



Tracy Rural County Fire Protection District

Board of Directors

Pete Reece
John Vieira
Jeff Ramsey
Matt Kopinski
Craig Miller

Clerk of the Board

Raychel Jackson

Board of Directors – Regular Meeting Agenda Tuesday, June 13, 2023 at 4:00 PM PST

Join Zoom Meeting

<https://us06web.zoom.us/j/82001668752?pwd=UmgreG5PRHh1MDJaaXBUEFhsNm1EQOT09>

Call In Number: [1 \(669\) 900 6833](tel:16699006833)

Meeting ID: 820 0166 8752

Passcode: 459515

**Location: 835 N. Central Avenue
Tracy, CA 95376
2nd Floor**

1. Roll Call and Pledge of Allegiance

2. Public Comment

Please, give your name, entity (if any), and address as well as what agenda item you wish to speak about to the Clerk of the Board so that your comments may be heard at the appropriate time. Comments must be limited to 3 minutes.

3. Consent Calendar

- 3.1 Adoption of the June 13, 2023 Agenda
- 3.2 Approval of the May 9, 2023 Minutes
- 3.3 Approval of the June 5, 2023 Special Closed Minutes
- 3.4 Approval of June Warrant List
- 3.5 May Monthly Check Register

4. Regular Agenda

- 4.1 Resolution 2023 – 07 Proposition 4 – Government Spending Limit Calculation for Fiscal Year 2023-2024
- 4.2 Approve to Open Investment Accounts with California Class
- 4.3 Review and Discuss Preliminary Budget for Fiscal Year 2023-2024
- 4.4 Discuss Proposed Sale Surplus Property Located at 22484 S. Seventh Street, Tracy, CA 95304
- 4.5 Receive Updated Information Regarding Station Maintenance Issues

5. Committee Reports

5.1 JPA Representative Report

6. Informational Update

6.1 Fire Chief's Update

7. Public Comment

For any items not on the agenda.

8. Board Member Comment

For any items not on the agenda and requests for future agenda items. No action will be taken on any questions or matters raised by the Board at this time.

9. Closed Session

9.1 Consult with Legal Counsel – Existing Litigation (*Tracy Rural Fire District v. San Joaquin County*, San Joaquin Superior Court Case No. 2020-9831). (California Government Code section 54956.9). one case.

9.2 Consult with Legal Counsel – Existing Litigation (*Tracy Rural Fire District v. San Joaquin Local Area Formation Commission*, San Joaquin Superior Court Case No. 2019-9687). (California Government Code section 54956.9). one case.

9.3 Consult with Legal Counsel – Existing Litigation (*Garcia, et al. v. Tracy Rural Fire District., Case No. STK-CV-UBC-2022-2826*). (California Government Code section 54956.9). one case.

10. Adjournment until Next Regular Session – July 11, 2023

Compliance with the Americans with Disabilities Act (US Code Title 42) – Assistance for Those with Disabilities: If you have a disability and need accommodation to participate in the meeting, please contact the Administration Office (209-834-7269) or email (raychel.jackson@tracyruralfire.org) at least 72 hours prior to the meeting to inform us of your needs and to determine if accommodation is feasible.



Tracy Rural County Fire Protection District

Board of Directors – Regular Meeting Minutes Tuesday, May 9, 2023 4:00 PM

1. Roll Call and Pledge of Allegiance

Chairman Reece called the meeting to order at 4:00 pm. All members present.

2. Public Comment

No Public Comment.

3. Consent Calendar

3.1 Adoption of the May 9, 2023 Agenda

3.2 Approval of the April 11, 2023 Minutes

3.3 Approval of May Warrant List

3.4 April Monthly Financials

- Motion was made by Vice-Chair Ramsey, seconded by Director Miller to accept Consent Calendar. Motion passed.

4. Regular Agenda

4.1 Review and Adopt Resolution 2023-05 to Contract with Berreth Law Group for General Legal Counsel Services

- Motion was made by Director Miller, seconded by Director Kopinski to approve Contract with Berreth Law Group to Serve as the General Legal Counsel for TRFD. Motion passed.

4.2 Review and Approve Resolution 2023 – 06 for Setting the Tax Rate Under Government Code §53978

- Motion was made by Vice Chair Ramsey, seconded by Director Kopinski to approve Setting the Tax Rate Under Government Code §53978 for FY 2023-2024. Motion passed.

4.3 Review and Adopt Preliminary Budget for Fiscal Year 2023-2024

- Motion was made by Vice Chair Ramsey, seconded by Director Miller to adopt the Preliminary Budget for FY 2023-2024. Motion passed.

4.4 Receive Updated Information Regarding Station Maintenance Issues

- No Action.

5. Committee Reports

5.1 JPA Representative Report

- Vice Chair Ramsey provided a report from the April 12, 2023 JPA Regular Board Meeting – board had a budget workshop to discuss the budget for FY 23-24; Vice Chair Ramsey also provided the JPA Board had a Special Closed Session on May 2, 2023, with nothing to report out; Vice Chair Ramsey mentioned the next Regular Board Meeting will be held May 10th to discuss the Battalion Chiefs be recognized in the TFFA.

6. Informational Update

6.1 Fire Chief's Update

- Chief Bradley provided the monthly report based on the Fire Chief Update dated May 9, 2023, that was provided to the Board of Directors and staff at the meeting.

7. Public Comment

No Public Comment.

8. Board Member Comment

Vice Chair Ramsey would like to discuss the future Station 98 location at a future board meeting.

9. Closed Session

No Action Taken.

10. Meeting Adjournment at 5:34 pm.

Raychel Jackson

Raychel Jackson, Clerk of the Board

May 10, 2023



Tracy Rural County Fire Protection District

Board of Directors – Special Closed Meeting Minutes Monday, June 5, 2023 10:00 AM

1. Roll Call and Pledge of Allegiance

Vice Chairman Ramsey called the meeting to order at 10:00 am. All Directors present.

2. Public Comment

No Public Comment.

3. Closed Meeting

3.1 Conference Involving Joint Powers Agency Pursuant to California Government Code Section 54956.96.

- Motion was made by Chairman Reece, seconded by Director Vieira to accept the tentative contact terms for the proposed pay increase for JPA fire personnel. Motion passed.

4. Reconvene to Regular Meeting

5. Meeting Adjournment at 10:53 am.

Raychel Jackson

Raychel Jackson, Clerk of the Board

June 6, 2023

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT -- 49501 -- June 13, 2023

| GENERAL OPERATING FUND | AMOUNT | ACCOUNT | VENDOR # |
|---|--------------------------|--|---|
| PETE REECE 30421 KOSTER ROAD TRACY, CA 95304 | \$ 300.00 | 6226010900 | 000010849 |
| MATT KOPINSKI 33969 S. KOSTER ROAD TRACY, CA 95304 | \$ - | 6226010900 | 0000101809 |
| CRAIG MILLER 5336 W. DURHAM FERRY ROAD Tracy, CA 95304 | \$ 100.00 | 6226010900 | 0000105820 |
| JEFF RAMSEY 27722 S. Bird Road TRACY, CA 95304 | \$ - | 6226010900 | 0000098549 |
| JOHN VIEIRA 19700 SOUTH LAMMERS ROAD TRACY, CA 95304 | \$ 100.00 | 6226010900 | 0000010852 |
| BERRETH LAW GROUP 2020 WEST KETTLEMAN LANE, SUITE E LODI, CA 95242 | \$ 2,590.50 \$ 621.60 | 6221005100 6221005120 6221005130 | W9 ATTACHED GOVERNANCE Litigation |
| Total | \$ 3,212.10 | | |
| Reed Smith LLP 101 Second Street, Suite 1800 San Francisco, CA 94105-3659 | \$ 2,352.00 | 6221005130 | 0000042598 |
| BERRETH LAW PRACTICE 1820 WEST KETTLEMAN LANE, SUITE F LODI, CA 95242 | \$ 4,662.00 | 6221005130 | W9 ATTACHED |
| | | | |
| | | | |
| | | | |
| TOTAL FOR GENERAL OPERATING FUND | \$ 10,726.10 | | |

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT -- 49501 -- June 13, 2023

| CAO RESERVE FUND 49591 | AMOUNT | ACCOUNT | VENDOR # |
|--|---------------|----------------|-----------------|
| Community First National Bank 215 Seth Child Rd. Manhattan, KS 66502 | | 6331000100 | . 0000102922 |
| | | | |
| | | | |
| | | | |
| TOTAL CAO FUND 49591 | \$ - | | |

SIGNATURES OF BOARD MEMBERS

PETE REECE, CHAIR

JOHN VIEIRA, DIRECTOR

MATT KOPINSKI, DIRECTOR

JEFF RAMSEY, VICE CHAIR

CRAIG MILLER, DIRECTOR

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT

Custom Transaction Detail Report

May 2023

| Date | Name | Memo | Account | Clr | Split | Amount |
|---------------|-----------------------------|----------------|------------------------|-----|-------------------|-------------------|
| May 23 | | | | | | |
| 05/01/2023 | CalPERS | | Bank of Stockton-Op... | X | PERS | -152.87 |
| 05/01/2023 | Paris Printing | | Bank of Stockton-Op... | X | Miscellaneous | -64.95 |
| 05/01/2023 | Patriot Pest Managment | | Bank of Stockton-Op... | X | -SPLIT- | -238.00 |
| 05/03/2023 | Pacific Gas & Electric | | Bank of Stockton-Op... | X | Station 3 | -1,224.73 |
| 05/03/2023 | Pacific Gas & Electric | | Bank of Stockton-Op... | X | Station 4 | -1,145.56 |
| 05/03/2023 | Pacific Gas & Electric | | Bank of Stockton-Op... | X | Station 5 | -636.98 |
| 05/03/2023 | Pacific Gas & Electric | | Bank of Stockton-Op... | X | Banta | -117.65 |
| 05/09/2023 | CSDA | | Bank of Stockton-Op... | X | Miscellaneous | -200.00 |
| 05/10/2023 | Special District Financi... | Reimburseme... | Bank of Stockton-Op... | X | -SPLIT- | -3,214.81 |
| 05/10/2023 | Special District Financi... | April Invoice | Bank of Stockton-Op... | X | Business Offic... | -4,593.75 |
| 05/10/2023 | Matthew Kopinski | April Stipend | Bank of Stockton-Op... | X | Kopinski, Matt | -600.00 |
| 05/10/2023 | Jeff Ramsey | April Stipend | Bank of Stockton-Op... | X | Jeff Ramsey | -400.00 |
| 05/10/2023 | | Deposit | Bank of Stockton-Op... | X | Other miscella... | 690.00 |
| 05/10/2023 | | Deposit | Bank of Stockton-Op... | X | Other miscella... | 454.32 |
| 05/11/2023 | JLT2 Electric | Inv 23.20 | Bank of Stockton-Op... | X | Station 2 - Banta | -546.35 |
| 05/11/2023 | EcoWater Systems | | Bank of Stockton-Op... | X | Station 3 | -59.00 |
| 05/11/2023 | AT&T | | Bank of Stockton-Op... | X | -SPLIT- | -160.65 |
| 05/11/2023 | Nor-Cal Plumbing | | Bank of Stockton-Op... | X | Station 3 | -1,025.00 |
| 05/11/2023 | City of Tracy | | Bank of Stockton-Op... | X | Station 5 | -338.60 |
| 05/16/2023 | CSDA | | Bank of Stockton-Op... | X | Seminars | -675.00 |
| 05/16/2023 | Microsoft Corporation | | Bank of Stockton-Op... | X | Miscellaneous | -99.00 |
| 05/17/2023 | Turning Point Technolo... | Inv. 2474 | Bank of Stockton-Op... | X | Miscellaneous | -172.50 |
| 05/19/2023 | Amazon | | Bank of Stockton-Op... | X | Miscellaneous | -30.14 |
| 05/19/2023 | Coy Parking | | Bank of Stockton-Op... | X | Miscellaneous | -2.00 |
| 05/23/2023 | Bowman & Berreth, LLP | | Bank of Stockton-Op... | X | -SPLIT- | -4,728.50 |
| 05/23/2023 | Van Unen Miersma Pro... | | Bank of Stockton-Op... | X | Station 3 | -1,662.79 |
| 05/23/2023 | Delta Disposal Service | | Bank of Stockton-Op... | X | -SPLIT- | -315.22 |
| 05/25/2023 | AT&T | | Bank of Stockton-Op... | X | Phone | -443.62 |
| 05/30/2023 | ProTech | | Bank of Stockton-Op... | X | Station 5 | -70.00 |
| May 23 | | | | | | -21,773.35 |

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT

Custom Transaction Detail Report

| <u>Date</u> | <u>Name</u> | <u>Memo</u> | <u>Account</u> | <u>Clr</u> | <u>Split</u> | <u>Amount</u> |
|---------------|---------------------------|-------------------|------------------------|------------|-------------------|------------------|
| May 23 | | | | | | |
| 05/01/2023 | R&S Erection Tri-Count... | Inv. 123183 | Bank of Stockton-Ca... | X | Station 4 | -417.50 |
| 05/01/2023 | JRC Custom Home Re... | | Bank of Stockton-Ca... | X | Station 2 - Banta | -671.28 |
| 05/12/2023 | L N CURTIS | Inv. 697270 & ... | Bank of Stockton-Ca... | X | -SPLIT- | -7,397.75 |
| 05/23/2023 | L N CURTIS | Inv.703404 | Bank of Stockton-Ca... | X | Equipment -Ne... | -350.86 |
| 05/31/2023 | | Interest | Bank of Stockton-Ca... | X | Interest | 50.37 |
| May 23 | | | | | | -8,787.02 |

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT

06/06/23

Balance Sheet

Accrual Basis

As of May 31, 2023

| | <u>May 31, 23</u> |
|---------------------------------|---------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| Bank of Stockton-Capital Outlay | 1,181,898.79 |
| Bank of Stockton-Operating | 942,403.08 |
| Bank of Stockton-Retirement | 115,636.27 |
| Fund 49501 - Operations | 1,607,081.06 |
| Fund 49512 - Retirement Buyout | 18,893.92 |
| Fund 49515 - Fire Facility Fees | 474,507.41 |
| Fund 49519 - Emergency Reserve | 2,038,738.00 |
| Fund 49591 - Capital Outlay Res | 694,708.61 |
| | <hr/> |
| Total Checking/Savings | 7,073,867.14 |
| | <hr/> |
| Total Current Assets | 7,073,867.14 |
| | <hr/> |
| TOTAL ASSETS | 7,073,867.14 |
| | <hr/> <hr/> |
| LIABILITIES & EQUITY | 0.00 |



**Tracy Rural County
Fire Protection District**

Agenda Item 4.1

STAFF REPORT

Meeting: Regular Meeting
Date: June 13, 2023
To: Board of Directors
Prepared by: Raychel Jackson, District Clerk
Approved by: Pete Reece, Chairperson

Re: Approve Resolution 2023-07 Proposition 4 – Government Spending Limit Calculation for FY 2023-2024

RECOMMENDATION

Action Item X Non-Action Item _____

Approve Proposed Government Spending limit calculation for fiscal year 2023-2024 in the amount of \$8,560,729.00.

BACKGROUND

In 1979, Proposition 4 (Gann Limit) was approved adding Article XIII B to the California Constitution. This was designed to constrain government expenditures by placing an annual limit on jurisdictions' revenue and appropriation growth. This allowance growth is increased annually by an inflation factor compromised of the changes in the population and cost of living of the unincorporated areas combined with the change in the California per capita personal income. Article XIII B applies to the State, all cities, counties, and special districts. Each governmental entity has its own appropriations limit. The Gann Limit is placed on appropriations growth from the prior year base.

DISCUSSION

The State of California Department of Finance is charged with providing the data necessary for local jurisdictions to establish their appropriations limit. According to the information provided, for purposes of FY2023-2024 calculation, the population for the unincorporated areas increased. California per capita personal income (Price Factor) increased by 4.44%. These figures were used in the formula to compute the limit. The calculated maximum Gann limit applicable to the FY2023-2024 appropriations of proceeds of tax for the Tracy Rural County Fire Protection District is \$8,560,729.00. See attached Calculation of Budget Limit for detailed calculation.



Tracy Rural County Fire Protection District

FISCAL IMPACT

None.

ATTACHMENTS

1. Calculation of Budget Limit
2. Resolution 2023-07 Proposition 4 - Government Spending Limit Calculation for Fiscal Year 2023-2024

| Calculation of Budget Limit | | |
|---|-------|--------------|
| Fire District Name: | TRACY | |
| Budget Limit to Be Established For Fiscal Year: | | 2023-2024 |
| Budget Limit - Current Year | | \$ 8,161,696 |
| Percentage Change in Per Capita Personal Income [CPCPI] | X | 104.44% |
| | | 8,524,075 |
| Population Change Factor | X | 100.43% |
| Budget Limit For the Coming Year | | \$ 8,560,729 |
| | | |
| | | |
| | | |



Tracy Rural County Fire Protection District

Resolution No. 2023-07

ESTABLISHING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2023-2024 PURSUANT TO ARTICLE XIII B OF THE CALIFORNIA STATE CONSTITUTION

WHEREAS, in November 1979, the California electorate did adopt Proposition 4, which added Article XIII B of the California Constitution;

WHEREAS, the provisions of the Article require the District to establish a maximum spending limitation for each fiscal year; and

WHEREAS, the Board of Directors approves to set the Gann Appropriations Limit for the Fiscal Year 2023/2024 to \$8,560,729.00;

NOW THEREFORE, BE IT RESOLVED, by the Board of Directors of the Tracy Rural County Fire Protection District that:

The District does hereby approve to set the GANN Appropriations Limit for the Fiscal Year 2023-2024 in the amount of \$8,560,729.00;

Motion passed.

Passed, approved, and adopted this 13th day of June, 2023.

Pete Reece, Chairman of the Board

ATTEST:

Raychel Jackson, Clerk of the Board



**Tracy Rural County
Fire Protection District**

Agenda Item 4.2

STAFF REPORT

Meeting: Regular Meeting
Date: June 13, 2023
To: Board of Directors
Prepared by: Raychel Jackson, District Clerk
Approved by: Pete Reece, Chairperson

Re: Approve Resolution 2023-08 To Open Investment Accounts with California Class

RECOMMENDATION

Action Item X Non-Action Item

Approve Resolution 2023-08 to open investment accounts with California Class.

BACKGROUND

In April 2023, the Board of Directors received a presentation from CSDA Finance and Administration Director Rick Wood to discuss the newly created California Class Joint Powers Authority Investment Pool in an effort to ascertain whether or not this would be an ideal alternative investment option for District funds. The Board has come to the conclusion that it would be in the District's best interest to establish an account with the CA Class Investment Pool as the current return rate is over 4%.

DISCUSSION

Currently the San Joaquin County Controller's Office holds the District's funds in various accounts and the District holds funds with Bank of Stockton. The District funds are not currently invested in any investment pools. The District receives a minimal percent for interest rate with Bank of Stockton and San Joaquin County.

There is flexibility with the CA Class Investment Pool that is not offered with either investment pools such as the ability to have multiple subaccounts if needed.

At this time, staff is recommending that the Board authorize the creation of an investment account with CA Class Investment Pool to allow more investment opportunities for District funds.



Tracy Rural County Fire Protection District

FISCAL IMPACTS

Potential for increased interest earned on invested funds.

ATTACHMENTS

1. California Class Handouts
2. Resolution 2023-08

What is California CLASS?

California Cooperative Liquid Assets Securities System (California CLASS) is a joint exercise of powers entity authorized under Section 6509.7, California Government Code. California CLASS is a pooled investment option that was created via a joint exercise of powers agreement by and among California public agencies. California CLASS offers public agencies a convenient method for investing in highly liquid, investment-grade securities carefully selected to optimize interest earnings while maximizing safety and liquidity. The California CLASS Prime and Enhanced Cash funds offer public agencies the opportunity to strengthen and diversify their cash management programs in accordance with the safety, liquidity, and yield hierarchy that provides the framework for the investment of public funds.

How is it governed and managed?

California CLASS is overseen and governed by a Board of Trustees. The Board is made up of public agency finance professionals who participate in California CLASS and are members of the Joint Powers Authority (JPA). The Board of Trustees has entered into an Investment Advisor and Administrator Agreement with Public Trust Advisors, LLC. Public Trust is responsible to the Board for all program investment and administrative activities as well as many of the services provided on behalf of the Participants.

How can we participate?

Enrolling in California CLASS is simple. Public agencies may become Participants simply by filling out the Participant Registration Form that can be found in the document center on the California CLASS website. Public agencies may submit the completed registration packet to California CLASS Client Services for processing at clientservices@californiaclass.com. To obtain account forms and fund documents, visit www.californiaclass.com/document-center/.

Endorsed By:



LEAGUE OF
**CALIFORNIA
CITIES**

www.calcities.org



**California Special
Districts Association**

Districts Stronger Together

www.csda.net

Participants benefit from the following:

- Same-day availability of funds in Prime Fund (11:00 a.m. PT cut-off)
- Deposits by wire or ACH
- Ratings of 'AAAm' & 'AAAf/S1'
- Prime fund transacts at stable NAV
- Portfolio securities marked-to-market daily
- Secure online access for transactions and account statements
- No withdrawal notices for Prime Fund
- Participant-to-Participant transactions
- Interest accrues daily and pays monthly
- No maximum contributions
- No minimum balance requirements
- No transaction fees*
- Annual audit conducted by independent auditing firm**
- Dedicated client service representatives available via phone or email on any business day

*You may incur fees associated with wires and/or ACH transactions by your bank, but there will be no transaction fees charged from California CLASS for such transactions.
**External audits may not catch all instances of accounting errors and do not provide an absolute guarantee of accuracy.



What are the objectives of California CLASS?

Safety

The primary investment objective of the California CLASS Prime fund is preservation of principal. Both California CLASS portfolios are managed by a team of investment professionals who are solely focused on the management of public funds nationwide. The custodian for California CLASS is U.S. Bank, N.A.

Liquidity

When you invest in the California CLASS Prime fund, you have access to your funds on any business day. You must notify California CLASS of your funds transaction requests by 11:00 a.m. PT via the internet or phone. There are no withdrawal notices for the daily-liquid California CLASS Prime fund. Enhanced Cash is a variable NAV fund that provides next-day liquidity and a one-day notification of withdrawal.

Competitive Returns

California CLASS strives to provide competitive returns while adhering to the objectives of safety and liquidity. Participants benefit from the investment expertise and institutional knowledge provided by the team of Public Trust professionals. Portfolio performance is strengthened by the extensive knowledge of California public agency cash flows that the Public Trust team possesses.

Ease of Use

To make cash management streamlined and efficient, California CLASS includes many features that make it easy to access account information and simplify record keeping. Participants can transact on any business day using the California CLASS phone number (877) 930-5213, fax number (877) 930-5214, email clientservices@californiaclass.com or via the California CLASS Online Transaction Portal at www.californiaclass.com.

Flexibility

You may establish multiple California CLASS subaccounts. You will receive comprehensive monthly statements that show all of your transaction activity, interest accruals, and rate summaries. These statements have been specifically designed to facilitate public sector fund accounting and to establish a clear accounting and audit trail for your records.

Legality

California CLASS only invests in securities permitted by California State Code Section 53601; permitted investments are further restricted to those approved by the Board of Trustees as set forth in the California CLASS Investment Policies.

Have Questions? Contact us or visit www.californiaclass.com for more information.



Bob Shull

Director, Investment Services
bob.shull@californiaclass.com
(213) 378-2070



Laura Glenn, CFA®

Senior Director, Investment Services
laura.glenn@californiaclass.com
(404) 822-8287



Brent Turner

Regional Director of Strategy
brent.turner@californiaclass.com
(303) 999-8190



Rodrigo Bettini

Director, Investment Services
rodrigo.bettini@californiaclass.com
(813) 820-0703

Any financial and/or investment decision should be made only after considerable research, consideration, and involvement with an experienced professional engaged for the specific purpose. **Past performance is not an indication of future performance. Any financial and/or investment decision may incur losses.** Please see the Information Statement for further details on the fee calculation and other key aspects about California CLASS. California CLASS Prime is rated 'AAAm' by S&P Global Ratings. A 'AAAm' rating by S&P Global Ratings is obtained after S&P evaluates a number of factors including credit quality, market price exposure, and management. For a full description on rating methodology, please visit www.spglobal.com. California CLASS Enhanced Cash is rated by 'AAA/SI' by FitchRatings. The 'AAAF' rating is Fitch's opinion on the overall credit profile within a fixed-income fund/portfolio and indicates the highest underlying credit quality of the pool's investments. The 'SI' volatility rating is Fitch's opinion on the relative sensitivity of a portfolio's total return and/or net asset value to assumed changes in credit spreads and interest rates. The 'SI' volatility rating indicates that the fund possesses a low sensitivity to market risks. For a full description on rating methodology, please visit www.fitchratings.com. Ratings are subject to change and do not remove credit risk.



A New Joint Powers Authority Investment Pool for California Public Agencies

www.californiaclass.com

ENDORSED BY



California Special Districts Association
Districts Stronger Together



LEAGUE OF CALIFORNIA CITIES



Diversify and Strengthen Your Public Funds Investment Program

- ✓ Endorsed by Cal Cities and CSDA
- ✓ Preservation of principal and access to liquidity
- ✓ Securities marked-to-market daily

- ✓ Same-day liquidity for Prime fund
- ✓ Next-day liquidity for Enhanced Cash fund
- ✓ No minimum balance requirements nor maximum contributions

- ✓ Managed to generate a competitive daily yield
- ✓ Prime fund for agency operating dollars and Enhanced Cash fund for reserves
- ✓ Ratings of 'AAAm' & 'AAAf/S1'

Learn more about investing for California public agencies, and contact us today.



Bob Shull
Director, Investment Services
bob.shull@californiaclass.com
(213) 378-2070



Laura Glenn, CFA®
Senior Director, Investment Services
laura.glenn@californiaclass.com
(404) 822-8287



Brent Turner
Regional Director of Strategy
brent.turner@californiaclass.com
(303) 999-8190



Rodrigo Bettini
Director, Investment Services
rodrigo.bettini@californiaclass.com
(813) 820-0703

Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses. California CLASS is rated 'AAAm' by S&P Global Ratings. A 'AAAm' rating by S&P Global Ratings is obtained after S&P evaluates a number of factors including credit quality, market price exposure, and management. For a full description on rating methodology, please visit www.spglobal.com. California CLASS Enhanced Cash is rated 'AAAf/S1' by FitchRatings. The 'AAAf' rating is Fitch's opinion on the overall credit profile within a fixed-income fund/portfolio and indicates the highest underlying credit quality of the pool's investments. The 'S1' volatility rating is Fitch's opinion on the relative sensitivity of a portfolio's total return and/or net asset value to assumed changes in credit spreads and interest rates. The 'S1' volatility rating indicates that the fund possesses a low sensitivity to market risks. For a full description on rating methodology, please visit www.fitchratings.com. Ratings are subject to change and do not remove credit risk. More information to come.

A JOINT POWERS AUTHORITY INVESTMENT POOL

Client-First & User-Friendly Cash Management Solutions Designed for Public Agencies of All Sizes

California CLASS provides Participants the following benefits:

- ✓ Robust and modern transaction portal
- ✓ Dedicated client service team equally committed to all public agencies
- ✓ Portfolios managed in accordance with California Government Code
- ✓ Transparent governance by Board of Trustees
- ✓ Portfolios marked-to-market with net asset value and yields posted to website daily

| Fund Option | Prime | Enhanced Cash |
|-----------------------|-------------------------|----------------------------|
| Portfolio Type | Prime-style fund | Enhanced cash |
| Purpose | Operating Funds | Strategic Reserves |
| Rating | 'AAAm' | 'AAAf/S1' |
| Min/Max Investment | None | None |
| Withdrawals | Unlimited | Unlimited |
| Investment Horizon | Day-to-Day | 12-18 Months |
| Liquidity | Same-Day | Next-Day |
| WAM | ≤60 days | 90-200 days |
| Net Asset Value (NAV) | Stable \$1.00 per share | Variable \$10.00 per share |

Learn more about building an optimal liquidity portfolio for your public agency; contact us today.



Bob Shull
Director, Investment Services
bob.shull@californiaclass.com
(213) 378-2070



Laura Glenn, CFA®
Senior Director, Investment Services
laura.glenn@californiaclass.com
(404) 822-8287



Brent Turner
Regional Director of Strategy
brent.turner@californiaclass.com
(303) 999-8190



Rodrigo Bettini
Director, Investment Services
rodrigo.bettini@californiaclass.com
(813) 820-0703

Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses. California CLASS is rated 'AAAm' by S&P Global Ratings. A 'AAAm' rating by S&P Global Ratings is obtained after S&P evaluates a number of factors including credit quality, market price exposure, and management. For a full description on rating methodology, please visit www.spglobal.com. California CLASS Enhanced Cash is rated 'AAAf/S1' by FitchRatings. The 'AAAf' rating is Fitch's opinion on the overall credit profile within a fixed-income fund/portfolio and indicates the highest underlying credit quality of the pool's investments. The 'S1' volatility rating is Fitch's opinion on the relative sensitivity of a portfolio's total return and/or net asset value to assumed changes in credit spreads and interest rates. The 'S1' volatility rating indicates that the fund possesses a low sensitivity to market risks. For a full description on rating methodology, please visit www.fitchratings.com. Ratings are subject to change and do not remove credit risk.

California
CLASS



California CLASS Registration Packet



Welcome to California CLASS

Thank you for choosing California CLASS!

We believe you have made a sound financial decision in choosing California Cooperative Liquid Assets Securities System (California CLASS). We look forward to being a trusted partner to your organization and its investment management goals and are excited to connect with you to make your investment process a positive, easy experience.

This packet contains all the materials necessary to set up your California CLASS account(s). If you have any questions about the registration process or about your California CLASS account(s), please do not hesitate to contact us. The California CLASS Client Service team can be reached any business day from 8:00 a.m. to 4:00 p.m. PT by phone at (877) 930-5213 or by email at clientservices@californiaclass.com.

Registration Procedures

To participate in California CLASS, please complete the following:

- 1) Review the Joint Exercise of Powers Agreement and the applicable Information Statements relating to the California CLASS Prime Fund and the Enhanced Cash Fund (located in the Document Center at www.californiaclass.com).
- 2) Complete the California CLASS Participant Representation Form (page 4).
- 3) Complete the Participant Registration (page 5).
- 4) Complete the Authorized Contacts Form (pages 6/7).
- 5) Should you be interested in participating in California CLASS Prime, complete the California CLASS Prime Fund Account(s) to be Established form; you may open as many accounts as you wish (page 8).
- 6) Should you be interested in participating in California CLASS Enhanced Cash, complete the California CLASS Enhanced Cash Fund Account(s) to be Established Form; you may open as many accounts as you wish (page 9).
- 7) Keep the original forms for your records and send the completed packet to the California CLASS Client Service team by fax (877) 930-5214 or by email clientservices@californiaclass.com.

Questions? Please contact us; we would love to hear from you:

California CLASS Client Service Team
T (877) 930-5213
clientservices@californiaclass.com

Through the California CLASS website, www.californiaclass.com, Participants will be regularly informed of important program information, holidays, upcoming Board meetings, Participant events, conferences, and more. Board of Trustee meetings, which are open to the public, are generally held quarterly and discuss relevant issues to the governance and operations of the California CLASS program.

Participant Representation Form

Participant Information

Entity Name (Participant) _____

Participant Representations

The undersigned Authorized Signer for the Participant hereby represents and warrants the following during the period the Participant is investing in the California CLASS Investment Program:

- The Participant is (1) a Public Agency (as defined in the Joint Exercise of Powers Agreement) and (2)(a) a political subdivision of the State of California or (b) an organization whose income is excluded from taxable gross income under Section 115 of the Internal Revenue Code, in each case, that has the authority to invest funds in its treasury in investments in accordance with Section 53601 of the California Government Code.
- The Participant is authorized to invest in the California CLASS.
- Any Authorized Signer for the Participant designated in this California CLASS Registration Packet has full power and authority to make investments for the above Participant in the California CLASS Investment Program unless the California CLASS receives written notice from the Participant otherwise.
- The Participant has reviewed and agrees to the limitations described in the Joint Exercise of Powers Agreement and the Information Statements for the Funds within the California CLASS Investment Program and acknowledges that it has been supplied with or been given access to information it requested in connection with making an investment in the California CLASS Investment Program.
- The Participant has reviewed the Investment Policies for the Funds within the California CLASS Investment Program and has determined that they are consistent with the legal and policy limitations applicable to the Participant's investments.
- The Participant has consulted with its own counsel and advisers as to all matters concerning investment in the California CLASS Investment Program.

Authorized Signer

Signature

Date

Print Name

Title

Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**



Participant Registration

Entity Information

Entity Name (Participant) _____

Entity Type: City/Town County School District Special District
Other (Specify) _____

Mailing Address _____

City _____ Zip _____ County _____

Physical Address (if different than above) _____

City _____ Zip _____ County _____

Tax ID _____ Fiscal Year End Date (Month/Day) _____

California CLASS is hereby authorized to honor any telephone, faxed, or electronic request believed to be authentic for withdrawal of funds. The withdrawal proceeds can be sent only to the bank(s) indicated below unless changed by written instructions. Each Participant is responsible for notifying California CLASS of any changes to its account by filling out and sending via mail or email the Forms available on the California CLASS website.

Wires will be distributed every hour with the final distribution ending at 11:00 a.m. PT; distribution times are subject to change as needed by the California CLASS Administrator. Additionally, California CLASS must be notified of any contributions by 11:00 a.m. PT to receive same day credit. **If funds are not received by 2:00 p.m. PT, contribution orders will be voided.**

Banking Information

Bank Name _____ Bank Routing Number (ABA) _____

Account Title _____ Account Number _____

Bank Contact _____ Contact's Phone Number _____

Wire ACH Both

Additional Banking Information (Optional)

Bank Name _____ Bank Routing Number (ABA) _____

Account Title _____ Account Number _____

Bank Contact _____ Contact's Phone Number _____

Wire ACH Both



Authorized Contacts

| Authorized Signers Can: | Read-Only Users Can: |
|--|---|
| Approve changes to the Investor Profile Update banking/contact information Transfer funds Receive account updates | Receive account updates Request "view-only" access to monthly statements and transaction confirmations |

Authorized Signer

Print First and Last Name

Title

Signature Required

Phone

Email

Fax

Email Notifications (notice of report availability in the online portal)

- Monthly Statements
- Transaction Confirmations

Additional Contact (Optional)

Print First and Last Name

Title

***(Signature Required if Authorized Signer)**

Phone

Email

Fax

Permissions (check one only)

- Authorized Signer to Move Funds*
- Read-Only Access

Email Notifications (notice of report availability in the online portal)

- Monthly Statements
- Transaction Confirmations

Additional Contact (Optional)

Print First and Last Name

Title

***(Signature Required if Authorized Signer)**

Phone

Email

Fax

Permissions (check one only)

- Authorized Signer to Move Funds*
- Read-Only Access

Email Notifications (notice of report availability in the online portal)

- Monthly Statements
- Transaction Confirmations



Authorized Contacts (cont.)

Additional Contact (Optional)

Print First and Last Name

Title

***(Signature Required if Authorized Signer)**

Phone

Email

Fax

Permissions (check one only)

- Authorized Signer to Move Funds*
- Read-Only Access

Email Notifications (notice of report availability in the online portal)

- Monthly Statements
- Transaction Confirmations

Additional Contact (Optional)

Print First and Last Name

Title

***(Signature Required if Authorized Signer)**

Phone

Email

Fax

Permissions (check one only)

- Authorized Signer to Move Funds*
- Read-Only Access

Email Notifications (notice of report availability in the online portal)

- Monthly Statements
- Transaction Confirmations

Additional Contact (Optional)

Print First and Last Name

Title

***(Signature Required if Authorized Signer)**

Phone

Email

Fax

Permissions (check one only)

- Authorized Signer to Move Funds*
- Read-Only Access

Email Notifications (notice of report availability in the online portal)

- Monthly Statements
- Transaction Confirmations



Joint Exercise of Powers Agreement

June 6, 2022

California Cooperative Liquid Assets Securities System

Joint Exercise of Powers Agreement

by and among

the parties that have entered into this
Joint Exercise of Powers Agreement

DATED AS OF JUNE 6, 2022

TABLE OF CONTENTS

| | | |
|--------------------|---|-----------|
| ARTICLE I | CREATION; PURPOSE; DEFINITIONS | 7 |
| 1.1 | Creation of California CLASS | 7 |
| 1.2 | Purpose | 7 |
| 1.3 | Definitions..... | 8 |
| ARTICLE II | FOUNDING PARTICIPANTS AND PARTICIPANTS..... | 11 |
| 2.1 | Additional Founding Participants After Initial Execution..... | 11 |
| 2.2 | Withdrawal or Termination of Founding Participant..... | 11 |
| 2.3 | Authorized Representatives; Responsibility for Authorized Representatives | 12 |
| 2.4 | Investments | 12 |
| 2.5 | Receipt of Statements and Reports; Requests | 12 |
| ARTICLE III | POWERS..... | 13 |
| 3.1 | General Powers..... | 13 |
| 3.2 | Specific Powers | 14 |
| 3.3 | Miscellaneous Powers | 16 |
| 3.4 | Further Powers | 17 |
| 3.5 | Intellectual Property | 17 |
| 3.6 | Trademarks | 17 |
| 3.7 | Copyrights..... | 18 |
| ARTICLE IV | TRUSTEES; MEETINGS; OFFICERS..... | 18 |
| 4.1 | Establishment of the Board; Number and Qualification..... | 18 |
| 4.2 | Term of Office | 19 |
| 4.3 | Appointment of Trustees..... | 19 |
| 4.4 | Resignation of Trustees | 19 |
| 4.5 | Removal and Vacancies | 19 |
| 4.6 | Meetings | 20 |
| 4.7 | Bylaws | 20 |
| 4.8 | Officers..... | 20 |
| 4.9 | Accountability | 20 |
| 4.10 | Fiscal Year | 21 |
| ARTICLE V | ADMINISTRATOR..... | 21 |
| 5.1 | Appointment; General Provisions..... | 21 |
| 5.2 | Successors..... | 21 |
| 5.3 | Duties of the Administrator | 21 |
| 5.4 | Investment Activities and Powers..... | 22 |
| 5.5 | Monthly Statements | 22 |
| 5.6 | Reports..... | 23 |

| | | |
|--|---|-----------|
| 5.7 | Daily Calculation of Program Value and Rate of Return | 23 |
| 5.8 | Administration of the California CLASS Investment Program | 23 |
| ARTICLE VI INVESTMENT ADVISOR | | 24 |
| 6.1 | Appointment of Qualifications | 24 |
| 6.2 | Successors..... | 24 |
| 6.3 | Duties of the Investment Advisor | 24 |
| 6.4 | Funds..... | 25 |
| 6.5 | Retained Reserves | 25 |
| ARTICLE VII THE CUSTODIAN | | 26 |
| 7.1 | Appointment and Qualifications..... | 26 |
| 7.2 | Successors..... | 26 |
| 7.3 | Prohibited Transactions..... | 26 |
| 7.4 | Appointment; Sub-Custodians..... | 26 |
| 7.5 | Powers | 27 |
| 7.6 | Custodial Relationship; Custodian Records | 28 |
| ARTICLE VIII INTERESTS OF PARTICIPANTS | | 28 |
| 8.1 | General | 28 |
| 8.2 | Allocation of Shares | 28 |
| 8.3 | Evidence of Share Allocation | 29 |
| 8.4 | Redemption to Maintain Constant Net Asset Value for Constant Net Asset Value Funds..... | 29 |
| 8.5 | Redemptions..... | 29 |
| 8.6 | Suspension of Redemption; Postponement of Payment..... | 29 |
| 8.7 | Defective Redemption Requests | 30 |
| ARTICLE IX RECORD OF SHARES..... | | 31 |
| 9.1 | Share Records | 31 |
| 9.2 | Maintenance of Records..... | 31 |
| 9.3 | Owner of Record..... | 31 |
| 9.4 | Transfer of Shares..... | 31 |
| 9.5 | Limitation of Responsibility | 31 |
| 9.6 | Notices | 32 |
| ARTICLE X DETERMINATION OF NET ASSET VALUE, NET INCOME, DISTRIBUTIONS AND ALLOCATIONS | | 32 |
| 10.1 | Determination of Net Asset Value, Net Income, Distributions and Allocations | 32 |
| ARTICLE XI CALIFORNIA CLASS INVESTMENT PROGRAM COSTS | | 32 |
| 11.1 | Expenses | 32 |

| | |
|---|--|
| ARTICLE XII REPRESENTATIONS AND WARRANTIES OF EACH FOUNDING PARTICIPANT... 33 | |
| 12.1 | Representations and Warranties of Each Founding Participant.....33 |
| ARTICLE XIII LIMITATIONS OF LIABILITY OF FOUNDING PARTICIPANTS, PARTICIPANTS, TRUSTEES AND OTHERS 34 | |
| 13.1 | No Personal Liability of Founding Participants, Participants, Trustees and Others.....34 |
| 13.2 | Indemnification of Participants34 |
| 13.3 | Bad Faith of Trustees and Others34 |
| 13.4 | Indemnification of Trustees and Others from Third-Party Actions35 |
| 13.5 | Indemnification of Trustees and Others for Successful Defense.....35 |
| 13.6 | Advance of Expenses35 |
| 13.7 | Exclusions and Limitations of Indemnification of Trustees and Others.....36 |
| 13.8 | Obligations under Law36 |
| 13.9 | Required Approval36 |
| 13.10 | Fiduciaries of Employee Benefit Plan37 |
| 13.11 | No Duty of Investigation and Notice in California CLASS Instruments37 |
| 13.12 | Reliance on Experts.....37 |
| 13.13 | Immunity from Liability.....37 |
| 13.14 | Further Restriction of Duties and Liabilities38 |
| ARTICLE XIV AMENDMENT AND TERMINATION..... 38 | |
| 14.1 | Amendment38 |
| 14.2 | Termination38 |
| ARTICLE XV MISCELLANEOUS..... 39 | |
| 15.1 | Governing Law39 |
| 15.2 | Severability39 |
| 15.3 | Counterparts.....40 |
| 15.4 | No Assignment.....40 |
| 15.5 | Gender; Section Headings and Table of Contents40 |
| 15.6 | No Partnership.....40 |
| 15.7 | Notice.....40 |
| 15.8 | Confidentiality41 |
| 15.9 | Entire Agreement.....41 |
| 15.10 | Disputes41 |
| 15.11 | Writings.....41 |
| 15.12 | Effective Date.....41 |

This **JOINT EXERCISE OF POWERS AGREEMENT** dated as of June 6, 2022 (this “**Agreement**”) is entered into by each Public Agency (as defined below) that has executed this Agreement or that has or will execute counterparts of this Agreement pursuant to Section 2.1 hereof (the “**Founding Participants**”).

RECITALS:

WHEREAS, each Public Agency has the authority to invest funds in its treasury in statutorily permitted investments including but not limited to Section 53601 of the California Government Code, as amended; and

WHEREAS, Section 6509.7 of the Act (as defined below) provides:

“Notwithstanding any other provision of law, two or more public agencies that have the authority to invest funds in their treasuries may, by agreement, jointly exercise that common power. Funds invested pursuant to an agreement entered into under this section may be invested in securities and obligations as described by subdivision (p) of Section 53601. A joint powers authority formed pursuant to this section may issue shares of beneficial interest to participating public agencies. Each share shall represent an equal proportionate interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares of beneficial interest shall have retained an investment advisor.... A joint powers authority formed pursuant to this section is authorized to establish the terms and conditions pursuant to which agencies may participate and invest in pool shares....”; and

WHEREAS, the Act authorizes the Founding Participants to create a joint exercise of powers entity separate from the Founding Participants to exercise the common powers of the Founding Participants, as specified in this Agreement, and to act as administrator of this Agreement; and

WHEREAS, the purpose of this Agreement is to create and establish a separate joint exercise of powers entity known as the California Cooperative Liquid Assets Securities System (collectively referred to herein, as “**California CLASS**”) for the purposes set forth herein to exercise the powers provided herein and to act as administrator of this Agreement in order to consolidate investment activities of the Participants and thereby reduce duplication, take advantage of economies of scale and perform governmental functions more efficiently; and

WHEREAS, the Act authorizes a joint exercise of powers entity, such as the California CLASS, to issue shares of beneficial interest in authorized investments to participating Public Agencies (collectively referred to herein, as “**Participants**” and individually, as a “**Participant**”); and

WHEREAS, pursuant to the Applicable Law (as defined below), Public Agencies, such as the Participants, may purchase shares of beneficial interest issued by a joint powers entity organized pursuant to Section 6509.7 of the Act, such as the California CLASS; and

WHEREAS, the Founding Participants desire to enter into this Agreement and this Agreement shall set forth the terms for the investment program known as the “**California CLASS Investment Program**,” including the establishment of one or more funds where Participants invest in shares of beneficial interest issued by the California CLASS in accounts containing authorized investments that are owned by the California CLASS; and

WHEREAS, the joint exercise of such power to invest will be benefited and made more efficient because all investments acquired pursuant to this Agreement will be owned by one entity, the California CLASS and held by one entity, the Custodian (as defined below); and

WHEREAS, the joint exercise of such power to invest will be benefited and made more efficient if the advisory, record-keeping, and other administrative functions, including the management and transmittal of investment instructions, are performed by one entity, the Administrator (as defined below); and

WHEREAS, the policy of this Agreement shall be to place the highest priority on the safety of principal and liquidity of funds, and the optimization of investment returns shall be secondary to the requirements for safety and liquidity; and

WHEREAS, the California Special Districts Association (the “**CSDA**”) and the League of California Cities (“**Cal Cities**”) and together with CSDA, the “**Sponsors**”) have determined to join as a sponsor of the California Class Investment Program and have certain rights with respect to the composition of the governing board of the California CLASS, royalty fees and other benefits;

NOW, THEREFORE, in consideration of the premises and the representations, warranties, covenants, and agreements contained herein, each party hereto agrees as follows:

ARTICLE I

CREATION; PURPOSE; DEFINITIONS

1.1 Creation of California CLASS

There is hereby created pursuant to the Act a public agency and entity to be known as the California Cooperative Liquid Assets Securities System (collectively referred to herein, as “**California CLASS**”). As provided in the Act, the California CLASS shall be a public agency and entity separate and apart from the Founding Participants and is responsible for the administration of this Agreement. The debts, liabilities and obligations of the California CLASS shall not constitute debts, liabilities or obligations of the Founding Participants (and except as it relates to the retirement liabilities of the California CLASS if the California CLASS contracts with a public retirement system within the meaning of Section 6508.1 of the Act). The California CLASS shall not contract with a public retirement system within the meaning of Section 6508.1 of the Act.

1.2 Purpose

This Agreement is made pursuant to the Act to provide for the exercise by the California CLASS of those powers referred to in the recitals hereof and for the California CLASS to administer the exercise of those powers. The purpose of the California CLASS is to consolidate investment activities of the Participants and thereby reduce duplication, take

advantage of economies of scale and perform governmental functions more efficiently through the California CLASS Investment Program.

1.3 Definitions

In addition to the capitalized terms defined elsewhere in this Agreement, the following terms shall have the following meanings.

"Account" or **"Accounts"** means any account (including subaccounts or other special accounts that may be created to accommodate the desire of such Participant to segregate a portion of its Investment Funds) opened and maintained pursuant to Section 7.5(a) hereof by the Custodian for the benefit of a Participant and to which the Investment Property of such Participant is credited and opened.

"Act" means Title 1, Division 7, Chapter 5 of the California Government Code (commencing with Section 6500), known as the Joint Exercise of Powers Act, as it may be amended from time to time.

"Administrator" means Public Trust Advisors, LLC, or any Person or Persons appointed, employed, or contracted by the California CLASS pursuant to Article V hereof. The entity serving as Administrator to the California CLASS may be the Investment Advisor or an affiliate thereof.

"Administrator Agreement" means the agreement between the Administrator and the California CLASS described in Section 5.1(a) hereof.

"Affiliate" means, with respect to any Person, another Person directly or indirectly in control of, controlled by, or under common control with such Person or any officer, director, partner, or employee of such Person.

"Agreement" means this Agreement dated as of June 6, 2022 constituting a joint exercise of powers agreement among the Founding Participants, as amended in accordance with its terms from time to time.

"Applicable Law" means Title 5, Division 2, Part 1, Chapter 4 of the California Government Code (commencing with Section 53600), as it may be amended from time to time, and other applicable provisions of California law.

"Authorized Representative" means the person authorized to invest the funds of a Participant pursuant to California law who has been appointed in accordance with Section 2.3 hereof.

"Balance" for each Participant means an amount initially equal to zero that is adjusted pursuant to Article II hereof to reflect, among other things, cash investments by such Participant, cash payments to such Participant, investment results, and expenses and fees incurred pursuant to this Agreement. The Balance shall reflect the number of Shares in each applicable Fund designated by such Participant for investment.

"Board" means the board of the Trustees, created by this Agreement, as the governing board of the California CLASS, and established pursuant to Article III hereof.

"Business Day" means any day of the year other than (a) a Saturday or Sunday, (b) any day on which banks located in the State of California are required or authorized by law to remain closed, or (c) any day on which the New York Stock Exchange is closed.

"Bylaws" means those bylaws as described in Section 4.7 hereof.

"Cal Cities" means the League of California Cities.

"California CLASS" means the California CLASS, a joint exercise of powers entity created by this Agreement.

"California CLASS Investment Program" means the investment program provided to the Participants by the California CLASS whereby Participants invest in Shares including the establishment of one or more funds where Participants invest in shares of beneficial interest issued by the California CLASS in Accounts containing authorized investments that are owned by the California CLASS.

"Conflicting Provisions" shall have the meaning set forth in Section 15.2 hereof.

"CSDA" means the California Special Districts Association.

"Custodian" means any Person or Persons appointed, employed or contracted by the California CLASS pursuant to Section 7.1 hereof.

"Custody Agreement" means the agreement between the California CLASS and the Custodian as described in Article VII hereof.

"Effective Date" means the later of (1) the date that execution copies of this Agreement have been executed by the initial Founding Participants, and (2) the date this Agreement has been filed with the Secretary of the State of California pursuant to Section 6503.5 of the Act.

"Enhanced Cash Fund" shall have the meaning given such term in Section 6.4 hereof.

"Founding Participants" means each initial Public Agency that has executed this Agreement and each Public Agency that becomes a Founding Participant pursuant to Section 2.1 hereof by execution of this Agreement. By execution of this Agreement, each Founding Participant shall make the representations and warranties contained in Section 12.1 hereof.

"Fund" means any of the funds established by the Investment Advisor pursuant to Section 6.4 hereof.

"Information Statement" means one or more information statements or other disclosure documents relating to the California CLASS Investment Program or any Fund thereof as such Information Statements may be amended from time to time by the Administrator and the Investment Advisor with the consent of the California CLASS as evidenced by resolution of the Board.

"Investment Advisor" means Public Trust Advisors, LLC, or any Person or Persons appointed, employed, or contracted by the California CLASS pursuant to Section 6509.7 of the Act and Section 6.1 hereof. The entity serving as Investment Advisor to the California CLASS which may be the Administrator or an Affiliate thereof.

"Investment Advisor Agreement" means the agreement between the Investment Advisor and the California CLASS described in Section 6.1(a) hereof.

"Investment Funds" means immediately available funds delivered by each Participant to the Custodian for investment in Shares pursuant to this Agreement but only if: (i) the Authorized Representative appointed by such Participant is authorized pursuant to the laws of the State of California to invest such funds and (ii) the Participant has taken all actions necessary pursuant to the laws of the State of California or other applicable local law to authorize the delivery and investment of such funds.

"Investment Policy" means the investment policy established by the California CLASS with respect to the Investment Property in each Fund in accordance with this Agreement, as amended from time to time in accordance with Section 3.2(a) hereof.

"Investment Procedures" means the procedures for Participants to make investments set forth in the applicable Information Statement.

"Investment Property" means any and all securities and cash that are held in one of the Accounts and all proceeds, income, profits, and gains therefrom that have not been paid to a Participant pursuant to Section 2.4 hereof, used to discharge an Investment Property Liability or offset by losses, if any, and expenses. Investment Property shall not include securities purchased in anticipation of the delivery of funds by a Participant when such funds are not actually received by the Custodian by the anticipated delivery date and any such securities so purchased may be immediately sold and the proceeds used to pay any Person that did in fact provide monies to purchase such securities.

"Investment Property Liability" or **"Investment Property Liabilities"** means any liability (whether known, unknown, actual, contingent, or otherwise) incurred in connection with the Investment Property pursuant to this Agreement.

"Investment Property Value" means the value of the Investment Property as determined pursuant to the valuation procedures net of the amount of the Investment Property Liabilities.

"Meeting of the Board" means a duly called meeting of the Board.

"Participants" means any Public Agencies that have the authority to purchase Shares from the California CLASS. Founding Participants may also be "Participants."

"Payment Procedures" means the procedures for Participants to request payments out of the Investment Property set forth in the applicable Information Statement.

"Permitted Investments" means those investments defined as such in the applicable Investment Policy for a Fund as established by the California CLASS.

"Person" means any individual, corporation, limited liability company, firm, association, partnership, joint venture, trust or other legal entity or group of entities, including any Public Agency or department, board, commission, instrumentality, or agency thereof.

"Prime Fund" shall have the meaning given such term in Section 6.4 hereof.

"Public Agency" shall have the meaning given such term from time to time in Section 6509.7 (or any successor or amended provision) of the Act.

"Ralph M. Brown Act" means Title 5, Division 2, Part 1, Chapter 9 of the California Government Code, as it may be amended from time to time.

"Shares" means the unit used to denominate and measure the respective pro rata beneficial interests of the Participants in a Fund. As required by Section 6509.7 of the Act, each Share shall represent an equal proportionate interest in the Investment Property within a Fund.

"Sponsors" means CSDA and Cal Cities.

"Trustee" means each of the persons selected pursuant to Article III and Article IV hereof to serve on the Board.

"Valuation Procedures" means the procedures for determining the value of the Investment Property set forth in Exhibit A attached hereto, as the same may be amended from time to time by the Administrator and the Investment Advisor, with the consent of the California CLASS as evidenced by resolution of the Board.

ARTICLE II

FOUNDING PARTICIPANTS AND PARTICIPANTS

2.1 Additional Founding Participants After Initial Execution

Any Public Agency that wishes to become a Founding Participant after the Effective Date may do so by executing a counterpart to this Agreement and delivering the counterpart to the Administrator, together with evidence of such Founding Participant's authorization to execute this Agreement.

2.2 Withdrawal or Termination of Founding Participant

Any Founding Participant may withdraw from this Agreement at any time upon written notice to the Administrator provided, however, that no Founding Participant may withdraw if, following such withdrawal, there will not be at least two Founding Participants remaining as a party to this Agreement. A withdrawal shall be noted to the Board in the Administrator's next report to the Board. Any such withdrawal shall be effective only upon receipt of the written

notice of withdrawal by the Administrator who shall acknowledge receipt of such notice of withdrawal in writing to such withdrawing Founding Participant and shall file such notice as an amendment to this Agreement effective upon such filing.

2.3 Authorized Representatives; Responsibility for Authorized Representatives

(a) Each Participant shall select an Authorized Representative to represent its interests and act on its behalf under this Agreement.

(b) Each Participant shall be responsible for the actions or inaction of its Authorized Representative under this Agreement, and the Administrator and Custodian are authorized to rely on the directions of the Authorized Representative without further investigation or diligence.

2.4 Investments

(a) Each Participant shall have the right from time to time to invest Investment Funds for credit to such Participant's Balance in the California CLASS Investment Program. A Participant that wishes to make such an investment shall notify the Administrator and follow the Investment Procedures. All Investment Funds will be invested in an applicable Fund as designated by the Participant. Investment Funds so designated shall be invested pursuant to the Investment Policy established by the California CLASS for such Fund. Upon such investment in accordance with the Investment Procedures, the Participant shall have Shares representing an equal proportionate interest in such Investment Property within such Fund.

(b) The Balance of a Participant shall be increased upon the investment of Investment Funds by such Participant by an amount equal to the amount of such Investment Funds. The Balance shall reflect the number of Shares in each applicable Fund designated by such Participant for investment.

(c) No later than the end of each Business Day, the Custodian shall deliver a confirmation with respect to the transaction activity for the Accounts for the prior Business Day to the Administrator. The Administrator shall retain the confirmation in its records.

(d) Any funds that the Administrator is informed do not meet the conditions set forth in clauses (i) or (ii) of the definition of Investment Funds shall be returned to the Participant investing such funds by the Custodian at the request of the Administrator and such Participant shall bear all of the costs and liabilities associated with the return of such funds.

2.5 Receipt of Statements and Reports; Requests

(a) The Administrator shall provide, or make available to each Participant, a copy of the statements prepared pursuant to Section 5.5 hereof and of the reports prepared pursuant to Section 5.6 hereof applicable to such Participant.

(b) In addition, each Participant, through its Authorized Representative, may direct the Administrator to provide, or make available, a statement of the value of the Participant's

Balance as of the date of the request. The Administrator shall provide such statement, subject only to account activity as of such date.

(c) On behalf of each Participant, the Administrator shall maintain or cause to be maintained, the records relating to such Participant in a manner that records (i) the portion of the Participant's Balance designated in the applicable Fund and (ii) the Participant's Balance in one or more Accounts. The Administrator shall maintain a separate record for each Participant and shall record the individual transactions involving each such Participant and the total value by Account of all investments belonging to each such Participant.

ARTICLE III

POWERS

3.1 General Powers

(a) The California CLASS shall have the power, in its own name, to exercise the common powers of the Founding Participants referred to in the recitals hereof and to exercise all additional powers given to a joint powers entity under the Act and any other applicable law for any purpose authorized under this Agreement. Pursuant to Section 6508 of the Act, the California CLASS shall have the power, in its own name, to do any or all of the following: to make and enter into contracts, or to employ agents and employees, to acquire, construct, manage, maintain or operate any building, works or improvements, or to acquire, hold or dispose of property or to incur debts, liabilities or obligations and sue and be sued in its own name. Pursuant to Section 6509.7 of the Act, the California CLASS shall have the power, in its own name, to issue shares of beneficial interest in the securities and obligations authorized by the Applicable Law. The California CLASS is authorized, in its own name, to do all acts necessary for the exercise of said powers for said purposes. Such powers shall be exercised subject only to such restrictions upon the manner of exercising such powers as are imposed upon the City of Lancaster in the exercise of similar powers, as provided in Sections 6503 and 6509 of the Act.

(b) All powers of the Administrator or Custodian that are described in this Agreement shall also be powers of the California CLASS. The California CLASS may perform such acts as it determines in its sole discretion as proper for conducting the business of the California CLASS. The enumeration of any specific powers shall not be construed as limiting the powers of the California CLASS. Such powers may be exercised with or without the posting of a bond, an order, or other action by any court. In construing the provisions of this Agreement, the presumption shall be in favor of a grant of power to the California CLASS, subject to the powers given to a joint powers entity under the Act and any other applicable law for any purpose authorized under this Agreement.

3.2 Specific Powers

Consistent with, derived from and subject to the general powers of the California CLASS granted in Section 3.1 hereof, the California CLASS possesses the following specific powers:

(a) Investments. The California CLASS shall have the power to subscribe for, invest in, reinvest in, purchase or otherwise acquire, own, hold, pledge for settlement purposes only, sell, assign, transfer, exchange, distribute, lend or otherwise deal in or dispose of Permitted Investments, provided such investment is, in the sole and absolute discretion of the California CLASS, consistent with the Applicable Law and the Investment Policy. An Investment Policy for each Fund shall be established by resolution of the Board and may be revised from time to time by resolution of the Board, provided, however, that no Investment Policy shall permit investments not authorized for legal investment under the Applicable Law. Upon the Board's approval of any amendment to an Investment Policy, the amended Investment Policy will be posted to the website of California CLASS.

(b) Issuance and Redemption of Shares. The California CLASS shall have the power to issue, sell, repurchase, redeem, retire, cancel, acquire, hold, resell, reissue, dispose of, transfer, and otherwise deal in Shares, or any Fund of Shares by means of the California CLASS Investment Program, and subject to the provisions hereof, to apply to any such repurchase, redemption, retirement, cancellation or acquisition of Shares, or any Fund of Shares, any funds or Investment Property with respect to such Shares, or Fund of Shares, whether capital or surplus or otherwise, to the full extent now or hereafter permitted by the Applicable Law.

(c) Title to Investments. Legal title to all Investment Property shall be vested in the California CLASS except that the California CLASS shall have power to cause legal title to any Investment Property to be held in the name of any other person as nominee, on such terms as the California CLASS may determine provided, however, that the interest of the California CLASS therein is appropriately protected.

(d) Rights as Holders of Investment Property. The California CLASS shall have full and complete power to exercise all of the rights, powers, and privileges appertaining to the ownership of the Investment Property to the same extent that any individual might and, without limiting the generality of the foregoing, to vote or give any consent, request, or notice, or waive any notice either in person or by proxy or power of attorney, with or without the power of substitution, to one or more persons, which proxies and powers of attorney may be for meeting or actions generally, or for any particular meeting or action, and may include the exercise of discretionary powers.

(e) Creation of Funds. The California CLASS may authorize the creation of one or more different Funds provided, however, that each such Fund shall conform in all respects to the requirements of this Agreement.

(f) Branding. The California CLASS may authorize the use of the names “CALCLASS” and “CACCLASS” and their associated trademark(s), consistent with, derived from and subject to, Section 3.6 hereof, in conjunction with other products, portfolios, pools, and services that provide investment, financial, or other cash management services to Participants and for purposes of this Agreement, such name shall include any Funds established pursuant to this Agreement. The Administrator may identify a name for any additional Funds established pursuant to this Agreement, subject to approval by the California CLASS.

(g) Power to Contract, Appoint, Retain and Employ. The California CLASS shall have full and complete power to, and shall at all times, appoint, employ, retain, or contract with any person of suitable qualifications (including any corporation, partnership, trust, or other entity of which one or more of them may be an Affiliate) for the transaction of the affairs of the California CLASS.

(h) Payment of Expenses. The California CLASS shall have full and complete power:

(i) to incur and pay any charges or expenses that are necessary or incidental to or proper for carrying out any of the purposes of this Agreement;

(ii) to pay any taxes or assessments validly and lawfully imposed upon or against the Investment Property or the California CLASS in connection with the Investment Property or upon or against the Investment Property or income or any part thereof;

(iii) to reimburse others for payment of such expenses and taxes; and

(iv) to pay appropriate compensation or fees from the Investment Property to a person with whom the California CLASS has contracted or transacted business.

All payments or expenses incurred pursuant to this Section will be a liability payable solely from the Investment Property. The Trustees shall not be paid compensation for their services as Trustees hereunder, except that they shall be allowed reimbursement for reasonable expenses incurred in the performance of their duties as Trustees.

(i) Litigation. The California CLASS shall have the power to engage in and to prosecute, defend, compromise, abandon, or adjust, by arbitration or otherwise, any actions, suits, proceedings, disputes, claims, and demands relating to the California CLASS or property of the California CLASS, and, out of property of the California CLASS, to pay or to satisfy any debts, claims or expenses incurred in connection therewith, including those of litigation, and such power shall include without limitation the power of the California CLASS, in the exercise of its good faith business judgment, consenting to dismiss any action, suit, proceeding, dispute, claim, or demand, derivative or otherwise, brought by any person, including a Founding Participant or Participant, whether or not the California CLASS or any of the Trustees may be named individually therein or the subject matter arises by reason of business for or on behalf of the California CLASS.

3.3 Miscellaneous Powers

Consistent with, derived from and subject to the general powers of the California CLASS granted in Section 3.1 hereof, the California CLASS also possesses the following miscellaneous powers:

(a) Insurance. The California CLASS shall have full and complete power to purchase or to cause to be purchased and pay for, entirely out of Investment Property, insurance policies insuring the California CLASS, and/or officers, employees, and agents of the California CLASS individually against all claims and liabilities of every nature arising by reason of holding or having held any such office or position or by reason of any action alleged to have been taken or omitted by the California CLASS or any such officer, employee, and agent including any action taken or omitted that may be determined to constitute negligence, whether or not the California CLASS would have the power to indemnify such person against such liability.

(b) Borrowing and Indebtedness. The California CLASS shall not borrow money or incur indebtedness, whether or not the proceeds thereof are intended to be used to purchase Permitted Investments or Investment Property, except as a temporary measure to facilitate the transfer of funds to the Participant that might otherwise require unscheduled dispositions of portfolio investments and except as an advance made by the Custodian under the Custody Agreement, but only to the extent permitted by law. No such indebtedness shall have a maturity later than that necessary to avoid the unscheduled disposition of portfolio investments.

(c) Remedies. Notwithstanding any provision in this Agreement, when the California CLASS deems that there is a significant risk that an obligor to the California CLASS may default or is in default under the terms of any obligation of the California CLASS, the California CLASS shall have full and complete power to pursue any remedies permitted by law that, in its sole judgment, are in the interests of the California CLASS, and the California CLASS shall have full and complete power to enter into any investment, commitment, or obligation of the California CLASS resulting from the pursuit of such remedies as are necessary or desirable to dispose of property acquired in the pursuit of such remedies.

(d) Information Statement. The California CLASS shall have full and complete power to prepare, publish, and distribute one or more Information Statements regarding the California CLASS Investment Program or any Fund thereof and to amend or supplement the same from time to time.

(e) Contracting with Affiliates. To the extent permitted by law, the California CLASS may enter into transactions with any Affiliate of the Administrator or the Custodian if:

(i) each such transaction (or type of transaction) has, after disclosure of such affiliation, been approved or ratified by the affirmative vote of a majority of the Board, and

(ii) such transaction (or type of transactions) is, in the opinion of the California CLASS, on terms fair and reasonable to the California CLASS and the Participants and at least as favorable to them as similar arrangements for comparable transactions with organizations unaffiliated with the person who is a party to the transaction.

3.4 Further Powers

Consistent with, derived from and subject to the general powers of the California CLASS granted in Section 3.1 hereof, the California CLASS shall have full and complete power to take all such actions, do all such matters and things, and execute all such instruments as it deems necessary, proper, or desirable in order to carry out, promote, or advance the interests and purposes of California CLASS although such actions, matters, or things are not herein specifically mentioned. Any determination as to what is in the best interest of California CLASS made by the Board in good faith shall be conclusive.

3.5 Intellectual Property

The parties acknowledge that pursuant to this Agreement and/or the business activities of the California CLASS, various types of intellectual property (the "**Intellectual Property**") may be created or used by the parties, including but not limited to trademarks and copyrights. With regard to any and all Intellectual Property created by or for the California CLASS or by or for the California CLASS Investment Program in relation to this Agreement, the California CLASS shall own all right, title, and interest to such Intellectual Property. Except as expressly set forth in this Agreement, the California CLASS shall have no obligation to account to the other parties to this Agreement for any revenues arising from the use, license, or assignment of any Intellectual Property.

3.6 Trademarks

The parties acknowledge the California CLASS's ownership and exclusive rights in all trademarks currently owned by the California CLASS, including but not limited to Application Serial No. 90879250 for the CALIFORNIA CLASS mark, and all trade names and trademarks that may be used and developed in connection with this Agreement, or through the parties' business activities with the California CLASS (the "**Trademarks**"). The parties shall not, at any time during or after the term of the Agreement, directly or indirectly, oppose, challenge or contest the California CLASS's exclusive right and title to the Trademarks or the validity thereof.

The parties agree that all use of the Trademarks inures to the benefit of the California CLASS and that the parties shall not acquire any rights in the Trademarks or other marks or logos likely to be confused therewith. The California CLASS has the sole and exclusive right to file applications to register and to register any and all Trademarks in the U.S. and in any country throughout the world, and the parties agree not to directly or indirectly, oppose, challenge or contest such applications or registrations. The parties will not, directly or indirectly, file applications to register or register, or acquire by transfer, any trade name or trademark which, in whole or in part, incorporates or is confusingly similar to the Trademarks

in the U.S. or any country throughout the world unless such parties have express written permission to do so.

3.7 Copyrights

The parties agree that all works created in connection with this Agreement or through the parties' business activities with the California CLASS (the "**Works**") are owned by the California CLASS.

To the extent any Works are deemed not owned by the California CLASS, the parties hereby expressly assign to the California CLASS all right, title and interest whatsoever, throughout the world, in perpetuity, in and to the copyrights and any and all registrations, applications to register, renewals and extensions thereof, for the Works, including, without limitation, the right to sue for and collect damages for infringement of the Works or other violations of the same, including for past infringements or other violations.

The parties hereby further agree to promptly execute any and all instruments and to promptly render any and all such assistance as the California CLASS may request to confirm in the California CLASS full legal title to the Works and/or to pursue claims that third parties have infringed the California CLASS's intellectual property rights in and to the Works. In the event the parties are not available upon ten (10) calendar days' written request to execute such instruments, the parties hereby appoint the California CLASS its attorney-in-fact to execute such instruments on the parties' behalf.

ARTICLE IV

TRUSTEES; MEETINGS; OFFICERS

4.1 Establishment of the Board; Number and Qualification

- (a) The management of the California CLASS shall be governed by the Board.
- (b) The Board shall have five (5) Trustees consisting of the following:
 - (i) The governing body of CSDA shall appoint two (2) Trustees that are:
 - (1) elected, appointed, or staff from a Participant and a CSDA member, or
 - (2) staff from CSDA;
 - (ii) The governing body of Cal Cities shall appoint two (2) Trustees that are:
 - (1) elected, appointed, or staff from a Participant and a Cal Cities member, or
 - (2) staff from Cal Cities; and
 - (iii) One (1) Trustee that is elected, appointed, or staff from a Public Entity that is a Participant shall be appointed by a majority vote of the Board.

4.2 Term of Office

(a) The initial Trustees appointed by the governing body of Cal Cities shall serve a term of two (2) years and thereafter Trustees appointed by the governing body of Cal Cities shall serve a term of four (4) years.

(b) The initial Trustees appointed by the governing body of CSDA and by the Board shall serve a term of four (4) years and thereafter Trustees appointed by the governing body of CSDA and by the Board shall serve a term of four (4) years.

(c) Any appointment to fill an unexpired term, however, shall be for such unexpired term.

4.3 Appointment of Trustees

Trustees may be appointed or reappointed by the governing body of CSDA, Cal Cities or the Board, as provided in Section 4.1, including an appointment to fill an unexpired term in the event of a vacancy.

4.4 Resignation of Trustees

Any Trustee may resign without need for prior or subsequent accounting by notice in writing signed by the Trustee and delivered to the Secretary of the Board, and such resignation shall be effective upon such delivery or at a later date specified in the written notice. Any vacancy created by such resignation shall be filled in accordance with Section 4.3 hereof.

4.5 Removal and Vacancies

(a) The term of office of a Trustee shall terminate and a vacancy shall occur in the event the individual serving as the Trustee is no longer staff at a CSDA or Cal Cities, in the event the Trustee's Public Agency is no longer a Participant and a member of CSDA or Cal Cities, or in the event the individual serving as the Trustee is no longer an elected or appointed member of the governing body, or staff of, a Participant and CSDA or Cal Cities member.

(b) The term of office of a Trustee shall terminate and a vacancy shall occur on the happening of any of the events in California Government Code Section 1770.

(c) Each Trustee appointed by the governing body of CSDA, Cal Cities or the Board may be removed and replaced by the governing body by which such Trustee was appointed.

(d) Any vacancy created pursuant to this Section 4.5 shall be filled in accordance with Section 4.3 hereof.

4.6 Meetings

(a) The Annual Meeting of the Board shall be the last meeting of the calendar year and shall be for the purpose of the appointment of Trustees, election of officers, setting the calendar for regular meetings, and other organizational matters as provided in the Bylaws. The Board shall meet not less than semiannually.

(b) Regular meetings of the Board shall be established in the method described in the Bylaws and may be held at the time and place so established.

(c) Special meetings of the Board may be held from time to time in the manner described in the Bylaws.

(d) All meetings of the Board are subject to and must comply with the provisions of the Ralph M. Brown Act.

(e) A majority of the Trustees shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn meetings from time to time. Any action of the Board requires the affirmative vote of a majority of the total number of authorized Trustees specified in Section 4.1.

4.7 Bylaws

The Board shall adopt and may, from time to time, amend or repeal Bylaws for the conduct of the business of the Board consistent with this Agreement. The Bylaws may define the duties of the respective officers, agents, employees, and representatives of the Board and shall establish the rules of calling of meetings and determination of regular and special meetings.

4.8 Officers

The Board shall annually elect a Chair and other officers having the responsibilities and powers described in the Bylaws and as required by the Act. The Bylaws shall designate the Treasurer of the California Class as required by Section 6505.5 or Section 6505.6 of the Act and the public officer or officers or person or persons who have charge of, handles, or have access to any property of the California CLASS as required by Section 6501.1 of the Act, and such public officer or officers or person or persons shall file an official bond in the amount of \$25,000; provided, that such bond shall not be required if the California CLASS does not possess or own property or funds with an aggregate value of greater than \$500 (excluding amounts held by any custodian or depository in connection with the California CLASS Investment Program).

4.9 Accountability

Pursuant to Section 6505 of the Act, the California CLASS shall establish and maintain such funds and accounts as may be required by good accounting practice, and there shall be strict accountability of all funds and reports of all receipts and disbursements.

4.10 Fiscal Year

The fiscal year of the California CLASS shall end each March 31. The California CLASS may from time to time change the fiscal year of the California CLASS by resolution of the Board.

ARTICLE V

ADMINISTRATOR

5.1 Appointment; General Provisions

(a) The California CLASS may appoint one or more persons to serve as the Administrator for the California CLASS Investment Program. It is specifically intended that any and all provisions related to the Administrator set forth herein be memorialized in a contract between the California CLASS and the Administrator (the “**Administrator Agreement**”) and that this Agreement not be construed to create any third-party beneficiary rights in any party fulfilling the role of Administrator. In the event of conflict between the provisions of this Agreement and the provisions of the Administrator Agreement, this Agreement shall control.

(b) As provided in Section 5.3 hereof, the Administrator shall at no time have custody of or physical control over any of the Investment Property.

(c) The Administrator may also serve as Investment Advisor to the California CLASS Investment Program and in such case, the Administrator Agreement may also serve as the Investment Advisor Agreement.

5.2 Successors

In the event that, at any time, the position of Administrator shall become vacant for any reason, the California CLASS may appoint, employ, or contract with a successor.

5.3 Duties of the Administrator

(a) The duties of the Administrator shall be those set forth in this Article V and the Administrator Agreement. This Article V outlines some but not all of such duties. Such duties may be modified by the California CLASS from time to time. The role of the Administrator is intended to effect purchases, sales, or exchanges of Investment Property on behalf of the California CLASS. The Administrator Agreement may authorize the Administrator to employ other persons to assist in the performance of the duties set forth therein.

(b) The Administrator shall at no time have custody of or physical control over any of the Investment Property. If a Participant in error delivers Investment Funds for investment to the Administrator instead of to the Custodian, the Administrator shall immediately transfer such Investment Funds to the Custodian. The Administrator shall not be liable for any act or

omission of the Custodian but shall be liable for the Administrator's acts and omissions as provided herein.

(c) The Administrator understands that the monies delivered to the Custodian may only be invested pursuant to the investment parameters contained in the applicable Investment Policy.

5.4 Investment Activities and Powers

The Administrator shall perform the following services:

(a) advise the California CLASS on any material changes in investment strategies based upon current market conditions;

(b) enter into securities transactions with respect to the Investment Property (to the extent permitted by the applicable Investment Policy and applicable laws) by entering into agreements and executing other documents relating to such transactions containing provisions common for such agreements and documents in the securities industry;

(c) from time to time, review the Permitted Investments and the applicable Investment Policy and, if circumstances and applicable laws permit, recommend changes in such Permitted Investments and such Investment Policy;

(d) provide such advice and information to the California CLASS on matters related to investments as the California CLASS may reasonably request including, without limitation, research and statistical data concerning the Investment Property, whether and in what manner all rights conferred by the Investment Property may be exercised, and other matters within the scope of the investment criteria set forth in the applicable Investment Policy;

(e) prepare such information and material as may be required in the implementation of the Valuation Procedures or the computation of the Balances and the preparation of any and all records and reports required by this Agreement or applicable laws;

(f) issue instructions to the Custodian as provided in this Agreement; and

(g) employ, consult with, obtain advice from, and exercise any of the Administrator's rights or powers under this Agreement through the use of suitable agents including auditors, legal counsel (who may be counsel to the Administrator or the California CLASS), investment advisers, brokers, dealers, and/or other advisers. Notwithstanding Section 15.8 hereof, the Administrator may transmit information concerning the Investment Property and the Participants to such agents.

5.5 Monthly Statements

(a) Within fifteen (15) days after the end of each month-end, the Administrator shall prepare and submit, or make available, to each Participant who was a Participant during such month a statement disclosing any activity and a closing balance, including the number of Shares, in each of its Accounts for such month.

(b) The Administrator, upon the request of a Participant, shall furnish to the Participant a statement of such Participant's Balance as of the date of such request, subject only to account activity on such date.

5.6 Reports

The Administrator shall prepare or cause to be prepared at least annually (i) a report of operations containing a statement of the Investment Property and the Investment Property Liabilities and statements of operations and of net changes in net assets prepared in conformity with generally accepted accounting principles consistently applied and (ii) an opinion of an independent certified public accountant on such financial statements based on an examination of the books and records of the Participants' Accounts, maintained by the Administrator with respect to the Investment Property, performed in accordance with generally accepted auditing standards. An annual audit of the accounts and records of the California CLASS shall be made, and the report thereon filed and kept, in accordance with the provisions of Section 6505 of the Act.

5.7 Daily Calculation of Program Value and Rate of Return

The Administrator shall calculate the Investment Property Value for each Account once on each Business Day at the time and in the manner provided in the Investment Program's Information Statement for such Fund as well as the Valuation Procedures.

5.8 Administration of the California CLASS Investment Program

The Administrator shall perform the following administrative functions on behalf of the California CLASS in connection with the implementation of this Agreement:

(a) collect and maintain for such period as may be required under any applicable Federal or California law written records of all transactions affecting the Investment Property or the Balances, including but not limited to (i) investments by and payments to or on behalf of each Participant; (ii) acquisitions and dispositions of Investment Property; (iii) pledges and releases of collateral securing the Investment Property; (iv) determinations of the Investment Property Value; (v) adjustments to the Participants' Balances; and (vi) the current Balance and the Balances at the end of each month for each Participant. There shall be a rebuttable presumption that any such records are complete and accurate. The Administrator shall maintain the records relating to each Participant in a manner that subdivides the Participant's balance into Accounts;

(b) assist in the organization of meetings of the Board including preparation and distribution of the notices and agendas therefore;

(c) respond to all inquiries and other communications of Participants, if any, that are directed to the Administrator or, if any such inquiry or communication is more properly addressed by the Custodian, referring such inquiry or communication to the Custodian and coordinating the Custodian's response thereto;

(d) pay all Investment Property Liabilities in accordance with this Agreement from any income, profits, and gains from the Investment Property (but not from the principal amount thereof); and

(e) engage in marketing activities to encourage eligible California public sector entities to become Participants.

ARTICLE VI

INVESTMENT ADVISOR

6.1 Appointment of Qualifications

(a) The California CLASS may appoint one or more persons that meet the qualifications described in Section 6.1(b) hereof to serve as the Investment Advisor of the California Class. It is specifically intended that any and all provisions related to the Investment Advisor set forth herein be memorialized in a contract between the California CLASS and the Investment Advisor (the "**Investment Advisor Agreement**") and that this Agreement not be construed to create any third-party beneficiary rights in any party fulfilling the role of Investment Advisor. In the event of conflict between the provisions of this Agreement and the provisions of the Investment Advisor Agreement, this Agreement shall control.

(b) The Investment Advisor shall meet the requirements of Section 6509.7 of the Act and Section 53601(p) of the California Government Code, as such sections may be amended from time to time, which, as of the Effective Date, require that:

- (i) the investment manager is registered or exempt from registration with the Securities and Exchange Commission;
- (ii) the investment manager has not less than five (5) years of experience investing in the securities and obligations authorized by subdivisions (a) to (o), inclusive, of Section 53601 of the California Government Code; and
- (iii) the investment manager has assets under management in excess of five hundred million dollars (\$500,000,000).

6.2 Successors

In the event that, at any time, the position of Investment Advisor shall become vacant for any reason, the California CLASS shall appoint, employ, or contract with a successor that meets the qualifications described in Section 6.1(b) hereof.

6.3 Duties of the Investment Advisor

The duties of the Investment Advisor shall be those set forth in the Investment Advisor Agreement. Such duties may be modified by the California CLASS from time to time. The

California CLASS may authorize the Investment Advisor in the Investment Advisor Agreement to effect purchases, sales, or exchanges of Investment Property on behalf of the California CLASS or may authorize any officer, employee, agent, or member of the California CLASS to effect such purchases, sales, or exchanges pursuant to recommendations of the Investment Advisor, all without further action by the California CLASS. Any and all of such purchases, sales, and exchanges shall be deemed to be authorized by the California CLASS. The Investment Advisor Agreement may authorize the Investment Advisor to employ other persons to assist in the performance of the duties set forth in the agreement. The Investment Advisor Agreement shall also provide that it may be terminated without cause and without the payment of any penalty on forty-five (45) days written notice.

6.4 Funds

The Investment Advisor shall cause the Custodian to establish two initial funds (the “**Prime Fund**” and the “**Enhanced Cash Fund**”) for the investment of surplus funds of the Participants. The Prime Fund shall have a constant net asset value and be invested in Permitted Investments pursuant to the criteria and policies contained in the Investment Policy for the Prime Fund. The Enhanced Cash Fund shall have a variable net asset value and be invested in Permitted Investments pursuant to the criteria and policies contained in the Investment Policy for the Enhanced Cash Fund. Notwithstanding anything in this Agreement to the contrary, the Investment Advisor may, upon the direction of the California CLASS, cause the Custodian to establish specially designated funds, in addition to the Prime Fund and the Enhanced Cash Fund, with specified investment characteristics so long as the fund adheres to the Permitted Investments. Such characteristics may include, without limitation, certain restrictions on amounts to be invested, holding periods prior to payments, or certain other conditions to be met for payments, such as possible payment penalties, special investment criteria, investment management tailored to a particular Participant, or additional fees for administering such specially designated Funds. The Investment Advisor may cause the Custodian to establish such Funds with the consent of the California CLASS as evidenced by resolution of the Board and approval by the Board of the related Investment Policy for such Funds. The establishment of such Funds shall not be deemed an amendment of this Agreement. A Participant may direct the Investment Advisor to invest its surplus funds in any of the established Funds. The Investment Advisor shall cause each such Fund to maintain accounts and reports separate from any other Fund. All provisions of this Agreement shall apply to any such Funds.

6.5 Retained Reserves

The Investment Advisor may retain from earnings and profits such amounts as it may deem necessary to pay the debts and expenses of the California CLASS and to meet other obligations of the California CLASS, and the Investment Advisor shall also have the power to establish from earnings and profits such reasonable reserves as they believe may be necessary or desirable. At least quarterly, the Investment Advisor shall provide a detailed accounting to the Board of any debts, expenses, and obligations deemed necessary for

California CLASS Investment Program, and at the same time shall provide a detailed accounting to the Board of reserves deemed necessary or desirable by the Investment Advisor. Realized capital gains or losses shall be distributed in a timely and equitable manner as determined by the Investment Advisor.

ARTICLE VII

THE CUSTODIAN

7.1 Appointment and Qualifications

The California CLASS shall appoint and employ a bank or trust company organized under the laws of the United States of America to serve as custodian (“**Custodian**”) for the California CLASS Investment Program subject to the requirements of the Applicable Law. The Custodian shall follow directions relating to the investment of all Investment Property in accordance with the instructions of the Investment Advisor. The Custodian shall have authority to act as the California CLASS’s directed custodian, subject to such restrictions, limitations, and other requirements, if any, as may be established by the California CLASS. It is specifically intended that all provisions related to the Custodian set forth herein be memorialized in a contract to be entered into between the California CLASS and the Custodian (the “**Custody Agreement**”) and that this Agreement shall not be construed to create any third-party beneficiary rights under this Agreement in any party fulfilling the role of the Custodian. As such, the terms of this Agreement are not binding on the Custodian and the Custodian’s rights, duties and obligations are solely as defined in the Custody Agreement.

7.2 Successors

If, at any time, the Custodian shall resign or shall be terminated pursuant to the provisions of the Custody Agreement, the California CLASS shall appoint a successor thereto.

7.3 Prohibited Transactions

With respect to transactions involving Investment Property, the Custodian shall act strictly as directed custodian for the California CLASS. The California CLASS shall not purchase Permitted Investments from the Custodian or sell Permitted Investments to the Custodian.

7.4 Appointment; Sub-Custodians

(a) The Custodian may employ sub-custodians, including, without limitation, Affiliates of the Custodian for any obligations set forth in the Custody Agreement. The appointment of a sub-custodian under this Section shall not relieve the Custodian of any of its obligations set forth in the Custody Agreement. The Custodian shall use its best efforts to ensure that the interests of the California CLASS in the Investment Property is clearly indicated on the records of any sub-custodian and the Custodian shall use its best efforts to ensure that the interests

of the California CLASS in the Investment Property is not diminished or adversely affected because of the Custodian's use of a sub-custodian.

(b) No Investment Funds or Investment Property, other than cash, received or held by the Custodian pursuant to the Custody Agreement shall be accounted for in any manner that might cause such Investment Funds or Investment Property to become assets or liabilities of the Custodian.

7.5 Powers

The Custodian shall perform the following services:

(a) open and maintain such custody accounts as the California CLASS directs through the Administrator and accept for safekeeping and for credit to the applicable Account, in accordance with the terms of the Custody Agreement, all securities representing the investment of Investment Funds pursuant to Section 2.4 hereof, and the income or earnings derived therefrom.

(b) hold the Investment Property:

(i) in its account at Depository Trust Company or other depository or clearing corporation; or

(ii) in a book entry account with the Federal Reserve Bank in which case a separate accounting of the Investment Property shall be maintained by the Custodian at all times.

The Investment Property held by any such depository or clearing corporation or Federal Reserve Bank may be held in the name of their respective nominees provided, however, that the custodial relationship and the interests of the California CLASS regarding such Investment Property shall be noted on the records of the Administrator and the custodial relationship on behalf of the California CLASS shall be noted on the records of the Custodian.

(c) notify the Administrator, in writing or verbally with written, email, or facsimile confirmation, in advance of the Custodian taking any elective action involving the Investment Property.

(d) upon instruction of the Administrator, the Custodian is authorized to:

(i) receive and distribute Investment Funds and all other Investment Property as directed by the Administrator;

(ii) exchange securities in temporary or bearer form for securities in definitive or registered form; and surrender securities at maturity or earlier when advised of a call for redemption;

(iii) make, execute, acknowledge, and deliver as Custodian all documents or instruments (including but not limited to all declarations, affidavits, and certificates of

ownership) that may be necessary or appropriate to carry out the powers granted herein; and

(iv) take any other action required by the Custody Agreement.

7.6 Custodial Relationship; Custodian Records

(a) The Custodian shall hold the Investment Property in its capacity as Custodian on behalf of the California CLASS. Such Investment Property shall be custodial property of the Custodian (other than cash) and shall not be, or be deemed to be, an asset of the Custodian.

(b) Within fifteen (15) days after the end of each month, the Custodian shall send statements providing the closing balance in the Account at the end of such month and the transactions performed in the Account during such month to the Administrator and the California CLASS.

ARTICLE VIII

INTERESTS OF PARTICIPANTS

8.1 General

The California CLASS, in its discretion, may authorize the division of the Investment Property into one or more Funds as provided in Section 6.4 hereof. The beneficial interests of the Participants hereunder in a Fund and the earnings thereon shall be divided into Shares. Shares shall be used as units to measure the proportionate allocation to the respective Participants of the beneficial interests of a Fund. As required by Section 6509.7 of the Act, each Share shall represent an equal proportionate interest in the Investment Property within a Fund. The number of Shares that may be used to measure and represent the proportionate allocation of beneficial interests among the Participants in a Fund is unlimited. All Shares in a Fund shall be of one class representing equal distribution, liquidation, and other rights. The beneficial interests measured by the Shares shall not entitle a Participant to preference, preemptive, appraisal, conversion, or exchange rights of any kind with respect to the California CLASS Investment Program or the Investment Property held in the applicable Fund. Title to the Investment Property held in the applicable Fund of every description is vested in the California CLASS. The Participants shall have no interest in the Investment Property held in the applicable Fund other than the beneficial interests conferred hereby and measured by their Shares, and they shall have no right to call for any partition or division of any property, profits, rights, or interests of the California CLASS.

8.2 Allocation of Shares

(a) In its discretion, the California CLASS may from time to time allocate Shares in addition to the then allocated Shares to such Participant for such amount and such type of consideration (including without limitation income from the investment of Investment

Property held in the applicable Fund) at such time(s) (including without limitation each Business Day in accordance with the maintenance of a constant net asset value per Shares as set forth in this Agreement for constant net asset value Funds), and on such terms as the California CLASS may deem best. In connection with any allocation of Shares, the California CLASS may allocate fractional Shares. From time to time, the California CLASS may adjust the total number of Shares allocated without thereby changing the proportionate beneficial interests in the Investment Property held in the applicable Fund. Reductions or increases in the number of allocated Shares may be made in order to maintain a constant net asset value per Share as set forth in Section 10.1 hereof for constant net asset value Funds. Shares shall be allocated and redeemed as one hundredths (1/100ths) of a Share or any multiple thereof.

(b) Shares may be allocated only to a Participant in accordance with this Agreement. Any Participant may establish more than one Account within the California CLASS Investment Program or any Fund thereof for such Participant's convenience.

8.3 Evidence of Share Allocation

Evidence of Shares allocation shall be reflected in the records of the California CLASS, and the California CLASS shall not be required to issue certificates as evidence of Shares allocation.

8.4 Redemption to Maintain Constant Net Asset Value for Constant Net Asset Value Funds

The Shares shall be subject to redemption pursuant to the procedure for reduction of outstanding Shares in order to maintain the constant net asset value per Shares for constant net asset value Funds unless provided otherwise in the Information Statement for the applicable Fund.

8.5 Redemptions

Payments by the California CLASS to Participants, and the reduction of Shares resulting therefrom, are referred to in this Agreement as redemptions for convenience. Any and all allocated Shares may be redeemed at the option of the Participant upon and subject to the terms and conditions provided in this Agreement and any applicable Investment Policy and Information Statement for such Fund. The procedures for effecting redemption shall be prescribed by the California CLASS provided, however, that such procedures shall not be structured so as to substantially and materially restrict the ability of the Participants to withdraw funds from the California CLASS Investment Program.

8.6 Suspension of Redemption; Postponement of Payment

(a) Each Participant, by its investment in any Fund, agrees that the California CLASS may temporarily suspend the right of redemption or postpone the date of payment for redeemed Shares for the whole or any part of any period:

(i) During which trading in securities generally on the New York Stock Exchange or the American Stock Exchange or over-the-counter market shall have been suspended or minimum prices or maximum daily charges shall have been established on such exchange or market;

(ii) If a general banking moratorium shall have been declared by Federal, state, or the State of New York or State of California authorities or during a suspension of payments by banks in the State of California;

(iii) During which there shall have occurred any state of war or national emergency;

(iv) During which any financial emergency or other crisis the effect of which on the financial markets of the United States is such as to make it impracticable (a) to dispose of the Investment Property because of the substantial losses that might be incurred or (b) to determine the Investment Property Value in accordance with the Valuation Procedures.

(b) The Administrator shall determine, on behalf of the California CLASS, when an event occurs that, under this Section entitles the Custodian to temporarily suspend or postpone a Participant's right to redemption, and shall immediately notify the Custodian and each Participant by facsimile, email, mail, or telephone of such determination. Such a suspension or postponement shall not itself directly alter or affect a Participant's Balance.

(c) Such a suspension or postponement shall take effect at such time as is determined by the Administrator, and thereafter there shall be no right to request a redemption of Shares until the first to occur of: (a) in the case of (i), (ii) or (iv) above, the time at which the Administrator declares the suspension or postponement at an end, such declaration shall occur on the first day on which the period specified in the clause (i), (ii) or (iv) above shall have expired; and (b) in the case of (iii) above, the first day on which the period specified in clause (iii) above is no longer continuing.

(d) Any Participant that requested a payment prior to any suspension or postponement of payment may withdraw its request at any time prior to the termination of the suspension or postponement.

8.7 Defective Redemption Requests

In the event that a Participant shall submit a request for the redemption of a greater number of Shares than are then allocated to such Participant, such request shall not be honored.

ARTICLE IX

RECORD OF SHARES

9.1 Share Records

The California CLASS shall maintain records that shall contain:

- (i) The names and addresses of the Participants;
- (ii) The number of Shares representing their respective beneficial interests in any Account in any Fund hereunder; and
- (iii) A record of all allocations and redemptions. Such records shall be conclusive as to the identity of the Participants to which Shares are allocated. Only Participants whose allocation of Shares is recorded in the California CLASS records shall be entitled to receive distributions with respect to Shares or otherwise to exercise or enjoy the rights and benefits related to the beneficial interests represented by the Shares. No Participant shall be entitled to receive any distribution nor to have notices given to it until it has given its appropriate address to the California CLASS.

9.2 Maintenance of Records

The Administrator, or such other person appointed by the Administrator or the California CLASS, shall record the allocations of Shares in each Account in any Fund in the records of the California CLASS.

9.3 Owner of Record

No person becoming entitled to any Shares in consequence of the bankruptcy or insolvency of any Participant or otherwise by operation of law shall be recorded as the Participant to which such Shares are allocated unless such person is otherwise qualified to become a Participant. If not qualified, such person shall present proof of entitlement to the California CLASS and if the California CLASS, in its sole discretion, deems appropriate then be entitled to the redemption value of the Shares.

9.4 Transfer of Shares

The beneficial interests measured by the Shares shall not be transferable, in whole or in part, other than to the California CLASS itself or another Participant for purposes of redemption. Shares also may be redeemed from one Participant's Account and the proceeds deposited directly into another Participant's Account upon instructions from the Authorized Representative of the respective Participants.

9.5 Limitation of Responsibility

The California CLASS shall not, nor shall the Participants or any officer, employee or agent of the California CLASS, be bound to determine the existence of any trust, express,

implied or constructive, or of any charge, pledge, or equity to which any of the Shares or any interest therein are subject or to ascertain or inquire whether any redemption of any such Shares by any Participant or its Authorized Representatives is authorized by such trust, charge, pledge or equity, or to recognize any person as having any interest therein except the Participant recorded as the Participant to which such Shares are allocated. The receipt of moneys by the Participant in whose name any Shares is recorded or by the Authorized Representative or duly authorized agent of such Participant shall be a sufficient discharge for all moneys payable or deliverable in respect of such Shares and from all responsibility to see the proper application thereof.

9.6 Notices

Any and all notices to which Participants hereunder may be entitled and any and all communications shall be deemed duly served or given if electronically or mailed, postage prepaid, addressed to Participants of record at the electronic or physical mailing addresses recorded in the records of the California CLASS.

ARTICLE X

DETERMINATION OF NET ASSET VALUE, NET INCOME, DISTRIBUTIONS AND ALLOCATIONS

10.1 Determination of Net Asset Value, Net Income, Distributions and Allocations

The Information Statement for each Fund within the California CLASS Investment Program shall set forth the basis and times for determining the per Share net asset value of the Shares, the net income, and the declaration and payment of distributions, as the California CLASS, in its absolute discretion, may determine.

ARTICLE XI

CALIFORNIA CLASS INVESTMENT PROGRAM COSTS

11.1 Expenses

In consideration of the performance of its obligations hereunder, the Administrator shall receive a fee as set forth in the Administrator Agreement described in Section 5.1 hereof, which fee shall be paid from the earnings on the Accounts. The Administrator's fee shall be an Investment Property Liability. From its fee, the Administrator shall pay the following costs and expenses: the Investment Advisor's fee set forth in the Investment Advisor Agreement, the Custodian's fee set forth in the Custody Agreement, the costs of third parties retained by the Administrator to render investment advice pursuant to the Administrator Agreement, the

royalty fees to the Sponsors, marketing expenses, all custodial and securities clearance transaction charges, the cost of valuing the Investment Property, the cost of obtaining a rating or ratings, if any, the cost of other expenses agreed to by the Administrator and the California CLASS, all Investment Property record-keeping expenses, the cost of preparing monthly and annual reports, the expense of outside auditors required pursuant to the Administrator Agreement (but only if the Administrator selects such auditors), the fees of the counsel to the Administrator and/or the counsel to the California CLASS, the cost of Meetings of the Board, the cost of reimbursement for reasonable expenses incurred by Trustees in the course of their duties, insurance costs and the costs of Participant surveys and mailings. At least quarterly, the Administrator shall provide a detailed accounting of such expenses to the Trustees.

ARTICLE XII

REPRESENTATIONS AND WARRANTIES OF EACH FOUNDING PARTICIPANT

12.1 Representations and Warranties of Each Founding Participant

Each Founding Participant hereby represents and warrants that:

(a) the Founding Participant is a Public Agency and political subdivision of a state, or an agency, authority, or instrumentality of the United States, a state or any political subdivision of a state; and

(b) each of the recitals to this Agreement is true as it relates to such Founding Participant; and

(c) the Founding Participant has taken all necessary actions and has received all necessary approvals and consents and adopted all necessary resolutions in order to execute and deliver this Agreement and to perform its obligations hereunder; and

(d) the execution, delivery, and performance of this Agreement by the Founding Participant are within the power and authority of the Founding Participant and do not violate the laws, rules, or regulations of the State of California applicable to the Founding Participant or its organizational statute, instrument, or documents or any other applicable Federal, state, or local law.

ARTICLE XIII

LIMITATIONS OF LIABILITY OF FOUNDING PARTICIPANTS, PARTICIPANTS, TRUSTEES AND OTHERS

13.1 No Personal Liability of Founding Participants, Participants, Trustees and Others.

Except in the case of fraud or willful misconduct, no Founding Participant, Participant and, subject to Section 13.3 hereof, no Trustee, officer, employee or agent of California CLASS, acting in its capacity as a Founding Participant, Participant, Trustee, officer, employee or agent of California CLASS, as applicable, shall be subject to any personal liability whatsoever to any person in connection with property or the acts, obligations or affairs of California CLASS, and all such persons shall look solely to the Investment Property for satisfaction of claims of any nature arising in connection with the affairs of California CLASS. Except in the case of fraud or willful misconduct, no Founding Participant, Participant, Trustee, officer, employee, or agent, as such, of California CLASS who is made a party to any suit or proceeding to enforce any such liability, shall be held to any personal liability. The debts, liabilities and obligations of California CLASS shall not be the debts, liabilities and obligations of any Founding Participant, Participant, Trustee, officer, employee or agent of California CLASS, unless otherwise provided in this Agreement provided, however, that in such case, such debts, liabilities and obligations shall be limited to the value of the Investment Property.

13.2 Indemnification of Participants

California CLASS shall indemnify and hold each Participant harmless from and against all claims and liabilities to which such Participant may become subject by reason of its being or having been a Participant in the California CLASS Investment Program and shall reimburse such Participant for all legal and other expenses reasonably incurred by it in connection with any such claim or liability provided, however, that: (a) such Participant was acting in accordance with all legal and policy requirements and investment objectives applicable to such Participant, including any limitations that the Participant has adopted or is subject to which are more restrictive than state law, (b) such indemnity or reimbursement shall be made from the Investment Property in the applicable Fund in respect of which such claim or liability arose and not from any other Investment Property, and (c) no indemnification shall be made for any Participant's negligence or willful misconduct. The rights accruing to a Participant under this Section 13.2 shall not exclude any other right to which such Participant may be lawfully entitled, nor shall anything herein contained restrict the right of California CLASS to indemnify or reimburse a Participant in any appropriate situation even though not specifically provided herein.

13.3 Bad Faith of Trustees and Others

No Trustee, officer, employee or agent of California CLASS shall be liable to California CLASS, or to any Founding Participant, Participant, Trustee, officer, employee or agent thereof

for any action or failure to act, except for his or her own bad faith, willful misfeasance, gross negligence or reckless disregard of duty (collectively, "**Bad Faith**").

13.4 Indemnification of Trustees and Others from Third-Party Actions

(a) California CLASS shall, to the extent permitted by law, indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of California CLASS) by reason of the fact that such person is or was a Trustee, officer or employee of California CLASS, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if it is determined that such person acted in good faith and reasonably believed: (i) in the case of conduct in his or her official capacity as a Trustee of California CLASS, that his or her conduct was in California CLASS's best interests, (ii) in all other cases, that his or her conduct was at least not opposed to California CLASS's best interests, and (iii) in the case of a criminal proceeding, that he or she had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the person did not act in good faith and in a manner that such person reasonably believed to be in the best interests of California CLASS or that such person had reasonable cause to believe such person's conduct was unlawful.

(b) In case any claim shall be made or action brought against any person in respect of which indemnity may be sought against the California CLASS, such indemnified person shall promptly notify the California CLASS in writing setting forth the particulars of such claim or action. The indemnified person shall be entitled to select and retain counsel of his or her choice. The California CLASS shall be responsible for the payment or immediate reimbursement for all reasonable fees and expenses incurred in the defense of such claim or action.

13.5 Indemnification of Trustees and Others for Successful Defense

To the extent that a Trustee, officer or employee of California CLASS has been successful on the merits in defense of any proceeding referred to in Section 13.4 hereof or in defense of any claim, issue or matter therein, before the court or other body before which the proceeding was brought, such person shall be indemnified against expenses actually and reasonably incurred in connection therewith.

13.6 Advance of Expenses

Expenses incurred in defending any proceeding may be advanced by California CLASS before the final disposition of the proceeding upon a written undertaking by or on behalf of the Trustee, officer or employee of California CLASS, to repay the amount of the advance if it is ultimately determined that he or she is not entitled to indemnification, together with at least one of the following as a condition to the advance: (i) security for the undertaking; or (ii) the existence of insurance protecting California CLASS against losses arising by reason of any lawful advances; or (iii) a determination by a majority of the Trustees who are not parties

to the proceeding ("**Non-Interested Trustees**"), or by independent legal counsel in a written opinion, based on a review of readily available facts, that there is reason to believe that such person ultimately will be found entitled to indemnification.

13.7 Exclusions and Limitations of Indemnification of Trustees and Others

Notwithstanding the foregoing, no indemnification or advance shall be made under Sections 13.4 to 13.6 hereof:

(a) Bad Faith. For any liability arising by reason of Bad Faith of a Trustee, officer or employee of California CLASS.

(b) Improper Personal Benefit. In respect of any claim, issue, or matter as to which a Trustee, officer or employee of California CLASS shall have been adjudged to be liable on the basis that personal benefit was improperly received by him or her, whether or not the benefit resulted from an action taken in such person's official capacity.

(c) Otherwise Prohibited. In any circumstances where it appears that it would be inconsistent with any condition expressly imposed by a court, any provision of this Agreement, or any agreement in effect at the time of accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid which prohibits or otherwise limits indemnification or advance.

(d) Limited to California CLASS's Assets. In any amount, individually or in the aggregate, that exceeds the value of the Investment Property. If there are concurrent indemnifications of multiple Participants under this Article XIII, such indemnifications shall be made on a pro rata basis up to the value of the Investment Property.

13.8 Obligations under Law

Notwithstanding anything herein or in the Investment Management Agreement to the contrary, nothing herein or therein is intended to relieve any Founding Participant or Participant of any obligation it has under state or Federal law to monitor, review, evaluate or provide oversight with respect to the Shares Program, the Investment Manager, or its participation in California CLASS.

13.9 Required Approval

No indemnification or advance shall be made under Sections 13.4 to 13.6 hereof unless and until it is determined, by a majority of the Non-Interested Trustees, or by independent legal counsel in a written opinion, based on a review of readily available facts, that indemnification of a Trustee, officer, employee or agent of California CLASS is proper in the circumstances because such person has met the applicable standard of conduct set forth in Sections 13.4 to 13.6 hereof, as applicable, and such indemnification is not excluded by reason of Section 13.7 hereof.

13.10 Fiduciaries of Employee Benefit Plan

This Article XIII does not provide indemnification or release from liability with respect to any proceeding against any trustee, Investment Manager or other fiduciary of an employee benefit plan in such person's capacity as such, even though such person may also be a Trustee, officer, employee or agent of California CLASS. Nothing contained in this Article XIII shall limit any right to indemnification to which such a trustee, Investment Manager, or other fiduciary may be entitled by contract or otherwise which shall be enforceable to the extent permitted by applicable laws other than this Article XIII.

13.11 No Duty of Investigation and Notice in California CLASS Instruments

No purchaser, lender, transfer agent, record keeper or other person dealing with any Trustee, officer, employee or agent of California CLASS shall be bound to make any inquiry concerning the validity of any transaction purporting to be made by such Trustee, officer, employee or agent or be liable for the application of money or property paid, loaned, or delivered to or on the order of such Trustee, officer, employee or agent. Every obligation, contract, instrument, certificate, Share or other security of California CLASS and undertaking, and every other document executed in connection with California CLASS, shall be conclusively presumed to have been executed or done by the executors thereof only in their capacity as Trustees under this Agreement or in their capacity as officers, employees or agents of California CLASS. Every written obligation, contract, instrument, certificate, Share or other security of California CLASS or undertaking made or issued by any Trustee shall recite that it is executed by such Trustee not individually, but in the capacity as Trustee under this Agreement, and that the obligations of any such instruments are not binding upon any of the Trustees, Founding Participants or Participants individually, but bind only California CLASS property, but the omission of such recital shall not operate to bind the Trustees, Founding Participants or Participants individually.

13.12 Reliance on Experts

Each Trustee, officer, employee and agent of California CLASS shall, in the performance of his or her duties, be fully protected with regard to any act or any failure to act resulting from reliance in good faith upon the books of account or other records of California CLASS, upon an opinion of counsel, or upon reports made to California CLASS by any of its officers or employees or by the investment adviser, administrator, transfer agent, record keeper, custodian, distributor accountants, appraisers or other experts or consultants selected with reasonable care by the Trustees, officers, employees or agents of California CLASS.

13.13 Immunity from Liability

All of the privileges and immunities from liability, all exemptions from laws, ordinances and rules, and all pension, relief, disability, workmen's compensation, and other benefits which apply to the activity of the trustees, officers, employees or agents of the Founding Participants when performing their functions within the territorial limits of their respective

Public Agencies, shall apply to them to the same degree and extent while engaged in the performance of any of their functions and duties associated with California CLASS.

13.14 Further Restriction of Duties and Liabilities

Without limiting the foregoing provisions of this Article XIII, the Trustees, officers, employees and Founding Participants of California CLASS shall in no event have any greater duties or liabilities than those imposed by applicable laws as shall be in effect from time to time.

ARTICLE XIV

AMENDMENT AND TERMINATION

14.1 Amendment

Unless explicitly set forth otherwise herein, this Agreement may be amended only by a majority vote of the Board. Nothing in this Agreement shall permit its amendment to violate the Act or the Applicable Law or impair the exemption from personal liability of the Founding Participants, Participants, Trustees, officers, employees and agents of the California CLASS or to permit assessments upon Participants. Notice of any amendment to this Agreement shall be filed with the office of the Secretary of State of California pursuant to Section 6503.5. Participants shall also be notified of any amendment to this Agreement through electronic communications.

14.2 Termination

(a) This Agreement shall continue in full force and effect unless terminated as set forth in this Section 14.2. This Agreement may be terminated at any time pursuant to a duly adopted amendment hereto approved by the unanimous vote of the Board provided, however, that in no event shall this Agreement terminate so long as the California CLASS has any unpaid debts or obligations.

(b) Upon the termination of this Agreement pursuant to this Section 14.2:

(i) the Custodian, the California CLASS, and the Administrator shall carry on no business in connection with the California CLASS Investment Program except for the purpose of satisfying the Investment Property Liabilities and winding up their affairs in connection with the Investment Property;

(ii) the Custodian, the California CLASS, and the Administrator shall proceed to wind up their affairs in connection with California CLASS Investment Program, and all of the powers of the California CLASS, the Administrator, and the Custodian under this Agreement, the Administrator Agreement, and the Custody Agreement, respectively, shall continue until the affairs of the California CLASS, the Administrator, and the

Custodian in connection with the California CLASS Investment Program shall have been wound up, including but not limited to the power to collect amounts owed, sell, convey, assign, exchange, transfer, or otherwise dispose of all or any part of the remaining Investment Property to one or more persons at public or private sale for consideration that may consist in whole or in part of cash, securities, or other property of any kind, discharge or pay Investment Property Liabilities, and do all other acts appropriate to liquidate their affairs in connection with the California CLASS Investment Program; and

(iii) after paying or adequately providing for the payment of all Investment Property Liabilities and upon receipt of such releases, indemnities, and refunding agreements as each of the California CLASS, Administrator, and Custodian deem necessary for their protection, the California CLASS shall take all necessary actions to cause the distribution of the remaining Investment Property, in cash or in kind or partly in each, among the Participants according to their respective proportionate Balances.

(c) Upon termination of this Agreement and distribution to the Participants as herein provided, the California CLASS shall direct the Administrator to execute and lodge among the records maintained in connection with this Agreement an instrument in writing setting forth the fact of such termination, and the California CLASS and Founding Participants shall thereupon be discharged from all further liabilities and duties hereunder, and the rights and benefits of all Participants hereunder shall cease and be canceled and discharged.

ARTICLE XV

MISCELLANEOUS

15.1 Governing Law

This Agreement is executed by the initial Founding Participants and delivered in the State of California and with reference to the laws thereof, and the rights of all parties and the validity, construction, and effect of every provision hereof shall be subject to and construed according to the laws of the State of California.

15.2 Severability

The provisions of this Agreement are severable, and if any one or more of such provisions (the "**Conflicting Provisions**") are in conflict with applicable laws, the Conflicting Provisions shall be deemed never to have constituted a part of this Agreement, and this Agreement may be amended pursuant to Section 14.1 hereof to remove the Conflicting Provisions provided, however, that such conflict or amendment shall not affect or impair any of the remaining provisions of this Agreement or render invalid or improper any action taken or omitted prior to the discovery or removal of the Conflicting Provisions.

15.3 Counterparts

This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument that shall be sufficiently evidenced by any such original counterpart.

15.4 No Assignment

No assignment of this Agreement may be made by any party without consent of the non-assigning party.

15.5 Gender; Section Headings and Table of Contents

(a) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders, and words importing the singular number shall mean and include the plural number and vice versa.

(b) Any headings preceding the texts of the several Articles and Sections of this Agreement and any table of contents or marginal notes appended to copies hereof shall be solely for convenience of reference and shall neither constitute a part of this Agreement nor affect its meaning, construction, or effect.

15.6 No Partnership

Other than the creation by the Founding Participants of a joint exercise of powers entity pursuant to the Act, this Agreement does not create or constitute an association of two or more persons to carry on as co-owners a business for profit, and none of the parties intends this Agreement to constitute a partnership or any other joint venture or association.

15.7 Notice

Unless oral notice is otherwise allowed in this Agreement and except as otherwise provided herein, all notices required to be sent under this Agreement:

(a) shall be in writing;

(b) shall be deemed to be sufficient if given by (i) depositing the same in the United States mail properly addressed, postage prepaid, or (ii) electronically transmitting such notice by any means such as by facsimile transmission, email, or other electronic means, or (iii) by depositing the same with a courier delivery service, addressed to the person entitled thereto at his address or phone number as it appears on the records maintained by the Administrator;

(c) shall be deemed to have been given on the day of such transmission if delivered pursuant to subsection (b)(ii) or on the third day after deposit if delivered pursuant to subsection (b)(i) or (b)(iii); and

(d) any of the methods specified in Section 15.7(b) hereof shall be sufficient to deliver any notice required hereunder notwithstanding that one or more of such methods may not be specifically listed in the Sections hereunder requiring such notice.

15.8 Confidentiality

(a) All information and recommendations furnished by the Administrator to any Participants or the California CLASS that is marked confidential and all information and directions furnished by the Administrator to the Custodian shall be regarded as confidential by each such person to the extent permitted by law. Nothing in this Section shall prevent any party from divulging information as required by law or from divulging information to civil, criminal, bank, or securities regulatory authorities where such party may be exposed to civil or criminal proceedings or penalties for failure to comply, or from divulging information in accordance with State of California laws or to prevent the Administrator from distributing copies of this Agreement, the names of the Participants, or the Investment Property Value to third parties.

15.9 Entire Agreement

This Agreement shall constitute the entire agreement of the parties with respect to the subject matter and shall supersede all prior oral or written agreements in regard thereto.

15.10 Disputes

In the event of any dispute between the parties, the parties agree to attempt to resolve the dispute through negotiation. To the extent permitted by law, no litigation shall be commenced without a certification by an authorized officer, employee, or agent of any party that the dispute cannot be resolved by negotiation provided in writing at least 10 days before commencing legal action.

15.11 Writings

Whenever this Agreement requires a notice, instruction, or confirmation to be in writing or a written report to be made or a written record to be maintained, it shall be sufficient if such writing is produced or maintained by electronic means or maintained by any other photostatic, photographic, or micrographic data storage method such as digital discs as well as on paper.


15.12 Effective Date

This Agreement shall become effective on the Effective Date.

SIGNATURE PAGE FOR JOINT EXERCISE OF POWERS AGREEMENT

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in their names and on their behalf as of the date first written above.

ALAMEDA COUNTY MOSQUITO
ABATEMENT DISTRICT

By: 

Name: Ryan Clausnitzer

Title: General Manager

WEST BASIN MUNICIPAL WATER
DISTRICT

By: _____

Name: _____

Title: _____

CITY OF LANCASTER

By: _____

Name: _____

Title: _____



SIGNATURE PAGE FOR JOINT EXERCISE OF POWERS AGREEMENT

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in their names and on their behalf as of the date first written above.

ALAMEDA COUNTY MOSQUITO
ABATEMENT DISTRICT

By: _____

Name: _____

Title: _____

WEST BASIN MUNICIPAL WATER
DISTRICT

By: Margaret Moggia

Name: Margaret Moggia

Title: Executive Manager of Finance

CITY OF LANCASTER

By: _____

Name: _____

Title: _____

SIGNATURE PAGE FOR JOINT EXERCISE OF POWERS AGREEMENT

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in their names and on their behalf as of the date first written above.

ALAMEDA COUNTY MOSQUITO
ABATEMENT DISTRICT

By: _____

Name: _____

Title: _____

WEST BASIN MUNICIPAL WATER
DISTRICT

By: _____

Name: _____

Title: _____

CITY OF LANCASTER

By: George N. Harris

Name: George N. Harris

Title: Finance Director

EXHIBIT A

EXHIBIT A

Valuation Procedures

1. Portfolio Valuation

California CLASS follows Financial Accounting Standards Board Accounting Standards Codification (ASC) 820 *Fair Value Measurement and Disclosure* for financial reporting purposes. ASC 820 defines fair value, establishes a single framework for measuring fair value, and requires disclosures about fair value measurement.

At least daily, the Investment Property Value shall be determined on a mark to market basis as follows: (a) securities for which market quotations are readily available are valued at the most recent bid price or yield equivalent as obtained from one or more market makers for such securities or a third-party pricing source; (2) all other securities and assets are valued at fair market value in good faith.

2. Amendment

These Valuation Procedures may be amended from time to time as provided in the Agreement.



Tracy Rural County Fire Protection District

Resolution No. 2023-08

A RESOLUTION OF TRACY RURAL COUNTY FIRE PROTECTION DISTRICT TO ESTABLISH INVESTMENT ACCOUNTS WITH THE CALIFORNIA CLASS JOINT POWERS AUTHORITY INVESTMENT POOL

WHEREAS, the Tracy Rural County Fire Protection District (District) is a local government agency formed and operating in accordance with Section §61000 et seq. of the California Government Code; and;

WHEREAS, the District has an Investment of District Funds Policy that allows the District to invest funds not required for immediate needs of the District in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all statutes governing the investment District funds; and

WHEREAS, the District has looked at alternative investment options to maximize investment return of District funds; and

WHEREAS, the California Class Joint Powers Authority Investment Pool for California Public Agencies currently provides competitive returns while adhering to the objectives of safety and liquidity, objectives of the District's investment policy; and

WHEREAS, it is determined that the establishment of an account with the California Class Investment Pool is in compliance with the District's investment policy and is a viable option to achieve the highest investment return with the maximum security; and

NOW THEREFORE, BE IT RESOLVED, by the Board of Directors of the Tracy Rural County Fire Protection District that:

The District does hereby adopts Resolution 2003-08 Establishing Accounts with California Class Joint Powers Authority Investment Pool.

Motion passed.

Passed, approved, and adopted this 13th day of June, 2023.

Pete Reece, Chairman of the Board

ATTEST:

Raychel Jackson, Clerk of the Board



**Tracy Rural County
Fire Protection District**

Agenda Item 4.3

STAFF REPORT

Meeting: Regular Meeting
Date: June 13, 2023
To: Board of Directors
Prepared by: Raychel Jackson, District Clerk
Approved by: Pete Reece, Chairperson

Re: Review Preliminary Budget for Fiscal Year 2023-2024

RECOMMENDATION

Action Item X Non-Action Item

Review the FY23/24 preliminary budget and provide staff with direction.

BACKGROUND

The Fire Protection District Law of 1987 provides the Board shall adopt a preliminary budget before June 30 and adopt a final budget before or on October 1 of each year.

DISCUSSION

On May 9, 2023, the Board of Directors adopted the preliminary budget for FY 23/24. Since the adoption of the budget, the ad hoc budget committee meet to discuss increasing the tax revenue from a 6% increase to 9% increase with a projected total revenue of \$12,349,487.31, with a potential surplus of \$138,133.61. At this time, there have been no changes to expenses.

FISCAL IMPACTS

The preliminary budget is subject to change based on Board of Director direction. The finalized budget for general operations will be finalized and adopted in September.

ATTACHMENTS

1. Preliminary Budget FY23-24

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT

FY2023/2024 Prelim Budget

| <u><i>General / Operating</i></u> | ACTUAL | ACTUAL | ACTUAL | PROJECTED | PROJECTED |
|-----------------------------------|------------------------|------------------------|------------------------|-------------------------|-------------------------|
| | FY19/20 | FY20/21 | FY21/22 | FY22/23 | FY23/24 |
| Revenues | | | | | |
| Property Taxes | \$ 6,357,144.00 | \$ 7,260,933.89 | \$ 8,180,069.15 | \$ 9,243,478.14 | \$ 10,272,180.00 |
| Property Assessments | \$ 1,385,619.00 | \$ 1,486,473.34 | \$ 1,583,570.45 | \$ 1,631,077.56 | \$ 2,036,790.03 |
| Homeowners / State Property Tax | \$ 48,385.00 | \$ 50,597.28 | \$ 52,670.76 | \$ 47,008.65 | \$ 30,517.28 |
| Miscellaneous Income | \$ 18,342.00 | \$ 79,898.11 | | \$ - | \$ - |
| Interest | \$ 24,962.00 | \$ 15,002.00 | \$ 8,539.00 | \$ 10,000.00 | \$ 10,000.00 |
| Licenses, Permits | \$ 4,813.00 | \$ - | \$ - | \$ - | \$ - |
| Total Revenue | \$ 7,839,265.00 | \$ 8,892,904.62 | \$ 9,824,849.36 | \$ 10,931,564.35 | \$ 12,349,487.31 |
| Expenses | | | | | |
| Audited Financial Statements | \$ 6,725.00 | \$ 6,725.00 | \$ 6,725.00 | \$ 8,300.00 | \$ 8,300.00 |
| Auditors Direct Assessment | \$ 13,906.29 | \$ 14,882.25 | \$ 15,756.15 | \$ 16,000.00 | \$ 16,000.00 |
| Auditors PR & AP Charges | \$ 98,024.00 | \$ 110,187.00 | \$ 133,019.00 | \$ 135,000.00 | \$ 135,000.00 |
| Auditors Tax Admin Charges | | \$ - | \$ - | \$ 600.00 | \$ 600.00 |
| Administrative | | | | | |
| Executive Admin | \$ 53,258.67 | \$ 48,581.00 | \$ 50,200.00 | \$ 55,125.00 | \$ 57,881.25 |
| Director Fees | \$ 12,200.00 | \$ 17,300.00 | \$ 17,345.00 | \$ 20,000.00 | \$ 20,000.00 |
| Elections | | | | \$ 45,000.00 | |
| Facility Maintenance | | | | | |
| Station 93 | | | | | \$ 40,000.00 |
| Station 94 | | | | | \$ 40,000.00 |
| Station 95 | | | | | \$ 15,000.00 |
| Banta | | | | | \$ 5,000.00 |

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT

FY2023/2024 Prelim Budget

| <u>General / Operating</u> | ACTUAL | ACTUAL | ACTUAL | PROJECTED | PROJECTED |
|-------------------------------|---------------|-----------------|---------------|------------------|------------------|
| | FY19/20 | FY20/21 | FY21/22 | FY22/23 | FY23/24 |
| Fund Transfers | | | | | |
| Capital Outlay | \$ 250,000.00 | | | | |
| Apparatus/Equip | | \$ 1,020,000.00 | \$ 200,000.00 | \$ 200,000.00 | \$ 200,000.00 |
| Building Maint/Impr | | \$ 300,000.00 | \$ 100,000.00 | \$ 100,000.00 | |
| New Constr. | | \$ - | \$ - | \$ - | \$ - |
| Medical Leave Buyout | \$ 100,000.00 | \$ 200,000.00 | \$ 100,000.00 | \$ 150,000.00 | \$ 150,000.00 |
| Emergency Reserve | | | | \$ - | \$ - |
| Bank of Stockton | \$ 250,000.00 | | | | |
| Insurance - General Liability | \$ 20,719.00 | \$ 22,325.76 | \$ 32,667.00 | \$ 40,000.00 | \$ 50,000.00 |
| Legal Services | | | | | |
| Document Review | \$ - | \$ - | \$ - | \$ 25,000.00 | \$ - |
| General | \$ 70,994.58 | \$ 45,691.62 | \$ 48,147.45 | \$ 75,000.00 | \$ 75,000.00 |
| JPA | \$ 7,759.50 | \$ 22,752.42 | \$ 6,520.50 | \$ 20,000.00 | \$ 20,000.00 |
| Litigation | \$ 77,560.33 | \$ 135,554.61 | \$ 78,114.71 | \$ 100,000.00 | \$ 50,000.00 |
| Membership/Association Dues | | | | | |
| Seminars | \$ 115.09 | \$ 1,050.00 | \$ 2,665.00 | \$ 3,000.00 | \$ 5,000.00 |
| Membership Dues | \$ 2,705.00 | \$ 2,453.00 | \$ 4,574.00 | \$ 5,000.00 | \$ 7,000.00 |
| Miscellaneous | | \$ 38,962.40 | \$ 4,953.01 | \$ 30,000.00 | \$ 15,000.00 |
| Office Expense | | | | | |
| Computer | | \$ 3,207.19 | \$ 1,340.31 | \$ 2,000.00 | \$ 3,000.00 |
| Miscellaneous | \$ 5,867.76 | \$ 7,853.76 | \$ 4,353.25 | \$ 5,000.00 | \$ 4,000.00 |
| Phone | | \$ 2,503.12 | \$ 4,415.27 | \$ 6,000.00 | \$ 6,000.00 |
| Postage | | \$ 174.20 | \$ 142.55 | \$ 200.00 | \$ 200.00 |
| Software/Hardware | | \$ 181.19 | \$ 911.41 | \$ 500.00 | \$ 500.00 |
| Supplies | | \$ 330.12 | \$ 9.36 | \$ 400.00 | \$ 400.00 |
| Travel | \$ 2,291.71 | | | \$ 1,000.00 | \$ 3,000.00 |
| Retirement | | | | | |
| PERS | \$ 846.59 | \$ 1,711.34 | \$ 1,770.72 | \$ 2,700.00 | \$ 2,700.00 |
| PERS Actuarial Study | | | | | |
| PERS Unfunded Liability | | | | | |
| (Pre-1999) | \$ 455,881.00 | \$ 504,882.00 | \$ 519,781.00 | \$ 583,439.45 | \$ 583,439.45 |

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT

FY2023/2024 Prelim Budget

| <u>General / Operating</u> | ACTUAL | ACTUAL | ACTUAL | PROJECTED | PROJECTED |
|--|-----------------|-----------------|-------------------|------------------|------------------|
| | FY19/20 | FY20/21 | FY21/22 | FY22/23 | FY23/24 |
| PERS Unfunded Liability (1999-2022) | | | | \$ 646,994.00 | \$ 646,994.00 |
| Safety Plan | \$ 700.00 | \$ 700.00 | \$ 700.00 | \$ 700.00 | \$ 700.00 |
| Consultant Reports | | | | | |
| Benefit Assessment - HdL | \$ 2,911.20 | \$ 3,208.00 | \$ 11,936.82 | \$ 5,000.00 | \$ 5,000.00 |
| County Report | \$ 1,099.81 | \$ 1,168.35 | \$ 1,200.79 | \$ 2,000.00 | \$ 2,000.00 |
| Misc. Report | \$ 16,705.16 | \$ 13,433.75 | \$ 1,299.41 | \$ 4,000.00 | \$ 4,000.00 |
| State Controllers Report | \$ - | | | \$ 800.00 | \$ 800.00 |
| SSJCFA - JPA | \$ 5,717,780.96 | \$ 5,833,333.00 | \$ 9,527,364.02 | \$ 9,408,736.00 | \$ 9,956,839.00 |
| City of Tracy | \$ 27,026.45 | | | | |
| Utilites | \$ 30,235.92 | | | | |
| Station 93 | | \$ 24,413.10 | \$ 23,354.05 | \$ 30,000.00 | \$ 30,000.00 |
| Station 94 | | \$ 24,070.07 | \$ 17,518.12 | \$ 30,000.00 | \$ 30,000.00 |
| Station 95 | | | \$ 10,589.26 | \$ 20,000.00 | \$ 20,000.00 |
| Banta | | | | | \$ 2,000.00 |
| Vector Control / Water Assessmt | | | \$ 43.02 | | |
| Total Expense | \$ 7,225,314.02 | \$ 8,407,634.25 | \$ 10,927,416.18 | \$ 11,777,494.45 | \$ 12,211,353.70 |
| Net Income | \$ 613,950.98 | \$ 485,270.37 | \$ (1,102,566.82) | \$ (845,930.10) | \$ 138,133.61 |



**Tracy Rural County
Fire Protection District**

STAFF REPORT

Meeting: Regular Meeting
Date: June 13, 2023
To: Board of Directors
Prepared by: Raychel Jackson, District Clerk
Approved by: Pete Reece, Chairperson

Re: Discuss Proposed Sale of Surplus Property at 22484 S. 7th Street

RECOMMENDATION

Action Item X Non-Action Item

It is recommended the Board of Directors discuss the proposed sale of surplus property located at 22484 S. Seventh Street, Tracy, CA 95304.

BACKGROUND

The District owns one property located at 22484 S. Seventh Street, Tracy, CA 95304.

On October 12, 2023, a Resolution was adopted declaring the property to be surplus and a Notice of Availability was sent to all the required entities on March 9, 2022. During the 60-day period, no affordable housing entity expressed interest in the property.

On May 18, 2022, the District received a letter from Department of Housing and Community Development stating that the District met all the requirements under the SLA for the purposes of disposing of the surplus land located at 22484 S. Seventh Street, Tracy, CA 95304.

DISCUSSION

The property was listed on the market in 2022 and did not sell and the Board would like to begin the process of re-listing the property.

FISCAL IMPACTS

None.

ATTACHMENTS

None.



**Tracy Rural County
Fire Protection District**

Agenda Item 4.5

STAFF REPORT

Meeting: Regular Meeting
Date: June 13, 2023
To: Board of Directors
Prepared by: Raychel Jackson, District Clerk
Approved by: Pete Reece, Chairperson

Re: Update Information Regarding Station Maintenance Issues

RECOMMENDATION

Action Item Non-Action Item

Receive an update on Station 93, Station 94 and Station 95 maintenance issues and modifications and provide direction to staff concerning future projects.

BACKGROUND

Station 93, located at 1400 W Durham Ferry Road, was constructed and occupied in 2006. Station 94, located at 16502 West Schulte Road, was remodeled from an existing 20+ year old ranch house into a fire station in 1995. Over the years, both stations have experienced maintenance issues that can be attributed to their age and the normal wear and tear related to fire station operations.

DISCUSSION

Ongoing maintenance and repairs at all stations. Update on solar at Station 93; update on Cost for maintaining property; update on the punch list for Station 95;

FISCAL IMPACTS

None.

ATTACHMENTS

None.