



**MINUTES of the Regular Meeting of the
Pliocene Ridge CSD Board of Directors
Date: Thursday June 15, 2023 Time: 6:30 pm
Location: Pike City Firehouse, 100 Pike City Rd**

1. ESTABLISH QUORUM, CALL TO ORDER, FLAG SALUTE: The meeting was called to order at 6:30 pm by President Larry Allen. **Flag Salute.** Present: Board members, Larry Allen, Bruce Coons, Pam Davis, Grace Lundeen and Chris Mills. Also in attendance: Pliocene Ridge Fire Chief Chris Dorn, Alleghany Assistant Chief Ned Cusato, Firefighters Chris Gibbs and RJ Deacon, Pike Community Support Foundation Directors Roland Robertson, Denise Ruane and Terry Neubert. Public present: Vicky Tenney. Pliocene Ridge CSD Secretary Rae Bell Arbogast attended by phone and took the minutes.

2. CONSENT CALENDAR:

Approval of current Agenda, Minutes for regular meeting held May 11, 2023 and the Treasurer's report for May 2023. **A motion was made to approve the consent calendar by Bruce Coons, seconded by Chris Mills Ayes: Allen, Coons, Davis, Lundeen, Mills Noes: none Absent: none Abstain: none ~ Motion carried.**

3. PUBLIC COMMENT: (For items not listed on the agenda). Vicky Tenney wanted to know why there was no call-in option on the agenda. Larry Allen explained that the bylaws have not been changed yet but there is an item on the agenda to do that. She also asked about the weed-eating at Station 1 in Alleghany. Ned Cusato stated that after the May meeting he and Chief Dorn had spoken to a person who has done it in the past and who agreed to do it, but who failed to get it done the last two times that he agreed to do it. Subsequently, the AVFD non-profit had hired a person to do it after asking several people in town if they were interested in the job. The person who had agreed to do it in May had been instructed to wait a bit because of the rain. Rae Bell will follow-up [with AVFD Chairman Amber Mehrmann] to see what is going on.

Chris Mills brought up something about the Cemetery, but it was explained to him that the Cemetery is not within the district's jurisdiction.

Denise Ruane had a potential item for the next month's agenda, but it was decided that it could be handled outside of a regular meeting (accounting inquiry).

4. INFORMATION/DISCUSSION ITEMS

a) Correspondence:

Incoming: Certificate of appreciation to all first responders from NORCAL EMS,

Outgoing: Pam Davis completed oath of office papers sent to the Sierra County Clerk Recorders Office, Thank you letter and receipt for tax purposes sent to JK Jennings foundation for \$3,000 donation for Pike City FD

b) Committee/Member/Business Reports:

1. Chief's Report ~ Chief Dorn reported that there has been a lot of rain and not a lot has happened. It has been pleasantly calm in our response area but there are 14 active fires in the state, some relatively close. The burn ban will be going into effect soon. The end of June is the latest that it can go. Training attendance has been really good, with a few new faces showing up

regularly. The new tires are scheduled to be installed on Engine 7180 Thursday by the County who will bill the district.

2. *Assistant Chief's Report*: Nothing further to report.

3. *AVFD non-profit corp*: ~ AVFD non-profit corp. Secretary Rae Bell reported that the delinquent status with the State was lifted earlier in the week. This means that the non-profit can resume fundraising activities, but there is still a question about the EDD audit, if there were any findings. Nobody seems to know the answer to that question.

4. *Pike Community Support Foundation* ~ Roland Robertson reported that they are holding a Town Hall this coming Saturday noon to 2 at Plum Valley. Supervisor Lee Adams will be in attendance to answer questions. Everyone is encouraged to bring any questions or concerns that they may have. He also reported that their Vice President Marge Cole had resigned, and they are looking for a new board member to take her place.

5. *Board Member/Staff Reports* ~ Secretary/Treasurer's Report provided in writing.

6. *Firewise Community Projects* ~ It was reported that a list of property owners who are interested in getting assistance with firesafe clearing is being put together by the district. This is for a planning grant to try to get projects going in both Pike and Alleghany.

7. *Firehouse Projects & ADA Compliance*:~ Report provided in writing.

8. *Pending Grants*: None.

5. ACTION ITEMS

a) Unfinished Business

Adopt Preliminary Budget for Fiscal Year 23/24. **A motion was made to adopt the Preliminary Budget as presented in May by Chris Mills, seconded by Bruce Coons Ayes: Allen, Coons, Davis, Lundeen, Mills Noes: none Absent: none Abstain: none ~ Motion carried.**

b) New Business

1. *Accept donation of laptop computer valued at \$543 donated by Chris Kissinger for the Pike City Firehouse* – **A motion was made to accept the donation by Gracie Knowles, seconded by Chris Mills Ayes: Allen, Coons, Davis, Lundeen, Mills Noes: none Absent: none Abstain: none ~ Motion carried.**

2. *Amend bylaws Article II to allow a call-in option for board meetings*: The following was suggested: Article II

On page 3 near the bottom under the heading "Board Meetings" after item 2. Create a new item 3 that states:

A remote call-in option may be provided for any board meeting. The purpose of this is to facilitate participation in board meetings when weather conditions or other circumstances make it difficult to attend in person. Due to limited internet access within the district's boundaries, PRCS D is not able to fulfill the Brown Act requirement for remote meetings to be broadcast visually. All Brown Act Agenda Posting requirements shall be adhered to.

Renumber all subsequent items accordingly. **A motion was made to adopt these changes by Bruce Coons, seconded by Chris Mills Ayes: Allen, Coons, Davis, Lundeen, Mills Noes:**

none Absent: none Abstain: none ~ Motion carried. President Allen noted that this change was adopted rather rapidly (language was not provided in advance of the meeting). He stated that if there are any objections to this change it needs to be reconsidered.

3. *Update Policy #1020 Administrative duties.* Proposed changes included in meeting docs and attached to these minutes. **A motion was made to accept the changes as presented by Chris Mills, seconded by Bruce Coons Ayes: Allen, Coons, Davis, Lundeen, Mills Noes: none Absent: none Abstain: none ~ Motion carried.**

4. *Renew Rae Bell Arbogast Contract For Services expires June 30th.* A copy of the contract was posted with meeting docs and is attached to these minutes. **A motion was made to renew Rae Bell's contract as presented (no change to pay) by Pam Davis, seconded by Chris Mills Ayes: Allen, Coons, Davis, Lundeen, Mills Noes: none Absent: none Abstain: none ~ Motion carried.**

5. *Appoint a Risk Manager:* This item was tabled.

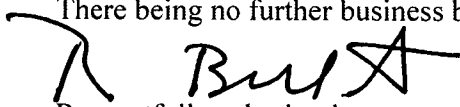
6. *Consider changing the name of the "General Fund" to either the "The Fire Fund" or the "General Fire Fund".* It was decided by consensus to go with General Fire Fund.

6. ANNOUNCEMENTS, NEXT MEETING DATE & AGENDA ITEMS

The next regular meeting is scheduled for August 17, 2023 in Alleghany. Agenda Items: Appoint Risk Manager.

7. ADJOURNMENT:

There being no further business before the board, the meeting was adjourned at 6:50 PM.


Respectfully submitted,
Rae Bell Arbogast, Secretary



Pliocene Ridge Community Services District

100 Pike City Road
Pike City, CA 95960

plioceneridge.org

plioceneridge@gmail.com

NOTICE OF REGULAR MEETING OF THE BOARD OF DIRECTORS

Thursday June 15, 2023, 6:30 pm

Location: Pike City Firehouse

ALL MEETING DOCUMENTS ARE POSTED ONLINE plioceneridge.org

1. ESTABLISH QUORUM, CALL TO ORDER, FLAG SALUTE

2. CONSENT CALENDAR

a) Approval of Agenda b) Approve Minutes for regular meeting held May 11, 2023 c) Ratify Treasurer's report & bill payments for May 2023.

3. PUBLIC COMMENT: Complaints about individuals are to be submitted in writing per Article II section 15 of the bylaws. The public may be heard before or during the consideration of any agenda item to be considered by the board, subject to reasonable time limitations for each speaker. Members of the public may address matters under the jurisdiction of the Board of Directors, and not on the posted agenda, provided that no action shall be taken by the board unless the matter is deemed urgent by a 2/3 vote.

4. INFORMATION/DISCUSSION ITEMS, STAFF &/OR COMMITTEE REPORTS

a) Correspondence since last meeting –

b) Committee/Member/Business Reports:

1. District Chief's report

2. Assistant Chiefs' reports

3. AVFD non-profit corp.

4. Pike Community Support Foundation

5. Board Member/Staff Reports

6. Firewise Communities

7. Firehouse Projects & ADA Compliance ~ Planning Committee Report

8. Pending Grants – None

5. DISCUSSION and POSSIBLE ACTION ITEMS:

a) Unfinished business:

1. Adopt preliminary budget for Fiscal Year 23/24

b) New business

1. Accept donation of laptop computer valued at \$543.00 donated by Chris Kissinger for the Pike Firehouse.

2. Amend bylaws Article II to allow a call-in option for board meetings.

3. Update Policy #1020 Administrative duties

4. Renew Rae Bell contract for services, current contract expires June 30th.

5. Appoint Risk Manager per policy #1030

6. Consider changing the name of the "General Fund" to either "The Fire Fund" or the "General Fire Fund"

6. ANNOUNCEMENTS, NEXT MEETING DATE & AGENDA ITEMS ~ Next meeting date August 17, 2023 in Alleghany (No meeting scheduled for July) Agenda Items:

7. ADJOURNMENT

Upon request, agendas will be made available in alternative formats to accommodate persons with disabilities. Please make your request to District Secretary, 100 Pike City Rd, Pike CA 95960 or plioceneridge@gmail.com specifying your disability and the format in which you would like to receive this agenda and future agendas. SEND AN EMAIL TO plioceneridge@gmail.com to be added to the email list for meeting notices.



Pliocene Ridge Community Services District
100 Pike City Road
Pike City, CA 95960

plioceneridge.org

plioceneridge@gmail.com

CERTIFICATE OF POSTING

I, Rae Bell Arbogast certify that the following document was posted on behalf of Pliocene Ridge CSD, Sierra County California:


Regular Meeting Agenda Meeting date: 6/15/23

In the following location(s):

by Ned ^{by Ned}
Pike Firehouse
Alleghany Post Office Bulletin Board, ~~The Alleghany Firehouse~~, plioceneridge.org, emailed to agenda list.

On 6/12/23 (date)

A copy of which is attached hereto and by reference made a part hereof.

Signed under penalty of perjury: X 
Rae Bell Arbogast



Pliocene Ridge Community Services District

Serving the Communities of Allegheny, Forest City and Pike City
 100 Pike City Road
 Pike City, CA 95960
 plioceneridge.org

Treasurer's Report for May 2023

Beginning Checking Account Balance \$ 3,507.27

DEPOSITS

Date	From:	For:	Amount
30-May	Golden State RMA	Training Grant for Rural Medical Skills Day	\$ 1,000.00
Deposits Total			\$ 1,000.00

EXPENDITURES

Ck #	Date	To:	For:	Amount
EFT	5/1	WA credit card	details below	\$ 368.46
		GoDaddy	domain name renewal	\$ 31.16
		Suburban Propane	Propane Allegheny	\$ 337.30
EFT	5/4	PG&E		\$ 911.05
			Allegheny Firehouse	\$ 152.58
			Pike Firehouse	\$ 458.39
			Allegheny Streetlights	\$ 280.84
			Forest City Streetlights	\$ 19.24
2672	5/31	AT&T	Phones Allegheny & Pike	\$ 62.66
2673	5/31	Sierra County Public Works	Fuel Allegheny FD	\$ 71.32
Expenditures/transfers Total				\$ 1,413.49

Reserve Account Detail	
Contingency	\$ 24,500.00
Allegheny Fire Unallocated	\$ 8,000.00
Allegheny Dispatch Office	\$ 700.00
Pike City Fire Unallocated	\$ 19,950.00
Streetlights	\$ 7,126.30
Pike City Firehouse	\$ 3,064.76
Pike City Engines	\$ 11,202.95
Allegheny Firehouses	\$ 11,409.37
Allegheny Engines	\$ 4,588.78
Interest Earned	\$ 18.01
Reserve Account Total	\$ 90,560.17

Ending Checking Account Balance	\$ 3,093.78
Starting Savings account balance	\$ 46,992.97
interest earned	
Ending Savings Account Balance	\$ 45,992.97
General Fund (accounts listed above) Total	\$ 49,086.75
Reserve account Starting Balance	\$ 87,560.17
Donation from Jennings Foundation for Pike FD	\$ 3,000.00
interest earned	
Reserve account Ending Balance	\$ 90,560.17

Report prepared by Rae Bell, Treasurer

Total ALL FUNDS	\$ 139,646.92
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Verified against bank statement and QB balances by: X

Name Printed

Note: Savings and Reserve account reconciled quarterly.

title



Staff report for meeting date 6/14/2023

Prepared by Secretary/Treasurer Rae Bell Arbogast– *disclaimer: any opinions expressed in this document belong to the author and do not represent the official stance of the district.*

Agenda item 4. a) Correspondence since last meeting

Incoming: Certificate of appreciation to all first responders from NORCAL EMS,

Outgoing: Pam Davis oath of office papers sent to the Sierra County Clerk Recorders Office, Thank you letter and receipt for tax purposes sent to JK Jennings foundation for \$3,000 donation for Pike City FD

Agenda item 4. b) 5 Board member/Staff reports

- The radio license for call sign KD27938 used for the repeater in Alleghany was renewed and is now current through 5/27/2033.
- The SAM.GOV account was renewed for another year.

Agenda item 4. b) 7 Firehouse Projects and ADA compliance

- The Planning Committee met again on Tuesday May 30, 2023. The purpose of the meeting was to fine-tune some of the options to be considered in the alternatives analysis for adding larger engine bays and creating an ADA compliant meeting/community space at the Pike City Firehouse. In attendance: Ned Cusato, Bruce Coons, Roland Robertson, Denise Ruane, David and Rae Bell Arbogast. Denise & Roland will be working with architect Bruce Boyd to have the alternatives analysis done. We anticipate lots of questions once Bruce Boyd gets started.

Agenda item 4. b) 8 Pending Grants

- ❖ Nothing actively pending at this time.

COMMENTARY ON A FEW THINGS:

At the May 2023 Board Meeting, a comment was made that the 2022 CAL OES Stand-by assignments were in Pike. To clarify: both of the 2022 CAL OES stand-by assignments were district-wide. The only stipulation for the staging was for them to be on stand-by for Pliocene Ridge CSD. The crew opted to remain mostly at the Pike City Firehouse to work on cleaning it up and because there is cell coverage there. They did not stay at the firehouse the entire time nor were they required to.

There was also a comment about the \$13,000 in rent revenue that the Sierra County board of supervisors (BOS) allocated to Station 2 in Alleghany for the PG&E Community Resource Center usage. When the money was received, I suggested that the Pliocene Ridge CSD board of directors ask the BOS to let it be allocated to either firehouse in Alleghany. The main reason for that was two-fold: 1. Having the money allocated separately to Station 2 would have required the creation of yet another reserve fund. 2. Fire Station 1 in Alleghany is still in need of critical repairs. At that time, it did not occur to me to ask the BOS if they could allocate the money to be used for ANY firehouse. That also would have required the creation of yet another reserve fund. Possibly this is something that should be considered: the creation of a "Capital Improvement Fund" that is not linked to a specific Fire Dept. However, in all my years of serving our fire departments, more and more I am realizing that attaching strings to our own money is not always smart.

Regarding the March 2023 changes to the Fund Policy eliminating the sections about splitting mutual aid revenue between fire departments. It recently occurred to me that the simplest way to explain the stance of those of us who supported that change is to point out that there is NO MONEY earned by the individual fire departments. If the fire departments paid their own expenses separately then you could come up with a “net earnings” figure but that is not the case.

Most important in my opinion, is the fact that the district is finally looking at long-term planning on a district-wide level. Both the Board and Staff of Pliocene Ridge CSD all agree that the highest major expense (capital expenditure) priority for the district is to determine the best way to add two large engine bays in Pike and to provide an ADA compliant community space, and then to build it! The alternatives analysis that is in the works, is the first step. This is a long-term project. The highest priority for the vehicle fleet has been identified as upgrading the Pike City FD Water Tender.

Another thing that I want to say about the reserve funds is this: last summer, after the first surplus firetruck was sold, I got a phone call from Roland wanting to know why the money had not been put into the Pike City FD Vehicle Reserve Fund yet. I was tired when he called, and his manner was very assertive. All I said was: “It takes time” or something like that and I wasn’t very nice about it either. In hindsight, I wish that I would have explained that I was waiting for the final advertising bill from the Mountain Messenger so that I could determine the total advertising expense which was being split 3 ways between all three surplus vehicles. As soon as I got that final advertising bill, the money was moved.

There is nothing complicated about how the reserve funds are updated. Currently a few policies deal with this: Policy #2070 Disposition of Assets states that the net income from vehicle and equipment sales shall be allocated to the reserve funds of the department that utilized the equipment, Policy 2120 Donations to the District states that donations that are earmarked for a specific fire department shall be placed in the “unallocated” reserve fund for the specified department, Policy # 4000 Streetlights details the procedures for updating the streetlight fund annually and of course, there is Policy #2010 Reserve Funds which was simplified at the March 2023 BOD meeting.

What is hard to follow and that needs to be cleaned up is the reserve fund tracking sheet. That sheet was developed over the years by adding to it each time that a new policy involving the reserve funds was adopted. Hopefully a new sheet will be created in time for final budget adoption this year.

Another complication is the fact that the streetlight fund cannot be updated until after the final tax income check arrives for each fiscal year. This is because the formula for arriving at the streetlight portion of the County Management fee is based on the actual percentage charged on all the tax income for the year. The final check usually arrives in July but sometimes does not arrive until August. The total fund balances on the treasurer’s report cannot be caught up to the June 30th (fiscal year-end) actual balance until after the final check arrives from the County.

Response to information published by the Pike Community Support Foundation in November of 2022

Note: I was advised not to respond directly to this article when it first came out, but I feel an ever-increasing responsibility to do so. I think it is important to address these things when they come up.

In the Pike Community Support Foundation’s November newsletter there was an article with no title or author listed that starts out on a positive note, documenting the Foundation’s contributions to the Pike City Fire Dept. since 2015. This shows that the donations, grants and fundraising proceeds were used for their intended purpose. This should be a “win-win”.

However, the next paragraph states in part that *“Our local district, the Pliocene Ridge Community Services District (PRCSD) receives local property tax revenue to serve, among othersemergency medical and fire needs. Since 2015PRCSD has purchased \$7,410 in equipment for the Pike Firefighters and has reimbursed the Foundation \$7,000 for the stairs at the Pike Firehouse.* It goes on to compare that \$14,410 spent on Pike to the \$45,705 spent by the district on equipment and vehicles for Alleghany for the same period. No mention is made about the fact that the district is responsible for ALL expenses related to running both fire departments. The dollar figures being compared between Pike and Alleghany are not an “apple to apple” comparison. The figure for Alleghany INCLUDES grants and donations, but the figure for Pike does not. The five-year history included on the district’s budget sheets represents audited figures.

It ends with the statement that: *“At the time of District Formation Pike’s Tax rate area generated 68% of local property tax revenue while Alleghany’s Tax rate area generated 15%”* These numbers are NOT correct but taken out of context. Please see the draft Board Members handbook included in the June meeting documents for more information about the district’s formation and funding stream.

see
V2
of
handbook
attached

More importantly, these are not worthwhile comparisons. Some years, more will be spent on one department or the other. Donations from the non-profit corporations help all the district’s money go further. As stated above, this should be a win-win.

The whole gist of the article seems to be geared towards turning the communities against each other and/or the district! The Foundation is supposed to support the district, and this is clearly stated in the MOU between the district and the Foundation as a condition for the district to provide insurance coverage to the Foundation.

There is ALWAYS room for improvement on the part of the district. Constructive criticism is one thing, but slanted information taken out of context is not constructive in any shape or form. The good work of the Foundation is overshadowed by this negativity. The repercussions of that newsletter article continue to be felt.

There is still a huge amount of misunderstanding about the structure of the district. There are many people who still think that the non-profits are the fire departments. From my perspective all we can do is keep trying to educate ourselves and the public about what is what. To this end I have started working on a Board Member handbook.

Those of us who are involved with the district did not choose the formation of Pliocene Ridge CSD, but we have chosen to make the best of the situation. We did not invent the State Laws that govern us. We are doing our best to keep emergency services available for the benefit of our communities. Keeping the fire departments going, with ever-increasing administrative requirements and dwindling volunteerism is a gargantuan task. We need everyone pulling together. We need to support the first responders who are on call 24/7 and willing to put their lives on the line at a moment’s notice. This is what all this work is about!

I want to point out that the competitive tension felt at the PRCSD board meetings does not exist amongst the “boots on the ground” first responders. The first responders train together weekly and respond to emergencies together. They (we) fully understand that we are stronger together. If only that attitude could carry over to the board meetings and out into our communities. That is the needed medicine.

Pending items not addressed on this month's agenda:

(Staff needs more time to work on them before presenting to the board, more info needed, or conditions not right to proceed)

- Water Tender Upgrade
- Fund Policy revision (need to create simplified tracking sheet)
- MOU with non-profits (name changes) We are waiting on documentation from the AVFD non-profit corporation.
- Engine Bay conversion to ADA friendly space Pike firehouse (need cost estimate).
- Signage for firehouses (Need signs with updated department names and updated district logo)
- Long-term plan for adding two larger engine bays in Pike (defined as highest capital improvement priority first by the Chief(s) then the board in Sept. 2022 with letter to USDA Rural Development)
- **Repair to west wall of Station 1 in Alleghany. The metal siding was purchased last April, arrived last summer and is sitting in the County Yard.**
- Proposed changes to Ordinance #1 discussed in Feb. 2023 – Larry Allen found additional code that would allow us to bill for environmental spills & clean-up. More legal research is needed before a new draft will be ready for the first reading.
- ISO survey done in 2019 ~ I have not been able to get a copy of our survey docs from 2019. Every time that I contact them, they tell me to create a user account on their website, which I do, and get a message that a confirmation email will be generated but it never happens. I have contacted the person who did the survey and he said that I am not the only one having problems and that he would get back to me, but he never has. **The ISO survey will be due again next year.** It is a very involved process that I spent well over 40 hours on last time, but we did manage to get a better ISO rating for the district as a result of the work.
- Free attorney consult: I was authorized a long time ago, to inquire about the borrowing limits for CSD's to see if there is any additional information (legal precedence) besides the code but haven't done it.
- Additional Siren for Alleghany, a considerable amount of time was spent on this in conjunction with Sierra County OES and district staff (we had to get two quotes, provide information for the historical building inventory paperwork and did some sound tests). The original idea was to apply via the Homeland Security Grant Program, but for some reason Sierra County OES changed their mind about it.

DISTRICT STRUCTURE

The district is set up with two “ZONES” or “FUNDS” these are Fire and Streetlights. To-date PRCSD has referred to the Fire Fund as the General Fund, but there will be an item on the June 2023 agenda to consider changing it to either “The Fire Fund” or “Fire General Fund” for better clarity.

I have attached a copy of the statement that arrived with the last tax revenue check from the county. As you can see, it doesn't specify any allocation, not by fire department, nor for streetlights.

When the district was formed, the amount of money that had been historically paid to the two non-profit fire departments plus the amount historically paid for the streetlights for Alleghany and Forest City per year, was converted into a percentage of the tax base (property tax) within the new district's boundaries.

The original dollar amount was \$28,444, arrived at as follows: historical amount paid to each fire dept. (AVFD & PCVFD) \$11,462 each = \$22,924 for Fire Department Services plus \$5,520 in streetlight expense for Alleghany and Forest City. Moving forward, after district formation, the percentage stays the same, but the dollar amount will fluctuate as property values change.

With district formation, the PRCSD Directors decided that the best way to keep the streetlight income and expense separate from the fire income and expense was to create a ZONE for the streetlights. The original streetlight allocation of \$5,520 was converted into a percentage of the Alleghany County Water District tax rate area. Going forward that formula is used to determine the streetlight revenue each year. The County Auditor provides the dollar figure annually. Additionally, the streetlights are charged an equivalent portion of the County Management Fee each year.

The Streetlight Fund or Zone has its own budget section and a reserve fund that is used to capture any extra income at the end of each year, or conversely that can be used to make up any budget shortfalls. This ensures that Fire Fund money is not used to cover the streetlights.

The other Fund or Zone is FIRE. Most of the expenses for the two departments are tracked separately for information purposes. Several expenses cannot be tracked by department, these include the cost of insurance, the independent audit and district administration.

Pliocene Ridge CSD's Directors are fiscally responsible for managing the district as a single entity. Many of us, me included, did not understand this when the district first formed in 2004. We thought that there might be a way to continue to split the Fire Tax Revenue between the two fire departments, we quickly learned that it was not feasible to approach the district's management in that way.

The formation of a district represents a pooling of resources. Even with the drawing of such a large (115 square mile) district boundary, at the time of formation the district did not generate the tax revenue required to support the original allocation of \$28,444. This is because about 66% of the land within the district's boundaries is Forest Service Land that does not generate tax revenue. Most of the private property is in the western portion of the district, so that the Pike area generates more tax revenue than the Alleghany area where most of the public land is located.

Within the district the Board is responsible to spend funds where they are needed. The property that generates the funds does not get a prorated share. That is not how it works. Generally speaking, if taxes were divided up by the properties that generated them, then critical infrastructure would not exist within the State of California. The purpose of pooling resources is to take advantage of that structure. The district's budget has two main sections: Fire and Streetlights.

Are the Fire Departments Separate or not?

There has been disagreement about whether-or-not the fire departments are separate entities. Both answers are right depending on how you look at it.

From a strictly legal perspective, the Alleghany and Pike City Fire Departments are not separate entities because they operate under the sole authority of Pliocene Ridge CSD, sharing the same tax ID #, bank accounts, main income source and administration.

Additionally, all operating agreements with other agencies (Mutual Aid and MOUs) are between Pliocene Ridge CSD and the other agencies. This is because the fire departments do not have individual authority to enter into agreements. They are not separate legal entities from the district, they are departments within the district.

That being said, the departments do have different names attached to their respective communities and are separate in certain ways, much in the same way that Forest Service Battalions are separate. They have their own call numbers, stations, apparatus and crew. They are paged out separately for certain calls outside of the district. Additionally, Pliocene Ridge CSD earmarks money for the individual fire departments under certain circumstances including if a donor wishes to designate their donation to a specific department.

Resources:

Sierra County Auditor Van Maddox was in office when Pliocene Ridge CSD was formed. He was the “number cruncher” and has a clear understanding of the structure of special districts. He is still in office. He is a good source of information.

The California Special District’s Association is another good source of information. Pliocene Ridge CSD is a “Special District”. Other types of special districts include: Cemetery Districts, County Water Districts and Fire Districts. Districts fall under certain general rules (such as the Brown Act), but also have a unique set of rules for each type of district established by the State. These specific codes are referred to as “Enabling Legislation”.

The district’s formation documents are available online at:

<https://www.plioceneridge.org/district-formation-documents>

Pliocene Ridge CSD Bylaws & Policies are available online at:

<https://www.plioceneridge.org/bylaws-policies-procedures>

Pliocene Ridge CSD Financial information, including budgets and independent audit reports available online at:

<https://www.plioceneridge.org/financial-information>

Sierra County
Auditing Department
P.O. Box 425
Downieville, CA 95936
(530) 289-3273 Fax (530) 289-2842



V5891
430 9999 7400
PRESD 4-2023

Memo

To: Pliocene Ridge CSD
From: Van Maddox, Auditor/Controller - Treasurer/Tax Collector - Risk Manager - Budge
Date: April 10, 2023
Re: Distribution of Taxes - April Apportionment

Enclosed, please find a check for tax distribution in the amount of	<u>\$ 12,759.44</u>
Current Secured Property Tax	12,759.44
Current Unsecured Property Tax	-
Prior Secured Property Tax	-
Prior Unsecured Property Tax	-
Supplemental Property Tax	-
Supplemental Unsecured	-
Timber Yield Tax	-
Homeowners Property Tax	-
Interest Apportionment	-
Property Tax Roll Fees	-
Subtotal	12,759.44
Less: Property tax solid waste on the property Tax Roll	-
Total Check Amount Enclosed:	<u>\$ 12,759.44</u>

If you have any questions regarding this payment, please contact the Sierra County Auditor's Office at (530) 289-3273



Addendum to PRCSD STAFF report for meeting date 6/15/2023

The following requests were received via email from the Pike Community Support Foundation's Treasurer Denise Ruane: Requests in BOLD with my (Rae Bell's) answers in regular text.

- Staff report refers to a phone call from Roland questioning distribution of funds. That conversation did not occur via telephone, but during a PRCSD meeting. My recollection was that this was phone call to me. Either way, the conversation took place and I later regretted that I did not do a better job answering the question.

- Staff report refers to a spreadsheet in The Hydrant, stating Alleghany's numbers include donations. Why are donations to the District reflected in District expense reports? The numbers used in The Hydrant's spreadsheet were taken from the District's reports; donations from PCVFD to PRCSD were deducted from Pike's numbers, as actual District expenses were to be presented. If donations to the District for Alleghany are present in the District expense report, then the Alleghany expense number reflected in the Hydrant's spreadsheet is necessarily inflated. But again I ask why donations to the District would be reflected in District expense reports? Why would donations to be booked as expenses of the District?

Donations often go into the reserve funds and then they are used to cover expenses. The expense figure shows only the total expense. It does not divulge the income source(s). In my opinion the bigger question is why this comparison of only a few expense accounts during a specific period of time was being made in this way.

- The BOD Handbook draft states "When the district was formed, the amount of money that had been historically paid to the two non-profit fire departments plus the amount historically paid for the streetlights for Alleghany and Forest City per year, was converted into a percentage of the tax base (property tax) within the new district's boundaries." District formation documents tell a different story, and I remain curious regarding the origin of those numbers. Please refer to the formation documents and correct the Handbook draft to reflect the information there. (The BOD limited the formation budget of the District to the total of the previous year's ((not "the amount of money historically paid")) entities' budgets, which, WITH OTHER FEES, totaled the \$28,444. As the District's portion of the property taxes from related properties did not reach the limit agreed upon, the balance (\$15,136) was taken from CSA#2 to reach the \$28,444 total. There was never any conversion into a percentage of the tax base.)

I disagree. The dollar figure had to be converted into a percentage of the tax base, that is what determines the district's tax payments going forward. The draft handbook reflects how the LAFCO process was explained to us at the time of district formation. I have sent a copy to Van Maddox to review for accuracy. It is a DRAFT.

- BOD Handbook draft also states "The original dollar amount was \$28,444, arrived at as follows: historical amount paid to each fire dept. (AVFD & PCVFD) \$11,462 each = \$22,924 for Fire Department Services plus \$5,520 in streetlight expense for Alleghany and Forest City." This is simply wrong. Again, outside of the dollar amount, the District formation documents tell a different story. Please refer to the formation documents, specifically the letter and spreadsheet from Mr. Copren, and correct the

draft. There were other fees involved in the calculation as reflected in Mr. Copren's spreadsheet. Again, other than the total of \$28,444, not one of the figures quoted in the draft is accurate.

If you look at page 57 of the formation documents it shows that the figure WITH streetlights would be \$28,444 and without the lights it would have been \$22,924. While I no longer remember the exact figures, I was at the meetings, and I remember the debate about whether to include the streetlights.

As the staff report ultimately becomes official record of the District, its validity is important. The above quoted statements need to be corrected to be accurate.

The Handbook is clearly marked as a FIRST DRAFT.

Additionally, when presenting personal opinion, as is the case with the summary and description in the staff report of the Hydrant article, it might be better within the text to remind the readers that it is that - only one person's opinion and/or interpretation.

The header at the top of the staff includes this language: Prepared by Secretary/Treasurer Rae Bell Arbogast— *disclaimer: any opinions expressed in this document belong to the author and do not represent the official stance of the district.*

I agree that I could have stated that again within the text of my report. I will pay more attention to this in the future.

Pliocene Ridge CSD Board Member Handbook
FIRST DRAFT Version 2* Presented June 2023 (not ready for adoption)

DISTRICT STRUCTURE

The district is set up with two “ZONES” or “FUNDS” these are Fire and Streetlights. To-date PRCSD has referred to the Fire Fund as the General Fund, but there will be an item on the June 2023 agenda to consider changing it to either “The Fire Fund” or “Fire General Fund” for better clarity.

I have attached a copy of the statement that arrived with the last tax revenue check from the county. As you can see, it doesn’t specify any allocation, not by fire department, nor for streetlights.

When the district was formed, the amount of money that had been historically paid to the two non-profit fire departments plus the amount historically paid for the streetlights for Alleghany and Forest City per year, was converted into a percentage of the tax base (property tax) within the new district’s boundaries.

The original dollar amount was \$28,444, arrived at as follows: historical amount paid to each fire dept. (AVFD & PCVFD) \$10,000 each = \$20,000 for Fire Department Services plus \$5,162 in streetlight expense for Alleghany and Forest City, \$3,000 in estimated tax admin. fees and \$282 in indirect costs. Moving forward, after district formation, the percentage stays the same, but the dollar amount will fluctuate as property values change.

With district formation, the PRCSD Directors decided that the best way to keep the streetlight income and expense separate from the fire income and expense was to create a ZONE for the streetlights. The original streetlight allocation of \$5,162 was converted into a percentage of the Alleghany County Water District tax rate area. Going forward that formula is used to determine the streetlight revenue each year. The County Auditor provides the dollar figure annually. Additionally, the streetlights are charged an equivalent portion of the County Management Fee each year.

The Streetlight Fund or Zone has its own budget section and a reserve fund that is used to capture any extra income at the end of each year, or conversely that can be used to make up any budget shortfalls. This ensures that Fire Fund money is not used to cover the streetlights.

The other Fund or Zone is FIRE. Most of the expenses for the two departments are tracked separately for information purposes. Several expenses cannot be tracked by department, these include the cost of insurance, the independent audit and district administration.

Pliocene Ridge CSD's Directors are fiscally responsible for managing the district as a single entity. Many of us, me included, did not understand this when the district first formed in 2004. We thought that there might be a way to continue to split the Fire Tax Revenue between the two fire departments, we quickly learned that it was not feasible to approach the district's management in that way.

The formation of a district represents a pooling of resources. Even with the drawing of such a large (115 square mile) district boundary, at the time of formation the district did not generate the tax revenue required to support the original allocation of \$28,444. This is because about 66% of the land within the district's boundaries is Forest Service Land that does not generate tax revenue. ~~Most of the private property is in the western portion of the district, so that the Pike area generates more tax revenue than the Alleghany area where most of the public land is located.~~ The following text is here to explain this change and won't necessarily be included in the final draft of the manual. Van Maddox consulted with the Assessors office regarding this on 5/14/2023 and reviewed the tax areas and the maps and concluded that it is a pretty even spread as far as assessed values go across the district. The initial confusion regarding this was caused by the fact that the number being used for "Alleghany" in the Foundation's Nov. 2022 newsletter was only Alleghany proper (ACWD tax rate area 052-001) whereas tax rate area 052-000 which includes Pike is much larger than the residential area of Pike alone. In fact, it stretches all the way to the Eastern Boundary of the district. It is easy to get confused looking at the District's Formation documents.

6/14/2023 Email From Van Maddox

Attached is the certified and recorded LAFCO document creating the tax shift. (I attached the PDF to this document)

Page 9 of the pdf shows that Pike is in area 0 on the map. It stretches from the southern border of the county all the way to Milton Reservoir.

Alleghany Water is area 1 on the map in the middle of tax rate area 0.

I asked the Assessor to look at area 0 on the map and see how the taxable values is spread across the tax rate area 052-000. Pike encompasses most of the residential structures, but the rest of the area has large and small mining claims, also Sierra Pacific owns a lot of parcels all throughout tax rate 052-000, (on the map area 0). Forest City is also part of this area.

As far as taxable property both secured and unsecured the values in tax rate 052-000 (shown on the map as 0) is spread evenly across the tax rate area. Meaning as much is up around Alleghany's end of the district as down in Pike.

Page 14 of the pdf shows the amounts spent in the area for the 10 years prior to the districts formation. The amount per fire station was consistently \$10,000 averaged over the 10 years.

END of email.

Within the district the Board is responsible to spend funds where they are needed. The property that generates the funds does not get a prorated share. That is not how it works. Generally speaking, if taxes were divided up by the properties that generated them, then critical infrastructure would not exist within the State of California. The purpose of pooling resources is to take advantage of that structure. The district's budget has two main sections: Fire and Streetlights.

Are the Fire Departments Separate or not?

There has been disagreement about whether or not the fire departments are separate entities. Both answers are right depending on how you look at it.

From a strictly legal perspective, the Alleghany and Pike City Fire Departments are not separate entities because they operate under the sole authority of Pliocene Ridge CSD, sharing the same tax ID #, bank accounts, main income source and administration.

Additionally, all operating agreements with other agencies (Mutual Aid and MOUs) are between Pliocene Ridge CSD and the other agencies. This is because the fire departments do not have individual authority to enter into agreements. They are not separate legal entities from the district, they are departments within the district.

That being said, the departments do have different names attached to their respective communities and are separate in certain ways, much in the same way that Forest Service Battalions are separate. They have their own call numbers, stations, apparatus and crew. They are paged out separately for certain calls outside of the district. Additionally, Pliocene Ridge CSD earmarks money for the individual fire departments under certain circumstances including if a donor wishes to designate their donation to a specific department.

Resources:

Sierra County Auditor Van Maddox was in office when Pliocene Ridge CSD was formed. He was the “number cruncher” and has a clear understanding of the structure of special districts. He is still in office. He is a good source of information.

The California Special District’s Association is another good source of information. Pliocene Ridge CSD is a “Special District”. Other types of special districts include: Cemetery Districts, County Water Districts and Fire Districts. Districts fall under certain general rules (such as the Brown Act), but also have a unique set of rules for each type of district established by the State. These specific codes are referred to as “Enabling Legislation”.

The district’s formation documents are available online at:
<https://www.plioceneridge.org/district-formation-documents>

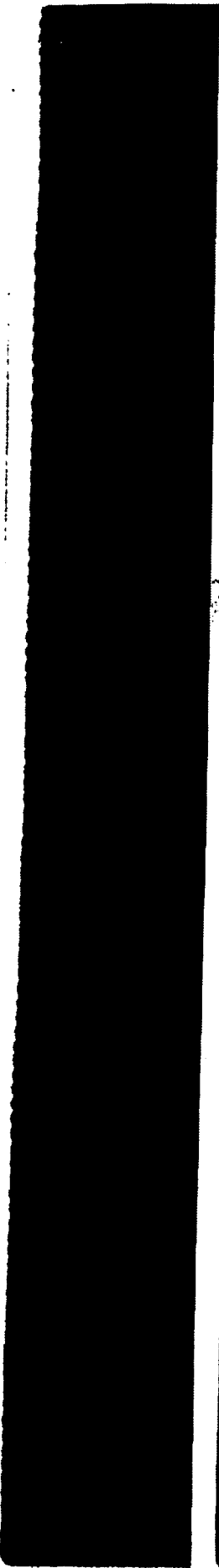
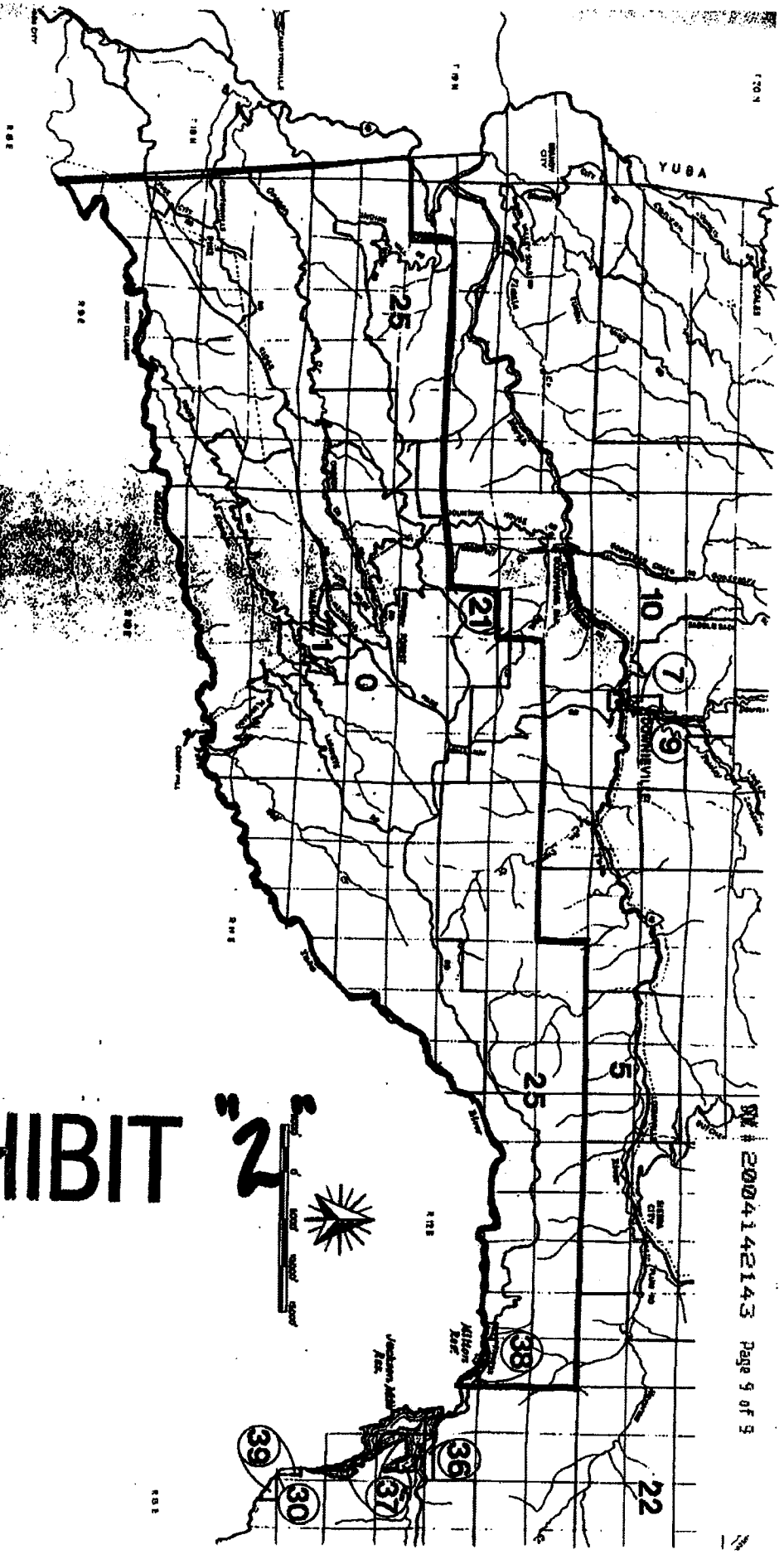
Pliocene Ridge CSD Bylaws & Policies are available online at:
<https://www.plioceneridge.org/bylaws-policies-procedures>

Pliocene Ridge CSD Financial information, including budgets and independent audit reports available online at:
<https://www.plioceneridge.org/financial-information>

*Additional changes to Version 1 made on 6/15/2023 after consulting further with Sierra County Auditor Van Maddox

EXHIBIT 2

AFFECTED TAX RATE AREAS



PLOCENE RIDGE CSD		052-001	052-025	052-038	TOTALS	TOTAL
		ALLEGHANY WATER			All CSA Services	Fire Only
052-000	0.04635538000	0.04216463000	0.02565542000	0.02565542000		
AB8 CSA #2 RATE						
PROPERTY VALUES	19,742,870	4,320,892	4,927,745	15,144	29,006,451	29,006,451
Timber Value	1,318,960	0	2,813,640	0	4,130,600	4,130,600
TAXES CURRENTLY TO CSA #2	9,152	1,822	1,264	4	12,242	12,242
TIMBER TAX	488	0	577	0	1,066	847
Total Current Revenues					13,308	13,089
FROM CSA #2					3,000	2,700
APPROX TAX ADMIN FEE					282	224
Indirect Costs					20,000	20,000
Cost Fire 2002/03					5,162	0
Cost Street Lights 2002/03					28,444	22,924
Total Costs 02/03						

REMAINING FROM
CSA #2 15,136 9,835

NAME	16-17 Actual	17-18 Actual	18-19 Actual	19-20 Actual	20-21 Actual	23-24 Prelim
Tax Revenue Fire	\$26,742	\$29,262	\$30,038	\$28,957	\$30,848	\$30,000
Donations	\$21,066	\$18,833	\$0	\$25,440	\$3,372	\$1,000
Grants	\$3,387	\$0	\$900	\$4,957	\$7,414	\$1,000
Surplus Sales	\$0	\$0	\$0	\$0	\$13,418	\$0
Emergency Services Income includes mutual aid	\$2,250	\$4,448	\$5,614	\$0	\$0	\$5,000
Other Income	\$236	\$108	\$3,158	\$355	\$18,026	\$0
Revenue Total	\$ 53,681	\$ 52,650	\$ 39,709	\$ 59,709	\$ 73,078	\$ 37,000
Utilities	\$3,182	\$4,163	\$4,527	\$3,780	\$4,208	\$4,537
Insurance	\$4,344	\$4,451	\$4,745	\$6,154	\$6,513	\$7,443
Operating Compliance Board/Admin	\$235	\$207	\$222	\$232	\$245	\$150
Office Expense (includes software)	\$235	\$277	\$587	\$401	\$1,109	\$500
County Tax Distribution Fee	\$2,805	\$3,146	\$3,871	\$4,250	\$4,264	\$4,810
Admin & Professional Services (includes audit)	\$4,900	\$4,900	\$5,000	\$8,133	\$6,713	\$5,800
Public Relations (includes website expense)	\$435	\$498	\$537	\$331	\$531	\$300
Building Maint. (includes dump fees)	\$2,896	\$447	\$279	\$244	\$2,737	\$2,201
Payroll expense (offset by mutual aid income)	\$319	\$0	\$3,726	\$0	\$0	\$2,559
Fixed asset expenditures	\$20,441	\$5,941	\$4,251	\$16,225	\$18,822	\$0
Other Expenses	\$4	\$67	\$22	\$4	\$315	\$0
Overhead Expense Subtotal	\$ 39,795	\$ 24,097	\$ 27,767	\$ 39,753	\$ 45,456	\$ 28,300
Allegheny FD Operational	\$ 3,072	\$ 4,064	\$ 4,023	\$ 11,558	\$ 7,802	\$ 4,100
Pike FD Operational	\$ 11,790	\$ 5,152	\$ 4,439	\$ 17,337	\$ 7,063	\$ 4,600
Total Operating Expense FIRE	\$ 54,657	\$ 33,313	\$ 36,230	\$ 68,648	\$ 60,321	\$ 37,000
FIRE SERVICES ONLY NET CHANGE	\$ (976)	\$ 19,337	\$ 3,479	\$ (8,939)	\$ 12,757	\$ -
This number does not account for fund additions or withdrawals listed at end of document.						
This bottom line matches Quickbooks Profit & Loss Statement "Net Ordinary Income"						
Streetlight Tax Revenue	\$ 5,287	\$ 4,739	\$ 4,723	\$ 4,978	\$ 4,818	\$ 5,182
Streetlight Expense	\$ 3,178	\$ 4,187	\$ 3,798	\$ 3,949	\$ 3,916	\$ 4,214
Lights Net Income or	\$ 2,109	\$ 552	\$ 925	\$ 1,029	\$ 902	\$ 969
Net Change Streetlights & Fire combined	\$ 1,133	\$ 19,889	\$ 4,404	\$ (7,911)	\$ 13,659	\$ 969
Line above matches Quickbooks Income Statement Net profit or (loss).						
CASH FLOW						
Cash Beginning of Period	\$ 75,884	\$ 75,781	\$ 92,741	\$ 102,159	\$ 91,801	\$ 102,046
Cash Increase or (decrease)	\$ (103)	\$ 16,960	\$ 9,418	\$ (10,358)	\$ 10,245	\$ 969
Cash End of Period	\$ 75,781	\$ 92,741	\$ 102,159	\$ 91,801	\$ 102,046	\$ 103,015
Transfer (into) or out of reserve funds	\$ 91	\$ (14,053)	\$ (3,403)	\$ 1,087	\$ (1,738)	\$ (969)
BUDGET (general fund) NET CHANGE	\$ (12)	\$ 2,907	\$ 6,015	\$ (9,271)	\$ 8,507	\$ (0)
NOTE: The Budget is a "managerial document" it is based on a combination of balance sheet and income statement figures.						
The Budget uses a combination of cash and accrual accounting to ensure that adequate funds are maintained for long-term stability.						
Reserve Funds at Year end (June 30th)		2018	2019	2020	2021	2022
Contingency Fund	\$ 24,500.00	\$ 24,500.00	\$ 24,500.00	\$ 24,500.00	\$ 24,500.00	\$ 24,500.00
Allegheny Fire Unallocated	\$ 2,700.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
Allegheny Equipment	\$ -	\$ 1,261.84	\$ 1,261.84	\$ 1,261.84	\$ -	\$ -
Allegheny Dispatch Office	\$ -	\$ 700.00	\$ 700.00	\$ 700.00	\$ 700.00	\$ 700.00
Pike City Fire Unallocated	\$ 5,100.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 10,000.00
Streetlight Fund	\$ 3,718.40	\$ 4,270.41	\$ 5,195.48	\$ 6,224.03	\$ 7,126.30	\$ -
Pike City Firehouse	\$ 2,308.14	\$ 2,404.08	\$ 3,064.76	\$ 3,064.76	\$ 3,064.76	\$ 3,064.76
Pike City Engines	\$ 3,107.91	\$ 3,371.73	\$ 5,188.60	\$ 3,964.06	\$ 11,202.95	\$ -
Allegheny Firehouse	\$ 822.37	\$ 1,409.37	\$ 1,409.37	\$ 1,409.37	\$ 14,409.37	\$ -
Allegheny Engines	\$ 7,446.25	\$ 15,770.39	\$ 15,770.39	\$ 14,879.35	\$ 4,588.78	\$ -
Total Funds	\$ 49,703.07	\$ 63,687.82	\$ 67,090.44	\$ 66,003.41	\$ 78,592.16	\$ -



acc#	NAME	17-18 Actual	18-19 Actual	19-20 Actual	20-21 Actual	21-22 Actual	23-24 Prelim Budget	BUDGET COLUMN NOTES
7300	Op Compliance/Training	\$217	\$821	\$1,172	\$490	\$725	\$1,000	Includes fire extinguisher maint., training and SCBA annual check
7300	Small Equipment	\$1,263	\$1,995	\$1,953	\$9,672	\$6,061	\$900	Personal protective equipment such as turn-outs is included here, and uniforms (shirts/trats) and radios, new subcategories created in QB
7301	Equipment Repairs & Maint.	\$826	\$97	\$286	\$67	\$85	\$500	
7350	Fuel	\$422	\$97	\$283	\$177	\$85	\$500	
7330	Vehicle Repair & Maint.	\$148	\$494	\$494	\$1,008	\$721	\$1,000	
7660	Supplies	\$196	\$657	\$47	\$145	\$209	\$300	
	Allegheny FD Subtotal	\$3,072	\$4,064	\$4,023	\$11,558	\$7,802	\$4,100	
8230	Op Compliance/Training	\$688	\$1,231	\$1,039	\$888	\$987	\$1,000	Includes fire extinguisher maint., training and SCBA annual check
8300	Small Equipment	\$9,578	\$390	\$1,560	\$13,931	\$4,417	\$900	Personal protective equipment such as turn-outs is included here, and uniforms (shirts/trats) and radios, new subcategories created in QB
8301	Equipment Repairs & Maint.	\$49	\$49	\$753	\$802	\$667	\$1,000	
8350	Fuel	\$858	\$545	\$1,001	\$400	\$701	\$1,000	
8630	Vehicle Repair & Maint.	\$564	\$329	\$87	\$41	\$91	\$300	
8660	Supplies	\$122	\$329	\$87	\$41	\$91	\$300	
	Pike City FD Subtotal	\$11,790	\$5,192	\$4,439	\$17,337	\$7,063	\$4,600	
	Total Operating Expense FIRE	\$54,657	\$33,313	\$36,230	\$66,648	\$60,321	\$37,000	
	FIRE SERVICES ONLY NET CHANGE		\$19,337	\$3,479		\$12,757	\$0	This number does not account for fund additions or withdrawals listed at end of document.
								This bottom line matches Quickbooks Profit & Loss Statement "Net Ordinary Income"
9020	Streetlight Tax Revenue	\$5,287	\$4,739	\$4,723	\$4,978	\$4,818	\$5,182	
9030	Streetlight Donations							
	Streetlight Income Total	\$5,287	\$4,739	\$4,723	\$4,978	\$4,818	\$5,182	
9170	Streetlight Expense Allegheny	\$2,489	\$3,388	\$3,166	\$3,311	\$3,270	\$3,300	
9171	Streetlight Expense Forest	\$214	\$488	\$205	\$190	\$212	\$240	
9172	Streetlight Admin. Expenses	\$476	\$311	\$427	\$448	\$434	\$674	
9180	Streetlight portion county management fee							
	Streetlight Expense Total	\$3,178	\$4,187	\$3,798	\$3,949	\$3,916	\$4,214	
	Lights Net Income or	\$2,109	\$552	\$925	\$1,029	\$902	\$969	This line matches "OTHER" income loss in Quickbooks
	Income Statement net change	\$1,133	\$19,889	\$4,404		\$13,659	\$969	This line will match Quickbooks Income Statement Net profit or (loss).
CASH FLOW ADDITIONS AND DELETIONS								
NET PROFIT (LOSS)		\$ 1,133	\$ 19,889	\$ 4,404	\$ (7,911)	\$ 13,659	\$ 969	
decrease in Accounts Receivable		\$ (414)	\$ (2,593)	\$ 2,805	\$ (4,632)	\$ (3,383)		
increase in Account Payable		\$ (736)	\$ (290)	\$ 2,143	\$ 6,764	\$ 4,969		
Other Balance Sheet Changes		\$ (96)	\$ (46)	\$ 65	\$ (6,579)			
CHANGE IN CASH FOR PERIOD		\$ (103)	\$ 16,960	\$ 9,418	\$ (10,359)	\$ 10,245	\$ 969	
Cash Beginning of Period		\$ 75,884	\$ 75,781	\$ 92,741	\$ 102,159	\$ 91,801	\$ 102,046	
Cash End of Period		\$ 75,781	\$ 92,741	\$ 102,159	\$ 91,801	\$ 102,046	\$ 103,015	
FUNDS								
Fund Additions		\$ (4,909)	\$ (14,053)	\$ (3,403)	\$ (1,029)	\$ (3,000)	\$ (969)	amount projected to go into streetlight fund
Fund Withdrawals		\$ 5,000			\$ 2,116	\$ 1,262		
Contingency Fund withdraw or (add)								
Total		\$ 91	\$ (14,053)	\$ (3,403)	\$ 1,087	\$ (1,739)	\$ (969)	
GENERAL FUND NET CHANGE with cash flow adjust & reserve fund transactions		\$ (12)	\$ 2,907	\$ 6,015	\$ (2,271)	\$ 8,507	\$ (0)	



Pliocene Ridge Community Services District
Balance Sheet
 As of April 30, 2023

	<u>Apr 30, 23</u>
ASSETS	
Current Assets	
Checking/Savings	
1000.1 · West America Checking	3,507.27
1001.1 · West America Savings	45,992.97
1002.1 · PRCS Fund Account	87,560.17
Total Checking/Savings	<u>137,060.41</u>
Total Current Assets	<u>137,060.41</u>
Fixed Assets	
1300.1 · Property	
1300.2 · Land Alleghany	11,387.00
1300.3 · Land Pike City	3,453.00
1320.2 · Buildings Alleghany	52,574.00
1320.3 · Buildings Pike City	87,734.95
Total 1300.1 · Property	<u>155,148.95</u>
1350.1 · Equipment	
1350.2 · Equipment Alleghany	60,612.31
1350.3 · Equipment Pike City	65,853.35
Total 1350.1 · Equipment	<u>126,465.66</u>
1370.1 · Vehicles	
1370.2 · Vehicles Alleghany	40,821.72
1370.3 · Vehicles Pike City	52,904.54
Total 1370.1 · Vehicles	<u>93,726.26</u>
1390.1 · Accumulated Depreciati...	-246,298.17
Total Fixed Assets	<u>129,042.70</u>
TOTAL ASSETS	<u><u>266,103.11</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2100.1 · Payroll Liabilities	4,434.34
Total Other Current Liabilities	<u>4,434.34</u>
Total Current Liabilities	<u>4,434.34</u>
Total Liabilities	4,434.34
Equity	
3010.1 · Investment in Fixed Ass...	128,917.00
3110.1 · Retained Earnings	109,128.49
Net Income	23,623.28
Total Equity	<u>261,668.77</u>
TOTAL LIABILITIES & EQUITY	<u><u>266,103.11</u></u>

This interim financial report is for managerial purposes only. It may not include certain routine accruals and adjustments.

**Pliocene Ridge Community Services District
Profit & Loss Budget vs. Actual
July 2022 through April 2023**

	Jul '22 - A...	Budget	\$ Over Bu...	% of B...
Ordinary Income/Expense				
Income				
4020.1 · Tax Revenue Fire	28,605.04	30,000.00	-1,394.96	95.4%
4030.1 · Donations Income				
4030.2 · Donations Alleghany	5,000.00			
4030.3 · Donations Pike City	9,999.58			
4030.1 · Donations Income - Other	184.00			
Total 4030.1 · Donations Income	15,183.58			
4040.1 · Grant Income	5,164.15			
4071 · Mutual Aid Income	50,983.40			
4072 · Red Cross Class Income	406.00			
4080 · Interest Income	19.45			
4082 · Other Income	392.30			
Total Income	100,753.92	30,000.00	70,753.92	335.8%
Gross Profit	100,753.92	30,000.00	70,753.92	335.8%
Expense				
6000 · FIRE SERVICES OVERHEAD				
6030 · Red Cross Fees	259.00			
6170.1 · PG&E				
6170.2 · PG&E Alleghany	933.35	1,000.00	-66.65	93.3%
6170.3 · PG&E Pike City	1,760.57	1,000.00	760.57	176.1%
Total 6170.1 · PG&E	2,693.92	2,000.00	693.92	134.7%
6172.1 · Telephone				
6172.2 · Telephone Alleghany	320.31	300.00	20.31	106.8%
6172.3 · Telephone Pike	320.34	300.00	20.34	106.8%
Total 6172.1 · Telephone	640.65	600.00	40.65	106.8%
6174.1 · Water				
6174.2 · Water Alleghany	524.00	528.00	-4.00	99.2%
Total 6174.1 · Water	524.00	528.00	-4.00	99.2%
6176.1 · Propane				
6176.2 · Propane Alleghany	291.24	600.00	-308.76	48.5%
6176.3 · Propane Pike	239.03	500.00	-260.97	47.8%
Total 6176.1 · Propane	530.27	1,100.00	-569.73	48.2%
6180.1 · Insurance				
6185.1 · Liability Insurance	2,188.00			
6190.1 · Vehicle Insurance	608.00			
6193.1 · Property Insurance	2,214.00			
6195.1 · Work Comp	2,472.00			
6180.1 · Insurance - Other	-39.00	7,443.00	-7,482.00	-0.5%
Total 6180.1 · Insurance	7,443.00	7,443.00	0.00	100.0%
6230.1 · Fees/Compliance/Training	258.87	150.00	108.87	172.6%
6250.1 · Office Expense	522.72	500.00	22.72	104.5%
6265.1 · County Tax Distribution Fee	4,844.03	3,900.00	944.03	124.2%
6270.1 · District Administration				
6270A · Payroll Admin	495.00			
6270.1 · District Administration - Other	1,800.00	2,700.00	-900.00	66.7%
Total 6270.1 · District Administration	2,295.00	2,700.00	-405.00	85.0%
6270B · Firewise				
6271.2 · Firewise Admin. Alleghany	63.00			
6271.3 · Firewise Admin Pike	63.00			
6270B · Firewise - Other	13.55			

This interim financial report is for managerial purposes only. It may not include certain routine accruals and adjustments.

Pliocene Ridge Community Services District
Profit & Loss Budget vs. Actual
 July 2022 through April 2023

	Jul '22 - A...	Budget	\$ Over Bu...	% of B...
Total 6270B · Firewise	139.55			
6273.1 · Independent Auditor Fees	2,950.00	3,100.00	-150.00	95.2%
6275.1 · Public Relations/website	300.00	300.00	0.00	100.0%
6280.1 · Property Assessments				
6280.2 · Solid Waste Fee Alleghany	101.90	91.00	10.90	112.0%
6280.3 · Solid Waste Fee Pike City	122.28	110.00	12.28	111.2%
Total 6280.1 · Property Assessments	224.18	201.00	23.18	111.5%
6295.1 · Building Repairs & Maint.				
6295.2 · Building Rep & Maint Alleghany	3,265.25	1,000.00	2,265.25	326.5%
6295.3 · Buildings Rep. & Maint. Pike Ci	0.00	1,000.00	-1,000.00	0.0%
Total 6295.1 · Building Repairs & Maint.	3,265.25	2,000.00	1,265.25	163.3%
6296.1 · Payroll Expense- Mutual Aide				
6296.2 · Payroll Expense Alleghany	7,670.40			
6296.3 · Payroll Expense Pike	16,808.97			
6296.1 · Payroll Expense- Mutual Aide - O...	3,601.90			
Total 6296.1 · Payroll Expense- Mutual Aide	28,081.27			
6297.3 · Fixed Asset Expenditures Pike C	2,241.81	2,242.00	-0.19	100.0%
6702 · Interest Expense	8.00			
6705 · Adjustments	-0.01			
Total 6000 · FIRE SERVICES OVERHEAD	57,221.51	26,764.00	30,457.51	213.8%
7000 · ALLEGHANY FIRE OPERATIONAL				
7230 · Compliance/Training Alleghany	878.00	1,000.00	-122.00	87.8%
7300 · Small Equipment Alleghany				
7300P · PPE/Uniforms Alleghany	246.16			
7300 · Small Equipment Alleghany - Other	5,345.14	800.00	4,545.14	668.1%
Total 7300 · Small Equipment Alleghany	5,591.30	800.00	4,791.30	698.9%
7301 · Equip. repair/maint. Alleghany	53.35	500.00	-446.65	10.7%
7350 · Fuel Alleghany	491.33	500.00	-8.67	98.3%
7630 · Vehicle Rep. & Maint. Alleghany				
7637 · 7180 Repairs & Maint.	3,791.19			
7630 · Vehicle Rep. & Maint. Alleghany - ...	0.00	800.00	-800.00	0.0%
Total 7630 · Vehicle Rep. & Maint. Alleghany	3,791.19	800.00	2,991.19	473.9%
7660 · Supplies Alleghany	77.23	300.00	-222.77	25.7%
Total 7000 · ALLEGHANY FIRE OPERATIONAL	10,882.40	3,900.00	6,982.40	279.0%
8000 · PIKE CITY FIRE OPERATIONAL				
8230 · Compliance/Training Pike City				
8230T · Training - Pike City Fire	343.00			
8230 · Compliance/Training Pike City - Ot...	786.00	1,000.00	-214.00	78.6%
Total 8230 · Compliance/Training Pike City	1,129.00	1,000.00	129.00	112.9%
8300 · Small Equipment Pike City				
8300P · PPE/Uniforms Pike City	299.38			
8300 · Small Equipment Pike City - Other	8,728.20	800.00	7,928.20	1,091.0%
Total 8300 · Small Equipment Pike City	9,027.58	800.00	8,227.58	1,128.4%
8301 · Equip. repair/maint. Pike City	10.80	500.00	-489.20	2.2%
8350 · Fuel Pike City	870.59	1,000.00	-129.41	87.1%
8630 · Vehicle Rep. & Maint. Pike City	0.00	800.00	-800.00	0.0%
8660 · Supplies Pike City	95.78	300.00	-204.22	31.9%
Total 8000 · PIKE CITY FIRE OPERATIONAL	11,133.75	4,400.00	6,733.75	253.0%

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Pliocene Ridge Community Services District
Profit & Loss Budget vs. Actual
 July 2022 through April 2023

	<u>Jul '22 - A...</u>	<u>Budget</u>	<u>\$ Over Bu...</u>	<u>% of B...</u>
Total Expense	79,237.66	35,064.00	44,173.66	226.0%
Net Ordinary Income	21,516.26	-5,064.00	26,580.26	-424.9%
Other Income/Expense				
Other Income				
9020.4 · Tax Revenue Street Lights	4,664.12	5,182.00	-517.88	90.0%
Total Other Income	4,664.12	5,182.00	-517.88	90.0%
Other Expense				
9170.4 · PG&E Streetlights Alleghany	2,388.67	3,300.00	-911.33	72.4%
9171.4 · PG&E Streetlights Forest City	168.91	240.00	-71.09	70.4%
9180.4 · County Management Fee SL	0.00	674.00	-674.00	0.0%
Total Other Expense	2,557.58	4,214.00	-1,656.42	60.7%
Net Other Income	2,106.54	968.00	1,138.54	217.6%
Net Income	<u>23,622.80</u>	<u>-4,096.00</u>	<u>27,718.80</u>	<u>-576.7%</u>

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ADMINISTRATIVE POSITIONS & DUTIES

This policy provides a “list” of the tasks required to operate the district. Due to the limited resources available to the district, the board is encouraged to adjust job duties as needed to accommodate both the desires and the abilities of available staff members.

Pliocene Ridge CSD designates the Fire Chief(s) and ~~District Manager~~ Administrative Assistant to fulfill the duties of “General Manager”. Due to budget constraints the district is not able to hire a sole individual for this position as mandated by Gov code section 61050. Additionally, there is no desire to create a staff position that oversees the Fire Chief(s). The ~~District Manager~~ Administrative Assistant and Fire Chief(s) work in tandem and answer directly to the Board of Directors.

Fire Chiefs

The Fire Chiefs shall serve as the General Managers for their respective departments and are duly authorized by the Board to carry out all duties incidental to that position. The Fire Chiefs shall:

1. Appoint all officers below the position of chief within their dept.
2. Act as Officer in Charge when in the response area.
3. Delegate responsibility as appropriate.
4. Be responsible for the maintenance of all vehicles assigned to their Station.
5. Be responsible for the maintenance of their department's equipment and property.
6. Be responsible for the training of fire dept personnel including retaining training sign-in sheets.
7. Adhere to the district's policies and procedures.
8. Be authorized to take action sufficient to address an emergency and report those actions outside established policy and procedures to the Board at the next regular meeting. See Purchasing Policy #2030
9. Assist with the ongoing review and revision of Standard Operating guidelines for district personnel.
10. Assist in the development and implementation of a personnel handbook.
11. Maintain inventory control in conjunction with the Treasurer and Risk Manager.



Fire Chiefs Continued

12. Be authorized to sign documents related to board approved actions such as the acquisition and disposition of assets and mutual aid agreements.
13. Be authorized to approve non-district community use of the firehouses per district policy # 1052 (to be developed)
14. Perform other duties as may be deemed necessary or delegated by the Board of Directors.

In the absence of a Fire Chief the Chain of Command shall be followed with the Assistant Chief (s) acting as interim chief until the position is filled. In the event that only one Department (either Alleghany or Pike) has a Chief, that person shall serve as District Chief.

Secretary

The Secretary shall be the Clerk of the Board and is duly authorized by the Board to carry out the duties incidental to that position. The Secretary shall:

1. Record the minutes of all board meetings.
2. Act as Official Record Keeper for the District and ensure that records are maintained per district policy & in compliance with State Statutes including public access to public records plus secure storage of confidential records.
3. Prepare agendas and meeting packets while ensuring that all meetings are posted in compliance with the Brown Act.
4. Prepare routine correspondence such as thank you letters and other day-to-day correspondence of a managerial nature in conjunction with other staff. (Shall assist staff with correspondence as requested or initiated).
5. Prepare Official Correspondence as directed by the board.
6. Report all correspondence since the last meeting at each regular meeting of the Board.
7. Prepare Resolutions as needed for Board approval and maintain a master file of all resolutions.
8. Maintain a Master Calendar and Contact list for the District Board and Staff.
9. Prepare and file the Secretary of State information filings as needed (whenever there is a change in Board members or Officers).
10. Perform other duties as requested by the Board.



Treasurer:

The treasurer is the Chief Fiscal Officer of the District and is duly authorized by the Board to carry out all duties incidental to that position. The Treasurer shall:

1. Ensure that the District's bookkeeping is carried out in Compliance with Accounting Policy # 2000 (to be developed)
2. Act as Accounts Receivable & Accounts Payable Clerk for District.
3. Verify that the district's Purchasing Policy and other accounting policies are adhered to.
4. Shall assist the Board and Secretary with periodic reviews and updates of accounting procedures.
5. Process Payroll as needed (no more than quarterly) including all required filings. Per Policy #2080.
6. Prepare a monthly Treasurer's report to be incorporated with the meeting packets showing: beginning bank balance, itemized list of expenditures for previous month, deposits and ending bank balance for previous month. Including the detail for the Reserve Fund account.
7. Prepare the annual Budget (Preliminary & Final) per Policy #2020
8. Annually: book year-end accruals, donations and fixed assets (or provide the needed documentation to the auditor to prepare any or all of these journal entries)
9. Facilitate the Audit and the annual State Controller filings that are prepared by the Auditor.
10. ~~Annually, after June 30th~~ As needed, prepare a list of non-monetary donations ~~gifts (such as direct purchases made by the auxiliaries)~~ for Board acceptance. Per Policy #2120.
11. Work with the Secretary to ensure that financial records are being maintained per GAAP and other applicable rules.
12. Record and monitor reserve fund balances per policy #2010
13. Perform other such duties as may be directed by the Board.



District Manager: Administrative Assistant

The District Manager is ~~NOT~~ the General Manager (see ~~introduction to this policy~~).

The ~~district manager~~ Administrative Assistant shall:

1. Assist the Board and Fire Chiefs with the development and ongoing review of District Bylaws, Policies & Procedures and Standard Operating Guidelines and an employee handbook.
2. ~~Be responsible for~~ Assist with pursuing additional funding sources for the district, including grants and donations. Including the preparation of grant applications and all required documents for board approval.
3. Facilitate the district's support of the firewise community efforts for both the Pike and Alleghany Firewise Communities (see resolution # 2020-077).
4. ~~Be responsible for~~ Assist with developing and implementing a public relations campaign for the district.
5. Maintain the district's website.
6. Be authorized to sign documents related to board approved actions such as grant applications and documents related to the acquisition and disposition of assets.
7. Perform other duties as may be deemed necessary or delegated by the Board of Directors

Risk/Safety Manager:

Refer to Policy 1030 outlining Risk Management duties and responsibilities.

Streetlight Manager:

~~Refer to Policy 1110 outlining Streetlight Manager duties and responsibilities.~~
NEEDS TO BE DEVELOPED as an addition to Policy # 4000

Project Manager:

A Project Manager is necessary for construction projects and other projects in order to ensure that work can proceed in a timely manner and on-schedule without the need to get board approval when day-to-day decisions and routine paperwork are needed.

At the time of appointment, the Board may delegate the Project Manager with full or limited authorization to sign and file, for and on behalf of the District, all documents related to the planning, design, and construction of the project. The project manager shall ensure compliance with Policy #1050 CONTRACTS and other applicable policies and laws.

**DRAFT CONTRACT RENEWAL changes highlighted yellow.
RAE BELL ARBOGAST CONTRACT FOR SERVICES**

This contract is made and entered into this 15th day of June 2023 by and between the Pliocene Ridge Community Services District, County of Sierra, (hereinafter referred to as the "District") and Rae Bell Arbogast, an individual (hereinafter referred to as "Contractor").

I TERMS AND STATUS

A. Terms of Contract

This Contract is effective July 1, 2023 through June 30, 2024, and shall terminate automatically on that date. The Contract may be terminated at any time for any reason by either the District or Contractor upon giving fifteen (15) day written notice to the other party.

B. Contractor Status

For the purpose of this Contract, and at all times during the term of this Contract, Contractor understands that she is an independent contractor for the district, that no relationship of employer-employee exists between the parties, and that under no circumstances shall Contractor be deemed to be an employee of the District. The parties expressly agree that no work, act, commission, or omission of Contractor shall be construed to make or render Contractor an employee of the District.

District will provide Workers' Compensation insurance. District will not pay or provide State Disability insurance benefits, Unemployment Insurance, or Social Security. Contractor shall be responsible to pay or provide for such insurance or benefits and to pay its own federal and state income tax responsibilities, Social Security and any other payroll tax obligations that it may owe as a result of compensation received for services rendered pursuant to this Contract.

The sole interest of the district is to ensure that the services provided will be performed and rendered in a competent, efficient, and satisfactory manner.

C. Services Performed

Contractor shall provide, including but not limited to the following services:

Perform all duties as outlined in District Policy #1020 specifically for the positions of ~~District Manager~~ Administrative Assistant, Secretary and Treasurer.

D. Confidentiality

All documents, together with any knowledge otherwise acquired by Contractor relating to the District's business, shall be treated by Contractor as confidential information. Contractor shall not disclose or use, directly or indirectly, at any time, any such confidential information other than in the performance of this Contract. District shall have access to all written documents related to work done under this Contract.

E. Conflict of Interest

Contractor covenants that she presently has no interest and shall not acquire any interest that would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Contract. Contractor further agrees to submit full disclosure statements, if such be legally required, pursuant to the requirements of the California Fair Political Practices Act or any other federal, state, or local provision of law, regulations, or conflict of interest code.

II COMPENSATION TERMS

A. Compensation

District agrees to compensate Contractor at the rate of \$200 per month and to reimburse contractor for actual expenses incurred upon presentation and Board approval of an itemized statement with supporting receipts.

Contractor shall be compensated for the performance of tasks for which reimbursement to the district either is or becomes available at a rate of \$20 per hour.

This includes: Mutual Aid billings and the related payroll processing, billings to individuals and other agencies (for example Ordinance #1 non-resident billings and Title III mutual aid billings) Grant Administration and Administration of the Firewise efforts. ~~retroactive to 2019. (if the County approves billing such activity to the title III fund).~~

Contractor shall be paid in the capacity of a Red Cross Instructor at a rate of \$25 per student per day for district personnel. (Classes are either one-day or two-days). District shall cover the cost of Red Cross fees and class materials in addition to paying contractor as outlined above. Contractor shall seek reimbursement to the district for training expenses whenever possible via outside funding sources. Contractor shall invoice other agencies for all class expenses when personnel from other agencies attend classes taught under the district's AP agreement.

B. Quarterly Invoice

Contractor shall submit to District at its regular monthly meeting, a quarterly invoice, including any reimbursable expenses, and including all receipts for said expenses.

C. Payment Exclusive

For services authorized and provided under the contract, payment set forth under Paragraph A shall be exclusive. Contractor shall be prohibited from billing or otherwise seeking payment for such services from the county or other government agencies.

D. Taxes

Contractor will be solely responsible for any and all federal state, and local taxes, charges, fees, or contributions required to be paid with respect to Contractor's performance of this Contract (including, but not limited to, Social Security and income tax withholding).

Contractor shall indemnify, defend and hold harmless the District and its officers, agents, and employees, to the extent permitted by applicable law, from and against any and all federal, state, and local taxes, charges, fees, or contributions required to be paid with respect to Contractor for the services performed under this contract.

If the Internal Revenue Service or any other federal or state governmental agency should inquire about, question, or challenge the independent contractor status of Contractor with respect to the district, the parties agree that: (1) each shall inform the other party of such inquiry or challenge; and, (2) the District shall have the right to participate in any discussion or negotiation occurring with the federal or state agency without regard to who initiated such discussions or negotiations. In the event the federal or state agency concludes that an independent contractor relationship does not exist, the District or Contractor may terminate this Contract immediately upon written notice.

E. Benefits

Contractor shall have no claim under this Contract or otherwise for unemployment compensation, insurance, vacation pay, sick leave, retirement benefits, Social Security benefits, disability insurance benefits, or any other employment benefits.

F. Workers' Compensation

During the term of this Contract, Contractor shall be covered by the District. Moreover, Contractor agrees to hold harmless and indemnify District for any and all claims arising out of injury, disability, or death that may occur while performing the services provided in this Contract.

G. General Liability

During the term hereof, Contractor shall be covered by the District's Comprehensive General Liability Insurance.

H. Indemnification

Contractor shall indemnify, defend, and hold harmless the District and its officers, agents, and employees, to the extent permitted by applicable law, from and against any and all claims, liabilities, and losses whatsoever (including, but not limited to, damages to property and injuries to or death of persons, court costs, and attorney's fees occurring or resulting to any and all persons, firms and corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this contract, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of, connected with, or incidental to the Contractor's performance of services under this Contract, provided that this shall not apply to injuries or damage for which the District has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

III GENERAL PROVISIONS

A. Non-Discrimination

During the performance of this Contract, Contractor shall not unlawfully discriminate against any person because of race, religion, color, national origin, ancestry, citizenship, physical or mental disability, medical condition, marital status, age, veteran status, sex or sexual orientation, perceived or otherwise, in connection with or related to the performance of this Contract.

B. Non Assignment

None of the rights, privileges, interests, immunities, duties, or obligations created by this Contract are assignable by Contractor. Upon disability or inability to provide services by Contractor, this Contract shall terminate.

C. Qualifications

Contractor shall provide Internet connection to facilitate services and communication. Contractor shall have necessary skills and expertise to prepare mandated monthly, quarterly, and annual financial reports; possess knowledge of accepted accounting principals and procedures, maintain support documents and records in an appropriate manner for auditing; work well with District personnel and Board members; operate ten key, computer, quick books, or other financial software approved by the District; ability to perform work and meet schedules, observe confidentiality be dependable and trustworthy. Further, Contractor shall be able to sit at computer for required periods of data preparation, lift up to ten pounds of binders of data. If Contractor fails to comply, this Contract shall be terminated as of the date of such noncompliance.

D. Governing Law

This contract will be deemed to have been made and shall be construed interpreted, and enforced pursuant to and in accordance with the laws of the State of California.

E. Compliance with Applicable Laws

All Services to be performed by Contractor shall be performed in accordance with all applicable federal, state, county laws. Such services shall be performed in accordance with all applicable ordinances and regulations, including, but not limited to, provisions pertaining to confidentiality of records and applicable quality assurance regulations.

F. Amendment

This Contract constitutes the entire understanding between the parties and supersedes any and all prior understandings and agreement, oral or written, relating to the subject matter of this Contract. Each party acknowledges that no representation, inducements, promises, or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not included in this Contract and no other agreement, statement or promise not contained in this Contract shall be valid or binding. No alteration, variation, or amendment to the terms of the Contract shall be valid unless it is made in writing and is signed by the parties, and no oral understanding or agreement shall be binding on the parties.

G. Attorney's Fees and Costs

If any action at law or in equity is necessary to enforce or interpret the terms of this Contract, the prevailing party shall be entitled to reasonable

attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.

H. Severability

If any provision of the Contract is held to be invalid, void, or unenforceable, the remainder of this Contract shall be severable and not affected.

I. Termination

This Contract may be terminated, either by the district or Contractor, at any time for any reason upon giving fifteen (15) days written notice to the other party. If so terminated the amount payable hereunder shall be made for the services provided up to the date of termination and as agreed by both District and Contractor. In the event of a material breach of this Contract, the District may cancel and terminate said Contract immediately upon written notice to Contractor. "Material breach" includes, but is not limited to the failure of the contractor to perform an essential requirement of this Contract that: (1) causes substantial harm to the interests of the District; or, (2) substantially deprives the District of a substantial benefit it reasonably expected under the Contract. A breach of contract may be deemed "material" if the cumulative effect of nonmaterial breaches is material. Upon termination, the District agrees to pay the Contractor for all services performed prior to termination that meets the requirements of this Contract.

J. Notice

Any notice required under this Contract shall be in writing and shall be deemed effective (1) upon actual delivery, if delivery is by hand; or, (2) upon deposit in the United States mail, postage prepaid with return receipt requested and addressed:

To Contractor: Rae Bell Arbogast
P. O. Box 919
Alleghany, CA 95910

To District: President
Pliocene Ridge Community Services District
100 Pike City Road
Pike City, CA 95960

Dated: _____

Rae Bell Arbogast, Contractor

Dated: _____

Larry Allen, President
Pliocene Ridge Community Services District