

Rancho Adobe Fire Protection District

11000 Main Street
P. O. Box 1029
Penngrove, California 94951

Telephone: (707) 795-6011
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www.rafd.org

**NOTICE & AGENDA OF THE REGULAR BOARD MEETING
DECEMBER 13, 2023 — 7:00 P.M.
COTATI FIRE STATION - #1 EAST COTATI AVE.
COTATI, CALIFORNIA**

Assistance for the Disabled: If you are disabled in any way and need accommodation to participate in the meeting, please call Jennifer Bechtold, Board Clerk, at 707-795-6011 for assistance so the necessary arrangements can be made.

The Board meeting agenda and all supporting documents are available for public review at 11000 Main Street, Penngrove, CA 94951, 72 hours in advance of a scheduled board meeting. Materials related to an item on this agenda submitted to the Board after distribution of the agenda packet, and not otherwise exempt from disclosure, will be made available for public inspection at the District Office at 11000 Main Street, Penngrove, during normal business hours, Tuesday through Friday, 9:00 a.m. – 5:00 p.m. Copies of supplemental materials distributed at the Board meeting will be available for public inspection at the meeting location.

I. CALL TO ORDER / ROLL CALL / PLEDGE OF ALLEGIANCE

To speak on any item under discussion by the Board on this agenda, you may do so upon receiving recognition from the Chair. Time limitations on public testimony may be imposed at the discretion of the Chair in conformity with Board Meeting Policy Provisions 5010.100-5010.103 and 5010.110.

II. BOARD REORGANIZATION

A. Election of Chairman and Vice-Chairman, and Passing of Gavel to New Chair

B. Appointment of Board Secretary/Clerk

C. Appointment of Fiscal Officer

D. Appointments to Committees and Charges to Meet Regularly:

1. Budget/Finance Committee: Chief, Fiscal Officer and 2 Directors
(meeting as necessary, but at least quarterly)

2. Long Range Planning Committee: 3 Directors to serve on committee otherwise composed of staff and members of the public
(meeting as necessary)

E. Confirm Calendar of Meetings for 2024: Third Wednesday of Every Month: January 17, February 21, March 20, April 17, May 15, June 19, July 17, August 21, September 18, October 16, November 20, December 18

III. ORAL AND WRITTEN COMMUNICATIONS

A. Citizen Business/Public Comments on Items not appearing on Agenda — *Public is advised to limit discussion to one presentation per individual and observe the time limit of 4 minutes. Please state your name and address for the record before making your presentation.*

NOTE: *Any item raised by a member of the public which does not appear on the agenda but which may require Board action shall be referred to District staff for investigation and disposition unless the item requires action to be taken by the Board at the meeting during which it was raised and constitutes an emergency, or the need to take such action arose after the posting of the agenda within the meaning of Government Code Section 54954.2(b).*

B. Correspondence and/or Presentations

IV. APPROVAL OF MINUTES

The Board of Directors will review, amend and approve prior months' Board meeting minutes.

A. Regular Meeting of November 15, 2023

(Continued on next page)

**NOTICE & AGENDA OF THE REGULAR BOARD MEETING
DECEMBER 13, 2023 — 7:00 P.M.
COTATI FIRE STATION - #1 EAST COTATI AVE
COTATI, CALIFORNIA**

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V. CONSENT CALENDAR

Matters listed under the Consent Calendar are considered to be routine and will be enacted by one motion and one vote. There will be no separate discussion of these items. If the Board or the public desires discussion, that item will be removed from the Consent Calendar and will be considered separately.

A. Ratification of Checks Issued

VI. ADMINISTRATIVE COMMUNICATIONS

An opportunity to report on individual activities related to District Business.

- A. Firefighter's Union Report
- B. Firefighters' Association Report
- C. Chief's Report
- D. Director Reports
- E. Committee Reports
 - a. Finance/Budget
 - b. Long Range Planning

VII. NEW BUSINESS

A. Resolution R-6: Endorsing County-Wide Sales Tax Measure

The Board of Directors will consider approving Resolution R-6 which endorses the sales tax measure in March 2024 to support the fire services in Sonoma County

B. Consideration of Employment Agreement between the District and the Fire Chief for December 1, 2023 – November 30, 2024

The Board will consider approving the wages, benefits and working conditions outlined in the employment agreement between the Rancho Adobe Fire District and the Chief


C. Resolution R-7: Approving and Authorizing the Execution of a Series 2023 Installment Sales Agreement to Amend and Take the Place of Certain 2023 Lease Agreements

The Board will consider approving Resolution R-7 which amends the loan agreement the Board approved June 21, 2023 with Municipal Finance Corporation

VIII. DIRECTION ON FUTURE AGENDA ITEMS

IX. ADJOURNMENT

Certificate of Posting of the Agenda: I declare under penalty of perjury under the laws of the State of California that I am employed by the Rancho Adobe Fire District and that I caused this agenda to be posted on the bulletin boards at Station 1 (Cotati), Station 2 (Penngrove), Station 3 (Liberty), Cotati City Hall and the Penngrove U.S. Post Office on December 8, 2023.



Jennifer Bechtold, Clerk of the Board



Rancho Adobe Fire Protection District

Board of Directors Meeting

December 13, 2023

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BOARD REORGANIZATION

**RANCHO ADOBE FIRE PROTECTION DISTRICT
BOARD ORGANIZATION AND COMMITTEE APPOINTMENTS 2024**

CHAIR: _____

VICE-CHAIR: _____

BOARD SECRETARY/CLERK: _____

FISCAL OFFICER/TREASURER: _____

BUDGET/FINANCE COMMITTEE:

_____ (Chair)

LONG RANGE PLANNING COMMITTEE:

_____ (Chair)

2024 Proposed Board Meeting Calendar

January 17

February 21

March 20

April 17

May 15

June 19

July 17

August 21

September 18

October 16

November 20

December 18

APPROVAL OF MINUTES

Rancho Adobe Fire Protection District

11000 Main Street
P. O. Box 1029
Penngrove, California 94951

Telephone: (707) 795-6011
Fax: (707) 795-5177
www.rafd.org

DRAFT

**MINUTES OF THE REGULAR BOARD MEETING
NOVEMBER 15, 2023 — 7:00 P.M.
COTATI FIRE STATION - #1 EAST COTATI AVE.
COTATI, CALIFORNIA**

I. CALL TO ORDER / ROLL CALL / PLEDGE OF ALLEGIANCE

President Brian Proteau, called the Regular Board meeting to order at 7:00 p.m. The agenda for this meeting was posted on November 10, 2023.

Directors Present: Mark Hemmendinger, Bob Moretti, Sage Howell, Ray Peterson, Bret Herman, Brian Proteau, Michael Gadoua

Minutes Conducted by: Jennifer Bechtold

The Pledge of Allegiance was said.

II. ORAL AND WRITTEN COMMUNICATIONS

A. Citizen Business/Public Comments on Items not appearing on Agenda

There was no public comment.

B. Correspondence and/or Presentations

A letter from SDRMA was included in Board packets congratulating the District on no 'paid' property/liability claims in fiscal year 2022-2023. There was also a letter from Bill Morton from Municipal Finance Corporation addressing his position on the change to the lease-lease back documents.

III. APPROVAL OF MINUTES

A. Regular Meeting of October 18, 2023

Motion moved by Mr. Moretti to approve the minutes of October 18, 2023, and seconded by Mr. Hemmendinger.

Motion Carried: Aye __6__ No __0__ Abstain__1 (Mr. Gadoua)__ Absent __0__

IV. CONSENT CALENDAR

A. Ratification of Checks Issued

Motion moved by Mr. Herman to approve the consent calendar and seconded by Mr. Hemmendinger.

Motion Carried: Aye __7__ No __0__ Abstain__0__ Absent __0__

V. ADMINISTRATIVE COMMUNICATIONS

A. Firefighter's Union Report

Engineer Daniel Ikalani mentioned that Local 1401 has been working hard on Measure G, including fundraising efforts of \$310K of a \$485K goal. The next fundraiser will be held in January at Sally Tomatoes. Endorsements of the tax measure are coming in. The Union is looking forward to the strategic planning meeting in January.

B. Firefighters' Association Report

Engineer Ikalani noted the annual toy drive will be starting soon. The holiday party will be held December 15 at the Penngrove Social Fireman's Hall. The Association is also planning the annual crab feed for February 3.

C. Chief's Report

Chief Veliquette reported on the following items:

- 1.) Mike Porter has been promoted to Fire Captain, effective December 1. There are two candidates who will be interviewed tomorrow to backfill his engineer position.
- 2.) The Promotional and Badge Pinning Ceremony was held two weeks ago with 15 employees who received badges. Great turnout and event.
- 3.) Halloween festivities were supported in Cotati and Rohnert Park.
- 4.) Auto extrication training with new firefighters.
- 5.) Multiple structure fire calls with the two largest on Jewett and in Rohnert Park.
- 6.) Administrative audit fieldwork completed.
- 7.) Chief Schach gave the tax measure presentation to Cotati City Council last night. Next meet and greet is January 21st at Sally Tomatoes.
- 8.) Upcoming events – Strategic planning session tentative dates are January 12 or 19 from 8-5. The Christmas party is December 15, Penngrove Light Parade is December 17 and the crab feed is February 3.
- 9.) October Calls for Service: 119 good intent, 98 rescue/medical, 14 service, 13 false alarm, 10 hazmat and 4 fire. There were 42 fire alarm calls to SSU.

The Board discussed the tax measure presentation at the City Council meeting and overall, Chief Veliquette felt the response was mostly neutral from the community and council. Mr. Herman also asked when we last spoke to SSU regarding payment to the District for services. Chief Veliquette has been meeting with SSU leaders and feels they are unwilling to pay any funds to the District because they have no funding and do not want to set precedence for other CSUs. Mr. Hemmendinger noted that the issue of setting a precedence falls on deaf ears, as the other two fire districts receiving money from CSUs has certainly not set a precedence. Chief Veliquette feels both the issues really fall on deaf ears. Mr. Peterson feels we need to engage our legislators, so they recognize there is a problem. They are the ones who control the budgets for the university, so we need them at the table with SSU.

D. Director Reports

No Director reports.

E. Committee Reports

a. Finance/Budget

Mr. Hemmendinger noted a Finance meeting held to review the Board policies and a brief presentation was given by SCI Consulting Group regarding the impact fee study. The committee also had a brief discussion on the year-to-date budget. We will take a close look at this in time for our strategic planning meeting. We will have our first tax revenue deposits by then and we'll see if we

are ahead of budgeted revenues.

b. Long Range Planning

No report filed.

VI. UNFINISHED BUSINESS

A. Discussion on Proposed Sales Tax

Chief Veliquette reported that informational presentations have been made in Petaluma, Rohnert Park and Cotati. On December 11, we will receive our ballot letter designator. This past Monday was the kickoff for fundraising campaigns. The Union has raised about \$310K of \$480K goal. Chief Veliquette will be reaching out to Cotati Councilmembers for any questions they may have about the tax measure. The Union can also advocate for and answer questions anyone may have. Additionally, Our Board can legally, through a Resolution, support the measure.

VII. NEW BUSINESS

A. Resolution R-5: Resolution Acknowledging a Report Made by the Fire Chief Regarding Required Annual Inspections of Certain Occupancies

Chief Veliquette commented the statutes within this resolution date back to 2018, following the Ghost Ship Warehouse fires. Legislation was passed in September 2018 stating that all fire districts and departments must inspect certain types of residential and educational occupancies. The District has 14 public and private schools, of which 13 have been inspected so far this year. The last school should be completed by year-end. As far as residential occupancies, residential care facilities, apartments, hotels, etc., Rancho Adobe has 61 and 14 have been inspected to date. This report clearly shows we have missed the mark on the mandated inspections, because we do not have the staffing to get all of these completed. The District needs a fire inspector and BC Taylor has a couple options to help us meet this mandate next year. One option is to hire a paid fire inspector intern through SRJC's fire program. However, the District really needs a full-time fire inspector, and we will move forward with hiring someone if we pass the sales tax measure.

Motion moved by Mr. Gadoua to adopt Resolution R-5, Acknowledging Required Annual Inspection Report, and seconded by Mr. Hemmendinger.

Motion Carried: Aye 7 No 0 Abstain 0 Absent 0

Roll Call:

Mr. Proteau – aye
Mr. Howell – aye
Mr. Peterson – aye
Mr. Gadoua – aye
Mr. Moretti – aye
Mr. Hemmendinger – aye
Mr. Herman – aye

B. Discussion on Fire Impact Fee Study

Chief Veliquette is recommending the Board enter into an agreement with SCI Consulting to perform a nexus study for impact fees on new development. Once the study is completed, it can be broken into about four different areas, such as a fee per square foot on residential and commercial development. Many different fire districts, including Sonoma Valley Fire District and Sonoma County Fire District, have completed the study and created a fire impact fee program. The program gives us an opportunity to recoup money affecting the District through growth and funds

may be used for facilities and apparatus, but not on personnel. We would also ask the City of Cotati and Board of Supervisors to adopt the program on our behalf since they are Land Use Authorities and the District is not.

Motion moved by Mr. Gadoua to approve the Fire Impact Fee Study and seconded by Mr. Howell.

Motion Carried: Aye 7 No 0 Abstain 0 Absent 0

C. Approval of Kaiser Health Benefits for 2024

Chief Veliquette commented that our Kaiser health plan had a minimal increase of 5.4% which is significantly lower than almost every other Kaiser plan for the year. This results in a \$17K increase to the budget which has already been accounted for.

Motion moved by Mr. Howell to approve the Kaiser Health Benefits for 2024 and seconded by Mr. Peterson.

Motion Carried: Aye 7 No 0 Abstain 0 Absent 0

D. Discussion and Approval of Proposed Changes to Board Policy #7010, Financial Policy and #7050, Reserve Management Policy

Chief Veliquette noted the Board policies were reviewed by the budget committee and only two were identified as needing adjustments. Those suggested amendments are outlined in packets along with the completed policies. The Board suggested adding page numbers as well as updating the footer with the date of amendments. Mr. Hemmendinger commented Policy 7010 was updated to show our required debt service ratio is 110% not 125% as previously thought.

Motion moved by Mr. Hemmendinger to approve the proposed changes to Board Policies 7010 and 7050 and seconded by Mr. Gadoua.

Motion Carried: Aye 7 No 0 Abstain 0 Absent 0

Closed Session was Opened at 8:16 p.m.

VIII. CLOSED SESSION

A. Pursuant to Government Code §54957, the Board will hold a closed session for the following reason: PUBLIC EMPLOYEE PERFORMANCE EVALUATION.

Title: Fire Chief

Action Taken: The Board approved a 5% pay increase for the Fire Chief. The new contract will be placed under New Business at the December Board meeting.

Closed Session was Adjourned at 8:57 p.m.

IX. DIRECTION ON FUTURE AGENDA ITEMS

- **Consideration of a Resolution for Endorsing Tax Measure**
- **Legal Work from Weist Law on Bank Loan**
- **Board Reorganization**

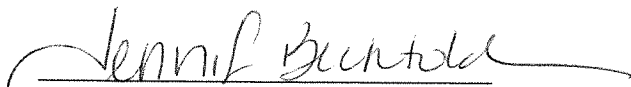
X. ADJOURNMENT

With no further business to discuss, the Regular Board meeting was adjourned at 9:00 p.m.

Motion moved by Mr. Howell and seconded by Mr. Herman.

Motion Carried: Aye 7 No 0 Abstain 0 Absent 0

Respectfully submitted,


Jennifer Bechtold, Board Clerk

CONSENT CALENDAR

Rancho Adobe Fire Protection District



11000 Main Street
P.O. Box 1029
Penngrove, California 94951

Phone: (707) 795-6011
Fax: (707) 795-5177
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RATIFICATION OF WARRANTS AND PAYROLL

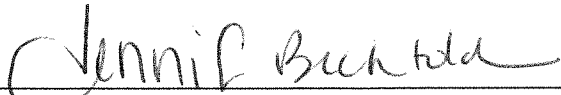
FOR THE REGULAR MEETING OF DECEMBER 13, 2023

In accordance with Government Code Section 37208, ratification of the following warrant amounts are presented to the Fire District Board:

Regular Payable Checks:	\$157,745.87
Payroll Checks:	\$102,762.01
Total All Disbursements:	\$260,507.88

All individual warrants and warrant registers are available for review by the board members or the public upon request. Payroll registers are confidential and not available for individual review in accordance with State Law.

The necessary internal controls are in place to safeguard the District's in conformance with Generally Accepted Accounting Principles, sound business practices and prudent budgetary principles. Payroll documents and warrants invoices have been reviewed and approved by the appropriate Department Head, Fire Chief and Department Bookkeeper or Accountant before payment.


Clerk of the Board

12-7-23
Date

Rancho Adobe Fire Protection District

Check Detail

November 28, 2023

1:24 PM
11/28/23

Type	Num	Date	Name	Account	Paid Amount
Check		11/28/2023	CalPERS FISCAL SERVICES DIVISION	1035 · Summit State Bank - Operating	
			5923 · CalPERS		-55,569.10
					-55,569.10
Check		11/28/2023	CalPERS FISCAL SERVICES DIVISION	1035 · Summit State Bank - Operating	
			5923 · CalPERS		-32,441.68
					-32,441.68
Check		11/28/2023	CalPERS FISCAL SERVICES DIVISION	1035 · Summit State Bank - Operating	
			5923 · CalPERS		-2,316.23
					-2,316.23
Check		11/28/2023	CALPERS SUPPLEMENTAL INCOME PLANS	1035 · Summit State Bank - Operating	
			5923 · CalPERS		-8,780.00
					-8,780.00
Bill Pmt -Check	5946	11/28/2023	RANCHO ADOBE PAID FIREFIGHTERS	1035 · Summit State Bank - Operating	
Bill	November 2023	11/28/2023	5910 · Full-Time Personnel		-3,655.00
					-3,655.00

TOTAL CHECKS ISSUED: 102,762.01

Authorized By:

Jeff Vouquette
Print Name

Andy Taylor
Print Name

[Signature]
Sign

[Signature]
Sign

FIRE CHIEF
Title

BATTALION CHIEF
Title

Rancho Adobe Fire Protection District Check Detail

December 6, 2023

Type	Num	Date	Name	Account	Paid Amount
Bill Pmt -Check	5966	12/06/2023	FRC, INC.	1035 · Summit State Bank - Operating	
Bill	Inv# 7 Retention	12/06/2023		9510 · Building Improvements	-59,116.14
					-59,116.14
Bill Pmt -Check	5967	12/06/2023	H AND S ASSOCIATES	1035 · Summit State Bank - Operating	
Bill	Inv# 1446	12/06/2023		6590 · Contracted FM Services	-1,400.00
					-1,400.00
Bill Pmt -Check	5968	12/06/2023	HI-TECH	1035 · Summit State Bank - Operating	
Bill	Inv#177514/177552	12/06/2023		6155 · Apparatus Maintenance	-649.84
					-649.84
Bill Pmt -Check	5969	12/06/2023	IT HUB	1035 · Summit State Bank - Operating	
Bill	Inv# 5623	12/06/2023		6889 · Computer Software and Equipment	-890.00
					-890.00
Bill Pmt -Check	5970	12/06/2023	MATHESON TRI-GAS INC.	1035 · Summit State Bank - Operating	
Bill	Mult Inv's	12/06/2023		6260 · Medical Supplies	-439.92
					-439.92
Bill Pmt -Check	5971	12/06/2023	PG&E	1035 · Summit State Bank - Operating	
Bill	Mult Accts	12/06/2023		7320 · Utilities	-965.19
					-965.19

Rancho Adobe Fire Protection District Check Detail December 6, 2023


Bill Pmt -Check	5972	12/06/2023	SANTA ROSA AUTO PARTS	1035 · Summit State Bank - Operating	
Bill	Inv# 060746	12/06/2023		6155 · Apparatus Maintenance	-54.60
Bill Pmt -Check	5973	12/06/2023	TEL CON COMMUNICATIONS	1035 · Summit State Bank - Operating	
Bill	Inv# 3325	12/06/2023		6181 · Station Maintenance for Remodel	-1,829.30


TOTAL CHECKS ISSUED: 65,344.99

Authorized By:

James Deuelow
Print Name

Tom Youreume
Print Name


Sign


Sign

Battalion Chief
Title

Fire Chief
Title

Rancho Adobe Fire Protection District
Check Detail
 November 28, 2023

3:33 PM
 11/28/23

Type	Num	Date	Name	Account	Paid Amount
Bill Pmt -Check	5947	11/28/2023	Best Best & Krieger LLP	1035 - Summit State Bank - Operating	
Bill	Inv# 979800	11/28/2023		6610 - Legal Services	<u>-577.50</u> -577.50
Bill Pmt -Check	5948	11/28/2023	BRADY INDUSTRIES	1035 - Summit State Bank - Operating	
Bill	Inv# 8449175	11/28/2023		6400 - Office Supplies	<u>-169.79</u> -169.79
Bill Pmt -Check	5949	11/28/2023	ERIC GROMALA	1035 - Summit State Bank - Operating	
Bill	Reimb. Food	11/28/2023		6060 - Food	<u>-170.02</u> -170.02
Bill Pmt -Check	5950	11/28/2023	GONE FOR GOOD	1035 - Summit State Bank - Operating	
Bill	Inv#NCCRAFP100323	11/28/2023		6461 - Operational Expense	<u>-25.00</u> -25.00
Bill Pmt -Check	5951	11/28/2023	JAKE MCCLENDON	1035 - Summit State Bank - Operating	
Bill	Reimb. Helmet Shield	11/28/2023		6881 - Safety Equipment	<u>-650.00</u> -650.00

Rancho Adobe Fire Protection District
Check Detail
November 28, 2023

Bill Pmt -Check	5952	JAMES NORTON	1035 · Summit State Bank - Operating	
11/28/2023				
Bill	Reimb. Station Boots		6022 · Safety Clothing	-350.00
				<u>-350.00</u>
Bill Pmt -Check	5953	KAISER PERMANENTE	1035 · Summit State Bank - Operating	
11/28/2023				
Bill	December 2023		5930 · Health Insurance	-29,714.00
				<u>-29,714.00</u>
Bill Pmt -Check	5954	KYOCERA DOCUMENT SOLUTIONS NOR	1035 · Summit State Bank - Operating	
11/28/2023				
Bill	Inv# 5027498969		6820 · Rent/Lease Equipment	-190.61
				<u>-190.61</u>
Bill Pmt -Check	5955	LIEBERT CASSIDY WHITMORE	1035 · Summit State Bank - Operating	
11/28/2023				
Bill	Inv# 253627		6610 · Legal Services	-2,797.50
				<u>-2,797.50</u>
Bill Pmt -Check	5956	LIFE ASSIST	1035 · Summit State Bank - Operating	
11/28/2023				
Bill	Inv# 1380867		6260 · Medical Supplies	-536.91
				<u>-536.91</u>
Bill Pmt -Check	5957	LN CURTIS & SONS	1035 · Summit State Bank - Operating	
11/28/2023				
Bill	Inv# 765733		6155 · Apparatus Maintenance	-199.70
				<u>-199.70</u>

Kancono AAOPE Fire Protection District
Check Detail
November 28, 2023

Bill Pmt -Check	5958	11/28/2023	MIKE PORTER	1035 · Summit State Bank - Operating	-390.00
Bill	Reimb. S-270	11/28/2023		7120 · Training Expense	-390.00
Bill Pmt -Check	5959	11/28/2023	NICK BARBIERI TRUCKING INC.	1035 · Summit State Bank - Operating	-2,513.76
Bill	Inv# 0126352	11/28/2023		7201 · Fuel	-2,513.76
Bill Pmt -Check	5960	11/28/2023	PENNGROVE WATER CO	1035 · Summit State Bank - Operating	-226.23
Bill	Hydrant Rental	11/28/2023		6181 · Station Maintenance for Remodel	-226.23
Bill Pmt -Check	5961	11/28/2023	R.P. EQUIPMENT	1035 · Summit State Bank - Operating	-160.00
Bill	Inv# 5220	11/28/2023		6155 · Apparatus Maintenance	-160.00
Bill Pmt -Check	5962	11/28/2023	STANDARD INSURANCE COMPANY	1035 · Summit State Bank - Operating	-841.00
Bill	December 2023	11/28/2023		5931 · Disability Insurance	-841.00
Bill Pmt -Check	5963	11/28/2023	UNITED RENTALS	1035 · Summit State Bank - Operating	-1,752.50
Bill	Inv# 218096043-009	11/28/2023		6181 · Station Maintenance for Remodel	-1,752.50

Kanchno Apache Fire Protection District
Check Detail
November 28, 2023

Bill Pmt -Check	5964	December 2023	11/28/2023	VISION SERVICE PLAN	1035 · Summit State Bank - Operating	
Bill			11/28/2023	5934 · Vision Insurance		-396.43
Bill Pmt -Check	5965		11/28/2023	WESTERN EXTRICATION SPECIALISTS INC.	1035 · Summit State Bank - Operating	
Bill		Inv# 2471	11/28/2023	6140 · Equipment Maintenance		-30.38

TOTAL CHECKS ISSUED: 41,691.33

Authorized By:

Jeff Vandave
Print Name

Andy Taylor
Print Name

[Signature]
Sign

[Signature]
Sign

TYPE CHECK
Title

BATTALION CHIEF
Title

Rancho Adobe Fire Protection District
Check Detail
November 10, 2023

Type	Num	Date	Name	Account	Paid Amount
Bill Pmt -Check	5926	11/10/2023	FISHMAN SUPPLY CO	1035 - Summit State Bank - Operating	
Bill	Inv# 1424821	11/10/2023		6080 - Household Expense	-154.23
					-154.23
Bill Pmt -Check	5927	11/10/2023	H AND S ASSOCIATES	1035 - Summit State Bank - Operating	
Bill	Inv# 1436	11/10/2023		6590 - Contracted FM Services	-962.50
					-962.50
Bill Pmt -Check	5928	11/10/2023	IT HUB	1035 - Summit State Bank - Operating	
Bill	Inv# 5574	11/10/2023		6889 - Computer Software and Equipment	-890.00
					-890.00
Bill Pmt -Check	5930	11/10/2023	JUAN ESPINOZA	1035 - Summit State Bank - Operating	
Bill	Reimbursement	11/10/2023		6461 - Operational Expense	-5,043.88
					-5,043.88
Bill Pmt -Check	5931	11/10/2023	LIFE ASSIST	1035 - Summit State Bank - Operating	
Bill	Inv#1375883/1372493	11/10/2023		6260 - Medical Supplies	-682.78
					-682.78

Rancho Adobe Fire Protection District
Check Detail
 November 10, 2023

3:18 PM
 11/10/23

Bill Pmt -Check	5932	11/10/2023	LN CURTIS & SONS	1035 · Summit State Bank - Operating	
Bill	Inv#760608/759377	11/10/2023		6881 · Safety Equipment	-2,146.71
				6140 · Equipment Maintenance	-66.49
					<u>-2,213.20</u>
Bill Pmt -Check	5933	11/10/2023	MATHESON TRI-GAS INC.	1035 · Summit State Bank - Operating	
Bill	Inv#28660799/28661031	11/10/2023		6260 · Medical Supplies	-267.57
					<u>-267.57</u>
Bill Pmt -Check	5934	11/10/2023	MSA SAFETY SALES, LLC	1035 · Summit State Bank - Operating	
Bill	Inv#963574111	11/10/2023		7120 · Training Expense	-5,680.00
					<u>-5,680.00</u>
Bill Pmt -Check	5935	11/10/2023	NICK BARBIERI TRUCKING INC.	1035 · Summit State Bank - Operating	
Bill	Inv# 0111856	11/10/2023		7201 · Fuel	-2,087.47
					<u>-2,087.47</u>
Bill Pmt -Check	5936	11/10/2023	NORTHGATE GARAGE DOORS	1035 · Summit State Bank - Operating	
Bill	Inv# 29712	11/10/2023		6180 · Building Maintenance	-3,600.00
					<u>-3,600.00</u>
Bill Pmt -Check	5937	11/10/2023	PENNGROVE WATER CO	1035 · Summit State Bank - Operating	
Bill	Acct#P-549/P-554	11/10/2023		7320 · Utilities	-211.97
					<u>-211.97</u>

Rancho Adobe Fire Protection District

Check Detail

November 10, 2023

Bill Pmt -Check	5938	11/10/2023	PG&E	1035 · Summit State Bank - Operating	
Bill	Mult Accts	11/10/2023		7320 · Utilities	-3,197.93
Bill Pmt -Check	5939	11/10/2023	SONOMA CO TAX COLLECTOR	1035 · Summit State Bank - Operating	
Bill	ASMT#: 047-161-003	11/10/2023		7320 · Utilities	-1,677.90
Bill Pmt -Check	5940	11/10/2023	THE SIX FOUNDATION	1035 · Summit State Bank - Operating	
Bill	Inv# 301	11/10/2023		6654 · Wellness Program	-1,250.00
Bill Pmt -Check	5941	11/10/2023	UMPQJA BANK	1035 · Summit State Bank - Operating	
Bill	October Visa	11/10/2023		Umpqua Bank Credit Card	-18,532.38
Bill Pmt -Check	5942	11/10/2023	AMERICAN RIVER BENEFIT ADMINISTRATOR	1035 · Summit State Bank - Operating	
Bill	Acct# 8506	11/10/2023		5933 · Life Insurance	-370.24
Bill Pmt -Check	5943	11/10/2023	AT&T	1035 · Summit State Bank - Operating	
Bill	9391035608/5607	11/10/2023		6040 · Communications	-223.65
Bill Pmt -Check	5944	11/10/2023	CYPRESS DENTAL ADMINISTRATORS	1035 · Summit State Bank - Operating	
Bill	December 2023	11/10/2023		5932 · Dental Insurance	-2,628.85

Rancho Adobe Fire Protection District Check Detail November 10, 2023

Bill Pmt -Check	5945	11/10/2023	dmi NETWORKING	1035 · Summit State Bank - Operating	
Bill	Inv# 58558	11/10/2023		6889 · Computer Software and Equipment	-1,035.00 -1,035.00

TOTAL CHECKS ISSUED: 50,709.55

Authorized By:

Tara Veronique

Tara Veronique
Print Name

Herbert R. Wood

Herbert R. Wood
Print Name

[Signature]

Sign

[Signature]

Sign

Fire Chief

Title

Assistant Chief

Title

**Account Summary**

Billing Cycle		11/30/2023
Days In Billing Cycle		30
Previous Balance		\$18,532.38
Purchases	+	\$12,190.16
Cash	+	\$0.00
Balance Transfers	+	\$0.00
Special	+	\$0.00
Credits	-	\$0.00
Payments	-	\$18,532.38-
Other Charges	+	\$0.00
Finance Charges	+	\$0.00

NEW BALANCE \$12,190.16

Credit Summary

Total Credit Line	\$250,000.00
Available Credit Line	\$237,809.84
Available Cash	\$0.00
Amount Over Credit Line	\$0.00
Amount Past Due	\$0.00
Disputed Amount	\$0.00

Account Inquiries

- Call us at: (866) 777-9013
Lost or Stolen Card: (866) 839-3485
- Go to www.umpquabank.com
- Write us at PO BOX 35142 - LB1181, SEATTLE, WA 98124-5142

Payment Summary

NEW BALANCE	\$12,190.16
MINIMUM PAYMENT	\$12,190.16
PAYMENT DUE DATE	12/25/2023

NOTE: Grace period to avoid a finance charge on purchases, pay entire new balance by payment due date. Finance charge accrues on cash advances until paid and will be billed on your next statement.

Corporate Activity

TOTAL CORPORATE ACTIVITY				\$18,532.38-
Trans Date	Post Date	Reference Number	Transaction Description	Amount
11/20	11/20	0000000LBX2311203043007	PAYMENT - THANK YOU	\$18,532.38-

Cardholder Account Summary

VIRTUAL ACCT BECHTOLD ####-####-####-6806	Payments & Other Credits \$0.00	Purchases & Other Charges \$3,797.99	Cash Advances \$0.00	Total Activity \$3,797.99
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Cardholder Account Detail

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
11/01	11/03	PPLN01	24275393306054667935923	147-Penngrove Station M 707-6649200 CA	\$255.00
11/01	11/03	PPLN01	24071053306939133815061	CITY OF COTATI ONLINE 707-6653631 CA	\$737.68
11/04	11/05	PPLN01	24755423308293087569464	PRIMO WATER FL 800-7285508 FL	\$28.97
11/08	11/09	PPLN01	24906413312186754484582	TMX*Terminix Intl 800-8376464 TN	\$117.00

PLEASE DETACH COUPON AND RETURN PAYMENT USING THE ENCLOSED ENVELOPE - ALLOW UP TO 7 DAYS FOR RECEIPT

UMPQUA BANK
 PO BOX 35142 - LB1181
 SEATTLE WA 98124-5142



Account Number
 ####-####-####-6068

Check box to indicate name/address change on back of this coupon

AMOUNT OF PAYMENT ENCLOSED

Closing Date	New Balance	Total Minimum Payment Due	Payment Due Date
11/30/23	\$12,190.16	\$12,190.16	12/25/23

\$ **12,190.16**

BL ACCT 00002716-10000000
 RANCHO ADOBE FIRE DIST
 PO BOX 1029
 PENNGROVE CA 94951



MAKE CHECK PAYABLE TO:

UMPQUA BANK COMMERCIAL CARD OPS
 PO BOX 35142 - LB1181
 SEATTLE WA 98124-5142

IMPORTANT INFORMATION

Finance Charge Calculation Methods and Computation of Average Daily Balance Subject to Finance Charge: The Finance Charge Calculation Method applicable to your account for Cash Advances and Credit Purchases of goods and services that you obtain through the use of your card is specified on the front side of this statement and explained below:

Method A - Average Daily Balance (including current transactions): The Finance Charge on purchases begins on the date the transaction posted to your account. The Finance Charge on Cash Advances begins on the date you obtained the cash advance, or the first day of the billing cycle within which it is posted to your account, whichever is later. There is no grace period.

The Finance Charges for a billing cycle are computed by applying the Periodic Rate to the "average daily balance" of your account. To get the average daily balance, we take the beginning balance of your account each day, add any new purchases or cash advances, and subtract any payments, credits, non-accruing fees, and unpaid finance charges. This gives us the daily balance. Then we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle.

Method E - Average Daily Balance (excluding current transactions): To avoid incurring an additional Finance Charge on the balance of purchases (and cash advances if Method E is specified as applicable to cash advances) reflected on your monthly statement, you must pay the New Balance shown on your monthly statement on or before the Payment Due Date. The grace period for the New Balance of purchases extends to the Payment Due Date.

The Finance Charges for a billing cycle are computed by applying the Periodic Rate to the "average daily balance" of purchases (and if applicable, cash advances). To get the average daily balance, we take the beginning balance of your account each day and subtract any payments, credits, non-accruing fees, and unpaid finance charges. We do not add in any new purchases or cash advances. This gives us the daily balance. Then we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle.

Method G - Average Daily Balance (including current transactions): To avoid incurring an additional Finance Charge on the balance of purchases (and cash advances, if Method G is specified as applicable to cash advances) reflected on your monthly statement and, on any new purchases (and if applicable, cash advances) appearing on your next monthly statement, you must pay the New Balance, shown on your monthly statement, on or before the Payment Due Date. The grace period for the New Balance of purchases extends to the Payment Due Date.

The Finance Charges for a billing cycle are computed by applying the Periodic Rate to the "average daily balance" of purchases (and if applicable, cash advances). To get the average daily balance, we take the beginning balance of your account each day, add any new purchases or cash advances, and subtract any payments, credits, non-accruing fees, and unpaid finance charges. This gives us the daily balance. Then we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle.

Payment Crediting and Credit Balance: Payments received at the location specified on the front of the statement after the phrase "MAKE CHECK PAYABLE TO" will be credited to the account specified on the payment coupon as of the date of receipt. Payments received at a different location or payments that do not conform to the requirements set forth on or with the periodic statement (e.g. missing payment stub, payment envelope other than as provided with your statement, multiple checks or multiple coupons in the same envelope) may be subject to delay in crediting, but shall be credited within five days of receipt. If there is a credit balance due on your account, you may request in writing, a full refund. Submit your request to the Account Inquiries address on the front of this statement.

By sending your check, you are authorizing the use of the information on your check to make a one-time electronic debit from the account on which the check is drawn. This electronic debit, which may be posted to your account as early as the date your check is received, will be only for the amount of your check. The original check will be destroyed and we will retain the image in our records. If you have questions please call the customer service number on the front of this billing statement.

Closing Date: The closing date is the last day of the billing cycle; all transactions received after the closing date will appear on your next statement.

Annual Fee: If your account has been assessed an annual fee, you may avoid paying this annual fee by sending written notification of termination within 30 days following the mailing date of this bill. Submit your request to the Account Inquiries address on the front of this statement. You may use your card(s) during this 30 day period but immediately thereafter must send your card(s), which you have cut in half, to this same address.

Negative Credit Reports: You are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations.

BILLING RIGHTS SUMMARY

In Case of Errors or Inquiries About Your Bill: If you suspect there is an error on your account or you need information about a transaction on your bill, send your written inquiry to the Account Inquiries address on the front of this statement within 60 days of the date of the statement containing the transaction in question. You may telephone us, however a written request is required to preserve your rights.

In your letter, give us the following information:

- ◆ Your name and account number.
- ◆ The dollar amount of the suspected error.
- ◆ Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are unsure about.

You do not have to pay any amount in question while we are investigating, but you are still obligated to pay the parts of your bill that are not in question. While we investigate your question, we cannot report you as delinquent or take any action to collect the amount you question.

Please provide a legal document evidencing your name change, such as a court document.
Please use blue or black ink to complete form

NAME CHANGE

Last	
First	
Middle	

ADDRESS CHANGE

Street

City State ZIP Code

Home Phone () - Business Phone () -

Cell Phone () - E-mail Address

SIGNATURE REQUIRED TO AUTHORIZE CHANGES Signature

Cardholder Account Detail Continued					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
11/08	11/09	PPLN01	24906413312186753209196	TMX*Terminix Intl 800-8376464 TN	\$105.00
11/11	11/12	PPLN01	24692163315102065879184	VZWRLSS*APOCC VISB 800-922-0204 FL	\$442.26
11/11	11/12	PPLN01	24692163315101924158145	COMCAST CALIFORNIA 800-COMCAST CA	\$232.45
11/10	11/12	PPLN01	24492153315027432743958	MISSION LINEN 805-963-1841 CA	\$103.85
11/16	11/17	PPLN01	24755423320293205197291	PRIMO WATER FL 800-7285508 FL	\$3.99
11/18	11/19	PPLN01	24755423322293227355594	PRIMO WATER FL 800-7285508 FL	\$58.93
11/20	11/20	PPLN01	24692163324109346027243	GOOGLE *YouTube TV g.co/helppay# CA	\$102.98
11/20	11/21	PPLN01	24941663324206015336133	RECOLOGY SONOMA MARIN 415-875-1000 CA	\$113.33
11/20	11/21	PPLN01	24941663324206015354276	RECOLOGY SONOMA MARIN 415-875-1000 CA	\$270.20
11/20	11/21	PPLN01	24941663324206015354284	RECOLOGY SONOMA MARIN 415-875-1000 CA	\$226.72
11/22	11/23	PPLN01	24492153327027467046349	MISSION LINEN 805-963-1841 CA	\$103.85
11/23	11/24	PPLN01	24055233328812476071265	ATT* BILL PAYMENT 800-331-0500 TX	\$377.80
11/28	11/28	PPLN01	24692163332106011059253	COMCAST CALIFORNIA 800-COMCAST CA	\$256.64
11/30	11/30	PPLN01	24692163334107760428838	COMCAST CALIFORNIA 800-COMCAST CA	\$261.34

Cardholder Account Summary					
JAMES DEURLOO ##### 6118		Payments & Other Credits \$0.00	Purchases & Other Charges \$1,208.43	Cash Advances \$0.00	Total Activity \$1,208.43

Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
11/01	11/03	PPLN01	24427333306710001544456	ROTTEN ROBBIE #62 SEBASTOPOL CA	\$103.46
11/04	11/05	PPLN01	24692163308106418155860	AMZN Mktp US*ER1U318W3 Amzn.com/bill WA	\$55.65
11/08	11/08	PPLN01	24492163312000008683595	ELITE COMMAND TRAINING WWW.ELITECOMM CA	\$460.00
11/08	11/09	PPLN01	24692163312109784888878	AMZN Mktp US*QQ3IC3C83 Amzn.com/bill WA	\$18.42
11/07	11/09	PPLN01	24492153312852878498285	PAYPAL *EDHFIREDEPT 402-935-7733 CA	\$405.00
11/13	11/15	PPLN01	24427333318710001427815	ROTTEN ROBBIE #62 SEBASTOPOL CA	\$109.47
11/25	11/27	PPLN01	24427333330710001302780	ROTTEN ROBBIE #62 SEBASTOPOL CA	\$56.43

Cardholder Account Summary					
TIM CALDWELL ##### 2629		Payments & Other Credits \$0.00	Purchases & Other Charges \$407.64	Cash Advances \$0.00	Total Activity \$407.64

Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
11/07	11/08	PPLN01	24034543311000786190374	76 - PETALUMA 88 INC PETALUMA CA	\$56.05
11/07	11/08	PPLN01	24492163312000001666746	SP SOUTHWEST BOOT CO HTTPSSOUTHWES CA	\$292.48
11/29	11/30	PPLN01	24055233334091009197754	WILCO FARM STORE PETALUMA CA	\$59.11

Cardholder Account Summary					
MORGAN DEJONG ##### 0982		Payments & Other Credits \$0.00	Purchases & Other Charges \$70.90	Cash Advances \$0.00	Total Activity \$70.90

Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
11/29	11/30	PPLN01	24164073333091007342609	TARGET 00008524 ROHNERT PARK CA	\$70.90

Cardholder Account Summary					
RYAN RANIA #### #### #### 0990		Payments & Other Credits \$0.00	Purchases & Other Charges \$126.01	Cash Advances \$0.00	Total Activity \$126.01
Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
10/30	11/01	PPLN01	24316053304548982108259	SHELL OIL 57444218606 ROHNERT PARK CA	\$126.01

Cardholder Account Summary					
ERIC GROMALA #### #### #### 1484		Payments & Other Credits \$0.00	Purchases & Other Charges \$1,891.88	Cash Advances \$0.00	Total Activity \$1,891.88
Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
11/24	11/26	PPLN01	24943013329010190241188	THE HOME DEPOT #0641 ROHNERT PARK CA	\$193.82
11/24	11/26	PPLN01	24692163328102930714058	LOWES #01901* COTATI CA	\$1,698.06

Cardholder Account Summary					
HERB WANDEL #### #### #### 4009		Payments & Other Credits \$0.00	Purchases & Other Charges \$1,796.42	Cash Advances \$0.00	Total Activity \$1,796.42
Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
11/03	11/05	PPLN01	24755423308733087913097	GRAINGER 877-2022594 IL	\$84.22
11/05	11/05	PPLN01	24692163309107087826772	CHEVRON 0212047 COTATI CA	\$125.06
11/09	11/12	PPLN01	24323003314200402800016	JEFF'S TWIN OAKS GARAGE PENNGROVE CA	\$396.32
11/17	11/17	PPLN01	24692163321106692245745	CHEVRON 0212047 COTATI CA	\$119.61
11/21	11/22	PPLN01	24692163325100812202708	LOWES #01901* COTATI CA	\$6.88
11/21	11/22	PPLN01	24692163325100812202716	LOWES #01901* COTATI CA	\$39.40
11/21	11/22	PPLN01	24801973325726922553059	COAST COUNTIES PETERBILT 7078372727 CA	\$28.91
11/23	11/23	PPLN01	24692163327101896996593	CHEVRON 0212047 COTATI CA	\$109.66
11/28	11/29	PPLN01	24692163332106537321559	LOWES #01901* COTATI CA	\$111.56
11/28	11/29	PPLN01	24692163332106657895226	LOWES #01901* COTATI CA	\$267.79
11/29	11/29	PPLN01	24692163333106831574548	CHEVRON 0212047 COTATI CA	\$97.11
11/28	11/29	PPLN01	24801973332726520642347	COAST COUNTIES PETERBILT 7078372727 CA	\$112.11
11/28	11/30	PPLN01	24692163333107041663444	IBS OF NORTH BAY SANTA ROSA CA	\$297.79

Cardholder Account Summary					
JEFF VELIQUETTE #### #### #### 8935		Payments & Other Credits \$0.00	Purchases & Other Charges \$941.00	Cash Advances \$0.00	Total Activity \$941.00
Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
11/01	11/03	PPLN01	24164073306105002472386	STAPLES 00113530 PETALUMA CA	\$109.48
11/02	11/05	PPLN01	24231683307837001152551	SAFEWAY #3011 PETALUMA CA	\$43.58
11/02	11/05	PPLN01	24692163307105630726343	PARTY CITY 1166 PETALUMA CA	\$12.05
11/03	11/06	PPLN01	24435243309030082726098	JAVAMORE CAFE PENNGROVE CA	\$5.32
11/03	11/06	PPLN01	24435243309030082726163	JAVAMORE CAFE PENNGROVE CA	\$450.00
11/06	11/08	PPLN01	24316053311548338719347	SHELL OIL 57444218606 ROHNERT PARK CA	\$148.88
11/14	11/15	PPLN01	24801973319400336000317	REDWOOD CAFE COTATI CA	\$45.18
11/21	11/23	PPLN01	24316053326548834058748	SHELL OIL 57444218606 ROHNERT PARK CA	\$126.51

Cardholder Account Summary					
JIMMY BERNAL ##### 9391		Payments & Other Credits \$0.00	Purchases & Other Charges \$43.01	Cash Advances \$0.00	Total Activity \$43.01
Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
11/27	11/28	PPLN01	24692163331105632715054	LOWES #01901* COTATI CA	\$43.01

Cardholder Account Summary					
MICHAEL PORTER ##### 2447		Payments & Other Credits \$0.00	Purchases & Other Charges \$273.41	Cash Advances \$0.00	Total Activity \$273.41
Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
10/31	11/01	PPLN01	24427333304740286824861	OLIVER'S MARKET #1 COTATI CA	\$73.51
11/14	11/15	PPLN01	24137463319001530585249	USPS PO 0518250634 COTATI CA	\$135.44
11/20	11/21	PPLN01	24445003325001026692155	WALGREENS #3084 COTATI CA	\$23.26
11/27	11/28	PPLN01	24692163331105592482604	AMZN Mktp US*7D4N85F23 Amzn.com/bill WA	\$41.20

Cardholder Account Summary					
JENNIFER BECHTOLD ##### 5900		Payments & Other Credits \$0.00	Purchases & Other Charges \$494.56	Cash Advances \$0.00	Total Activity \$494.56
Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
11/15	11/16	PPLN01	24137463320600228165284	USPS PO BOXES ONLINE 800-344-7779 DC	\$354.00
11/16	11/17	PPLN01	24137463321001576327460	USPS PO 0559220601 PENNGROVE CA	\$140.56

Cardholder Account Summary					
KYLE HEARD ##### 6521		Payments & Other Credits \$0.00	Purchases & Other Charges \$122.90	Cash Advances \$0.00	Total Activity \$122.90
Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
11/05	11/06	PPLN01	24431063309200915700018	COASTAL VALLEYSEMSAGENCY 707-565-6508 CA	\$117.00
11/16	11/17	PPLN01	24055233321091009142128	WILCO FARM STORE PETALUMA CA	\$5.90

Cardholder Account Summary					
ROBERT NAPPI ##### 7354		Payments & Other Credits \$0.00	Purchases & Other Charges \$56.92	Cash Advances \$0.00	Total Activity \$56.92
Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
11/22	11/22	PPLN01	24692163326101013908548	CHEVRON 0208481 COTATI CA	\$56.92

Cardholder Account Summary					
RENE TORRES #### #### #### 4930	Payments & Other Credits \$0.00	Purchases & Other Charges \$16.86	Cash Advances \$0.00	Total Activity \$16.86	
Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
10/31	11/01	PPLN01	24000973304633500521397	THE UPS STORE 2392 707-7871615 CA	\$16.86

Cardholder Account Summary					
ANDY TAYLOR #### #### #### 7877	Payments & Other Credits \$0.00	Purchases & Other Charges \$942.23	Cash Advances \$0.00	Total Activity \$942.23	
Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
10/30	11/01	PPLN01	24943013304010186012469	THE HOME DEPOT #0641 ROHNERT PARK CA	\$11.16
10/31	11/01	PPLN01	24943003305898002034067	COSTCO WHSE #0659 ROHNERT PARK CA	\$71.96
10/31	11/01	PPLN01	24034543304003572970057	76 - PETALUMA 88 INC PETALUMA CA	\$72.06
11/06	11/07	PPLN01	24034543310000666841394	76 - PETALUMA 88 INC PETALUMA CA	\$49.54
11/07	11/08	PPLN01	24270743311900017041784	WPSG, INC. 610-8578070 PA	\$435.52
11/12	11/13	PPLN01	24034543316001384393308	76 - PETALUMA 88 INC PETALUMA CA	\$60.00
11/18	11/19	PPLN01	24164073322091017298489	TARGET 00026013 PETALUMA CA	\$29.55
11/18	11/19	PPLN01	24034543322002115427706	76 - UNITED PACIFIC 5426 COTATI CA	\$93.45
11/18	11/20	PPLN01	24003413323900013806743	COTATI HARDWARE COTATI CA	\$3.27
11/18	11/20	PPLN01	24137463324001417751719	TRACTOR SUPPLY CO #1588 PETALUMA CA	\$66.77
11/19	11/21	PPLN01	24427333324710001264632	ROTTEN ROBBIE #41 ROHNERT PARK CA	\$48.95

Finance Charge Summary / Plan Level Information									
Plan Name	Plan Description	FCM ¹	Average Daily Balance	Periodic Rate *	Corresponding APR	Finance Charges	Effective APR Fees **	Effective APR	Ending Balance
Purchases									
PPLN01 001	PURCHASE	E	\$0.00	0.06024%(D)	21.9900%	\$0.00	\$0.00	0.0000%	\$12,190.16
Cash									
CPLN01 001	CASH	A	\$0.00	0.06572%(D)	23.9900%	\$0.00	\$0.00	0.0000%	\$0.00
* Periodic Rate (M)=Monthly (D)=Daily							Days In Billing Cycle: 30		
** includes cash advance and foreign currency fees							APR = Annual Percentage Rate		
¹ FCM = Finance Charge Method									
(V) = Variable Rate If you have a variable rate account the periodic rate and Annual Percentage Rate (APR) may vary.									

ADMINISTRATIVE COMMUNICATIONS

RANCHO ADOBE FIRE PROTECTION DISTRICT
 YEAR TO DATE BUDGET REPORT
 November 30, 2023

REVENUES - OPERATING BUDGET

SUB-OBJ.	DESCRIPTION	BUDGETED FOR FY '23 - 24'	NOVEMBER REVENUES	FY REVENUE TO 11/30/23	BALANCE REMAINING	BALANCE REMAINING (%)
1000	Property Taxes	\$ 4,481,020.00	\$ -	\$ -	\$ 4,481,020.00	100.00%
1001	CY Direct Charges	\$ 2,244,710.00	\$ -	\$ 321.00	\$ 2,244,389.00	99.99%
1007	CY Direct Charges-July	\$ -	\$ -	\$ -	\$ -	
1008	RDA Increment - Credited amount of ad valorem taxes to Petaluma and Cotati redevelopment districts	\$ 170,500.00	\$ -	\$ -	\$ 170,500.00	100.00%
1011	Property Tax Administration Fee	\$ (40,000.00)	\$ -	\$ -	\$ (40,000.00)	100.00%
1014	RDA Increment	\$ -	\$ -	\$ -	\$ -	
1015	RDA Pass-Through	\$ -	\$ -	\$ -	\$ -	
1016	RDA Allocation	\$ -	\$ -	\$ -	\$ -	
1017	Residual Property Tax (RDA Escrow Acct)	\$ -	\$ -	\$ -	\$ -	
1018	Property Tax - RDA Asset Distribution	\$ -	\$ -	\$ -	\$ -	
1020	CY Supplemental Tax	\$ 111,000.00	\$ -	\$ -	\$ 111,000.00	100.00%
1040	Unsecured Property Taxes	\$ 133,900.00	\$ -	\$ -	\$ 133,900.00	100.00%
1042	Cost Reimbursement - Collect	\$ -	\$ -	\$ -	\$ -	
1044	Unsecured Property Taxes - July	\$ -	\$ -	\$ -	\$ -	
1060	Property Taxes - PY Secured	\$ -	\$ -	\$ -	\$ -	
1061	PY Direct Charges	\$ 21,000.00	\$ -	\$ -	\$ 21,000.00	100.00%
1080	Property Taxes	\$ -	\$ -	\$ -	\$ -	
1100	Property Taxes - PY Unsecured	\$ -	\$ -	\$ -	\$ -	
1120	Property Tax Receivable	\$ -	\$ -	\$ -	\$ -	
	TOTAL PROPERTY TAXES	\$ 7,122,130.00	\$ -	\$ 321.00	\$ 7,121,809.00	100.00%
1700	Interest on Pooled Cash	\$ 85,000.00	\$ 3,768.11	\$ 37,765.82	\$ 47,234.18	55.57%
1701	Interest Earned (on early payments of Prop. Taxes)		\$ -	\$ -	\$ -	
	TOTAL USE OF PROPERTY	\$ 85,000.00	\$ 3,768.11	\$ 37,765.82	\$ 47,234.18	55.57%
2081	State - Highway Rentals	\$ -	\$ -	\$ -	\$ -	
2404	State Reimbursements	\$ -	\$ -	\$ -	\$ -	
2440	HOPTR	\$ 22,660.00	\$ -	\$ -	\$ 22,660.00	100.00%
2500	State - Other (Grant Revenue)	\$ -	\$ -	\$ -	\$ -	
2589	State Refunds - Strike Teams	\$ 350,000.00	\$ 11,847.64	\$ 91,591.02	\$ 258,408.98	73.83%
	TOTAL INTERGOV. REVENUES	\$ 372,660.00	\$ 11,847.64	\$ 91,591.02	\$ 281,068.98	75.42%
3600	Misc. charges for Services - Fire Marshal Services	\$ 32,000.00	\$ 1,137.50	\$ 4,966.50	\$ 27,033.50	84.48%
3601	Finance Charges/Late Fees	\$ 4,000.00	\$ 106.81	\$ 230.91	\$ 3,769.09	94.23%
3641	Fire Services - Casino Contract	\$ 130,048.00	\$ -	\$ 45,012.00	\$ 85,036.00	65.39%
3661	Fire Control Services - Cost Recovery	\$ 20,000.00	\$ 1,761.67	\$ 8,067.70	\$ 11,932.30	59.66%
3670	Weed Abatement	\$ 60,000.00	\$ -	\$ 32,355.00	\$ 27,645.00	46.08%
3682	City Contracts (RP Auto Aid)	\$ 42,600.00	\$ -	\$ -	\$ 42,600.00	100.00%
3700	Copy file fee	\$ 500.00	\$ -	\$ -	\$ 500.00	100.00%
3980	Revenue Applicable to PY	\$ -	\$ -	\$ -	\$ -	
	TOTAL CHARGES FOR SERVICES	\$ 289,148.00	\$ 3,005.98	\$ 90,632.11	\$ 198,515.89	68.66%
4000	Unspent Funds from Previous Fiscal Year	\$ -	\$ -	\$ -	\$ -	0.00%
4010	Transfer to/from Reserves	\$ -	\$ -	\$ -	\$ -	0.00%
4040	Misc. Revenue	\$ 10,000.00	\$ 10,920.00	\$ 61,915.62	\$ (51,915.62)	-519.16%
4100	Workers' compensation reimbursement	\$ 42,300.00	\$ 16,352.04	\$ 31,169.30	\$ 11,130.70	26.31%
4102	Donations or reimbursements	\$ -	\$ -	\$ -	\$ -	
4109	Refunded Checks, outdated warrants	\$ -	\$ -	\$ -	\$ -	
4600	Sale of Fixed Assets (Surplus)	\$ 50,000.00	\$ -	\$ -	\$ -	0.00%
	TOTAL MISC. REVENUES	\$ 102,300.00	\$ 27,272.04	\$ 93,084.92	\$ 9,215.08	9.01%
	REVENUE TOTAL:	\$ 7,971,238.00	\$ 45,893.77	\$ 313,394.87	\$ 7,657,843.13	96.07%

**RANCHO ADOBE FIRE PROTECTION DISTRICT
YEAR TO DATE BUDGET REPORT**

EXPENDITURES - OPERATING BUDGET

SUB-OBJ.		BUDGETED FOR FY '23 - '24'	NOVEMBER EXPENSE	FY EXPENSE TO 11/30/23	BALANCE REMAINING	BALANCE REMAINING (%)
5910	Perm. Positions	\$ 3,328,828.00	\$ 254,046.86	\$ 1,270,990.28	\$ 2,057,837.72	61.82%
5911	Extra help: part time employees, non-benefited. Paid hourly	\$ 306,000.00	\$ 18,880.16	\$ 66,683.57	\$ 239,316.43	78.21%
5912	Overtime	\$ 757,422.00	\$ 87,475.94	\$ 374,628.42	\$ 382,793.58	50.54%
5913	BC Extra Shift Compensation	\$ 110,000.00	\$ -	\$ -		0.00%
5914	FLSA	\$ 83,000.00	\$ 6,061.51	\$ 33,810.71	\$ 49,189.29	59.26%
5922	FICA	\$ 8,100.00	\$ 721.48	\$ 1,769.14	\$ 6,330.86	78.16%
5923	PERS contributions, Employee + Employer paid contributions	\$ 700,000.00	\$ 58,515.48	\$ 264,729.39	\$ 435,270.61	62.18%
5924	Medicare	\$ 60,000.00	\$ 4,921.55	\$ 24,449.68	\$ 35,550.32	59.25%
5930	Health Insurance	\$ 601,198.00	\$ 29,714.00	\$ 261,094.84	\$ 340,103.16	56.57%
5931	Disability Insurance	\$ 11,000.00	\$ 841.00	\$ 5,017.00	\$ 5,983.00	54.39%
5932	Dental Insurance	\$ 35,000.00	\$ 2,628.85	\$ 15,682.45	\$ 19,317.55	55.19%
5933	Life Insurance	\$ 5,000.00	\$ 370.24	\$ 2,071.03	\$ 2,928.97	58.58%
5934	Vision Insurance	\$ 5,000.00	\$ 396.43	\$ 2,364.91	\$ 2,635.09	52.70%
5935	Unemployment Insurance	\$ 5,000.00	\$ 69.94	\$ 549.47	\$ 4,450.53	89.01%
5936	Retiree Health Insurance	\$ 22,500.00	\$ -	\$ 8,700.00	\$ 13,800.00	61.33%
5940	Workers' Compensation	\$ 247,000.00	\$ -	\$ 253,828.58	\$ (6,828.58)	-2.76%
	TOTAL WAGES/BENEFITS:	\$ 6,285,048.00	\$ 464,643.44	\$ 2,586,369.47	\$ 3,698,678.53	58.85%
6020	Uniforms including paid and volunteers staff pants, shirts, station boots, badges, collar pins, name tags and business cards	\$ 28,500.00	\$ 553.54	\$ 15,130.48	\$ 13,369.52	46.91%
6022	Safety Clothing: turnouts, including boots	\$ 70,000.00	\$ 350.00	\$ 4,744.24	\$ 65,255.76	93.22%
6040	Communications including telephone, cable, internet, cell phones	\$ 26,000.00	\$ 2,045.41	\$ 8,093.18	\$ 17,906.82	68.87%
6045	Pagers and Radios	\$ 6,850.00	\$ 271.31	\$ 2,399.94	\$ 4,450.06	64.96%
6060	Food - at extended responses, approved meetings, examinations and trainings.	\$ 6,000.00	\$ 1,300.56	\$ (327.76)	\$ 6,327.76	105.46%
6080	Household expenses - Fishman Supply; detergent, towels etc.	\$ 15,000.00	\$ 851.68	\$ 4,760.00	\$ 10,240.00	68.27%
6100	Liability Insurance	\$ 253,441.00	\$ -	\$ 253,541.98	\$ (100.98)	-0.04%
6140	Equipment Maintenance: Office equipment and tool repair	\$ 12,000.00	\$ 105.89	\$ 4,166.41	\$ 7,833.59	65.28%
6155	Apparatus Maintenance	\$ 60,000.00	\$ 4,162.81	\$ 20,925.91	\$ 39,074.09	65.12%
6165	SCBA Maintenance	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00	100.00%
6180	Building Maintenance - routine facility & grounds maintenance including repairs to maintain buildings and grounds. New projects ie. Construction to be considered for possible fixed asset expense 8510	\$ 33,000.00	\$ 4,464.90	\$ 23,493.64	\$ 9,506.36	28.81%
6181	Station Maint related to remodel	\$ 6,000.00	\$ 1,978.73	\$ 9,674.60	\$ (3,674.60)	-61.24%
6260	Medical / Lab supply - O2, latex gloves, etc.	\$ 20,000.00	\$ 1,487.26	\$ 4,601.63	\$ 15,398.37	76.99%
6261	ALS Medical Expense	\$ 15,000.00	\$ -	\$ -	\$ 15,000.00	100.00%
6280	Memberships and Professional Assoc. Fees: FDAC, SCFDA, SCFCA, CCAI, Costco, Cotati Chamber of Commerce.	\$ 17,500.00	\$ -	\$ 1,731.72	\$ 15,768.28	90.10%
6400	Office Supplies: regular supplies such as paper, printer cartridges etc.	\$ 3,200.00	\$ 232.10	\$ 383.63	\$ 2,816.37	88.01%
6401	Office Expense - Inventory such as desktop/laptop computer purchases, printers, etc.	\$ 7,000.00	\$ 1,832.59	\$ 1,832.59	\$ 5,167.41	73.82%
6410	Postage and shipping	\$ 2,000.00	\$ 14.74	\$ 382.79	\$ 1,617.21	80.86%
6430	Printing Services	\$ 1,000.00	\$ 33.61	\$ 100.87	\$ 899.13	89.91%
6461	Operational Expenses	\$ 8,000.00	\$ 5,103.75	\$ 22,558.74	\$ (14,558.74)	-181.98%
6463	FPO Expenses - public education materials	\$ 4,000.00	\$ 657.93	\$ 1,199.28	\$ 2,800.72	70.02%
6500	Prof/Special Services - Payroll Fees	\$ 5,000.00	\$ 184.00	\$ 1,196.00	\$ 3,804.00	76.08%
6526	Dispatch Services - REDCOM	\$ 30,000.00	\$ -	\$ 13,327.34	\$ 16,672.66	55.58%
6587	LAFCO	\$ 7,000.00	\$ -	\$ 6,961.00	\$ 39.00	0.56%
6590	Contracted FM Services	\$ 20,000.00	\$ 962.50	\$ 7,175.00	\$ 12,825.00	64.13%
6596	CQI Expense	\$ 10,000.00	\$ -	\$ 1,615.00	\$ 8,385.00	83.85%
6605	Hiring Expenses	\$ 18,216.00	\$ -	\$ 5,472.00	\$ 12,744.00	69.96%
6610	Legal Services	\$ 20,000.00	\$ 3,375.00	\$ 19,665.30	\$ 334.70	1.67%
6630	Annual Audit	\$ 9,000.00	\$ -	\$ -	\$ 9,000.00	100.00%
6635	Bank and Credit Card Fees	\$ 350.00	\$ 75.70	\$ 419.06	\$ (69.06)	-19.73%
6650	Health Services	\$ 6,000.00	\$ -	\$ 4,925.00	\$ 1,075.00	17.92%
6654	Wellness Program	\$ 7,000.00	\$ 1,250.00	\$ 1,250.00	\$ 5,750.00	82.14%
6800	Public Legal Notices - publishing fees (ordinances, budget/Prop IV limit, elections, etc.)	\$ 1,200.00	\$ -	\$ 1,514.00	\$ (314.00)	-26.17%
6820	Rent / Lease Equipment	\$ 7,500.00	\$ 445.61	\$ 2,225.51	\$ 5,274.49	70.33%

**RANCHO ADOBE FIRE PROTECTION DISTRICT
YEAR TO DATE BUDGET REPORT**

SUB-OBJ.	DESCRIPTION	BUDGETED FOR FY '23 - 24'	NOVEMBER EXPENSE	FY EXPENSE TO 11/30/23	BALANCE REMAINING	BALANCE REMAINING (%)
6823	Rental hydrants/Water - hydrant use within Sonoma County Water Agency jurisdiction	\$ 700.00	\$ -	\$ -	\$ 700.00	100.00%
6880	Small tools: maintenance tools, hardware etc.	\$ 3,000.00	\$ -	\$ 29.38	\$ 2,970.62	99.02%
6881	Safety Equipment: SCBA's, hose, nozzles etc.	\$ 30,000.00	\$ 2,796.71	\$ 3,698.48	\$ 26,301.52	87.67%
6889	Computer Software	\$ 49,215.00	\$ 4,723.65	\$ 39,440.47	\$ 9,774.53	19.86%
7000	Any Board related expense not otherwise accounted for (I.e., Special District Dinners)	\$ 600.00	\$ -	\$ 75.00	\$ 525.00	87.50%
7005	Election Expense - as determined by the County Elections Office	\$ -	\$ -	\$ -	\$ -	0.00%
7120	In-Service Training - required and continuing education for all personnel and Directors	\$ 42,000.00	\$ 6,097.67	\$ 12,301.67	\$ 29,698.33	70.71%
7201	Gas and Oil	\$ 70,000.00	\$ 6,858.26	\$ 24,541.42	\$ 45,458.58	64.94%
7300	Transportation and Travel to training out of County, use of personal vehicle for District errands.	\$ 6,800.00	\$ 51.05	\$ (5,275.75)	\$ 12,075.75	177.58%
7320	Utilities - PG&E, garbage, water, sewage	\$ 63,000.00	\$ 6,015.22	\$ 20,107.33	\$ 42,892.67	68.08%
	TOTAL SUPPLIES AND SERVICES:	\$ 1,006,072.00	\$ 58,282.18	\$ 540,057.08	\$ 466,014.92	46.32%
7910	Long Term Loan - Princ.	\$ 57,508.31	\$ -	\$ 28,531.59	\$ 28,976.72	50.39%
7930	Long Term Loan - Interest	\$ 6,208.49	\$ -	\$ 3,326.81	\$ 2,881.68	46.42%
7940	Pension Obligation Bond - Principal	\$ 255,000.00	\$ -	\$ 255,000.00	\$ -	0.00%
7945	Pension Obligation Bond - Interest	\$ 129,660.50	\$ -	\$ 64,878.72	\$ 64,781.78	49.96%
	TOTAL LONG TERM DEBT:	\$ 448,377.30	\$ -	\$ 351,737.12	\$ 96,640.18	21.55%
8510	Buildings Improvements	\$ -	\$ -	\$ -	\$ -	#DIV/0!
8511	New Capital Equipment	\$ -	\$ -	\$ -	\$ -	#DIV/0!
8540	Durable Medical Equipment	\$ -	\$ -	\$ -	\$ -	#DIV/0!
8560	New Equipment - Apparatus	\$ -	\$ -	\$ -	\$ -	#DIV/0!
8561	Equipment New - Office	\$ -	\$ -	\$ -	\$ -	#DIV/0!
	TOTAL EQUIPMENT:	\$ -	\$ -	\$ -	\$ -	#DIV/0!

Recap Report	BUDGETED FOR FY '23 - 24'	NOVEMBER TOTAL	FY TO 11/30/23	BALANCE REMAINING	BALANCE REMAINING (%)
OPERATING REVENUES	\$ 7,971,238.00	\$ 45,893.77	\$ 313,394.87	\$ 7,657,843.13	96.07%
OPERATING EXPENDITURES					
Wages/Benefits	\$ 6,285,048.00	\$ 464,643.44	\$ 2,586,369.47	\$ 3,698,678.53	58.85%
Supplies and Services	\$ 1,006,072.00	\$ 58,282.18	\$ 540,057.08	\$ 466,014.92	46.32%
Long Term Debt	\$ 448,377.30	\$ -	\$ 351,737.12	\$ 96,640.18	21.55%
Equipment	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Totals	\$ 7,739,497.30	\$ 522,925.62	\$ 3,478,163.67	\$ 4,261,333.63	55.06%
Revenues Less Expenditures			\$ (3,164,768.80)		

RANCHO ADOBE FIRE PROTECTION DISTRICT
 YEAR TO DATE BUDGET REPORT

CAPITAL IMPROVEMENTS BUDGET

SUB-OBJ.		BUDGETED FOR FY '23 - '24'	NOVEMBER EXPENSE	FY EXPENSE TO 11/30/23	BALANCE REMAINING	BALANCE REMAINING (%)
9510	Buildings Improvements	\$ 853,000.00	0.00	\$ 929,643.08	\$ (76,643.08)	-8.99%
9511	New Capital Equipment	\$ -	0.00	\$ -	\$ -	#DIV/0!
9540	Durable Medical Equipment	\$ -	0.00	\$ -	\$ -	#DIV/0!
9560	New Equipment - Apparatus	\$ -	0.00	\$ -	\$ -	#DIV/0!
9561	Equipment New - Office	\$ -	0.00	\$ -	\$ -	#DIV/0!
	TOTAL EQUIPMENT:	\$ 853,000.00	\$ -	\$ 929,643.08	\$ (76,643.08)	-8.99%

CURRENT ASSETS	
Summit State Bank Operating Account:	\$ 129,822.94
Summit State Bank ICS Account:	\$ 1,852,864.72
Summit State Bank Payroll Account:	\$ 5,397.98
CDARS:	\$ -
Petty Cash:	\$ 200.00
Total:	\$ 1,988,285.64
Remaining Capital Reserve Fund:	\$ (83,097.28)
Remaining Operating Reserve Fund:	\$ 2,071,382.92

Rancho Adobe Fire Protection District

Trial Balance

As of November 30, 2023

	Nov 30, 23	
	Debit	Credit
1010 · County of Sonoma	0.00	
1030 · Wells Fargo Checking Account	0.00	
1035 · Summit State Bank - Operating	129,822.94	
1036 · Summit State Bank - ICS	1,852,864.72	
1037 · Summit State Bank - Payroll	5,397.98	
1038 · CDARS	0.00	
1090 · Petty Cash	200.00	
107 · Accounts Receivable		100.00
12000 · Undeposited Funds	0.00	
170 · Land	74,634.00	
171 · Buildings and Improvements	755,665.64	
172 · Equipment	3,848,634.88	
178 · Accum. Depreciation - Building		576,580.69
179 · Accum. Depreciation - Equipment		1,754,906.53
195 · Due From Operating Fund	1,916,890.00	
325 · Deferred Outflows	9,200,694.00	
99999 · Prior Period Adjustment	0.00	
200 · Accounts Payable	0.00	
Chase Visa	0.00	
Umpqua Bank Credit Card	0.00	
2710 · Deferred Revenue		86,879.18
327 · Deferred Outflows-Liability Acc		5,928,260.00
336 · Capital One Loan		0.07
337 · Accrued Interest Payable		2,129.35
338 · Capital Lease - Current		55,806.47
339 · Accrued Vacation - Current	0.00	
350 · Accrued Payroll	0.00	
145 · Deferred Inflow		3,987,593.00
300 · Compensated Absences		545,622.48
340 · Bonds Payable - Current		252,891.00
342 · Notes Payable - Long Term		333,267.78
345 · Bonds Payable - Noncurrent		5,357,109.00
355 · Due To Capital Improvement Fund		1,916,890.00
744 · Net Pension Liability		6,214,613.00
30000 · Opening Balance Equity	908,986.26	
320 · Unreserved-Undesignated FD Bal	8,596,682.25	
321 · Future Liabilities - PERS UAL		300,000.00
330 · Operational Reserves		2,155,346.00
331 · New Equipment- Other Reserves	0.00	
332 · SCBA Reserves	0.00	
333 · PPE Reserves	0.00	
334 · Capital Reserves		1,916,890.00
10 · Taxes:1000 · Property Taxes		321.00
17 · Use of Money/Property:1700 · Interest on Cash		37,765.82
20 · Intergovernmental Revenues:2589 · State Refunds-Strike Team		91,591.02
30 · Charges/Fees for Services:3600 · Fire Marshal Services		4,966.50
30 · Charges/Fees for Services:3601 · Finance Charge/Late Fee		230.91
30 · Charges/Fees for Services:3641 · Fire Services - Casino Contract		45,012.00
30 · Charges/Fees for Services:3661 · Cost Recovery		8,067.70
30 · Charges/Fees for Services:3670 · Weed Abatement		32,355.00
40 · Miscellaneous Revenues:4040 · Misc. Revenue		61,915.62
40 · Miscellaneous Revenues:4100 · Workers Comp. Reimbursement		31,169.30
50 · Salaries and Benefits:5910 · Full-Time Personnel	1,270,990.28	
50 · Salaries and Benefits:5911 · Part-Time Staffing	66,683.57	
50 · Salaries and Benefits:5912 · Overtime	374,628.42	
50 · Salaries and Benefits:5914 · FLSA	33,810.71	
50 · Salaries and Benefits:5922 · Social Security Payroll Taxes	1,769.14	
50 · Salaries and Benefits:5923 · CalPERS	264,729.39	
50 · Salaries and Benefits:5924 · Medicare	24,449.68	
50 · Salaries and Benefits:5930 · Health Insurance	261,094.84	
50 · Salaries and Benefits:5931 · Disability Insurance	5,017.00	
50 · Salaries and Benefits:5932 · Dental Insurance	15,682.45	
50 · Salaries and Benefits:5933 · Life Insurance	2,071.03	
50 · Salaries and Benefits:5934 · Vision Insurance	2,364.91	

Rancho Adobe Fire Protection District

Trial Balance

As of November 30, 2023

	Nov 30, 23	
	Debit	Credit
50 · Salaries and Benefits:5935 · Unemployment Insurance	549.47	
50 · Salaries and Benefits:5936 · Retiree Insurance	8,700.00	
50 · Salaries and Benefits:5940 · Workers Compensation	253,828.58	
60 · Supplies & Services:6020 · Uniforms	15,130.48	
60 · Supplies & Services:6022 · Safety Clothing	4,744.24	
60 · Supplies & Services:6040 · Communications	8,093.18	
60 · Supplies & Services:6045 · Pagers & Radios	2,399.94	
60 · Supplies & Services:6060 · Food		327.76
60 · Supplies & Services:6080 · Household Expense	4,760.00	
60 · Supplies & Services:6100 · Property & Liability Insurance	253,541.98	
60 · Supplies & Services:6140 · Equipment Maintenance	4,166.41	
60 · Supplies & Services:6155 · Apparatus Maintenance	20,925.91	
60 · Supplies & Services:6180 · Building Maintenance	23,493.64	
60 · Supplies & Services:6181 · Station Maintenance for Remodel	9,674.60	
60 · Supplies & Services:6260 · Medical Supplies	4,601.63	
60 · Supplies & Services:6280 · Memberships	1,731.72	
60 · Supplies & Services:6400 · Office Supplies	383.63	
60 · Supplies & Services:6401 · Office Expense - Inventory	1,832.59	
60 · Supplies & Services:6410 · Postage and Shipping	382.79	
60 · Supplies & Services:6430 · Printing Services	100.87	
60 · Supplies & Services:6461 · Operational Expense	22,558.74	
60 · Supplies & Services:6463 · FPO Expense	1,199.28	
60 · Supplies & Services:6500 · Payroll Fees	1,196.00	
60 · Supplies & Services:6526 · Dispatch Service-Redcom	13,327.34	
60 · Supplies & Services:6587 · LAFCO	6,961.00	
60 · Supplies & Services:6590 · Contracted FM Services	7,175.00	
60 · Supplies & Services:6596 · CQI Expense	1,615.00	
60 · Supplies & Services:6605 · Hiring Expense	5,472.00	
60 · Supplies & Services:6610 · Legal Services	19,665.30	
60 · Supplies & Services:6635 · Bank Fees	419.06	
60 · Supplies & Services:6650 · Health Services	4,925.00	
60 · Supplies & Services:6654 · Wellness Program	1,250.00	
60 · Supplies & Services:6800 · Public Legal Notices	1,514.00	
60 · Supplies & Services:6820 · Rent/Lease Equipment	2,225.51	
60 · Supplies & Services:6880 · Small Tools Expense	29.38	
60 · Supplies & Services:6881 · Safety Equipment	3,698.48	
60 · Supplies & Services:6889 · Computer Software and Equipment	39,440.47	
60 · Supplies & Services:7000 · Board Expense	75.00	
60 · Supplies & Services:7120 · Training Expense	12,301.67	
60 · Supplies & Services:7201 · Fuel	24,541.42	
60 · Supplies & Services:7300 · Transportation & Travel		5,275.75
60 · Supplies & Services:7320 · Utilities	20,107.33	
75 · Other Charges:7910 · Long Term Loan-Principal	28,531.59	
75 · Other Charges:7930 · Long Term Loan-Interest	3,326.81	
75 · Other Charges:7940 · Pension Obligation Bond - Prin.	255,000.00	
75 · Other Charges:7945 · Pension Obligation Bond - Int.	64,878.72	
95 · Capital Improvements - Assets:9510 · Building Improvements	929,643.08	
TOTAL	31,703,882.93	31,703,882.93

Rancho Adobe Fire Protection District Balance Sheet Prev Year Comparison As of November 30, 2023

	Nov 30, 23	Nov 30, 22	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
1035 · Summit State Bank - Operating	129,822.94	46,864.76	82,958.18	177.0%
1036 · Summit State Bank - ICS	1,852,864.72	2,302,551.75	-449,687.03	-19.5%
1037 · Summit State Bank - Payroll	5,397.98	17,558.54	-12,160.56	-69.3%
1090 · Petty Cash	200.00	200.00	0.00	0.0%
Total Checking/Savings	1,988,285.64	2,367,175.05	-378,889.41	-16.0%
Accounts Receivable				
107 · Accounts Receivable	-100.00	-100.00	0.00	0.0%
Total Accounts Receivable	-100.00	-100.00	0.00	0.0%
Total Current Assets	1,988,185.64	2,367,075.05	-378,889.41	-16.0%
Fixed Assets				
170 · Land	74,634.00	74,634.00	0.00	0.0%
171 · Buildings and Improvements	755,665.64	755,665.64	0.00	0.0%
172 · Equipment	3,848,634.88	3,848,634.88	0.00	0.0%
178 · Accum. Depreciation - Building	-576,580.69	-576,580.69	0.00	0.0%
179 · Accum. Depreciation - Equipment	-1,754,906.53	-1,754,906.53	0.00	0.0%
Total Fixed Assets	2,347,447.30	2,347,447.30	0.00	0.0%
Other Assets				
195 · Due From Operating Fund	1,916,890.00	1,916,890.00	0.00	0.0%
325 · Deferred Outflows	9,200,694.00	9,200,694.00	0.00	0.0%
Total Other Assets	11,117,584.00	11,117,584.00	0.00	0.0%
TOTAL ASSETS	<u>15,453,216.94</u>	<u>15,832,106.35</u>	<u>-378,889.41</u>	<u>-2.4%</u>
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Other Current Liabilities				
2710 · Deferred Revenue	86,879.18	86,879.18	0.00	0.0%
327 · Deferred Outflows-Liability Acc	5,928,260.00	5,928,260.00	0.00	0.0%
336 · Capital One Loan	0.07	0.07	0.00	0.0%
337 · Accrued Interest Payable	2,129.35	2,129.35	0.00	0.0%
338 · Capital Lease - Current	55,806.47	55,806.47	0.00	0.0%
Total Other Current Liabilities	6,073,075.07	6,073,075.07	0.00	0.0%
Total Current Liabilities	6,073,075.07	6,073,075.07	0.00	0.0%
Long Term Liabilities				
145 · Deferred Inflow	3,987,593.00	3,987,593.00	0.00	0.0%
300 · Compensated Absences	545,622.48	545,622.48	0.00	0.0%
340 · Bonds Payable - Current	252,891.00	252,891.00	0.00	0.0%
342 · Notes Payable - Long Term	333,267.78	333,267.78	0.00	0.0%
345 · Bonds Payable - Noncurrent	5,357,109.00	5,357,109.00	0.00	0.0%
355 · Due To Capital Improvement Fund	1,916,890.00	1,916,890.00	0.00	0.0%
744 · Net Pension Liability	6,214,613.00	6,214,613.00	0.00	0.0%
Total Long Term Liabilities	18,607,986.26	18,607,986.26	0.00	0.0%
Total Liabilities	24,681,061.33	24,681,061.33	0.00	0.0%
Equity				
30000 · Opening Balance Equity	-908,986.26	-908,986.26	0.00	0.0%
320 · Unreserved-Undesignated FD Bal	-8,596,682.25	-8,200,779.76	-395,902.49	-4.8%
321 · Future Liabilities - PERS UAL	300,000.00	0.00	300,000.00	100.0%
330 · Operational Reserves	2,155,346.00	2,155,346.00	0.00	0.0%
334 · Capital Reserves	1,916,890.00	1,916,890.00	0.00	0.0%
Net Income	-4,094,411.88	-3,811,424.96	-282,986.92	-7.4%

3:36 PM
12/05/23
Cash Basis

Rancho Adobe Fire Protection District
Balance Sheet Prev Year Comparison
As of November 30, 2023

	<u>Nov 30, 23</u>	<u>Nov 30, 22</u>	<u>\$ Change</u>	<u>% Change</u>
Total Equity	<u>-9,227,844.39</u>	<u>-8,848,954.98</u>	<u>-378,889.41</u>	<u>-4.3%</u>
TOTAL LIABILITIES & EQUITY	<u>15,453,216.94</u>	<u>15,832,106.35</u>	<u>-378,889.41</u>	<u>-2.4%</u>

Rancho Adobe Fire Protection District
Profit & Loss by Class
 November 2023

3:36 PM
 12/05/23
 Cash Basis

	Operating	TOTAL
Ordinary Income/Expense		
Income		
17 · Use of Money/Property	3,768.11	3,768.11
1700 · Interest on Cash		
Total 17 · Use of Money/Property	3,768.11	3,768.11
20 · Intergovernmental Revenues		
2589 · State Refunds-Strike Team	11,847.64	11,847.64
Total 20 · Intergovernmental Revenues	11,847.64	11,847.64
30 · Charges/Fees for Services		
3600 · Fire Marshal Services	1,137.50	1,137.50
3601 · Finance Charge/Late Fee	106.81	106.81
3661 · Cost Recovery	1,761.67	1,761.67
Total 30 · Charges/Fees for Services	3,005.98	3,005.98
40 · Miscellaneous Revenues		
4040 · Misc. Revenue	10,920.00	10,920.00
4100 · Workers Comp. Reimbursement	16,352.04	16,352.04
Total 40 · Miscellaneous Revenues	27,272.04	27,272.04
Total Income	45,893.77	45,893.77
Gross Profit	45,893.77	45,893.77
Expense		
50 · Salaries and Benefits		
5910 · Full-Time Personnel	254,046.86	254,046.86
5911 · Part-Time Staffing	18,880.16	18,880.16
5912 · Overtime	87,475.94	87,475.94
5914 · FLSA	6,061.51	6,061.51
5922 · Social Security Payroll Taxes	721.48	721.48
5923 · CalPERS	58,515.48	58,515.48
5924 · Medicare	4,921.55	4,921.55
5930 · Health Insurance	29,714.00	29,714.00
5931 · Disability Insurance	841.00	841.00
5932 · Dental Insurance	2,628.85	2,628.85
5933 · Life Insurance	370.24	370.24
5934 · Vision Insurance	396.43	396.43
5935 · Unemployment Insurance	69.94	69.94
Total 50 · Salaries and Benefits	464,643.44	464,643.44
60 · Supplies & Services		
6020 · Uniforms	553.54	553.54
6022 · Safety Clothing	350.00	350.00

Rancho Adobe Fire Protection District
Profit & Loss by Class
November 2023

	Operating	TOTAL
6040 · Communications	2,045.41	2,045.41
6045 · Pagers & Radios	271.31	271.31
6060 · Food	1,300.56	1,300.56
6080 · Household Expense	851.68	851.68
6140 · Equipment Maintenance	105.89	105.89
6155 · Apparatus Maintenance	4,162.81	4,162.81
6180 · Building Maintenance	4,464.90	4,464.90
6181 · Station Maintenance for Remodel	1,978.73	1,978.73
6260 · Medical Supplies	1,487.26	1,487.26
6400 · Office Supplies	232.10	232.10
6401 · Office Expense - Inventory	1,832.59	1,832.59
6410 · Postage and Shipping	14.74	14.74
6430 · Printing Services	33.61	33.61
6461 · Operational Expense	5,103.75	5,103.75
6463 · FPO Expense	657.93	657.93
6500 · Payroll Fees	184.00	184.00
6590 · Contracted FM Services	962.50	962.50
6610 · Legal Services	3,375.00	3,375.00
6635 · Bank Fees	75.70	75.70
6654 · Wellness Program	1,250.00	1,250.00
6820 · Rent/Lease Equipment	445.61	445.61
6881 · Safety Equipment	2,796.71	2,796.71
6889 · Computer Software and Equipment	4,723.65	4,723.65
7120 · Training Expense	6,097.67	6,097.67
7201 · Fuel	6,858.26	6,858.26
7300 · Transportation & Travel	51.05	51.05
7320 · Utilities	6,015.22	6,015.22
Total 60 · Supplies & Services	58,282.18	58,282.18
Total Expense	522,925.62	522,925.62
Net Ordinary Income	-477,031.85	-477,031.85
Net Income	-477,031.85	-477,031.85

Rancho Adobe Fire Protection District
Profit & Loss Prev Year Comparison
November 2023

	Nov 23	Nov 22	\$ Change	% Change
Ordinary Income/Expense				
Income				
17 · Use of Money/Property				
1700 · Interest on Cash	3,768.11	1,212.26	2,555.85	210.8%
Total 17 · Use of Money/Property	3,768.11	1,212.26	2,555.85	210.8%
20 · Intergovernmental Revenues				
2589 · State Refunds-Strike Team	11,847.64	64,071.47	-52,223.83	-81.5%
Total 20 · Intergovernmental Revenues	11,847.64	64,071.47	-52,223.83	-81.5%
30 · Charges/Fees for Services				
3600 · Fire Marshal Services	1,137.50	340.83	796.67	233.7%
3601 · Finance Charge/Late Fee	106.81	2,296.33	-2,189.52	-95.4%
3661 · Cost Recovery	1,761.67	3,266.40	-1,504.73	-46.1%
3700 · Copy Fee	0.00	35.00	-35.00	-100.0%
Total 30 · Charges/Fees for Services	3,005.98	5,938.56	-2,932.58	-49.4%
40 · Miscellaneous Revenues				
4040 · Misc. Revenue	10,920.00	3,983.04	6,936.96	174.2%
4100 · Workers Comp. Reimbursement	16,352.04	0.00	16,352.04	100.0%
Total 40 · Miscellaneous Revenues	27,272.04	3,983.04	23,289.00	584.7%
Total Income	45,893.77	75,205.33	-29,311.56	-39.0%
Gross Profit	45,893.77	75,205.33	-29,311.56	-39.0%
Expense				
50 · Salaries and Benefits				
5910 · Full-Time Personnel	254,046.86	228,082.09	25,964.77	11.4%
5911 · Part-Time Staffing	18,880.16	20,647.89	-1,767.73	-8.6%
5912 · Overtime	87,475.94	45,785.87	41,690.07	91.1%
5914 · FLSA	6,061.51	5,681.11	380.40	6.7%
5922 · Social Security Payroll Taxes	721.48	398.92	322.56	80.9%
5923 · CalPERS	58,515.48	47,183.65	11,331.83	24.0%
5924 · Medicare	4,921.55	4,352.86	568.69	13.1%
5930 · Health Insurance	29,714.00	29,491.72	222.28	0.8%
5931 · Disability Insurance	841.00	841.00	0.00	0.0%
5932 · Dental Insurance	2,628.85	2,456.88	171.97	7.0%
5933 · Life Insurance	370.24	335.53	34.71	10.3%
5934 · Vision Insurance	396.43	396.43	0.00	0.0%
5935 · Unemployment Insurance	69.94	38.36	31.58	82.3%
Total 50 · Salaries and Benefits	464,643.44	385,692.31	78,951.13	20.5%
60 · Supplies & Services				
6020 · Uniforms	553.54	2,085.59	-1,532.05	-73.5%
6022 · Safety Clothing	350.00	0.00	350.00	100.0%
6040 · Communications	2,045.41	1,532.19	513.22	33.5%
6045 · Pagers & Radios	271.31	13,779.07	-13,507.76	-98.0%
6060 · Food	1,300.56	149.62	1,150.94	769.2%
6080 · Household Expense	851.68	590.80	260.88	44.2%
6140 · Equipment Maintenance	105.89	527.85	-421.96	-79.9%
6150 · Bad Debt Expense	0.00	4,988.79	-4,988.79	-100.0%
6155 · Apparatus Maintenance	4,162.81	1,363.29	2,799.52	205.4%
6165 · SCBA Maintenance	0.00	2,212.43	-2,212.43	-100.0%
6180 · Building Maintenance	4,464.90	3,652.88	812.02	22.2%
6181 · Station Maintenance for Remodel	1,978.73	0.00	1,978.73	100.0%
6260 · Medical Supplies	1,487.26	1,867.75	-380.49	-20.4%
6280 · Memberships	0.00	54.95	-54.95	-100.0%
6400 · Office Supplies	232.10	52.52	179.58	341.9%
6401 · Office Expense - Inventory	1,832.59	0.00	1,832.59	100.0%
6410 · Postage and Shipping	14.74	100.81	-86.07	-85.4%
6430 · Printing Services	33.61	0.00	33.61	100.0%
6461 · Operational Expense	5,103.75	0.00	5,103.75	100.0%
6463 · FPO Expense	657.93	92.64	565.29	610.2%

**Rancho Adobe Fire Protection District
 Profit & Loss Prev Year Comparison
 November 2023**

	Nov 23	Nov 22	\$ Change	% Change
6500 · Payroll Fees	184.00	0.00	184.00	100.0%
6590 · Contracted FM Services	962.50	2,587.50	-1,625.00	-62.8%
6605 · Hiring Expense	0.00	325.00	-325.00	-100.0%
6610 · Legal Services	3,375.00	879.00	2,496.00	284.0%
6635 · Bank Fees	75.70	72.04	3.66	5.1%
6650 · Health Services	0.00	1,436.00	-1,436.00	-100.0%
6654 · Wellness Program	1,250.00	0.00	1,250.00	100.0%
6800 · Public Legal Notices	0.00	168.00	-168.00	-100.0%
6820 · Rent/Lease Equipment	445.61	610.27	-164.66	-27.0%
6880 · Small Tools Expense	0.00	1,513.85	-1,513.85	-100.0%
6881 · Safety Equipment	2,796.71	592.41	2,204.30	372.1%
6889 · Computer Software and Equipment	4,723.65	2,195.88	2,527.77	115.1%
7120 · Training Expense	6,097.67	1,733.04	4,364.63	251.9%
7201 · Fuel	6,858.26	5,422.86	1,435.40	26.5%
7300 · Transportation & Travel	51.05	0.00	51.05	100.0%
7320 · Utilities	6,015.22	3,472.69	2,542.53	73.2%
Total 60 · Supplies & Services	58,282.18	54,059.72	4,222.46	7.8%
85 · Capital Assets				
8510 · Building Improvements	0.00	-6,221.15	6,221.15	100.0%
8560 · New Equipment - Apparatus	0.00	-714,374.61	714,374.61	100.0%
Total 85 · Capital Assets	0.00	-720,595.76	720,595.76	100.0%
95 · Capital Improvements - Assets				
9510 · Building Improvements	0.00	7,560.97	-7,560.97	-100.0%
9560 · New Equipment - Apparatus	0.00	715,259.69	-715,259.69	-100.0%
Total 95 · Capital Improvements - Assets	0.00	722,820.66	-722,820.66	-100.0%
Total Expense	522,925.62	441,976.93	80,948.69	18.3%
Net Ordinary Income	-477,031.85	-366,771.60	-110,260.25	-30.1%
Net Income	-477,031.85	-366,771.60	-110,260.25	-30.1%

NEW BUSINESS

**RESOLUTION R-6:
ENDORISING
COUNTY-WIDE
SALES TAX MEASURE**



Rancho Adobe Fire District

Staff Report

Date: December 1, 2023

Topic: Consideration of approval of Resolution R-6, supporting the Sonoma County fire sales tax measure on the March 5, 2024 Sonoma County ballot.

Requested Action:

That the Board of Directors consider approving a Resolution taking an official position supporting “THE IMPROVED AND ENHANCED LOCAL FIRE PROTECTION, PARAMEDIC SERVICES AND DISASTER RESPONSE INITIATIVE”, Measure [X] on the March 5, 2024 Sonoma County ballot

Background:

The District Board of Directors will consider and decide whether to officially support Measure [X]. A Resolution expressing such support is attached for the Board of Directors’ consideration.

The Board of Directors is permitted to consider, and take action to express, the opinion of the District’s Board of Directors supporting or opposing a ballot measure that impacts the District, as long as it does so at an open public meeting. (See League of Women Voters v. Countywide Criminal Justice Coordinating Committee (1988) 203 Cal.App.3d 529, 560.

Financial Impact:

Adopting Resolution R-6 has no impact on the District budget.

Options:

1. Adopt the Resolution
2. Do not adopt the Resolution

Approved by:

Jeff Veliquette
Fire Chief

Attachments: Resolution R-6 taking an official position supporting “THE IMPROVED AND ENHANCED LOCAL FIRE PROTECTION, PARAMEDIC SERVICES AND DISASTER RESPONSE INITIATIVE”, Measure [X] on the March 5, 2024 Sonoma County ballot.

RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO ADOBE FIRE PROTECTION DISTRICT, SONOMA COUNTY, STATE OF CALIFORNIA, SUPPORTING THE MEASURE FOR “THE IMPROVED AND ENHANCED LOCAL FIRE PRGTECTION, PARAMEDIC SERVICES AND DISASTER RESPONSE INITIATIVE” SUBMITTED TO THE VOTERS OF SONOMA COUNTY AT THE MARCH 5, 2024 ELECTION.

WHEREAS, this Measure, “The Improved and Enhanced Local Fire Protection, Paramedic Service and Disaster Response Initiative”, is an initiative measure proposing to implement a one-half cent sales tax in Sonoma County to improve and enhance local fire protection, paramedic services and disaster response; and

WHEREAS, this Measure is an initiative submitted to the voters of Sonoma County at the election to be held March 5, 2024; and

WHEREAS, this Measure aligns with the goals of the District and Regional partners to increase revenue sources that support efforts to create more efficient, effective and sustainable fire and emergency services within the District and throughout the County.

NOW, THEREFORE, BE IT RESOLVED that the Rancho Adobe Fire Protection District Board of Directors does hereby resolve as follows:

1. The Rancho Adobe Fire Protection District Board supports this Measure.
2. The Rancho Adobe Fire Protection District Board Clerk shall certify the adoption of this Resolution.

IN REGULAR SESSION, The foregoing resolution was introduced this 13th day of December 2023, by Director _____ who moved its adoption, and seconded by Director _____, and adopted on a roll call vote by the following vote:

Director Herman _____ Director Moretti _____ Director Peterson _____
 Director Howell _____ Director Hemmendinger _____
 Director Proteau _____ Director Gadoua _____

AYES: _____ NOES: _____ ABSTAIN: _____ ABSENT: _____

WHEREUPON, the Chair declared the foregoing resolution adopted, and SO ORDERED.

CHAIR

Attest: _____
Clerk of the Board

FIRE CHIEF'S EMPLOYMENT AGREEMENT



Rancho Adobe Fire District

Staff Report

Date: December 1, 2023

Topic: Fire Chief's Employment Agreement

Recommendation:

Board approval of the Fire Chief's employment agreement for December 1, 2023 through November 30, 2024.

Background:

The Rancho Adobe Fire Protection District hired Chief Veliquette on December 1, 2022 and the employment agreement included a base salary for one year. At the regular Board meeting on November 15, 2023, the Board of Directors, in closed session, approved an increase of 5% to his base salary.

Financial Impact:

A 5% pay increase will add \$9,251.00 to the existing employment agreement bringing the Fire Chief's total annual base pay to \$194,267.00.

Options:

1. Approve 5% base pay increase as negotiated at the November 15, 2023 Board meeting.

Approved by:

Jennifer Bechtold
Administrative Manager

Attachments: Fire Chief Jeff Veliquette employment agreement

**RANCHO ADOBE
FIRE PROTECTION DISTRICT**

Fire Chief Employment Agreement

DECEMBER 1, 2023 THROUGH NOVEMBER 30, 2024

This Employment Agreement ("Agreement") is made by and between the RANCHO ADOBE FIRE PROTECTION DISTRICT ("District") and JEFFERY VELIQUETTE ("Fire Chief" or "Party").

RECITALS

A. The District desires to employ the Fire Chief in order to benefit from the Fire Chief's experience, skills, abilities, background and knowledge, and is willing to engage Fire Chief's services on the terms and conditions set forth in this Agreement.

B. Fire Chief desires to be in the employ of the District, and is willing to accept such employment on the terms and conditions set forth in this Agreement.

AGREEMENT

In consideration of the foregoing and the mutual promises set forth in this agreement, the Parties agree as follows:

1. **Employment**

1.1 Full Understanding and Agreement. This Agreement will serve to memorialize the full understanding of the Parties regarding Fire Chief's terms and conditions of employment with the District. No modification or amendment of any of the provisions of this Agreement shall be effective unless approved in writing and signed by both Parties.

1.2 At Will Employment. The Fire Chief is an at will employee who serves at the pleasure of the Board and does not have a property interest in continued employment.

1.3 Term. Fire Chief's employment with the District shall not be for a specified term. Fire Chief's employment with the District is subject to the provisions of California Government Code Section 3254(c). In this regard, it is understood that Fire Chief's employment with the District may be terminated by the District for reasons, and in the procedural manner, provided by this Agreement and State law.

If, however, the District terminates Fire Chief's employment for any reason other than that specified in section 5.3 below, the District shall pay to Fire Chief Termination Benefits (as set forth in section 5.2 below).

1.4 Eligibility for Employment. For purposes of complying with federal law, Fire Chief shall be required to provide documentary evidence of his identity and eligibility for employment in the United States. Such documentation must be provided to the District within three (3) business days after the Effective Date of this Agreement.

1.4.1 Valid Driver's License. Fire Chief shall at all times maintain a valid Class-C California Driver's License. If at any time Fire Chief's Class-C California Driver's License has been suspended or revoked, for any reason, Fire Chief must notify the Board in writing within five (5) business days of the suspension or revocation, or as soon as Fire Chief is aware of the suspension or revocation, whichever is sooner.

1.5 Full-Time Best Efforts. The position of fire chief is a full-time, exempt position. This means that Fire Chief is expected to devote his full professional time and attention to the performance of his obligations under this Agreement, and shall at all times faithfully, industriously and to the best of his ability, experience and talent, perform all of his duties and responsibilities as fire chief of the District. However, the District and Fire Chief understand and acknowledge that, as an exempt employee, Fire Chief's working hours may vary, and that Fire Chief has discretion with respect to those hours so long as the position's duties are being fulfilled. The Parties further understand that the term "exempt" as used here means exempt from overtime compensation as defined in Section 2.3 below.

2. Compensation

2.1 Base Salary. Fire Chief's annual base salary ("Base Salary") for December 1, 2023 – November 2024 shall be \$194,267, less payroll deductions and all required withholdings, payable in regular, equal periodic payments in accordance with the District's current payroll policy. The Base Salary shall be prorated for any partial year of employment on the basis of a 365-day year.

2.2 Changes to Compensation. Fire Chief's Base Salary shall be reviewed annually and is subject to change. Notwithstanding the foregoing, Fire Chief's Base Salary shall not be reduced unless: (1) such reduction is implemented as a response to a decrease in revenues to the District and is consistent with an overall plan to mediate the loss; or (2) the Parties mutually agree to such reduction,

which reduction is confirmed in writing as an amendment to this Agreement pursuant to Section 1.1.

2.3 Overtime Compensation. As a full-time, exempt employee, Fire Chief is not eligible for overtime compensation. Fire Chief will be paid a regular, periodic salary in equal amounts regardless of quantity of hours worked.

2.4 Reimbursed Pay. As a full-time, exempt employee, Fire Chief does not receive overtime pay. However, on those occasions when the District is reimbursed by a third party for Fire Chief's time spent on a strike team or other major incident assignment, whenever remuneration includes pay for extra hours, Fire Chief shall be paid an amount equal to the reimbursement received by the District for such extra hours.

3. Benefits.

3.1 Vehicle. The District shall provide Fire Chief with a District-owned and maintained vehicle equipped for emergency response for Fire Chief's use while conducting District business. Fire Chief may use the District vehicle for incidental personal use. District shall also reimburse Fire Chief for any use of his personal vehicle when it is used for District business. Reimbursement shall be for mileage only at the current IRS mileage rates.

3.2 Vacation. Fire Chief shall receive vacation leave based upon his completed years of service at the District, and in accordance with the District's vacation policy. Vacation for the Fire Chief is as follows:

Less than one year's service	120 hours accrued upon hire
One to five years' service	144 hours annually
Five to ten years' service	216 hours annually
Over fifteen years' service	264 hours annually

3.2.1 Accrual. Fire Chief accrues vacation leave in equal amounts on a semi-monthly basis with the exception of the first three weeks of leave granted during the first year of service, all of which accrue upon the start of employment.

3.2.2 Vacation Cap. Vacation may not be accrued in excess of two times Fire Chief's annual accrual rate. Fire Chief will cease to accrue vacation once he has accrued two times his annual vacation accrual until such time as his accrued vacation is reduced below this limit.

3.2.3 Vacation Cash Out. The District shall pay Fire Chief, at his request, up to 50% of his total, annual accrued, unused vacation on June 15 of each year.

3.2.4 Termination/Retirement. Upon termination or retirement, Fire Chief will be paid his accrued and unused vacation leave.

3.3 Administrative Leave. In recognition of work that is regularly performed by Fire Chief after hours and on weekends, such as emergency responses and necessary civic engagement, the Fire Chief shall be granted eighty (80) hours of Administrative Leave Time on an annual basis. Eight (8) hours shall be deposited in Fire Chief's account upon hire. Thereafter, eighty (80) hours of administrative time shall be deposited in Fire Chief's account annually on January 1 of each year. Administrative time is non-pensionable. Administrative time must be used in eight (8) hour or greater increments. If Fire Chief has an administrative time balance of less than eight (8) hours, he may use the accrued hours in any increment up to the maximum of his accrued administrative time hours. Administrative leave time must be used within the calendar year and may not be carried over. Any administrative leave remaining at the end of the year shall be automatically cashed out in the last full pay period in the year in which it was accrued.

3.4 Sick Leave. Fire Chief shall accrue sick leave at a rate of six (6) hours per pay period. Accrued, unused sick leave may be applied to service time credit upon retirement per contract between Rancho Adobe Fire and CalPERS. The rate of pay shall be the regular hourly rate of pay at the time of Fire Chief's retirement or position eliminated. Sick leave will continue to be earned during vacation or sick leave time off.

3.4.1 Excess Sick Leave. In the event that Fire Chief's position is eliminated or Fire Chief has retired after ten years of service, Fire Chief may receive payment for one quarter (0.25) of any accumulated sick leave not applied to service time credit, up to a maximum of seven hundred and twenty (720) hours.

3.5 Health Insurance.

3.5.1 Medical. The District requires all employees to have District-provided medical insurance unless the employee can provide proof of alternative minimum essential coverage for employee and employee's tax family. Accordingly, if the Fire Chief wishes to opt-

out of District-provided medical, the Fire Chief submits a form regarding sufficient alternative minimum essential coverage. The form is referred to as Waiver of Medical Insurance Coverage form.

3.5.4 Retirement Health Benefits. Employees that retire under the CalPERS system in good standing from the Rancho Adobe Fire District after twenty years of service may receive reimbursement for health insurance coverage from the District up to \$300 per month, for the employee only, until the employee reaches the age of 65, per Rancho Adobe Fire District Resolution R-6 2002/2003 dated November 20, 2002.

3.6 Life Insurance. The District provides a basic life insurance plan through the provider selected by the District at no cost to the Fire Chief.

3.7 Employee Assistance Program. Fire Chief shall be afforded the opportunity to utilize the District's Employee Assistance Program (EAP) services in accordance with the District's EAP plan.

3.8 Holidays. Fire Chief is entitled to eight hours of paid leave on holidays observed by the District's management and administrative support staff members. These paid holidays are as follows:

- New Year's Day
- Dr. Martin Luther King, Jr., Day
- Lincoln's Birthday
- Presidents' Day
- Cesar Chavez Day
- Memorial Day
- Independence Day
- Labor Day
- Admission Day
- Columbus Day
- Veterans' Day
- Thanksgiving Day
- Day after Thanksgiving Day
- Christmas Day

3.9 Uniforms. The District shall provide the Fire Chief with all safety gear and uniforms.

4. **Retirement.** The District shall provide coverage for the Fire Chief under the current retirement benefit plan with CalPERS, for employees not previously covered under a CalPERS retirement plan who are considered “new members” for purposes of CalPERS. This California Public Employees’ Pension Reform Act (PEPRA) plan utilizes a 2.7% at age 57 benefit retirement formula. Employees are responsible for paying 50% of normal costs as directed by CalPERS. The FY 22/23 employee contribution is 13.75%.

5. **Termination.**

5.1 **Termination by the District.** Consistent with California Government Code section 3254(c), the Fire Chief shall not be removed without providing the Fire Chief with written notice, the reason or reasons for removal, and an opportunity for administrative appeal. As used here, removal for the purpose of implementing the goals or policies, or both, of the public agency or appointing authority, or for reasons including, but not limited to, incompatibility of management styles or as a result of a change in administration, shall be sufficient to constitute “reason or reasons.” As used here, “administrative appeal” shall be conducted according to procedures established by the District, including that the District Board of Directors reserves the right to hear any appeal required under Government Code section 3254(c) and/or to appoint a hearing officer. If a hearing officer is appointed by the District, the hearing officer’s written findings shall be advisory to the District Board of Directors. The decision of the District Board of Directors shall be final. Nothing in this section shall be construed to create a property interest in the job of fire chief.

5.2 **Termination Benefits.** If the District terminates the Fire Chief’s employment, the District shall pay to Fire Chief a severance payment equal to three months’ base salary in exchange for the Fire Chief signing a full release of claims against the District. Payment of the Termination Benefits shall be made within forty-five (45) days after execution of the release of claims.

5.3 **Forfeit of Termination Benefits.** Fire Chief shall not be entitled to the Termination Benefits described in Section 5.2 above, if Fire Chief’s employment is terminated for any of the following reasons:

- (1) Fire Chief’s gross negligence or willful misconduct in the performance of his duties to the District;
- (2) Fire Chief’s repeated unexplained or unjustified absence from the District, or Fire Chief’s willful neglect of his duties which Fire Chief does not cure or correct within 30 days of

- the District's written notice of the identified problem;
- (3) Fire Chief's commission of any act of fraud or dishonesty with respect to the District;
- (4) Fire Chief's material breach of or noncompliance with the terms of this Agreement, the District's policies or procedures, or any other agreement between Fire Chief and the District which Fire Chief does not cure or correct within 90 days of District's written notice of the identified breach; or
- (5) Fire Chief's conviction of a felony or a crime involving moral turpitude or Fire Chief's causing material harm to the standing or reputation of the District.

5.4 Termination by Fire Chief. Fire Chief may terminate this Agreement and his employment with the District for any reason and at any time. The District requests that, when possible, Fire Chief provide sixty (60) days advance written notice prior to ending his relationship with the District, though he is under no obligation to do so. In the event Fire Chief terminates his employment with the District, for any reason, he shall not be entitled to the Termination Benefits, defined in Section 5.2 above.

6. Existing District Policies and Procedures.

All terms and conditions of District personnel rules, policies and procedures in effect as of the Effective Date of this Agreement shall apply to Fire Chief except if the specific provisions of this Agreement conflict with the rules, policies and/or procedures, the terms of this Agreement shall prevail.

7. Dispute Resolution.

7.1 Informal Resolution. In the event of any dispute arising between the Parties under this Agreement, the Parties agree to notify the Board of Directors of the District of the Dispute, and the Parties agree to work in good faith to informally resolve the dispute.

7.2 Mediation. In the event a dispute arises between the Parties with respect to this Agreement that cannot be resolved informally, the Parties shall participate in mediation.

7.2.1 A request for mediation must be made in writing to the President of the Board of Directors within thirty (30) days after the aggrieved party became aware of, or should have been aware of, the dispute (which time frame may

be extended during such time as the parties were working in good faith to informally resolve the issue);

7.2.2 The Parties agree to participate in at least four (4) hours of mediation. Each party agrees to participate in good faith in the mediation with the intent to resolve the dispute. The mediation shall be conducted within thirty (30) days after the request for mediation is made;

7.2.3 The parties may either agree upon a mediator or agree to have one chosen for them. If the parties do not agree upon a mediator within ten (10) calendar days of the request for mediation, a request shall be made by either or both parties to the California State Mediation & Conciliation Service (CSMCS) for a list of five (5) mediators. Upon receipt of the list from CSMCS, the parties will alternatively strike mediators until one mediator remains, which will be the mediator of the dispute;

7.2.4 The cost of the mediator and a court reporter (if the parties agree on the use of a court reporter) shall be split equally between the District and the Fire Chief. Each party shall pay for the fees and expenses of their own attorneys, experts, witnesses, and other costs associated with the mediation

8. Miscellaneous Provisions.

8.1 Severability. It is the desire of the Parties that this Agreement be binding and enforceable to the maximum extent permitted by law. Should any term or provision of this Agreement be declared or determined by a final and binding arbitrator or by a court of law or other tribunal of valid jurisdiction to be invalid or unenforceable in whole or in part, that adjudication shall not affect the validity of the remainder of the Agreement, which shall remain in force.

8.2 Modification, Amendment, Waiver. Except where stated above, no modification or amendment of any of the provisions of this Agreement shall be effective unless approved in writing and signed by Fire Chief and the District. The failure of Fire Chief or the District to enforce any of the provisions of this Agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of either Party thereafter to enforce each and every provision hereof in accordance with its terms.

8.3 Governing Law. This Agreement has been negotiated and entered into in the State of California and shall be governed by, construed, and enforced in accordance with the laws of the State of California.

8.4 Counterparts. This Agreement may be executed by the Parties in counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The Parties specifically agree that signatures on this Agreement received by facsimile or electronic transmission (i.e., a **PDF** version) shall be legally binding and that each party is entitled and authorized to rely on the signatures transmitted by facsimile or electronically of the other parties as if they were original signatures.

8.5 Effective Date. The Effective Date of this Agreement is December 1, 2023.

Dated: _____

Rancho Adobe Fire Protection District

Signed: _____

Print Name: _____

Title: _____

Dated: _____

By: _____

Jeffery Veliquette

**RESOLUTION R-7:
APPROVING
INSTALLMENT
SALES AGREEMENT**



Rancho Adobe Fire District

Staff Report

Date: December 6, 2023

Topic: Adoption of a Resolution Approving and Authorizing the Execution of a Series 2023 Installment Sale Agreement to Amend and Take the Place of Certain 2023 Lease Agreements

Recommendation:

Adopt Resolution R-7 2023/2024 Approving and Authorizing the Execution of a Series 2023 Installment Sale Agreement to Amend and Take the Place of Certain 2023 Lease Agreements.

Background:

The District recently entered into a financing transaction with Westamerica Bank in the amount of \$563,500 (the "2023 Financing Transaction"). The 2023 Financing Transaction was secured by a site lease (the "2023 Site Lease") of one of the District's buildings (the "Property"), as well as a corresponding lease agreement in the amount of \$563,500, pursuant to which the District has agreed to make semi-annual lease payments over a ten year period (the 2023 Lease Agreement, and together with the 2023 Site Lease, the "2023 Lease Agreements"). The 2023 Lease Agreements were recorded with the County Recorder on August 10, 2023.

In 2021 the Board adopted Resolution No. R-4 2021/2022 (the "2021 Resolution") which, among other things, authorized the issuance of the District's 2021 Taxable Revenue Bonds (the "2021 Bonds") to prepay a portion of the District's outstanding pension liabilities. The 2021 Bonds were issued pursuant to and secured by an Indenture of Trust, by and between BNY Mellon Corporate Trust, as trustee (the "2021 Trustee") and the District (the "2021 Indenture"). The 2021 Indenture contains the legal covenants of the District, including the covenants setting forth the prerequisites for any subsequent debt (the "Parity Debt Covenants").

Parity Debt Covenants are designed to protect the interests of bondholders. Bondholders are individuals or institutional investors who purchase municipal bonds (or lend money pursuant to other debt instruments, such as the 2023 Lease Agreements). Parity Debt Covenants ensure that bondholders and lenders are treated fairly and have a claim on municipal revenues alongside other bondholders and lenders.

Parity Debt Covenants establish a level playing field among bondholders of the same rank or priority. When multiple bond issuances share the same level of priority (i.e., have parity), these covenants ensure that all bondholders within that priority class receive equal treatment in terms of payment and security. Parity Debt Covenants can lower municipal bond interest rates as they signal safety and predictability to investors.

The Parity Debt Covenants contained within the 2021 Indenture above appear to not have been complied with in the 2023 Lease Agreements. This means that the 2023 Lease Agreements have not been validly issued as parity obligations.

The Weist Law Firm has been retained to draft all documents necessary to amended and replace

the 2023 Legal Agreements in order to ensure that the transaction ranks on parity with the 2021 Bonds without being secured by liens against any real property of the District (the "Amendment").

Discussion:

The subject resolution being recommended for adoption authorizes and approves the form of 2023 Installment Sale Agreement (the "2023 ISA") and Termination Agreement (the "Termination Agreement"), which are all the foundational legal documents necessary to provide for the successful amendment and replacement of the 2023 Lease Agreements, as well as the cancellation of the recorded liens associated therewith. The adoption of the Resolution is necessary for the District to ensure the 2021 Trustee and corresponding bondholders that the 2023 Financing Transaction has been validly issued as parity obligations in compliance with the Parity Debt Covenants.

The intent of the Amendment is to restate the structure of the 2023 Financing Transaction without affecting the material terms and conditions set forth in the 2023 Lease Agreements, with the exception of the removal of the lien against the Property, which has been discussed, approved and authorized by the Bank. The Amendment is not intended to be a defeasance or refunding of the 2023 Financing Transaction.

Financial Impact:

No additional financial impact.

Options:

Board discretion

Approved by:



Jeff Veliquette
Fire Chief

Attachments:

1. Resolution R-7 2023/2024
2. Installment Sale Agreement
3. Termination Agreement

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO ADOBE FIRE PROTECTION DISTRICT APPROVING AND AUTHORIZING THE EXECUTION OF A SERIES 2023 INSTALLMENT SALE AGREEMENT TO AMEND AND TAKE THE PLACE OF CERTAIN 2023 LEASE AGREEMENTS AND PROVIDING FOR OTHER MATTERS PROPERLY RELATED THERETO

WHEREAS, the Rancho Adobe Fire Protection District (the “District”) is a fire protection district duly organized and existing under and pursuant to the laws of the State of California; and

WHEREAS, the District recently entered into a financing arrangement with Westamerica Bank (the “Bank”) that was secured by a site lease (the “2023 Site Lease”), as well as a corresponding lease agreement (the “2023 Lease.” and together with the 2023 Site Lease, the “2023 Lease Agreements”), pursuant to which the District has agreed to lease certain real property described therein, with existing improvements thereon (the “Property”), in exchange for the \$563,500 in loan proceeds; and

WHEREAS, in connection therewith the Municipal Finance Corporation (the “Corporation”) and Bank entered into an Assignment Agreement, dated as of July 1, 2023 (the “Assignment Agreement”); and

WHEREAS, the 2023 Lease Agreements, or a memorandum thereof, along with the Assignment Agreement, were recorded in the Official Records (“Official Records”) of Sonoma County (the “County”), on August 10, 2023; and

WHEREAS, the District proposes to amend and replace the 2023 Lease Agreements in their entirety (the “Amendment”) with a 2023 Installment Sale Agreement (the “Superseding Agreement”); and

WHEREAS, as a result of the Amendment it is necessary to terminate the lien of the 2023 Lease Agreements pursuant a Termination Agreement (the “Termination Agreement”); and

WHEREAS, the Board of Directors (the “Board”), with the aid of its staff, has reviewed the Superseding Agreement and Termination Agreement, the forms of which have been presented to the Board and are on file with the Administrative Manager/Board Clerk (the “Clerk”), and the Board wishes at this time to approve the foregoing documents in the public interests of the District; and

NOW, THEREFORE BE IT RESOLVED AND ORDERED BY THE BOARD OF DIRECTORS OF THE RANCHO ADOBE FIRE PROTECTION DISTRICT THAT:

Section 1. Recitals. The Board hereby specifically finds and declares that each of the statements, findings and determinations of the District set forth in the recitals set forth above are true and correct.

Section 2. Authorized Representatives. The Chair, Fire Chief, Administrative Manager/Board Clerk, and any other person authorized by the Board or Fire Chief to act on behalf of the District shall each be an “Authorized Representative” of the District for the purposes of providing for the execution and delivery of the Superseding Agreement and Termination Agreement, and are hereby authorized, jointly and severally, for and in the name of and on behalf of the District, to execute and deliver any and all documents and certificates that may be required to be executed in connection with Superseding Agreement and Termination Agreement (including, but not limited to, the documents referenced in this Resolution, and any other documentation required or necessary in connection therewith), and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Board has approved in this Resolution.

Section 3. Significant Public Benefits. The Board hereby finds and determines that the execution of the Superseding Agreement and Termination Agreement is expected to result in significant public benefits to the District.

Section 4. Approval of Superseding Agreement and Termination Agreement. The Board hereby authorizes and approves the Superseding Agreement and Termination Agreement in substantially the forms on file with the Clerk together with any additions thereto or changes therein deemed necessary or advisable by an Authorized Representative of the District. Each Authorized Representative, acting singly, is hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Superseding Agreement and Termination Agreement in substantially said forms, with such changes therein as the Authorized Representative executing the same may approve (such approval to be conclusively evidenced by such Authorized Representative’s execution and delivery thereof). The Board hereby authorizes the delivery and performance of the Superseding Agreement and Termination Agreement.

Section 5. Confirmation and Direction to Proceed. All actions heretofore taken by the officers and agents of the District with respect to the Superseding Agreement and Termination Agreement are hereby approved, confirmed and ratified. The Authorized Representatives and all other officers of the District are each authorized and directed in the name and on behalf of the District to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents which they or any of them might deem necessary or appropriate in order to consummate any of the actions and transactions contemplated by this Resolution. Whenever any officer of the District is authorized to execute or countersign any document or take any action contemplated by this Resolution, the Superseding Agreement and Termination Agreement, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

Section 6. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

The foregoing resolution was introduced this 13th day of December 2023, by Director _____ who moved its adoption, and seconded by Director _____, and adopted on a roll call vote by the following vote:

Director Herman _____ Director Moretti _____ Director Peterson _____
Director Howell _____ Director Hemmendinger _____
Director Proteau _____ Director Gadoua _____

AYES: _____ NOES: _____ ABSTAIN: _____ ABSENT: _____

WHEREUPON, the Chair declared the foregoing resolution adopted, and SO ORDERED.

CHAIR

Attest: _____
Clerk of the Board

SERIES 2023 INSTALLMENT SALE AGREEMENT

Dated as of December 1, 2023

By and Between

RANCHO ADOBE FIRE PROTECTION DISTRICT

And

WESTAMERICA BANK

Providing for the

\$563,500
RANCHO ADOBE FIRE PROTECTION DISTRICT
SERIES 2023 INSTALLMENT SALE OBLIGATIONS
(FACILITIES IMPROVEMENT PROJECT)

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SERIES 2023 INSTALLMENT SALE AGREEMENT

This SERIES 2023 INSTALLMENT SALE AGREEMENT (including any permitted amendments or supplements, this "Agreement"), dated for convenience as of December 1, 2023, is by and between WESTAMERICA BANK, a California commercial bank (including its successors and assigns, the "Bank"), and the RANCHO ADOBE FIRE PROTECTION DISTRICT, a fire protection district duly organized and validly existing under the Constitution and laws of the State of California (the "District");

W I T N E S S E T H:

WHEREAS, the District owns and operates the fire protection and emergency services system within the service area of the District (the "Fire Protection and Emergency Services System"); and

WHEREAS, on June 21, 2023, pursuant to Resolution R-8 2022/2023, the District entered into a lease-lease-back financing arrangement (the "2023 Lease Arrangement") with the Bank in the amount of \$563,500, which was secured by a site lease of one of the District's buildings (the "2023 Site Lease"), as well as a corresponding lease agreement, pursuant to which the District agreed to make semi-annual lease payments over a ten year period (the 2023 Lease Agreement, and together with the 2023 Site Lease, the "2023 Lease Agreements"); and

WHEREAS, the District has determined that it is in the interests of the District at this time to enter into this Agreement and to provide for the execution and delivery of its "Rancho Adobe Fire Protection District, Series 2023 Installment Sale Obligations (Facilities Improvement Project)," as evidenced by a Promissory Note, dated as of August 10, 2023 (the "Note," and collectively, the "2023 Obligations"), as necessary to supersede and supplant (but not trigger a refunding of) the 2023 Lease Agreements; and

WHEREAS, the principal of and interest and redemption premium (if any) on the 2023 Obligations, and any bonds or other obligations issued on a parity therewith as provided herein, will be payable from and secured by a pledge of and lien on the Revenues (as defined herein) derived from District operations, as expressly set forth in this Agreement; and

WHEREAS, in order to provide for the execution and delivery of this Agreement, to establish and declare the terms and conditions upon which the 2023 Obligations are to be made and secured, and to secure the payment of the principal thereof, premium (if any) and interest on the 2023 Obligations, the District has authorized the execution and delivery of this Agreement; and

WHEREAS, the principal of and interest and redemption premium (if any) on the 2023 Obligations, and any bonds or other obligations issued on a parity therewith as provided herein, will be payable from and secured by a pledge of and lien on the Revenues (as defined herein) derived from the Fire Protection and Emergency Services System, as expressly set forth in this Agreement; and

WHEREAS, this Agreement also constitutes a secured promissory note for District's repayment of the 2023 Obligations, in the form set forth in Exhibit C hereto; and

WHEREAS, all things necessary to make the 2023 Obligations when issued, executed and delivered, the valid and binding obligation of the District, and to constitute this Agreement as a valid pledge of the revenues herein pledged to the payment of the principal of, prepayment premium, if any, and interest on the 2023 Obligations have been done and performed, as required by law, and the District is now fully authorized to enter into this Agreement, subject to the terms hereof; and

NOW, THEREFORE, THIS AGREEMENT WITNESSETH, that in order to secure the payment of the principal of and the interest and premium (if any) on the 2023 Obligations at any time outstanding under this Agreement, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the 2023 Obligations are premised, and in consideration of the premises and of the mutual covenants herein contained and of the purchasing of the 2023 Obligations by the Bank, and for other valuable considerations, the receipt whereof is hereby acknowledged, the District does hereby covenant and agree, for the benefit of the Bank from time to time of the 2023 Obligations, as follows:

ARTICLE I

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICABILITY

Section 1.1. Definitions. Unless the context otherwise requires, the terms defined in this section shall for all purposes hereof and of any amendment hereof or supplement hereto and of any report or other document mentioned herein or therein have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein.

“Acquisition,” “Acquire,” “Construction,” “Construct” or “Acquisition and Construction” means, with respect to any portion of the Project, the design, acquisition, construction, installation, improvement, equipping, furnishing, renovation, remodeling and/or reconstruction thereof.

“Additional Revenues” means, with respect to the issuance of any Parity Obligations, any or all of the following amounts:

(i) An allowance for Net Revenues from any additions or improvements to the Fire Protection and Emergency Services System to be made with the proceeds of such Parity Obligations and also for Net Revenues from any such additions or improvements which have been made from moneys from any source but in any case which, during all or any part of the latest Fiscal Year for which audited financial statements are available or any 12 consecutive calendar month period (selected by the District) during the 18 consecutive calendar month period ending immediately prior to the issuance, incurrence or creation of such additional Parity Obligations, were not in service, all in an amount equal to 90% of the estimated additional average annual Net Revenues to be derived from such additions or improvements for the first 36 month period in which

each addition or improvement is respectively to be in operation, all as shown by the certificate or opinion of an Independent Consultant retained by the District.

(ii) An allowance for Net Revenues arising from any increase in the charges made for service from the Fire Protection and Emergency Services System which has become effective prior to the incurring of such Parity Obligations but which, during all or any part of the latest Fiscal Year or such 12 month period for which audited financial statements are available or any 12 consecutive calendar month period (selected by the District) during the 18 consecutive calendar month period ending immediately prior to the issuance, incurrence or creation of such additional Parity Obligations, was not in effect, in an amount equal to the total amount by which the Net Revenues would have been increased if such increase in charges had been in effect during the whole of such Fiscal Year or 12 month period, all as shown by the certificate or opinion of an Independent Financial Consultant employed by the District.

“Agreement” means this Series 2023 Installment Sale Agreement, dated as of December 1, 2023, between the Bank and the District, and any permitted amendments or supplements hereto.

“Assignee” means any entity to whom the rights of the Bank shall be lawfully assigned hereunder.

“Authorized Representative” means the Chair of the Board, Fire Chief, Board Clerk/Administrative Manager, or the designee of either the Chair or Fire Chief.

“Average Annual Debt Service” means the total aggregate Debt Service for the entire period during which the 2023 Obligations are Outstanding divided by the number of Fiscal Years or portions thereof during which the 2023 Obligations are Outstanding.

“Bank” means (a) initially, Westamerica Bank, a California commercial bank, and/or its successor by merger, or (b) any Assignee of Bank’s right, title or interest in this Agreement and other amounts due hereunder. Whenever in this Agreement any reference is made to the Bank and such reference concerns rights which the Bank has assigned to the Assignee, such reference shall be deemed to refer to the Assignee.

“Board” or “Board of Directors” means the Board of Directors of the District.

“Board Clerk/Administrative Manager” means the Board Clerk/Administrative Manager of the District.

“Bond Counsel” means The Weist Law Firm, or any other attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on bonds issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

“Business Day” means a day other than a Saturday, Sunday or legal holiday, on which banking institutions in the State of California are not closed.

“Certificate,” “Request” and “Requisition” of the District means a written certificate, request or requisition signed in the name of the District by its Authorized Representative. Any

such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

“Charges” means fees, tolls, assessments, rates and charges prescribed by the Board for the services and facilities of the Fire Protection and Emergency Services System furnished by the District.

“Closing Date” means the date on which the District received the Obligation Proceeds from the Bank, being August 10, 2023.

“Code” means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code herein shall be deemed to include the United States Treasury regulations, including temporary and proposed regulations relating to each such section that are applicable to the Parity Obligations or the use of the proceeds thereof.

“Computation Year” means, with respect to the 2023 Obligations, the period beginning on the Closing Date and ending on August 10, 2024, and each successive one-year period thereafter through the Term of the 2023 Obligations.

“Corporation” means Municipal Finance Corporation.

“County” means the County of Sonoma, California.

“Date of Taxability” means the date from and for which interest on the 2023 Obligations is subject to federal income taxation as a result of a Determination of Taxability.

“Debt Service” means, for any period of calculation, the sum of:

(1) the interest payable during such period on all outstanding 2023 Obligations, assuming that all outstanding Serial 2023 Obligations are retired as scheduled and that all outstanding Term 2023 Obligations are redeemed or paid from Sinking Fund Installments as scheduled (except to the extent that such interest is capitalized or is reasonably anticipated to be reimbursed to the District by the United States of America pursuant to Section 54AA of the Code (Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act of 2009), or any future similar program);

(2) those portions of the principal amount of all Outstanding Serial 2023 Obligations maturing in such period; and

(3) those portions of the principal amount of all Outstanding Term 2023 Obligations required to be redeemed or paid in such period;

provided, as to any such 2023 Obligations bearing or comprising interest at other than a fixed rate, the rate of interest used to calculate Debt Service shall be the greater of: (a) the actual interest rate on such 2023 Obligations on the date of calculation, or if the indebtedness is not yet outstanding, the initial interest rate (if established and binding); (b) if the 2023 Obligations have been

outstanding for at least twelve months, the average rate over the twelve calendar months immediately preceding the date of calculation; and (c)(i) if interest on the indebtedness is excludable from gross income under the applicable provisions of the Tax Code, the most recently published Securities Industry and Financial Markets Association Index for tax-exempt variable rate obligations; or (ii) if interest is not so excludable, the interest rate on direct U.S. Treasury Obligations with comparable maturities plus 50 basis points; provided, however, that for purposes of any portion of Section 5.13 (Issuance of Parity Obligations) and Section 5.3 (Rates, Fees and Charges), measuring actual debt service coverage during a test period, variable rate indebtedness shall be deemed to bear interest at the actual rate per annum applicable during the test period; and

provided further that, if any series or issue of such 2023 Obligations have twenty-five percent (25%) or more of the aggregate principal amount of such series or issue due in any one year, Debt Service shall be determined for the Fiscal Year of determination as if the principal of and interest on such series or issue of such 2023 Obligations were being paid from the date of incurrence thereof in substantially equal annual amounts over a period of twenty-five (25) years from the date of calculation; and

provided further that, as to any such 2023 Obligations or portions thereof bearing no interest but which are sold at a discount and which discount accretes with respect to such 2023 Obligations or portions thereof, such accreted discount shall be treated as interest in the calculation of Debt Service; and

provided further that, the amount on deposit in a debt service reserve fund on any date of calculation of Debt Service shall be deducted from the amount of principal due at the final maturity of the 2023 Obligations for which such debt service reserve fund was established and in each preceding year until such amount is exhausted; and

provided further that, Debt Service shall not include interest which is paid from investment earnings on amounts on deposit in reserve funds and transferred to the Debt Service Fund.

“Debt Service Coverage Requirement” or “DSC Requirement” means for any Fiscal Year, or other period of time for which such calculation is made, that Net Revenues for such Fiscal Year, or other period of calculation, must be at least equal to one hundred ten percent (110%) of Maximum Annual Debt Service.

“Default Rate” means the then applicable interest rate on the 2023 Obligations plus 3%.

“Defeasance Securities” means any of the following: (a) non-callable direct obligations of the United States of America (“Treasuries”), (b) evidence of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, and (c) pre-refunded municipal obligations rated “AAA” and “Aaa” by S&P and Moody’s, respectively (or any combination thereof), which shall be authorized to be used to effect defeasance of the Bonds.

“Determination of Taxability” means and shall be deemed to have occurred on the first to occur of the following:

(a) the date on which the District files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have in fact occurred;

(b) the date on which the Bank receives written notification from the District, supported by a written Opinion of Counsel, to the effect that an Event of Taxability has occurred;

(c) the date on which the District is advised in writing by the Commissioner or any district director of the Internal Revenue Service (or any other government official or agent exercising the same or a substantially similar function from time to time) that, based upon filings of the District (or a statutory notice of deficiency, or a document of substantially similar import), or upon any review or audit of the District, or upon any other ground whatsoever, an Event of Taxability has occurred; or

(d) on the date when the District receives notice from the Bank that the Internal Revenue Service (or any other governmental authority exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of the Bank due to the occurrence of an Event of Taxability;

provided, however, that no Determination of Taxability shall occur under clauses (c) or (d) above unless the District has been afforded the opportunity, at its expense, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined.

“District” means the Rancho Adobe Fire Protection District, a fire protection district duly organized and validly existing under the Constitution and laws of the State, and any successor thereto.

“Environmental Regulation” means any federal, state or local law, statute, code, ordinance, regulation, requirement or rule relating to dangerous, toxic or hazardous pollutants, Hazardous Substances, chemical waste, materials or substances.

“2016 Equipment Lease” means Equipment Lease-Purchase Agreement, dated December 29, 2016 (this “Lease Agreement”), by and between American River Bank, as lessor, and the District, as lessee.

“Equipment Lease” means an equipment lease or installment sale agreement whereby the District leases/acquires equipment for its Fire Protection and Emergency Services System operations, including the 2016 Equipment Lease, and whereby the sole source of collateral is the equipment being leased or acquired.

“Event of Default” means an event of default described in Section 6.1 hereof.

“Event of Taxability” means: (i) the occurrence or existence of any fact, event or circumstance (including, without limitation, the taking of any action by the District, or the failure

to take any action by the District, or the making by the District of any misrepresentation herein or in any certificate required to be given in connection with this Agreement) which has the effect of causing interest on the 2023 Obligations to become includable, in whole or in part, in the gross income of the Bank or any assignee thereof for federal income tax purposes; or (ii) the entry of any decree or judgment by a court of competent jurisdiction, or the taking of any official action by the Internal Revenue Service or the Department of the Treasury, which decree, judgment or action shall be final under applicable procedural law, in either case, which has the effect of causing the interest on the 2023 Obligations to become includable, in whole or in part, in the gross income of the Bank or any assignee thereof for federal income tax purposes.

“Fair Market Value” means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm’s length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm’s length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security – State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the District and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

“Fire Chief” means the Fire Chief of the District.

“Fire Protection and Emergency Services System” means, collectively, the entire fire protection and emergency services system of the District, including but not limited to all facilities, properties and improvements at any time owned, controlled or operated by the District for the fire suppression, emergency medical services, administration, technical rescue, hazardous materials mitigation, public education, fire investigation, and fire prevention services provided to property and residents of the District and corresponding service areas, and any necessary lands, rights, entitlements and other property useful in connection therewith, together with all extensions thereof and improvements thereto at any time acquired, leased, constructed or installed by the District.

“Fiscal Year” means the twelve calendar month period terminating on June 30 of each year, or any other annual accounting period hereafter selected and designated by the District as its Fiscal Year in accordance with applicable law.

“General Fund” means the fund by that name established by the District and maintained pursuant to Section 4.3 hereof.

“Generally Accepted Accounting Principles” or “GAAP” means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and

pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be approved by a significant segment of the accounting profession, that are applicable to the circumstances as of the date of determination.

“Governmental Authority” means any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, central bank, service, district or other instrumentality of any governmental entity or other entity exercising executive, legislative, judicial, taxing, regulatory, fiscal, monetary or administrative powers or functions of or pertaining to government, or any arbitrator, mediator or other person with authority to bind a party at law.

“Hazardous Substances” means (a) any oil, flammable substance, explosives, radioactive materials, hazardous wastes or substances, toxic wastes or substances or any other wastes, materials or pollutants which (i) pose a hazard to the Project or to persons on or about the Project or (ii) cause the Project to be in violation of any Environmental Regulation; (b) asbestos in any form which is or could become friable, urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls, or radon gas; (c) any chemical, material or substance defined as or included in the definition of “waste,” “hazardous substances,” “hazardous wastes,” “hazardous materials,” “extremely hazardous waste,” “restricted hazardous waste,” or “toxic substances” or words of similar import under any Environmental Regulation including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), 42 USC §§ 9601 et seq.; the Resource Conservation and Recovery Act (“RCRA”), 42 USC §§ 6901 et seq.; the Hazardous Materials Transportation Act, 49 USC §§ 1801 et seq.; the Federal Water Pollution Control Act, 33 USC §§ 1251 et seq.; the California Hazardous Waste Control Law (“HWCL”), Cal. Health & Safety §§ 25100 et seq.; the Hazardous Substance Account Act (“HSAA”), Cal. Health & Safety Code §§ 25300 et seq.; the Underground Storage of Hazardous Substances Act, Cal. Health & Safety §§ 25280 et seq.; the Porter-Cologne Water Quality Control Act (the “Porter-Cologne Act”), Cal. Water Code §§ 13000 et seq., the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65); and Title 22 of the California Code of Regulations, Division 4, Chapter 30; (d) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority or agency or may or could pose a hazard to the health and safety of the occupants of any District facilities or the owners and/or occupants of property adjacent to or surrounding any District facilities, or any other person coming upon any District facilities or adjacent property; or (e) any other chemical, materials or substance which may or could pose a hazard to the environment.

“Improvement” means any addition, extension, improvement, equipment, machinery or other facilities to or for the Fire Protection and Emergency Services System.

“2021 Indenture” means the Indenture of Trust, dated as of October 1, 2021, by and between The Bank of New York Mellon Trust Company, N.A., as trustee thereunder, and the District, as originally executed or as it may from time to time be supplemented, modified or amended pursuant to the provisions hereof.

“Independent Certified Public Accountant” means any certified public accountant or firm of such accountants appointed and paid by the District, and who, or each of whom-

(a) is in fact independent and not under domination of the District;

(b) does not have any substantial identity of interest, direct or indirect, with the District; and

(c) is not and no member of which is connected with the District as an officer or employee of the District, but who may be regularly retained to make annual or other audits of the books of or reports to the District.

“Independent Consultant” means any financial or engineering consultant with an established reputation in the field of municipal finance or firm of such consultants appointed and paid by the District, and who, or each of whom-

(a) is in fact independent and not under domination of the District;

(b) does not have any substantial identity of interest, direct or indirect, with the District; and

(c) is not and no member of which is connected with the District as an officer or employee of the District.

“Independent Engineer” means any registered engineer or firm of engineers generally recognized to be well-qualified in engineering matters relating to the subject matter at issue, appointed and paid by the District, and who or each of whom:

(a) is in fact independent and not under the domination of the District;

(b) does not have a substantial financial interest, direct or indirect, in the District; and

(c) is not connected with the District as a board member, officer or employee of the District, but may be regularly retained to make reports to the District.

“Insurance Consultant” means any nationally recognized independent actuary, insurance company or broker that has actuarial personnel knowledgeable with respect to insurance carried, by, required for and available to special districts operating facilities similar to the District, including a pooled self-insurance program in which premiums are established on the basis of the recommendation of an actuary of national reputation.

“Interest Account” means the account by that name in the General Fund established pursuant to Section 4.3 hereof.

“Interest Component” means the portion of each Obligation Payment designated as Interest Component, as such is set forth on Exhibit A hereto.

“Interest Payment Date” means February 1 and August 1 of each year, commencing February 1, 2024, and continuing to and including the date on which the Obligation Payments have been paid in full.

“Interest Rate” means the rate of interest to be paid on the 2023 Obligations which is 4.350% per annum.

“2023 Lease Agreement” means the Lease Agreement, dated as of July 1, 2023, by and between the District and the Corporation.

“2023 Lease Agreements” means, collectively, the 2023 Lease Agreement, the 2023 Site Lease, the Project Fund Agreement and any other related agreements entered into by the District which were necessary in connection with the consumption of the 2023 Lease Arrangement.

“2023 Lease Arrangement” means the lease-lease-back financing arrangement with the Bank in the amount of \$563,500, which was secured by the 2023 Lease Agreements.

“Maintenance and Operation Costs” means reasonable and necessary costs spent or incurred for maintenance and operation of the Fire Protection and Emergency Services System calculated in accordance with GAAP, including (among other things) the reasonable and necessary expenses of management and repair and other expenses necessary to maintain and preserve the Fire Protection and Emergency Services System in good repair and working order, including, but not limited to, salaries and wages of employees, payments to the Public Employees Retirement System, overhead, insurance, taxes (if any), fees of auditors, accountants, attorneys, consultants or engineers and insurance premiums, and including all other reasonable and necessary costs of the District or charges, but excluding (i) debt service payments or other similar payments on the Parity Obligations or other obligations required to be paid by it to comply with the terms of this Indenture or any contract or resolution or indenture authorizing the issuance of any bonds or obligations, and (ii) depreciation, replacement and obsolescence charges or reserves therefor and amortization of intangibles or other bookkeeping entries of a similar nature.

“Material Adverse Effect” means an event or occurrence which adversely affects in a material manner (a) the assets, liabilities, condition (financial or otherwise), business, facilities or operations of the District, (b) the ability of the District to carry out its business in the manner conducted as of the date of this Agreement or to meet or perform its obligations under this Agreement on a timely basis, (c) the validity or enforceability of this Agreement, or (d) the exclusion of interest on the 2023 Obligations from gross income for federal income tax purposes or the exemption of such interest for state income tax purposes caused by District action or inaction, as the case may be.

“Material Litigation” means any action, suit, proceeding, inquiry or investigation against the District in any court or before any arbitrator of any kind or before or by any Governmental Authority, of which the District has notice or knowledge and which, (i) if determined adversely to the District, may have a Material Adverse Effect, (ii) seeks to restrain or enjoin any of the transactions contemplated hereby, or (iii) may adversely affect (A) the exclusion of interest with respect to the Obligation Payments from gross income for federal income tax purposes or the exemption of such interest for state income tax purposes or (B) the ability of the District to perform its obligations under this Agreement.

“Maximum Annual Debt Service” means the greatest amount of Debt Service with respect to the 2023 Obligations and any Parity Obligations to which reference is made coming due in any

Fiscal Year including the Fiscal Year in which the calculation is made or any subsequent Fiscal Year.

“Net Proceeds” means, when used with respect to any condemnation award or any insurance proceeds received with respect to District facilities, the amount of such respective condemnation award or insurance proceeds remaining after payment of all expenses (including reasonable attorneys’ fees) incurred in the collection of such award or proceeds.

“Net Revenues” means, with respect to the Fire Protection and Emergency Services System, for any period of computation, the amount of the Revenues received from the Fire Protection and Emergency Services System during such period, less the amount of Maintenance and Operation Costs of the Fire Protection and Emergency Services System becoming payable during such period.

“Note” means the Promissory Note issued by the District hereunder, dated as of August 10, 2023, in the original principal amount of \$563,500, evidencing the obligations of the District under this Agreement, in the form attached hereto as Exhibit C.

“2023 Obligations” means the Rancho Adobe Fire Protection District, Series 2023 Installment Sale Obligations (Facilities Improvement Project), secured by this Agreement, as evidenced by the Note, as well as any Parity Obligations issued and at any time Outstanding under any Parity Obligation Instrument.

“Obligation Payments” means the scheduled Obligation Payments set forth on Exhibit A hereto.

“Obligation Payment Date” or “Payment Date” means February 1 and August 1 of each year, commencing February 1, 2024, and continuing to and including the date on which the Obligation Payments have been paid in full; provided that if any Obligation Payment Date shall fall on a non-Business Day, the Obligation Payment Date shall be the next succeeding Business Day and interest on such payment shall accrue to and including such next succeeding Business Day.

“Obligation Proceeds” means the \$563,500 amount received by the District from the Bank on the Closing Date.

“Opinion of Counsel” means a written opinion of The Weist Law Firm or such other counsel of recognized national standing in the field of law relating to municipal bonds appointed and paid by the District.

“Outstanding” means all 2023 Obligations theretofore issued by the District, except:

(1) 2023 Obligations theretofore canceled or surrendered for cancellation in accordance hereof;

(2) 2023 Obligations for the payment or redemption of which moneys shall have been deposited in trust (whether upon or prior to the maturity or the redemption date of such 2023

Obligations), provided that, if such 2023 Obligations are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in this Agreement; and

(3) 2023 Obligations paid or defeased pursuant to Sections 8.2 hereof.

“Owner” means the registered owner of any outstanding 2023 Obligation or 2023 Obligations, the initial registered owner is the Bank.

“Parity Obligations” means any bonds, notes, leases, installment sale agreements, Agreements, contracts or other obligations of the District which are secured by a pledge of and lien upon any of the Revenues and which are payable on a parity with the Obligation Payments, entered into or issued under and in accordance with Section 5.13 hereof.

“Parity Obligation Instrument” means, collectively, the indenture of trust, trust agreement, installment sale agreement, loan agreement, Agreement or other document authorizing the issuance of any Parity Obligations or any securities which establishes or evidence Parity Obligations.

“Parity Payments” means all payments scheduled to be paid by the District under Parity Obligation Instruments.

“Permitted Investments” means any of the following (*provided*, to the extent that the criteria below an investment require a certain minimum rating, such rating shall be determined at the time of purchase of such investment):

(1) Cash;

(2) Obligations of, or obligations guaranteed as to principal and interest by, the United States of America or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the United States of America including:

- A. U.S. Treasury obligations;
- B. All direct or fully guaranteed obligations;
- C. General Services Administration;
- D. Guaranteed Title XI financing;
- E. Government National Mortgage Association (GNMA); and
- F. U.S. Treasury - State and Local Government Series.

(3) Obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America, including:

- A. Export-Import Bank;
- B. Farm Credit System Financial Assistance Corporation;
- C. Rural Economic Community Development Administration;
- D. U.S. Maritime Administration;
- E. Small Business Administration;
- F. U.S. Department of Housing & Urban Development (PHAs)
- G. Federal Financing Bank; and

H. Federal Housing Administration;

(4) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:

- A. Senior debt obligations rated "Aaa" by Moody's and "AAA" by S&P issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC);
- B. Obligations of the Resolution Funding Corporation (REFCORP);
- C. Senior debt obligations of the Federal Home Loan Bank System; and
- D. Senior debt obligations of other government sponsored agencies.

(5) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which have a rating on their short-term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S&P and "P-1" by Moody's and maturing no more than three hundred sixty (360) days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank);

(6) Commercial paper which is rated at the time of purchase in the single highest classification, "P-1" by Moody's and "A-1+" by S&P and which matures not more than 270 calendar days after the date of purchase;

(7) Investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P;

(8) "Pre-refunded Municipal Obligations," defined as follows: any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice and (A) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest Rating Category of Moody's or S&P or any successors thereto; or (B) (i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in clause (2) of the definition of Permitted Investments, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;

(9) Any bonds or other obligations of any agency, instrumentality or local governmental unit of any state of the United States of America which are rated "Aaa/AAA"

or general obligations of any such state with ratings of “A2” or higher by Moody’s and “A” or higher by S&P;

(10) Investment agreements (supported by appropriate opinions of counsel);

(11) Shares in the California Asset Management Program (established pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State) that invests exclusively in investments permitted by Section 53635 of the Government Code of the State, as now existing and as it may be amended from time to time;

(12) The Local Agency Investment Fund of the State or any state administered pool investment fund in which the District is statutorily permitted or required to invest will be deemed a permitted investment; and

(13) Investments that comply with California Government Code Sections 53601.8 or 53635.8.

Unless otherwise provided herein, the value of the above investments shall be determined at Fair Market Value.

“Person” means an individual, corporation, firm, association, limited liability company, corporation, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

“President” means the President of the Board of Directors of the District.

“Principal Account” means the account by that name in the General Fund established pursuant to Section 4.3 hereof.

“Principal Component” means the principal component(s) of any of the Obligation Payments, as such is set forth in Exhibit A hereto.

“Project” or “Facilities Improvement Project” means the Acquisition and Construction of certain public capital improvements of the District. The District reserves the right to amend the description and scope of the Project from time to time in its sole discretion.

“Project Costs” means the costs associated with the Acquisition and Construction of the Project, or the application of the Obligation Proceeds to the costs and expenses which are incidental or related to the Acquisition and Construction of the Project.

“Project Fund” means the account established and maintained by the District pursuant the Project Fund Agreement.

“Project Fund Agreement” means the Project Fund Agreement, dated as of July 1, 2023, among the District, the Corporation and the Bank, relating to the establishment, maintenance and disposition of the Project Fund.

“Rate Stabilization Fund” means the fund by that name established and maintained pursuant to Section 5.3(d) hereof, or any prior or subsequent rate stabilization fund established by the District that is intended to serve as the Rate Stabilization Fund under Section 5.3(d) hereof.

“Request of the District” or “Written Request” means a request in writing signed by the District’s President, Fire Chief or Secretary, or by any other officer of the District duly authorized by the Fire Chief for that purpose.

“Resolution” means, collectively, Resolution No. R-8 2022/2023 adopted by the Board on June 21, 2023, as amended by Resolution No. R-7 2023/2024, adopted by the Board on December 13, 2023.

“Revenues” means (1) all legally available moneys, fees, rates, receipts, rentals, charges and income received for, received by or derived from, the District’s ownership or operation of the Fire Protection and Emergency Services System or any of its lands or facilities or any other source whatsoever, including without limitation ad valorem property tax revenues and other special and general tax revenues, assessments, gifts, bequests, grants, devises, contributions, moneys received from the operation of the District’s business or the possession of its properties, insurance proceeds or condemnation awards, and all rights to receive the same, whether in the form of accounts, accounts receivable, contract rights or other rights, and the proceeds of the same whether now owned or held or hereafter coming into being, (2) plus the earnings on and income derived from the investment of such income, rents, rates, fees, charges, or other moneys, including amounts in the Rate Stabilization Fund and District Fire Protection and Emergency Services System reserves, plus (3) all amounts transferred from the Rate Stabilization Fund to the General Fund (or comparable debt service funds pursuant to applicable provisions of Parity Obligation Instruments) during any Fiscal Year in accordance with Section 5.3(e) hereof, and (4) all other monies howsoever derived by the District from the operation of the Fire Protection and Emergency Services System or arising from the Fire Protection and Emergency Services System; but excluding (i) any deposits or advances subject to refund until such deposits or advances have become the property of the District, (ii) any unrealized gains and losses on investments of the District, (iii) any proceeds of assessments or taxes restricted by law to be used by the District to pay the 2023 Obligations or Parity Obligations.

“Secretary” means the Secretary of the District.

“Serial 2023 Obligations” means all 2023 Obligations other than Term 2023 Obligations.

“2023 Site Lease” means the Site Lease, dated as of July 1, 2023, by and between the District and the Corporation.

“State” means the State of California.

“Subordinate Annual Debt Service” means, for any Fiscal Year or twelve (12) calendar month period, the Subordinate Payments required to be made under all Subordinate Debt in such Fiscal Year or twelve (12) calendar month period.

“Subordinate Debt” means indebtedness or other obligations (including but not limited to loans, leases and installment sale agreements, bonds or contracts) hereafter issued or incurred in compliance with Section 5.13 hereof and secured by a pledge of and lien on Revenues subordinate to the pledge and lien securing the Obligation Payments.

“Subordinate Debt Service Coverage Requirement” means for any Fiscal Year, or other period of time for which such calculation is made, that Net Revenues for such Fiscal Year, or other period of calculation, must be at least equal to one hundred one percent (101%) of Maximum Annual Debt Service for such period of calculation.

“Subordinate Payments” means all installment, lease or loan payments scheduled to be paid by the District under all respective agreements relating to the issuance of any Subordinate Debt.

“Taxable Rate” means 6.50%.

“Tax Certificate” means the tax certificate delivered by the District at the time of the issuance and delivery of the 2023 Obligations, as the same may be amended or supplemented in accordance with its terms.

“Tax Regulations” means temporary and permanent regulations promulgated under or with respect to Sections 103, 141, 148 and all related sections of the Code.

“Term” or “Term of this Agreement” means the time during which this Agreement and the 2023 Obligations are in effect, as provided in Section 3.3 hereof.

Section 1.2. Benefits of Agreement Limited to Parties. Nothing contained herein, expressed or implied, is intended to give to any person other than the District and the Bank any right, remedy or claim under or pursuant hereto. Notwithstanding anything to the contrary contained in this Agreement, the District shall not be required to advance any money derived from any source of income other than the Net Revenues, for the payment of the principal of or interest or prepayment premiums, if any, on the 2023 Obligations or for the performance of any covenants herein contained, nor for the maintenance and operation of the Fire Protection and Emergency Services System from any source of income other than the Revenues..

Section 1.3. Successor is Deemed Included in all References to Predecessor. Whenever the District is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the District, and all agreements and covenants required hereby to be performed by or on behalf of the District shall bind and inure to the benefit of the successors thereof whether so expressed or not.

Section 1.4. Waiver of Personal Liability. No member of the Board and no officer, agent, or employee of the District, or of any department or agency thereof, shall be individually or personally liable for the payment of the principal of or interest on the 2023 Obligations, but nothing contained herein shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law or hereby.

Section 1.5. Article and Section Headings, Gender and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof. Words of any gender shall be deemed and construed to include all genders. All references herein to “Articles,” “Sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words “hereby,” “herein,” “hereof,” “hereto,” “herewith” and other words of similar import refer to the Agreement as a whole and not to any particular article, section, subdivision or clause hereof.

Section 1.6. Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the District shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof or the 2023 Obligations; but the Bank shall retain all the rights and benefits accorded to it under any applicable provisions of law. The District hereby declares that it would have adopted this Agreement and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

ARTICLE II

COVENANTS, REPRESENTATIONS AND WARRANTIES

Section 2.1. Covenants, Representations and Warranties of the District. The District makes the following covenants, representations and warranties to the Bank as of the date and execution and delivery of this Agreement:

- (a) The District is a fire protection district duly organized and validly existing under the Constitution and laws of the State.
- (b) The District has full legal right, power and authority under the laws of the State to adopt the Resolution and to enter into this Agreement and the Note and the transactions contemplated herein, and to carry out its obligations hereunder and thereunder.
- (c) The pledge of Revenues and Net Revenues made hereunder is on parity with the pledge of Revenues and Net Revenues made under the Parity Obligation Instruments. There are no other liens against the Revenues or Net Revenues that are senior to the Obligation Payments.
- (d) By all necessary official action, the District has duly adopted the Resolution, has duly authorized and approved the execution and delivery of, and the performance of its obligations under, this Agreement and the Note and the consummation by it of all other transactions contemplated by this Agreement, the Note and the Resolution. When executed and delivered by the District, this Agreement, the Note and the 2023 Obligations will be in full force and effect and will constitute legal, valid and binding agreements or obligations of the District, enforceable in accordance with their respective terms, except as enforcement thereof may be

limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors rights generally, the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State.

- (e) No consent or approval of any trustee or holder of any indebtedness of the District or of the voters of the District, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of the 2023 Lease Agreements, this Agreement or the Note or the consummation of any transaction herein and therein contemplated, except as have been obtained or made and as are in full force and effect.
- (f) The District's audited financial statements for the period ended June 30, 2022, present fairly the financial condition of the District as of the date hereof and the results of operation for the period covered thereby. Except as has been disclosed to the Bank, there has been no change in the financial condition of the District since June 30, 2022, that will in the reasonable opinion of the District materially impair its ability to perform its obligations under the 2023 Lease Agreements, this Agreement or the Note. All information provided by the District to the Bank with respect to the financial performance of the District is accurate in all material respects as of its respective date and does not omit any information necessary to make the information provided not misleading.
- (g) As currently conducted, the District's activities are in all material respects in compliance with all applicable laws, administrative regulations of the State of California and of the United States and any agency or instrumentality of either, and any judgment or decree to which the District is subject.
- (h) As long as the 2023 Obligations are outstanding, the District will notify the Bank or its designee, within 30 days, following the date of an event that (i) could cause a default on any obligation of the District, (ii) might reasonably be anticipated to cause a Material Adverse Effect, (iii) might reasonably be anticipated to result in Material Litigation, and (iv) could have a negative material impact on the financial condition of the District.
- (i) The District is not in any material respect in breach of or default under any constitutional provision, law or administrative regulation of the State or of the United States or any agency or instrumentality of either or any judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject (including, without limitation, the Resolution, the 2023 Lease Agreements, this Agreement or the Note), and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; and the adoption of the Resolution, the execution and delivery of the 2023 Obligations and the execution and delivery of the Note and this Agreement and compliance with the District's obligations therein and herein will not in any material respect conflict with, violate or result in a breach of or constitute a default under, any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, agreement, mortgage, lease or other instrument to which the District is a party or to which the District or any of its property or

assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the District or under the terms of any such law, regulation or instruments, except as provided by the Resolution, the Note and this Agreement.

- (j) No action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, government agency, public board or body, has been served and is pending or, to the best of the District's knowledge, threatened against the District: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices or the titles of the officials of the District to such offices; (ii) affecting or seeking to prohibit, restrain or enjoin the making, execution or delivery of the 2023 Lease Agreements, this Agreement or the Note or the application of the Obligation Proceeds; (iii) in any way contesting or affecting, as to the District, the validity or enforceability of the Resolution, the 2023 Lease Agreements, this Agreement or the Note; (iv) in any way contesting the powers of the District or its authority with respect to the adoption of the Resolution, or the execution and delivery of the 2023 Lease Agreements, this Agreement or the Note; (v) contesting the exemption of interest on the 2023 Obligations for State income tax purposes; or (vi) in any way contesting or challenging the consummation of the transactions contemplated hereby or thereby or that might materially adversely affect the ability of the District to perform and satisfy its obligations under the 2023 Lease Agreements, this Agreement or the Note; nor to the best of the District's knowledge is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the proceedings authorizing the Resolution, the 2023 Lease Agreements, this Agreement or the Note or the performance by the District of its obligations thereunder, or the authorization, execution, delivery or performance by the District of the Resolution, the 2023 Lease Agreements, this Agreement or the Note.
- (k) The District is not in default, and at no time has defaulted in any material respect, on any bond, note or other obligation for borrowed money or any agreement under which any such obligation is or was outstanding.
- (l) All consents, approvals, authorizations, orders, licenses or permits of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter, that are required for the due authorization by, or that would constitute a condition precedent to or the absence of which would materially adversely affect the execution and delivery of the 2023 Obligations and the execution, delivery of and performance of the Note and this Agreement by the District have been duly obtained (except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the 2023 Obligations, as to which no representation is made).
- (m) The District has the legal authority to apply and will apply, or cause to be applied, the Obligation Proceeds as provided in and subject to all of the terms and provisions of the Resolution, the 2023 Lease Agreements, this Agreement or the Note.
- (n) The District is in compliance in all material respects with all applicable Environmental Regulations, including, without limitation, regulations governing air pollution, soil and

water pollution, the use, generation, storage, treatment, removal, handling or disposal of Hazardous Substances, other materials or wastes, and the emission of electromagnetic or nuclear radiation.

- (o) Neither the District nor any of its facilities are the subject of a federal, state or local investigation evaluating whether any remedial action is needed to respond to any alleged violation of or condition regulated by an Environmental Regulation referred to in (n) above or to respond to a release of any Hazardous Substances into the environment.
- (p) To its knowledge, after reasonable investigation, the District does not have any material contingent liability in connection with any release of any Hazardous Substances into the environment that would have a Material Adverse Effect on the District or payment, when due, of the principal, premium, if any, or interest on the 2023 Obligations.
- (q) No event has occurred and no condition exists which would constitute an Event of Default with respect to this Agreement or which, with the passing of time or with the giving of notice or both would become such an Event of Default.
- (r) The District has heretofore established the General Fund into which the District deposits and will continue to deposit all Revenues, and which the District will maintain throughout the Term of this Agreement.
- (s) There are no outstanding bonds, notes, loans, leases, installment sale agreements or other obligations which have any security interest in or claim upon the Revenues or Net Revenues, which security interest or claim is superior to the Obligation Payments.
- (t) The District has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the District is a bond issuer whose arbitrage certificates may not be relied upon.
- (u) The District acknowledges, represents and warrants that it understands the nature and structure of the transactions relating to the financing of 2023 Lease Arrangement and this Agreement, that it is familiar with the provisions of all of the documents and instruments relating to such financing to which the District is a party, including the 2023 Lease Arrangement and this Agreement, and that it understands the risks inherent in such transactions.
- (v) Any certificate, signed by any official of the District authorized to do so in connection with the transactions described in this Agreement, shall be deemed a representation and warranty by the District to the Bank as to the statements made therein.
- (w) Since the most current date of the information, financial or otherwise, supplied by the District to the Bank:
 - (i) There has been no change in the assets, liabilities, financial position or results of operations of the District which might reasonably be anticipated to cause a Material Adverse Effect;

(ii) The District has not incurred any obligations or liabilities which might reasonably be anticipated to cause a Material Adverse Effect;

(iii) The District has not (A) incurred any material indebtedness, other than the Obligation Payments and trade accounts payable arising in the ordinary course of the District's business, or (B) guaranteed the indebtedness of any other person; and

(iv) All information, reports and other papers and data furnished by the District to the Bank were, at the time the same were so furnished, to the best of the District's knowledge, complete and accurate in all material respects. No fact is known to the District which has had or, to the best of the District's knowledge, so far as the District can now reasonably foresee, may in the future have a Material Adverse Effect, which has not been set forth in the financial statements previously furnished to the Bank or in other such information, reports, papers and data or otherwise disclosed in writing to the Bank prior to the Closing Date. Any financial, budget and other projections furnished to the Bank by the District or its or their agents were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of the conditions existing at the time of delivery of such financial, budget or other projections, and as of the date of this representation, represent the District's best estimate of future financial performance of the District.

(x) Inasmuch as this Agreement represents a negotiated transaction, the District understands, and hereby confirms, that the Bank is not acting as a fiduciary of the District, but rather is acting solely in its capacity as Bank, for its own account. The District acknowledges and agrees that (i) the transaction contemplated herein is an arm's length commercial transaction between the District and the Bank, (ii) in connection with such transaction, the Bank is acting solely as a principal and not as an advisor including, without limitation, a "Municipal Advisor" as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and the related final rules (the "Municipal Advisor Rules"), (iii) the Bank is relying on the bank exemption in the Municipal Advisor Rules, (iv) the Bank has not provided any advice or assumed any advisory or fiduciary responsibility in favor of the District with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (whether or not the Bank, or any affiliate of the Bank, has provided other services or advised, or is currently providing other services or advising the District on other matters), (v) the Bank has financial and other interests that differ from those of the District, and (vi) the District has consulted with its own financial, legal, accounting, tax and other advisors, as applicable, to the extent it deemed appropriate.

Section 2.2. Covenants, Representations and Warranties of the Bank. The Bank makes the following covenants, representations and warranties to the District as of the date of the execution and delivery of this Agreement:

(a) The Bank has been duly organized and is validly existing as a California commercial bank, with full corporate power to enter into and undertake its duties and obligations hereunder and has sufficient knowledge and experience in financial and business matters, including

purchase and ownership of taxable and tax-exempt municipal obligations, to be able to evaluate the economic risks and merits of the 2023 Obligations.

- (b) The execution, delivery and performance of this Agreement has been duly authorized by all necessary corporate actions on the part of the Bank and do not require any further approvals or consents.
- (c) The Bank will deliver to the District a certificate or letter substantially in the form set forth in Exhibit B attached hereto.

ARTICLE III

TERMS OF THE 2023 OBLIGATIONS

Section 3.1. Authorization and Terms of the 2023 Obligations.

(a) The 2023 Obligations shall be designated “Rancho Adobe Fire Protection District, Series 2023 Installment Sale Obligations (Facilities Improvement Project).” The entire issue of the 2023 Obligations is deemed purchased by the Bank in the aggregate amount of \$563,500 pursuant to the 2023 Lease Agreements (the “Obligation Proceeds”), and is evidenced by the Note, initially registered in the name of the Bank, in substantially the form attached hereto as Exhibit C with necessary or appropriate variations, omissions and insertions as permitted or required by this Agreement.

(b) The 2023 Obligations shall be dated the Closing Date and shall bear interest at the Interest Rate of 4.350% per annum (calculated on the basis of a 360-day year of twelve 30-day months). The 2023 Obligations shall bear interest from the Closing Date to each Payment Date as such is set forth in Exhibit A hereto, as may be amended from time to time, including any prepayment thereof pursuant to Section 3.4 or 3.5 hereof.

(c) So long as there has occurred and is continuing an Event of Default, the interest under this Agreement shall accrue, at the option of the Bank, at the Default Rate. From and after the Date of Taxability, if applicable, the interest rate with respect to the Obligation Payments shall increase to the Taxable Rate.

(d) The 2023 Obligations shall be payable as to principal and interest in legal tender of the United States of America.

(e) On the Closing Date, the Bank transferred the 2023 Obligation Proceeds as set forth in Section 3.2 below.

Section 3.2. Deposit and Application of Obligation Proceeds. The District has established and maintained an account that is designated as the “Project Fund” pursuant to the Project Fund Agreement. The District hereby confirms that \$550,000 of the Obligation Proceeds were immediately deposited into the Project Fund on the Closing Date.

Section 3.3. Construction of the Project. The District agrees to supervise and provide for the Acquisition and Construction of the Project in accordance with the Project Fund Agreement as well as the corresponding plans and specifications, purchase orders, construction contracts and other documents relating thereto and approved by the District under all applicable requirements of law. The failure by the District to complete the Project by its expected completion date shall not constitute an Event of Default hereunder or a grounds for termination hereof. The District shall maintain accurate records identifying the Project and each component thereof. Upon the completion of the Project, the District shall file a Certificate with the Bank and Corporation stating that the Project has been completed and identifying the amount (if any) to be retained in the Project Fund to pay remaining costs of the Project.

Section 3.4. Optional Prepayment. The District shall have the option to prepay all or a portion of the principal components of the Obligation Payments, plus accrued but unpaid interest to the date of said prepayment date, on August 1, 2026 or on any date thereafter, at a prepayment price equal to the principal amount of Obligation Payments to be prepaid without premium thereon.

Said option shall be exercised by the District by giving written notice to the Bank and the Corporation of the exercise of such option at least thirty (30) days prior to said date of prepayment.

Section 3.5. Prepayment upon Casualty Loss or Governmental Taking. At the District's option, and upon thirty (30) days' prior written notice to the Bank, the 2023 Obligations shall be subject to prepayment as a whole or in part on any date, from the Net Proceeds of casualty insurance or a governmental taking of a District facility or portions thereof by eminent domain proceedings, under the circumstances and upon the conditions and terms prescribed herein, at a prepayment price equal to the sum of the principal prepaid plus accrued interest thereon to the date fixed for prepayment, without premium. In the event the District prepays less than all of the remaining Principal Components of the Obligation Payments pursuant to this Section 3.5, the amount of such prepayment shall be applied by the Bank to the outstanding Principal Components in inverse order of maturity, unless otherwise requested by District and agreed to by Bank in its reasonable discretion.

Section 3.6. Execution of the Agreement. The execution of this Agreement by an Authorized Representative shall constitute conclusive evidence of such officers' and the Board's approval hereof, including any changes, insertions, revisions, corrections, or amendments as may have been made hereto.

Section 3.7. Term of the Agreement. The Term of this Agreement and the 2023 Obligations shall commence on the Closing Date and shall end on the date on which the 2023 Obligations shall be paid in full or provision for such payment shall be made as provided herein.

Section 3.8. Assignment by the Bank. The Bank's right, title and interest in and to this Agreement and the Note, with prior written notice to the District, may be assigned and reassigned to one or more assignees or sub-assignees by Bank, without the necessity of obtaining the consent of District; provided that such assignment shall not result in more than thirty-five (35) assignees or sub-assignees of the Bank's rights and interests in this Agreement and the Note, or that such assignment shall not result in the creation of any interest in this Agreement and the Note in an

aggregate principal amount that is less than one hundred thousand dollars (\$100,000); and further provided that Bank has filed with the District at least five Business Days' prior written notice thereof along with an executed copy of a letter addressed to the District and the Bond Counsel substantially in the form of the Purchaser Letter delivered by the Bank on the Closing Date attached hereto as Exhibit B, other than with respect to assignment by the Bank to an affiliate.

The District shall pay all Obligation Payments hereunder to the Bank, as provided in Section 4.2 hereof, or under the written direction of the assignee named in the most recent assignment or notice of assignment filed with the District. Any assignment of the Note in accordance with this Section 3.7 shall, without further action, be deemed to assign the Bank's interest under this Agreement. The District and Bank shall each keep a complete and accurate record of any such assignment.

Section 3.9. 2023 Obligations Register. The District will keep or cause to be kept, sufficient books for the registration and transfer of the 2023 Obligations which shall be open at all reasonable times with reasonable prior notice during normal business hours of the District; and, upon presentation, the District shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, the 2023 Obligations.

Section 3.10. No CUSIP Numbers; No Rating; No DTC; No Offering Document. The 2023 Obligations shall not bear CUSIP numbers, shall not be rated by any rating agency, shall not be held by The Depository Trust Company, and shall not be offered pursuant to any offering document.

ARTICLE IV

SECURITY

Section 4.1. Pledge and Application of Revenues. The District hereby irrevocably pledges all of the Revenues along with amounts on deposit in the General Fund to the punctual payment of the Obligation Payments. The District agrees that, as long as any of the 2023 Obligations remain Outstanding, all of the Revenues shall be deposited as soon as practicable upon receipt in the District's General Fund. This pledge shall constitute a first lien on the Revenues for the payment of the 2023 Obligations in accordance with the terms hereof, and is on a parity with the pledge, lien and security interest which secures Parity Obligations, if any.

Section 4.2. Repayment of the 2023 Obligations. The District hereby agrees to repay the 2023 Obligations from Revenues in the aggregate principal amount of \$563,500 together with interest (calculated at the rate of 4.350%, on the basis of a 360-day year of twelve 30-day months) on the unpaid principal balance thereof, payable in semi-annual Obligation Payments in the respective amounts and on the respective Obligation Payment Dates specified in Exhibit A hereto, and by this reference made a part hereof. From and during the continuance of an Event of Default, the 2023 Obligations shall, at the option of Bank and with written notice to the District, bear interest at the Default Rate.

Pursuant to Section 5451 of the Government Code of the State of California, the pledge of the Revenues by the District for the repayment of the principal of, premium, if any, and interest

components of the Obligation Payments constitutes a first lien and security interest which immediately attaches to such Revenues, and is effective and binding against the District, its successors, creditors and all others asserting rights therein irrespective of whether those parties have notice of the pledge, irrespective of whether such amounts are or may be deemed to be a fixture and without the need for physical delivery, recordation, filing or further act.

So long as the 2023 Obligations are owned by the Bank, all principal and interest payments with respect to the 2023 Obligations shall be made by wire transfer or other mutually agreeable form of transfer, in accordance with wire instructions provided by the Bank from time to time.

Section 4.3. Revenues; Flow of Funds. The District has previously established the General Fund, which the District agrees to continue to hold and maintain for the purposes and uses set forth in this Agreement. The District shall deposit all Revenues in the General Fund immediately upon receipt for as long as the 2023 Obligations remain outstanding. The District hereby covenants and agrees that all Revenues, when and as received, will be received and held by the District in trust for the benefit of the Bank and owners of any Parity Obligations, and will be disbursed, allocated and applied to pay when due the following amounts in the following order of priority:

(i) **Interest.** On each Obligation Payment Date on which the interest component of the 2023 Obligations and any outstanding Parity Obligations is payable, all moneys in the General Fund shall be used and withdrawn by the District for the purpose of paying interest on the 2023 Obligations and any outstanding Parity Obligations as it shall become due and payable (including accrued interest on the 2023 Obligations if purchased or redeemed prior to maturity pursuant to this Agreement). In the event that the amounts on deposit in the General Fund on any Obligation Payment Date are insufficient for any reason to pay the aggregate amount of interest then coming due and payable on the outstanding 2023 Obligations and any outstanding Parity Obligations, the District shall apply such amounts to the payment of interest on each of the outstanding 2023 Obligations and Parity Obligations on a pro rata basis.

(ii) **Principal.** On each Obligation Payment Date on which the principal component of the 2023 Obligations and any outstanding Parity Obligations is payable, all moneys in the General Fund shall be used and withdrawn by the District for the purpose of paying the principal of the 2023 Obligations and any outstanding Parity Obligations at the maturity date or upon redemption, as the case may be. In the event that the amounts on deposit in the General Fund on each Obligation Payment Date on which the principal component of the 2023 Obligations and any outstanding Parity Obligations is payable are insufficient for any reason to pay the aggregate amount of principal then coming due and payable on the 2023 Obligations and any outstanding Parity Obligations, the District shall apply such amounts to the payment of principal on each of the 2023 Obligations and any outstanding Parity Obligations on a pro rata basis.

(iii) The District shall establish and maintain a Redemption Account, amounts in which shall be used and withdrawn by the District solely for the purpose of paying the principal of and premium (if any) on the Principal Components to be redeemed pursuant to Section 3.4 or 3.5 hereof.

(iv) To the trustee or appropriate fiduciary, the amount of any deficiency in any reserve fund established for any Parity Obligations, the notice of which deficiency has been given to the District in accordance with the related Parity Obligation Instrument.

(v) Any other payments required to comply with the provisions of this Agreement and any respective Parity Obligation Instrument.

(vi) After the above disbursements have been satisfied, and so long as no Event of Default has occurred and is continuing, the District may use and apply moneys in the General Funds for (i) the payment of all Maintenance and Operation Costs of the District, (ii) the payment of any respective Subordinate Debt or any unsecured obligations, (iii) the acquisition and construction of improvements to the District, (iv) the prepayment of any other obligations of the District, or (v) any other lawful purposes of the District.

Section 4.4. No Preference or Priority. Payment of the Obligation Payments and the principal of and interest on any Parity Obligations shall be made without preference or priority. If the amount of Revenues on deposit in the General Fund is any time insufficient to enable the District to pay when due the Obligation Payments and the principal of and interest on any applicable Parity Obligations, such payments will be made on a pro rata basis.

Section 4.5. Special Obligation of the District; 2023 Obligations Absolute. The District's obligation to pay the Obligation Payments shall be a special obligation of the District limited solely to Revenues and amounts on deposit in the General Fund. Under no circumstances shall the District be required to advance moneys derived from any source of income other than Revenues and other sources specifically identified herein for the payment of the Obligation Payments, nor shall any other funds or property of the District be liable for the payment of the Obligation Payments. Notwithstanding the foregoing provisions of this Section, however, nothing herein is intended to prohibit the District voluntarily from making any payment hereunder from any source of available funds of the District. The obligations of the District to pay the Obligation Payments from Revenues, and to perform and observe the other agreements contained herein, shall be absolute and unconditional and shall not be subject to any defense or any right of setoff, counterclaim or recoupment arising out of any breach of the District, the Bank of any obligation to the District or otherwise, whether hereunder or otherwise, or out of indebtedness or liability at any time owing to the District by the Bank.

Until such time as all of the Obligation Payments shall have been fully paid or prepaid, the District (a) will not suspend or discontinue payment of any Obligation Payments, (b) will perform and observe all other agreements contained in this Agreement, and (c) will not terminate this Agreement for any cause, including, without limiting the generality of the foregoing, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to District facilities, sale of District facilities, the taking by eminent domain of title to or temporary use of any component of District facilities, commercial frustration of purpose, any change in the tax or other laws of the United States of America or the State or any political subdivision of either thereof or any failure of the Bank to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Agreement.

ARTICLE V

COVENANTS OF THE DISTRICT

Section 5.1. Operation and Maintenance of the District. The District will maintain and preserve the Fire Protection and Emergency Services System and its assets in good repair and working order at all times and will operate the District in an efficient and economical manner and will pay all Maintenance and Operation Costs of the Fire Protection and Emergency Services System as they become due and payable.

Section 5.2. Against Sale or Other Disposition of Property. The District will not sell, lease, or otherwise dispose of District facilities that are essential to the proper operation of the District or to the maintenance of Revenues and Net Revenues. The District will not enter into any agreement or lease that impairs the operations of the District necessary to secure adequate Gross Revenue and Net Revenues for the payment of the 2023 Obligations or that would otherwise impair the rights of the District with respect to the Revenues and Net Revenues or the operation of the Fire Protection and Emergency Services System. Any real or personal property that has become nonoperative or that is not needed for the efficient and proper operation of the District, or any material or equipment that has become worn out, may be sold at not less than the fair market value thereof. The District shall deposit the proceeds of such sale in the General Fund. Nothing herein shall restrict the ability of the District to sell any portion of the Fire Protection and Emergency Services System if such portion is immediately repurchased by the District (or other entity required as part of a financing structure) and if such arrangement cannot by its terms result in the purchaser of such portion of the Fire Protection and Emergency Services System exercising any remedy which would deprive the District of or otherwise interfere with its right to own and operate such portion of the Fire Protection and Emergency Services System or interfere with its right to collect the Revenues therefrom.

Section 5.3. Rates, Fees, and Charges.

(a) **Covenant to Maintain Revenues.** The District shall, to the extent permitted by law, assess, fix, prescribe, revise and/or collect (to the extent possible and feasible, at the District's discretion) rates, fees, taxes, assessments and charges for District services and facilities (and/or to reduce costs and expenses, as necessary) during each Fiscal Year to ensure that Revenues are at least sufficient, after making allowances for contingencies and error in the estimates, to yield Revenues sufficient to pay 100% of the following amounts in the following order of priority:

- (i) Debt Service on Outstanding 2023 Obligations and Parity Obligations and Equipment Leases in such Fiscal Year;
- (ii) all Maintenance and Operation costs due and payable in such Fiscal Year;
- (iii) all other payments required for compliance with this Agreement and the Parity Obligation Instruments pursuant to which any Parity Obligations shall have been issued; and
- (iv) all payments required to meet any other obligations of the District which are charges, liens, encumbrances upon or payable from the Revenues.

(b) **Covenant to Maintain Net Revenues.** The District shall also, to the extent permitted by law, assess, fix, prescribe, revise and/or collect (to the extent possible and feasible, at the District's discretion) rates, taxes, fees, assessments and charges for District services and facilities (and/or to reduce costs and expenses, as necessary) during each Fiscal Year as necessary to maintain compliance with the Debt Service Coverage Requirement for each such Fiscal Year.

For the purpose of computing the amount of Revenues for any Fiscal Year or the amount of Net Revenues for any Fiscal Year for purposes of the preceding paragraph, the District shall be permitted to transfer amounts on deposit in the Rate Stabilization Fund for purposes of such computation, such transfers may be made until (but not after) one hundred eighty (180) days after the end of such Fiscal Year.

The District may make adjustments from time to time in such rates and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates and charges then in effect unless the Net Revenues from such reduced rates and charges will at all times be sufficient to meet the requirements of this section.

(c) **Debt Service Coverage Violation Does Not Trigger Default on 2023 Obligations.** So long as the District makes due and timely payment of Debt Service on all Outstanding 2023 Obligations and Parity Obligations, any failure of the District to meet the Debt Service Coverage Requirement in any given Fiscal Year shall not cause a Default on the 2023 Obligations. To the extent, however, that the District fails to satisfy the Debt Service Coverage Requirement for two consecutive Fiscal Years (even though it has made due and timely payment of Debt Service on all Outstanding 2023 Obligations and Parity Obligations) the District hereby covenants that it will hire an Independent Consultant to review the Revenues and expenses of the District, and will (i) abide by such consultant's recommendations to revise the schedule of rates, assessments, taxes, fees and charges (to the extent possible and feasible, at the District's discretion) to increase Revenues, and/or to reduce any Operation and Maintenance Costs insofar as practicable, and (ii) take such other actions as are reasonably necessary (to the extent possible and feasible, at the District's discretion) so as to produce Net Revenues to cure such violation for future compliance..

(d) **Rate Stabilization Fund.** The District has the right at any time to establish a rate stabilization fund (the "Rate Stabilization Fund") to be held by it and administered in accordance with this Section 5.3(e) or comparable provisions within applicable Parity Obligation Instruments, for the purpose of stabilizing the rates and charges imposed by the District with respect to the Fire Protection and Emergency Services System. From time to time the District may deposit amounts in the Rate Stabilization Fund, from any source of legally available funds, including but not limited to Net Revenues that are released from the pledge and lien which secures the 2023 Obligations and any Parity Obligations, as the District may determine.

The District may, but is not required to, withdraw from any amounts on deposit in a Rate Stabilization Fund for the purpose of paying Debt Service coming due and payable in such Fiscal Year. Amounts so transferred from a Rate Stabilization Fund shall constitute Revenues for such Fiscal Year (except as otherwise provided herein). Amounts on deposit in a Rate Stabilization Fund shall not be pledged to or otherwise secure the 2023 Obligations or any Parity Obligations. The District has the right at any time to withdraw any or all amounts on deposit in a Rate Stabilization Fund and apply such amounts for any lawful purposes of the District.

Section 5.4. Collection of Rates and Charges. The District will always have in effect rules and regulations requiring each consumer or customer utilizing the District facilities and/or services to pay the rates, assessments, fees and charges applicable to such use or benefit received. Except in connection with the receipt of federal or State funding, the District will not permit any part of the Fire Protection and Emergency Services System or any facility thereof to be used or taken advantage of free of charge by any corporation, firm or person, or by any public agency (including the United States of America, the State and any city, county, district, political subdivision, public corporation or agency of any thereof).

Section 5.5. Reserved.

Section 5.6. Insurance. (a) The District will procure and maintain insurance on the District facilities with commercial insurers or through participation in a joint powers insurance authority, in such amounts, with such deductibles and against such risks (including accident to or destruction of the District facilities) as are usually insurable in accordance with industry standards with respect to similar fire district facilities.

In the event of any damage to or destruction of District facilities caused by the perils covered by such insurance, the proceeds of such insurance shall be applied to the repair, reconstruction or replacement of the damaged or destroyed portion of the District facilities. The District shall cause such repair, reconstruction or replacement to begin promptly after such damage or destruction shall occur and to continue and to be properly completed as expeditiously as possible, and shall pay out of the proceeds of such insurance all costs and expenses in connection with such repair, reconstruction or replacement so that the same shall be completed and the District facilities shall be free and clear of all liens and claims. If the proceeds received by reason of any such loss shall exceed the costs of such repair, reconstruction or replacement, the excess shall be applied to prepay the 2023 Obligations and any other Parity Obligations, on a pro rata basis, in the manner provided in Section 3.5 hereof and in the instruments authorizing such Parity Obligations.

Alternatively, if the proceeds of such insurance are sufficient to enable the District to retire all outstanding the 2023 Obligations and all Parity Obligations and all other amounts due hereunder, the District may elect not to repair, reconstruct or replace the damaged or destroyed portion of the District facilities, and thereupon such proceeds shall be applied to the prepayment of the 2023 Obligations and such Parity Obligations and to the payment of all other amounts due hereunder, and as otherwise required by the documents pursuant to which other Parity Obligations were issued.

(b) The District will procure and maintain commercial general liability insurance covering claims against the District for bodily injury or death, or damage to property, occasioned by reason of the ownership or operation of District facilities, such insurance to afford protection in such amounts and against such risks as are usually covered in connection with similar fire districts in California.

(c) The District will procure and maintain workers' compensation insurance against liability for compensation under the Workers' Compensation Insurance and Safety Act of California, or any act hereafter enacted as an amendment or supplement or in lieu thereof; such insurance to cover all persons employed in connection with the District.

(d) All policies of insurance required to be maintained herein shall provide that the Bank shall be given thirty (30) days' written notice of any intended cancellation thereof or reduction of coverage provided thereby.

(e) In lieu of obtaining insurance coverage as required by this Section, such coverage may, with the prior written consent of the Bank, be maintained by the District in the form of self-insurance. The District shall certify to the Bank that (i) the District has segregated amounts in a special insurance reserve meeting the requirements of this Section; (ii) an Insurance Consultant certifies annually, on or before July 1 of each year in which self-insurance is maintained, in writing to the Bank that the District's general insurance reserves are actuarially sound and are adequate to provide the necessary coverage; and (iii) such reserves are held in a separate trust fund by an "independent" trustee. Any statements of self-insurance shall be delivered to the Bank. The District shall pay or cause to be paid when due the premiums for all insurance policies required hereby.

The District shall cause the Bank to be named as an additional insured with respect to the District's liability insurance, and as a loss payee with respect to any property damage insurance. The District shall not allow any insurance to expire without thirty (30) days prior written notice to the Bank.

Section 5.7. Eminent Domain. If all or any part of the District facilities shall be taken by eminent domain proceedings, the resulting Net Proceeds thereof shall be applied as follows:

(a) If (1) the District delivers to the Bank a Certificate of the District showing (i) the estimated loss of annual Net Revenues, if any, suffered or to be suffered by the District by reason of such eminent domain proceedings, (ii) a general description of the additions, betterments, extensions or improvements to the District facilities proposed to be acquired by the District from any Net Proceeds, and (iii) an estimate of the additional annual Net Revenues to be derived from such additions, betterments, extensions or improvements, and (2) on the basis of such certificate, determines that the estimated additional annual Net Revenues will sufficiently offset the estimated loss of annual Net Revenues resulting from such eminent domain proceedings so that the ability of the District to meet its obligations hereunder will not be substantially impaired (which determination shall be final and conclusive); then the District shall promptly proceed with the acquisition of such additions, betterments, extensions or improvements substantially in accordance with such Certificate of the District and such Net Proceeds shall be applied for the payment of the costs of such acquisition, and any balance of such Net Proceeds not required by the District for such purpose shall be applied to prepay the Principal Components and the principal amount of any other Parity Obligations, on a pro rata basis, in the manner provided in Section 3.5 hereof and in the instruments authorizing such other Parity Obligations.

(b) If the foregoing conditions are not met, then such Net Proceeds shall be applied to prepay the Principal Components of the 2023 Obligations and the principal amounts of any other Parity Obligations, on a pro rata basis, in the manner provided in Section 3.5 hereof and in the instruments authorizing such other Parity Obligations.

Section 5.8. Additional Information. The District agrees to furnish to the Bank, promptly, from time to time, such information regarding the operations, financial condition and property of the District as the Bank may reasonably request.

Section 5.9. Compliance with Law and Contracts. The District will faithfully comply with, keep, observe, and perform all valid and lawful obligations or regulations now or hereafter imposed on its operation of the District by contract, or prescribed by any law of the United States of America or of the State of California, or by any officer, board, or commission having jurisdiction or control.

Section 5.10. Punctual Payment. The District will punctually pay the principal and interest to become due in respect of the 2023 Obligations, in strict conformity with the terms hereof, and will faithfully observe and perform all the agreements, conditions, covenants and terms contained herein required to be observed and performed by it, and will not rescind this Agreement for any cause.

Section 5.11. No Ratings; No Reoffering or Reissuance. The District shall not cause the 2023 Obligations or the Note to be (i) assigned a specific rating by any rating agency, (ii) reoffered or reissued pursuant to any type of official statement, private placement memorandum or other offering document, or (iii) placed or offered by a broker-dealer in the capacity of an underwriter or a placement agent.

Section 5.12. Protection of Security and Rights of the Bank. The District will preserve and protect the security of the 2023 Obligations and the rights of the Bank and will warrant and defend the Bank's rights against all claims and demands of all persons. From and after the Closing Date, the 2023 Obligations shall be incontestable by the District.

Section 5.13. Parity Obligations.

(a) So long as the 2023 Obligations are outstanding, the District shall not issue or incur any obligations payable from Revenues or Net Revenues senior or superior to the payment of Debt Service on the 2023 Obligations. The District may at any time issue Parity Obligations payable from Revenues on a parity with Debt Service on the 2023 Obligations to provide financing or refinancing for the District in such principal amount as shall be determined by the District. The District may issue or incur any such Parity Obligations subject to the following specific conditions, which are hereby made conditions precedent to the issuance and delivery of such Parity Obligations:

(1) No Event of Default shall have occurred and be continuing;

(2) The District delivers to the Bank prior to such incurrence a Certificate of the District (i) certifying that the issuance or incurrence of such Parity Obligations will not have any adverse effect on the tax-exempt status of any outstanding Parity Obligations, if applicable, and (ii) demonstrating that the estimated Debt Service Coverage Requirement (calculated to include Additional Revenues but without taking into account any amounts transferred into the General Fund from the Rate Stabilization Fund pursuant to Section 5.3(d) hereof) for the most recent Fiscal Year or as shown by the books of the District for any other 12-month period selected by the District ending not more than 90 days prior to

the date of issuance of such Parity Obligations, was at least equal to the Debt Service Coverage Requirement for such period when adjusted to include approximate annual debt service for such proposed Parity Obligations as if it had been outstanding during such period; and

(3) Except with respect to the 2023 Obligations, and at the District's sole discretion, there may be established from the proceeds of such Parity Obligations a reserve fund for the security of such Parity Obligations.

The provisions of subsection (a)(2) of this Section shall not apply to any Parity Obligations if, and to the extent that (i) all of the proceeds of such Parity Obligations (other than proceeds applied to pay costs of issuing such Parity Obligations and to make the reserve fund deposit required pursuant to subsection (a)(3) of this Section) shall be deposited in an irrevocable escrow held in cash or invested in Defeasance Securities for the purpose of paying the principal of and interest and premium (if any) on such outstanding Parity Obligations, and (ii) at the time of the incurring of such Parity Obligations, the District certifies in writing that maximum annual debt service on such Parity Obligations will not exceed Maximum Annual Debt Service on the outstanding Parity Obligations being refunded, and (iii) the final maturity of such Parity Obligations is not later than the final maturity of the Parity Obligations being refunded.

(b) In order to maintain the parity relationship of debt service payments on all Parity Obligations permitted hereunder, the District covenants that all payments in the nature of principal and interest or reserve account replenishment with respect to any Parity Obligations, will be structured to occur semi-annually on February 1 and August 1, in each year as such payments are due with respect to the Debt Service payments, and reserve account replenishment with respect to any Parity Obligations will be structured to occur within one year, and to otherwise structure the terms of such Parity Obligations to ensure that they are in all respects payable on a parity with the Debt Service payments on the 2023 Obligations and all Parity Obligations, and not prior thereto.

(c) The Parity Obligations Document under which Parity Obligations is issued shall require that:

(i) An Event of Default under this Agreement shall constitute an event of default under such Parity Obligations Document;

(ii) An event of default under such Parity Obligations Document shall constitute an Event of Default under this Agreement;

(iii) Prior to exercising any remedies in an event of default under such Parity Obligations Document, the holders of such Parity Obligations (or a trustee representing their interest) shall be required to cooperate with the Bank and vice versa;

(iv) Remedies upon an event of default shall be substantially the same as the remedies provided in this Agreement and the 2021 Indenture, and, prior to exercising any such remedies, the holders of such Parity Obligations (or a trustee or insurer representing their interest) shall be required to cooperate with the Bank to the end that the interests of such holders and the Bank shall be equally protected;

(v) Interest on such Parity Obligations will be payable on February 1 and August 1 in each year of the term of such Parity Obligations, and the principal of such Parity Obligations will be payable annually on August 1 (or, alternatively, semiannually on February 1 and August 1) in any year in which principal is payable;

(vi) An opinion of Bond Counsel delivered to the Bank that the delivery of the Parity Obligations has been duly authorized by the District in accordance with this Agreement, and that the Parity Obligations will be legally valid and binding limited obligations of the District; and

(vii) The District will deliver to the Bank a Certificate of the District certifying that the conditions precedent to the issuance of such Parity Obligations set forth herein have been satisfied.

(d) Any collateral given or to be given to secure Parity Obligations (with the exception of Equipment Leases) shall also secure the 2023 Obligations on a pari passu basis.

(e) The District may at any time execute any Subordinate Obligations upon satisfaction of the conditions set forth in Section 5.13(a) above, but on a subordinate basis to the Obligation Payments and any outstanding Parity Obligations; and further provided that the District delivers to the Bank prior to such incurrence a Certificate of the District demonstrating that the estimated Debt Service Coverage Requirement for the most recent Fiscal Year or as shown by the books of the District for any other 12-month period selected by the District ending not more than 90 days prior to the date of issuance of such Subordinate Debt, was at least equal to the Required Subordinate Debt Service Coverage Requirement (rather than the Debt Service Coverage Requirement that is otherwise required for the incurrence of Parity Obligations) for such period when adjusted to include approximate annual debt service for such proposed Subordinate Debt as if it had been outstanding during such period.

Section 5.14. Against Encumbrances. The District hereby covenants and agrees that it shall not incur any obligations that are secured by a pledge and lien on the Revenues or Net Revenues that is senior to the pledge and lien on the Revenues and Net Revenues contained herein. The District will not make any pledge of or place any lien on the Revenues or Net Revenues except as provided herein. The District may pledge Revenues to secure Parity Obligations issued in accordance with Section 5.13 hereof. The District may at any time, or from time to time, issue evidences of indebtedness for any lawful purpose that are payable from and secured by a pledge of and lien on Revenues that is subordinate in all respects to the pledge of and lien on the Revenues provided herein.

Section 5.15. Further Assurances. The District will adopt, make, execute and deliver any and all further resolutions, instruments, and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance hereof and for the better assuring and confirming unto the Bank of the rights and benefits provided to it herein.

Section 5.16. Financial Reports.

(a) **Delivery of Financial Reports.** Promptly upon receipt by the District and in no event later than two hundred seventy (270) days after the close of each Fiscal Year (unless

otherwise agreed in writing by the Bank), the District will furnish, or cause to be furnished, to the Bank an audit report of an Independent Certified Public Accountant with respect to such Fiscal Year, covering the operations of the District for said Fiscal Year. Such audit report shall include statements of the status of each account pertaining to the District and Fire Protection and Emergency Services System, showing the amount and source of all deposits therein, the amount and purpose of the withdrawals therefrom and the balance therein at the beginning and end of said Fiscal Year.

(b) Delivery of Debt Service Coverage Compliance Certificate. Annually, concurrently with the delivery of the Financial Reports, the District shall provide the Bank a Certificate in substantially the form attached hereto as Exhibit E, certifying as to whether or not the Net Revenues for such Fiscal Year were equal to the Debt Service Coverage Requirement for such Fiscal Year, calculated as provided in Section 5.3 hereof. In addition, each Fiscal Year commencing 2023 the District shall deliver to the Bank, within thirty (30) days of its adoption, a copy of the District's adopted budget for the then current Fiscal Year. The District shall also deliver to the Bank a copy of any update to the District's budget adopted for a Fiscal Year with thirty (30) days of the adoption of such updated budget.

Section 5.17. Observance of Laws and Regulations. The District will well and truly keep, observe and perform or cause to be kept, observed and performed all valid and lawful obligations or regulations now or hereafter imposed on it by contract, or prescribed by any law of the United States, or of the State, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of any and every right, privilege or franchise now owned or hereafter acquired and enjoyed by the District, including the District's right to exist and carry on business as a California fire protection district, to the end that such rights, privileges and franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired.

Section 5.18. Budget. The District hereby covenants to take such action as may be necessary to include all Obligation Payments and all other amounts due hereunder in its annual budget and to make the necessary annual appropriations for all such Obligation Payments and all other amount due hereunder.

Section 5.19. Notices. The District shall provide to the Bank:

(a) Immediate notice by telephone, promptly confirmed in writing, of any event, action or failure to take any action which constitutes an Event of Default under this Agreement, together with a detailed statement by an Authorized Representative of the steps being taken by the District to cure the effect of such Event of Default.

(b) Prompt written notice (i) of any action, suit or proceeding or any investigation, inquiry or similar proceeding by or before any court or other governmental authority, domestic or foreign, against the District or the Revenues which involve claims equal to or in excess of \$500,000 or that seeks injunctive relief, or (ii) of any loss or destruction of or damage to any portion of the District's assets in excess of \$500,000.

(c) Prompt written notice of any Material Litigation, or any investigation, inquiry or similar proceeding by any Governmental Authority with respect to any matter that relates to or could impact Revenues.

(d) Promptly upon notice thereof, any termination or cancellation of any insurance policy which the District is required to maintain, or any uninsured or partially uninsured loss through liability or property damage, or through fire, theft or any other cause affecting the District property in excess of an aggregate of \$500,000.

(e) Promptly upon the occurrence of a Determination of Taxability.

(f) With reasonable promptness, such other information respecting the operations, affairs and financial condition of the District as the Bank may from time-to-time reasonably request.

Section 5.20. Observance of Laws and Regulations. The District will well and truly keep, observe and perform or cause to be kept, observed and performed all valid and lawful obligations or regulations now or hereafter imposed on it by contract, or prescribed by any law of the United States, or of the State, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of any and every right, privilege or franchise now owned or hereafter acquired and enjoyed by the District, including the District's right to exist and carry on business as a community services district, to the end that such rights, privileges and franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired.

Section 5.21. Private Activity Bond Limitation. The District shall assure that monies deposited pursuant to this Agreement are not so used as to cause this Agreement to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(d) of the Code.

Section 5.22. Federal Guarantee Prohibition. The District shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause this Agreement or the Interest Components of the 2023 Obligation Payments to be "federally guaranteed" within the meaning of section 149(b) of the Code.

Section 5.23. Maintenance of Tax Exemption. The District shall take all reasonable actions necessary to assure the exclusion of the Interest Components of the 2023 Obligation Payments from the gross income under the Code.

Section 5.24. Rebate Requirement. The District shall take any and all actions necessary to assure compliance with Section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government.

Section 5.25. No Arbitrage. The District shall not take any action with respect to the proceeds of the 2023 Obligations which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date this Agreement was entered into would have caused the 2023 Obligations to be an "arbitrage bond" within the meaning of Section 148 of the Code.

Section 5.26. Small Issuer Exemption from Bank Nondeductibility Restriction. The District hereby designates this Agreement for purposes of paragraph (3) of section 265(b) of the Code and hereby covenants that (i) this Agreement does not constitute private activity bonds as defined in section 141 of the Code, and (ii) not more than \$10,000,000 aggregate principal amount of obligations the interest on which is excludable (under section 103(a) of the Code) from gross income for federal income taxes (excluding, however, private activity bonds, as defined in section 141 of the Code, other than qualified 501(c)(3) bonds as defined in section 145 of the Code), including this Agreement, are reasonably anticipated to be issued by or on behalf of the District, including all subordinate entities of the District, during the calendar year 2023.

Section 5.27. Exemption from Rebate Requirement. The District is a governmental unit with the power to impose taxes of general applicability which, when collected, may be used for general purposes of the District; this Agreement does not constitute private activity bonds within the meaning of section 141 of the Code; and 95% of the net sale proceeds of the 2023 Obligations are to be used for local governmental activities of the District. The aggregate face amount (or, issue prices, in the case of issues with a net original issue discount or net original issue premium in excess of 2% of the principal amount of the issue) of all tax-exempt obligations (other than private activity bonds as defined in section 141 of the Code) issued by the District, including all subordinate entities of the District and all entities which may issue obligations on behalf of the District, during the calendar year during in which this Agreement is executed, is not reasonably expected to exceed \$5,000,000. By reason of the statements set forth in this section, the District does not anticipate the need to rebate excess investment earnings, if any, to the federal government.

ARTICLE VI

EVENTS OF DEFAULT AND REMEDIES

Section 6.1. Events of Default and Remedies.

(a) **Events of Default.** The following shall be Events of Default hereunder:

(1) Failure by the District to pay any Principal Component or Interest Component on the 2023 Obligations when due.

(2) Failure by the District to observe and perform any covenant, condition or agreement on its part contained herein, other than in clause (1) of this subsection (or as otherwise specifically provided for herein), for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the District by the Bank; *provided, however*, if in the reasonable opinion of the District the failure stated in the notice can be corrected, but not within such thirty (30) day period, the Bank shall not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the District within such thirty (30) day period and diligently pursued until the default is corrected.

(3) Default by the District under any Parity Obligation Instrument (or Subordinate Debt which requires or permits the immediate acceleration thereof).

(4) Institution of any proceeding under the United States Bankruptcy Code or any federal or state bankruptcy, insolvency, or similar law or any law providing for the appointment of a receiver, liquidator, trustee, or similar official of the District or of all or substantially all of its assets, by or with the consent of the District, or institution of any such proceeding without its consent that is not permanently stayed or dismissed within sixty (60) days, or agreement by the District with the District's creditors to effect a composition or extension of time to pay the District's debts, or request by the District for a reorganization or to effect a plan of reorganization, or for a readjustment of the District's debts, or a general or any assignment by the District for the benefit of the District's creditors.

(5) This Agreement or any material provision of this Agreement shall at any time for any reason cease to be the legal, valid and binding obligation of the District or shall cease to be in full force and effect, or shall be declared to be unenforceable, invalid or void, or the validity or enforceability thereof shall be contested by the District, or the District shall renounce the same or deny that it has any further liability hereunder.

(6) Dissolution, termination of existence or insolvency of the District.

(7) Any court of competent jurisdiction with jurisdiction to rule on the validity of any provision of this Agreement shall find or rule that this Agreement is not valid or not binding on the District.

(b) **Remedies on Default.** Whenever any Event of Default shall have happened and be continuing, the interest on the 2023 Obligations shall accrue, at the option of the Bank, at the Default Rate to the extent permitted by law, and, additionally, the Bank shall have the right, at its option upon notice to the District, to declare the unpaid aggregate Principal Components of the 2023 Obligations, and the interest accrued thereon, to be immediately due and payable, whereupon the same shall immediately become due and payable.

The Bank shall also have the right, at its option upon notice to the District, to (i) apply to and obtain from any court of competent jurisdiction such decree or order as may be necessary to require officials of the District to charge and collect rates and/or make reductions in expenses and services provided by the District sufficient to meet all requirements of this Agreement, and (ii) take whatever action at law or in equity as may appear necessary or desirable to collect the Obligation Payments then due or thereafter to become due during the Term of this Agreement, or enforce performance and observance of any obligation, agreement or covenant of the District under this Agreement.

Section 6.2. Application of Funds Upon Acceleration. Upon the date of the declaration of acceleration as provided in Section 6.1, all Revenues thereafter received by the District shall be applied in the following order:

First, to the payment of the fees, costs and expenses incurred and necessary to protect the interests of the Bank and the holders of Parity Obligations, including the reasonable fees, costs and expenses of the Bank and any trustee, paying agent or holder of

Parity Obligations in connection with such declaration, including reasonable compensation to their respective accountants and counsel; and

Second, to the payment of the entire unpaid aggregate Principal Components of the 2023 Obligations and the accrued interest thereon and any unpaid Parity Obligations, with interest on the overdue payments at the rate or rates of interest applicable to the 2023 Obligations and any such Parity Obligations if paid in accordance with their respective terms, and, if the amount available shall not be sufficient to pay in full the whole amount so due and unpaid, then to the payment thereof ratably, without preference or priority, according to the amounts due respectively, to the Persons entitled thereto without any discrimination or preference.

Section 6.3. Other Remedies of the Bank. The Bank shall have the right:

- (a) by mandamus or other action or proceeding or suit at law or in equity to enforce its rights against the District;
- (b) by suit in equity to enjoin any acts or things that are unlawful or violate the rights of the Bank; or
- (c) by suit in equity upon the happening of an Event of Default to require the District and its Board members, officers and employees to account as the trustee of an express trust.

Notwithstanding anything contained herein the Bank shall have no security interest in or mortgage on the Fire Protection and Emergency Services System and default hereunder shall not result in the loss of the Fire Protection and Emergency Services System.

Section 6.4. Non-Waiver. Nothing in this article or in any other provision hereof, or in the 2023 Obligations, shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the principal of and interest on the 2023 Obligations to the Bank when due, as herein provided, out of the Revenues herein pledged for such payment, or shall affect or impair the right of the Bank, which is also absolute and unconditional, to institute suit to enforce such payment by virtue of the contract embodied in this Agreement.

A waiver of any default or breach of duty or contract by the Bank shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Bank to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Bank by law or by this article may be enforced and exercised from time to time and as often as shall be deemed expedient by the Bank. If any action, proceeding or suit to enforce any right or exercise any remedy is abandoned or determined adversely to the Bank, the District and the Bank shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

Section 6.5. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Bank is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity.

Section 6.6. Prosecution and Defense of Suits. The District shall promptly, upon request of the Bank or its assignee, from time to time take or cause to be taken such action as may be necessary or proper to remedy or cure any defect in or cloud upon the title to the Fire Protection and Emergency Services System whether now existing or hereafter arising and shall prosecute all such suits, actions and other proceedings as may be appropriate for such purpose.

ARTICLE VII

NOTICES

Section 7.1. Notices. All written notices under this Agreement shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice is effective either (a) upon actual receipt after deposit in the United States mail, postage prepaid, or (b) in any other case, upon actual receipt. The District or the Bank may, by written notice to the other parties, from time to time modify the address or number to which communications are given hereunder.

If to the District: Rancho Adobe Fire Protection District
 PO Box 1029
 Penngrove, CA 94951
 Attention: Fire Chief

If to the Bank: Westamerica Bank
 PO Box 1200, A-1B
 Suisun City, CA 94585-1200
 Attention: Credit Administration

ARTICLE VIII

AMENDMENTS; DISCHARGE; GENERAL AUTHORIZATION; EFFECTIVE DATE

Section 8.1. Amendments Permitted.

(a) This Agreement and the rights and obligations of the District and of the Bank may be modified or amended at any time by a written supplemental agreement entered into by the District and the Bank.

(b) From and after the time any supplemental agreement becomes effective pursuant to this Article, this Agreement shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties, and obligations under this Agreement and the Bank shall thereafter be determined, exercised, and enforced hereunder subject in all respects to such

modification and amendments, and all the terms and conditions of any such supplemental agreement shall be deemed to be part of the terms and conditions of this Agreement for any and all purposes.

Section 8.2. Discharge of Agreement.

(a) If the District shall pay or cause to be paid or there shall otherwise be paid to the Bank the principal of and the interest and the prepayment premium, if any, on the 2023 Obligations at the times and in the manner stipulated herein, then all agreements, covenants and other obligations of the District to the Bank hereunder shall thereupon cease, terminate and become void and be discharged and satisfied.

(b) This Agreement shall be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this section if (1) in case the 2023 Obligations are to be prepaid on any date prior to its final principal payment date, the District shall have mailed a notice of prepayment to the Bank, (2) there shall have been irrevocably deposited with the Bank (and pledged to the payment of the outstanding balance of the 2023 Obligations), or an escrow agent reasonably acceptable to the Bank, either money in an amount that shall be sufficient or Defeasance Securities, the interest on and principal of which when paid will provide money that, together with the money, if any, deposited with the Bank or such escrow agent at the same time, shall be sufficient to pay when due the interest to become due on the 2023 Obligations on and prior to the final principal payment date or prepayment date thereof, as the case may be, and the principal of and prepayment premiums, if any, on the 2023 Obligations on and prior to the final principal payment date or the prepayment date thereof, as the case may be, and (3) if the 2023 Obligations are not subject to prepayment within the next succeeding sixty (60) days, the District shall have mailed a notice to the Bank that the deposit required by clause (2) above has been made with the Bank or such escrow agent and that the 2023 Obligations are deemed to have been paid in accordance with this section and stating the principal payment dates or prepayment date, as the case may be, upon which money is to be available for the payment of the principal of and prepayment premiums, if any, on the 2023 Obligations.

Section 8.3. General Authorization. The Authorized Representatives of the District, and each of them individually, are hereby authorized and directed, for and in the name of and on behalf of the District, to execute and deliver any and all documents (including, but not limited to, this Agreement and the Note), to do any and all things and take any and all actions that may be necessary or advisable, in their discretion, in order to consummate the financing and to effect the purposes of this Agreement, the 2023 Obligations and the Resolution. All actions heretofore taken by officers, employees, and agents of the District that are in conformity with the purposes and intent of this Agreement, the 2023 Obligations and the Resolution are hereby approved, confirmed, and ratified.

Section 8.4. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Bank and the District and their respective successors and assigns.

Section 8.5. 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 8.6. Further Assurances and Corrective Instruments. The Bank and the District agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the expressed intention of this Agreement.

Section 8.7. Applicable Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. In the event of any legal action to enforce or interpret this Agreement, including any challenge to or review of arbitration, the sole and exclusive venue shall be a court of competent jurisdiction located in San Benito County, California, or the Northern District of California if moved to federal venue, and the parties hereto agree to and do hereby submit to such jurisdiction, notwithstanding Code of Civil Procedure section 394.

Section 8.8. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Section of this Agreement.

Section 8.9. Expenses. The fees and disbursements of Bond Counsel and municipal advisor, the cost of preparing the documentation, CDIAC fees and other miscellaneous expenses of the District incurred in connection with the 2023 Obligations shall all be the obligation of the District. The Bank shall have no responsibility for any expenses associated with the issuance of the 2023 Obligations, including, but not limited to, the expenses identified above as the obligation of the District.

Section 8.10. Agreement to Pay Attorneys' Fees and Expenses. The District will pay the Bank its reasonable attorney fees incurred and necessary to protect the Bank's interest subsequent to an Event of Default.

Section 8.11. Sovereign Immunity. The District does not enjoy any rights of immunity on the grounds of sovereign immunity in respect of its obligations under this Agreement or otherwise with respect to the Note. To the extent the District has or hereafter may acquire under any applicable law any rights to immunity from legal proceedings on the grounds of sovereignty, the District hereby waives, to the extent permitted by law, such rights to immunity for itself in respect of its obligations arising under or related to this Agreement or otherwise with respect to the Note.

Section 8.12. Judicial Reference.

(a) The Bank and the District hereby agree: (i) each proceeding or hearing based upon or arising out of, directly or indirectly, this Agreement or any document related thereto, any dealings between the District and the Bank related to the subject matter of this Agreement or any related transactions, and/or the relationship that is being established between the District and the Bank (hereinafter, a "Claim") shall be determined by a consensual general judicial reference (the "Reference") pursuant to the provisions of Section 638 et seq. of the California Code of Civil Procedure, as such statutes may be amended or modified from time to time; (ii) upon a written request, or upon an appropriate motion by either the Bank or the District, as applicable, any

pending action relating to any Claim and every Claim shall be heard by a single Referee (as defined below) who shall then try all issues (including any and all questions of law and questions of fact relating thereto), and issue findings of fact and conclusions of law and report a statement of decision. The Referee's statement of decision will constitute the conclusive determination of the Claim. The Bank and the District agree that the Referee shall have the power to issue all legal and equitable relief appropriate under the circumstances before the Referee; (iii) the Bank and the District shall promptly and diligently cooperate with one another, as applicable, and the Referee, and shall perform such acts as may be necessary to obtain prompt and expeditious resolution of all Claims in accordance with the terms of this Section 8.12; (iv) either the Bank or the District, as applicable, may file the Referee's findings, conclusions and statement with the clerk or judge of any appropriate court, file a motion to confirm the Referee's report and have judgment entered thereon. If the report is deemed incomplete by such court, the Referee may be required to complete the report and resubmit it; (v) the District and the District, as applicable, will each have such rights to assert such objections as are set forth in Section 638 et seq. of the California Code of Civil Procedure; and (vi) all proceedings shall be closed to the public and confidential, and all records relating to the Reference shall be permanently sealed when the order thereon becomes final.

(b) The parties to the Reference proceeding shall select a single neutral referee (the "Referee"), who shall be a retired judge or justice of the courts of the State of California, or a federal court judge, in each case, with at least ten (10) years of judicial experience in civil matters. The Referee shall be appointed in accordance with Section 638 of the California Code of Civil Procedure (or pursuant to comparable provisions of federal law if the dispute falls within the exclusive jurisdiction of the federal courts). If within ten (10) days after the request or motion for the Reference, the parties to the Reference proceeding cannot agree upon a Referee, then any party to such proceeding may request or move that the Referee be appointed by the Presiding Judge of the Monterey County Superior Court, or of the U.S. District Court for the Northern District of California. The Referee shall determine all issues relating to the applicability, interpretation, legality and enforceability of this Section 8.12.

(c) No provision of this Section 8.12 shall limit the right of either the Bank or the District, as the case may be, to (i) exercise such self-help remedies as might otherwise be available under applicable law, or (ii) obtain or oppose provisional or ancillary remedies, including without limitation injunctive relief, writs of possession, the appointment of a receiver, and/or additional or supplementary remedies from a court of competent jurisdiction before, after, or during the pendency of any Reference. The exercise of, or opposition to, any such remedy does not waive the right of the Bank or the District to the Reference pursuant to this Section 8.12(c).

(d) Promptly following the selection of the Referee, the District shall advance the estimated fees and costs of the Referee. In the statement of decision issued by the Referee, the Referee shall award costs, including reasonable attorneys' fees, to the prevailing party, if any, and may order the Referee's fees to be paid or shared by the parties to such Reference proceeding in such manner as the Referee deems just.

Section 8.13. Net-Net-Net Contract. This Agreement is a "net-net-net contract" and the District hereby agrees that the Obligation Payments are an absolute net return to the Bank, free and clear of any expenses, charges or set-offs whatsoever.

Section 8.14. District's Notice Filings Related to this Agreement for SEC Rule 15c2-

12. In connection with the District's compliance with any continuing disclosure undertakings (each, a "Continuing Disclosure Agreement") entered into by the District on and after February 27, 2019, pursuant to SEC Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), the Bank acknowledges that the District may be required to file with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, or its successor ("EMMA"), notice that the District has incurred obligations under this Agreement and notice of certain subsequent events reflecting financial difficulties in connection with this Agreement. The District agrees that it shall not file or submit, or permit to be filed or submitted, with EMMA any documentation that includes the following unredacted sensitive or confidential information about the Bank or its affiliates: address and account information of the Bank or its affiliate, e-mail addresses, telephone numbers, fax numbers, names and signatures of officers, employees and signatories of the Bank or its affiliates, or any account information for any related escrow agreement, unless otherwise required for compliance with the Rule or otherwise required by law. The District acknowledges that the Bank is not responsible for the District's compliance or noncompliance with the Rule or any Continuing Disclosure Agreement.

Section 8.15. 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.

[Signature Page to Follow on Next Page]

IN WITNESS WHEREOF, the Bank has caused this Agreement to be executed in its corporate name by its duly authorized officer; and the District has caused this Agreement to be executed in its name by its Authorized Representative, as of the date first above written.

WESTAMERICA BANK

By: _____
Russell Rizzardi, SVP/Chief Credit Administrator

RANCHO ADOBE FIRE PROTECTION DISTRICT

By: _____
Jeff Veliquette, Fire Chief

EXHIBIT A

OBLIGATION PAYMENT SCHEDULE*

<u>Obligation Payment Dates</u>	<u>Principal Components</u>	<u>Interest Components</u>	<u>Obligation Payments</u>
02/01/2024			
08/01/2024			
02/01/2025			
08/01/2025			
02/01/2026			
08/01/2026			
02/01/2027			
08/01/2027			
02/01/2028			
08/01/2028			
02/01/2029			
08/01/2029			
02/01/2030			
08/01/2030			
02/01/2031			
08/01/2031			
02/01/2032			
08/01/2032			
02/01/2033			
08/01/2033			
Totals	\$	\$	\$

* This Obligation Payment Schedule is based upon an interest rate of 4.350% and assumes that no prepayment or Event of Default has occurred or is continuing.

EXHIBIT B

\$563,500

**RANCHO ADOBE FIRE PROTECTION DISTRICT
SERIES 2023 INSTALLMENT SALE OBLIGATIONS
(FACILITIES IMPROVEMENT PROJECT)**

FORM OF PURCHASER LETTER

Rancho Adobe Fire Protection District
Penngrove, California

The Weist Law Firm
Los Gatos, California

This letter (this “Letter”) is to provide you with certain representations and agreements with respect to the above-referenced \$563,500 aggregate principal amount of the Rancho Adobe Fire Protection District, Series 2023 Installment Sale Obligations (Facilities Improvement Project), as evidenced by a Promissory Note, dated as of August 10, 2023 (the “Note,” and collectively, the “2023 Obligations”). The 2023 Obligations were approved by the Rancho Adobe Fire Protection District (the “District”) pursuant to Resolution No. R-8 2022/2023, as amended by Resolution No. R-7 2023/2024 on December 13, 2023 (collectively, the “Resolution”), and was executed and delivered pursuant to a Series 2023 Installment Sale Agreement, dated as of December 1, 2023, by and between Westamerica Bank, a California commercial bank (including its successors and assigns, the “Bank”), and the District (the “Agreement”). Capitalized terms not otherwise defined herein will have the meanings set forth in the Agreement.

The Bank hereby represents and warrants to you and agree with you as follows:

- (i) the Bank is duly organized, validly existing and in good standing under the laws of the United States of America and has the full legal right, power and authority to sign this Letter;
- (ii) the undersigned is a duly authorized, qualified, and acting officer of the Bank and is authorized to cause the Bank to make the representations and warranties contained herein on behalf of the Bank, and this Letter has been duly authorized, executed, and delivered by the Bank;
- (iii) the Bank has sufficient knowledge and experience in financial and business matters, including municipal and other tax-exempt and taxable obligations similar to the 2023 Obligations, to be able to evaluate the risks and merits of the obligation represented by the 2023 Obligations and is able to bear the economic risks of such obligation;
- (iv) the Bank understands that the neither the 2023 Obligations nor the Agreement have been registered with any federal or state securities agency or commission; and further understands that the 2023 Obligations and the Agreement (a) are not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state; (b) will not be listed in any stock or other securities exchange; and (c) will not carry a rating from any rating service;

(v) the Bank has made its own credit inquiry and analysis with respect to the District and the 2023 Obligations, and the Bank acknowledges that it has either been supplied with or has been given access to information to which a reasonable banking institution would attach significance in making lending and investment decisions, and the Bank has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the legal, physical and fiscal condition of the District, as well as the insurance, security and prepayment arrangements set forth in the Agreement and the 2023 Obligations, so that the Bank has been able to make an informed decision to purchase the 2023 Obligations;

(vi) the Bank understands and acknowledges that no official statement, offering memorandum or any disclosure document has been prepared, nor is any contemplated to be prepared, and that there is no reserve fund required for the 2023 Obligations;

(vii) the Bank understands and acknowledges it is purchasing the 2023 Obligations on a private placement basis, and it is not intended that the transaction be subject to the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended, and therefore the District has not undertaken, other than as provided in the Agreement, to provide to or for the benefit of holders of the 2023 Obligations financial or operating data or any other information with respect to the District or the 2023 Obligations on an ongoing basis, other than as specifically set forth in the Agreement;

(viii) the Bank has made its own inquiry and analysis with respect to the 2023 Obligations and the security therefore, and other material factors affecting the security and payment of the 2023 Obligations;

(ix) the Bank is either:

(a) an “accredited investor” as such term is defined in Section 2(15) of the Securities Act of 1933, as amended (the “Securities Act”); or

(b) a “qualified institutional buyer” as such term is defined in Rule 144A promulgated under the Securities Act;

(x) the Bank is purchasing the 2023 Obligations for its own account and not with present view toward resale or distribution, and has not offered, offered to sell, offered for sale or sold any of the 2023 Obligations by means of any form of general solicitation or general advertising, and the Bank is not an underwriter of the 2023 Obligations within the meaning of Section 2(11) of the Securities Act; *provided, however*, that the Bank reserves the right to sell, transfer, assign or redistribute the 2023 Obligations without the consent of the District in accordance with the Agreement and all applicable securities laws, but agrees that any such sale, transfer or redistribution by the Bank shall be:

(a) to any subsidiary of the Bank, any affiliate of the Bank, any entity arising out of any merger or consolidation of the Bank, or a trustee in bankruptcy of the Bank, as certified to the District by an officer of such transferee, but only to the extent allowable under the Securities Act;

(b) to any “accredited investor” (within the meaning of Section 2(15) of the 1933 Securities Act) or any “qualified institutional buyer” (within the meaning of Rule 144A promulgated under the Securities Act);

(c) to any bank, savings institution or insurance company (whether acting in a trustee or custodial capacity for any “accredited investor” as defined in clause (x), above, “qualified institutional buyer” as defined in clause (x), above, or on its own behalf as a “qualified institutional buyer” as defined in clause (x), above or an “accredited investor” as defined in clause (x), above), as certified to the District by an officer of such transferee; or

(d) to any trust or custodial arrangement each of the beneficial owners of which is required to be an “accredited investor” or “qualified institutional buyer” (as defined in clause (x), above);

(xi) the Bank recognizes that the 2023 Obligations involves significant risks, there is no established market for the 2023 Obligations and that none is likely to develop and, accordingly, the Bank is able and willing to bear the economic risk of the 2023 Obligations for an indefinite period of time;

(xii) the Bank further acknowledges that it is responsible for consulting with its advisors concerning any obligations, including, but not limited to, any obligations pursuant to federal and state securities and income tax laws it may have with respect to subsequent assignments or assignees of the 2023 Obligations if and when any such future disposition of the 2023 Obligations may occur;

(xiii) no person has made any direct or indirect representation or warranty of any kind to the Bank with respect to the economic return which may accrue to it. The Bank has consulted with its own tax counsel and other advisors with respect to the 2023 Obligations;

(xiv) the Bank acknowledges that The Weist Law Firm (“Bond Counsel”) is acting as bond counsel to the District, that Bond Counsel has no attorney-client relationship with the Bank, and that the Bank has sought legal advice from its own counsel to the extent it concluded legal advice was necessary, and further that the Bank has not sought or relied upon financial advice from Bond Counsel relating to its decision to purchase the 2023 Obligations; and

(xv) the Bank is not relying upon the District, Bond Counsel or any of their affiliates or employees for advice as to the merits and risks pertaining to the 2023 Obligations. The Bank has sought such accounting, legal and tax advice as it has considered necessary to make an informed lending decision.

IN WITNESS WHEREOF, the undersigned has executed this Letter as of the ___th day of _____, 20__.

By: _____

Title: _____

EXHIBIT C

FORM OF PROMISSORY NOTE

**THIS PROMISSORY NOTE IS SUBJECT TO THE TRANSFER RESTRICTIONS
SET FORTH IN SECTION 3.8 OF THE HEREINAFTER DEFINED AGREEMENT**

No. R-1

\$563,500.00

**RANCHO ADOBE FIRE PROTECTION DISTRICT
SERIES 2023 INSTALLMENT SALE OBLIGATIONS
(FACILITIES IMPROVEMENT PROJECT)
PROMISSORY NOTE**

INTEREST RATE: 4.350%

DATED DATE: August 10, 2023

MATURITY DATE: August 1, 2033

REGISTERED OWNER: WESTAMERICA BANK, a California commercial bank

PRINCIPAL AMOUNT: FIVE HUNDRED SIXTY-THREE THOUSAND, FIVE HUNDRED DOLLARS

The Rancho Adobe Fire Protection District (the “District”) for value received, hereby promises to pay to the registered owner named above, or registered assigns (the “Owner”), on the Maturity Date set forth above, unless prepaid prior thereto as hereinafter provided, the principal amount set forth above, and to pay interest on such principal amount from the Closing Date set forth above, or from the most recent Obligation Payment Date (as hereinafter defined) to which interest has been paid or duly provided for. Interest on the unpaid principal balance of this Note shall be payable semiannually on each February 1 and August, commencing February 1, 2024 (each, a “Obligation Payment Date”), at the interest rate set forth above, until the principal amount hereof is paid in full or made provision for such payment has been made; *provided, however*, that so long as there has occurred and is continuing an Event of Default (as defined in the Agreement described below), the interest shall accrue, at the option of the Owner, at the Default Rate interest to the extent permitted by law.

This Note evidences the obligations (the “2023 Obligations”) of the District under a Series 2023 Installment Sale Agreement, dated as of December 1, 2023 (as may be amended, the “Agreement”), between the District and Westamerica Bank, a California commercial bank (the “Bank”), which is being executed and delivered by the District to the Owner to finance the Project as described in the Agreement. The District is authorized to enter into the Agreement and to issue this Note in the aggregate principal amount of \$563,500 pursuant to Resolution No. R-8 2022/2023, adopted by the Board of Directors (the “Board”) of the District on June 21, 2023, as amended by Resolution No. R-7 2023/2024, adopted by the Board on December 13, 2023 (collectively, the “Resolution”).

Reference is made to the Agreement for the complete provisions thereof, and by acceptance hereof the Owner of this Note assents to said terms and conditions as if fully set forth herein. The Agreement is authorized under, and this Note is issued under, and both are to be construed in accordance with, the laws of the State of California.

Pursuant to Resolution and the Agreement, the principal of and interest on this Note are payable from Revenues (as defined in the Agreement), and funds held under the Agreement. The District has agreed in the Agreement to collect Revenues sufficient to pay the payments on the 2023 Obligations and this Note when due.

This Note is subject to optional prepayment as set forth in the Agreement. The Note is also subject to extraordinary prepayment in accordance with the Agreement.

This Note shall be registered in the name of the Owner hereof, as to both principal and interest. This Note may be transferred by the Owner hereof as provided in the Agreement. Each registration and transfer of registration of this Note shall be entered by the District in books kept by it for this purpose and authenticated by its manual signature upon the certificate of authentication endorsed hereon.

The Agreement and the rights and obligations of the District thereunder may be modified or amended as set forth therein. The principal of this Note is subject to acceleration upon a default as prescribed in the Agreement.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED by the District that all acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of this Note have existed, happened and been performed in due time, form and manner as required by law, and that the amount of this Note, together with all other indebtedness of the District, does not exceed any debt limit prescribed by the laws or Constitution of the State of California.

IN WITNESS WHEREOF, the District has caused this Note to be dated the Closing Date shown first above, to be signed by the manual signature of its Fire Chief and attested to by the manual signature of its Secretary, and has caused this Note to be dated as of the dated date set forth above.

RANCHO ADOBE
FIRE PROTECTION DISTRICT

By: _____
Jeff Veliquette, Fire Chief

ATTEST:

By: _____
Secretary

Recording Requested By:)
Rancho Adobe Fire Protection District)
)
WHEN RECORDED MAIL TO:)
The Weist Law Firm)
20 South Santa Cruz Ave., Ste. 300)
Scotts Valley, California 95030)
Attn: Cameron A. Weist, Esq.)
)

(DO NOT WRITE ABOVE LINE - SPACE FOR RECORDERS USE ONLY)

THIS DOCUMENT IS RECORDED FOR THE BENEFIT OF THE RANCHO ADOBE FIRE PROTECTION DISTRICT. THIS TRANSACTION IS EXEMPT FROM DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

TERMINATION AGREEMENT

Dated as of December 1, 2023

by and among the

RANCHO ADOBE FIRE PROTECTION DISTRICT

the

MUNICIPAL FINANCE CORPORATION

And

WESTAMERICA BANK

TERMINATION AGREEMENT

THIS TERMINATION AGREEMENT (this "Agreement"), dated as of December 1, 2023, is made by and among the RANCHO ADOBE FIRE PROTECTION DISTRICT, a fire protection district duly organized and existing under the laws of the State of California (the "District"), MUNICIPAL FINANCE CORPORATION, a corporation organized and existing under the laws of the State of California (the "Corporation"), and WESTAMERICA BANK, a state banking corporation organized and existing under the laws of the State of California (the Bank, and together with the Corporation and District, the "Parties").

WITNESSETH:

WHEREAS, the District and the Corporation have previously entered into a Site Lease, dated as of July 1, 2023 and recorded in the Official Records ("Official Records") of Sonoma County, California (the "County"), on August 10, 2023 as Instrument No. 2023037253 (the "Site Lease"), pursuant to which the District agreed to lease certain real property described therein, with existing improvements thereon (the "Property"), to the Corporation; and

WHEREAS, in connection therewith the Corporation subleased the Property to the District pursuant to a Lease Agreement, upon the terms and conditions contained therein, dated as of July 1, 2023, made by and between the Corporation, as sublessor, and the District, as sublessee, a Memorandum of which was recorded in the Official Records of the County on August 10, 2023 as Instrument No. 2023037254 (the "Lease Agreement"); and

WHEREAS, in connection therewith the Corporation and Bank entered into an Assignment Agreement, dated as of July 1, 2023 and recorded in the Official Records of the County on August 10, 2023 as Instrument No. 2023037255 (the "Assignment Agreement"); and

WHEREAS, the Site Lease, the Lease Agreement and the Assignment Agreement, are collectively referenced herein as the "Lease Documents;" and

WHEREAS, because the District and Bank have agreed to enter into an Installment Sale Agreement, dated as of December 1, 2023 (the "Installment Sale Agreement"), to take the place of the Lease Documents, the Parties now desire to provide for the termination of the Lease Documents as provided herein; and

NOW, THEREFORE, in consideration of the foregoing and for other consideration of receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

Section 1. Termination of Lease Documents.

By virtue of this Agreement, all obligations under the Lease Documents have ceased and terminated. In accordance with the foregoing, the undersigned parties hereby release and quit claim to the other all of their individual and collective interests, obligations, and benefits in the following agreements, which are hereby terminated and are of no further force or effect (except for the provisions which, by their terms, survive by virtue of the Installment Sale Agreement, but which do not affect real property):

(1) Site Lease, recorded August 10, 2023, as Instrument No. 2023037253, in the Official Records of the County;

(2) Lease Agreement, recorded by memorandum on August 10, 2023, as Instrument No. 2023037254, in the Official Records of the County; and

(3) Assignment Agreement, recorded by memorandum on August 10, 2023, as Instrument No. 2023037255, in the Official Records of the County.

From and after the date hereof, none of the parties shall have any further rights or obligations thereunder, other than any such obligations that are expressly stated to continue after the termination of such documents (except for the provisions which, by their terms, survive by virtue of the Installment Sale Agreement, but which do not affect real property).

Section 2. Recordation Hereof.

The District shall, at its expense, cause a copy of this Agreement to be recorded in the Sonoma County Recorder's Office.

Section 3. 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.

[Signature page to follow on next page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective officers, all as of the day and year first above written.

RANCHO ADOBE FIRE PROTECTION DISTRICT

By: _____
Jeff Veliquette, Fire Chief

MUNICIPAL FINANCE CORPORATION

By: _____
Stephan A. Morton, Vice President

ALL CAPACITY ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF SONOMA

On _____, before me, _____,
(Date) (Name and Title of officer)

personally appeared _____,
(Name of person signing)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of officer

(Seal)

ALL CAPACITY ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, before me, _____,
(Date) (Name and Title of officer)

personally appeared _____,
(Name of person signing)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of officer

(Seal)