18 Pipeline	525.70	525.70	301,090.74	300,565.04	99.83%
0060	Encina Dr.	7,425.00	20,540.67	13,358.00	(7,182.67)	(53.77)%
0062	Pine Ridge	0.00	0.00	18,500.00	18,500.00	100.00%
0064	Tractor Forklifts	0.00	1,320.07	1,300.00	(20.07)	(1.54)%
0065	PortaJohn	0.00	1,750.65	1,820.00	69.35	3.81%
	Total Master Plan Expenses	<u>7,950.70</u>	<u>24,137.09</u>	<u>336,068.74</u>	<u>311,931.65</u>	<u>92.82%</u>

Arrowbear Park County Water District

Statement of Revenues and Expenditures

Sewer

From 6/1/2023 Through 6/30/2023

	Current Period Actual	Current Year Actual	Total Budget \$	Total Budget \$ Variance	Percent Total Budget Remaining
Income Categories					
4000 Sales And Fees	40,747.85	486,728.64	470,000.00	16,728.64	3.56%
5000 Property Taxes	0.00	5,200.00	5,200.00	0.00	0.00%
5005 Standby Charges	0.00	76,241.66	68,000.00	8,241.66	12.12%
5010 Interest Income	2.45	3,517.24	1,600.00	1,917.24	119.83%
5015 Late Charge Income	656.30	7,859.59	6,500.00	1,359.59	20.92%
5020 Grant Income	0.00	0.00	500.00	(500.00)	(100.00)%
5030 Other Adjustment	196.19	3,987.93	(1,800.00)	5,787.93	(321.55)%
5035 Other Fees Charges	52,116.29	58,360.44	6,500.00	51,860.44	797.85%
Total Income Categories	93,719.08	641,895.50	556,500.00	85,395.50	15.35%
Expense Categories					
6000 Salaries Wages Mgmt	2,886.72	37,528.66	31,274.88	(6,253.78)	(20.00)%
6005 Salaries Wages Office Reg	1,785.60	21,945.60	18,056.90	(3,888.70)	(21.54)%
6010 Salaries Wages Office Ot	0.00	0.00	275.37	275.37	100.00%
6015 Salaries Wages Field Reg	4,457.60	58,738.29	67,913.66	9,175.37	13.51%
6020 Salaries Wages Field Ot	503.75	7,813.29	8,081.07	267.78	3.31%
6035 Payroll Taxes	851.38	9,881.82	9,880.10	(1.72)	(0.02)%
6100 Benefits Retirement	747.39	10,938.15	12,540.20	1,602.05	12.78%
6105 Benefits Dental Insurance	194.04	2,218.28	2,215.78	(2.50)	(0.11)%
6110 Benefits Health Ins Active	2,330.90	27,078.81	25,279.48	(1,799.33)	(7.12)%
6115 Benefits Health Ins Retired	1,445.56	17,091.96	14,522.12	(2,569.84)	(17.70)%
6116 Benefits OPEB	0.00	6,000.00	6,000.00	0.00	0.00%
6118 CEPPT Trust	0.00	5,000.00	5,000.00	0.00	0.00%
6120 Training	0.00	0.00	200.00	200.00	100.00%
6200 Director Fees	1,521.30	3,711.97	3,549.70	(162.27)	(4.57)%
6205 Director Training Conference	0.00	0.00	50.00	50.00	100.00%
6210 Board Misc	7.17	151.87	100.00	(51.87)	(51.87)%
6300 Prof Svcs Legal	257.40	1,838.24	750.00	(1,088.24)	(145.10)%
6305 Prof Svcs Accounting	11,790.96	12,134.87	700.00	(11,434.87)	...633.55)%
6310 Prof Svcs Engineering	0.00	0.00	200.00	200.00	100.00%
6315 Prof Svcs Audit	0.00	11,796.83	11,220.00	(576.83)	(5.14)%
6320 Prof Svcs Dues Membership Fees	10.00	1,995.73	2,650.00	654.27	24.69%
6325 Prof Svcs Bank Fees Charges	810.70	10,319.90	4,680.00	(5,639.90)	(120.51)%
6330 Prof Svcs Regulatory Fees	0.00	1,103.03	3,000.00	1,896.97	63.23%
6340 Prof Svcs Computer Network	0.00	1,097.15	1,150.00	52.85	4.60%
6345 Prof Svcs Misc	311.50	1,080.44	720.00	(360.44)	(50.06)%
6400 Office Supplies	0.00	395.43	300.00	(95.43)	(31.81)%
6405 Office Printing	25.42	834.24	400.00	(434.24)	(108.56)%
6410 Office Postage	1.56	1,303.32	3,120.00	1,816.68	58.23%
6415 Office Software Computer	0.00	72.06	100.00	27.94	27.94%
6420 Office Equipment/Furniture	0.00	272.01	100.00	(172.01)	(172.01)%
6425 Office Misc	0.00	29.11	50.00	20.89	41.78%
6500 Insurance Workers Comp	0.00	10,303.81	12,112.72	1,808.91	14.93%
6505 Insurance Property Liability Vehicle	0.00	29,676.43	15,200.00	(14,476.43)	(95.24)%
6600 Vehicle Maintenance	459.70	2,127.58	2,800.00	672.42	24.02%
6605 Vehicle Fuel	344.20	4,676.22	4,400.00	(276.22)	(6.28)%
6700 Utility Phone Internet	138.87	1,922.60	1,750.00	(172.60)	(9.86)%

Arrowbear Park County Water District

Statement of Revenues and Expenditures
Sewer
From 6/1/2023 Through 6/30/2023

	Current Period Actual	Current Year Actual	Total Budget \$	Total Budget \$ Variance	Percent Total Budget Remaining
6705 Utility Gas	65.64	1,689.09	1,900.00	210.91	11.10%
6710 Utility Electric Facilities	51.64	596.72	450.00	(146.72)	(32.60)%
6715 Utility Electric Pumping	619.22	8,200.47	8,500.00	299.53	3.52%
6720 Utility Security	0.00	337.76	439.00	101.24	23.06%
6800 Operations Routine Maint	0.00	0.00	500.00	500.00	100.00%
6805 Operations Repairs	0.00	75.91	500.00	424.09	84.82%
6810 Operations Inspecting/Testing	20,246.75	20,246.75	17,000.00	(3,246.75)	(19.10)%
6815 Operations Facilities	18.80	358.35	800.00	441.65	55.21%
6820 Operations Tools Equipment	16.08	536.25	1,000.00	463.75	46.38%
6825 Operations Uniforms	17.91	430.37	480.00	49.63	10.34%
6830 Operations Safety Equipment	0.00	464.08	600.00	135.92	22.65%
6835 Operations Treatment	<u>18,987.00</u>	<u>227,844.00</u>	<u>200,000.00</u>	<u>(27,844.00)</u>	<u>(13.92)%</u>
Total Expense Categories	<u>70,904.76</u>	<u>561,857.45</u>	<u>502,510.98</u>	<u>(59,346.47)</u>	<u>(11.81)%</u>
Net Surplus/(Deficit)	<u>22,814.32</u>	<u>80,038.05</u>	<u>53,989.02</u>	<u>26,049.03</u>	<u>48.25%</u>
Master Plan Expenses					
0044 RS Treatment Plant	10,920.00	131,040.00	123,370.00	(7,670.00)	(6.22)%
0064 Tractor Forklifts	0.00	710.80	700.00	(10.80)	(1.54)%
0065 PortaJohn	<u>0.00</u>	<u>969.24</u>	<u>980.00</u>	<u>10.76</u>	<u>1.10%</u>
Total Master Plan Expenses	<u>10,920.00</u>	<u>132,720.04</u>	<u>125,050.00</u>	<u>(7,670.04)</u>	<u>(6.13)%</u>

Arrowbear Park County Water District

Statement of Revenues and Expenditures

Fire

From 6/1/2023 Through 6/30/2023

	Current Period Actual	Current Year Actual	Total Budget \$	Total Budget \$ Variance	Percent Total Budget Remaining
Income Categories					
4020	Paid Call From Other Agencies	0.00	0.00	24,000.00	(24,000.00) (100.00)%
5000	Property Taxes	316.07	339,882.81	292,000.00	47,882.81 16.40%
5010	Interest Income	1.47	2,563.52	2,000.00	563.52 28.18%
5020	Grant Income	0.00	12,458.44	30,000.00	(17,541.56) (58.47)%
5035	Other Fees Charges	9,450.78	14,100.78	500.00	13,600.78 2,720.16%
	Total Income Categories	9,768.32	369,005.55	348,500.00	20,505.55 5.88%
Expense Categories					
6000	Salaries Wages Mgmt	4,714.52	62,682.56	66,014.93	3,332.37 5.05%
6005	Salaries Wages Office Reg	892.80	10,972.80	10,834.14	(138.66) (1.28)%
6010	Salaries Wages Office Ot	0.00	0.00	165.22	165.22 100.00%
6025	Salaries Wages Coverage	4,700.00	64,450.00	72,800.00	8,350.00 11.47%
6035	Payroll Taxes	486.02	5,754.81	6,054.52	299.71 4.95%
6100	Benefits Retirement	174.52	31,927.68	31,923.05	(4.63) (0.01)%
6105	Benefits Dental Insurance	44.26	511.86	505.44	(6.42) (1.27)%
6110	Benefits Health Ins Active	447.76	5,588.51	5,625.85	37.34 0.66%
6115	Benefits Health Ins Retired	722.79	8,545.98	8,713.27	167.29 1.92%
6118	CEPPT Trust	0.00	3,000.00	3,000.00	0.00 0.00%
6120	Training	1,973.25	2,220.25	3,000.00	779.75 25.99%
6200	Director Fees	760.65	1,856.00	2,129.82	273.82 12.86%
6205	Director Training Conference	0.00	0.00	30.00	30.00 100.00%
6210	Board Misc	3.46	84.66	60.00	(24.66) (41.10)%
6300	Prof Svcs Legal	154.44	585.84	750.00	164.16 21.89%
6305	Prof Svcs Accounting	2,143.81	2,350.16	420.00	(1,930.16) (459.56)%
6315	Prof Svcs Audit	0.00	11,661.83	11,220.00	(441.83) (3.94)%
6320	Prof Svcs Dues Membership Fees	464.95	1,697.40	2,500.00	802.60 32.10%
6325	Prof Svcs Bank Fees Charges	44.55	634.30	650.00	15.70 2.42%
6330	Prof Svcs Regulatory Fees	0.00	3.00	0.00	(3.00) 0.00%
6340	Prof Svcs Computer Network	0.00	21.75	645.00	623.25 96.63%
6345	Prof Svcs Misc	251.30	7,961.19	4,900.00	(3,061.19) (62.47)%
6400	Office Supplies	589.12	911.20	955.00	43.80 4.59%
6405	Office Printing	15.26	185.08	340.00	154.92 45.56%
6410	Office Postage	0.94	26.31	0.00	(26.31) 0.00%
6415	Office Software Computer	1,250.00	2,013.83	2,260.00	246.17 10.89%
6420	Office Equipment/Furniture	0.00	160.36	750.00	589.64 78.62%
6425	Office Misc	0.00	1,291.38	180.00	(1,111.38) (617.43)%
6500	Insurance Workers Comp	0.00	16,419.88	19,221.36	2,801.48 14.57%
6505	Insurance Property Liability Vehicle	0.00	16,021.50	15,999.00	(22.50) (0.14)%
6600	Vehicle Maintenance	848.67	9,692.62	2,500.00	(7,192.62) (287.70)%
6605	Vehicle Fuel	656.85	5,727.26	5,000.00	(727.26) (14.55)%
6700	Utility Phone Internet	176.67	2,323.07	4,750.00	2,426.93 51.09%
6705	Utility Gas	13.00	11,595.56	8,920.00	(2,675.56) (30.00)%
6710	Utility Electric Facilities	417.69	4,747.20	2,090.00	(2,657.20) (127.14)%
6720	Utility Security	0.00	515.38	741.00	225.62 30.45%
6800	Operations Routine Maint	0.00	0.00	250.00	250.00 100.00%
6810	Operations Inspecting/Testing	0.00	4,178.99	2,000.00	(2,178.99) (108.95)%
6815	Operations Facilities	637.82	5,222.93	2,500.00	(2,722.93) (108.92)%

Arrowbear Park County Water District

Statement of Revenues and Expenditures

Fire

From 6/1/2023 Through 6/30/2023

	Current Period Actual	Current Year Actual	Total Budget \$	Total Budget \$ Variance	Percent Total Budget Remaining
6820 Operations Tools Equipment	23.49	93.96	2,500.00	2,406.04	96.24%
6825 Operations Uniforms	0.00	3,639.84	3,000.00	(639.84)	(21.33)%
6830 Operations Safety Equipment	0.00	2,312.32	2,000.00	(312.32)	(15.62)%
6840 Operations Medical Supplies	0.00	847.23	3,000.00	2,152.77	71.76%
6845 Operations Dispatching	0.00	3,464.39	5,316.00	1,851.61	34.83%
6850 Operations Fire Prevention Weed Abatement	0.00	4,294.32	4,000.00	(294.32)	(7.36)%
Total Expense Categories	<u>22,608.59</u>	<u>318,195.19</u>	<u>320,213.60</u>	<u>2,018.41</u>	<u>0.63%</u>
Net Surplus/(Deficit)	<u>(12,840.27)</u>	<u>50,810.36</u>	<u>28,286.40</u>	<u>22,523.96</u>	<u>79.63%</u>
Master Plan Expenses					
0003 2016 Engine Lease Payments	0.00	48,528.01	48,528.01	0.00	0.00%
0012 Turnouts	0.00	15,573.05	9,000.00	(6,573.05)	(73.03)%
0013 Radios	11,990.16	11,990.16	35,000.00	23,009.84	65.74%
0063 Station Modifications	<u>3,066.92</u>	<u>7,849.81</u>	<u>9,000.00</u>	<u>1,150.19</u>	<u>12.78%</u>
Total Master Plan Expenses	<u>15,057.08</u>	<u>83,941.03</u>	<u>101,528.01</u>	<u>17,586.98</u>	<u>17.32%</u>

Status Report of Employee's Accumulated Days of Sick Leave & Vacation
Month of June 2023

	SICK TIME (HRS)						VACATION TIME (HRS)						COMP TIME (HRS)						
	Start	Earned #1	Earned #2	Used #1	Used #2	Accrued	Start	Earned #1	Earned #2	Used #1	Used #2	Accrued	Start	Earned #1	Earned #2	Used #1	Used #2	Accrued	
Norm	500.00	3.69	3.69	8.00	4.00	495.38	126.55	4.62	4.62		40.00	95.79							Norm
Jason	481.1	3.69	3.69		3.00	485.48	220.99	5.23	5.23		40.00	191.45	38.045	1.875				39.920	Jason
Caroline	190.74	3.69	3.69			198.12	69.95	4.62	4.62			79.19	22.875		3.375			26.250	Caroline
Logan	34.26	3.69	3.69			41.64	14.41	1.54	1.54			17.49	40.625				1.000	39.625	Logan
Tim	28.52	3.69	3.69			35.90	12.32	1.54	1.54			15.40	39.000			2.250	4.500	32.250	Tim

Notes:
SICK ACCRUAL CAP IS 500 HOURS
VACATION ACCRUAL CAP IS 240 HOURS
COMP TIME ACCRUAL CAP IS 40 HOURS

MONTHLY MAINTENANCE AND REPAIR REPORT

June 2023

#	DATE	METER #	ADDRESS	SVC	NOTES
1	06/02/23	0045	Arrowbear	7	
2	06/02/23	0096	Ridge	1	
3	06/05/23	0534	Deer Lick	1	
4	06/05/23	0495	Robin	4	
5	06/05/23	0699	Elko	1	
6	06/08/23	0833	Lupine	3	Freeze plate repair
7	06/13/23	0222	Squirrel	1	
8	06/13/23	0961	Forest	1	
9	06/19/23	0922	Encina	4	
10	06/19/23	0980	Arrowbear Ball Field	2	
11	06/20/23	0759	Evergreen	3	Freeze plate repair
12	06/22/23	0314	Arrowbear	4	
13	06/22/23	0979	Cedar	6	Leaking meter gasket
14	06/27/23	0979	Cedar	6	Leaking meter coupler
15	06/27/23	0685	Cedar	3	Replaced meter box
16	06/27/23	0979	Dove	6	Leaking meter gasket

SVC	DESCRIPTION	CALLS	ADDITIONAL INFORMATION
1	Customer requested turn off/on	5	New Owners. 4
2	District initiated shut off (leak, etc.)	1	Liens filed 3
3	District equipment repair	3	Liens Released 1
4	Meter reads/re-reads	3	Total Liens 8
5	Main Repairs	0	Shut off notices 45
6	Service Line Repairs	3	Non-payment shut offs 7
7	Customer Inquiry Requiring Investigation	1	Turn on after shut off 16
8	Sewer Issues/Repairs	0	Meters replaced 4
	Total Calls	16	

SUMMARY OF CALLS - JUNE 2023

Date	Incident Type		District	Out		Time	Personnel							Total		
06/06/23	Medical Aid	ABL	IN	10:30	11:17	0:47	147	193	180							3
06/04/23	Medical Aid	ABL	IN	1:50	2:34	0:44	147	200								2
06/06/23	Medical Aid	ABL	IN	11:16	11:59	0:43	181	202								2
06/13/23	Medical Aid	ABL	IN	10:30	11:06	0:36	167	198								2
06/14/23	Medical Aid	ABL	IN	17:43	17:46	0:24	181	198								2
06/14/23	Medical Aid	RSP	OUT	18:02	18:25	0:23	181	198								2
06/16/23	Medical Aid	ABL	IN	16:10	16:39	0:29	167	185								2
06/19/23	Medical Aid	ABL	IN	21:28	21:49	0:21	169	198	200							3
06/21/23	Medical Aid	ABL	IN	12:33	13:06	0:33	169	198	199							3
06/23/23	PSA	RSP	OUT	11:38	12:01	0:23	167	185								2
06/23/23	TC	ABL	IN	19:34	20:00	0:26	169	167	185							3

Total Calls:	11	169 Paul Lindley	3	185 Blake Matthews	3
Total in District:	9	140 Rick Mesa	0	192 Ryan Brewart	0
Total Out of District:	2	146 Ryan Dorsett	0	193 Joyce Mekchai	1
		147 Nick Novelich	2	198 Max Taylor	5
		148 Keith Ortiz	0	199 Freddie Rodriguez	1
		167 Josue Macuil	4	200 Zachary Kim	2
		177 Tim Richard	0	201 Kennedy Toscano	0
		180 Nathan Kahlen	1	202 Joseph Carpenter	1
		181 Jacob Sanchez	3		

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
				Mathews	Macuil	Kahlen
				Rodriguez	Mathews	Mekchai
4	5	6	7	8	9	10
Kim		Taylor	Carpenter	Taylor	Rodriguez	Macuil
Novelich			Sanchez	Sanchez	Mathews	Mathews
	Toscano					Novelich
						Kim
						Kahlen
						Mekchai
11	12	13	14	15	16	17
	Kim	Rodriguez	Carpenter	Taylor	Mathews	Macuil
		Taylor			Rodriguez	Mathews
						Mekchai
						Novelich
18	19	20	21	22	23	24
Novelich	Taylor	Toscano	Taylor		Macuil	Mekchai
Kim	Kim	Carpenter	Rodriguez	Mathews	Mathews	
Ortiz					Richard	
25	26	27	28	29	30	
Kim	Kim	Carpenter				
Novelich		Taylor	Taylor	Mathews	Macuil	
		Tran		Rodriguez	Mathews	

12-Avail.

24-Avail.

12-Station

24-Station

RESOLUTION NO. 2023-6-15

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
ARROWBEAR PARK COUNTY WATER DISTRICT AND THE ARROWBEAR LAKE
FIRE DEPARTMENT ADOPTING A SCHEDULE OF FEES FOR THE RECOVERY OF
FIRE PROTECTION, FIRE INSPECTIONS/PREVENTION, EMERGENCY MEDICAL
SERVICES, TRAFFIC ACCIDENT RESPONSE, AND RESCUE SERVICES COST.**

The Board of Directors of the Arrowbear Park County Water District has resolved that:

WHEREAS; Arrowbear Park County Water District (District) and the Arrowbear Lake Fire Department (Fire Department) provides fire protection, emergency medical services, traffic incident response, fire inspections and investigations, fire prevention services, and rescue services to the businesses within the District, and to both residents within the District and to non-residents working in, visiting, or traveling through the District; and

WHEREAS; The District and the Fire Department has found that emergency response activity to incidents continues to increase each year; along with additional requirements involving equipment and training, create additional demands on all operational aspects of the Fire Department; and

WHEREAS; The District and the Fire Department is authorized under Health and Safety Code Section 13916 to recover operational cost reasonably borne in providing said services; and

WHEREAS; The District and the Fire Department have made a reasonable calculation of the cost it bears in providing fire protection, emergency medical services, traffic incident response, fire inspections and investigations, fire prevention services, and rescue services, and

WHEREAS; the Board of Directors of the Arrowbear Park County Water District desires to implement a fair and equitable procedure by which to recover said costs and shall establish a billing system in accordance with applicable laws, regulations and guidelines.

NOW, THEREFORE, LET IT BE RESOLVED BY THE BOARD OF DIRECTORS OF THE ARROWBEAR PARK COUNTY WATER DISTRICT THAT THE FOLLOWING SHALL BE ADOPTED:

SECTION 1: STATUTORY AUTHORITY

This Resolution is enacted pursuant to California Health and Safety Code Sections 13910 through 13919 that provides that the District may charge a fee to cover the cost of any service which the District provides or the cost of enforcing any regulation for which the fee is charged; and the California Vehicle Code (CVC 17300-17303) which allows fire departments to recover costs incurred responding to motor vehicle accidents; including response equipment and manpower to secure, cleanup and/or dispose of any hazardous waste.

SECTION 2: APPLICABILITY

This Resolution establishes the cost-recovery fees charged by the District and/or the Fire Department in accordance with Health and Safety Code Section 13916. By adopting this resolution, the District and/or the Fire Department are enacting user fees to recover the cost associated with providing fire protection, emergency medical services, traffic incident response, fire inspections and investigations, fire prevention services, rescue services, replacement cost for damaged equipment, consumable supplies, and hazardous materials emergency response services as defined in Section 3.

SECTION 3: DEFINITIONS

- A. "District" means the Arrowbear Park County Water District and its sphere of influence.
- B. "Fire Department" means the Arrowbear Lake Fire Department which is a part of the Arrowbear Park County Water District.
- C. "Fire Protection and Emergency Response Services" means providing Fire Inspections/Fire Prevention services as the authority having jurisdiction, emergency medical services, fire suppression, response to illegal burn activities, water salvage, any and all types of rescue calls for service, special event stand-bys, hazardous materials response, and any other type of calls for service.
- D. "Hazardous Material Emergency Response Services" means services provided by the Fire Department in response to a spill of hazardous materials including, but not limited to, perimeter establishment, evacuations, donning of personal protective equipment, deploying breathing air and detection equipment, robot deployment, set-up and removal of a decontamination center, detection equipment, recovery and identification of chemical/material, disposal and environment clean-up.
- E. "Rescue" services mean services provided by the Fire Department in response to a motor vehicle accident, mine shaft rescue, water rescue, low or high angle rescue incident, confined space rescue, or any other type of incident requiring a rescue.
- F. "Damaged Equipment" means any fire apparatus, equipment carried on the fire apparatus, personal protective gear, station uniforms, and any other equipment that is damaged as a result of being used on an emergency response.
- G. "Consumable Supplies" mean any one-time use of fire supplies or emergency medical services supplies.
- H. "Illegal Fire" means a fire intentionally or negligently set that is proximately caused because of a violation of a federal, state, or local law, including, without limitation, an arson fire and a fire set in violation of a burning ban, order, or Resolution. An illegal fire does not include a fire caused by act of nature.
- I. "Responsible Party" means any individual, firm, corporation, association, partnership, commercial entity, consortium, joint venture, government entity, or other legal entity that (1) receives Emergency Services or whose employee or agent receives Emergency Services; (2) is contractually required to indemnify a person or legal entity for charges related to Emergency Services, such as an insurance company; (3) any owner, tenant occupant or party in control of real and personal property from which, onto which, or related to which there is an Emergency Incident and their heirs, estates, successors and assigns and (4) any owner, tenant occupant or party in control of real and personal property that benefits from Emergency Services and their heirs, estates, successors and assigns. In circumstances where the Department provides emergency medical care and/or transport, the direct recipient of the services will constitute the responsible party. In the case of emergency medical care and/or transport being provided to a minor, the responsibility party shall be the parents or guardian of the minor. As used above, a responsible party shall be deemed to "receive" Emergency Services even when those Emergency Services are not directly rendered to the responsible party, but are rendered in relation to the responsible party. An example would be the rendering of Emergency Services in relation to a motor vehicle accident.
- J. "Stand By" means when personnel and/or resources made available and dedicated to a specific event for the purpose of providing emergency service response or other agreed upon assistance.

This does not include Department resources assigned to cover emergency responses within another jurisdiction under an established mutual aid agreement.

K. "Utility Line Failure" means the disabling of any transmission or service line, cable, conduit, pipeline, wire or the like used to provide, collect or transport water, sanitary sewage, storm sewage, electric, natural gas, communication or electronic signals (including, but not limited to, telephone, computer, cable television and stereo signals or electronic impulses) where the failure presents a threat to public health or safety.

SECTION 4: FIRE DEPARTMENT RESPONSE AND SERVICE FEES

A. Fire Department service fees to recover reasonable cost borne by the District and/or the Fire Department in providing such services to each person are established in the amounts specified in "Attachment A," attached hereto and incorporated herein.

B. Fire Department service fees shall be charged to all non-residents of the Arrowbear Park County Water District regardless of the incident requiring a response from the Fire Department.

C. Fire Department service fees shall be charged to all businesses regardless of location and regardless of the type of incident requiring a response from the Fire Department. Fire Department service fees may be charged to residents and/or tenants within the Arrowbear Park County Water District for any response including but not limited to an incident resulting from:

- a. A violation of any federal, state, or local laws.
- b. Gross negligence.
- c. Any intentional act resulting in a threat to life, environment, and/or property.
- d. Illegal/unauthorized burning of any substance.
- e. Nuisance calls such as, but not limited to:
 - i. Response to more than three false alarms to any location within a 30-day period.
 - ii. Response to a call to assist patient with changing adult diaper.
 - iii. Response to a call to pick up TV remote from floor.
 - iv. Lift assist more than three times a month.
 - v. Assist patient going to restroom, cleaning patient, and walking patient back to bed.
 - vi. Response to a residence to let pets outside.
 - vii. Any other type of response deemed a nuisance by the Fire Chief.
- f. Response to illegal fireworks.
- g. New building construction or remodel of existing structure(s) for purposes of plan reviews and inspections to ensure compliance with applicable codes.
- g. Annual or regularly scheduled inspections to ensure compliance with applicable codes.

D. The Fire Protection Service Fees shall be charged to each person or entity who receives said services provided by the District and/or the Fire Department during a single incident.

SECTION 5: FEE COLLECTION

A. The District and the Fire Department provide services as described in section 3 above to a person and/or a business, the Fire Chief, or a designee, will cause an invoice to be generated and mailed to the business and/or person who received the service and to the insurance company that provides insurance coverage for the business and/or person (the "insurer"), if the business and/or

person, or his or her representative, has identified to the District and/or the Fire Department the insurer to which the invoice should be mailed to.

B. This Resolution shall act as authorization for the District to receive and deposit funds received made payable to the Arrowbear Lake Fire Department into the District's bank accounts. The District, upon receipt of funds from the Fire Department service fees, shall place all funds received into a restricted account for the Fire Department to offset the cost for the purchase of personal protective equipment, radio communications equipment, fire apparatus, fire suppression equipment, fire station furnishings, computers, tablets with LTE wireless connections, computer software, stationary, kitchen utensils and supplies, bathroom supplies, and for the maintenance of all fire department apparatus, equipment, and fire station building which allows the Fire Department to deliver the required services to the District and to areas within the sphere of influence.

SECTION 6: ADMINISTRATION OF THE FEES

The Fire Chief, or designee, may delegate all or some of the tasks required for the administration of the fees to any other public agency in San Bernardino County or to a third-party cost recovery company. The administration of fees will consist of tasks including, but not limited to, tracking of applicable services provided by the District and/or the Fire Department, identification of financially-responsible parties, calculation of fees to be charged, invoicing and payment collection, and the processing of waiver request and appeals.

SECTION 7: WAIVER/REFUND OF FEES:

A. This section is effective the date the ordinance is effective. In the event of a disaster, or other good cause shown to serve a public purpose, the Fire Chief may defer payment of, waive, or refund any fee set forth in this Resolution provided all of the following conditions are met:

- a. Exigent conditions exist whereby obtaining Board approval of the fee waiver/refund/deferral would not be immediately feasible; and
- b. the Fire Chief receives concurrence from the General Manager.

B. Except as otherwise provided by law, the Board of Directors, by Board action, can defer payment of, waive, or refund any fee set forth in this Resolution provided one of the following conditions is met:

- a. The service for which the fee was levied has not and will not be performed, or
- b. The fee was collected in error, or
- b. The fee would cause an undue hardship to the Responsible Party charged, or
- c. For other good cause shown, provided such waiver/refund would serve a public purpose.

SECTION 8: ANNUAL INCREASE:

All fees will be subject to an annual increase based on the percentage change in the Consumer Price Index, All Urban Consumers (All items), for the Riverside-San Bernardino-Ontario, California area, with the Standard Reference Base (1982-84=100) as published by the United States Department of Labor, Bureau of Labor Statistics. The "annual average" percentage published by the Bureau of Labor Statistics will be used to determine the maximum annual increase. This percentage, which is calculated at the end of each calendar year, is available in January following the end of the previous calendar year. However, no adjustment shall decrease any fee and no fee shall exceed the reasonable cost of providing services. If reasonable program costs exceed the maximum annual increase, an additional fee increase may be established by action of the Board of Directors. Fees will be rounded to the nearest whole dollar.

SECTION 9: NO EFFECT ON FIRE PROTECTION SERVICES

This resolution neither expands nor limits the Fire Protection Services provided by the District and/or the Fire Department. Nothing in this resolution relieves the District and/or the Fire Department from providing such services. Fire Protection and Emergency Response Services will continue to be provided without regard to whether a business and/or a person is insured by an insurer, without regard to whether a business and/or person can pay the fee(s), and without regard to whether a business and/or a person has or has not paid the fee(s) in the past.

ADOPTED this 15th day of June, 2023.

The foregoing resolution was duly passed and adopted by the Board of Directors of the Arrowbear Park County Water District, at a regular meeting thereof, held on the 15th day of June, 2023 by the following vote:

AYES: Director's Miller, Wymer, Bungea, Burt, & Bonito

NAYS: None

ABSTAIN: None

ABSENT: None

Dated: June 15, 2023

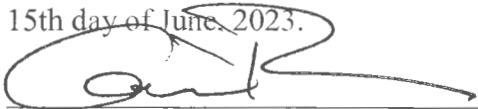
ARROWBEAR PARK COUNTY WATER DISTRICT

By Terisa Bonito
Terisa Bonito, President, Board of Directors

Certification of Resolution

Attest:

WITNESS MY HAND OR THE SEAL OF THE Arrowbear Park County Water District, on this 15th day of June, 2023.



Caroline Rimmer, Secretary of the Board
Arrowbear Park County Water District

ATTACHMENT A - SCHEDULE OF FEES

Burden Rate Calculation

CFAA Rate	\$ 31.03	
Chief Rate	\$ 46.73	
Admin Fee	\$ 14.60	
SQ/UT 271	\$ 27.96	
Burden Rate	\$ 120.32	
Tech Fee	\$ 3.96	
	\$ 124.27	TOTAL FEE

Permit, Inspection, Review, & Assessment Fees

Community Risk Reduction Fire Letter	\$ 248.54	Per Letter
Plan Review	\$ 248.54	Minimum Rate
	\$ 124.24	Per Additional Hour
Inspection (Annual or New Construction)	\$ 124.24	Per Inspection
Work w/out Permit	\$ 372.81	Assessed Fee
Operational Permit (2022 CFC Sec. 105)	\$ 100.00	Per Permit
SB 1205 (State Mandated)	\$ 248.54	Per Hour
Nuisance Responses/False Alarm (3rd Response)	\$ 372.81	Assessed Fee

Emergency Response Cost Recovery Fees

Medical Aid Response	\$ 62.06	Personnel (Minimum 2)
	\$ 37.97	Admin Fee
	\$ 61.94	BLS Squad
	\$ 10.50	Restock Fee
	% 3.29	Technology Fee
	\$ 178.15	TOTAL FEE
Traffic Collision Response	\$ 62.06	Personnel (Minimum 2)
	\$ 37.97	Admin Fee
	\$ 235.40	BLS Type I Engine
	\$ 10.50	Restock Fee
	% 3.29	Technology Fee
	\$ 357.31	TOTAL (Per Hour)
Structure Fire Response	\$ 62.06	Personnel (Minimum 2)
	\$ 37.97	Admin Fee
	\$ 235.40	BLS Type I Engine
	\$ 10.50	Restock Fee
	\$ 124.27	Fire Investigation
	\$ 470.20	TOTAL (Per Hour)
Chief Officer Response	\$ 46.73	Fire Chief Hourly Rate
	\$ 14.60	Admin Fee
	\$ 72.52	Command Vehicle
	% 3.29	Technology Fee
	\$ 138.26	TOTAL (Per Hour)



*Serving firefighters, their families
and their communities*

California Fire Foundation (Party A or CFF), and
being the lead partner

California Fire Department (Party B), and
Fire Chief must sign MOU

**Corresponding Recognized Bargaining Unit (s) or Association (s) for “firefighters,” as
that term is defined in Section 19886 of the Government Code (Party C),**
President or Lead Representative must sign MOU for each corresponding recognized
bargaining unit or association. for the project, entitled **SAVE.**

Preamble:

The purpose of this Memorandum of Understanding (MOU) is to clearly identify the roles and responsibilities of all parties as they relate to the CFF's *Supplying Aid to Victims of Emergency* (SAVE) program. The CFF is a non-profit 501 (c)(3) organization providing emotional and financial assistance to families of fallen firefighters, firefighters and the communities they protect. Formed in 1987 by California Professional Firefighters, the CFF's mandate includes an array of survivor and victim assistance projects and community initiatives.

Objective:

As part of its mission to provide victim assistance, the CFF (www.CAFireFoundation.org) has launched the SAVE program, to offer emergency financial assistance to fire and natural disaster victims. Through the SAVE program, the CFF aims to provide immediate short-term support in the aftermath of a fire or other natural disaster to displaced victims. Working together with the CFF, firefighters throughout the state of California, will distribute gift cards, in an amount designated by CFF at a minimum of \$250, to eligible victims of fire or other natural disaster so they may purchase basic necessities such as food, clothing or medicine. Firefighters working with the CFF on the SAVE program provide assurance that those impacted by disaster will receive instant, direct relief before, during and after the alarm. All parties will work together in partnership to ensure the program is executed and overseen efficiently and effectively. All parties will work cohesively with CFF to ensure each party is carrying out their roles and responsibilities accordingly.

Lead partner and partners of the agreement:

The Partnership is led by:

[Chair of the California Fire Foundation, 1780 Creekside Oaks, Sacramento, CA 95833]

and consists of the following partners:

[Fire Department, Fire Chief; Corresponding Recognized Bargaining Unit (s) or Association (s) for “firefighters”, President or Lead Representative for each corresponding recognized bargaining unit or association].

Management arrangements:

1. Parties included in operation of SAVE:
 - a) CFF - California Fire Foundation (Chair of the CFF and/or the designee)
 - b) Party B - Local Fire Department
 - c) Party C - Corresponding Recognized Bargaining Unit (s) or Association(s) for “firefighters”
2. CFF Roles/Responsibilities:
 - a) SAVE program executer and facilitator
 - b) Provider and initial distributor of SAVE gift cards
 - c) Overseer of usage, will monitor SAVE gift card activity
 - d) Maintains ultimate financial accountability for SAVE program
3. Party B / Party C Roles and Responsibilities:
 - a) If the Fire Chief does not remain the main point of contact to manage the program for Party B, then Party B will appoint a point of contact (Operations Chief or Division Chief or equivalent) to oversee program for respective department.
 - b) Party C to appoint lead representative (s) to oversee program for respective recognized Bargaining Unit (s) or Association (s) for “firefighters”.
 - c) Party B oversees secure handling and internal distribution of SAVE gift cards.
 - d) Party B maintains oversight and accountability of SAVE gift card inventory.
 - e) Party B maintains oversight of educating and regular communication to participating firefighters on guidelines/protocol of program.
 - f) Party B appoints distributors (such as the incident commander) of SAVE gift cards to fire or natural disaster victim.
 - g) Party B provides post incident reporting to CFF upon usage of card.
 - h) Parties B and C agree to read and review the enclosed sample SAVE Standard Operating Guidelines (SOG) in Appendix III. Parties B and C may adopt the procedures/protocol set forth in the sample SOG, or develop an alternative SOG document to be reviewed and approved by CFF. Should Parties B and C agree to adopt the sample SOG in Appendix III, they need to sign in the designated area in the SOG and send the signed SOG back to CFF with the MOU.
 - i) Parties B and C agree to review and comply with the policies and procedures contained in Appendices I -V.
 - j) Parties B and C understand that if, at any time, either has reason to believe that a SAVE card has been used fraudulently or activated inappropriately, either Party is required to immediately report the misuse to the CFF by email at save@cpf.org or by phone at (916) 641-1707 or (800) 890-3213.

General Conditions:

1. **Partnership:** The members of the partnership have **jointly** agreed to this MOU in which the intentions and agreements have been described for the SAVE program. The partners also agree on the following:

1.1 Responsibilities:

Party B agrees to be accountable for keeping inventory of SAVE cards, disbursement of SAVE cards and alerting CFF to any indiscretions.

1.2 Collaborative Partnership:

Both Parties B and C agree to work together in a collaborative arrangement regarding the SAVE program and hold periodic meetings together in order to ensure that participating firefighters are following protocol, utilizing the SAVE cards efficiently and effectively and addressing/resolving any potential issues that may arise.

1.3 Press:

Both Parties B and C agree to provide CFF with communication about the success of the SAVE program in order to help CFF promote SAVE's positive impact in the community, which will ultimately aid CFF's efforts in program funding and expansion. When legally and operationally appropriate, Parties B and C agree to grant CFF access to SAVE-related experiences. This includes but is not limited to: Firsthand accounts from Parties B and C demonstrating how the program is succeeding, opportunities for CFF to secure ride-alongs, photo/interview opportunities with participating firefighters (and victims, when is reasonably feasible) and other opportunities as needed and appropriate.

1.4 Training and Awareness:

Parties B and C may adopt the procedures/protocol set forth in the sample SOG, or develop an alternative SOG document to be reviewed and approved by CFF. Should Parties B and C agree to adopt the sample SOG in Appendix III, they need to sign in the designated area in the SOG and send the signed SOG back to CFF with the MOU.

Party B agrees to train its participating firefighters on SAVE by sharing and reviewing the procedures set forth in the selected SOG with participants.

Both Parties B and C agree to promote awareness of the program among their participating firefighters, **regularly** reminding participants about the program and procedures via meetings and e-communication. It will be important for Parties B and C to regularly remind participating firefighters about the SAVE program so that activating a SAVE card becomes part of their everyday routine rather than an afterthought. Opportunities to order SAVE stickers, decals or magnets will be available to Party B in order to utilize visual daily reminders of the program.

Both Parties B and C agree to review the public relations tips and talking points listed in Appendix IV.

2. **Time frame:** The term of this MOU Agreement is the period within which the project responsibilities of this agreement shall be performed. The term commences upon signature of all parties, contingent upon Party B sending the information to CFF as required in Appendix I. The term only expires upon written notification of intention to terminate from the program by either Party B or Party C. Alternatively, the term expires if CFF decides to terminate the SAVE program. Open enrollment for the program will be determined at the discretion of CFF.
3. **Eligibility:** Parties B and C declare that they:
 - Have discussed and met with each other and mutually agree to joint participation in the SAVE program.CFF declares that:
 - it is in good financial standing to ensure continuity during project implementation and execution,
 - it is equipped to oversee management of the SAVE program and to mitigate problems or issues that may arise during the implementation or execution of the program.
 - it has conducted a beta test of the SAVE program in the local Sacramento area and is prepared to conduct the program on a statewide scale.
4. **Expenditures:** Parties B and C incur NO financial cost to participate in this program.
5. **Project management:** Party B agrees to:
 - Communicate to CFF who the on-scene distributors of the SAVE cards are and relay those names and their contact information to CFF.
 - If the Fire Chief will not act as the main liaison for Party B, then the Party B Fire Chief must assign a main point of contact for the department (For example: the Operations Chief, Division Chief or equivalent) to handle all communication regarding SAVE with CFF and Party C. The main point of contact for Party B will also communicate with Party B's participating designees in the department.
6. **SAVE Card Marketing Restrictions:** Parties B and C understand that they are not to alter the physical SAVE gift card in any way. Parties B and C also understand that they are not to alter the card carrier that the SAVE card is affixed to, which describes the SAVE program, provides information about CFF, and guidelines for using the card. If either party B or C wishes to include ADDITIONAL information together with the SAVE card and the card carrier that it is affixed to, then the information must first be sent to CFF for approval before being disseminated. Additionally, that supplemental information must be drafted as a collaborative effort between Parties B and C. If either Party B or C does not comply with the above, they will be in violation of this MOU and may be terminated from the partnership.
7. **Withdrawal:** if either Party B or Party C no longer desires to be part of the partnership, a notice of thirty days is required to CFF. If either aforementioned partner notifies CFF of voluntary termination from the partnership, then the partnership is no longer valid and Party B is required to send back to CFF all remaining SAVE cards.

If due to reasons of misconduct, CFF decides that one of the partners should no longer be part of the partnership, the aforementioned party will be terminated from the partnership.

If due to unforeseen reasons, CFF decides to terminate the SAVE program, both Parties B and C will be notified immediately and instructed in how to terminate their involvement. In this case, Party B is required to send back to CFF all remaining SAVE cards.

8. **Breach of Conduct, theft and misappropriation of funds:** general rules of good conduct are to be maintained by all staff active in the project at any time. Any occurrence, related with misuse of money or assets, shall not be tolerated and shall be immediately reported to CFF. If Party B or Party C are determined to be guilty of such aforementioned activity, the respective party will be held financially liable.
9. The following appendix are part and parcel of this MOU:
 - Partnership Proposal submitted to all Parties,
 - Appendices I - VThis MOU has been established in 3 originals, one original for each member of the partnership.
10. This MOU will enter into force at the moment that all partners have signed the MOU, contingent upon Party B sending over ALL REQUIRED information to CFF as STATED in Appendix I.
11. If any section of the MOU is modified by CFF in the future, CFF will send an updated MOU to Parties B and C.
12. In case of dispute, the parties involved will endeavor in good faith to come to an arrangement acceptable to all parties, before seeking judicial action and/or seek arbitration.

Signatures and dates:

<i>[Authorized signature from Party B – Fire Chief, Fire Department]</i>	<i>[Authorized signature(s) from Party C – President (s) or Lead Representative (s) for Corresponding Recognized Bargaining Unit (s) or Association (s)]</i>
<i>[Print name of - Fire Chief, Fire Department (Party B)]</i>	<i>[Print name (s) of – President (s) or Lead Representative (s) for Corresponding Recognized Bargaining Unit (s) or Association (s) (Party C)]</i>
Date	Date
<i>[Authorized signature from CFF – Executive Director, California Fire Foundation]</i>	Date

Rick Martinez

[Print name of - Executive Director, California Fire Foundation (CFF)]

Please provide contact information for both Party B and Party C Signatories

Party B:

Email: _____

Phone: _____

Party C:

Email: _____

Phone: _____

Please send hard copy of MOU, AND required information as stated in Appendix I, to:

California Fire Foundation

1780 Creekside Oaks
Sacramento, CA 95833

Or email a signed/scanned copy to: save@cpf.org

APPENDIX I
ENCLOSURES TO SEND BACK TO CFF WITH SIGNED MOU

1) With signature of MOU, Party B must RETURN the following to CFF otherwise the MOU is not valid:

- Send excel sheet to CFF including the following information:
 - o Department **Main Point of Contact** for Program Management (This person will be the point of contact to receive/accept the SAVE letters/cards. This person [such as an Operations Chief] will also distribute the SAVE letters/cards to participating designees in the department who will be in charge of monitoring/activating SAVE cards.), including their:
 - Name
 - Email
 - Cell Phone
 - Department Phone
 - Mailing Address
 - o AND participating **designees who will be in charge of monitoring/activating SAVE cards (such as an Incident Commander)**, including their:
 - Name
 - Email address
 - Cell-phone

- Signed enclosed SOG by both Parties B and C, if Parties B and C agree to abide by the sample SOG enclosed. If both Parties B and C wish to adopt and develop an alternative SOG document, then Party B must submit a copy of their proposed mutually agreed upon SOG for review and approval to CFF.

2) Party B must comply with the following:

- Authorize that the assigned point of contact (as described above) will be responsible for acceptance of SAVE cards, and delivery of SAVE cards to participating designees.
- Be available to discuss issues that may come up regarding the SAVE program.
- Update the Foundation on changes in staff resulting in participating designees.

APPENDIX II

PROCEDURES FOR ACTIVATING SAVE CARDS:

1. To activate a SAVE gift card, follow the below procedures:

- a. **Call 800-955-7398. NOTE: Do not use the 800# printed on the card. The 800# on the card is for the victim's use.**
- b. When prompted, enter your unique **6 digit activation code** followed by the # key.

NOTE: Each IC/BC's 6 digit activation code is listed on his/her personally addressed letter from the California Fire Foundation.

- c. When prompted, enter the card's admin number followed by the # key. The admin number is visible through the envelope window.
- d. Please allow 1 to 2 minutes for the system to validate the card's admin number.
- e. After the admin number is validated, you will hear: "Admin 1234567 was activated. The admin 1234567 balance is \$250."

NOTE: If at any time you are unable to activate your card, press 0 to speak to customer service. Once speaking to the customer service representative, please state that you are a Fire Chief or Incident Commander participating in the SAVE Program – this will ensure that the customer service rep is able to properly diagnose your problem and provide the best possible help.

- f. To activate an additional card, press 1.

2. Once activated, the Designee will mark down the card admin number that was activated and follow the below steps:

- a. The Designee will mark down the card admin number that was activated and then provide the card to the victim, which will come attached to a piece of paper that includes SAVE program information for them.
- b. Then, later, the Designee will enter a SAVE-post-report.
- c. Upon entry of the incident report, the Designee shall visit the following SAVE link as soon as feasibly possible to complete a quick 30 second post-SAVE-incident-form: <https://caproff.wufoo.com/forms/save-ic-reporting-form/> and submit the following information for the CFF: Designee name, Designee email, Designee phone#, Unique Designee passcode, Unique activated gift card admin number, NFIRS#, Date, and any other information requested. This data will be posted and submitted by the Designees and sent to the CFF immediately following incident.
- d. **PLEASE NOTE:** Should a user error or any other type of error occur during the SAVE-post-report, it is ok. Simply email save@cpf.org with your error information and someone will respond with next steps within the next 24 hours.
- e. CFF will compile reports based on above data to assess status according to the following schedule: 10 days after launch, then every month thereafter.
- f. CFF requires the above information in order to facilitate financial settlement and to track card activity.

APPENDIX III

SAMPLE - SAVE OPERATING GUIDELINES

OBJECTIVE

As part of their mission to provide victim assistance, the California Fire Foundation (www.CAFireFoundation.org) has launched the Supplying Aid to Victims of Emergency (SAVE) program, to offer emergency financial assistance to fire and natural disaster victims. Through the SAVE program, the California Fire Foundation (CFF) aims to provide immediate short-term support in the aftermath of a fire or other natural disaster to displaced victims. Working together with the CFF, firefighters throughout the state of California, will distribute gift cards, in the amount of \$250, to eligible victims of fire or other natural disaster so they may purchase basic necessities such as food, clothing or medicine. Firefighters working with the CFF on the SAVE program provide assurance that those impacted by disaster will receive instant, direct relief before, during and after the alarm.

BACKGROUND

The California Fire Foundation is a non-profit 501 (c)(3) organization providing emotional and financial assistance to families of fallen firefighters, firefighters and the communities they protect. Formed in 1987 by California Professional Firefighters, the California Fire Foundation's mandate includes an array of survivor and victim assistance projects and community initiatives. The CFF is funding the SAVE program, in part, by specialty license plates available only to firefighters. For more information about the license plates or to order yours, visit: cafirefoundation.org.

IMPLEMENTATION

1. Program Strategy
 4. Start date: By Fall, 2014
 5. SAVE Cards will be distributed to Party B at the discretion of the CFF
 6. Number of SAVE cards will be distributed based on program data

2. Gift Card Information
 1. Each gift card will be worth \$250 until otherwise noted.
 2. Proration of cards per agency will be based upon statistical analysis of working fires on an ongoing basis
 3. Gift cards are regional assets – reallocation will occur as a normal course of business to maximize opportunity for distribution
 4. Distribution of cards to victims will be determined by Incident Commanders

DEFINITIONS

1. Disaster is defined by this program as the following:
 - a. Fire
 - b. Earthquake
 - c. Flooding
 - d. Landslides/Mudslides

2. Items defined as basic allowable necessities for this program:
 - a. Food/Water
 - b. Over-the-counter or prescription medication as medically needed
 - c. Gas
 - d. Shelter as provided by a hotel/motel
 - e. Clothing to replace any destroyed articles of clothing
 - f. Basic household necessities

POLICY

1. Recipients:
 - a. Eligible Gift Card Recipients:
 - i. Residents impacted by fire or other natural disaster with a minimum of 25% damage to the property where they reside
 - b. Ineligible Gift Card Recipients:
 - i. Businesses
 - ii. Victims of crisis or emergencies not impacted by damage caused by fire or natural disaster such as car crashes, evacuees forced to flee due to pending wildfires, or those victims who do not incur 25% damage to their residential property

2. Allocation
 - a. Gift card allocation:
 - i. Only 1 gift card will be provided per occupancy involved in the incident regardless of whether the victim is an individual or a family. A gift card shall be provided to the individual residing full-time at the damaged occupancy, regardless of whether that individual is a renter or a homeowner.
 - b. Gift card expiration date:
 - i. Each card contains an expiration date of 8 years past the date of card printing. If there are SAVE cards remaining with Party B at time of expiration that are inactive, they will be cancelled.

CARD DELIVERY TO DEPARTMENTS:

1. Prior to the start of the program, the CFF will send a portion of gift cards to Party B addressed to the named point of contact as mentioned in Appendix I.

2. In addition to the cards, Party B main point of contact will receive a spreadsheet listing all the cards by admin number (each SAVE card's admin number is printed on the carrier). Upon receipt of the cards, the Party B main point of contact will distribute an allotment of cards to their respective participating Incident Commanders and record/file which Incident Commander is receiving which admin number on the spreadsheet provided. This process is to facilitate keeping track of all SAVE cards provided to each department. The number of cards each department and each Incident Commander receives shall be based on incident response data tied to the department and the Incident Commander.

3. Additionally, along with the gift cards, the participating Party B main point of contact will separately receive **SEALED** personalized letters addressed to each participating, respective Incident Commander that will contain the Incident Commander's **unique passcode**. Each Party B main point of contact will give the **SEALED** letters to their respective Incident Commander
4. Each passcode is 6 digits long and each participating Incident Commander will be assigned a unique one. **Incident Commanders should memorize or keep the passcode with them when running calls (Tip: Incident Commanders can keep their passcode in their mobile phone for easy access).**

SAVE ACTIVATION PROCEDURE:

1. On scene Incident Commander (IC) will be sole authorized fire personnel in charge of gift card issuance.
2. In order to receive gift card relief assistance, there must be at least **25% damage minimum** to a victim's property caused by fire or other natural disaster responded to by a firefighter.
3. On scene IC will be charged as the decision maker to assess whether property damage meets the 25% minimum.
4. On scene IC will be designated personnel to carry through with reported information post incident.
5. All designated ICs, as assigned by the department, will be designated a unique passcode.
6. If IC assesses the property damage meets the minimum 25% required in order to distribute SAVE gift card, the IC shall issue one gift card per occupancy involved in the incident. **To activate a SAVE gift card, follow the below procedures:**
 - a. **Call 800-955-7398. NOTE: Do not use the 800# printed on the card. The 800# on the card is for the victim's use.**
 - b. When prompted, enter your unique **6 digit activation code** followed by the # key.
NOTE: Each IC/BC's 6 digit activation code is listed on his/her personally addressed letter from the California Fire Foundation.
 - c. When prompted, enter the card's admin number followed by the # key.
The admin number is visible through the envelope window.
 - d. Please allow 1 to 2 minutes for the system to validate the card's admin number.
 - e. After the admin number is validated, you will hear "Admin 1234567 was activated. The admin 1234567 balance is \$250."
NOTE: If at any time you are unable to activate your card, press 0 to speak to customer service.
 - f. To activate an additional card, press 1.

7. Once activated, the IC will mark down the card admin number that was activated and follow the below steps:
 - a. The Designee will mark down the card admin number that was activated and then provide the card to the victim, which will come attached to a piece of paper that includes SAVE program information for them.
 - b. Then, later, the Designee will enter a SAVE-post-report.
 - c. Upon entry of the incident report, the Designee shall visit the following SAVE link as soon as feasibly possible to complete a quick 30 second post-SAVE-incident-form: cafirefoundation.org/savereport and submit the following information for the CFF: Designee name, Designee email, Designee phone#, Unique Designee passcode, Unique activated gift card admin number, NFIRS#, Date, and any other information requested. This data will be posted and submitted by the Designees and sent to the CFF immediately following incident.

AUDITS & EVALUATIONS

1. SAVE Audit:
 - a. Quarterly, the CFF will call participating departments to make necessary adjustments and assess the function of the program.
 - b. The CFF will require data from ICs via post-incident-forms as described earlier.
2. SAVE Evaluation:
 - a. Each gift card will be tracked by unique IC code and activation code and will link to a report provided by card issuer company detailing:
 - i. Items purchased and/or establishment where card was used
 - ii. Total amount used on the card
 - iii. Date/time the card was used
 - b. Each report from the IC sent to the CFF upon issuance of gift card will provide: Unique IC passcode, Unique gift card number, NFIRS#, Date, Time
 - c. NFIRS# will tell us property protected versus loss by giving us the amount of property content value and the amount of property content loss
 - d. The CFF will match the card sales report to the report received by the IC to verify authorized use of funds and card activity
 - e. From these reports, we will be able to determine:
 - i. Average number of cards used
 - ii. Type of use
 - iii. Frequency of use
 - iv. We will also be able to examine whether the 25% threshold was adhered to and whether this system is a model for rolling out a statewide program

Please sign below and return to CFF with signed MOU if you agree to comply with the above SOG:

Signatures and dates:

[Authorized signature from Party B – Fire Chief, Fire Department]

[Authorized signature(s) from Party C – President (s) or Lead Representative (s) for Corresponding Recognized Bargaining Unit (s) or Association (s)]

[Print name of - Fire Chief, Fire Department (Party B)]

[Print name (s) of – President (s) or Lead Representative (s) for Corresponding Recognized Bargaining Unit (s) or Association (s) (Party C)]

Date

Date

[Authorized signature from CFF – Executive Director, California Fire Foundation]

Date

Rick Martinez

[Print name of - Executive Director, California Fire Foundation (CFF)]

Please send hard copy along with MOU to:
California Fire Foundation
1780 Creekside Oaks
Sacramento, CA 95833

OR - email a signed/scanned copy to: save@cpf.org

Please sign below and return to CFF with signed MOU and SOG if you agree to comply with the following:

I acknowledge that the Party B main point of contact will be responsible for tracking the inventory of any and all SAVE cards received from CFF. I understand that CFF will audit Party B, semi-annually, in order to ensure that all SAVE cards that have not been activated are accounted for.

Signatures and dates:

[Authorized signature from Party B – Fire Chief, Fire Department]

[Authorized signature(s) from Party C – President (s) or Lead Representative (s) for Corresponding Recognized Bargaining Unit (t) or Association (s)]

[Print name of - Fire Chief, Fire Department (Party B)]

[Print name (s) of – President (s) or Lead Representative (s) for Corresponding Recognized Bargaining Unit (s) or Association (s) (Party C)]

Date

Date

[Authorized signature from CFF – Executive Director, California Fire Foundation]

Date

Rick Martinez

[Print name of - Executive Director, California Fire Foundation (CFF)]

Please send hard copy along with MOU to:
California Fire Foundation
1780 Creekside Oaks
Sacramento, CA 95833

OR - email a signed/scanned copy to: save@cpf.org

APPENDIX IV
PUBLIC RELATIONS GUIDELINES

Should any participating firefighter, who has provided a SAVE card to a victim, be captured on scene on film by the news, the participating firefighter should always remember to discuss SAVE and how the program works.

Points to remember when talking to the press/news about a recent incident that may have required a SAVE card activation:

SAVE is a program of the California Fire Foundation, a non-profit organization aiding fallen firefighter families, firefighters and the communities they serve.

- SAVE is a program funded by the California Fire Foundation that provides immediate short, term relief to victims of fire or other natural disaster.
- The SAVE program is designed to bring immediate relief to disaster victims via a \$250 gift card that they can use to purchase food, clothing or other basic necessities such as medicine.

Victims of fire or other natural disaster do not need to fill out any questionnaires or answer any questions in order to receive their \$250 gift card; they simply must have incurred at least 25% damage to their household in order to receive a card.

- Activation of the card is instant and immediately upon activation, the card can be used anywhere that MasterCard is accepted.

APPENDIX V
DEFINITIONS

Section 19886: As used in this article the term “firefighter of the state” or “firefighter” shall be deemed to include a member of a fire department or fire service of the state, including the University of California, whether these members are volunteer, partly paid, or fully paid, excepting those whose principal duties are clerical, such as stenographers, telephone operators and other workers not engaged in fire-suppression or rescue operations or the protection or preservation of life or property. These firefighters shall be regularly employed, or in the case of a volunteer, shall be regularly enrolled as such.

APPENDIX VI
LARGE-SCALE DISASTERS AND EMERGENCIES

The suggested SOG contained within this MOU may not outline the best course of action for card distribution/activation in cases of large-scale wildfires, earthquakes, floods, or mudslides that cause mass evacuations in your community. If your department is a responding agency under these circumstances, please refer to the suggested protocol below:

-In the event that a large-scale emergency situation occurs, the department's SAVE designees as appointed per the SOG, may not be able to assist during this time, as they may be on the frontlines. Therefore, the department shall plan ahead accordingly to appoint 'emergency designee (s)' to distribute SAVE cards.

-The department should be prepared to dispatch such 'emergency designees' to activate and distribute SAVE cards to eligible victims, whether the distribution occurs at a Cal-OES coordinated Local Assistance Center or evacuation center, or directly on-scene. An 'emergency designee' does not need to be an IC.

-Should a large-scale disaster occur, the department shall immediately contact CFF in order to:

- Obtain allocated 'disaster assistance' SAVE cards
- Obtain a **special passcode** to activate such 'disaster assistance' SAVE cards
- Relay the distribution plan of the 'disaster assistance' SAVE cards

-You may call the office at (916) 641-1707 or email save@cpf.org.



Department of the Treasury
Internal Revenue Service
Cincinnati, OH 45999-0038

Notice	CP210
Tax period	June 30, 2020
Notice date	May 29, 2023
Employer ID number	95-2417611
To contact us	Phone 800-829-0115

118655.320806.211708.24877 1 AB 0.507 532



ARROWBEAR PARK COUNTY WATERDIST
PO BOX 4045
ARROWBEAR LK CA 92382-4045

118655

Changes to your June 30, 2020 Form 941

Overpayment: \$31,169.19

We made changes to your June 30, 2020 Form 941.

As a result, your overpayment is \$31,169.19.

Summary

Amount due on account before adjustment	\$0.00
Tax - Decrease	5,456.50
Credits - Increase	22,341.15
Credit interest allowed	3,371.54
Overpayment	\$31,169.19

1 = 19,013.21
2 = 10,285.83
3 = 1,870.15


POSTED
6/5/23



Department of the Treasury
Internal Revenue Service
Cincinnati, OH 45999-0038

Notice	CP210
Tax period	September 30, 2020
Notice date	May 29, 2023
Employer ID number	95-2417611
To contact us	Phone 800-829-0115

Page 1 of 2

118654.320806.211708.24877 1 AB 0.507 532

 ARROWBEAR PARK COUNTY WATERDIST
 PO BOX 4045
 ARROWBEAR LK CA 92382-4045

118654

Changes to your September 30, 2020 Form 941

Overpayment: \$6,822.59

We made changes to your September 30, 2020 Form 941.

As a result, your overpayment is \$6,822.59.

Summary

Amount due on account before adjustment	\$0.00
Tax - Decrease	6,130.65
Credit interest allowed	691.94
Overpayment	\$6,822.59

1 = 4,161.78

2 = 2,251.45

3 = 409.36


PAID
6/5/23



Department of the Treasury
Internal Revenue Service
Cincinnati, OH 45999-0038

Notice	CP210
Tax period	December 31, 2020
Notice date	May 29, 2023
Employer ID number	95-2417611
To contact us	Phone 800-829-0115

Page 1 of 2

118656.320806.211708.24877 1 AB 0.507 532

 ARROWBEAR PARK COUNTY WATERDIST
 PO BOX 4045
 ARROWBEAR LK CA 92382-4045

118656

Changes to your December 31, 2020 Form 941

Overpayment: \$5,916.35

We made changes to your December 31, 2020 Form 941.

As a result, your overpayment is \$5,916.35.

Summary

Amount due on account before adjustment	\$0.00
Tax – Decrease	5,356.60
Credit interest allowed	559.75
Overpayment	\$5,916.35

1 = 3608.97
 2 = 1952.40
 3 = 354.98

PAID
6/5/23



Department of the Treasury
Internal Revenue Service
Ogden, UT 84201-0038

Notice	CP210
Tax period	June 30, 2021
Notice date	May 29, 2023
Employer ID number	95-2417611
To contact us	Phone 800-829-0115

Page 1 of 2

118652.320806.211708.24877 1 AB 0.507 532



ARROWBEAR PARK COUNTY WATERDIST
PO BOX 4045
ARROWBEAR LK CA 92382-4045

61
33
6

118652

Changes to your June 30, 2021 Form 941

Overpayment: \$56,962.75

We made changes to your June 30, 2021 Form 941.

As a result, your overpayment is \$56,962.75.

Summary

Amount due on account before adjustment	\$0.00
Tax - Decrease	7,749.22
Credits - Increase	44,597.16
Credit interest allowed	4,616.37
Overpayment	\$56,962.75


1 = 34,747.28
2 = 18,797.71
3 = 3,417.76

PAID
6/5/23



Department of the Treasury
Internal Revenue Service
Cincinnati, OH 45999-0038

Notice	CP210
Tax period	September 30, 2021
Notice date	May 29, 2023
Employer ID number	95-2417611
To contact us	Phone 800-829-0115

118653.320806.211708.24877 1 AB 0.507 532

 ARROWBEAR PARK COUNTY WATERDIST
 PO BOX 4045
 ARROWBEAR LK CA 92382-4045

118653

Changes to your September 30, 2021 Form 941
Overpayment: \$55,392.17

We made changes to your September 30, 2021 Form 941.
 As a result, your overpayment is \$55,392.17.

Summary	
Amount due on account before adjustment	\$0.00
Tax - Decrease	1,560.35
Credits - Increase	49,729.10
Credit interest allowed	4,102.72
Overpayment	\$55,392.17

1 = 33,789.22
 2 = 18,279.42
 3 = 3,323.53

PAID
 6/5/23



June 30, 2023

Sent via Email: carolineapcwd@gmail.com

Caroline Rimmer
Administrative Secretary
Arrowbear Park County Water District

Re: Financing for Case Skid Steer, O'Brien Jetter Trailer, Cube Camera Inspection

Thank you for trusting Leasing 2 with your financing needs. Attached to this email are the required documents for execution, and their instructions are below.

PLEASE READ: Carefully follow the instructions below, checking off each item as completed. Documentation completed improperly will have to be redone and possibly delay funding. If you have any questions, please call us at (800) 287-5155.

ALSO:

- ✓ Please execute documents in **BLUE** ink.
- ✓ As these are legal documents, we cannot accept double-sided printouts.

- Lease Purchase Agreement**
 - Signed and dated by Lessee's authorized signatory.
- Exhibit A – Resolution of Governing Body Extract of Minutes**
 - Enter the date your resolution was adopted.
 - Signed by Lessee's authorized signatory.
 - Signed and dated by Secretary/Clerk or other authorized board member of Lessee at bottom of page.
- Exhibit B – Opinion of Lessee's Counsel**
 - Printed on attorney's letterhead and signed by attorney. Original signature required.
- Exhibit C – Certificate as to Arbitrage**
 - Enter the date by which the equipment is expected to be fully acquired in Item 4.
 - Signed and dated by Lessee's authorized signatory.
- Exhibit D – Description of Equipment**
 - Enter the address where the equipment will be located.
 - Signed and dated by Lessee's authorized signatory.
- Exhibit E – Payment Schedule**
 - Signed and dated by Lessee's authorized signatory.
- Exhibit F – Acceptance Certificate**
 - Please **DO NOT CHECK ANY BOXES** – this will be completed at closing and you will receive a fully executed Agreement post-closing.
 - Signed by Lessee's authorized signatory.
- Exhibit G – Essential Use/Source of Funds Letter**
 - Enter a description of how the equipment will be used and the services it will provide.
 - Signed and dated by Lessee's authorized signatory.
- Exhibit H – Designation of Bank Qualification**
 - Signed and dated by Lessee's authorized signatory.

- Exhibit I – Notice and Acknowledgement of Assignment**
 - Signed and dated by Lessee’s authorized signatory.
- Insurance Coverage Requirement**
 - Enter the name, address & phone number of your insurance agent.
 - If self-insured, check Item 2 and provide information regarding the nature of your self-insurance program along with the amounts of liability and physical damage coverage listed on a certificate.
- Billing Information**
 - Enter all of the requested information.
- Customer Identification Program Organized Entity**
 - Enter all of the requested information.
 - Signed by Lessee’s authorized signatory.
- Escrow Agreement**
 - Signed and dated by Lessee’s authorized signatory.
- Escrow Agreement Exhibit A – (FOR FUTURE VENDOR PAYMENT(S) FROM ESCROW)**
 - At least a week in advance of equipment delivery, contact Annette Keys, akeys@leasing2.com.
 - We will complete the Escrow Exhibit A and scan it to you for signing along with the invoice(s) being approved for payment.
- ✓ **POST FUNDING REQUIREMENTS**
- IRS Form 8038-G (Form 8038-GC if the issue price is under \$100,000)**
 - We will email you this form for signature after the lease is funded.
- Vehicle Titling**
 - You will have vehicle titled with security interest of first lienholder. Reference the back of the Certificate of Origin for the lienholder’s name and address. If the lienholder is not listed on the Certificate of Origin, please contact us prior to titling.
 - Scan and email us a copy of the receipt from the titling authority when done.
- Escrow Disbursements**
 - Disbursement documents authorizing release of vendor payments upon equipment acceptance will need to be signed.

ALL DOCUMENTATION SHOULD BE EMAILED OR FAXED FOR REVIEW PRIOR TO OVERNIGHTING.

PLEASE RETURN ALL DOCUMENTS BY: JULY 24, 2023

Email/fax to:
 Donna Womack
dwomack@leasing2.com
 Phone: (813) 258-9888, Ext. 14

Overnight to:
 Leasing 2, Inc.
 1720 W. Cass St.
 Tampa, FL 33606

Alternate contact:
 Rick Carney
bmeyers@leasing2.com
 Phone: (813) 258-9888, Ext. 12

Thank you for your business.

LEASE-PURCHASE AGREEMENT

LESSEE:
Arrowbear Park County Water District
2365 Fir Drive
Arrowbear Lake, CA 92382

LESSOR:
Leasing 2, Inc.
1720 West Cass Street
Tampa, FL 33606-1230

Dated as of July 20, 2023

This Lease-Purchase Agreement (the "Agreement") dated as of **July 20, 2023** by and between **Leasing 2, Inc.** ("Lessor"), and **Arrowbear Park County Water District** ("Lessee"), a body corporate and politic duly organized and existing under the laws of the State of **California** ("State").

WITNESSETH:

WHEREAS, Lessor desires to lease the Equipment, as hereinafter defined, to Lessee, and Lessee desires to lease the Equipment from Lessor, subject to the terms and conditions of and for the purposes set forth in this Agreement; and

WHEREAS, Lessee is authorized under the Constitution and laws of the State to enter into this Agreement for the purposes set forth herein;

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I DEFINITIONS

Section 1.01. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Agreement" means this Lease-Purchase Agreement, including the Exhibits attached hereto, as the same may be supplemented or amended from time to time in accordance with the terms hereof.

"Commencement Date" is the date when the term of this Agreement begins and Lessee's obligation to pay rent accrues, which shall be the commencement date shown on the Exhibit E Payment Schedule.

"Equipment" means the property described in Exhibit D and which is the subject of this Agreement.

"Lease Term" means the Original Term and all Renewal Terms provided for in this Agreement under Section 4.01.

"Lessee" means the entity which is described in the first paragraph of this Agreement and which is leasing the Equipment from Lessor under the provisions of this Agreement.

"Lessor" means (i) **Leasing 2, Inc.**, acting as Lessor hereunder; (ii) any surviving resulting or transferee corporation; and (iii) except where the context requires otherwise, any assignee(s) of Lessor.

"Original Term" means the period from the Commencement Date until the end of the fiscal year of Lessee in effect at the Commencement Date.

"Purchase Price" means the amount indicated with respect to any date after payment of all Rental Payments (defined below) due through such date, all as set forth in Exhibit E hereto, or Supplemental Exhibit E hereto, as the case may be.

"Renewal Terms" means the renewal terms of this Agreement as provided for in Article IV of this Agreement, each having a duration of one year and a term co-extensive with the Lessee's fiscal year, except the last of such automatic renewal terms which shall end on the due date of the last Rental Payment set forth in Exhibit E to this Agreement.

"Rental Payments" means the basic rental payments payable by Lessee pursuant to the provisions of this Agreement during the Lease Term, payable in consideration of the right of Lessee to use the Equipment during the then current portion of the Lease Term. Rental Payments shall be payable by Lessee to the Lessor or its assignee in the amounts and at the times during the Lease Term, as set forth in Exhibit E of this Agreement.

"Vendor" means the manufacturer of the Equipment as well as the agents or dealers of the manufacturer from whom Lessee has purchased or is purchasing the Equipment.

ARTICLE II COVENANTS OF LESSEE

Section 2.01 Lessee represents, covenants and warrants, for the benefit of Lessor and its assignees, as follows:

(a) Lessee is a public body, corporate and politic, duly organized and existing under the Constitution and laws of the State.

(b) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body, corporate and politic.

(c) Lessee is authorized under the Constitution and laws of the State to enter into this Agreement and the transaction contemplated hereby, and to perform all of its obligations hereunder.

(d) Lessee has been duly authorized to execute and deliver this Agreement under the terms and provisions of the resolution of its governing body, attached hereto as Exhibit A, or by other appropriate official approval, and further represents, covenants and warrants that all requirements have been met, and procedures have occurred in order to ensure the enforceability of this Agreement, and Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment hereunder. Lessee shall cause to be executed and delivered to Lessor an opinion of its counsel substantially in the form attached hereto as Exhibit B.

(e) During the term of this Agreement, the Equipment will be used by Lessee only for the purpose of performing one or more essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority and will not be used in a trade or business of any person or entity other than the Lessee.

(f) During the period this Agreement is in force, Lessee will annually provide Lessor with such current financial statements, budgets, proof of appropriation for ensuing fiscal year or such other financial information relating to the decision of Lessee to continue this Agreement as may be reasonably requested by Lessor or its assignee.

(g) The Equipment will have a useful life in the hands of the Lessee that is substantially in excess of the Original Term and all Renewal Terms.

(h) The Equipment is, and during the period this Agreement is in force will remain, personal property and when subjected to use by the Lessee under this Agreement, will not be or become fixtures.

(i) Lessee shall not voluntarily or involuntarily create, incur, assume or suffer to exist any lien, security interest or other encumbrance or attachment of any kind whatsoever on, affecting or with respect to the Equipment.

(j) Lessee shall not give up possession or control of the Equipment.

(k) Lessee shall not change the location of the Equipment without giving prior written notice of the proposed new location to the Lessor and provided that Lessee shall obtain and deliver to Lessor any landlord waivers reasonably requested by Lessor so as to protect Lessor's right, title and interest in and to the Equipment and Lessor's ability to exercise its remedies with regard to the Equipment. The Equipment shall not be used outside of the United States without Lessor's prior written consent.

(l) Lessee shall not alter or modify the Equipment in any manner which would reduce the value or the marketability thereof.

(m) Lessee will take no action that will cause the interest portion of any Rental Payment to become includable in gross income of the recipient for purposes of federal income taxation under the Code, and Lessee will take, and will cause its officers, employees and agents to take, all affirmative action legally within its power to prevent such interest from being includable in gross income for purposes of federal income taxation under Section 103(a) of the United States Internal Revenue Code of 1986 as amended (the "Code"). Lessee represents and warrants that the Lease is to be treated as an obligation of a political subdivision of a state within the meaning of Section 103(c)(1) of the Code.

(n) Lessee is and shall remain in compliance with all laws, rules, regulations and orders applicable to Lessee, including U.S. economic and trade sanctions, and anti-corruption, anti-bribery, anti-money laundering and anti-terrorism laws.

ARTICLE III LEASE OF EQUIPMENT

Section 3.01 Lessor hereby demises, leases and lets to Lessee, and Lessee rents, leases and hires from Lessor, the Equipment, in accordance with the provisions of this Agreement, to have and to hold for the Lease Term.

ARTICLE IV LEASE TERM

Section 4.01. Commencement of Lease Term. The Original Term of this Agreement shall commence on the Commencement Date and shall terminate on the last day of Lessee's fiscal year then in effect. Lessee may renew this Agreement beyond the expiration of the Original Term, or beyond the expiration of any Renewal Term then in effect, up to the number of additional fiscal years provided in Exhibit E of this Agreement by appropriating sufficient funds to make scheduled Rental Payments for the ensuing fiscal year (each a "Renewal Term"). Terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in Exhibit E of this Agreement.

Section 4.02. Termination of Lease Term. The Lease Term will terminate upon the earliest of any of the following events:

(a) The expiration of the Original Term or any Renewal Term of this Agreement and the non-renewal of this Agreement in the event of non-appropriation of funds pursuant to Section 6.07;

(b) The exercise by Lessee of the option to purchase the Equipment before expiration of this Agreement granted under the provisions of Articles IX or XI of this Agreement;

(c) A default by Lessee and Lessor's election to terminate this Agreement under Article XIII; or

(d) Payment by Lessee of all Rental Payments authorized or required to be paid by Lessee hereunder through the full lease term.

Section 4.03. Return of Equipment on Termination. Upon expiration or earlier termination of the Original Term or any Renewal Term under any provision of this Agreement at a time when Lessee does not exercise its option to purchase the Equipment granted under the provisions of Articles IX or XI of this Agreement, Lessee hereby agrees to deliver the Equipment to Lessor packaged or otherwise prepared in a manner suitable for shipment by truck or rail common carrier to a location specified by Lessor. All expenses resulting from the return of Equipment on termination will be borne by Lessee.

ARTICLE V ENJOYMENT OF EQUIPMENT

Section 5.01. Provided that no default or event of default shall have occurred hereunder, Lessor hereby covenants that during the Lease Term Lessor will not interfere with Lessee's quiet use and enjoyment of the Equipment.

Lessor shall have the right at all reasonable times during business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

ARTICLE VI RENTAL PAYMENTS

Section 6.01. Rental Payments to Constitute a Current Expense of Lessee. Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by Lessee.

Section 6.02. Payment of Rental Payments. During the Original Term and during each Renewal Term elected by Lessee, Lessee shall pay Rental Payments, exclusively from any and all legally available funds, in lawful money of the United States of America, exclusively to Lessor or, in the event of assignment by Lessor, to its assignee, in the amounts and on the dates set forth in Exhibit E hereto. Rental Payments shall be in consideration for Lessee's use of the Equipment during the applicable year in which such payments are due. The Rental Payment amounts set forth in Exhibit E are based on the Equipment Cost to be paid by Lessor being the amount set forth in Exhibit E. Lessor shall have no obligation to pay or disburse any amount greater than the amount set forth as the Equipment Cost. Lessee shall not amend any purchase contract, purchase order, or any other agreement that would have the effect of increasing the cost of the Equipment above set forth in Exhibit E as the Equipment Cost without the prior written consent of Lessor. In the event that the actual cost of the Equipment is greater than the amount set forth in Exhibit E, Lessee shall be solely responsible for and hereby agrees to promptly pay such excess to the vendor(s), provided that Lessee may request that Lessor finance such excess, which Lessor may, in its sole discretion elect to do or decline to do. Lessee shall indemnify and hold Lessor harmless from and against any loss, damages, costs and expenses resulting from or relating to any increase in the Equipment Cost. If Lessor, in its sole discretion, elects to finance such excess the amount of each installment of rent will be increased to provide the same yield to Lessor as would have been obtained if the actual cost had been the same as the stated Equipment Cost. In such event, Lessee shall at the request of Lessor execute and deliver an amendment reflecting the increase in the Equipment Cost and the Rental Payments.

Section 6.03. Interest and Principal Components. A portion of each Rental Payment is paid as, and represents payment of, interest, and the balance of each Rental Payment is paid as, and represents payment of principal. Exhibit E hereto sets forth the interest component and the principal component of each Rental Payment during the Lease Term.

Section 6.04. Additional Interest in the Event the Interest is Taxable. Lessee acknowledges that Lessor's yield with respect to this Agreement is dependent upon the full amount of each Rental Payment being excluded from Lessor's income pursuant to the Code. Accordingly, if at any time, as a result of a determination that Lessee has breached a representation or covenant contained herein, or as a result of any change in the Code, any payment of either the interest component or the principal component of any Rental Payment is, in the opinion of counsel for the Lessor, subject to or affected by any income, preference, excess profits, minimum or other federal tax, Lessee shall pay, as additional interest, an amount which is necessary to provide to Lessor the same net income as Lessor would have received but for such event. Lessor's calculations of such additional interest shall be binding upon Lessee in the absence of manifest error.

Section 6.05. Rental Payments to be Unconditional. During the Original Term and during each Renewal Term elected by Lessee, the obligations of Lessee to make payment of the Rental Payments required under this Article VI and other sections hereof and to perform and observe the covenants and agreements contained herein shall be absolute and unconditional in all events, except as expressly provided under this Agreement. Notwithstanding any dispute between Lessee and Lessor, any Vendor or any other person, Lessee agrees to pay all Rental Payments when due and shall not withhold any Rental Payments pending final resolution of such dispute, nor shall Lessee assert any right of set-off or counterclaim against its obligation to make such payments when required under this Agreement. Lessee's obligation to make Rental Payments during the Original Term or the then current Renewal Term elected by Lessee shall not be abated through accident or unforeseen circumstances.

Section 6.06. Continuation of Lease Term by Lessee. Lessee intends, subject to the provisions of Section 6.07, to continue the Lease Term through the Original Term and all the Renewal Terms hereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments during the Original Term and each of the Renewal Terms can be obtained. The officer of Lessee responsible for budget preparation shall do all things lawfully within his/her power to obtain and maintain funds from which the Rental Payments may be made, including making provision for such payments to the extent necessary in each annual budget submitted and adopted in accordance with applicable provisions of State law, to have such portion of the budget approved, and to exhaust all available reviews and appeals in the event such portion of the budget is not approved. Notwithstanding the foregoing, the decision whether or not to budget and appropriate funds is within the discretion of Lessee's governing body.

Section 6.07. Termination by Nonappropriation. In the event Lessee does not appropriate sufficient funds for the payment of the Rental Payments scheduled to be paid in the next occurring Renewal Term, then Lessee may terminate this Agreement at the end of the then current Original Term or Renewal Term, and Lessee shall not be obligated to make payment of the Rental Payments provided for in this Agreement beyond the end of the then current Original or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination at least 90 days prior to the end of the then current Original or Renewal Term.

Section 6.08. Late Charges. If any Rental Payment is not paid in full to Lessor within fifteen (15) days after the payment first became due and payable, Lessee shall immediately pay to Lessor an additional one time late charge equal to five (5%) percent or, if less the maximum rate permitted by law, of each such amount past due along with the Rental Payment. If any Rental Payment remains unpaid beyond 45 days after it first became due and payable, or if Lessor has elected to exercise any remedies following an event or default, interest shall accrue on past due amounts at the rate of 1% per month or the highest rate allowed by law, whichever is less. Partial payments by Lessee shall be applied first to the accrued interest component of past due Rental Payments and the balance to the remaining principal component of past due Rental Payments.

Section 6.09. Prepayment. Lessee shall have the right to prepay principal components of Rental Payments in whole on any date set forth in Exhibit E by paying the then applicable Purchase Price set forth in Exhibit E on such date.

ARTICLE VII TITLE TO EQUIPMENT

Section 7.01. Title to the Equipment. During the term of this Agreement, title to the Equipment and any and all additions, repairs, replacements or modifications shall vest in Lessee, subject to the rights of Lessor under this Agreement. In the event of default as set forth in Section 13.01 or nonappropriation as set forth in Section 6.07, title to Equipment, shall immediately vest in Lessor, and Lessee will immediately surrender possession of the Equipment to Lessor.

Section 7.02. Security Interest. To secure the payment of all Lessee's obligations under this agreement, Lessee grants to Lessor a security interest constituting a first lien on the Equipment and on all additions, attachments, accessions and substitutions thereto, and on any proceeds therefrom. Lessee hereby authorizes Lessor to prepare and file such financing statements, any amendments thereto and other such documents to establish and maintain Lessor's valid first lien and perfected security interest. Lessee hereby acknowledges the receipt of copies of the financing statements prepared by Lessor and hereby confirms the accuracy of the information contained therein. Lessee further agrees to execute such additional documents, including affidavits, notices and similar instruments, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain its security interest, and upon assignment, the security interest of any assignee of Lessor, in the Equipment.

ARTICLE VIII MAINTENANCE; MODIFICATION; TAXES; INSURANCE AND OTHER CHARGES

Section 8.01. Maintenance of Equipment by Lessee. Lessee agrees that at all times during the Lease Term Lessee will, at Lessee's own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition, and that Lessee will from time to time make or cause to be made all necessary and proper repairs, replacements and renewals. Lessor shall have no responsibility in any of these matters, or for the making of improvements or additions to the Equipment.

Section 8.02. Taxes, Other Governmental Charges and Utility Charges. In the event that the use, possession or acquisition of the Equipment is found to be subject to taxation in any form (except for income taxes of Lessor), Lessee will pay during the Lease Term, as the same respectively come due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Equipment and any equipment or other property acquired by Lessee in substitution for, as a renewal or replacement of, or a modification, improvement or addition to the Equipment, as well as all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Equipment; provided that, with respect to any governmental charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as have accrued during the time this Agreement is in effect.

Section 8.03. Provisions Regarding Insurance. At its own expense, Lessee shall cause casualty, public liability and property damage insurance to be carried and maintained, or shall demonstrate to the satisfaction of Lessor that adequate self-insurance is provided with respect to the Equipment, sufficient to protect the Full Insurable Value (as that term is hereinafter defined) of the Equipment, and to protect Lessor from liability in all events. All insurance proceeds from casualty losses shall be payable as hereinafter provided in this Agreement. Lessee shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term. Alternatively, Lessee may insure the Equipment under a blanket insurance policy or policies which cover not only the Equipment but other properties. If Lessee insures similar properties by self-insurance and upon approval by Lessor, Lessee may insure the Equipment by means of an adequate insurance fund.

The term "Full Insurable Value" as used herein shall mean the full replacement value of the Equipment.

Any insurance policy pursuant to this Section 8.03 shall be so written or endorsed as to make losses, if any, payable to Lessee and Lessor as their respective interests may appear. The Net Proceeds (as defined in Section 9.01) of the insurance required in this Section 8.03 shall be applied as provided in Article IX hereof. Each insurance policy provided for in this Section 8.03 shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially and adversely to the interest of Lessor without first giving written notice thereof to Lessor at least 30 days in advance of such cancellation.

Section 8.04. Advances. In the event Lessee shall fail to perform any of its obligations hereunder Lessor may (but shall be under no obligation to) take such action as may be necessary to cure such failure, including, without limitation, the advancement of money; and all amounts so advanced by Lessor shall become additional rent for the then current Original Term or Renewal Term, which amounts, together with interest thereon at the rate of 12% per annum, or if less the maximum rate permitted by law, Lessee agrees to pay.

ARTICLE IX DAMAGE, DESTRUCTION AND CONDEMNATION: USE OF NET PROCEEDS

Section 9.01. Damage, Destruction and Condemnation. If prior to the termination of the Lease Term (a) the Equipment or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty or (b) title to, or the temporary use of the Equipment or any part thereof or the estate of Lessee or Lessor in the Equipment or any part thereof shall be taken under the exercise of the power eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee.

For purposes of Section 8.03 and this Article IX, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including attorney's fees) incurred in the collection of such claims or award.

Section 9.02. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 9.01 hereof, Lessee shall either (a) complete the work and pay any cost in excess of the amount of Net Proceeds, and Lessee agrees that if by reason of any such insufficiency of the Net Proceeds, Lessee shall make any payments pursuant to the provisions of this Section 9.02, Lessee shall not be entitled to any reimbursement therefore from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article VI hereof or (b) if Lessee is not in default hereunder, Lessee shall pay to Lessor the amount of the then applicable Purchase Price, and, upon such payment, the Lease Term shall terminate and Lessor's interest in the Equipment shall terminate as provided in Article XI of this Agreement. The amount of the Net Proceeds in excess of the then applicable Purchase Price, if any, may be retained by Lessee.

ARTICLE X DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; USE OF EQUIPMENT

Section 10.01. Disclaimer of Warranties. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE EQUIPMENT, OR WARRANTY WITH RESPECT THERETO. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement or the existence, furnishing, functioning or Lessee's use of any item of Equipment.

Section 10.02. Vendor's Warranties. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee shall not be in default hereunder, to assert from time to time whatever claims and rights, including warranties of the Equipment, if any which Lessor may have against the Vendor of the Equipment. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the Vendor of the Equipment, and not against the Lessor, nor shall such matter have any effect whatsoever on the rights of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representation or warranties whatsoever as to the existence or availability of such warranties of the Vendor of the Equipment.

Section 10.03. Use of the Equipment. Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with all laws of the jurisdictions in which its operations involving any item of Equipment may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the items of the Equipment; provided, however, that Lessee may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the reasonable opinion of the Lessor, adversely affect the estate of Lessor in and to any of the items of the Equipment or its interest or rights under this Agreement.

ARTICLE XI OPTION TO PURCHASE

Section 11.01 At the request of Lessee, Lessor's interest in the Equipment and additional Rental Payments will be terminated and this Agreement shall terminate:

- (a) At the end of the final Renewal Term, upon payment by Lessee of all Rental Payments scheduled as set forth in Exhibit E to this Agreement; or
- (b) if the Lease Term is terminated pursuant to Article IX of this Agreement, in the event of total damage, destruction or condemnation of the Equipment; or
- (c) any time when Lessee is not on such date in default under this Agreement, upon payment by Lessee of the then applicable Purchase Price to Lessor.

Upon the occurrence of any of such events, Lessor shall, if requested by Lessee, deliver a Bill of Sale of its remaining interest in the Equipment to Lessee "AS IS - WHERE IS" without additional cost or payment by Lessee.

ARTICLE XII ASSIGNMENT, SUBLEASING, INDEMNIFICATION MORTGAGING AND SELLING

Section 12.01. Assignment by Lessor. This Agreement, and the rights of Lessor hereunder, may be assigned and reassigned in whole or in part to one or more assignees and subassignees by Lessor at any time subsequent to its execution, without the necessity of obtaining the consent of Lessee; provided, however, that no such assignment or reassignment shall be effective unless and until (i) Lessee shall have received notice of the assignment or reassignment disclosing the name and address of the assignee or subassignee, and (ii) in the event that such assignment is made to a bank or trust company as trustee for holders of certificates representing interests in this Agreement, such bank or trust company agrees to maintain, or cause to be maintained, a book-entry system by which a record of names and addresses of such holders as of any particular time is kept and agrees, upon request of the Lessee, to furnish such information to Lessee. Upon receipt of notice of assignment, Lessee agrees to keep a written record thereof, and to make all payments to the assignee designated in the notice of assignment, notwithstanding any claim, defense, setoff or counterclaim whatsoever (whether arising from a breach of this Agreement or otherwise) that Lessee may from time to time have against Lessor, or the assignee. Lessee agrees to execute all documents which may be reasonably requested by Lessor or its assignee to protect their interests in this Agreement.

Section 12.02. No Sale, Assignment or Subleasing by Lessee. This Agreement and the interest of Lessee in the Equipment may not be sold, assigned or encumbered by Lessee without the prior written consent of Lessor.

Section 12.03. Lessee Negligence. To the extent permitted by the laws and Constitution of the State, Lessee shall protect and hold harmless Lessor from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of cause thereof, and expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest arising out of or as the result of the entering into this Agreement, the ownership of any item of the Equipment, the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Equipment or any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury to or death of any person, to the extent that such liability, obligation, loss, claim or damage arises out of or is proximately caused by the negligent conduct of Lessee, its officers, employees or agents. The obligation of Lessee arising under this paragraph shall continue in full force and effect notwithstanding the full payment of all other obligations under this Agreement or the termination of the Lease Term for any reason.

ARTICLE XIII EVENTS OF DEFAULT AND REMEDIES

Section 13.01. Events of Default Defined. The following shall be "events of default" under this Agreement and the terms "event of default" and "default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

- (a) Failure by Lessee to pay any Rental Payment or other payment required to be paid hereunder at the time specified herein following written notice to Lessee, and a seven-day opportunity to cure period; and
- (b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in Section 13.01 (a), for a period of 30 days after written notice, specifying such failure and requesting that it be remedied as given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to the expiration, provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected.
- (c) The filing by Lessee of a voluntary petition in bankruptcy, or failure by Lessee promptly to lift any execution, garnishment, or attachment of such consequence as would impair the ability of Lessee to carry on its governmental function or adjudication of Lessee as a bankrupt or assignment by Lessee for the benefit of creditors, or the entry by Lessee into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to Lessee in any proceedings instituted under the provisions of the Federal Bankruptcy Statute, as amended, or under any similar acts which may hereafter be enacted.

The foregoing provisions of this Section 13.01 are subject to (i) the provisions of Section 6.07 hereof with respect to nonappropriation; and (ii) if by reason of *force majeure* Lessee is unable in whole or in part to carry out its agreement on its part herein contained, other than the obligations on the part of Lessee contained in Article VI hereof, Lessee shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other employee relations disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or the state wherein Lessee is located or any of their departments, agencies or officials, or any civil or military authority, insurrections; riots; landslides; earthquakes; fires; storms; droughts; floods; or explosions.

Section 13.02. Remedies on Default. Whenever any event of default referred to in Section 13.01 hereof shall have happened and be continuing, Lessor shall have the right at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

- (a) Declare all Rental Payments due or to become due during the Original Term or Renewal Term then in effect to be immediately due and payable, whereupon such Rental Payments shall be immediately due and payable;
- (b) With or without terminating this Agreement, retake possession of the Equipment and sell, lease or sublease the Equipment for the account of Lessee, and apply the proceeds of such sale, lease or sublease to pay the following items in the following order: (i) all cost and expenses of Lessor relating to the implementation of remedies under this Agreement as further provided herein; (ii) the applicable Purchase Price of the Equipment and (iii) the Rental Payments due during the Original Term or Renewal Term then in effect; and
- (c) Take whatever action under the Uniform Commercial Code or under other law or in equity as may appear necessary or desirable to enforce its rights as the owner or secured creditor of the Equipment.

Lessee further agrees that Lessee shall pay to Lessor such further amounts as may be sufficient to reimburse Lessor fully for its costs and expenses as incurred as a result of Lessee's default including, without limitation, Lessor's costs and expenses in enforcing, or endeavoring to enforce, its rights and remedies under the Agreement or incident thereto, including without limitation and to the extent not prohibited by applicable law, the Lessor's reasonable attorney's fees and expenses for enforcing Lessee's obligations hereunder.

Section 13.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy give under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver hereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

ARTICLE XIV MISCELLANEOUS

Section 14.01. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business.

Section 14.02. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 14.03. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 14.04. Amendments. The terms of the Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the Lessor and the Lessee.

Section 14.05. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14.06. Delayed Closing. In the event of a delayed closing, Lessor shall receive as additional compensation any amount that accrues between the Commencement Date and the Closing Date.

Section 14.07. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 14.08. Captions. The captions or headings in this Agreement are for convenience only and do not define, limit or describe the scope or intent of any provisions of sections of this Agreement.

Section 14.09. Entire Agreement. This Agreement and the executed Exhibits attached hereto constitute the entire agreement between Lessor and Lessee. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations or warranties, express or implied, not specified herein, regarding this Agreement or the equipment leased hereunder.

Section 14.10. Execution of Facsimile. In the interest of time, each party agrees that execution of signature pages of this Agreement by such party followed by transmission of such pages by facsimile/Telecopier/email will be legally binding upon such party. After each party has executed and transmitted such signature pages, each party agrees to execute hard copies of this Agreement and to promptly forward originals to the other party hereto.

Section 14.11. Correction of Documents. Lessee agrees to execute and deliver, or provide, as required by Lessor, any documents and information, from time to time, that may be necessary for the purpose of correcting any errors or omissions in this Agreement or to reflect the true intent of Lessor in this transaction. All such documents and information must be satisfactory to Lessor.

Section 14.12 WAIVER OF JURY TRIAL. Lessee and Lessor hereby irrevocably waive any right to a jury trial with respect to any matter arising under or in connection with this Agreement and agree that any dispute shall be determined by a court sitting without a jury.

Section 14.13. Performance Bonds. If requested by Lessor to facilitate payments to vendors in advance of delivery and acceptance, Lessee agrees to require the Equipment manufacturer, and all other contractors and/or subcontractors (collectively, "Contractors") with whom Lessee has contracted for the acquisition of the Equipment, to provide performance bond satisfactory to Lessor conditioned upon the construction of the Equipment as expeditiously as reasonably possible from the date of execution of such Lease and also conditioned upon delivery of possession of the Equipment to the Lessee free and clear of all liens and encumbrances, except the security interest granted to Lessor under the Lease-Purchase Agreement. Each such bond shall be in a form and with a surety acceptable to Lessor and shall name Lessor as a dual obligee. The Lessee shall proceed promptly to pursue diligently any remedies available against a Contractor that is in default under any agreement relating to the acquisition and construction of the Equipment and/or against each surety on any bond securing the performance of such Contractor's obligations with respect to the acquisition and construction of the Equipment. The Lessee and Lessor shall cause the net proceeds recovered by way of the foregoing to be applied, at Lessor's option, to (i) the completion of the Equipment, or (ii) the payment of all rent payments then due plus the then applicable Termination Balance. Any balance of net proceeds remaining after completion of Equipment construction or payment of the outstanding balance owed under the applicable Lease shall be paid promptly to Lessee.

Section 14.14. Time is of the Essence. Lessor and Lessee agree that time is of the essence of all provisions of each Lease entered into under this Agreement.

Any terms and conditions of any purchase order or other document submitted by Lessee in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on Lessor and will not apply to this Agreement. Lessee by the signature below of its authorized representative acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

IN WITNESS WHEREOF, Lessor has executed this Agreement in its corporate name and by its duly authorized officer, and Lessee has caused this Agreement to be executed in its corporate name and by its duly authorized officer. All of the above occurred as of the date first written below; this Agreement shall be binding on Lessee beginning on the date it is accepted and executed by Lessor.

LESSEE: Arrowbear Park County Water District

LESSOR: Leasing 2, Inc.

By: _____
Terisa Bonito

By: _____

Title: President, Board of Directors

Title: _____

Date: _____

Date: _____

EXHIBIT A

**RESOLUTION OF GOVERNING BODY
EXTRACT OF MINUTES**

LESSEE: Arrowbear Park County Water District

At a duly called meeting of the governing body of Lessee held on the ____ day of _____, 20____, the following resolution was introduced and adopted.

WHEREAS, the governing body of Lessee has determined that a true and very real need exists for the acquisition of the Equipment described in the Lease-Purchase Agreement by and between Lessee and **Leasing 2, Inc.**; and has further determined that the Equipment will be used solely for essential governmental functions and not for private business use.

WHEREAS, Lessee has taken the necessary steps, including, without limitation to compliance with legal bidding requirements, under applicable law to arrange for the acquisition of such Equipment.

BE IT RESOLVED, by the governing body of Lessee that the terms of said Lease-Purchase Agreement and Escrow Agreement are in the best interest of Lessee for the acquisition of such Equipment, and the governing body of Lessee designates and confirms the following person to execute and deliver, the Lease-Purchase Agreement and Escrow Agreement and any related documents necessary to the consummation of the transactions contemplated by the Lease-Purchase Agreement and Escrow Agreement.

(Signature of Party to Execute
Lease-Purchase Agreement and Escrow Agreement)

Terisa Bonito, President, Board of Directors
(Print Name and Title)

The undersigned further certifies that the above resolution has not been repealed or amended and remains in full force and effect and further certifies that the above and foregoing Lease-Purchase Agreement and Escrow Agreement is the same as presented at said meeting of the governing body of Lessee.

Secretary/Clerk

Date

{LETTERHEAD OF LESSEE'S COUNSEL}

EXHIBIT B

OPINION OF LESSEE'S COUNSEL

LESSEE: **Arrowbear Park County Water District**

DATE OF AGREEMENT: **July 20, 2023**

**Leasing 2, Inc.
1720 West Cass Street
Tampa, FL 33606-1230**

Ladies/Gentlemen:

We are general counsel for **Arrowbear Park County Water District** ("Lessee"). In the course of our representation, we have examined duly executed originals of the Lease-Purchase Agreement and Escrow Agreement (the "Agreement"), between Lessee and Leasing 2, Inc. ("Lessor"), dated as of **July 20, 2023** and the proceedings taken by Lessee to authorize and execute the Agreement.

In rendering the opinions herein, we have relied only on our examination of the foregoing documents and we have made no independent investigation of the factual matters set forth in such documents or the representations and certifications relied upon by the undersigned. In rendering the opinions expressed below, we have assumed, but not independently investigated, that the signatures on all documents which we have examined are genuine, the correctness of all certificates, the authenticity of all documents submitted to us as originals, the conformity to authentic original documents of all documents submitted to us as certified or photostatic copies, and the authenticity of the originals of such copies and the accuracy and completeness of all records made available to us by Lessee. In addition, we have assumed, without investigation, the accuracy of the representations, warranties and covenants as to factual matters made by Lessee in the Agreement and the accuracy of representations and statements as to factual matters made by Lessee and its officers and employees and public officials. In making our examination of documents and instruments, we have assumed, without investigation, that each party (other than Lessee) to such documents and instruments has: (a) the power and capacity to enter into and perform all its obligations under such documents and instruments, (b) duly authorized all requisite action with respect to such documents and instruments, and (c) duly executed and delivered such documents and instruments.

Based upon such examination, we are of the opinion that:

1. Lessee is a public body corporate and politic, legally existing under the laws of the State of **California**.
2. The Agreement has been duly authorized, executed and delivered by Lessee, pursuant to Constitutional, statutory and/or home rule provisions which authorize this transaction and Resolution No. _____, attached as Exhibit A to the Agreement.
3. The Agreement is a legal, valid and binding obligation of Lessee, enforceable in accordance with its terms, except that enforcement may be limited by bankruptcy, insolvency, reorganization, arrangement, moratorium, fraudulent conveyance or similar laws or by equitable principles, relating to or limiting the rights of creditors generally. The enforceability of the Agreement is subject to the effect of general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law. The use of the term "enforceable" shall not imply any opinion as to the availability of any specific remedy in equity or at law.
4. Applicable public bidding requirements have been complied with.
5. To our actual knowledge, no litigation is pending or threatened in any court or other tribunal, state or federal, which questions or affects the validity of the Agreement.
6. The Equipment leased pursuant to the Agreement constitutes personal property and when subjected to use by Lessee as contemplated in the Agreement will not be or become fixtures under applicable law.

The opinions expressed above are subject to the following qualifications:

- A. We are licensed to practice law only in the State of California. Accordingly, the foregoing opinions apply only with respect to the laws of the State of California and the United States and we express no opinion with respect to the laws of any other jurisdiction.
- B. By delivering this letter, we are not expressing any opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the Agreement. The opinions expressed herein are based upon our analysis and interpretation of existing laws, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities.
- C. Other than Lessee, no party to the transaction evidenced by the Agreement or any document or oral agreement relating thereto is subject to any statute, rule or regulation, or to any impediment to which the parties are generally not subject which requires Lessee or such party to obtain the consent of, or to make a declaration or filing with any governmental authority.

D. For purposes of this opinion, we have not, with your permission, made an independent review of any agreement or instrument that may have been executed by or may be binding upon Lessee (other than the Agreement), nor have we undertaken to review any files of Lessee pertaining to the transactions to which Lessee may be a party (other than the Agreement), or to discuss its transactions or business with any attorneys outside our firm representing Lessee.

E. The words "to our actual knowledge," "known to us," "to our knowledge" or words of similar import as used in this opinion letter signify that, in the course of our representation of Lessee, we have no knowledge of any facts, and no facts have come to our attention, that would give us actual notice that any of our opinions or any factual matters relating to the opinions given are not accurate. Except as otherwise expressly indicated, however, we have not undertaken any independent investigation to determine the accuracy of such statement, and any limited inquiry undertaken by us during the preparation of this opinion letter should not be regarded as such an investigation; no inference as to our knowledge of any matters bearing on the accuracy of any such statement should be drawn from the fact of our representation of Lessee.

The opinions expressed herein are solely for your benefit in connection with the above-referenced matter and may not be relied on in any manner or for any purpose by any other person or entity, nor may copies be delivered or furnished to any other party nor may all or portions of this opinion be quoted, circulated, or referred to in any other document without our prior written consent, except (a) to the extent disclosure of this opinion is required pursuant to applicable law, (b) to your accountants, attorneys and other professional advisors, and (c) that this opinion may be included in applicable closing transcript. No attorney-client relationship has existed or exists between us and you in connection with the Agreement, or by virtue of this letter. We note you were represented by separate counsel retained by you in connection with the transaction described herein.

Sincerely,

ORIGINAL SIGNATURE LETTER IS REQUIRED

EXHIBIT C

CERTIFICATE AS TO ARBITRAGE

I, **Terisa Bonito**, hereby certify that I am duly qualified and acting **President, Board of Directors**, of **Arrowbear Park County Water District** (the "Lessee"), and that in my official capacity as such officer, I am responsible for executing and delivering, on behalf of the Lessee, the Lease-Purchase Agreement dated **July 20, 2023** (the "Agreement"), by and between Leasing 2, Inc. ("Lessor") and the Lessee. This Certificate is being issued pursuant to Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder (the "Regulations"). The following facts, estimates and circumstances are in existence on the date of this Certificate or are reasonably expected to occur hereafter.

1. The Agreement provides for the acquisition and financing of certain equipment described therein (the "Equipment") Pursuant to the Agreement, the Lessor is required to lease the Equipment to the Lessee and the Lessee is required to make rental payments with respect thereto, comprising principal and interest, on the dates and in the amounts set forth therein (the "Rental Payments").
2. On the date hereof, Lessor will deposit into escrow to be held for the benefit of Lessee the amount of **\$304,806.72**, which, together with interest earned thereon until disbursed if necessary, will be used to pay the costs of the Equipment in the amount of **\$304,806.72**. In the event any interest income remains in escrow after payment of such Equipment cost, such amount shall be retained by Lessor as additional fee income.
3. The Lessee has entered into or will within six (6) months of the date hereof enter into contracts for the acquisition of the Equipment, which contracts will obligate the payment of all amounts held in escrow.
4. The Equipment will be acquired with due diligence and will be fully acquired on or before _____.
5. In any event, all of the spendable proceeds of the Agreement, including amounts held in escrow, will be expended on the Equipment within three (3) years from the date of execution of the Agreement. No proceeds of the Agreement will be used to reimburse the Lessee for expenditures made prior to the date of the issuance of the Agreement, unless Lessee shall have complied with the requirements of Section 1.150-2 of the Regulations. If applicable, a copy of Lessee's official intent with respect to such reimbursement is attached hereto as attachment 1.
6. The original proceeds of the Agreement, and the interest to be earned thereon, do not exceed the amount necessary for the governmental purpose for which the Agreement is issued.
7. The interest of the Lessee in the Equipment has not been, and is not expected during the term of the Agreement, to be sold or otherwise disposed of by the Lessee.
8. No sinking fund will be maintained by the Lessee with respect to the Rental Payments.
9. The Agreement is not a "hedge bond" within the meaning of Section 149(g) of the Code. The Lessee expects to spend not less than 85% of the spendable proceeds of the Agreement within three years after the date hereof and less than 50% of the proceeds of the Agreement is invested in Nonpurpose investments having a substantially guaranteed yield for four years or more.
10. In the Agreement the Lessee has covenanted to take all actions necessary to ensure that the interest paid under the Agreement remains excludable from gross income under the Code. Such covenant includes, without limitation, the requirement to comply with the requirements of the Code relating to the rebate of arbitrage profit to the United States Government.
11. To the best of the knowledge and belief of the undersigned, the expectations of the Lessee as set forth above, are reasonable; and there are no present facts, estimates and circumstances which would damage the foregoing expectations.

LESSEE: **Arrowbear Park County Water District**

By: _____
Terisa Bonito

Title: President, Board of Directors

Date: _____

EXHIBIT D
DESCRIPTION OF EQUIPMENT

The Equipment which is the subject of the attached Lease-Purchase Agreement is as follows:

Case Skid Steer, O'Brien Jetter Trailer, Cube Camera Inspection, per attached invoices

together with all additions, accessions and replacements thereto.

Lessee hereby certifies that the description of the personal property set forth above constitutes an accurate description of the "Equipment", as defined in the attached Lease-Purchase Agreement.

LOCATION OF THE EQUIPMENT:

_____ 33379 Cedar Drive _____

_____ Arrowbear Lake, CA 92382 _____

After Lessee signs this Agreement, Lessee authorizes Lessor to insert any missing information or change any inaccurate information (such as the model year of the Equipment or its serial number or VIN) into the Description of Equipment.

LESSEE: Arrowbear Park County Water District

By: _____
Terisa Bonito

Title: _____
President, Board of Directors

Date: _____

EXHIBIT E
PAYMENT SCHEDULE

LESSEE: Arrowbear Park County Water District
 EQUIPMENT COST: \$304,806.72
 COMMENCEMENT DATE: 7/20/2023
 INTEREST RATE: 5.52%

<u>PAYMENT NO.</u>	<u>DATE</u>	<u>PAYMENT</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>PURCHASE PRICE*</u>
1	1/20/2024	\$69,583.28	\$8,591.87	\$60,991.41	\$251,128.49
2	1/20/2025	\$69,583.28	\$13,446.49	\$56,136.79	\$192,577.07
3	1/20/2026	\$69,583.28	\$10,350.53	\$59,232.75	\$131,291.31
4	1/20/2027	\$69,583.28	\$7,083.82	\$62,499.46	\$67,143.51
5	1/20/2028	\$69,583.28	\$3,636.97	\$65,946.31	\$0.00
Grand Totals		\$347,916.40	\$43,109.68	\$304,806.72	

LESSEE: **Arrowbear Park County Water District**

By: _____
 Terisa Bonito

Title: _____
 President, Board of Directors

Date: _____

* After payment of Rental Payment due on such date.

EXHIBIT F

ACCEPTANCE CERTIFICATE

The undersigned, as Lessee under the Lease-Purchase Agreement (the "Agreement") dated **July 20, 2023**, with **Leasing 2, Inc.** ("Lessor"), hereby acknowledges:

1. _____ **Equipment delivered and accepted:** Lessee has received in good condition all of the Equipment described in the Agreement and in Exhibit D thereto and accepts the Equipment for all purposes this _____ day of _____, 20_____.

2. _____ **Equipment delivery has not yet taken place:** The Equipment described in the Agreement and in Exhibit D thereto, has not been delivered. Lessor has agreed to deposit into an escrow account an amount sufficient to pay the total cost of the Equipment identified in Exhibit D of the Agreement. Exhibit E accurately reflects the Lease Amount. Lessee agrees to execute an Acceptance Certificate and Payment Request Form authorizing payment of the cost of the Equipment, or a portion thereof, for each withdrawal of funds from the Escrow Account. Lessee's obligation to commence Rental Payments as set forth in Exhibit E-Payment Schedule is absolute and unconditional as of the Commencement Date, subject to the terms and conditions of the Agreement. Lessee further acknowledges that the Agreement is not subject to the successful delivery of the Equipment, and that in the event of non-performance by the Vendor, Lessee will retain all responsibility for performance under the Agreement.

3. _____ **Vendor will be paid in full prior to delivery of equipment:** A 100% pre-funding will be made by Lessor to Vendor of the lease amount identified as "Equipment Cost" on the Exhibit E – Payment Schedule of the Agreement. Lessee agrees to indemnify and hold Lessor harmless from and against any and all claims, costs and expenses incurred (including Lessor's attorneys' fees). Lessee further acknowledges that the Agreement is not subject to the successful delivery of the Equipment, and that in the event of non-performance by the Vendor, Lessee will retain all responsibility for performance under the Agreement.

Lessee certifies that Lessee has fully and satisfactorily performed all of its covenants and obligations required under the Agreement, and confirms that the Agreement will commence as defined by "Commencement Date" in the attached Agreement, and it will commence payments in accordance with Article VI of the Agreement.

The undersigned officer of the Lessee hereby reaffirms on behalf of the Lessee in all respects the covenants of the Lessee set forth in Article II of the Agreement and represents that, to the best of his or her knowledge, information and belief, the expectations therein expressed were reasonable as of the Commencement Date, and that there were, and are as of the date on which they were made, and are reasonable as of the Commencement Date, no facts, estimates or circumstances other than those expressed therein that would materially affect the expectations expressed therein.

LESSEE: **Arrowbear Park County Water District**

By: _____
Terisa Bonito

Title: _____
President, Board of Directors

EXHIBIT G

ESSENTIAL USE/SOURCE OF FUNDS LETTER

TO: Leasing 2, Inc.

RE: Lease-Purchase Agreement Dated July 20, 2023.

Gentlemen:

Reference is made to certain Lease-Purchase Agreement dated July 20, 2023, between Leasing 2, Inc. and Arrowbear Park County Water District, leasing the personal property described in Exhibit D to such Lease. This confirms and affirms that such equipment is essential to the functions of the undersigned or to the service we provide to our citizens.

Further, we have an immediate need for, and expect to make immediate use of, substantially all the Equipment, which need is not temporary or expected to diminish in the foreseeable future. The Equipment will be used by us only for the purpose of performing one or more of our governmental or proprietary functions consistent with the permissible scope of our authority. Specifically, the Equipment was selected by us to be used as follows:

Please describe USE of equipment:

Sincerely,

Terisa Bonito, President, Board of Directors

Date

EXHIBIT H

DESIGNATION OF BANK QUALIFICATION

In consideration of the mutual covenants of the Lessor and Lessee pursuant to the Lease-Purchase Agreement dated **July 20, 2023**, (the "Agreement") between **Leasing 2, Inc.** ("Lessor") and **Arrowbear Park County Water District** ("Lessee"), such Agreement is modified as follows:

Lessee certifies that it reasonably anticipates that it and all of its subordinate entities will not issue more than \$10,000,000 of "qualified tax-exempt obligations" (as that term is defined in Section 265(b)(3)(B) of the Internal Revenue Code of 1986 ("the Code") during the current calendar year .

Further, lessee hereby designates the Agreement as a "qualified tax-exempt obligation" in accordance with Section 265 (b)(3)(B) of the Code so that it is eligible for the exception contained in Section 265 (b)(3) of the Code and further certifies for the purpose of the overall limitation of Section 265 (b)(3)(D) of the Code that it and its subordinate entities have not as of this calendar year issued more than \$10,000,000 of obligations which it has designated for these purposes.

All terms contained herein not otherwise defined shall have the same meaning as such terms are used and defined in the Lease.

LESSEE: **Arrowbear Park County Water District**

By: _____
Terisa Bonito

Title: President, Board of Directors

Date: _____

EXHIBIT I

NOTICE AND ACKNOWLEDGMENT OF ASSIGNMENT

Leasing 2, Inc. ("Lessor") hereby gives notice to the **Arrowbear Park County Water District** ("Lessee") that Lessor has assigned all rights to payments under the Lease-Purchase Agreement, dated as of **July 20, 2023**, between **Leasing 2, Inc.** ("Lessor") and **Arrowbear Park County Water District** ("Lessee"). **Leasing 2, Inc.** ("Lessor") hereby requests, gives notice and instructs **Arrowbear Park County Water District** ("Lessee") that payments that hereafter come due pursuant to the Lease-Purchase Agreement be paid to **Santander Bank, N.A.** or its Assignee.

Santander Bank, N.A.
P.O. Box 847386
Boston, MA 02284-7386

LESSEE: **Arrowbear Park County Water District**

By: _____
Terisa Bonito

Title: _____
President, Board of Directors

Date: _____

INSURANCE COVERAGE REQUIREMENT

TO: **Leasing 2, Inc. and/or its Assigns**
1720 West Cass Street
Tampa, FL 33606-1230

FROM: **Arrowbear Park County Water District**
2365 Fir Drive
Arrowbear Lake, CA 92382

RE: INSURANCE COVERAGE REQUIREMENTS (Check one):

_____ 1. In accordance with Section 8.03 of the Agreement, we have instructed the insurance agent named below (please fill in name, address and telephone number)

AGENCY NAME: _____

CONTACT NAME: _____

ADDRESS: _____

CITY/ ST/ ZIP: _____

TELEPHONE: _____

EMAIL ADDRESS: _____

to issue:

a. All Risk Physical Damage Insurance on the leased equipment evidenced by a Certificate of Insurance and Long Form Loss Payable Clause naming **Leasing 2, Inc. and/or its Assigns** as Loss Payee.

Coverage Required: Full Replacement Value

b. Public Liability Insurance evidenced by a Certificate of Insurance naming **Leasing 2, Inc. and/or its Assigns** as an Additional Insured.

Minimum Coverage Required:
\$500,000.00 per person
\$1,000,000.00 aggregate bodily injury liability
\$1,000,000.00 property damage liability

_____ 2. Pursuant to Section 8.03 of the Agreement, we are self-insured for all risk, physical damage, and public liability and will provide proof of such self-insurance in letterform together with a copy of the statute authorizing this form of insurance.

By: _____
Terisa Bonito

Title: _____
President, Board of Directors

Date: _____

BILLING INFORMATION

Please indicate below how you would like us to bill you for the lease payments due under this Agreement, including a contact name, if applicable:

Contact Name: _____

Company: _____

Street Address or Box #: _____

City, State, Zip: _____

County: _____

Telephone: _____ () _____

Fax: _____ () _____

Email Address: _____

Invoice Reference: Case Skid Steer, O'Brien Jetter Trailer, Cube Camera Inspection _____

**CUSTOMER IDENTIFICATION PROGRAM
ORGANIZED ENTITY**

Notice: To help the government fight the funding of terrorism and money laundering activities, U.S. Federal law requires financial institutions to obtain, verify and record information that identifies each person (individuals or businesses) who opens an account.

What this means for you: When you open an account or add any additional service, we will ask you for your name, address, federal employer identification number and other information that will allow us to identify you. We may also ask to see other identifying documents.

CUSTOMER NAME: Arrowbear Park County Water District

CUSTOMER IDENTIFICATION

Taxpayer ID Number: 95-2417611

Business Structure (check one): City Government: _____ County Government: _____ Tax District: _____ Corporation: _____

Other, description: _____

We may request certified copies of your organizational documents as part of the identification procedure.

PRIMARY ADDRESS AND REGISTRATION

Address: _____

Address: _____

City: _____

State: _____

Zip Code: _____

State of Registration/Organization: _____

MAILING ADDRESS (if different from above)

Address: _____

Address: _____

City: _____

State: _____

Zip Code: _____

Acknowledgment: The information contained herein is true and correct.

Arrowbear Park County Water District

By: _____
Terisa Bonito

Its: President, Board of Directors

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (the "Escrow Agreement") is made and entered into as of **July 20, 2023** ("Escrow Agreement Date"), by and among Leasing 2, Inc. or its assigns ("Lessor"), **Arrowbear Park County Water District** ("Lessee") and Old National Wealth Management ("Escrow Agent").

RECITALS

WHEREAS, Lessor and Lessee have entered into the Lease-Purchase Agreement dated **July 20, 2023** (the "Lease"), pursuant to which the equipment more particularly described therein (the "Equipment") will be leased to the Lessee under the terms stated in the Lease;

WHEREAS, Lessor and Lessee desire to make funding arrangements for the acquisition of the Equipment, and Escrow Agent agrees to serve as escrow agent for such funding and acquisition;

WHEREAS, Escrow Agent is hereby notified that Lessor expects to assign all of its right, title, and interest in and to, but not its obligations under, the Lease and this Escrow Agreement to **Santander Bank, N.A.**, including, in particular, but without limitation, and Lessor's right to approve all payment requests submitted by Lessee and Lessor's security interest in the Fund (as defined herein).

NOW THEREFORE, in consideration of the mutual agreements and covenant herein contained and for other valuable consideration, the parties hereby agree as follows:

1. Escrow Agent shall undertake the duties and obligations of escrow agent as set forth in this Escrow Agreement. Escrow Agent shall not be deemed to be a party to the Lease.
2. Lessor has delivered to Escrow Agent the sum of \$ **304,806.72** ("Escrow Amount") for deposit by Escrow Agent in an Escrow Account established in connection with the Lease (the "Fund"). The Fund will be administered by Escrow Agent pursuant to the terms of this Escrow Agreement. Lessee acknowledges that Escrow Agent may commingle the Escrow Amount held by Escrow Agent for the benefit of Lessee with other funds held by Escrow Agent for its own account, so long as the Escrow Agent maintains segregation of the Fund on the books and records of Escrow Agent. The Escrow Amount shall not be the property of the Escrow Agent, notwithstanding the fact that it may be commingled with other funds of the Escrow Agent.
3. Deposits in the Fund shall be used to pay for the acquisition of the Equipment. The Equipment may be acquired as individual items or as groups of items. Escrow Agent shall make disbursements from the Fund in payment for the acquisition of each item or group of items of the Equipment promptly upon receipt of a properly executed Escrow Disbursement Request Form, in the form attached hereto as "Exhibit A", for that portion of the acquisition of the Equipment for which payment is requested. Upon full acquisition of an item or group of items of the Equipment, any remaining cost of such item or group of items shall be disbursed promptly by the Escrow Agent upon receipt of a properly executed Acceptance Certificate and a corresponding Escrow Disbursement Request Form in the form attached hereto as "Exhibit A", for that portion of the Equipment for which payment is requested. Payment by Escrow Agent shall be to the payee shown on the Escrow Disbursement Request Form. Escrow Agent may deduct overnight mailing fees from the Fund prior to any disbursement requested by Lessee in writing to be sent via overnight mail.
4. No fees are due to the Escrow Agent under this Escrow Agreement and neither the Lessee nor any assignee of Lessor shall be responsible for payment of any fees to the Escrow Agent.
5. Escrow Agent will invest the Fund, as specified by Lessor, in a Federated Government Obligation Money Market account, ticker GOSXX; provided, however, that notwithstanding anything herein, the yield on the Fund shall not be allowed to exceed the yield on the Lease. If the yield on the Fund at any time exceeds the yield on the Lease, the Lessor shall direct the Escrow Agent to invest the Fund in a lower yielding investment such that no arbitrage is earned on the Fund. Escrow Agent shall maintain the Fund until termination of the Fund pursuant to Section 6 hereof.
6. Upon execution of one or more Acceptance Certificates by Lessee and payment of acquisition costs by Escrow Agent for all the Equipment, this Escrow Agreement shall terminate and the Fund shall be closed. If not terminated earlier, this Escrow Agreement shall terminate and the Fund shall close on the date that is three years after the Escrow Agreement Date ("Termination Date"). Upon termination of this Escrow Agreement and closing of the Fund, Escrow Agent shall transfer all remaining principal in the Fund to Lessor and such amounts shall be applied by Lessor to Lessee's next Rental Payment. Lessee agrees that any interest earned on the Escrow Amount held in the Fund in excess of the costs of the Equipment will be paid to Leasing 2, Inc.
7. Lessor and Lessee may by written agreement between themselves remove the Escrow Agent, at any time and for any reason, and appoint a successor escrow agent. Such removal shall not be effective until thirty (30) days after written notice thereof if provided to Escrow Agent.
8. Escrow Agent may at any time and for any reason resign as Escrow Agent by giving written notice to Lessor and Lessee of its intention to resign and of the proposed date of resignation, which date shall be not less than thirty (30) days after giving Lessee and Lessor written notice of intent to resign, nor less than thirty (30) days after being appointed by Lessor and Lessee.

9. Escrow Agent shall have no obligation under the terms of this Escrow Agreement to make any disbursement except from the Fund. Escrow Agent makes no warranties or representations as to the Equipment or as to performance of the obligations of Lessor or Lessee under this Escrow Agreement or the Lease.

10. Escrow Agent shall be entitled to rely in good faith upon any documents signed by a party hereto and shall have no duty to investigate the veracity of such documents. Escrow Agent (i) may assume that any person giving notice pursuant to the terms hereof is authorized to do so and (ii) shall not be liable for good faith reliance thereon.

11. Except to the extent it would invalidate the Lease or otherwise be prohibited by law, to secure the payment of all Lessee's obligations under the Lease, Lessee, grants to Lessor a security interest constituting a first lien on the Escrow Amount and on all amounts held in the Fund and any proceeds therefrom. Lessee hereby authorizes Lessor to prepare and file such financing statements, any amendments thereto and other such documents to establish and maintain such first lien and perfected security interest. Lessee hereby acknowledges the receipt of copies of the financing statements prepared by Lessor and hereby confirms the accuracy of the information contained therein. Lessee further agrees to execute such additional documents, including affidavits, notices and similar instruments, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain its security interest, and upon assignment, the security interest of any assignee of Lessor, in the Equipment. To the limited extent required to perfect the security interest granted by Lessee to Lessor in the cash and negotiable instruments from time to time comprising the Fund, Lessor hereby appoints the Escrow Agent as its security agent, and the Escrow Agent hereby accepts the appointment as security agent, and agrees to hold physical possession of such cash negotiable instruments on behalf of Lessor.

12. The Lessor and Lessee, to the extent permitted by law, hereby agree to indemnify, defend, protect and hold the Escrow Agent, its affiliates, its officers, directors, agents and employees, harmless from and against any and all claims, losses, liability, damages, costs or expenses that the Escrow Agent may suffer or incur arising out of or in connection with the acceptance or administration of this Escrow Agreement or the performance of its duties hereunder, including reasonable attorneys' fees, but excluding any losses, liability, damages, costs or expenses due to the Escrow Agent's negligence or willful misconduct or its failure to act in accordance with the terms of this Escrow Agreement. This indemnity shall survive the termination of this Escrow Agreement or the removal or resignation of the Escrow Agent. The Escrow Agent agrees to indemnify, defend, protect and hold the Lessor, its affiliates, its officers, directors, agents and employees, harmless from and against any and all claims, losses, liability, damages, costs or expenses that the Lessor may suffer or incur arising out of or in connection with the acceptance or administration of this Escrow Agreement or the performance of its duties hereunder, including reasonable attorneys' fees, but excluding any losses, liability, damages, costs or expenses due to the Lessor's negligence or willful misconduct.

13. This Escrow Agreement may be amended only by written agreement executed by all the parties.

14. This Escrow Agreement may be executed in several counterparts, each of which shall be an original.

15. This Escrow Agreement will be governed by and construed in accordance with the laws of the state in which the Lessee is organized.

IN WITNESS WHEREOF, the parties have executed this Escrow Agreement as of the date first written above.

LESSOR: Leasing 2, Inc.

BY: _____

Name: _____

Title: _____

LESSEE: Arrowbear Park County Water District

BY: _____

Name: Terisa Bonito

Title: President, Board of Directors

ESCROW AGENT: Old National Wealth Management

BY: _____

Name: _____

Title: _____

ESCROW AGREEMENT – Exhibit A

ESCROW DISBURSEMENT REQUEST FORM

Old National Wealth Management, acting as escrow agent (the "Escrow Agent") under the Escrow Agreement dated as of July 20, 2023, by and among the Escrow Agent, Leasing 2, Inc. ("Lessor") and Arrowbear Park County Water District (" Lessee") (the "Escrow Agreement"), is hereby requested to pay to the person or corporation designated below as payee the sum set forth below in payment of the acquisition and installation costs of the equipment described below, which equipment was financed pursuant to that certain Lease-Purchase Agreement dated July 20, 2023, by and between Lessor and Lessee (the "Lease"). The amount shown below is due and payable under the attached vendor invoice(s) of payee with respect to the described equipment and has not formed the basis of any prior request for payment from the escrow account established under the Escrow Agreement.

PAYEE: _____

AMOUNT: _____

DESCRIPTION OF EQUIPMENT: _____

INVOICE # _____ DATED: _____

Indicate Method for Payment Disbursement:

_____ Overnight Check *** _____ Regular Mail Check _____ Wire Funds

Mailing Address: _____ Wire Instructions: _____

***Please note that there might be a fee charged for overnight delivery.
This fee will be deducted from the escrow balance before disbursement is made.

Lessee: Arrowbear Park County Water District

By: _____

Name: Terisa Bonito

Title: President, Board of Directors

Assignee: Santander Bank, N.A.

By: _____

Authorized Signer

ACCEPTANCE CERTIFICATE

Lessee hereby acknowledges receipt in good condition of all the equipment described above and included on the attached vendor invoice(s), hereby accepts such equipment, and hereby certifies that Lessor or its assignee has fully and satisfactorily performed all covenants and conditions to be performed by it under the Lease with regard to such equipment, that such equipment is fully insured in accordance with Section 8.03 of the Lease and that such equipment constitutes all or a portion of the Equipment as that term as defined in the Lease.

Date: _____

Lessee: Arrowbear Park County Water District

By: _____

Name: Terisa Bonito

Title: President, Board of Directors



July 11, 2023

The Board of Directors
Arrowbear Park County Water District
2365 Fir Drive
Arrowbear Lake, CA 92382

Attention: Board of Directors and Norman Huff, General Manager:

Halliday & Company, Certified Public Accountants (the Firm) is pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide Arrowbear Park County Water District (the Entity). Please read this letter carefully, as it is important to both the Firm and the Entity that you understand and accept the terms under which we have agreed to perform our services, as well as management's responsibilities under this agreement.

Our engagement client acceptance procedures are not complete as of the date of this letter. Our acceptance of this engagement is contingent upon successful completion of these procedures. If we are unable to satisfactorily complete our engagement client acceptance procedures, then this engagement letter will be considered null and void and all parties to this agreement will be relieved of any responsibilities under this agreement.

Financial Statement Services and Audit Objective

We will prepare and audit the financial statements of the governmental activities, business type activities, and each major fund of the Entity as of and for the year ended June 30, 2023, and the related financial statement disclosures.

Accounting standards generally accepted in the United States of America (GAAP) call for certain required supplementary information (RSI) to accompany the basic financial statements. The Governmental Accounting Standards Board (GASB) also considers this information a necessary part of financial reporting as it provides perspective to the basic financial statements. Therefore, as part of this engagement, we will apply limited procedures to the Entity's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will primarily consist of inquiries of management regarding their methods of measurement and presentation. However, we will not express an opinion or provide any assurance on this RSI as our limited procedures do not provide us with sufficient appropriate evidence to do so under our professional standards. Consequently, the financial statements we present to you will include the following required RSI that will not be audited and, as such, our report will disclaim an opinion on this RSI:

**H A L L I D A Y
& C O M P A N Y**

Management's Discussion and Analysis

Schedule of Pension Plan Contributions

Schedule of the District's Proportionate Share of the Net Pension Liability

Schedule of Changes in the District's Net OPEB Liability and Related Ratios

The statements we present to you will include the following additional information that will not be subject to the auditing procedures applied in our audit of the basic financial statements and for which our report will disclaim an opinion:

Organizational Information

Schedule of Officers, Directors, and Management

Schedule of Insurance Coverage

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP.

Our audit will be conducted in accordance with GAAS. Our professional standards as defined by GAAS require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements, and the related financial statement disclosures, are free from material misstatement and are fairly presented, in all material respects, in conformity with GAAP. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Our audit will involve performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and will include tests of the accounting records of the Entity and other procedures we consider necessary. The procedures we determine necessary will depend on our professional judgment as auditors and will be based, in part, on our assessment of the risks of material misstatement of the financial statements and disclosures, whether from errors, fraudulent financial reporting, misappropriations of assets, or violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the Entity. An audit also includes evaluating the appropriateness of accounting policies used, and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements, including disclosures. If we deem it appropriate and applicable, our procedures will also include tests of documentary evidence supporting the transactions recorded in the accounts, may include tests of the physical existence of inventories, and will include direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals and third parties (e.g., creditors or financial institutions). As part of our audit process, we may request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the financial statements and related matters. These representations will include acknowledging our assistance with the preparation of your financial statements,

the supplementary information, and notes accompanying these documents, and that you have reviewed and approved these documents, approved their release, and that you have accepted responsibility for them.

Because of the inherent limitations of an audit, together with the inherent limitations of a system of internal control, an unavoidable risk exists that some material misstatements may not be detected by our firm, even though our audit is properly planned and performed in accordance with GAAS and Government Auditing Standards. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of controls. An audit is not designed to provide an opinion on a system of internal control nor to identify internal control deficiencies.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or disclosures. However, we will inform you of any material errors that come to our attention, and we will inform you, or the appropriate level of management, of any fraudulent financial reporting or misappropriation of assets that comes to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential.

In making our risk assessments, we will gain an understanding of your system of internal control relevant to the preparation and fair presentation of the Entity's financial statements in order to design audit procedures that are appropriate in the circumstances. However, our audit procedures are not designed for the purpose of expressing an opinion on the effectiveness of your system of internal control, and accordingly, we will express no such opinion. We will communicate in writing to the appropriate level of management and those charged with governance matters concerning any significant deficiencies or material weaknesses in the system of internal control relevant to your financial statements that we identify during the audit.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will also perform tests of the Entity's compliance with applicable laws and regulations and the provisions of contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion. Management maintains the responsibility for identifying and ensuring that the Entity complies with applicable laws, regulations, contracts, and other agreements.

We identified management override of controls and fraudulent revenue recognition as significant risks of material misstatements as part of our preliminary auditing planning. If additional significant risks are identified during the performance of our audit procedures, we will communicate them to you.

Also, based on the audit evidence we obtain, we will conclude whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

As this engagement is not designed to be a fraud audit, management understands and accepts the inherent limitations of the audit services described in this agreement.

Neither our audit nor our identification and communication of the above significant risks relieve you of any of your management or governance responsibilities.

Our responsibility as auditors is, of course, limited to the period covered by our audit and does not extend to any other periods.

Douglas Richardson, is the engagement leader for the audit services specified in this letter. Their responsibilities include supervising the Firm's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Responsibilities of Management and Those Charged with Governance

By your signature below, you acknowledge that management understands and agrees to assume all of the responsibilities stipulated in this section. As part of our engagement, we may advise you about appropriate accounting principles and their application; however, the management of the Entity acknowledges and understands that the final responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP remains with you. This responsibility includes the financial statements, all accompanying information, and the representations that accompany them. As such, the management of the Entity is responsible for adjusting the financial statements to correct material misstatements, including inadequate, incomplete or omitted disclosures, and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Other management responsibilities include maintaining adequate records, selecting and applying accounting principles, and safeguarding assets.

Management is also responsible for the preparation and fair presentation of the required supplementary information (RSI), supplementary information, and other information, as applicable. You agree that you will confirm your understanding of your responsibilities with respect to the information in your representation letter. You further agree to include our report on any RSI, supplementary information, or other information, as applicable, in any document that contains and indicates that we have reported on such RSI, supplementary information, or other information. In addition, you also agree to include the audited financial statements with any presentation of RSI, supplementary information, or other information that includes our report thereon.

You also acknowledge that the management of the Entity is responsible for the design, implementation, and maintenance of a system of internal control relevant to the preparation and fair presentation of financial statements and disclosures, and all accompanying information, that are free from material misstatement, including omissions, whether due to fraud or error. This responsibility includes the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Entity (as applicable) and the respective changes in financial position and where applicable, cash flows, in conformity U.S. GAAP. In addition, management is also responsible for having appropriate programs and controls in place to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the organization that involves management, employees who have significant roles in the system of internal control, regulators, and others where fraud could have a material impact on the financial statements or disclosures. The management of the Entity is also responsible for informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Entity received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the Entity complies with applicable laws and regulations and for taking timely and appropriate actions to remedy any fraud, noncompliance with laws and regulations, or violations of contracts and agreements. You agree that you will confirm your understanding of your responsibilities as defined in this letter to us in your representation letter.

Management's responsibilities also include designating qualified individuals with suitable skill, knowledge, and/or experience to be responsible and accountable for overseeing the preparation of your financial

statements and disclosures and any other nonattest services we perform as part of this engagement, as well as evaluating the adequacy and results of those services and accepting responsibility for them. We will perform any non-attest services you request that we perform in the course of our engagement, in accordance with applicable professional standards. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management is responsible for providing us with access to all information it is aware of that is relevant to the preparation and fair presentation of the financial statements and disclosures such as financial records, documentation and related information; for the accuracy and completeness of that information (including information from outside of general and subsidiary ledgers); and for informing us of events occurring or facts discovered subsequent to the date of the financial statements that may affect them. This responsibility also includes providing us with any additional information that we may request from management for the purpose of the audit; as well as allowing us unrestricted access to individuals within the organization from whom we may determine it necessary to obtain audit evidence, including access to your designated employees who will type all confirmations we request.

Professional standards require us to be independent with respect to the Entity. Any discussions with our personnel regarding employment could pose a threat to our independence. Therefore, you agree to inform the Chadrick L Halliday, Firm President, before having any such discussions.

Written Report

We expect to issue a written report upon completion of our audit of the Entity's financial statements. Our report will be addressed to the Board of Directors of the Entity. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add a separate section, or add emphasis-of-matter or other-matter paragraphs, decline to express an opinion, or withdraw from the engagement.

If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

Engagement Administration, Fees, and Other Matters

We understand that your personnel will prepare all confirmations and schedules we request and will locate any documents selected by us for testing. We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in a timely manner or we encounter unexpected circumstances during the audit, it may substantially increase the work we have to do to complete the engagement within the established deadlines and result in a substantial increase in audit fees.

We expect to begin our audit on approximately August 15, 2023 and to issue our report no later than December 15, 2023. We will meet with your management prior to commencement of our audit to establish agreed upon due dates for our audit requests. If our audit requests are not responded to in a timely manner, it could significantly delay the completion of our audit and issuance of our report.

In accordance with the terms and conditions of this agreement, the Entity shall be responsible for the accuracy and completeness of all data, information and representations provided to us for purposes of this engagement. Because of the importance of oral and written management representations to the effective performance of our services, the Entity releases and indemnifies our Firm and its personnel from any and all claims, liabilities, costs and expenses attributable to any misrepresentation by management and its representatives.

Our estimated fee for performance of the audit, assistance preparing the necessary pension and OPEB adjustments and footnote information, and assistance preparing the financial statements is \$25,200 plus travel and other out-of-pocket costs (such as report reproduction, postage, etc.). Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

In accordance with our Firm policies, work may be suspended if your account becomes overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for non-payment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. The Entity further acknowledges and agrees that in the event we stop work or withdraw from this engagement as a result of the Entity's failure to pay on a timely basis for services rendered as required by this engagement letter, we shall not be liable to the Entity for any damages that occur as a result of our ceasing to render services.

All consultations regarding accounting matters, including assistance with the Entity's adoption of new U.S. GAAP standards and related audit procedures, will be considered out of the scope of this engagement letter and billed separately at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned. Also, if requests are not provided timely in an adequate format resulting in significant extra time required by us in order to obtain the necessary information to complete the audit then that time will also be billed separately at our standard hourly rates.

Our fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, it will be billed separately at our standard hourly rates.

In addition, you further agree that in the event our firm or any of its employees or agents is called as a witness or requested to provide any information whether oral, written, or electronic in any judicial, quasi-judicial, or administrative hearing or trial regarding information or communications that you have provided to this firm, or any documents and workpapers prepared by the Firm in accordance with the terms of this agreement, you agree to pay any and all reasonable expenses, including fees and costs for our time at the rates then in effect, as well as any legal or other fees that we incur as a result of such appearance or production of documents.

Third-Party Service Providers and Email Communication

We may from time to time and depending on the circumstances and nature of the services we are providing, share your confidential information with third-party service providers, some of whom may be cloud-based,

but we remain committed to maintaining the confidentiality and security of your information. Accordingly, we will take reasonable precautions to prevent the unauthorized release of your confidential information to others. Although we will use our best efforts to make the sharing of your information with such third parties secure from unauthorized access, no completely secure system for electronic data transfer exists. As such, by your signature below, you understand that the firm makes no warranty, expressed or implied, on the security of electronic data transfers and you consent to us using third-party service providers in serving your account.

In connection with this engagement, we may communicate with you or others via email transmission. We take reasonable measures to secure your confidential information in our email transmissions. However, as email can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom it is directed and only to such parties, we cannot guarantee or warrant that email from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure or communication of email transmissions, or for the unauthorized use or failed delivery of email transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of sales or anticipated profits, or disclosure or communication of confidential or proprietary information.

Suralink

Norman Huff, General Manager, will be invited to the Suralink document exchange portal and configured as the client access administrator. The client access administrator will be responsible for granting Entity personnel access to Suralink and for removing said access when needed. Those Entity personnel will be responsible for designating a suitable password for their account within Suralink and we will have no knowledge of said password. It is the responsibility of the Entity and the Entity's personnel to ensure the security of their accounts within Suralink and their login credentials. We encourage the Entity and the Entity's personnel to utilize strong passwords and multifactor authentication, if possible, and to disallow the sharing of account credentials. The Entity must notify us in writing (via email) when it is necessary to change the Suralink client access administrator and/or remove the current administrator's access. We will make an effort to modify and/or terminate administrator access and confirm modification/termination within 3 business days; however, the Entity cannot be assured that access has been terminated until we confirm in writing (via email).

Record Retention

It is our policy to keep records related to this engagement for 7 years. However, the Firm does not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. It is your responsibility to retain and protect your records (which includes any work product we provide to you as well as any records that we return) for possible future use, including potential examination by government or regulatory agencies. The Firm does not accept responsibility for hosting client information; therefore, you have the sole responsibility for ensuring you retain and maintain in your possession all your financial and non-financial information, data and records.

By your signature below, you acknowledge and agree that upon the expiration of the 7-year period, the Firm shall be free to destroy our records related to this engagement but is under no obligation to do so.

Mediation and Arbitration

If any dispute arises among the parties hereto, the parties agree to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its applicable rules for resolving

Board of Directors
Arrowbear Park County Water District
July 11, 2023

professional accounting and related services disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

The Entity and the Firm both agree that any dispute over fees charged by the Firm to the Entity will be submitted for resolution by arbitration in accordance with the applicable rules for resolving professional accounting and related services disputes of the American Arbitration Association, except that under all circumstances the arbitrator must follow the laws of California. Such arbitration shall be binding and final. IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT IN THE EVENT OF A DISPUTE OVER FEES CHARGED BY THE FIRM, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION. The prevailing party shall be entitled to an award of reasonable attorneys' fees and costs incurred in connection with the arbitration of the dispute in an amount to be determined by the arbitrator.

The Entity agrees, to the fullest extent permitted by law, to limit the liability of the Firm to the Entity for any and all claims, losses, costs, and damages of any nature whatsoever, so that the total aggregate liability of the Firm to the Entity shall not exceed the total fees paid to the Firm for services rendered under this agreement. The Entity and the Firm intend and agree that this limitation apply to any and all liability or cause of action against the Firm, however alleged or arising, unless otherwise prohibited by law.

Additional Services

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you concerning the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

Board of Directors
Arrowbear Park County Water District
July 11, 2023

Electronic Signatures

Each party agrees that this agreement and any other documents executed hereby may be electronically signed, and that any electronic signatures appearing on this agreement or such other documents are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign below.

Sincerely,



Chadrick L Halliday, CPA
Halliday & Company, Certified Public Accountants

This letter correctly sets forth the understanding of Arrowbear Park County Water District:

Teresa Bonito, President of the Board

Date

Norman Huff, General Manager

Date