

Cameron Park Community Services District
2502 Country Club Drive
Cameron Park, CA 95682



Budget and Administration Committee
Tuesday, August 8, 2023
4:00 p.m.

Cameron Park Community Center – Social Room
2502 Country Club Drive
Cameron Park, CA 95682

Agenda

Members: Chair, Sidney Bazett (SB), Vice-Chair, Director Monique Scobey (MS)
Alternate Director Tim Israel (TI)

Staff: Jill Ritzman, Interim General Manager; Christina Greek, Finance/HR Officer

CALL TO ORDER

ROLL CALL

Public testimony will be received on each agenda item as it is called. Principal party on each side of an issue is allocated 10 minutes to speak, individual comments are limited to 3 minutes except with the consent of the Committee; individuals shall be allowed to speak on an item only once. Members of the audience are asked to volunteer their name before addressing the Committee. The Committee reserves the right to waive said rules by a majority vote.

ADOPTION OF AGENDA

APPROVAL OF CONFORMED AGENDA

OPEN FORUM

Members of the public may speak on any item not on the agenda that falls within the responsibilities of the Committee.

DEPARTMENT MATTERS

- 1. Fiscal Year 2023-2024 Final Budget, Draft #2** (Ritzman, Greek, Department heads)

2. Fire Engine Purchase Agreement – Report Back (Ritzman)

3. Staff Updates

4. Items for Future Committee Meetings

5. Items to take to the Board of Directors

- Proposed Fiscal Year 2023-2024 Final Budget; format and recommendations

MATTERS TO AND FROM COMMITTEE MEMBERS & STAFF

ADJOURNMENT

Cameron Park Community Services District
2502 Country Club Drive
Cameron Park, CA 95682



Budget and Administration Committee
Tuesday, August 1, 2023
6:30 p.m.

Cameron Park Community Center – Social Room
2502 Country Club Drive
Cameron Park, CA 95682

Conformed Agenda

Members: Chair, Sidney Bazett (SB), Vice-Chair, Director Monique Scobey (MS)
Alternate Director Tim Israel (TI)

Staff: Jill Ritzman, Interim General Manager; Christina Greek, Finance/HR Officer

CALL TO ORDER 6:38pm

ROLL CALL SB/MS

Public testimony will be received on each agenda item as it is called. Principal party on each side of an issue is allocated 10 minutes to speak, individual comments are limited to 3 minutes except with the consent of the Committee; individuals shall be allowed to speak on an item only once. Members of the audience are asked to volunteer their name before addressing the Committee. The Committee reserves the right to waive said rules by a majority vote.

ADOPTION OF AGENDA MS/SB

APPROVAL OF CONFORMED AGENDA SB/MS

OPEN FORUM

Members of the public may speak on any item not on the agenda that falls within the responsibilities of the Committee.

DEPARTMENT MATTERS

- 1. Fiscal Year 2023-2024 Final Budget, Draft #1** (Ritzman, Greek, Department heads)
 - *Committee members provided feedback to staff regarding proposed reductions*

2. Staff Updates

- a. Check Register Review (C. Greek)
- b. Finance Office Monthly Report (oral report; Greek)
- c. SB 1383 Update Multi-family complexes & Electronic Annual Report (oral report; Ritzman)
- d. General Obligation Bond Taxation Rate (Greek)

3. Items for Future Committee Meetings

- Review Draft #2 FY2023-24 Final Budget; **Next Meeting tentative scheduled Tuesday, August 8 at 4:00pm**

4. Items to take to the Board of Directors

- General Obligation Bond Tax Assessment Rate

MATTERS TO AND FROM COMMITTEE MEMBERS & STAFF

ADJOURNMENT 10:15



Agenda Transmittal

DATE: August 8, 2023

FROM: Jill Ritzman, General Manager
Christina Greek, Finance/HR Manager
Department heads

AGENDA ITEM #1: Fiscal Year 2023-2024 Final Budget, Draft #2

RECOMMENDED ACTION: Provide feedback to staff regarding reductions; Forward to the Board of Directors for consideration

Introduction

Staff is presenting Fiscal Year 2023-2024 (FY23/24) Final Budget, Draft #2 for the Committee's review and feedback (Attachment 1A).

Discussion

Staff changed the FY23/24 Final Budget, Draft #2 in the following areas to reduce the deficit to \$435,222.

Weed Abatement on Private Properties

The expenditures and revenues to abate weeds on private property added to the Weed Abatement 8000 budget, \$50,000 in expenditures to hire contractors to abate weeds, and \$50,000 in revenues to be recovered from residents.

Closing Pool in Winter Months

Winter swim operational expenditures and revenues removed from the budget for a net reduction of \$49,800. Staff opened communications with swim teams to explore ways to mitigate this deficit, such as increasing fees and program opportunities to increase revenues.

Property Tax Revenues

Property tax revenues increased by 6% due to past actual revenues, confirmed by report from County Auditor-Controller's office.

Employee Costs Reduced

Employee overtime reduced by half; less funding to cover for staff absences due to vacation or illness. General Manager benefits reduce to 6 months to match the salary which was already budgeted for 6 months.

Sports Field Rental Revenues

Sports field rental revenues increased by \$5,000

Legal Fees

Legal fees reduced by \$5,000 to previous year actuals.

The following is a list of additional opportunities to reduce the General Fund 01 deficit:

Municipal Service Group (MRG) Agreement

In July, the Board of Directors approved two professional service agreements to support discussions for annexing the District’s fire services: AP Triton for fiscal analysis and MRG for Don Ashton to lead discussions with other local fire agencies. AP Triton is funded by Fund 07, fire engine rental revenue special funds. MRG agreement could also be moved to Fund 07 saving the General Fund \$45,000. It is likely El Dorado County will fund AP Triton’s LAFCO work currently outlined in their scope of work.

Fund Balance Fund 07	\$696,795
AP Triton Agreement (less LAFCO work likely to be paid for by El Dorado County)	-51,156
MRG Agreement	-45,000
New estimated budget	\$600,639

Early Departure of Battalion Chief

One of the two Battalion Chiefs is pending transfer, prior to the proposed Year 2 of the Cal Fire Agreement. Battalion Chiefs compensation is approximately \$250,000 annually. The plan will be to establish a contract to cover the Fire Marshal Plan reviews and other services; therefore, there will be a net savings to the operational costs of the Fire Department. The amount of savings is not yet determined.

Weed Abatement on Parks Property

The Parks Department budget has an additional \$35,000 allocated for weed abatement on District open space properties. District staff is discussing opportunities to reduce or remove this additional amount with Cal Fire staff.

Conclusion

Reductions in the Parks, Community Center and Recreation Departments have not been fully vetted by staff due to time constraints. Once the Board of Directors approves a Final Budget, staff will work together to develop staff schedules and programs that meet the current budget allocation. Implementation of new fall programs will begin after September 1. Department heads will report to the Parks and Recreation Committee about service level changes. “Right-sizing” the district will take time to implement.

Attachments

1A. Fiscal Year 2023-2024 Final Budget, Draft #2

Cameron Park Community Services District
Statement of Revenues and Expenditures - Unposted Transactions Included In Report
From 7/1/2023 Through 6/30/2024

01 - General Fund

		FY 2020 21 Final		FY 2021 22 Final		FY 2022 23 Final	FY22 23 Year to Date		FY 23 24 2nd Draft -
		Budget	FY 2021 Actual	Budget	FY 2021 22 Actual	Budget	Actual	FY 23 24 - Preliminary	Final
Operating Revenue									
Property Taxes	4110	4,363,061.00	4,419,679.40	4,582,358.00	4,602,534.44	4,788,564.00	4,861,167.11	4,980,106.00	5,152,837.00
Franchise Fees	4113	200,000.00	206,526.21	206,780.00	218,982.46	220,000.00	192,469.73	220,000.00	250,000.00
Fire Marshall Plan Review	4132	40,000.00	33,139.30	45,000.00	59,818.95	77,000.00	56,757.05	77,000.00	77,000.00
Tuition Fees/Revenue	4142	0.00	1,350.00	0.00	3,261.82	0.00	1,572.50	0.00	0.00
Youth Classes	4145	0.00	(30.00)	0.00	0.00	0.00	0.00	0.00	0.00
Recreation Program	4154	116,918.38	56,967.80	122,639.00	201,840.12	150,000.00	167,546.00	150,000.00	164,400.00
Instructor Program	4155	0.00	0.00	0.00	0.00	50,000.00	89,941.05	50,000.00	90,000.00
Transfer In	4165	24,570.00	22,146.00	39,598.85	0.00	73,837.00	0.00	73,837.00	63,006.00
Special Events	4170	0.00	(47.50)	0.00	31,859.00	2,000.00	578.00	2,000.00	2,000.00
Lake Entries - Daily (Kiosk)	4180	0.00	2,807.00	35,660.00	41,578.78	40,000.00	38,481.25	40,000.00	50,000.00
Annual Passes (Lake/Pool)	4181	66,782.00	70,571.25	75,000.00	60,180.94	65,500.00	40,690.26	65,500.00	65,000.00
Combo)									
Picnic Site Rentals	4182	0.00	580.00	1,500.00	1,674.50	6,000.00	1,069.00	6,000.00	2,000.00
Assembly Hall & Classroom	4185	15,304.00	13,665.00	35,139.00	20,262.80	30,000.00	41,685.91	30,000.00	42,000.00
Rentals									
Gym Rentals	4186	27,810.00	20,702.40	26,000.00	6,828.34	23,000.00	14,425.06	23,000.00	23,000.00
Pool Rental Fees	4187	87,215.00	86,987.94	98,000.00	87,467.50	101,500.00	92,426.09	101,500.00	74,900.00
Sports Field Rentals	4190	27,070.00	10,992.96	19,580.00	19,794.00	21,000.00	18,269.80	21,000.00	26,000.00
Donations	4250	0.00	1,200.00	0.00	3,669.00	0.00	9,600.00	0.00	7,745.00
Sponsorships	4255	14,500.00	29,000.00	20,000.00	19,921.20	2,500.00	46.00	2,500.00	2,500.00
JPA Reimbursable	4260	1,150,000.00	1,127,797.03	1,150,000.00	1,149,999.96	1,212,000.00	304,384.96	1,353,200.00	1,353,200.00
Fire Apparatus Equip Rental	4262	20,000.00	19,656.46	10,000.00	28,930.00	15,000.00	0.00	15,000.00	260,000.00
Reimbursement/Refund	4400	6,776.00	75,858.25	1,800.00	30,376.18	47,700.00	51,200.00	47,700.00	0.00
Weed Abatement	4410	4,020.00	15,731.73	15,750.00	6,029.96	14,300.00	23,723.16	14,300.00	50,000.00
Interest Income	4505	25,000.00	4,265.76	19,000.00	1,608.92	1,000.00	8,552.78	1,000.00	6,000.00
Other Income/Refunds	4600	12,000.00	2,802.90	8,000.00	1,198.22	2,000.00	1,545.20	2,000.00	2,000.00
Relief Funds	4601	0.00	0.00	0.00	193,788.00	0.00	0.00	0.00	0.00
First Responder Fee	4602	0.00	0.00	0.00	0.00	100,000.00	93,179.11	100,000.00	115,000.00
Grant - CCI	4605	153,794.00	113,830.59	113,120.00	165,071.95	0.00	0.00	0.00	0.00
Grants	4610	0.00	999.90	0.00	0.00	0.00	29,998.50	0.00	104,450.00
Gain/Loss of Assets	4615	0.00	0.00	0.00	3,015.31	0.00	0.00	0.00	10,000.00
Total Operating Revenue		<u>6,354,820.38</u>	<u>6,337,180.38</u>	<u>6,624,924.85</u>	<u>6,959,692.35</u>	<u>7,042,901.00</u>	<u>6,139,308.52</u>	<u>7,375,643.00</u>	<u>7,993,038.00</u>
Expenditures									
Salaries - Perm.	5000	668,160.00	707,063.36	777,784.00	858,669.21	923,694.00	905,899.79	923,694.00	932,397.00
Salaries - Seasonal	5010	90,540.00	107,591.86	138,175.00	160,481.78	109,068.00	221,551.47	109,068.00	152,600.00
Overtime	5020	7,050.00	17,378.95	6,750.00	26,007.08	11,966.00	18,796.81	11,966.00	7,250.00

Cameron Park Community Services District
Statement of Revenues and Expenditures - Unposted Transactions Included In Report
From 7/1/2023 Through 6/30/2024

01 - General Fund

		FY 2020 21 Final Budget	FY 2021 Actual	FY 2021 22 Final Budget	FY 2021 22 Actual	FY 2022 23 Final Budget	FY22 23 Year to Date Actual	FY 23 24 2nd Draft - Preliminary	FY 23 24 2nd Draft - Final
In Lieu Benefits Stipend	5120	0.00	0.00	0.00	6,583.32	10,000.00	9,250.00	10,000.00	0.00
Health Benefit	5130	118,523.00	124,254.05	109,540.00	130,618.48	145,861.00	134,622.17	145,861.00	155,323.00
Retiree Health Benefit	5135	78,016.00	95,996.15	76,025.00	104,611.39	111,317.00	102,745.47	111,317.00	103,204.00
Dental Insurance	5140	9,663.00	10,605.45	9,721.00	12,107.44	13,262.00	12,057.93	13,262.00	15,330.00
Vision Insurance	5150	1,396.00	1,732.98	1,513.00	1,798.14	2,003.00	1,947.86	2,003.00	2,510.00
CalPERS Employer	5160	207,664.00	206,709.53	248,154.00	253,688.87	295,567.00	293,071.60	295,567.00	275,753.00
CalPERS 457	5161	0.00	0.00	0.00	0.00	0.00	3,725.00	0.00	5,500.00
Worker's Compensation	5170	57,914.00	54,114.92	31,622.93	36,508.99	42,262.00	42,251.93	42,262.00	53,530.00
FICA/Medicare Employer	5180	23,999.00	21,593.21	24,516.00	29,306.75	29,061.00	39,159.24	29,061.00	34,200.00
Contribution									
UI/TT Contribution	5190	10,689.00	10,578.67	10,682.00	9,382.41	10,603.00	8,841.19	10,603.00	13,020.00
Advertising/Marketing	5209	7,810.00	8,824.16	15,200.00	15,500.01	16,000.00	8,377.25	16,000.00	2,500.00
Agency Administration Fee	5210	0.00	0.00	0.00	0.00	0.00	(20.00)	0.00	0.00
Agriculture	5215	14,816.00	12,959.83	14,400.00	16,992.00	20,400.00	21,147.59	20,400.00	22,900.00
Audit/Accounting	5220	30,000.00	46,775.22	36,000.00	40,829.84	36,000.00	30,825.55	36,000.00	35,000.00
Bank Charge	5221	10,000.00	8,002.41	3,800.00	13,750.22	14,400.00	18,382.32	14,400.00	20,600.00
Clothing/Uniforms	5230	4,285.00	2,473.78	6,350.00	3,970.20	6,250.00	2,312.00	6,250.00	29,300.00
Computer Software	5231	27,200.00	29,981.64	31,721.00	34,998.38	36,622.00	28,987.88	36,622.00	36,500.00
Computer Hardware	5232	5,500.00	4,514.06	7,250.00	7,818.50	6,750.00	7,305.52	6,750.00	4,900.00
Contractual Services	5235	10,000.00	13,874.60	10,000.00	4,730.07	5,000.00	15,193.00	5,000.00	10,000.00
Contractual - Provider	5236	4,059,061.00	3,331,787.48	4,160,537.26	3,940,462.91	4,264,550.00	3,081,687.72	5,209,619.00	3,661,974.00
Services - FIRE									
Contract Under Utilization	5237	(250,000.00)	0.00	(300,000.00)	0.00	(250,000.00)	0.00	0.00	0.00
Ambulance Exp	5238	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,353,200.00
Contract Services - Other	5240	163,438.00	270,115.30	176,290.00	110,176.17	111,202.00	112,923.51	111,202.00	176,067.00
Director Compensation	5250	18,000.00	11,400.00	16,800.00	14,800.00	16,800.00	15,800.00	16,800.00	17,000.00
EDC Department Agency	5260	4,300.00	4,252.73	4,300.00	4,418.54	4,500.00	4,798.29	4,500.00	5,000.00
Educational Materials	5265	12,500.00	19,172.88	11,000.00	2,721.37	3,450.00	584.88	3,450.00	400.00
Elections	5270	0.00	45.00	0.00	0.00	0.00	0.00	0.00	0.00
Equipment-Minor/Small	5275	9,340.00	5,704.30	8,500.00	10,441.99	15,500.00	15,150.36	15,500.00	14,500.00
Fire & Safety Supplies	5285	3,913.04	5,007.70	3,450.00	4,075.41	4,850.00	3,191.15	4,850.00	3,850.00
Fire Prevention &	5290	1,200.00	2,250.65	1,100.00	1,785.00	1,800.00	4,122.86	1,800.00	2,000.00
Fire Turnout Gear	5295	31,000.00	30,208.18	31,000.00	30,408.06	30,000.00	22,899.72	30,000.00	28,400.00
Fire- Intern paid	5296	14,200.00	16,360.00	20,200.00	11,320.00	11,800.00	7,600.00	11,800.00	10,000.00
Food	5300	2,750.00	1,927.05	2,500.00	2,772.46	2,950.00	3,491.17	2,950.00	3,900.00
Fuel	5305	38,200.00	39,611.39	34,000.00	56,911.43	53,500.00	56,783.40	53,500.00	62,200.00
Government Fees/Permits	5310	25,382.00	24,771.68	25,400.00	23,369.84	29,900.00	26,820.83	29,900.00	32,200.00
Janitorial / HH Supplies	5315	26,700.00	31,508.77	29,000.00	37,963.38	33,200.00	34,566.79	33,200.00	46,979.00

Cameron Park Community Services District
Statement of Revenues and Expenditures - Unposted Transactions Included In Report
From 7/1/2023 Through 6/30/2024

01 - General Fund

		FY 2020 21 Final		FY 2021 22 Final		FY 2022 23 Final	FY22 23 Year to Date		FY 23 24 2nd Draft -
		Budget	FY 2021 Actual	Budget	FY 2021 22 Actual	Budget	Actual	FY 23 24 - Preliminary	Final
Instructors	5316	1,000.00	1,365.00	6,500.00	29,514.80	30,000.00	53,947.17	30,000.00	54,000.00
Insurance	5320	130,000.00	129,411.74	175,886.00	172,385.49	206,710.00	206,047.15	206,710.00	254,433.00
Legal Services	5335	15,000.00	13,933.50	15,000.00	10,733.00	10,000.00	16,074.00	10,000.00	10,000.00
Maint. - Vehicle Supplies	5340	1,700.00	1,085.04	2,200.00	0.00	500.00	206.42	500.00	600.00
Maint. - Buildings	5345	27,900.00	25,662.94	23,000.00	38,228.21	24,400.00	30,104.82	24,400.00	26,000.00
Maint. - Equipment	5350	42,225.00	38,703.98	43,040.00	35,009.63	33,800.00	40,417.88	33,800.00	42,350.00
Maint. - Grounds	5355	50,026.00	44,453.48	42,500.00	41,772.94	46,150.00	47,189.31	46,150.00	45,250.00
Maint. - Radio/Phones	5360	2,000.00	1,453.05	2,000.00	4,301.91	2,000.00	3,335.96	2,000.00	2,000.00
Maint. - Tires & Tubes	5365	14,800.00	8,111.34	13,600.00	13,273.27	12,600.00	16,831.22	12,600.00	13,400.00
Maint. - Vehicle	5370	33,750.00	29,170.32	25,500.00	34,455.14	32,700.00	38,673.62	32,700.00	32,500.00
Medical Supplies	5375	700.00	0.00	0.00	0.00	0.00	209.79	0.00	30,040.00
Memberships/Subscriptions	5380	10,160.00	9,879.25	10,660.00	10,909.09	12,200.00	11,408.05	12,200.00	12,150.00
Mileage Reimbursement	5385	1,250.00	228.09	500.00	1,995.82	3,900.00	2,756.85	3,900.00	2,900.00
Miscellaneous	5395	100.00	0.00	0.00	500.00	500.00	15,060.57	500.00	500.00
Office Supplies/Expense	5400	10,200.00	9,377.95	9,700.00	8,169.46	8,450.00	6,593.54	8,450.00	7,000.00
Pool Chemicals	5405	26,827.00	32,788.86	25,000.00	29,694.15	31,500.00	38,309.31	31,500.00	28,500.00
Postage	5410	10,300.00	5,166.83	7,800.00	8,018.77	4,000.00	1,971.30	4,000.00	2,250.00
Printing	5415	1,100.00	156.56	850.00	320.13	550.00	566.66	550.00	750.00
Professional Services	5420	129,587.00	112,749.83	74,110.00	82,855.48	20,683.00	39,549.75	20,683.00	116,750.00
Program Supplies	5421	2,579.00	4,604.08	19,730.00	27,900.55	13,000.00	15,614.70	13,000.00	16,000.00
Publications & Legal Notices	5425	600.00	298.88	600.00	407.39	450.00	1,347.60	450.00	1,180.00
Radios	5430	3,000.00	11,749.80	3,000.00	24.61	1,000.00	1,007.90	1,000.00	1,000.00
Rent/Lease - Bldgs, Fields,	5435	0.00	490.15	7,060.00	0.00	0.00	0.00	0.00	0.00
etc.									
Rent/Lease - Equipment	5440	4,200.00	2,550.17	3,400.00	10,174.62	2,100.00	3,609.47	2,100.00	11,900.00
Staff Development	5455	19,300.00	18,187.40	23,250.00	14,916.62	25,500.00	20,225.96	25,500.00	22,800.00
Special Events	5465	500.00	530.72	0.00	23,844.50	0.00	0.00	0.00	0.00
Phones/internet	5470	41,600.00	42,333.70	42,100.00	47,551.14	46,900.00	53,169.55	46,900.00	55,000.00
Utilities - Water	5490	38,500.00	52,711.46	46,000.00	58,525.12	50,500.00	56,411.35	50,500.00	38,500.00
Utilities - Gas	5491	0.00	0.00	0.00	93,131.82	93,500.00	143,475.80	93,500.00	92,000.00
Utilities - Electric/Solar	5492	147,860.00	199,860.51	167,798.00	148,290.77	136,200.00	150,729.32	136,200.00	154,500.00
Utilites - Water - LLAD's	5495	350.00	864.37	0.00	0.00	0.00	0.00	0.00	0.00
Vandalism	5500	2,200.00	985.10	1,700.00	186.66	0.00	0.00	0.00	0.00
Cal Fire In Kind Purchases	5501	12,400.00	7,167.67	12,500.00	2,124.32	4,000.00	10,624.91	4,000.00	15,000.00
Capital Equipment Expense	5625	0.00	4,520.88	0.00	31,398.16	0.00	201,528.42	0.00	0.00
Transfer Out	7000	9,020.00	9,020.00	9,020.00	9,020.00	9,020.00	9,020.00	9,020.00	9,020.00
Transfer to Reserve	7001	0.00	0.00	27,639.66	27,639.66	500,000.00	0.00	0.00	0.00
Total Expenditures		6,333,943.04	6,098,720.59	6,624,924.85	7,037,252.87	7,542,901.00	6,552,870.60	8,237,970.00	8,428,260.00

Cameron Park Community Services District
 Statement of Revenues and Expenditures - Unposted Transactions Included In Report
 From 7/1/2023 Through 6/30/2024

01 - General Fund

	FY 2020 21 Final Budget	FY 2021 Actual	FY 2021 22 Final Budget	FY 2021 22 Actual	FY 2022 23 Final Budget	FY22 23 Year to Date Actual	FY 23 24 - Preliminary	FY 23 24 2nd Draft - Final
Net Revenue Over Expenditures	<u>20,877.34</u>	<u>238,459.79</u>	<u>0.00</u>	<u>(77,560.52)</u>	<u>(500,000.00)</u>	<u>(413,562.08)</u>	<u>(862,327.00)</u>	<u>(435,222.00)</u>



Agenda Transmittal

DATE: August 8, 2023

FROM: Jill Ritzman, Interim General Manager

AGENDA ITEM #2: Report Back – Fire Engine Purchase Agreement

RECOMMENDED ACTION: **Keep Purchase Agreement**

Recommendation

Staff is recommending to keep the purchase agreement for a new fire engine, due to the re-sale value to another agency.

Background

In July, the Budget and Administration Committee asked staff to investigate the penalty if the Cameron Park Community Services District Board of Directors was to cancel the purchase agreement for a new fire engine. This is a report back.

Discussion

Staff contacted Golden State Fire Apparatus to determine the financial penalty if the District were to cancel the purchase agreement. The penalty is 2% of the purchase price for a total of \$7,891.99, which is less than the 10% or 20% cited in the agreement (Attachment A).

Attachments

1A. Correspondence Gold State Fire Apparatus, August 3, 2023

GOLDEN STATE FIRE APPARATUS, INC.
7400 Reese Road
Sacramento, CA 95828
Ryan@goldenstatefire.com

August 2, 2023

Cameron Park Community Services District
Attn: Jill Ritzman, Interim General Manager
2502 Country Club Drive
Cameron Park, CA 95682
jritzman@cameronpark.org

Via Mail and Email.

Re: Cancellation of Agreement No. 101101-22B.

Dear Jill,

As you are aware, Golden State Fire Apparatus, Inc., a California corporation (“We” or “Us”) and Cameron Park Community Services District, a California corporation (the “Customer”) entered into an agreement for the Customer’s purchase of one (1) BME Fire Trucks, LLC 4X4 International Type 3 Model 34 Engine (“BME,” and the “Product”) by executing that certain Product Proposal dated effective December 22, 2022 (the “Product Proposal”). By executing the Product Proposal, the Customer also agreed to be bound by the Purchasing Terms and Conditions (the “Terms and Conditions”). The Terms and Conditions, together with the Product Proposal and other attachments thereto are referred to herein as the “Agreement.”

On July 13, 2023, you sent an email to our sales consultant, Brad Hansen, requesting a cancellation of the Agreement. Pursuant to Section 6 of the Terms and Conditions, the Customer is free to cancel the Agreement, subject to a cancellation fee of an amount equal to 10% of the Purchase Price. However, in recognition that financial circumstances change and in light of the important work that the Customer does for the community, We are willing to apply a reduced cancellation fee of 2.00% of the Purchase Price, for a total of \$7,891.99, to be invoiced to the Customer (the “Cancellation Fee”). We cannot charge less than this due to costs incurred as a result of the order.

If the Customer still desires to cancel the Agreement, please provide us with notice by signing in the space provided below and returning a copy of this letter to Us via email and at the address appearing above. Effective upon our receipt of an executed copy of this letter, we will promptly: (i) invoice the Cancellation Fee to the Customer; and (ii) once the Cancellation Fee is received, cancel the Product order with BME.

As of such date, the Agreement will be cancelled, and We and the Customer hereby acknowledge and agree that We will have no further obligations to the Customer under the

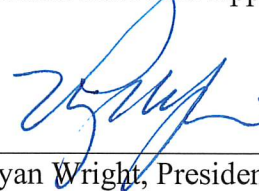
Agreement. For clarity, note that We will not cancel the current Product order with BME unless and until we receive a signed copy of this letter and payment of the Cancellation Fee. The Customer shall pay the Cancellation Fee within thirty (30) days of the date on the invoice.

We have already made BME aware of the fact that the Cameron Park Community Services District may wish to cancel its order. If you determine not to cancel the Agreement, please promptly notify us in writing so that we can ensure BME proceeds with the manufacture of the Product in accordance with the product completion estimates provided in the Product Proposal.

Please contact Us if you have any questions, and we hope to work with the Cameron Park Community Services District again in the future.

Sincerely,

Golden State Fire Apparatus, Inc.



Ryan Wright, President

Acknowledged and Agreed:

Cameron Park Community Services District

By: _____

Print Name: _____

Title: _____

Date: _____