



Moraga-Orinda Fire District

Board of Directors

REGULAR MEETING

January 19, 2022

6:30 p.m. CLOSED SESSION

7:00 p.m. OPEN SESSION

This meeting will be conducted by webinar and teleconference only in accordance with AB 361. To protect our residents, officials, and staff, and in accordance with AB 361, all public meetings are being conducted electronically to prevent imminent risks to the health or safety of attendees. The meeting is not available for in-person attendance.

Members of the public may attend the meeting by video or phone linked in this agenda.

PLEASE NOTE TELECONFERENCE MEETING INFORMATION:

To join the Meeting:

By Phone: 1-669-900-6833

Please click the link below to join the webinar by Zoom:

<https://us02web.zoom.us/j/88303612888>

Webinar ID: 883 0361 2888

Public Participation is encouraged by joining via the ZOOM link or the dial-in information above. You can access it either via a smartphone or computer App (Zoom) or via phone.

Live Public Comment can be provided via the Zoom app (during public comment) by the raise hand or chat function. If participating by phone, dial *9 to *raise* your *hand*. Staff will unmute participants to allow comment. Participants will be unmuted in the order of hands raised or chat request to comment.

Written Public Comment can be provided via email at info@mofd.org.

- Emails received by **3pm** on the day of the meeting will be forwarded to the Board of Directors. Emails will be made a part of the public record and available to view by 5pm on the day of the meeting by following this link www.mofd.org/agendas
- Comments may also be submitted by email during the meeting up until the closure of the public comment period on the relevant agenda item. These will be read into the record by staff at their normal cadence and will be limited to a maximum of 3 minutes.

If you are participating via meeting link (i.e. web platform) and experience technological difficulties, please re-join the meeting by phone via phone number provided above. In the event the meeting broadcast is disrupted, or if a technical issue on the agency's end disrupts public comment, the board will pause the meeting and will not take any further action on items on the agenda until access is restored.

The meeting will be live streamed via the MOFD YouTube Channel. A link is accessible via the District's website.

1. OPENING CEREMONIES

- 1.1. Call the Meeting to Order
- 1.2. Roll Call

2. PUBLIC COMMENT

General public comment on any closed session item that will be heard. Comments may be limited to no more than three minutes pursuant to board policy.

3. CLOSED SESSION

- 3.1. **Conference with Labor Negotiator**
(Government Code Section 54957.6)
Agency Designated Representative: Donna Williamson
Employee Organization: Local 1230, International Association of Firefighters IAFF

4. RECONVENE THE MEETING

- 4.1. Call the Meeting to Order
- 4.2. Roll Call

5. REPORT OF CLOSED SESSION ACTION

6. PUBLIC COMMENT – ITEMS NOT ON THE AGENDA

At the beginning of each regular District Board meeting, any member of the public may address the District Board concerning any item **not** on the Board's agenda but within the subject matter jurisdiction of the Board. Speakers will be limited to three (3) minutes unless otherwise specified by the Presiding Officer. The public will be given an opportunity to speak on each agenda

item at the time it is called. The Board may discuss and/or take action regarding any or all of the items listed below. Once the public comment portion of any item on this agenda has been closed by the Board, no further comment from the public will be permitted unless authorized by the Board and if so authorized, said additional public comment shall be limited to the provision of information not previously provided to the Board or as otherwise limited by order of the Presiding Officer or the Board.

7. CONSENT AGENDA

7.1. **Adopt Resolution 22-01 Re-Ratifying Findings and Determining A Need to Continue Holding Remote Meetings By Teleconference**

Staff Recommendation: Adopt Resolution 22-01 Re-Ratifying Findings and Determining A Need to Continue Holding Remote Meetings By Teleconference

7.2. **Meeting Minutes – November 17, 2021 (Regular), December 08, 2021 (Special)**

Staff Recommendation: Approve and File

7.3. **Monthly Incident Report – December 2021**

Staff Recommendation: Approve and File

7.4. **Monthly Check/Voucher Register – December 2021**

Staff Recommendation: Approve and File

7.5. **Monthly Financial Report –December 2021**

Staff Recommendation: Approve and File

7.6. **Budget Timeline Fiscal Year 2023**

Staff Recommendation: Information Only

7.7. **2022 Listing of Board Assignments**

Staff Recommendation: Information Only

8. PUBLIC HEARING

8.1. **Public Hearing and First Reading of Ordinance 22-01 – An Ordinance of the Moraga-Orinda Fire District of Contra Costa County Revising a Schedule of Fees for District Services**

Staff Recommendation: 1) Discuss; 2) Deliberate; 3) Introduce and Waive the First Reading of Ordinance 22-01 – An Ordinance of the Moraga-Orinda Fire District of Contra Costa County Revising a Schedule of Fees for District Services and the revised Fee Schedule effective March 19, 2022; 4) Open the public hearing and accept comments from the public; 5) Close the public hearing.

8.2. **First Public Hearing on Redistricting Process; Review District Maps; Review the Criteria for Adopting New District Boundaries/Maps; Receive Input from the Public; and Receive Direction from the Board of Directors**

Staff Recommendation: 1) Open the Public Hearing and take Public Comment; 2) Discuss; 3) Deliberate; 4) Close Public Hearing; 5) Provide direction to Staff.

9. REGULAR AGENDA

9.1. **Asset Allocations and Approval of Investment Guidelines Documents for the Pension Trust and for the Other Post-Employment Benefits Trust**

Staff Recommendation: 1) Discuss; 2) Deliberate; 3) Approve Investment Guidelines Documents for the Pension Trust and the Other Post-Employment Benefits Trust

9.2. **Request for a MOFD/City of Orinda Joint Meeting**

Staff Recommendation: 1) Discuss; 2) Deliberate; 3) Provide Direction to Staff

9.3. **Adopt Resolution 22-02 A Resolution of the Board of Directors of the Moraga-Orinda Fire Protection District Approving an Investment Policy for District Funds**

Staff will present information to the Board regarding Resolution No. 22-02, A Resolution of the Board of Directors of the Moraga-Orinda Fire Protection District Approving an Investment Policy for District Funds.

Staff Recommendation: 1) Discuss; 2) Deliberate; 3) Adopt Resolution 22-02 Approving an Investment Policy for District Funds.

9.4. **Second Reading and Adoption of Resolution 21-08 Adopting Revised Rules of Procedure for Board Meetings and related Functions and Activities**

Staff Recommendation: 1) Discuss; 2) Deliberate; 3) Resolution 21-08 Adopting revised Rules of Procedure for Board Meetings and related Functions and Activities

9.5. **Adoption of Resolution No. 22-03 Authorizing Investment of Monies in Local Agency Investment Fund**

Staff will present information to the Board regarding Resolution 22-03 Authorizing Investment of Monies in Local Agency Investment Fund.

Staff Recommendation: 1) Discuss; 2) Deliberate; 3) Adopt Resolution No. 22-03 Authorizing Investment of Monies in Local Agency Investment Fund.

- 9.6. **Request For Proposal - General Banking and Cash Management Services and Authorize Staff to Contract with JPMorgan Chase & Co. for a Business Platinum Checking Account and Lockbox Services for the Period February 1, 2022 – January 31, 2027**

Staff Recommendation: 1) Discuss; 2) Deliberate; 3) Authorize staff to contract with JPMorgan Chase & Co. for a business platinum checking account and lockbox services for the period February 1, 2022 – January 31, 2027.

- 9.7. **Celebrating the 25th Anniversary of MOFD**

Staff Recommendation: 1) Discuss; 2) Deliberate; 3) Provide Direction to Staff

10. COMMITTEE REPORTS

- 10.1. **Audit Committee (Directors Danziger and Jex)**

- 10.2. **Facilities Station 41 Ad Hoc Committee (Directors Baitx and Donner)**

11. ANNOUNCEMENTS

- 11.1. **Brief information only reports related to meetings attended by a Director at District expense**
(Government Code Section 53232.3(d))

- 11.2. **Questions and informational comments from Board members and Staff**

- 11.3. **Fire Chief Updates**

11.3.1. **Human Resources**

11.3.2. **Finance**

11.3.3. **Fire Marshal**

11.3.4. **Operations**

- 11.4. **Communications Received**

- 11.5. **Future Agenda Items**

12. ADJOURNMENT

The Moraga-Orinda Fire Protection District ("District"), in complying with the Americans with Disabilities Act ("ADA"), requests individuals who require special accommodations to access, attend and/or participate in District Board meetings due to a disability, to please contact the District Chief's office, (925) 258-4501, at least one business day prior to the scheduled District Board meeting to ensure that we may assist you.

Any disclosable public records related to an open session item on a Regular meeting agenda and distributed by the Moraga-Orinda Fire District to a majority of members of the Board of Directors less than 72 hours prior to that meeting are available for public inspections at 1280 Moraga Way, Moraga, during normal business hours.

I hereby certify that this agenda in its entirety was posted on **January 14, 2022**, at the Moraga and Orinda Fire Administration offices, Stations 41, 42, 43, 44, and 45. Agenda provided to the Moraga Town Office (Hacienda) and Orinda City Hall.



Marcia Holbrook
District Secretary/Clerk



Moraga-Orinda Fire District

TO: Board of Directors

FROM: David Winnacker, Fire Chief

DATE: January 19, 2022

SUBJECT: Item 7.1 – Adopt Resolution No. 22-01 Re-Ratifying Findings and Determining A Need to Continue Holding Remote Meetings By Teleconference

BACKGROUND

On March 4, 2020, Governor Newsom issued a Proclamation of State of Emergency in response to the COVID-19 pandemic. That proclamation remains in effect. On September 16, 2021, Governor Newsom signed AB 361. This legislation amends the Brown Act to allow legislative bodies subject to the Brown Act to meet via teleconference during a proclaimed state of emergency in accordance with teleconference procedures established by AB 361.

AB 361 requires review of the determination to continue to meet via teleconference at least every 30 days so long as the proclaimed state of emergency is still in effect and continues to directly impact the ability of the members to meet safely in person, or state or local officials have imposed or recommended measures to promote social distancing. The Contra Costa County Health Department continues to strongly recommend online teleconference public meetings as remote meetings present the lowest risk of transmission for the COVID-19 virus.

STAFF RECOMMENDATION

Staff recommends the Board adopt Resolution No. 22-01 Re-Ratifying Findings and Determining A Need to Continue Holding Remote Meetings By Teleconference

ATTACHMENT

Attachment A - Resolution No. 22-01 Re-Ratifying Findings and Determining A Need to Continue Holding Remote Meetings By Teleconference

RESOLUTION NO. 22-01

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MORAGA-ORINDA FIRE PROTECTION DISTRICT OF
CONTRA COSTA COUNTY RE-RATIFYING FINDINGS AND DETERMINING
A NEED TO CONTINUE HOLDING REMOTE MEETINGS BY TELECONFERENCE**

WHEREAS, the Board of Directors of the Moraga Orinda Fire District (“District”) is committed to preserving public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of the District’s Board are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code §§ 54950 – 54963), so that any member of the public may attend, participate, and watch the Board conduct its business; and

WHEREAS, Government Code section 54953(e) of the Brown Act, allows a legislative body to hold a teleconference meeting, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, the Board of Directors previously adopted a Resolution Number 21-17 on October 18, 2021, finding that the requisite conditions exist for the legislative bodies of the District to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of section 54953; and

WHEREAS, in order to meet by teleconference under Government Code section 54953(e), the Governor must have proclaimed a state of emergency under the California Emergency Services Act (Govt. Code § 8625 *et. seq.*); the legislative body must reconsider the circumstances of the state of emergency; and the legislative body must find that the state of emergency continues to directly impact the ability of the members to meet safely in person and/or state or local officials continue to impose or recommend measures to promote social distancing; and

WHEREAS, on March 4, 2020, Governor Newsom proclaimed a State of Emergency declared by Governor Newsom under the California Emergency Services Act due to COVID-19, which is still in existence; and

WHEREAS, on August 2, 2021, the Contra Costa County Health Officer issued a Health Order requiring the wearing of face coverings in workplaces and public settings due to the rise of the SARS-CoV-2 Delta Variant, which is still in effect, and strongly recommended online teleconference public meetings as those meetings present the lowest risk of transmission for SARS-CoV-2, the virus that causes COVID-19; and

WHEREAS, many persons who regularly attend Board meetings are over the age of 65 and therefore considered particularly vulnerable to COVID-19; and

WHEREAS, the District provides in the public notices and agendas for all public meetings the online and telephone options for participation in public meetings, protecting the right of the public to address their local officials and to participate in public meetings, and posts this information on the District’s website, including instructions on how to access the public meeting remotely.

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors has reconsidered the circumstances of the state of emergency; and be it

FURTHER RESOLVED, that the Board finds that State or local officials continue to impose or recommend measures to promote social distancing and that State of Emergency declared by Governor Newsom on March 4, 2020, continues to directly impact the ability of Board members, staff, and the public to meet safely in person; and be it

FURTHER RESOLVED, that the Board finds that because of the aforesaid declared State of Emergency, meeting in person would present an imminent risk to the health or safety of meeting attendees; and be it

FURTHER RESOLVED, that the Board authorizes and directs the Fire Chief to place on the Board's agenda, at least once monthly, reconsideration of the State of Emergency to determine whether circumstances warrant continuing to meet by teleconference under Government Code section 54953(e)(3); and be it

FURTHER RESOLVED, that the Board does hereby direct that its Committees make these same findings until directed otherwise by the Board; and be it

FURTHER RESOLVED, that the Board authorizes and directs the Fire Chief to take all actions necessary to carry out the intent and purpose of this Resolution including conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act; and be it

FURTHER RESOLVED, that this Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) February 18, 2022, or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the District's Board may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED, APPROVED and ADOPTED this 19th day of January 2022 at a regular meeting of the District Board of Directors held virtually due to the COVID-19 pandemic on motion made by Director ____ and seconded by Director _____, and duly carried with the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Resolution 22-01
Dated: January 19, 2022

Michael Donner, President
Board of Directors

ATTEST:

Marcia Holbrook
District Secretary/District Clerk



BOARD OF DIRECTORS REGULAR BOARD MEETING MINUTES November 17, 2021

1. OPENING CEREMONIES

The Board of Directors convened a teleconference Open Session at **6:00 p.m.** on **November 17, 2021**, via the Zoom application <https://us02web.zoom.us/j/83090212376>, webinar id: 83090212376 and by phone 669-900-6833. This meeting was conducted by webinar and teleconference only in accordance with AB 361. The meeting was not available for in-person attendance.

President Jorgens called the meeting to order and requested an attendance roll call. Present were the following Directors and Staff:

President Jorgens	Director Donner	Gloriann Sasser, Admin. Services Director
Director Baitx	Director Jex	Amy Ackerman, District Counsel
Director Danziger	Dave Winnacker, Fire Chief	Marcia Holbrook, District Clerk

2. PUBLIC COMMENT (audio 0:50)

President Jorgens opened Public Comment on the closed session items. There were no requests to address the Board. President Jorgens closed Public Comment.

At **6:01 p.m.**, the Board adjourned to Closed Session.

3. CLOSED SESSION

3.1 Conference with Labor Negotiator

Government Code Section 54957.6)
Agency Designated Rep: Donna Williamson
Employee Organization: Local 1230, International
Association of Firefighters IAFF

3.2 Conference with Labor Negotiator

((Government Code Section 54957.6)
Agency Designated Rep: Jonathan Holtzman
Employee Organization: Unrepresented Employees

3.3 Conference with Labor Negotiator

(Government Code Section 54957.6)
Agency Designated Rep: Donna Williamson
Employee Organization: Moraga-Orinda Fire Chief
Officers' Association

At **6:10 p.m.**, the Board adjourned the Closed Session.

4. RECONVENE THE MEETING (audio 2:10)

4.1 Call the Meeting to Order

4.2 Roll Call

President Jorgens reconvened the Moraga-Orinda Fire District Board of Directors' regular business meeting at **7:00 p.m.** and requested an attendance roll call. Present were the following Directors and Staff:

President Jorgens	Director Jex	Mary Smith, Finance Manager
Director Baitx	Dave Winnacker, Fire Chief	Amy Ackerman, District Counsel
Director Danziger	Jeff Isaacs, Fire Marshal	Donna Williamson, District Counsel
Director Donner	Gloriann Sasser, Admin. Services Director	Marcia Holbrook, District Clerk

5. REPORT OF CLOSED SESSION ACTION (audio 2:42)

President Jorgens stated that the Board took no reportable action on agenda items 3.1-3.3.

6. PUBLIC COMMENT - ITEMS NOT ON THE AGENDA (audio 2:52)

President Jorgens opened Public Comment. There were no requests to address the Board. President Jorgens closed Public Comment.

7. CONSENT AGENDA (audio 3:07)

7.1 Adopt Resolution 21-18 Re-Ratifying Findings and Determining A Need to Continue Holding Remote Meetings By Teleconference.

Staff Recommendation: Adopt Resolution 21-18 Re-Ratifying Findings and Determining A Need to Continue Holding Remote Meetings By Teleconference

7.2 Meeting Minutes – October 18, 2021 (Special), October 20, 2021 (Regular), October 27, 2021 (Special).

Staff Recommendation: Approve and File

7.3 Monthly Incident Report – October 2021: Staff Recommendation: Approve and File

7.4 Monthly Check/Voucher Register – October 2021: Staff Recommendation: Approve and File

7.5 Monthly Financial Report – October 2021: Staff Recommendation: Approve and File

- 7.6 **Quarterly Investment Report – September 2021:** Staff Recommendation: Approve and File
- 7.7 **GASB 75 OPEB Actuarial Report Measured as of June 30, 2021:** Staff Recommendation: Approve and File
- 7.8 **2022 Regular Board Meeting Schedule:** Staff Recommendation: Approve and File
- 7.9 **Dissolve the Joint Fire Prevention Ad Hoc Committee with the City of Orinda and Town of Moraga**
Staff Recommendation: Approve to dissolve the Joint Fire Prevention Ad Hoc Committee with the City of Orinda and Town of Moraga

President Jorgens opened Public Comment. There were no requests to address the Board. President Jorgens closed Public Comment. No discussion by the Board.

Motion by Director Danziger and seconded by Director Jex to approve Consent Agenda items 7.1 through 7.9. Said motion carried 5-0 roll call vote (Ayes: Baitx, Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: None; Abstain: None).

8. REGULAR AGENDA

8.1 Annual Audit and Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021 (audio 5:24)

Administrative Services Director Sasser provided the report. The District's Administrative Services Division prepared the financial statements for the fiscal year ending June 30, 2021. Eide, Bailly, LLP audited the financial statements. In addition to the financial statement audit, Eide, Bailly, LLP prepared a required report on the District's Gann appropriations spending limit calculation and a letter to the Board required by professional accounting standards discussing their audit engagement and the procedures performed. This report included no audit findings.

Mr. Ahmad Gharaibeh, a partner with Eide Bailly LLP, was scheduled to attend the meeting to present the audit results and overview of the annual comprehensive financial report. Due to the delay of Mr. Gharaibeh, President Jorgens recommended the Board move to item 8.2 on the agenda until Mr. Gharaibeh can join the meeting. No objections were received from the Board. At 7:04 p.m., President Jorgens proceeded to agenda item 8.2, Asset Allocations and Investment Guidelines Documents for the Pension Trust and the Other Post-Employment Benefits Trust (audio 6:26). At 7:41 p.m. Mr. Gharaibeh, partner with Eide Bailly LLP, provided an overview of the audit. In addition to the financial statement audit, Eide Bailly LLP prepared a required report on the District's Gann appropriations spending limit calculation and a letter to the Board required by professional accounting standards discussing their audit engagement and the procedures performed. This report includes no audit findings, no adjustments to the financial statements, and the auditors experienced no difficulties in the performance of the audit. In addition to the audited financial statements, the District prepared an Annual Comprehensive Financial Report (ACFR) designed to meet the requirements of the Government Finance Officers Association (GFOA). Director Jex commented that the Audit Committee met with the auditor and recommended approval of the audited financial statements. Directors Jex and Danziger thanked Mr. Gharaibeh and Staff.

President Jorgens opened Public Comment. There were no requests to address the Board. President Jorgens closed Public Comment. No further discussion from the Board.

Motion by Director Jex and seconded by Director Donner to Approve the Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021, the Communication With Those Charged With Governance June 30, 2021, and the Independent Accountant's Report on Applying Agreed-Upon Procedures for Appropriations Limit Calculation For the Year Ended June 30, 2021. Said motion carried 5-0 roll call vote (Ayes: Baitx, Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: None; Abstain: None).

8.2 Asset Allocations and Investment Guidelines Documents for the Pension Trust and for the Other Post-Employment Benefits Trust (audio 6:26)

Fire Chief Winnacker provided the report. The District contracts with Public Agency Retirement Services (PARS) for pension trust and post-employment benefits trust services. PARS provides an IRS Section 115 approved irrevocable trust for the District to use to fund other post-employment benefits (OPEB) and to fund a pension rate stabilization trust account. On September 15, 2021, the Board directed Staff to place the topic asset allocation of the PARS trust accounts on a future agenda. The Board determines asset allocation ranges as part of the Investment Guidelines Document. The Investment Guidelines Documents were provided in the board packet as item 8.2, attachments A and B. Fire Chief Winnacker reviewed the current Investment Guidelines outlined in the staff report. As of June 30, 2021, the District's OPEB plan was 20% funded, and the District's pension plan was 89.6% funded. As the Board discussed at the previous meeting, decreasing the cash and fixed income ranges would increase equity and risk/volatility. Highmark Capital Management provided an analysis that assumes a 100% equity allocated portfolio, provided in the board packet as item 8.2, attachment E. Based on the report, the expected return is 7.35% which is an increase of 0.71% above the current estimate of 6.64%. The volatility of the District's portfolio would

increase to 16.69% from the current volatility estimate of 12.53%. In summary, a change in the portfolio to 100% equities would increase the expected rate of return 0.71%, and the volatility would increase 4.16%. Fire Chief Winnacker introduced Andrew Brown, Highmark Capital Management, and Angela Tang, PARS Representative to review options and answer questions regarding asset allocations.

Director Danziger asked if the District's current asset allocations were standard compared to other agencies. Mr. Brown answered the District's portfolio is more aggressive than other plans. Many clients have a much shorter time horizon, and Highmark manages their funds for a two to three-year period. The investment recommendation is much more conservative for clients with a shorter time horizon. The District has adopted a long-term horizon strategy.

Director Jex commented on a recent news article regarding CalPERS adopting much more aggressive alternative investments like Bitcoin. Mr. Brown responded he had not heard about the Bitcoin investments but heard about the more aggressive approach, and explained that CalPERS and the District's experience are similar to what Highmark has done over the last couple of years. Mr. Brown discussed how CalPERS and MOFD are in the same predicament and the difficulties in achieving the 6-7% percent rate of return. Director Jex stated that normally, if an agency has cash at the levels that the District has, it is because of liquidity issues. The District does not have the liquidity requirement or need-based funding. Director Jex supported having some bonds but did not see any reason to carry the balance's cash percentage when the District could be earning 2-3% versus nothing. Mr. Brown answered with 5% as policy and 1% as a four percent underweight; Highmark would look at that as de minimus. Mr. Brown stated that Highmark likes to have cash for some transactions, but the Board could lower the cash allocation. Highmark changes the allocation 7-8 times throughout the year.

President Jorgens inquired about a heading in the previous report "real rate of return" on assets, and cash was at 2.54% used during the last presentation on page 33. President Jorgens stated that there is no need for cash other than facilitating transactions when switching portfolios which should be minimal. President Jorgens expressed concern with 21% of the District's portfolio invested in Bonds and the historically low bond rates of return. In the last 15-years, bonds have not traded much differently than the stock market. Recent proposals included investing in emerging markets. President Jorgens opposed investing in emerging markets and views emerging markets as being volatile and unpredictable. President Jorgens recommended getting out of the emerging markets, reducing bond holdings, and a minimum amount of cash. Mr. Brown confirmed reducing the cash is an option if directed by the Board. The cash and bonds investment is a hedge, not a great hedge unless the equity market goes down 33% over a six week period as it did in February/March of 2020.

President Jorgens stated the District has high coupon bonds and asked what happened to those bonds during this same time frame (probably went to zero instead of going down 33%). Mr. Brown answered no because those bonds are high-yield bonds and went down 5-6%, which is a small amount of the portfolio. Those bonds went down in value, less than stocks, and were not in the black. Mr. Brown agreed the emerging markets equities are more volatile. The District experienced two stock categories that were up in the most recent quarterly report, Large Cap was up .5%, and REITS up .7-.8%. Emerging markets were down about 8%. Highmark likes to have some exposure in emerging markets and some exposure to Small Caps. Highmark reduced the emerging market exposure equities by 1.5%. Highmark recommended retaining a position in emerging markets because other markets will perform better than domestic markets.

President Jorgens commented about investing in the S&P 500, and asked which part of the portfolio is invested in the S&P since 100% of those portfolios have assets and do business in the emerging markets, effectively getting some diversification benefit. The pandemic can affect those kinds of markets dramatically more than the US markets. Usually, emerging markets are by far the most volatile markets. Mr. Brown agreed and stated that Highmark tempers the buy policy when investing into emerging markets, and an overweighting of emerging markets for Highmark would be much less than an underweighting to large caps. Many of those S&P 500 multinational corporations (80-90%) do business with some emerging markets. It is a different dynamic investing in Microsoft who does a lot of business with China, versus directly dealing with an underlying Chinese company. President Jorgens added people are discovering that those companies do not follow GASB accounting, are dependent on Chinese policy and subsequently find out the business is worth half as much as it was because the Chinese changed their policy. Director Jex expressed little confidence in what is published regarding emerging market financial information due to many experiences getting financial information with little or no validity. President Jorgens recommended minimizing cash and not investing in emerging markets.

Director Danziger commented the cash is already minimized at slightly over 1%. President Jorgens agreed and stated that is not the current policy. Director Danziger asked President Jorgens if the recommendation was to change the policy to a lower percentage. President Jorgens confirmed.

Mr. Brown appreciated the feedback and real-world experiences. The portfolio presented is Highmark's recommendation. However, at the Board direction, ceilings can be placed on emerging market exposure and cash exposure. The guidelines would need to be rewritten to reflect the spirit that the Board wishes to implement an investment policy.

Director Danziger asked if the Board changed the investment policy to cash at 2.5%, would that impact the way Highmark does business, and would there be a negative impact on how the account is managed. Mr. Brown answered the only impact would be if there is a rebalancing and moving between an ETF and a Mutual Fund that cost more than 2.5%; one transaction would happen on one day and the other transaction on the next day. President Jorgens expressed more concern about the emerging markets and the debt than about the cash. Mr. Brown shared that another agency had expressed the same concern and limited emerging market exposure to 3%, with equities capped at 6%. This client has significantly reduced the amount Highmark is to invest in emerging markets. Director Danziger asked if the current policy has a cap for emerging markets. Mr. Brown confirmed a 0-25% cap for international and emerging markets. Mr. Brown recommended revising the policy breaking out emerging markets for the District.

President Jorgens supported the change in the policy with some guidance from the Board. President Jorgens stated that if the cash is not needed short-term, the equities have historically outperformed the debt. Director Jex agreed. Mr. Brown stated if the portfolio is modified to an all-stock portfolio with 2-3% in cash and 97-98% in equities, the assumptions increase .7% for the annualized rate of return, but with a bevy full of additional risk. A 4% standard deviation is not a number that too many people can wrap their arms around unless the market experiences a time when the market suffers significant downside volatility and goes into a different level of risk with the elimination of cash and bonds. President Jorgens responded that it would be a different level of short-term risk but not long-term risk. President Jorgens argued the downside of the current bond market and zero interest rates and stated conventional wisdom is the bonds can only go up, which means the value of the bond goes down. Mr. Brown agreed.

Mr. Brown stated that currently, the District does not have a two-year forecast but could quickly develop a two-year forecast as discussed. Director Jex supported a policy change and stated the Board could change the portfolio if the requirement becomes necessary. Mr. Brown will return with a pro forma policy recommendation change capping cash at 3% and if the Board feels it is prudent to eliminate the fixed income and run an all Equity portfolio. Mr. Brown recommended that Highmark develop the same policy for OPEB.

Director Danziger opposed making the fixed income section zero. President Jorgens agreed but would like to reduce it to below 20% and suggested 10%. President Jorgens recommended 0% for emerging markets and 2-4% for cash. Directors Donner and Baitx supported the recommendation. Mr. Brown asked the Board to consider 0-5% versus 0% for emerging markets cap. Director Danziger supported the recommendation. President Jorgens supported the recommendation and suggested a maximum of 10% for the debt and 0-5% for cash. Director Danziger agreed. Mr. Brown to present draft new investment policies at the January regular board meeting.

President Jorgens opened Public Comment. There were no requests to address the Board. President Jorgens closed Public Comment. No further discussion by the Board.

President Jorgens returned to agenda item 8.1, Annual Audit and Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021. (audio 43:29)

8.3 Quarter One Financial Update and Budget Review FY2022 (audio 49:09)

Administrative Services Director Sasser provided the report and presented a PowerPoint presentation, attached to these minutes, Item 8.3; attachment A. The financial update covered July 1, 2021, through September 30, 2021. Property tax revenue is projected to meet the budget. Ambulance revenue is projected to exceed the budget of \$1.1M. Ambulance revenue is an uncertain category due to the volatility of COVID and will be monitored throughout the fiscal year. Strike team revenue is projected to exceed the \$189K budget. Plan Review revenue is projected less than budget \$54K due to a slowdown in plans submitted to the District. Salaries are projected less than budget \$325K and retirement contributions less than budget \$217K due to six vacant or unpaid firefighter paramedic positions. Negotiated salary increases have been included in the projected amounts. Staffing overtime will exceed the budget due to increased leave usage and six vacant positions. Strike team overtime costs are projected to exceed budget \$170K due to increased activity.

President Jorgens asked if future Strike team costs will be under budget due to the early end of the fire season. ASD Sasser answered that the projections were based on all known Strike Team activity through October. Director Jex inquired about the non-strike team overtime overage. Fire Chief Winnacker explained that the overtime was due to leave usage for a long-term injury. Many factors go into the overtime budget,

and particularly with COVID, the District has seen a significant increase in leave usage. The leave usage presented at the October regular meeting reviewed leave usage for 2019, 2020, and 2021 year-to-date has significantly increased. The District has several long-term injuries that have resulted in vacancies that had to be filled with overtime.

ASD Sasser continued with the financial update and reviewed ambulance activity. President Jorgens asked how the ambulance activity compared to 2019. ASD Sasser answered the activity information was included the 2019 and 2020 fiscal years. ASD Sasser reviewed Strike team activity and the surplus revenue generated from the Strike team activity.

The District started the fiscal year with \$15.7M in unrestricted cash and investments and \$12M in the General Fund unrestricted fund balance. The projected surplus will increase the unrestricted fund balance to \$13M, which exceeds the Fund Balance Policy minimum of 17% and less than the Policy goal of 50%.

The Capital Projects Fund has a projected deficit of \$506K due to several budgeted capital purchases. The Debt Service Fund has a planned use of reserves of \$2.1M due to the final year of the pension obligation bonds. The pension obligation bonds will be paid-in-full on July 1, 2022. Director Jex asked about the two grants in the Capital Fund. ASD Sasser answered part of the Capital Fund was for the \$300K solar installed at the station. Director Danziger asked what defines the non-secured property tax revenue. ASD Sasser answered unsecured property is boats and airplanes and similar types of assets that are assessed property tax

President Jorgens opened the public comment. There were no requests to address the Board. President Jorgens closed public comment. No further discussion by the Board.

8.4 Approval of a Memorandum of Understanding between the District and Moraga-Orinda Fire Chief Officers Association for the period July 1, 2021 – June 30, 2024; Approval of Salary Schedule Effective July 1, 2021 (audio 61:01)

District Negotiator Williamson provided the report and shared a PowerPoint presentation reviewing the Moraga-Orinda Fire Chief Officers Association (MOFCOA) Process; attached to these minutes, item 8.4 attachment A. Seven Negotiations Meetings were held between May 2021 and October 2021. Parties negotiated an agreement on November 1, 2021. Board was regularly updated in fourteen (14) closed sessions while negotiations were occurring. The key negotiation bargaining issues included wages, medical benefits for current employees, and retiree medical benefits. Key provisions of the tentative agreement and MOU changes included the term of three years (expires on June 30, 2024), wages increase 4% (FY2022)/4% (FY2023)/5% (FY2024), increase in the medical benefit District monthly contribution and Retiree Medical Benefits District contribution to RHSA. The projected fully burdened additional cost, including retirement costs and payroll taxes, is provided below.

	Projected Additional Annual Cost FY2022	Projected Additional Annual Cost FY2023	Projected Additional Annual Cost FY2024	Projected Additional Annual Cost Total
Salary increases 4%/4%/5%	\$48,542	\$50,483	\$53,007	\$152,032
Medical insurance increases to \$798/\$1,595/\$2,073	\$5,160	Ongoing	Ongoing	\$5,160
Retiree health savings account contribution all employees - \$100 per month	\$3,675	Ongoing	Ongoing	\$3,675
Deferred comp - \$100 per month	\$3,600	Ongoing	Ongoing	\$3,600
Overtime add acting pay rate	\$7,000	\$7,280	\$7,644	\$21,924
Increase vacation hours 18 to 19	\$2,184	\$2,271	\$2,362	\$6,818
Total	\$70,161	\$60,035	\$63,014	\$193,209

The two parties successfully reached a tentative agreement. MOFCOA ratified the tentative agreement (TA) on October 14, 2021. The Term of the recommended MOU is July 1, 2021 – June 30, 2024.

President Jorgens opened the public comment.

Vince Wells, Local 1230 Union President, expressed concern about the amount of money going to retiree health care. Mr. Wells expressed that Firefighters should receive the same level of health care when retired, and retiree healthcare should be a priority for employees who engage in this type of work from the Fire Board.

There were no further requests to address the Board. President Jorgens closed public comment.

Director Danziger expressed support for the agreement and asked all Directors to vote in favor. No further discussion by the Board.

Motion by Director Danziger and seconded by Director Donner to Approve the Memorandum of Understanding between the District and Moraga-Orinda Fire Chief Officers Association for July 1, 2021 – June 30, 2024; and Approval of the Salary Schedule Effective July 1, 2021. Said motion carried 3-2-0-0 roll call vote (Ayes: Baitx, Danziger, and Donner; Noes: Jex and Jorgens; Absent: None; Abstain: None).

8.5 Approval of Unrepresented Employee Handbook Authorizing Salary and Benefits for Unrepresented Employees Effective November 18, 2021

Fire Chief Winnacker provided the report. The District has 11 unrepresented employee positions. Salary and benefits for Unrepresented Employees are authorized in the Unrepresented Employee Handbook. The District completed the negotiations process with the two labor unions. As a result of those negotiations, the District authorized the establishment of a Retiree Health Savings Account with a \$100 per month district contribution and increased district contribution to deferred compensation for management positions from \$50 per month to \$150 per month. The annual cost of the two benefits: \$13,200 for Retiree Health Savings Account and \$6,000 Deferred compensation.

President Jorgens opened the public comment. There were no requests to address the Board. President Jorgens closed public comment.

Director Danziger expressed support for the agreement and asked all Directors to vote in favor. No further discussion by the Board.

Motion by Director Danziger and seconded by Director Donner to Approve the Unrepresented Employee Handbook authorizing salary and benefits for Unrepresented Employees effective November 18, 2021. Said motion carried 5-0 roll call vote (Ayes: Baitx, Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: None; Abstain: None).

8.6 Adoption Resolution 21-19 VantageCare Retirement Health Savings (RHS) Program (audio 74:00)

Administrative Service Director Sasser provided the report. The District recently entered into a new Memorandum of Understanding (MOU) with United Professional Fire Fighters of Contra Costa County IAFF. Local 1230. The terms of the MOU included the establishment of retiree health savings accounts with a District contribution of \$100 per month for all active bargaining unit members. The District is eligible to join the ICMA VantageCare Retirement Health Savings Program (RHS Program). The RHS program allows the District to accumulate assets to pay for health insurance and out-of-pocket medical expenses for employees in retirement.

Director Danziger asked if the District pays the \$25 charge per account per year that ICMA charges. ASD Sasser confirmed. Fire Chief Winnacker stated that the represented labor groups have requested that the District delay enrollment of their members pending review and to better understand the retirement health savings program and account options. Staff recommended approval of the resolution, so the District is ready to move forward with enrollment pending labor group concurrence.

President Jorgens asked if the approval is generic to allow Staff to proceed or if the resolution is specific to a company. Fire Chief Winnacker stated it would be the same program for all three labor groups. ICMA VantageCare is the standard provider used by all other public employers in this area. On November 16, 2021, the District received a request from the labor group for more time to consider. Given that it is anticipated that the Board will not meet again until January, Staff recommended moving forward with the approval of the recommended contract as a vendor of choice. If a request for a different provider is received, the District will review to determine if the options are equal and advantageous to the employees and cost neutral to the employer. There would be no concern about returning to the Board and modifying the resolution. If the vendor is acceptable to the labor group, there would be a delay in implementation due to the Board not meeting until the third week of January. President Jorgens suggested approving this ICMA VantageCare or another equivalent. Fire Chief Winnacker answered VantageCare officially required the specific resolution in the exact format. President Jorgens suggested modifying the resolution and delegating authority to the Chief to make changes as necessary. Fire Chief Winnacker explained the issue is whether or not the Fire Chief has signature authority for the resolution. If the District were to enter into a contract with a different provider, it would require a different resolution specific to the vendor. President Jorgens asked District Counsel if there was a way to approve a generic resolution. District Counsel Ackerman answered the provider requires the specific resolution with the elements in the resolution presented. District Counsel Ackerman agreed with the Fire Chief's recommendation.

President Jorgens opened the public comment.

Vince Wells, Local 1230 Union President, stated the Labor group agreed to go to a program but has not had a conversation about the specific vendor or vendor options.

There were no further requests to address the Board. President Jorgens closed public comment.

Director Danziger asked if it was a requirement that the District and Local 1230 mutually agree on a vendor. Fire Chief Winnacker answered no requirement and explained that any plan offered would be under the same IRS rules, and the pricing is assumed to be identical or similar. Fire Chief Winnacker recommended moving forward in a collaborative process with Local 1230 and the other labor groups.

No further discussion by the Board.

Motion by Director Jex and seconded by Director Danziger to Adopt Resolution No. 21-19 Adopting the VantageCare Retirement Health Savings Program. Said motion carried 5-0 roll call vote (Ayes: Baitx, Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: None; Abstain: None).

8.7 Election of Board Officers (audio 84:38)

President Jorgens expressed the importance of the District to follow traditions and the established processes that keep the organization from being politicized and polarized. The City of Orinda, Town of Moraga, and MOFD have a process where the Board rotates the leadership positions among all the members. President Jorgens motioned to nominate current VP Michael Donner as President for the 2022 calendar year. Director Jex seconded the motion. Director Donner accepted the nomination.

President Jorgens opened the public comment. There were no requests to address the Board. President Jorgens closed public comment.

Director Danziger asked when the position went into effect. President Jorgens answered January. Director Baitx asked for clarification if the motion was for Director Donner as President or Director Donner as President and going back to the rotation of positions. Fire Chief Winnacker answered the rotations of positions were an informal collegial process and not written in the rules of procedure. There was no further discussion by the Board.

President Jorgens restated the motion to nominate current VP Michael Donner as President for the 2022 calendar year. Director Danziger seconded the motion. Said motion carried 5-0 roll call vote (Ayes: Baitx, Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: None; Abstain: None).

Director Baitx nominated Director Danziger as Vice President for the 2022 calendar year. President Jorgens commented that the challenge with nominating Director Danziger would be that Director Danziger would become the President again, which would make it three out of four years. Director Danziger stated that there is a general election between now and the next election of officers. There is no requirement to follow the precedent of Vice President becoming President. President Jorgens stated it would be contrary to the historical processes.

President Jorgens opened the public comment. There were no requests to address the Board. President Jorgens closed public comment.

Director Baitx restated the motion to nominate Director Danziger as vice president for the 2022 calendar year. Director Donner seconded the motion. Said motion carried 4-0-0-1 roll call vote (Ayes: Baitx, Danziger, Donner, and Jex; Noes: None; Absent: None; Abstain: Jorgens).

Director Danziger stated he had inquired with Fire Chief Winnacker and District Counsel if a Director could hold more than one position on the Board. Fire Chief Winnacker answered the Fire Protection District Law of 1987 states that a director could not hold multiple positions. The Secretary and Treasurer positions are not required positions. The updated Rules of Procedure draft previously presented to the Board and withdrawn will be recirculated for consideration at the January meeting. The updated rules of procedure would eliminate those positions. Existing rules of procedure identify the positions and require that they be filled.

Director Danziger motioned to nominate Director Baitx as Secretary for the 2022 calendar year. Director Donner seconded the motion. President Jorgens opened the public comment. There were no requests to address the Board. President Jorgens closed public comment. Said motion carried 5-0 roll call vote (Ayes: Baitx, Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: None; Abstain: None).

Director Danziger motioned to nominate Director Jex as Treasurer for the 2022 calendar year. Director Baitx seconded the motion. President Jorgens opened the public comment. There were no requests to address the Board. President Jorgens closed public comment. Said motion carried 5-0 roll call vote (Ayes: Baitx, Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: None; Abstain: None).

8.8 Appointment of Standing and Ad Hoc Committee Members and District Liaisons (96:15)

Fire Chief Winnacker provided the report. Each year the Board of Directors appoints new Committee Members and District Liaisons. Fire Chief Winnacker reviewed the current 2021 Standing and Ad Hoc

Committee and District Liaisons to outside agencies and opened the discussion for the appointments of Standing and Ad Hoc Committee members and District Liaisons for the calendar 2022 year.

President Jorgens opened the public comment. There were no requests to address the Board. President Jorgens closed public comment.

Director Danizger recommended reviewing each committee individually to see if other directors are interested in participating on the committees. No Directors expressed interest. President Jorgens asked if the standing Finance committee was necessary since the Board effectively does the committee work. Fire Chief Winnacker stated it is not required. Director Donner asked if any Directors wanted to change their current position or committees. All Directors agreed to keep their current committees and District Liaisons positions.

President Jorgens opened the public comment. There were no requests to address the Board. President Jorgens closed Public Comment. No further discussion by the Board.

Motion by Director Donner and seconded by Director Baitx to Appoint the same 2021 Audit Committee members, 2021 Ad Hoc Committee members to be effective January 1, 2022; and Dissolve the Finance Committee to be effective January 1, 2022. Said motion carried 5-0 roll call vote (Ayes: Baitx, Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: None; Abstain: None).

Fire Chief Winnacker reviewed the current 2021 District Liaisons to outside agencies. President Jorgens opened the discussion. Director Danziger inquired if other board members were interested in the District liaison for the City of Orinda and Town of Moraga. No members expressed interest.

President Jorgens opened the public comment. There were no requests to address the Board. President Jorgens closed Public Comment. No further discussion by the Board

Motion by Director Donner and seconded by Director Baitx to Appoint the same 2021 District Liaisons effective January 1, 2022. Said motion carried 5-0 roll call vote (Ayes: Baitx, Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: None; Abstain: None).

9. COMMITTEE REPORTS (audio 106:12)

- 9.1 **Audit Committee (Directors Danziger and Jex).** No report
- 9.2 **Finance Committee (Directors Danziger and Jorgens).** No report.
- 9.3 **Facilities Station 41 Ad Hoc Committee (Directors Baitx and Donner).** No report.

President Jorgens opened the public comment. There were no requests to address the Board. President Jorgens closed public comment. No discussion by the Board

10. ANNOUNCEMENTS (audio 106:31)

- 10.1 **Brief information only reports related to meetings attended by a Director at District expense** (Government Code Section 53232.3(d)). No report.
- 10.2 **Questions and informational comments from Board members and Staff.** No report.
- 10.3 **Fire Chief Updates**

10.3.1 Operations

Fire Chief Winnacker provided the report and shared a PowerPoint presentation on the wildfire season and operation activity, attached to these minutes Item 10.3.1 Attachment A. On October 18, firefighters responded to a 4,500 sq. ft. non-sprinklered house fire located at Silver Oak Terrace in North Orinda. Crews rescued a victim from the residence who succumbed to the injuries related to the fire. The response was a joint response between MOFD and Contra Costa County Fire Protection District. Fire Chief Winnacker expressed appreciation for the support from Contra Costa County Fire District and sorrow for the loss of life. The cause of the fire remains under investigation. The District conducted a joint after-action review with the Contra Costa County Fire District.

Fire Chief Winnacker shared photos of the Firefighters and the community enjoying trick-or-treating traditions on Halloween. Pictures of the 20 new CERT graduating class were shared. Fire Chief Winnacker express gratitude for the CERT organization and volunteers. On November 6, the District responded to a solo vehicle accident on Moraga Way. The vehicle crashed into a power pole with significant damage to both the vehicle and the pole. Crews extricated and transported the patient for care and provided additional support to the police. On November 8, Crews responded to a commercial structure fire in Lafayette supporting the Contra Costa County Fire. On November 16, 2021, the District hosted new Rescue 1 Foundation Board members to review donated equipment and answer questions. November is cancer awareness month. MOPFA produced commemorative t-shirts with proceeds to support the Children's Hospital in Oakland. Director Donner asked if the fatal structural fire had working smoke detectors. Fire

Chief Winnacker answered the cause remains under investigation. The initial indication is that the smoke detectors had been removed for a painting operation.

Fire Chief Winnacker reported that the District received the final contract from the State of California for the \$6.3M Tunnel East Bay Hills Fuel break. District Clerk Holbrook is in the process of querying the Board for a special meeting to accept that Grant. Staff will present a more detailed explanation of the project to include the final project map based on the resources provided and the environmental review process before the District can start executing fuel mitigation.

10.3.2 Human Resources

Administrative Services Director Sasser provided the report. The Human Resources Manager resigned as of November 5. The District opened the recruitment, received 12 applications, and conducted interviews. The District is pleased to announce Christine Russell will be returning to the District as Human Resources Manager effective November 22, 2021. Fire Chief Winnacker shared Lisa Dalton left for an opportunity to serve with the California State Senate and expressed appreciation for the work performed at the District

10.3.3 Finance Report

Finance Manager Smith provided the report and presented the status of OES reimbursements, attached to these minutes, Item 10.3.3; attachment A. Finance Manager stated the District had received about 70% of the OES invoices expected. Director Jex asked if the estimated amounts are through the fiscal year 2022. Finance Manager Smith confirmed. Finance Manager Smith stated that Payroll completed the retro benefit change per the new MOU and working on the retro payroll increases for the December 10 payroll.

10.3.4 Fire Marshal

Fire Marshal Isaacs provided the report. The Fire Prevention monthly data report is available for viewing in the board packet as Item 10.3.4. Fire Marshal Isaacs met with the Superintendent of the Moraga School District (MSD) to answer questions regarding their inspections. Inspectors will re-inspect in January. The Orinda School District had several questions and will re-inspect in January. Staff is completing R2 (apartments) inspections. Director Jex asked if a fee was associated with the property transfer inspections. Fire Chief Winnacker reviewed the fee schedule and free options available to the sellers. Director Danziger asked about the status of the FAC-A ambassador program. Fire Marshal Isaacs answered the FAC-A program is still in pilot status with plans to expand in February 2022. President Jorgens and Director Danziger expressed interest in attending the FAC-A training when scheduled. Director Danziger requested the training time be shared with all Board members.

10.4 Communications Received

Fire Chief Winnacker reported that the District had received cards of gratitude for the deployment of District members and resources in support of the Caldor fire.

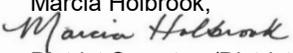
10.5 Future Agenda Items

Director Danziger requested that the discussion of appropriately celebrating the 25th anniversary of MOFD be placed on the January agenda.

President Jorgens opened the public comment. There were no requests to address the Board. President Jorgens closed public comment. No further discussion by the Board.

11. ADJOURNMENT

At 9:07 p.m., Director Donner motioned and seconded by Director Baitx to adjourn the meeting. Said motion carried 5-0 roll call vote (Ayes: Baitx, Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: None; Abstain: None).

Marcia Holbrook,

District Secretary/District Clerk



Financial Update Quarter One

July 1, 2021 – September 30, 2021

Quarter One General Fund Surplus Projections

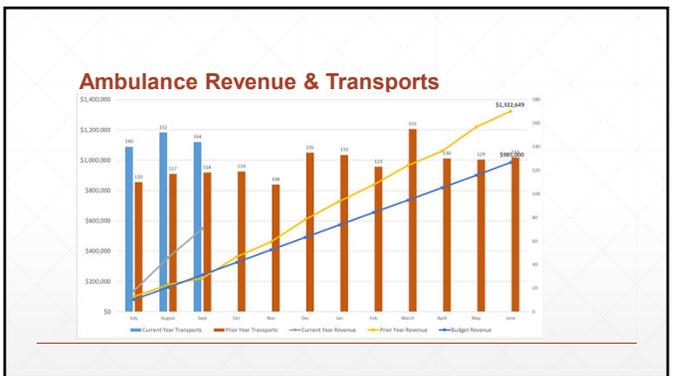
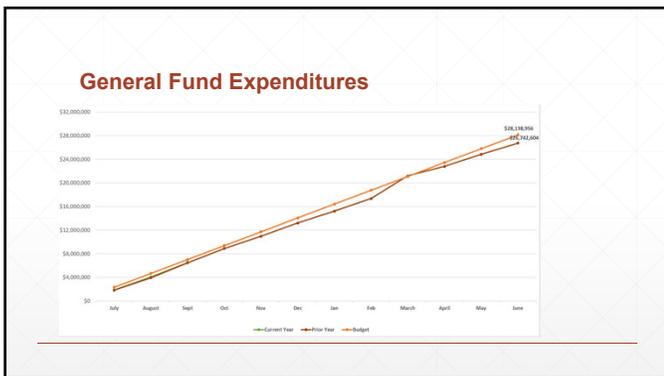
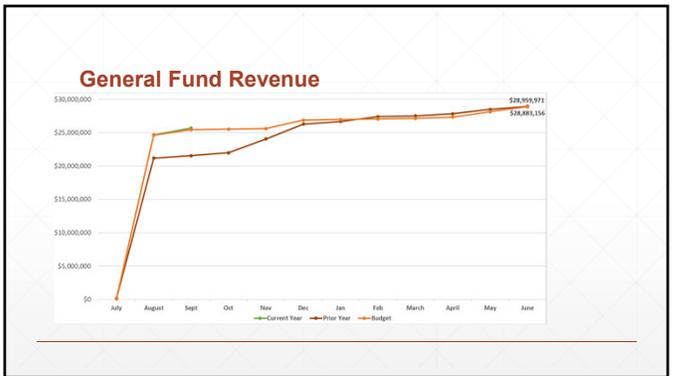
- Budget surplus \$744K
- Projected surplus \$1.0M

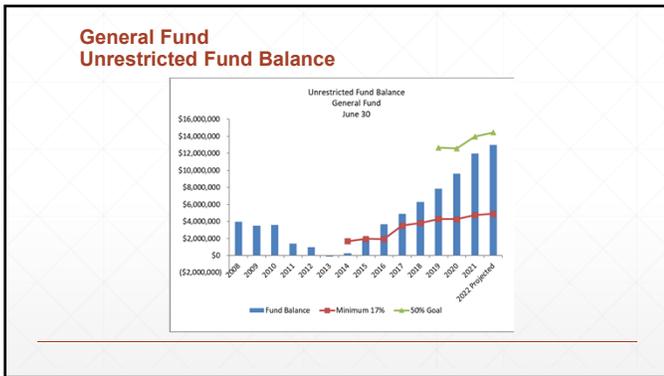
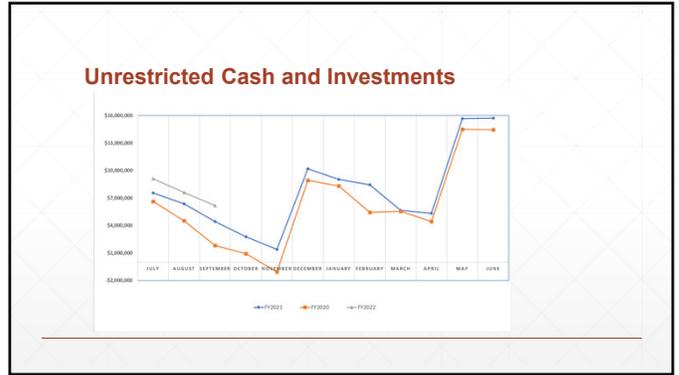
	Budget June 2021	Projected After Quarter One
Revenue	\$28.9M	\$30.1M
Expenditures	\$28.1M	\$29.1M
Surplus	\$744K	\$1.0M

Quarter One Financial Update

Revenue – Exceed budget \$1.2M **Expenditures – Exceed budget \$923K**

- Property tax meet budget
- Ambulance services +\$1.1M
- Strike team revenue \$189K
- Fire prevention/plan review (\$54K)
- Salaries less than budget \$325K
- Overtime exceed budget (\$1.1M)
- Strike team overtime exceed budget (\$170K)
- Retirement contributions less than budget \$217K





- ### Other Funds
- Capital Projects Fund – Projected deficit \$506K
 - Debt Service Fund – Projected deficit \$2.1M



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Moraga Orinda Fire District MOFCOA Negotiations Process

November 17, 2021

www.LCWlegal.com

Presented by: Donna Williamson
Partner





Agenda

- Review Negotiations Process
- Key Issues
- Key Provisions of TA and MOU changes
- Legal Process Following Reaching a Tentative Agreement
- Open Session Process

2

Negotiations Process

- District is governed by the Meyers-Milias-Brown Act (MMBA)
- Good Faith Negotiations Requirement: Parties are required to negotiate in good faith until the parties reach either (1) agreement, or (2) an impasse in negotiations
- Parties negotiated to an agreement which was reached on November 1, 2021
- Seven Negotiations Meetings between May 2021 and October 2021
- Closed Sessions: Board was regularly updated in fourteen (14) closed sessions while negotiations were occurring

3

Key Provisions of TA and MOU Changes

- Term: Three years expires on June 30, 2024
- Wages:
 - Year 1: 4% salary increase
 - Year 2: 4% salary increase
 - Year 3: 5% salary increase
- Medical Benefits for current employees: District monthly contribution increased to equivalent of 93% of Kaiser rate as follows:
 - Employee Only Coverage: \$798
 - Employee Plus One Coverage: \$1,595
 - Employee Plus Family Coverage: \$2,073
- Retiree Medical Benefits: \$100 District contribution to RHSA
- Deferred Compensation: \$100 District increase to deferred compensation

4

Financial Cost – Fully Burdened

	Projected Additional Annual Cost FY2022	Projected Additional Annual Cost FY2023	Projected Additional Annual Cost FY2024	Projected Additional Annual Cost Total
Salary increases 4%/4%/5%	\$48,412	\$50,483	\$53,067	\$151,962
Medical insurance increases to \$798/\$1,595/\$2,073	\$5,160	Ongoing	Ongoing	\$5,160
Retiree health savings account contribution all employees - \$100 per month	\$3,675	Ongoing	Ongoing	\$3,675
Deferred comp - \$100 per month	\$3,600	Ongoing	Ongoing	\$3,600
Overtime add acting pay rate	\$7,280	\$7,280	\$7,644	\$21,924
Increase vacation hours 18 to 19	\$2,184	\$2,271	\$2,362	\$6,817
Total	\$70,311	\$66,035	\$68,324	\$199,200

5

Open Session Process

- MOFCOA's membership ratified the TA on October 14, 2021
- Tonight, the Board will hold a public hearing, discuss the TA and vote on its adoption
- The terms of the TA were the result of a good faith process resulting in mutual agreement

6

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Item 10.3.1 Attachment A Operations Update Presentation

MOFD Board Update
November 17, 2021





Strike Team Reimbursement - OES


- Strike Team Receivable Update:

	Actual <u>2020-2021</u>	Estimated <u>2021-2022</u>	<u>Total</u>
OES Strike Team Receivable	\$3,354,750	\$994,569	\$4,349,319
OES Payments Received	<u>\$2,459,811</u>	<u>\$ 24,041</u>	<u>\$2,483,852</u>
Net Receivable Outstanding	\$ 894,939	\$970,528	\$1,865,467
- 2021-2022 figures estimated based on F-42's received to date –received 11 invoices from OES confirming F-42's for recent activity, reimbursements in process
- Most recent payment from OES – 10/25/21- \$65k received in October

Finance Report – Cont'd.

- Payroll:
 - Retro benefit changes per new MOU were completed for 11/10 payroll
 - Retro payroll increases per new MOU will be completed for 12/10 payroll



**BOARD OF DIRECTORS
SPECIAL BOARD MEETING MINUTES**
December 8, 2021

1. OPENING CEREMONIES

The Board of Directors convened a teleconference Open Session at 7:00 p.m. on December 8, 2021, via the Zoom application <https://us02web.zoom.us/j/85818009033> webinar id: 85818009033 and by phone 669-900-6833. This meeting was conducted by webinar and teleconference only in accordance with AB 361. The meeting was not available for in-person attendance.

President Jorgens called the meeting to order and requested an attendance roll call. Present were the following Directors and Staff:

President Jorgens	Director Jex	Amy Ackerman, District Counsel
Director Baits (Absent)	Dave Winnacker, Fire Chief	Marcia Holbrook, District Clerk
Director Danziger	Jeff Isaacs, Fire Marshal	
Director Donner	Gloriann Sasser, Admin. Services Director	

2. PUBLIC COMMENT – ITEMS NOT ON THE AGENDA (audio 0:51)

President Jorgens opened Public Comment on the closed session items.

Jonathan Goodwin, Canyon resident, reported that he had heard MOFD had difficulty finding the address on a medical call in Canyon a while back. Mr. Goodwin requested more information regarding this incident and what might be learned from that event and subsequent action. Mr. Goodwin asked about the Firewise process of moving new Firewise neighborhoods from the early stage of becoming Firewise into the later stage of getting work done in the neighborhood and what the District has learned.

There were no further requests to address the Board. President Jorgens closed Public Comment.

3. SPECIAL AGENDA (audio 4:18)

- 3.1 Adopt Resolution 21-20 Authorizing the Execution of the California Department of Forestry and Fire Protection Tunnel East Bay Hills Fuel Break Grant in the Amount of \$6,380,563; Authorize Establishment of a Tunnel East Bay Hills Fuel Break Special Revenue Fund; Authorize FY2022 Tunnel East Bay Hills Fuel Break Special Revenue Fund Revenue Budget Adjustment Increase in the Amount of \$6,380,563; Authorize FY2022 Tunnel East Bay Hills Fuel Break Special Revenue Fund Expenditure Budget Adjustment Increase in the Amount of \$5,696,931; Authorize Establishment of Project Coordinator Position with a Pay Rate of \$62.50 per Hour and Authorize Establishment of Assistant Coordinator Position with a Pay Rate of \$37.50 per Hour.**

Fire Chief Winnacker provided the report. In May of 2021, MOFD submitted two grants to CAL FIRE's California Climate Investments (CCI) Fire Prevention Grant Program. On September 8, 2021, Staff received notification that the MOFD Tunnel East Bay Hills Fuel Break grant was awarded in the Amount of \$6,380,563. The grant includes an administrative fee and limited-term support positions. Staff will carry out the Tunnel East Bay Hills Fuel Break project in coordination with MOFD's ongoing community education/outreach efforts to aggressively reduce the risk of wildfire in the region. Fire Chief reviewed the project's expected outcome to reduce the biomass of woody and vegetative material available for combustion. This will significantly reduce the probability of uncontrolled wildfires from starting or entering the East Bay Hills. An increase in the effectiveness of defensible space surrounding residential structures in the East Bay Hills Area and the decrease in the amount of woody and vegetative material available for conversion to greenhouse gasses by unplanned combustion processes (wildfire) and will provide for a safer community.

Fire Chief Winnacker reviewed the project details outlined in the staff report; reviewed the map of the fuel break, attachment B page 37 and budget approved by CAL FIRE which includes the District's 12% administration fee, outlined in the agreement, attachment B page 36. Total Direct Project Cost \$5,696,931, Indirect Cost Admin Fee of 12% \$683,632, Total Grant \$6,380,563.

Fire Chief Winnacker stated that the project did not include a CEQA waiver. Work performed in an area that does not have an existing habitat management plan or habitat conservation plan will require a CEQA review in either a negative declaration or a categorical exemption. Fire Chief Winnacker explained and reviewed the development of the map and considerations of existing planned or ongoing work in the area (the Caltrans work along Highway 24 and PG&E's work along Flicker Ridge) and the advantages of long-

term fuels mitigation maintenance efforts. Fire Chief Winnacker stated the grant was a collaborative process with several agencies and expressed appreciation for the support and guidance provided by Cal Fire SCU Unit Chief Jake Hess, Cal Fire SCU Deputy Chief Mike Marcucci, and California Department of Forestry Unit Forester Division Chief Ed Orre.

Director Jex commented that the original requested amount was reduced and asked if the map reflected the reductions. Fire Chief Winnacker confirmed. Staff engaged in a process with CAL FIRE to align the project with the available funding. There is an opportunity to receive plus-up funds similar to the North Orinda Shaded Fuel Break. The Staff remains persistent in expressing the desire and willingness to absorb additional funds as those become available.

Director Danziger acknowledged written public comment received from Jonathan Goodwin and inquired about the ongoing maintenance of the project and the possibility of holding back a portion of the funds for maintenance or future money to be used for maintenance. Fire Chief Winnacker answered some funds not expended on the initial entry will be used with prescribed fire. The grant period is limited in duration (runs through March 2025); for MOFD to do maintenance outside of that window requires District funds to be allocated for fuel mitigation not currently allocated.

President Jorgens asked if the administration fee could be allocated to ongoing maintenance. Fire Chief Winnacker deferred to the Board with regard to budget allocations. Fire Chief Winnacker noted the lands are owned by professional organizations with a budget and Staff; once the District has made the initial entry, the landowner benefits from the initial entry to maintain the lands.

Director Danziger asked how East Bay Regional Park, East Bay Municipal Utility District, and PG&E have received this project. East Bay Municipal Utility District continues to be a great partner. The Town of Moraga has been very cooperative with MOFD's efforts to extend this project into their lands. St. Mary's and the John Muir Land Trust have and continue to be excellent partners in this program. Fire Chief Winnacker answered that no element of the project is on East Bay Park Regional Park lands. Director Danziger asked about private lands within the project. Fire Chief Winnacker answered the lines were drawn to minimize the impact on private land and small parcels.

President Jorgens asked if MOFD planned to hire one firm to complete the work. Fire Chief Winnacker answered Staff would open the bidding with an RFP. The contracting requirement is the lowest responsible bidder. President Jorgens inquired about the headquarters of the project. Fire Chief Winnacker stated Staff is working with PG&E on utilizing property located near the Moraga substation.

Director Jex inquired about the frequency of billing, processing, and the possibility of asking for advance funds before costs are incurred. Fire Chief Winnacker reviewed there would be a significant administrative cost and justification requirement to request advance funds. The District has the ability to submit bills on a monthly basis. Staff recommends the District front the expenses and issue billing on a monthly basis. Director Jex commented on the large expenses incurred in the first 12 months. Fire Chief Winnacker explained the seasonality and timing of the work are anticipated to be spring and early summer and expects to receive a significant portion of those payments before the District reaches the historical low balances in early December (reducing the need to rely on the Teeter plan). Director Jex requested a future agenda item of the planning on the billing and collection activity and the impact on the District's funding. Fire Chief Winnacker concurred and stated that once the District receives environmental approval to begin work, Staff will be able to generate very detailed and accurate assumptions. Director Jex agreed with waiting until Staff has the information to make the forecast.

President Jorgens opened Public Comment on the special agenda item.

Jonathan Goodwin, Canyon resident, expressed disappointment in not receiving answers to his questions and comments made under public comment, Item 2.0 Items not on the agenda, and inquired on the policy for getting answers to questions. Mr. Goodwin expressed concern in the planning and prevention of Wildfire in the District and believed that funds for maintenance in grants are not allowed. Mr. Goodwin shared his experience of the full cycle, and the areas have regrown and encouraged the Board to review what the areas will look like in the future.

Written Public Comments received, attached to these minutes, item 3.1 attachment A. 1) Jonathan Goodwin, Canyon resident.

There were no further requests to address the Board. President Jorgens closed Public Comment.

Director Danziger asked District Counsel Ackerman the rules regarding comments made during the public comment on items not on the agenda and the Board's ability to address those comments. District Counsel Ackerman explained the Brown Act requires public comment. It does not require a response to the public comment. It is at the discretion of the Board to ask for a matter to be set on a future agenda, to ask Staff to investigate and report back, or to give some brief response. The Board is not allowed to engage in an in-depth discussion because the item has not been put on the agenda. President Jorgens added there are times when Staff would need time to consider the item and gather the facts to respond.

Motion by Director Danziger and seconded by Director Jex to Adopt Resolution 21-20 Authorizing the Execution of the California Department of Forestry and Fire Protection Tunnel East Bay Hills Fuel Break Grant in the Amount of \$6,380,563; Authorize Establishment of a Tunnel East Bay Hills Fuel Break Special Revenue Fund; Authorize FY2022 Tunnel East Bay Hills Fuel Break Special Revenue Fund Revenue Budget Adjustment Increase in the Amount of \$6,380,563; Authorize FY2022 Tunnel East Bay Hills Fuel Break Special Revenue Fund Expenditure Budget Adjustment Increase in the Amount of \$5,696,931; Authorize Establishment of Project Coordinator Position with a Pay Rate of \$62.50 per Hour and Authorize Establishment of Assistant Coordinator Position with a Pay Rate of \$37.50 per Hour Said motion carried 4-0-1-0 roll call vote (Ayes: Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: Baitx; Abstain: None).

4. ADJOURNMENT

At 7:36 p.m., Director Jex motion and seconded by Director Donner to adjourn the meeting. Said motion carried 4-0-1-0 roll call vote (Ayes: Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: Baitx; Abstain: None).

Marcia Holbrook,

Marcia Holbrook
District Secretary/District Clerk

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From: [Jonathan Goodwin](#)
To: [Holbrook, Marcia](#); [steved](#) [REDACTED]
Cc: [Winnacker, David](#)
Subject: Comments for Tonight's Meeting
Date: Wednesday, December 8, 2021 3:47:58 PM

Good afternoon, Mrs. Holbrook. I desire the chief to speak to these concerns at tonight's meeting regarding ITEM 3. You needn't read it out, as I'm confident the chief can quickly summarise the material, and I will ask to make additional verbal comments.

Thank you.
~Jonathan Goodwin,
Canyon, Calif.

- This grant application, like every other any other document I've seen, fails to discuss in detail why one ridge, roadway or other area was chosen for treatment and not another. This means there can be neither informed discussion nor oversight nor longer term planning regarding which areas should be prioritised and for what reasons. In order to perform its duties, the MOFD Board should be encouraged to request staff create such a planning document with explicit prioritisation for these reasons.
- Similarly, when it comes to follow on treatment of these areas in subsequent years, as well as other areas which the District has treated and committed itself to maintain, the Board should request a document be created to track the District's commitments and progress. This would include, but not be limited to, "before and after" photos of the treated areas, follow up annual photos and a running description of types of areas, how they will be treated and when they will be treated and when they were or were not treated. This document should also elucidate who will pay for this maintenance when grants are no longer forthcoming.
- Staff time paid for by this grant could be used towards the cost of the above directives.
- (Misc.) Would it not be worth mentioning that a good bit of this project is located within a mile of the footprint of one of the most deadly and destructive fires in California history? It also appears to me that some of it is within the footprint of a fire which burned concurrent with the Tunnel Fire, but was largely ignored by professional firefighters due to the utter chaos of dispatch and operations that day.

MOFD Response Time Summary by Incident Type (grouped) for All Code 2 and Code 3 Responses.

Will only show Incident Types that are applicable. EMS/Rescue \ Structure Fires (actual type is in a structure) \ Vegetation Fires \ Other Types Grouped - Alarms/Hazards/Pub Svc/Etc... Data Is Based On Completed RMS Incident Report Data Entered by Company Officer. Resp. Data Based on "First Arriving Unit". "In District" = Moraga, Orinda, Canyon. "Out of District" = Lafayette & any Other City Aid Provided to.

	December, 2021						Totals
	All Others (Alarms / Pub Service / Etc.)		EMS / Rescue		Vehicle Accidents		
	In District	Out of Dist.	In District	Out of Dist.	In District	Out of Dist.	
Incident Totals	64	3	164	1	26	8	266
Median Turnout	1.18	1.80	1.20	1.38	1.02	1.40	1.18
Median Resp Time	5.72	6.37	5.60	21.50	6.86	8.40	5.74
Resp Time (90th%)	9.43	9.52	9.18	21.50	9.50	11.93	9.55

Code 3 Response Time Summary by City and Incident Type. Times shown are based on the First Responding Units Arrival at Scene of Emergency.

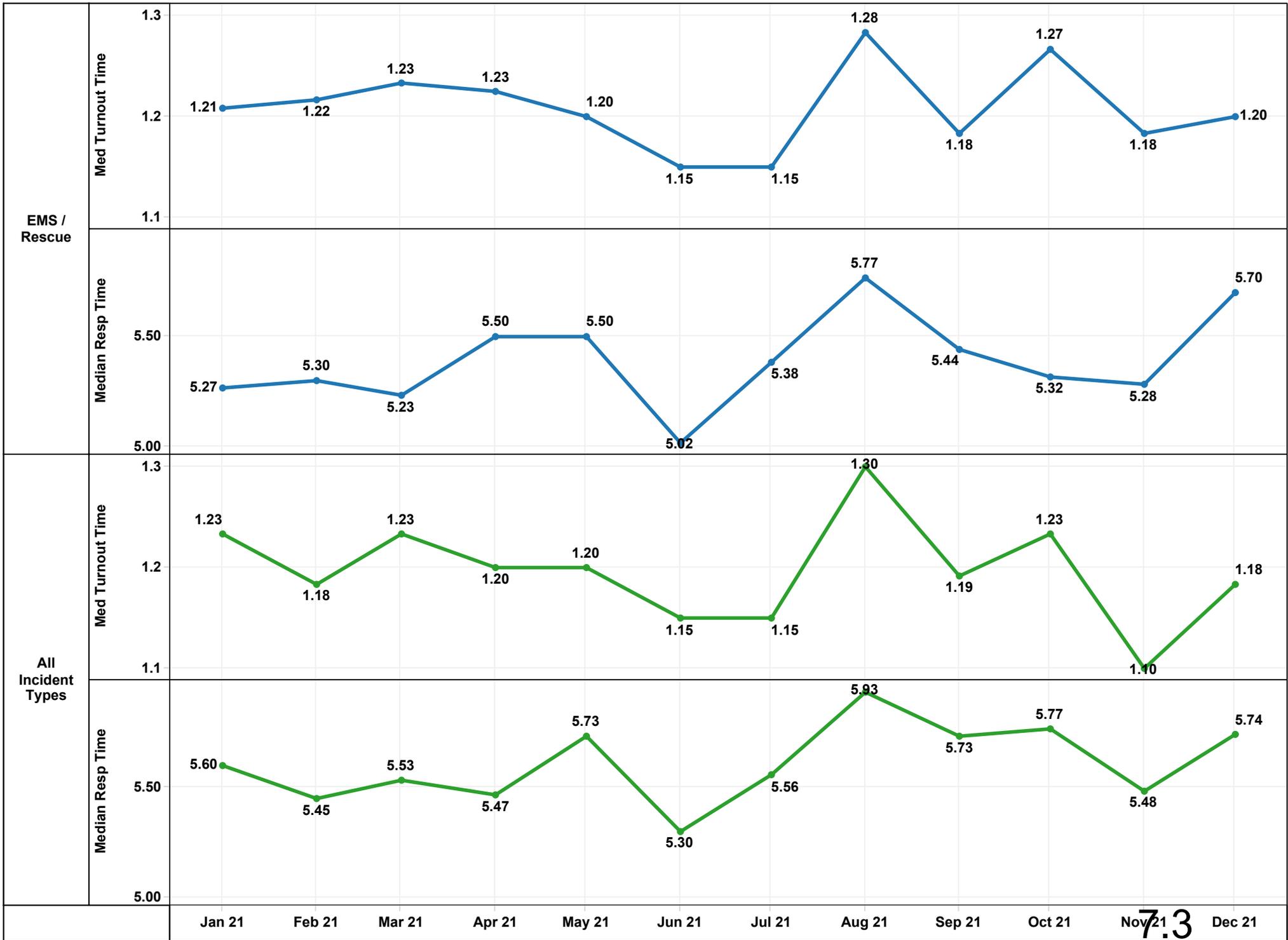
		December, 2021			
		Incident Totals	Median Turnout	Median Resp Time	Resp Time (90th%)
Orinda	EMS / Rescue	108	1.20	6.12	9.48
	All Other Types	21	1.25	5.70	7.62
	Totals for City	129	1.20	6.07	9.25
Moraga	EMS / Rescue	48	1.18	4.28	6.19
	All Other Types	9	1.08	4.72	8.59
	Totals for City	57	1.18	4.30	6.38
Lafayette	EMS / Rescue	6	1.46	8.40	12.56
	All Other Types	2	1.38	7.65	9.52
	Totals for City	8	1.46	8.40	11.93
Canyon	EMS / Rescue	2	0.86	8.93	12.03
	Totals for City	2	0.86	8.93	12.03
Overall Total		196	1.20	5.62	9.17

Response Totals By Incident Type

	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Total
All Others (Alarms / Pub Service / Etc.)	79	82	73	83	87	90	89	102	88	146	109	109	1,137
EMS / Rescue	152	131	147	153	141	157	172	181	168	156	138	166	1,862
Structure Fires	1	2	1	1	4	4	1	1	2	3	1		21
Veg Fires				1	3	2	4	1	1	1			13
Vehicle Accidents	21	14	17	17	13	16	13	15	18	27	13	36	220
Grand Total	253	229	238	255	248	269	279	300	277	333	261	311	3,253

7.3

Run Chart for MOFD EMS / Rescue and All Incident Types for the last full 12 months. Median Turnout and Response Times By Month for First At Scene Units



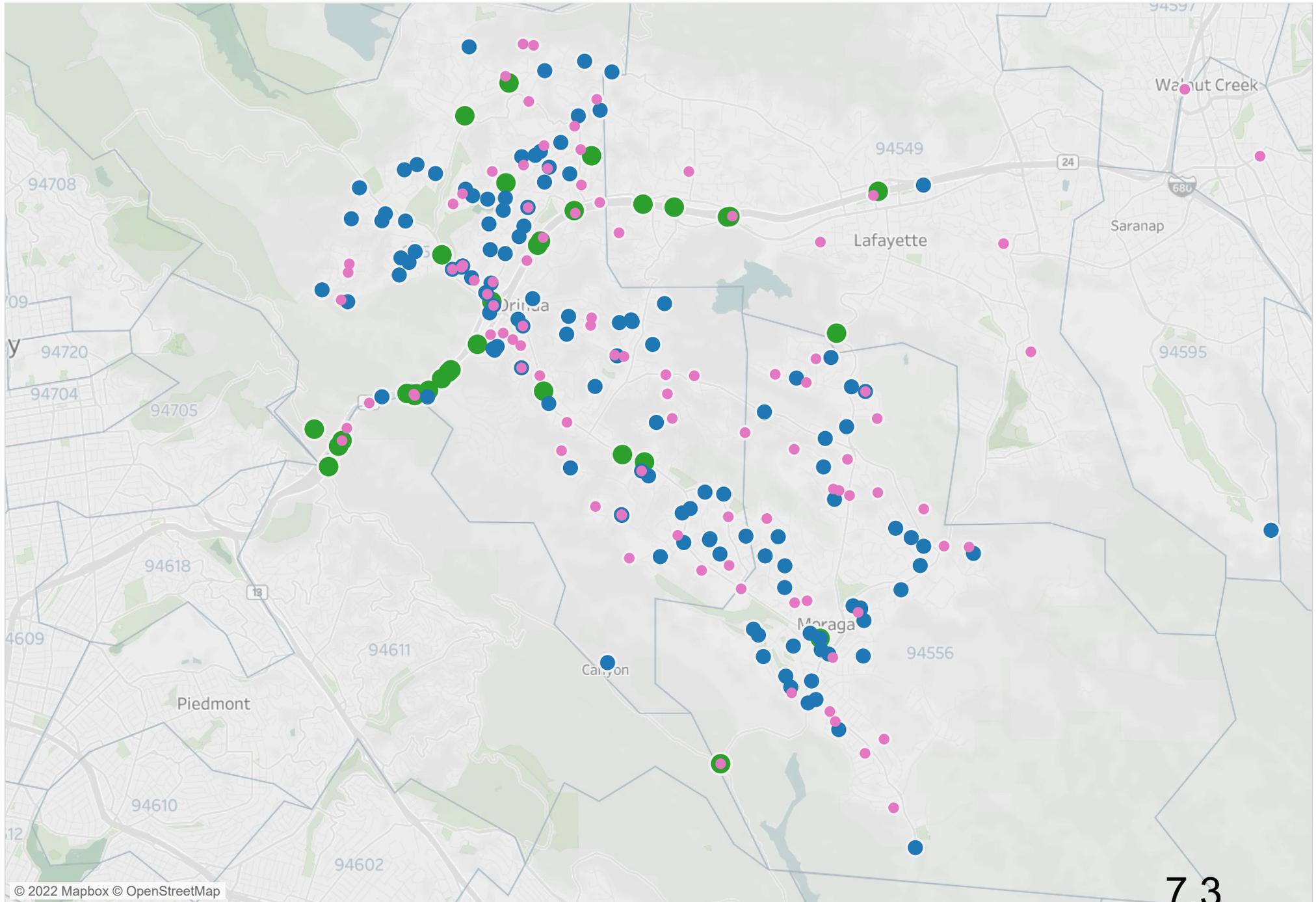
7.3

Incident Types

■ All Others (Alarms / Pub Service .. ■ EMS / Rescue

■ Vehicle Accidents

Incident Location Map for MOFD December 2021



Moraga-Orinda Fire District
Check/Voucher Register - Check Register
From 11/1/2021 Through 12/31/2021

27 - Capital Projects Fund

<u>Check Number</u>	<u>Check Date</u>	<u>Name</u>	<u>Check Amount</u>	<u>Transaction Description</u>
455527978	11/30/2021	Government Leasing and Finance, Inc.	300,624.66	US Bancorp Lease Pymt 11.30.21 Contract 077-020368-001 ACH
002113	11/5/2021	Zonehaven Inc.	164,696.20	Zonehaven Payment
30437	12/16/2021	Corda Solar	100,000.00	Stn 42 Solar Project - PSPS Grant
30384	11/19/2021	Corda Solar	73,000.00	Station 43 Installation - PSPS Grant Funding
30396	11/19/2021	Audubon Machinery Corporation	20,432.50	50% Deposit - Mobile Oxygen Generating System
30368	11/12/2021	Conexwest	7,744.70	50% Deposit - OAK 10ft Conex
Total 27 - Capital Projects Fund			666,498.06	

Moraga-Orinda Fire District
 Check/Voucher Register - Check Register
 From 11/1/2021 Through 12/31/2021

50 - General Fund

Check Number	Check Date	Name	Check Amount	Transaction Description
FASIS-2022-0512	11/15/2021	FASIS - Calif Bank and Trust	279,681.00	FASIS Pymt 11.15.21 2nd Qtr
CCCERAACH12.10.21	12/10/2021		213,593.19	CCCERA December
CalPersACH12.10.21	12/9/2021	Calif. Public Employees'	200,359.66	Health Insurance December
ACHCalPers11.12.21	11/12/2021	Calif. Public Employees'	198,726.21	CalPers Pymt - November
ACHCCERA11.10.21	2/10/2021	CCCERA	178,238.66	CCCERA 11.10.21
	11/4/2021	L.N. Curtis & Sons	37,309.51	Hurst e-Draulic Cutter/Spreader/Ram
30370	11/12/2021	Eide Bailly LLP	25,500.00	Audit Services for year ended June 30, 2021
	12/3/2021	Renne Public Law Group, LLP	23,703.89	Outside Attorney - September
CalCard12.14.22	12/14/2021	U.S. Bank	21,962.17	Cal Card 11/22/21 Paid 12/14/21
30409	12/3/2021	Renne Public Law Group, LLP	18,213.38	Outside Attorney - August
DDentalACH12.07.21	12/7/2021	Delta Dental Plan of Calif.	16,803.52	Delta Dental - november
DDentalACH12.14.21	12/14/2021	Delta Dental Plan of Calif.	16,652.78	Dental - December
8532	12/17/2021	Definitive Networks, Inc.	16,092.00	IT Services - November
ACHCalCard11.15.21	11/15/2021	U.S. Bank	13,732.17	Cal Card 10.22.21
30452	12/16/2021	SoftwareOne	13,238.34	Microsoft Enterprise Agreement Renewal
GEMTACH12.27.21	12/27/2021	Department of Health Care Services	12,833.28	GEMT Q3 2021
	12/3/2021	Renne Public Law Group, LLP	8,988.36	Outside Attorney - October
	12/21/2021	West Coast Code Consultants	8,513.68	Fire Inspector - october
ACHIAFF11.10.21	11/10/2021	IAFF Local 1230 Dues	7,188.63	IAFF Dues 11.10.21
ACHIAFF12.10.21	12/10/2021	IAFF Local 1230 Dues	7,188.63	IAFF Dues December
30435	12/16/2021	Bound Tree Medical, LLC	6,870.47	Medical Supplies
30469	12/21/2021	Stryker Sales Corporation	6,768.00	LP15 Annual service
	12/9/2021	Liebert Cassidy Whitmore	6,688.00	Labor Negotiations October 2021
30427	12/9/2021	TargetSolutions Learning, LLC	6,400.00	Target Solutions Membership 1/1-12/31/22
30412	12/3/2021	Wittman Enterprises, LLC	6,369.14	Ambulance billing service - October
	12/21/2021	West Coast Code Consultants	5,794.06	Fire Inspector - November
	12/21/2021	West Coast Code Consultants	5,265.00	In-house plan review - November
8542	12/6/2021	Definitive Networks, Inc.	5,262.51	ACH Pymt - DNI 5 laptops
30421	12/9/2021	Liebert Cassidy Whitmore	5,028.00	Labor Negotiations August 2021
30334	11/4/2021	EAN Services, LLC	4,879.32	Truck rental 9/11-10/28/21 - Strike team
30429	12/9/2021	Zoll Data Systems	4,750.00	FireRMS Maintenance 1/1-12/31/2022
30340	11/4/2021	L.N. Curtis & Sons	4,388.63	100' Nyl Hose
	12/21/2021	West Coast Code Consultants	4,252.50	In-House Plan Review - October
30413	12/9/2021	Abila	4,215.95	MIP Software 12/20-12/19/22
30460	12/21/2021	Central Contra Costa Sanitary District	3,702.25	Sewer Service
30465	12/21/2021	L.N. Curtis & Sons	2,974.23	Turnout Coat/Pants
	12/21/2021	L.N. Curtis & Sons	2,974.23	Turnout coats/pants
	12/21/2021	West Coast Code Consultants	2,887.50	Fire Insp. Scheduling - October
30472	12/21/2021	West Coast Code Consultants	2,850.00	Fire Insp. Scheduling - November
	12/9/2021	L.N. Curtis & Sons	2,820.58	Hose
30403	12/3/2021	CPR Training Center	2,720.00	PALS recertification - 17 personnel
GreatWestACH12.10.21	12/16/2021	Great West Life	2,719.80	EE DC Plan 12/10/21 Payroll
30365	11/12/2021	American Fidelity Assurance	2,504.95	FSA & Dep Care
30420	12/9/2021	Keenan & Associates	2,169.33	VSP/Life/Supp Life - December
30372	11/12/2021	Keenan & Associates	2,119.24	VSP, Life Insurance and Supp life - November
ACHMOPFA11.10.21	11/10/2021	Moraga-Orinda Professional Firefighter Assoc.	2,041.00	MOPFA 11.10.21
ACHMOPFA12.10.21	12/10/2021	Moraga-Orinda Professional Firefighter Assoc.	2,041.00	MOPFA 12.10.21
30426	12/9/2021	SUTS's - Superior Underground Tank Service,	1,988.00	Replacement Tire Install Training Tiller
ACHIAFF11.10.21a	11/10/2021	IAFF Local 1230 Insurance	1,942.66	IAFF Insurance11.10.21
ACHIAFF12.10.21	12/10/2021	IAFF Local 1230 Insurance	1,942.66	IAFF Insurance12.10.21
	12/21/2021	West Coast Code Consultants	1,762.50	In House Plan Review - November
ACHNorcal11.10.21	11/10/2021	1st NorCal Federal Credit Union	1,702.20	Norcal 11.10.21
ACHNorcal12.10.21	12/10/2021	1st NorCal Federal Credit Union	1,702.20	Norcal 12.10.21
30432	12/16/2021	Avenza Systems Inc.	1,699.00	Avenza Maps Por Annual Subscription F8AY-A8S3-9ZPK-XF3A-5B3G
30374	11/12/2021	Liebert Cassidy Whitmore	1,596.00	Labor Negotiations - Sept
30438	12/16/2021	Kaiser Permanente	1,500.00	Refund - Ambulance Billing RE: 5895637 Lora,
	12/21/2021	West Coast Code Consultants	1,375.86	Senior Fire Inspector - november
	11/4/2021	Hunt & Sons, Inc.	1,366.32	Fuel Stn 45 10/20/21
30414	12/9/2021	ADP, Inc.	1,340.60	Payroll service 10/31 and 11/8
30327	11/4/2021	ADP, Inc.	1,322.85	Payroll Service 9/30 & 10/13
30376	11/12/2021	Pacific Gas & Electric	1,319.00	Gas & Electric Stn 45 10/5-11/2/21
30366	11/12/2021	American Fidelity	1,312.40	Suppl Life
30380	11/19/2021	A T and T Mobility	1,287.07	Mobile Service
30431	12/16/2021	A T and T Mobility	1,287.07	Wireless Nov 3 - Dec 2
	12/16/2021	Pacific Gas & Electric	1,285.87	Gas & Electric stn 45 11/3-12/3/21
30418	12/9/2021	EBMUD	1,271.92	Water Service Stn 43 9/29-11/29/21
30404	12/3/2021	Hunt & Sons, Inc.	1,242.20	Fuel Stn 41 11.17.21
30448	12/16/2021	Deluxe	1,224.44	Re-order A/P Checks - 5 boxes
	12/3/2021	Hunt & Sons, Inc.	1,213.89	Fuel Stn 44 11.17..21

Moraga-Orinda Fire District
 Check/Voucher Register - Check Register
 From 11/1/2021 Through 12/31/2021

30406	12/3/2021	Orinda Motors, Inc.	1,202.92	Unit 460 Exhaust gaskit replaced
30453	12/16/2021	Thorpe Design, Inc.	1,172.00	Partial Refund - Inspection payment refund
30444	12/16/2021	Hunt & Sons, Inc.	1,145.07	fuel - Stn 41 12/1/21
30371	11/12/2021	Hunt & Sons, Inc.	1,133.15	Fuel Stn 41 10/27/21
30425	12/9/2021	Staples Business Credit	1,083.78	Household Supplies10/25-11/15/21
30416	12/9/2021	Berry Bros. Towing and Transport, Inc.	1,050.00	Tow for Unit 455 E-41 to ALCO
	12/9/2021	Berry Bros. Towing and Transport, Inc.	1,050.00	Tow Pierce Fire Truck Unit 455 E-41 to ALCO
30390	11/19/2021	Otis Elevator	1,023.00	Stn 43 Elevator Service Repair
	11/4/2021	L.N. Curtis & Sons	1,020.68	Fire Shelter
30369	11/12/2021	EBMUD	980.74	Water Service Stn 42 9/1-10/29/21
	11/19/2021	Pacific Gas & Electric	974.45	Gas & Electric Stn 42 10/6-11/3
	11/19/2021	Hunt & Sons, Inc.	963.40	Fuel Stn 43 11-3-21
30447	12/16/2021	Pacific Gas & Electric	909.17	Gas & Electric Stn 44 11/4-12/4/21
	12/21/2021	Pacific Gas & Electric	896.29	Gas & Electric Stn 4211/4-12/5/21
	11/19/2021	Hunt & Sons, Inc.	879.20	Fuel Stn 42 11/3/21
30385	11/19/2021	Dell Financial Services	851.90	Computer lease
30440	12/16/2021	Dell Financial Services	851.90	Computer leases
	12/21/2021	Sun Valley Heating & Air Conditioning	851.61	HVAC repair Stn 44
	12/21/2021	Pacific Gas & Electric	832.36	Gas & Electric Stn 41 11/4-12/5/21
	11/4/2021	CD Power	810.00	Stn 42 Generator Service
	12/21/2021	West Coast Code Consultants	795.00	Senior fire Inspector - October
	12/3/2021	Hunt & Sons, Inc.	791.42	Fuel Stn 45 11.17.21
	12/3/2021	A T and T	789.34	Phone Service 9252589746 Nov 20-Dec 19
	11/4/2021	A T and T	788.09	Phone Service 925-258-9746 Oct 20-Nov 19
30442	12/16/2021	EBMUD	774.16	Water Service Stn 44 10/1-12/1/21
	11/4/2021	CD Power	750.00	Stn 44 Generator Service
30386	11/19/2021	Hunt & Sons, Inc.	738.30	Fuel Stn 41 11.03.21
	11/4/2021	CD Power	725.00	Stn 45 Generator service
	11/19/2021	A T and T Mobility	717.94	Mobile service acct 287291512571 Oct 3 - Nov 2
	12/16/2021	A T and T Mobility	717.93	Wireless Nov 3- Dec2
	11/19/2021	Pacific Gas & Electric	672.38	Gas & electric Stn 44 10/5-11/2/21
30408	12/3/2021	Pacific Gas & Electric	663.78	Gas & Electric Stn 43 10/18-11/13/21
30436	12/16/2021	CD Power	648.74	Stn 42 - Generator repair service
	12/16/2021	Hunt & Sons, Inc.	642.71	Fuel - Stn 43 12/1/21
30394	11/19/2021	Republic Services	634.16	Trash Service - Stn 45 November
30449	12/16/2021	Republic Services	634.16	Trash Service - Stn 45 December
30331	11/4/2021	CD Power	625.00	Stn 41 Generator Service
	11/19/2021	Pacific Gas & Electric	595.43	Gas & Electric Stn 41 10/6-11/3
	11/19/2021	Republic Services	593.33	Trash Service Stn 41 and 42 November
	12/16/2021	Republic Services	593.33	Trash Service Stn 41 and Stn 42 - December
30462	12/21/2021	Concord Uniforms	572.02	Uniform - Paguluica
	12/16/2021	Hunt & Sons, Inc.	570.97	Fuel - Stn 42 12/1/21
30422	12/9/2021	L.N. Curtis & Sons	543.26	Booster Hose
	12/3/2021	Verizon Wireless	483.13	Mobile service Oct 24-Nov 23
30388	11/19/2021	L.N. Curtis & Sons	476.39	Black Strap Heavy Rescue Base Mount/Kit
	12/21/2021	Pacific Gas & Electric	473.61	Gas & Electric Stn 42 11/5-12/6/21
30373	11/12/2021	Leader Emergency Vehicles	461.30	Rail Rub End Cap
30329	11/4/2021	A T and T Mobility	458.64	Wireless Sept 16-Oct 15
30399	12/3/2021	A T and T Mobility	458.64	Wireless Oct 16-Nov 15
	12/21/2021	Stryker Sales Corporation	451.15	LP15 Service Parts
30338	11/4/2021	John and Claire Investigations	450.00	Employee Background Investigation - Pagliuca
30377	11/12/2021	Sequoia Ecological Consulting, Inc.	448.00	GIS Support
10555564	12/6/2021	Bandwidth.com, Inc.	445.34	ACH Bandwith - VOIP December
30450	12/16/2021	Shred-it	420.43	Purge Service 11/21
30337	11/4/2021	Hunt & Sons, Inc.	419.70	Fuel Stn 44 10/20/21
	12/21/2021	Bay Alarm Company	418.17	Monitoring Stn 43 1/1-4/1/22
30470	12/21/2021	Sun Valley Heating & Air Conditioning	412.50	HVAC repair Stn 42
30456	12/21/2021	Airgas USA, LLC	390.23	Station 45 Plymovent Repair
30445	12/16/2021	Leader Emergency Vehicles	388.76	Siren repair
30402	12/3/2021	Stephen Cooke	375.00	Fire Helmet - Reimbursement
30387	11/19/2021	Leader Emergency Vehicles	362.39	Front Wheel Repair
30341	11/4/2021	William Moffett	350.00	ACLS/PALS Recerfication Class
30346	11/4/2021	Verizon Wireless	347.18	Wireless Oct 24-Oct 23
30333	11/4/2021	EBMUD	310.89	Water Service Stn 45 8/26-10/26/21
30463	12/21/2021	EBMUD	293.75	Water Service 10/11-12/9/21 stn 41
30392	11/19/2021	Jacob Reberg	290.00	ACLS Heartcode - Safety Training seminar
30466	12/21/2021	Pacific Gas & Electric	289.59	Gas & Electric - Admin 11/4-12/3/21
	11/12/2021	Airgas USA, LLC	285.15	Oxygen
	12/16/2021	Airgas USA, LLC	276.50	Oxygen
30424	12/9/2021	Gloriann Sasser	276.04	Per Diem Cal Perla conference
	11/19/2021	L.N. Curtis & Sons	271.74	Wildland Fire Fighting Gloves
	12/16/2021	Marcia Holbrook	270.82	Travel/Per Diem - Public Information Officer

Moraga-Orinda Fire District
 Check/Voucher Register - Check Register
 From 11/1/2021 Through 12/31/2021

30339	11/4/2021 Andrew Kalenian	250.00	CA Paramedic License Recertification
30433	12/16/2021 Daryle Balao	250.00	Paramedic License
30457	12/21/2021 A T and T	246.52	Internet 11/12-12/11/21
30378	11/12/2021 Smart Clean Building Maintenance Inc	245.00	Monthly Cleaning Service - Admin
30410	12/3/2021 Smart Clean Building Maintenance Inc	245.00	Cleaning Service - October
30451	12/16/2021 Smart Clean Building Maintenance Inc	245.00	Monthly Cleaning Service - Admin
30391	11/19/2021 Pacific Gas & Electric	244.36	Gas & Electric Admin 10.6-11/3
30379	11/19/2021 A T and T	241.51	Phone Service 10/12-11/11/21
30343	11/4/2021 Orinda Motors, Inc.	224.88	Oil Change M-41 Unit460
30395	11/19/2021 TIAA Commercial Finance, Inc.	224.28	Copier Lease
30454	12/16/2021 TIAA Commercial Finance, Inc.	224.28	Copier Lease
	11/19/2021 L.N. Curtis & Sons	223.89	Turnout Cleaner
	11/4/2021 Office Depot	218.60	Toner
30464	12/21/2021 Leader Emergency Vehicles	217.46	Vehicle repair
	11/19/2021 Pacific Gas & Electric	206.38	Gas & Electric Stn 42 10/7-11/4/21
30398	12/3/2021 A T and T	203.37	Phone Service 9252589731 Nov 20-Dec 19
30328	11/4/2021 A T and T	203.06	Phone Service 925-258-9731 10/7-11/6
	12/3/2021 Pacific Gas & Electric	194.27	Gas & Electric Stn 45 10/16-11/15/21
30405	12/3/2021 Office Depot	189.23	Office Supplies
30345	11/4/2021 Staples Business Credit	188.72	Household supplies 10/4-10/14
30459	12/21/2021 Bay Alarm Company	184.98	Monitoring Service Stn 44 1/1-4/1/22
	12/21/2021 Bay Alarm Company	184.98	Monitoring Stn 42 1/1-4/1/22
30367	11/12/2021 A T and T	171.08	Phone service
30415	12/9/2021 A T and T	168.68	Internet 11/1-11/30
	11/12/2021 ALSCO - American Linen Divison	157.58	Monthly Linen Service Stn 41
	11/12/2021 ALSCO - American Linen Divison	150.42	Monthly Linen Service - Stn 44
30397	12/3/2021 ADT Security Services	147.12	Security service 12/4-1/3/22
30428	12/9/2021 The UPS Store	145.74	Mail - Radios
30439	12/16/2021 Sarah Dailley	124.57	Refund - Ambulance billing Incident 21079256
30336	11/4/2021 Anthony Grgurevic	122.00	EMT Re-Cert Contra Costa EMS
30419	12/9/2021 Evan Ford	122.00	EMT Application
30441	12/16/2021 Mark DeWeese	122.00	EMT Recertification
	11/19/2021 Republic Services	121.53	Trash service Stn 43 November
	11/19/2021 Republic Services	121.53	Trash Service Stn 44 November
	12/16/2021 Republic Services	121.53	Trash service Stn 43 December
	12/16/2021 Republic Services	121.53	Trash Service Stn 44 December
30344	11/4/2021 Jacob Reberg	120.00	BLS Provider class
30471	12/21/2021 Verizon Wireless	112.66	Wireless Service 11/11-12/10
	11/12/2021 ALSCO - American Linen Divison	112.28	Monthly Linen Service - Stn 42
30423	12/9/2021 Office Depot	112.26	Office Supplies
30364	11/12/2021 ALSCO - American Linen Divison	105.82	Monthly Linen Service
	12/3/2021 Pacific Office Automation	100.49	Copier 7/25-10/25/21
	11/12/2021 ALSCO - American Linen Divison	100.28	Monthly Linen Service - Stn 43
30407	12/3/2021 Pacific Office Automation	99.44	Copier 4/25-7/25/21
30375	11/12/2021 Orinda Motors, Inc.	98.28	Oil Change Ford Ranger pickup
30393	11/19/2021 Dennis Rein	96.00	Strike Team Reimburse - Dixie Fire 10/5-10/20/21
ACHCitibank12.20.21	12/20/2021 Citibank N. A.	94.51	Bank Service Charge
30443	12/16/2021 Marcia Holbrook	93.51	Floor Mat
783	11/18/2021 Citibank N. A.	92.84	Correct Bank Svce Charge - Nov
30332	11/4/2021 Comcast	90.20	Stn 41 Modem Oct 29-Nov 28
	11/4/2021 Comcast	90.20	Stn 42 Internet Oct 24-Nov 23
	11/4/2021 Comcast	90.20	Stn 45 Internet Oct 23-Nov 22
30383	11/19/2021 Comcast	90.20	Modem Stn 44
30401	12/3/2021 Comcast	90.20	Internet 11.24-12.23.21
	12/3/2021 Comcast	90.20	Internet Nov 23-Dec 22
30417	12/9/2021 Comcast	90.20	Modem Stn 41 Nov 29-Dec 28
30461	12/21/2021 Comcast	90.20	Modem Stn 44 12/14-1/13/22
30389	11/19/2021 Office Depot	87.56	Toner
	12/3/2021 ADT Security Services	81.30	Security Svc Stn 45 Dec 9-Jan 8
30382	11/19/2021 Biomedical Waste Disposal	79.00	Waste Disposal Stn 41 October
	11/19/2021 Biomedical Waste Disposal	79.00	Waste Disposal Stn 45 October
30434	12/16/2021 Biomedical Waste Disposal	79.00	Biomedical waste disposal Stn 45
	11/4/2021 L.N. Curtis & Sons	77.57	Hose part
30400	12/3/2021 Big O Tires	75.00	Tire Repair
	11/12/2021 Airgas USA, LLC	71.83	Helium/Nitrogen
	12/16/2021 Airgas USA, LLC	69.90	Helium/Nitrogen
30363	11/12/2021 Airgas USA, LLC	67.49	Argon/Oxygen
30430	12/16/2021 Airgas USA, LLC	65.70	Argon/Oxygen
30446	12/16/2021 Minuteman Press	60.78	Business cards - Russell
	11/12/2021 Orinda Motors, Inc.	60.02	Wiper blades
	12/3/2021 Verizon Wireless	56.38	Wireless 10/11-11/10
30381	11/19/2021 AT&T	53.50	Internet 1010-11/9

Moraga-Orinda Fire District
Check/Voucher Register - Check Register
From 11/1/2021 Through 12/31/2021

30458	12/21/2021 AT&T	53.50	Internet
30342	11/4/2021 Office Depot	43.81	Office Supplies
30467	12/21/2021 Thomas Schwedhelm	18.65	Reimbursement - Strn 43 - HDMI Cable for TV
30330	11/4/2021 Chin Chou	9.81	Burn Torch Propane refill
30335	11/4/2021 FasTrak Invoice Processing Dept.	6.00	Toll Benicia Bridge 10/12 - Strike team
30468	12/21/2021 Secretary of State	5.00	Fee for Certified Copy of Statement of Facts
	11/4/2021 Verizon Wireless	2.77	Wireless Sep 24-Oct 23
30411	12/3/2021 Verizon Wireless	2.63	Mobile Service Oct 23-Nov 23
	Total 50 - General Fund	<u>1,519,011.82</u>	

Report Total **2,185,509.88**

Moraga Orinda Fire District
Statement of Revenue and Expenditures
General Fund - Actual to Budget
From 7/1/21 Through 12/31/21

		Current		Percent	Prior Year Current	Prior	Prior	
		Period Actual	Budget \$	Budget \$ Variance	Budget Remaining	Period Actual	Year Change	Year % Change
Total Revenue		28,530,031.96	28,883,156.00	(353,124.04)	(1.22)%	26,302,300.45	2,227,731.51	8.47
Total Expenditures		<u>12,621,503.15</u>	<u>28,138,962.00</u>	<u>15,517,458.85</u>	<u>55.15%</u>	<u>12,515,290.19</u>	<u>106,212.96</u>	<u>0.85</u>
Excess of Revenues Over/ (Under) Expenditures		15,908,528.81	744,194.00	15,164,334.81	2,037.69%	13,787,010.26	2,121,518.55	15.39
Other Revenue-Strike Team Recovery	4971	1,231,779.23	700,000.00	531,779.23	75.97%	2,346,922.82	(1,115,143.59)	(47.52)
Overtime - Strike Team	5016	<u>761,192.80</u>	<u>630,000.00</u>	<u>(131,192.80)</u>	<u>(20.82)%</u>	<u>1,116,238.87</u>	<u>(355,046.07)</u>	<u>(31.81)</u>
Strike Team Revenue Over/ (Under) Expenditures		470,586.43	70,000.00	400,586.43		1,230,683.95	(760,097.52)	
Revenue								
Taxes								
Property Tax-Current Secured	4010	25,445,781.02	25,467,158.00	(21,376.98)	(0.08)%	22,084,672.81	3,361,108.21	15.22
Property Tax-Supplemental	4011	154,882.05	300,000.00	(145,117.95)	(48.37)%	37,869.02	117,013.03	308.99
Property Tax-Unitary	4013	264,478.95	200,000.00	64,478.95	32.24%	232,159.11	32,319.84	13.92
Property Tax-Curr Unsecured	4020	588,185.16	635,000.00	(46,814.84)	(7.37)%	644,331.22	(56,146.06)	(8.71)
Prop Tax- Prior Secured	4030	(74,452.68)	(60,000.00)	(14,452.68)	24.09%	(27,344.05)	(47,108.63)	172.28
Prop Tax-Prior Supplement	4031	(332.84)	(40,000.00)	39,667.16	(99.17)%	(538.56)	205.72	(38.20)
Prop Tax Prior Unsecured	4035	<u>11,986.78</u>	<u>(10,000.00)</u>	<u>21,986.78</u>	<u>(219.87)%</u>	<u>4,447.47</u>	<u>7,539.31</u>	<u>169.52</u>
Total Taxes		26,390,528.44	26,492,158.00	(101,629.56)	(0.38)%	22,975,597.02	3,414,931.42	14.86
Use of Money & Property								
Investment Earnings	4181	<u>3,937.43</u>	<u>35,000.00</u>	<u>(31,062.57)</u>	<u>(88.75)%</u>	<u>10,835.20</u>	<u>(6,897.77)</u>	<u>(63.66)</u>
Total Use of Money & Property		3,937.43	35,000.00	(31,062.57)	(88.75)%	10,835.20	(6,897.77)	(63.66)
Intergovernmental Revenue								
Homeowners Relief Tax	4385	0.00	147,000.00	(147,000.00)	(100.00)%	0.00	0.00	0.00
Misc State Aid/ Grants	4435	0.00	200,000.00	(200,000.00)	(100.00)%	0.00	0.00	0.00
State Mandated Costs Reimbursement	4436	0.00	0.00	0.00	0.00%	11,171.30	(11,171.30)	(100.00)
Intergovernmental Revenue-Federal Grants	4437	0.00	0.00	0.00	0.00%	166,570.36	(166,570.36)	(100.00)
Other/In Lieu of Taxes	4580	892.15	900.00	(7.85)	(0.87)%	978.21	(86.06)	(8.80)
Measure H-Emerg Med Ser Subsid	4896	<u>0.00</u>	<u>85,248.00</u>	<u>(85,248.00)</u>	<u>(100.00)%</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Intergovernmental Revenue		892.15	433,148.00	(432,255.85)	(99.79)%	178,719.87	(177,827.72)	(99.50)
Charges for Service								
Permits	4740	1,128.00	4,000.00	(2,872.00)	(71.80)%	3,120.00	(1,992.00)	(63.85)
Plan Review	4741	70,641.50	175,000.00	(104,358.50)	(59.63)%	133,825.00	(63,183.50)	(47.21)
Inspection Fees	4742	10,904.00	2,000.00	8,904.00	445.20%	1,305.00	9,599.00	735.56
Weed Abatement Charges	4744	57,530.00	35,000.00	22,530.00	64.37%	52,549.00	4,981.00	9.48
Reports/ Photocopies	4746	210.00	350.00	(140.00)	(40.00)%	563.00	(353.00)	(62.70)

Moraga Orinda Fire District
Statement of Revenue and Expenditures
General Fund - Actual to Budget
From 7/1/21 Through 12/31/21

		Current		Budget \$ Variance	Percent Budget Remaining	Prior Year Current	Prior Year Change	Prior Year % Change
		Period Actual	Budget \$					
Other Charges for Service	4747	2,730.00	1,000.00	1,730.00	173.00%	606.00	2,124.00	350.50
Vehicle Accident Cost Recovery	4897	5,000.00	0.00	5,000.00	0.00%	0.00	5,000.00	100.00
Total Charges for Service		148,143.50	217,350.00	(69,206.50)	(31.84)%	191,968.00	(43,824.50)	(22.83)
Charges for Service - Ambulance								
Ambulance Service Fees	4898	783,576.41	1,122,000.00	(338,423.59)	(30.16)%	607,890.68	175,685.73	28.90
Ambulance Service Fee Reimbursements	4899	(106.77)	(102,000.00)	101,893.23	(99.90)%	(8,394.47)	8,287.70	(98.73)
Ambulance Collection Recovery Payments	4900	2,504.58	5,000.00	(2,495.42)	(49.91)%	3,648.51	(1,143.93)	(31.35)
Ground Emergency Medical Transportation	4901	(35,224.68)	(40,000.00)	4,775.32	(11.94)%	(11,692.60)	(23,532.08)	201.26
Total Charges for Service - Ambulance		750,749.54	985,000.00	(234,250.46)	(23.78)%	591,452.12	159,297.42	26.93
Other Revenue								
Other Revenue-Strike Team Recovery	4971	1,231,779.23	700,000.00	531,779.23	75.97%	2,346,922.82	(1,115,143.59)	(47.52)
Other Revenue & Financing Sources	4972	0.00	18,000.00	(18,000.00)	(100.00)%	0.00	0.00	0.00
Other Revenue-Misc.	4974	(5,962.05)	1,000.00	(6,962.05)	(696.21)%	2,499.19	(8,461.24)	(338.56)
Misc Rebates & Refunds	4975	9,761.81	1,000.00	8,761.81	876.18%	2,265.08	7,496.73	330.97
Sale of Surplus Property	4980	0.00	500.00	(500.00)	(100.00)%	1,804.00	(1,804.00)	(100.00)
Transfers In	4999	201.91	0.00	201.91	0.00%	237.15	(35.24)	(14.86)
Total Other Revenue		1,235,780.90	720,500.00	515,280.90	71.52%	2,353,728.24	(1,117,947.34)	(47.50)
Total Revenue		28,530,031.96	28,883,156.00	(353,124.04)	(1.22)%	26,302,300.45	2,227,731.51	8.47

Expenditures

Salaries & Benefits

Permanent Salaries	5011	5,203,759.00	10,381,499.00	5,177,740.00	49.87%	4,964,956.79	238,802.21	4.81
Temporary Salaries	5013	46,249.76	97,637.00	51,387.24	52.63%	50,319.70	(4,069.94)	(8.09)
Overtime	5014	1,338,900.33	1,850,000.00	511,099.67	27.63%	978,832.97	360,067.36	36.79
Deferred Compensation	5015	13,748.00	22,704.00	8,956.00	39.45%	11,102.00	2,646.00	23.83
Overtime - Strike Team	5016	761,192.80	630,000.00	(131,192.80)	(20.82)%	1,116,238.87	(355,046.07)	(31.81)
Contract Services	5018	112,107.82	175,000.00	62,892.18	35.94%	56,462.68	55,645.14	98.55
Worker's Compensation Recovery	5019	(107,948.64)	(80,000.00)	27,948.64	(34.94)%	(45,140.71)	(62,807.93)	139.14
Payroll Taxes -FICA,SUI	5042	109,658.20	196,682.00	87,023.80	44.25%	105,377.89	4,280.31	4.06
Payroll Processing Fees	5043	6,685.25	23,000.00	16,314.75	70.93%	8,143.25	(1,458.00)	(17.90)
Retirement Contributions	5044	2,306,249.35	5,694,133.00	3,387,883.65	59.50%	2,710,290.81	(404,041.46)	(14.91)
Life/Health Insurance-Permanent Employees	5060	710,934.52	1,535,316.00	824,381.48	53.69%	679,642.01	31,292.51	4.60
Employee's-Health Insurance Contribution	5061	(42,718.35)	(228,024.00)	(185,305.65)	81.27%	(82,005.26)	39,286.91	(47.91)
Retiree Health Insurance	5062	587,996.38	1,231,000.00	643,003.62	52.23%	590,506.42	(2,510.04)	(0.43)
Retiree-Health Insurance Contribution	5063	(172,926.75)	(355,000.00)	(182,073.25)	51.29%	(160,327.51)	(12,599.24)	7.86
Unemployment Insurance	5064	0.00	11,000.00	11,000.00	100.00%	58.50	(58.50)	(100.00)
Retiree-Health OPEB Contribution	5065	0.00	434,528.00	434,528.00	100.00%	0.00	0.00	0.00
Vision Insurance	5066	8,421.88	20,568.00	12,146.12	59.05%	9,206.21	(784.33)	(8.52)
Pension Rate Stabilization	5067	0.00	2,362,470.00	2,362,470.00	100.00%	0.00	0.00	0.00

Moraga Orinda Fire District
Statement of Revenue and Expenditures
General Fund - Actual to Budget
From 7/1/21 Through 12/31/21

		Current			Percent	Prior Year Current	Prior	Prior
		Period Actual	Budget \$	Budget \$ Variance	Budget Remaining	Period Actual	Year Change	Year % Change
Workers' Compensation Insurance	5070	559,362.00	1,113,239.00	553,877.00	49.75%	611,788.00	(52,426.00)	(8.57)
Total Salaries & Benefits		11,441,671.55	25,115,752.00	13,674,080.45	54.44%	11,605,452.62	(163,781.07)	(1.41)
Operating Expense								
Office Supplies	6100	5,969.32	8,400.00	2,430.68	28.94%	5,225.22	744.10	14.24
Postage	6101	1,749.10	3,000.00	1,250.90	41.70%	1,461.73	287.37	19.66
Books & Periodicals	6102	16.28	2,460.00	2,443.72	99.34%	159.00	(142.72)	(89.76)
Printer Ink Cartridges	6103	1,486.96	2,500.00	1,013.04	40.52%	617.24	869.72	140.90
Telephone/Communication	6110	31,655.16	50,300.00	18,644.84	37.07%	31,273.00	382.16	1.22
Dispatch/Comm Center Services w/ AVL MDT	6111	0.00	194,500.00	194,500.00	100.00%	0.00	0.00	0.00
Utilities- Sewer	6120	3,702.25	4,600.00	897.75	19.52%	3,827.73	(125.48)	(3.28)
Utilities-Garbage	6121	7,828.11	15,400.00	7,571.89	49.17%	7,975.56	(147.45)	(1.85)
Utilities-PG&E	6122	30,082.59	72,050.00	41,967.41	58.25%	37,129.10	(7,046.51)	(18.98)
Utilities-Water	6123	11,386.06	24,150.00	12,763.94	52.85%	10,844.68	541.38	4.99
Utilities-Medical Waste	6124	755.85	2,200.00	1,444.15	65.64%	1,080.82	(324.97)	(30.07)
Small Tools & Instruments	6130	1,347.56	9,500.00	8,152.44	85.82%	5,187.06	(3,839.50)	(74.02)
Minor Equipment/Furniture	6131	1,143.23	1,500.00	356.77	23.78%	1,071.74	71.49	6.67
Computer Equipment & Supplies	6132	0.00	2,000.00	2,000.00	100.00%	791.35	(791.35)	(100.00)
Gas Power Chain Saw/Other Equipmen	6133	1,918.43	6,800.00	4,881.57	71.79%	2,479.92	(561.49)	(22.64)
Fire Trail Grading	6135	9,206.02	25,000.00	15,793.98	63.18%	4,410.71	4,795.31	108.72
Fire Fighting Equipment & Supplies	6137	38,274.17	55,000.00	16,725.83	30.41%	0.00	38,274.17	100.00
Fire Fighting Equipment-Hoses & Nozzles	6138	9,081.74	10,000.00	918.26	9.18%	0.00	9,081.74	100.00
Fire Fighting Equipment-Class A Foam	6139	6,301.93	10,000.00	3,698.07	36.98%	0.00	6,301.93	100.00
Medical & Lab Supplies	6140	45,399.85	125,000.00	79,600.15	63.68%	60,939.04	(15,539.19)	(25.50)
Food Supplies	6150	112.19	5,500.00	5,387.81	97.96%	182.48	(70.29)	(38.52)
Safety Clothing & Personal Supplies	6160	21,091.64	60,000.00	38,908.36	64.85%	25,922.32	(4,830.68)	(18.64)
Non-Safety Clothing & Personal Supplies	6161	0.00	0.00	0.00	0.00%	841.35	(841.35)	(100.00)
Household Expense	6170	6,270.68	19,200.00	12,929.32	67.34%	6,002.39	268.29	4.47
Household Expense-Linen	6171	2,799.58	6,440.00	3,640.42	56.53%	3,017.13	(217.55)	(7.21)
Public & Legal Notices	6190	0.00	10,000.00	10,000.00	100.00%	1,778.88	(1,778.88)	(100.00)
Dues, Memberships & Professional Fees	6200	9,649.45	22,820.00	13,170.55	57.71%	4,037.63	5,611.82	138.99
EMT/Paramedic Licensure Fees	6201	1,823.10	4,000.00	2,176.90	54.42%	1,650.00	173.10	10.49
Rent & Leases (Equipment)	6250	18,095.02	30,500.00	12,404.98	40.67%	12,978.74	5,116.28	39.42
Computer Software & Maintenance	6251	69,993.83	75,850.00	5,856.17	7.72%	52,508.10	17,485.73	33.30
Website Development & Maintenance	6252	5,040.00	5,040.00	0.00	0.00%	4,800.00	240.00	5.00
EPA ID# Verification Fee	6264	150.00	150.00	0.00	0.00%	0.00	150.00	100.00
CCC HazMat Plan (CUPA)	6265	2,977.00	3,650.00	673.00	18.44%	3,615.00	(638.00)	(17.65)
BAAQMD & Environmental Health Fees	6266	382.00	900.00	518.00	57.56%	150.00	232.00	154.67
Air Monitor Maintenance & Replacement	6269	0.00	10,000.00	10,000.00	100.00%	1,825.54	(1,825.54)	(100.00)
Maintenance -- Equipment	6270	18,272.51	82,800.00	64,527.49	77.93%	29,339.77	(11,067.26)	(37.72)

Moraga Orinda Fire District
Statement of Revenue and Expenditures
General Fund - Actual to Budget
From 7/1/21 Through 12/31/21

		Current		Budget \$ Variance	Percent Budget Remaining	Prior Year Current Period Actual	Prior Year Change	Prior Year % Change
		Period Actual	Budget \$					
Central Garage Repairs	6271	54,893.19	280,000.00	225,106.81	80.40%	116,814.14	(61,920.95)	(53.01)
Central Garage Gasoline & Oil	6272	36,934.72	65,000.00	28,065.28	43.18%	30,357.58	6,577.14	21.67
Central Garage Tires	6273	13,529.59	12,000.00	(1,529.59)	(12.75)%	2,294.83	11,234.76	489.57
Service/Repair Fuel System Dispensers	6274	2,285.80	2,500.00	214.20	8.57%	0.00	2,285.80	100.00
Aerial Ladder & Pump Testing	6275	0.00	1,000.00	1,000.00	100.00%	0.00	0.00	0.00
Smog Inspections	6276	0.00	500.00	500.00	100.00%	0.00	0.00	0.00
Air Compressor Quarterly Service	6278	0.00	6,000.00	6,000.00	100.00%	0.00	0.00	0.00
Hydro Test SCBA & Oxy Cylinder	6279	2,055.74	30,000.00	27,944.26	93.15%	0.00	2,055.74	100.00
Tank Testing	6280	0.00	1,120.00	1,120.00	100.00%	0.00	0.00	0.00
Maintenance -- Building	6281	22,009.40	98,000.00	75,990.60	77.54%	27,735.67	(5,726.27)	(20.65)
Maintenance -- Grounds	6282	3,251.90	12,400.00	9,148.10	73.78%	7,720.00	(4,468.10)	(57.88)
Meetings & Travel Expenses	6303	267.21	1,500.00	1,232.79	82.19%	109.52	157.69	143.98
Employee Assistance Program	6309	0.00	9,800.00	9,800.00	100.00%	0.00	0.00	0.00
Medical - Pre-Emp Processing and Annual Exams	6311	0.00	30,000.00	30,000.00	100.00%	1,300.50	(1,300.50)	(100.00)
Ambulance Billing Administration Fees	6312	23,627.32	60,000.00	36,372.68	60.62%	23,219.34	407.98	1.76
Outside Attorney Fees	6313	68,706.87	150,000.00	81,293.13	54.20%	53,333.71	15,373.16	28.82
CCC County Tax Administration Fee	6316	0.00	215,000.00	215,000.00	100.00%	0.00	0.00	0.00
Professional Services	6317	29,416.00	42,500.00	13,084.00	30.79%	23,753.53	5,662.47	23.84
Professional Services - Labor Negotiator	6318	18,024.00	10,000.00	(8,024.00)	(80.24)%	150.00	17,874.00	11,916.00
Professional Services - Technology	6319	96,775.99	207,480.00	110,704.01	53.36%	64,647.20	32,128.79	49.70
Professional Services - Pre-Employment Investigations	6320	900.00	10,000.00	9,100.00	91.00%	0.00	900.00	100.00
Professional Services - Promotional Exams & Recruitme	6321	0.00	1,000.00	1,000.00	100.00%	0.00	0.00	0.00
Professional Services-OPEB Actuarial Valuation	6322	6,750.00	8,000.00	1,250.00	15.63%	371.00	6,379.00	1,719.41
Exterior Hazard Removal	6323	40,632.50	35,000.00	(5,632.50)	(16.09)%	14,100.00	26,532.50	188.17
Professional Services-Prop Tax Audit & Forecasting	6326	0.00	7,350.00	7,350.00	100.00%	0.00	0.00	0.00
Professional Services	6327	0.00	14,000.00	14,000.00	100.00%	0.00	0.00	0.00
Testing Materials & Training Props	6354	8,423.80	40,000.00	31,576.20	78.94%	3,949.98	4,473.82	113.26
Career Development Classes	6357	3,411.54	25,000.00	21,588.46	86.35%	3,546.50	(134.96)	(3.81)
District Sponsored Training & Education Classes	6358	0.00	0.00	0.00	0.00%	425.00	(425.00)	(100.00)
Training & Education Classes-Paramedic & EMT CE	6360	532.00	10,000.00	9,468.00	94.68%	4,854.00	(4,322.00)	(89.04)
District Sponsored Training-Mandated	6361	1,316.86	15,000.00	13,683.14	91.22%	2,560.64	(1,243.78)	(48.57)
Strike Team Supplies	6474	45,470.93	60,000.00	14,529.07	24.22%	38,083.10	7,387.83	19.40
Community Emergency Response Team	6475	169.24	8,000.00	7,830.76	97.88%	302.41	(133.17)	(44.04)
Exercise Supplies/Maint.	6476	10,657.23	13,900.00	3,242.77	23.33%	0.00	10,657.23	100.00
Recognition Supplies	6478	0.00	7,350.00	7,350.00	100.00%	138.45	(138.45)	(100.00)
Other Special Departmental Exp	6479	167,994.84	361,800.00	193,805.16	53.57%	55,378.34	112,616.50	203.36
Public Education Supplies	6480	656.90	6,000.00	5,343.10	89.05%	26.43	630.47	2,385.43
LAFCO	6482	12,637.38	18,000.00	5,362.62	29.79%	14,773.69	(2,136.31)	(14.46)
Emergency Preparedness Expense	6484	8,717.53	11,000.00	2,282.47	20.75%	2,084.22	6,633.31	318.26

Moraga Orinda Fire District
Statement of Revenue and Expenditures
General Fund - Actual to Budget
From 7/1/21 Through 12/31/21

		Current		Budget \$ Variance	Percent	Prior Year Current	Prior	Prior
		Period Actual	Budget \$		Budget Remaining			
Misc. Services & Supplies	6490	2,359.45	10,500.00	8,140.55	77.53%	3,590.55	(1,231.10)	(34.29)
Fire Chief Contingency	6491	1,175.25	100,000.00	98,824.75	98.82%	30,945.16	(29,769.91)	(96.20)
Property & Liability Insurance	6540	122,767.00	62,000.00	(60,767.00)	(98.01)%	57,646.00	65,121.00	112.97
Bad Debt Expense	6666	<u>6,600.00</u>	<u>0.00</u>	<u>(6,600.00)</u>	<u>0.00%</u>	<u>0.00</u>	<u>6,600.00</u>	<u>100.00</u>
Total Operating Expense		1,176,911.79	3,019,910.00	1,842,998.21	61.03%	907,334.72	269,577.07	29.71
Other Expense								
Bank Fees	7510	2,665.92	3,000.00	334.08	11.14%	2,251.46	414.46	18.41
County Tax Collection Fees	7530	<u>253.89</u>	<u>300.00</u>	<u>46.11</u>	<u>15.37%</u>	<u>251.39</u>	<u>2.50</u>	<u>0.99</u>
Total Other Expense		<u>2,919.81</u>	<u>3,300.00</u>	<u>380.19</u>	<u>11.52%</u>	<u>2,502.85</u>	<u>416.96</u>	<u>16.66</u>
Total Expenditures		<u>12,621,503.15</u>	<u>28,138,962.00</u>	<u>15,517,458.85</u>	<u>55.15%</u>	<u>12,515,290.19</u>	<u>106,212.96</u>	<u>0.85</u>
Excess of Revenues Over/ (Under) Expenditures		<u>15,908,528.81</u>	<u>744,194.00</u>	<u>15,164,334.81</u>	<u>2,037.69%</u>	<u>13,787,010.26</u>	<u>2,121,518.55</u>	<u>15.39</u>

Moraga-Orinda Fire District
Statement of Revenues and Expenditures - Debt Service Fund Actual to Budget - 21/22
From 7/1/2021 Through 12/31/2021

		Current Period Actual	Total Budget \$ - Original	Total Budget \$ Variance - Original	Percent Total Budget Remaining - Original
Revenue					
Taxes					
Property Tax-Current Secured	4010	1,730,869.00	1,730,869.00	0.00	0.00%
Total Taxes		1,730,869.00	1,730,869.00	0.00	0.00%
Use of Money & Property					
Investment Earnings	4181	30.80	500.00	(469.20)	(93.84)%
Total Use of Money & Property		30.80	500.00	(469.20)	(93.84)%
Other Revenue					
Transfers In	4999	461,419.26	922,448.00	(461,028.74)	(49.98)%
Total Other Revenue		461,419.26	922,448.00	(461,028.74)	(49.98)%
Total Revenue		2,192,319.06	2,653,817.00	(461,497.94)	(17.39)%
Expenditures					
Other Expense					
Pension Obligation Bond Principal Payment	7900	3,610,000.00	3,610,000.00	0.00	0.00%
Pension Obligation Bond Interest Payment	7901	137,155.50	180,090.00	42,934.50	23.84%
Apparatus Lease Principal Payment	7902	294,994.71	592,791.00	297,796.29	50.24%
Apparatus Lease Interest Payment	7903	5,629.95	8,458.00	2,828.05	33.44%
Lease Agreement Station 43 Principal	7906	130,000.00	261,000.00	131,000.00	50.19%
Lease Agreement Station 43 Interest	7907	30,794.60	60,199.00	29,404.40	48.85%
Transfers to Other Funds	7997	201.91	0.00	(201.91)	0.00%
Total Other Expense		4,208,776.67	4,712,538.00	503,761.33	10.69%
Total Expenditures		4,208,776.67	4,712,538.00	503,761.33	10.69%
Excess of Revenues Over/ (Under) Expenditures		(2,016,457.61)	(2,058,721.00)	42,263.39	(2.05)%

Moraga-Orinda Fire District
Statement of Revenues and Expenditures - Capital Projects Fund Actual to Budget - 21/22
From 7/1/2021 Through 12/31/2021

		Current Period Actual	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaining - Original
Revenue					
Taxes					
Fire Flow Tax	4066	1,096,800.38	1,095,000.00	1,800.38	0.16%
Total Taxes		1,096,800.38	1,095,000.00	1,800.38	0.16%
Use of Money & Property					
Investment Earnings	4181	1,220.67	10,000.00	(8,779.33)	(87.79)%
Total Use of Money & Property		1,220.67	10,000.00	(8,779.33)	(87.79)%
Intergovernmental Revenue					
Intergovernmental Revenue-Fed...	4437	164,250.00	23,950.00	140,300.00	585.80%
Total Intergovernmental Revenue		164,250.00	23,950.00	140,300.00	585.80%
Charges for Service					
Impact Mitigation Fees	4743	0.00	20,000.00	(20,000.00)	(100.00)%
Total Charges for Service		0.00	20,000.00	(20,000.00)	(100.00)%
Total Revenue		1,262,271.05	1,148,950.00	113,321.05	9.86%
Expenditures					
Other Expense					
Bank Fees	7510	90.00	200.00	110.00	55.00%
Fire Flow Tax Collection Fees	7531	11,604.47	14,000.00	2,395.53	17.11%
Fire Fighting Equip-Fixed Asset ...	7701	46,609.71	145,000.00	98,390.29	67.86%
Apparatus/Vehicles-Fixed Asset...	7703	0.00	273,000.00	273,000.00	100.00%
Computer Equip & Software-Fix...	7704	164,696.20	165,000.00	303.80	0.18%
Buildings-Station #41-Fixed Ass...	7705	0.00	20,000.00	20,000.00	100.00%
Buildings-Stations-Fixed Asset ...	7708	173,000.00	319,500.00	146,500.00	45.85%
Misc. Equipment Expense	7709	0.00	23,950.00	23,950.00	100.00%
Operating Transfers Out	7999	461,419.26	922,448.00	461,028.74	49.98%
Total Other Expense		857,419.64	1,883,098.00	1,025,678.36	54.47%
Total Expenditures		857,419.64	1,883,098.00	1,025,678.36	54.47%
Excess of Revenues Over/ (Under) Ex...		404,851.41	(734,148.00)	1,138,999.41	(155.15)%



Moraga-Orinda Fire District

Annual Operating Budget Timeline Fiscal Year 2023

January

1/4/22 Fire Chief assigns Goals and Objectives to managers
1/18/22 Management Budget Meeting – Operating, Capital and Personnel budget worksheets distributed

February

2/16/22 Quarter Two Financial Update and Board adopts mid-year budget adjustments

March

3/1/22 Goals and Objectives due to Fire Chief
3/8/22 Operating, Capital and Personnel budget worksheets due to Finance
3/16/22 Long Range Financial Forecast to Board for Direction
3/22/22 Draft Budget to Fire Chief
3/28-4/1/22 Fire Chief meets with managers regarding budget requests

April

4/20/22 Quarter Three Financial Update
4/20/22 Long Range Financial Forecast to Board for Adoption
4/20/22 Public Board Budget Workshop

May

5/18/22 Proposed Budget presented to Board

June

6/15/22 Board adopts Annual Operating Budget



Moraga-Orinda Fire District

Board of Directors

2022 CALENDAR STANDING/AD HOC COMMITTEES

Approved: November 17, 2021

January	19	July	20
February	16	August	17
March	16	September	21
April	20	October	19
May	18	November	16
June	15	December	21

(Meets 3rd Wednesday of each month and

2022 Board Officers

President of the Board	Michael Donner
Vice President	Steven Danziger
Secretary	Gregory Baitx
Treasurer	John Jex
Director	Craig Jorgens
Fire Chief	Dave Winnacker
Admin Services Director	Gloriann Sasser
District Clerk/Secretary	Marcia Holbrook

2022 Standing Committees

Audit Committee	Directors Danziger & Jex
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2022 Ad Hoc Committees

Facilities Station 41	Directors Baitx & Donner
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2022 District Liaisons

CC Special Districts Assoc.	Director Jex
CCC Fire Boards and Commissioners Assoc.	Director Danziger
Local Agency Formation Committee (LAFCO)	Director Donner
Orinda City Council	Director Jorgens
Moraga Town Council	Director Jex



Moraga-Orinda Fire District

TO: Board of Directors
FROM: Jeff Isaacs, Fire Marshal
DATE: January 19, 2022
SUBJECT: Item 8.1 – Public Hearing and First Reading of Ordinance 22-01 – An Ordinance of the Moraga-Orinda Fire District of Contra Costa County Revising a Schedule of Fees for District Services

BACKGROUND

In 2013, the District established a new fee structure based on the results of an independent fee study analysis and in-house comparable agency survey to ensure that the fees charged reflected the reasonable costs the District incurred in providing services and enforcing regulations. The Fee Schedule Ordinance 13-02 included a provision for an annual modification to fees based on the Consumer Price Index. The Board instructed staff to continue developing the fee structure for services and enforcement to ensure that the fees that reflect the District's actual cost of providing services and enforcement.

The Consumer Price Index (CPI) for All Urban Consumers, San Francisco-Oakland-Hayward, California region, increased 3.8% effective October 2021 (most recent). In addition to the CPI increase to all fees, two additional fees have been added to the category entitled "Group E-Occupancies – Schools." They are listed under the heading "Public School," and they are mandated inspections (fees listed below). In 2018, Governor Brown signed Senate Bill 1205, which requires that the State Fire Marshal receive and collect data on all mandated inspections. In 2020, SB 85 changed Health and Safety Code section 13146.3 to allow fire agencies to collect a fee for mandated inspections of public schools (E Occupancies).

Group E Occupancies- Schools (Permit includes first and second inspection)

Fee No.	Fee Description	2021	2022
AP8.3:	Public School		
AP8.3.1:	E-2 Occupant Load ≤ 150	\$0	\$455 (new)
AP8.3.2:	E-1 Occupant Load > 150	\$0	\$568 (new)

Staff recommends that the Board introduce and waive the first reading of Ordinance 22-01 (Attachment A), An Ordinance of the Moraga-Orinda Fire District of Contra Costa County Revising a Schedule of Fees for District Services and the revised District Fee Schedule effective March 19, 2022 (Attachment B).

RECOMMENDATION

1) Discuss; 2) Deliberate; 3) Introduce and Waive the First Reading of Ordinance 22-01 – An Ordinance of the Moraga-Orinda Fire District of Contra Costa County Revising a Schedule of Fees for District Services and the revised Fee Schedule effective March 19, 2022; 4) Open the public hearing and accept comments from the public; 5) Close the public hearing.

ATTACHMENTS

Attachment A- Ordinance No. 22-01 An Ordinance of the Moraga-Orinda Fire District of Contra Costa County Revising a Schedule of Fees for District Services
Attachment B- Exhibit A – Moraga-Orinda Fire District Fee Schedule, Effective March 19, 2022

ORDINANCE NO. 22-01

**AN ORDINANCE OF THE MORAGA-ORINDA FIRE DISTRICT
OF CONTRA COSTA COUNTY REVISING A SCHEDULE OF FEES
FOR DISTRICT SERVICES**

The Board of Directors of the Moraga-Orinda Fire District of Contra Costa County (“District”) ordains as follows:

SECTION 1. Authorization and Purpose.

This ordinance and the fees for District Services established herein is adopted pursuant to the provisions of Fire Protection Law of 1987 (Health and Safety Code sections 13800 et seq., the “Act”). Specifically, as authorized under Health and Safety Code section 13916, the District hereby establishes and adopts the schedule of fees, established for the purpose of recovering for the District the cost of providing services and enforcing regulations.

The provisions of this ordinance and schedule of fees are consistent with, and authorized by, the provisions of Health and Safety Code section 13916 and other laws pertaining to fee schedules. Except as otherwise indicated, the definitions of the Act are incorporated herein, and this ordinance shall be interpreted in a manner consistent with the Act.

SECTION 2. Fee Schedule

The fees established and adopted by this ordinance are attached hereto as “Exhibit A” entitled District Fee Schedule.

SECTION 3. Public Notice of Intent to Establish Fee Schedule

Pursuant to the provisions of Health and Safety Code section 13916(b), the District gave public notice pursuant to Section 6066 of the Government Code, of its intent to establish and impose the fees contained in the Fee Schedule attached as Exhibit “A”.

SECTION 4. Findings Regarding Costs of Services

The District Board finds that it must charge fees to cover the costs of (a) services which the District provides or (b) enforcement of any regulation for which the District has responsibility.

The District Board finds that no fee included in the District Fee Schedule exceeds the costs reasonably incurred by the District in providing the service or enforcing the regulation for which the fee is charged in accordance with Health and Safety Code section 13916(a).

The District Board finds that, consistent with the provisions of Health and Safety Code section 13916(a), the District Fee Schedule does not include fees on new construction or development for the construction of public improvements or facilities or the acquisition of equipment.

SECTION 5. Repeal

The following Ordinance previously adopted by the Board of Directors is hereby repealed:
Ordinance #13-02 Moraga-Orinda Fire District of Contra Costa County Revising a Schedule of Fees for District Services.

SECTION 6. Effective Date

This Ordinance and the Fee Schedule shall become effective on March 19, 2022, and within fifteen (15) days of passage, shall be published once with the names of the Directors voting for and against it, in the Contra Costa Times, a newspaper of general circulation in this District. Passed and Adopted on February 16, 2022 by the following Vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Michael Donner, President
Board of Directors

I certify that this is a full, true, and correct copy of the original document which is on file in my office that was passed and adopted by the Moraga-Orinda Fire District on the date shown.

ATTEST:

Marcia Holbrook
District Secretary/District Clerk

MORAGA-ORINDA FIRE DISTRICT FEE SCHEDULE

EXHIBIT A

Effective March 19, 2022

Fee No.	Fee Description	Unit	2021	2022
INSPECTION - SINGULAR PERMITTED ACTIVITIES				
T1	Special Events, Tents and Booths,			
T1.1	Tents between 400 and 5000 ft ² in size, and canopies in excess of 400 s.f.	per permit	\$351	\$364
T1.2	Tents greater than 5000 ft ² in size	per permit	\$438	\$455
T1.3	For use greater than 180 days reinspection is required	per permit	\$170	\$176
T2	Holiday tree lots	per permit	\$114	\$118
T3	Model rockets	per permit	\$114	\$118
T1.4	Additional tent inspections		\$114	\$118
SE1	Street Fairs, Carnivals, and Special Events/ Plan Review and Inspection	per permit (1)	\$355	\$368
E1	Explosives - any kind	per permit (3)	\$411	\$427
FW	Fireworks			
FW1.1	Fireworks Aerial	per permit (3)	\$821	\$852
FW1.2	Set Piece / Theatrical	per permit (3)	\$547	\$568
HM1	Hazardous Materials	per permit (3)	\$547	\$568
BP1	Burn Permit - Recreational- Open Flame	per permit	\$168	\$174
SP	Singular Permits - Other/ Inspection			
SP1.1	Change of Occupancy	per permit	\$335	\$347
SP1.2	Install/Maintain Acid Battery Systems > CFC Table 1206.2	per permit	\$342	\$355
SP1.3	Miscellaneous Permit (otherwise not listed above)	per permit	\$264	\$274
INSPECTION	Annual Operating Permits/ Inspection Required			
API	LPG Dispense	per permit	\$395	\$410
AP2	Welding or Hot Works	per permit	\$395	\$410
AP3	Spraying Flammable Finishes	per permit	\$395	\$410
AP4	Compressed Gas / Cryogenics	per permit		
AP4.1	Inert		\$395	\$410
AP4.2	Flammable		\$395	\$410
AP4.3	Cryogenics Portable Tanks		\$395	\$410
AP4.4	Cryogenics Portable Tanks Fixed System		\$395	\$410
AP5	Flammable / Combustible Liquids	per permit		
AP5.1	Flammable Liquid Storage Cabinet		\$395	\$410
AP5.2	Flammable Liquid Storeroom		\$395	\$410
AP5.3	Aboveground Storage Outside		\$411	\$427
AP5.4	Underground Storage Tank		\$411	\$427
AP6	Engine Repair Facilities	per permit		
AP6.1	1 - 4 Bays		\$395	\$410
AP6.2	5 - 8 Bays		\$395	\$410
AP6.3	9 + Bays		\$395	\$410
AP7	Group A Places Of Public Assembly	per permit		
AP7.1	Occupancy Load 50-100		\$328	\$340
AP7.2	Occupancy Load 101-200		\$395	\$410
AP7.3	Occupancy Load 201-299		\$524	\$544
AP7.4	Occupancy Load 300 +		\$524	\$544
AP8	Group E Occupancies- Schools (Permit includes first and second inspection)	per permit		
AP8.1	Private Schools			
AP8.1.1	E-2 Occupant Load ≤ 150		\$439	\$455

MORAGA-ORINDA FIRE DISTRICT FEE SCHEDULE

EXHIBIT A

Effective March 19, 2022

Fee No.	Fee Description	Unit	2021	2022
AP8.1.2	E-1 Occupant Load > 150		\$547	\$568
AP8.3	Public Schools			
AP8.3.1	E-2 Occupant Load ≤ 150			\$455 (new)
AP8.3.2	E-1 Occupant Load > 150			\$568 (new)
AP9	Group I Institutional (I-2.1, I-4)	per permit		
AP9.1	Occupant Load 7-20		\$524	\$544
AP9.2	Occupant Load 21-99		\$592	\$615
AP9.3	Occupant Load 100 -249		\$592	\$615
AP9.4	Occupant Load 300 +		\$592	\$615
AP10	Group R-2 Occupancies Apartments	per permit		
AP10.1	Base Fee		\$158	\$164
AP10.1.1	3-12 units, per unit		\$158	\$164
AP10.1.2	13-30 units, per unit		\$3	\$3
AP10.1.3	31+ units, per unit		\$4	\$4
AP10A	Group R-2 Assisted Living Facilities			
AP10A.1	Base Fee		\$395	\$410
AP10A.1.2	per unit		\$4	\$4
AP11	Group R-3.1 Daycare-Residential	per permit		
AP11.1	R 3.1 Residential Day Care Occupant, Load 6 or Fewer			
AP12	Group R-4 Adult & Residential Care Facilities	per permit		
AP12.1	R 4 Adult Residential Day Care (Non-Medical), Client Load 7+, max of 6 non-ambulatory		\$459	\$476
AP12.2	Licensed Facilities (includes R-2.1,R-4)			
AP12.3	Occupant Load < 6		\$459	\$476
AP12.4	Occupant Load > 6		\$459	\$476
AP12.5	850 Form Fire Clearance Inspection		\$231	\$239
AP13	Group R-4 Day Care Facilities-Commercial	Per permit		
AP13.1	Occupant Load ≤ 50		\$438	\$454
AP13.2	Occupant Load > 50		\$491	\$510
AP14	Annual Operational Permits - Other			
AP14.1	Combustible Materials Storage	per permit	\$459	\$476
AP14.4	High Pile Stock/Rack Systems	per permit	\$524	\$544
PLAN REVIEW				
PR1	Site Access Review: Preliminary Plan Review, Consulting, and Meetings			
PR1.1	Pre-project review	per project (3)	\$547	\$568
PR1.2	Design Review			
PR1.2.1	Residential	per project	\$327	\$339
PR2.1.2	Commercial	per project	\$547	\$568
PR1.3	Residential Addition/Remodel	per project	\$327	\$339
PR3	Site / Water/ Access Review	per project	\$439	\$455
PR4	Cell Tower / Antenna/ Land Use Review/ Solar	per project	\$395	\$410
PR5	Street Numbering / Address Review	per project	\$204	\$212
PR6	Residential and Building Construction - New Building			
PR6.1	Plan Review			
PR6.1.1	0 - 5,000 s.f.	per project	\$524	\$544
PR6.1.2	Greater than 5,000 s.f.	hourly	\$131	\$136
PR6.2	Inspection			
PR6.2.1	0 - 5,000 s.f.	per inspection	\$395	\$410
PR6.2.2	Greater than 5,000 s.f.	hourly	\$131	\$136

MORAGA-ORINDA FIRE DISTRICT FEE SCHEDULE

EXHIBIT A

Effective March 19, 2022

Fee No.	Fee Description	Unit	2021	2022
PR7	Building Construction - Tenant Improvement			
PR7.1	Plan Review			
PR7.1.1	0 - 5,000 s.f.	per project	\$657	\$682
PR7.2.2	Greater than 5,000 s.f. (per hour with \$100 deposit)	hourly	\$131	\$136
PR7.3	Inspection			
PR7.3.1	0 - 5,000 s.f.	per inspection	\$524	\$544
PR7.3.2	Greater than 5,000 s.f.	hourly	\$131	\$136
PR8	Fire Alarm and Communication System			
PR8.1	Plan Review/	per project		
PR8.1.1	First 25 Devices		\$524	\$544
PR8.1.2	each additional 25 devices, or portion thereof		\$197	\$205
PR8.2	Inspection Fire Alarm	per inspection		
PR8.2.1	First 25 Devices		\$395	\$410
PR8.2.2	each additional 25 devices, or portion thereof		\$197	\$205
PR8.3	Emergency responder radio communication (ERRCS) system Plan Review	per project	\$149	\$155
PR8.4	Inspection ERRCS	per inspection	\$105	\$109
PR8.5	Elevator Communication System Plan Review	per project	\$149	\$155
PR8.6	Inspection Elevator Communication System	per inspection	\$105	\$109
PR9	Fire Protection Systems - Residential - New or Modify			
PR9.1	Plan Review	per project		
PR9.1.1	First 25 Heads		\$395	\$410
PR9.1.2	each additional 25 heads, or portion thereof		\$197	\$205
PR9.2	Inspections (Rough and Final)	per inspection		
PR9.2.1	First 25 Heads		\$395	\$410
PR9.2.2	each additional 25 heads, or portion thereof		\$197	\$205
PR10	Fire Protection Systems - Commercial New			
PR10.1	Plan Review	per project		
PR10.1.1	First 25 Heads		\$524	\$544
PR10.1.2	each additional 25 heads, or portion thereof		\$197	\$205
PR10.2.2	Inspection	per inspection		
PR10.2.2.1	First 25 Heads		\$524	\$544
PR10.2.2.2	each additional 25 heads, or portion thereof		\$197	\$205
PR10.2.2.3	Per additional Riser	per riser	\$131	\$136
PR11	Fire Protection Systems - Commercial - Tenant Improvement			
PR11.1	Plan Review	per project		
PR11.1.2	First 25 Heads		\$524	\$544
PR11.1.3	each additional 25 heads, or portion thereof		\$197	\$205
PR11.2	Inspection	per inspection		
PR11.2.1	First 25 Heads		\$439	\$455
PR11.2.2	each additional 25 heads, or portion thereof		\$197	\$205
PR12	Fire Protection Systems - Miscellaneous/ Plan Review and Inspection			
PR12.1	Additional Overhead Hydro Test	per test	\$524	\$544
PR12.2	Spray Booths Including Fire Protection System (New Install)	per permit	\$459	\$476
PR12.3	Fire Pumps & Related Equipment - Install or Modify (Non-Residential Applications)	per permit	\$459	\$476
PR12.4	Standpipe System/ AFES Underground	per permit	\$524	\$544
PR12.5	Pre-Action Fire Protection System	per permit	\$524	\$544
PR12.6	Hood and Duct Fire Protection system	per permit	\$524	\$544
PR12.7	Clean Agent Fire Protection System	per permit	\$592	\$615
PR12.8	Nitrous Oxide/Medical Gas System	per permit	\$592	\$615
PR12.9	Smoke Management System	per permit	\$592	\$615
PR12.10	Fire Hydrant Plan Review	per permit	\$459	\$476
PR12.11	Water Flow Field Test for Sprinkler Systems	per test	\$459	\$476

MORAGA-ORINDA FIRE DISTRICT FEE SCHEDULE

EXHIBIT A

Effective March 19, 2022

Fee No.	Fee Description	Unit	2021	2022
PR12.12	Inspection	Per inspection	\$524	\$544
PR13 Tanks / Piping				
PR13.1	Install/Remove Underground	per permit		
PR13.1.1	Plan Review		\$524	\$544
PR13.1.2	Inspection	Per inspection	\$524	\$544
PR13.2	Install/ Remove Aboveground Tank with Lines	per permit		
PR13.2.1	Plan Review		\$524	\$544
PR13.2.2	Inspection	Per inspection	\$524	\$544
PR13.3	Temporary Construction Tank (Install and Use per Location/ Site)	per permit		
PR13.3.1	Plan Review		\$524	\$544
PR13.3.2	Inspection	Per inspection	\$524	\$544
PR14 Special Hazard - Hazardous Material				
PR14.1	Hazardous Materials Approval for Use & Compliance	per project	\$657	\$682
PR14.2	Compressed Gas & Cryogenics (Initial plan review and install)	per project	\$657	\$682
MISCELLANEOUS				
ALT1	Alternative Means and Methods	per project (3)	\$684	\$710
ASP1	Additional Inspections	per inspection	\$264	\$274
ASP1.1	Fire Marshal	Hourly	\$96	\$100
ASP1.2	Senior Inspector	Hourly	\$105	\$109
ASP1.3	Fire Inspector	Hourly	\$83	\$86
PR1	Additional Plan Review/Permit Renewal/Resubmittal Fee	per submittal	\$264	\$274
SB1	After hours Inspections (2 Hour Minimum)	per project	\$395	\$410
MS1	Photocopies (per Page) Letter or legal Size	per copy	\$0.10	\$0.10
RS1	Research Fee	hourly (4)	\$131	\$136
IR1	Incident Report Request	per request	\$6	\$6
CP1	Instructional Services (CPR)	per student	\$92	\$95
MR1	Medical Records Request	per request	\$15	\$16
FA1	Repeated False Alarm Responses (per response after the 3rd response in 30 consec. days)	per response	\$180	\$187
WA1	Weld Inspections	per instance	\$395	\$410
DP1	Deposit processing fee	per project	\$67	\$69
SA1	Subpoena Fee	per employee per day (5)	\$278	\$289
RC1	Returned Check Charge	per check	\$30	\$31
WA2	Weed Abatement	per parcel	Cost + 50%	Cost + 50%
MF1	One-time Mitigation fee - Wilder Development	per parcel	\$2,000	\$2,000
PT1	Property Sale or Transfer Online Self Check	per parcel	no charge	no charge
PT2	Property Sale or Transfer On Site First Inspection Fee	per parcel	\$150	\$156
PT3	Property Sale or Transfer On Site Re-Inspection Fee	per parcel	\$200	\$208
PT4	Seller or Buyer Phone or Over the Counter Compliance Check Fee	per parcel	\$20	\$21
OP1	Online payment Debit and Credit Card User Fee - 2.45% of gross volume	per transaction	2.45%	2.45%
OP2	Online payment ACH/eCheck User Fee - \$1	per transaction	\$1	\$1

[Notes]

- [1] Does not include standby time. Separate fee would apply.
- [2] Actual Cost of photos not included. Separate fee would apply.
- [3] Minimum fee includes time shown. For service required in excess of standard, hourly rate would apply.
- [4] Fee for retrieval & formatting of records information above and beyond basic retrieval and copy of a public record.
- [5] A deposit of \$275 for each day that a specified employee is required to remain in attendance pursuant to the subpoena. The District shall then be reimbursed for traveling expenses and the full cost to the District of paying the employee. If the actual expenses should later prove to be less than \$275 per day tendered, the excess of the amount shall be refunded. If the actual expenses should later prove to be more than the amount deposited, the District may collect the balance from the party at whose request the subpoena is issued. California Government Code 68097.2.



Moraga-Orinda Fire District

TO: Board of Directors

FROM: Dave Winnacker, Fire Chief

DATE: January 19, 2022

SUBJECT: Item 8.2 – First Public Hearing on Redistricting Process; Review District Maps; Review the Criteria for Adopting New District Boundaries/Maps; Receive Input from the Public; and Receive Direction from the Board of Directors

BACKGROUND

City of Orinda Resolution No. 44-96, adopted August 13, 1996, and Town of Moraga Resolution 32-96, adopted August 21, 1996, establish that the MOFD Board of Directors will be elected from districts, pursuant to Health and Safety Code section 13846, a provision of the Fire Protection District Law of 1987.

Once a district opts to elect directors from districts pursuant to Health and Safety Code section 13846, the district board must redraw its districts following the decennial census. (Health & Safety Code § 13847.) The decennial census took place 2020–2021.

The districts must be redrawn according to certain standards. The primary goal should be achieving population equality between districts. (See Health & Safety Code § 13846(e); see also *Reynolds v. Sims* (1964) 377 U.S. 533 [establishing the principle that votes must be weighted equally]; *Avery v. Midland County* (1968) 390 U.S. 474 [extending the one person, one vote principle to certain local government entities].) Additionally, the district board *may* consider the following factors: (1) topography, (2) geography, (3) cohesiveness, contiguity, integrity, and compactness of territory, and (4) community of interests of the divisions. (See Health & Safety Code § 13846(e).)

Senate Bill 594, signed into law September 27, 2021, altered the deadline for redistricting required by the Health and Safety Code. SB 594 established that, where “a district . . . has a regular election to elect members of its governing board on the same date as the 2022 statewide general election,” the district must “adopt adjusted division boundaries no later than April 17, 2022.” (Elec. Code § 22000.1.) Prior to this deadline, the Board is required to hold at least two public hearings—one “on the proposal to adjust the boundaries of the division” and another “at which the governing body votes to approve or defeat” the redrawn district map. (*Id.* at § 22001.)

In consultation with District Counsel, staff engaged an experienced redistricting expert to draw the draft map included as Attachment A.

GUIDANCE PROVIDED

Staff provided the following guidance to the redistricting expert:

1. Preserve the current voting districts to the greatest degree possible. Specifically:
 - a. Two voting districts comprised exclusively of Orinda residents

- b. Two voting districts comprised exclusively of Moraga residents*
 - c. One voting district split between Moraga and Orinda, with the addition of the residents of the community of Canyon
2. Balance the number of residents in each voting district in accordance with state law and the US Constitution.
 3. Balance voter representation between communities of interest composed of districts 1/2 and 4/5.
 4. Maintain census block integrity.

*Residents of Unincorporated Bollinger have historically been included in a Moraga voting district to maintain contiguity and communities of interest.

The following data was provided:

1. Data listing the census blocks in the current election divisions from the Contra Costa County Assessor's office

Further, the redistricting expert accessed 2020 US Census Bureau data for current population density and distribution.

In order to maintain the redistricting expert's role as a "blind watchmaker", no additional information was provided.

POPULATION

The existing election divisions have the following populations:

Division	Total Population	Over/Under	Deviation
1	7066	-312	-4.2%
2	6704	-674	-9.1%
3	8182	804	10.9%
4	7712	334	4.5%
5	7226	-152	-2.1%

The draft map has the following populations:

Division	Total Population	Over/Under	Deviation
1	7495	117	1.6%
2	7336	-42	-0.6%
3	7121	-257	-3.5%
4	7394	16	0.2%
5	7544	166	2.2%

OPTIONS

The Board may choose to take public input during this hearing and adopt the draft map included as Attachment A at the February meeting.

The Board may also choose to take public input and provide additional direction to staff in order to modify the draft map. Should the Board wish to provide additional direction, this information will be provided to the redistricting expert and additional public hearing(s) scheduled.

Updated maps must be adopted no later than April 17, 2022.

RECOMMENDATION

- 1) Open the Public Hearing and Take Public Comment; 2) Discuss; 3) Deliberate; 4) Close Public Hearing; 5) Provide direction to Staff.

ATTACHMENTS

Attachment A- Draft Map

Attachment B- Written Public Comments Received as of 1/14/2022 at 12:00 P.M.

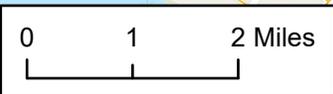
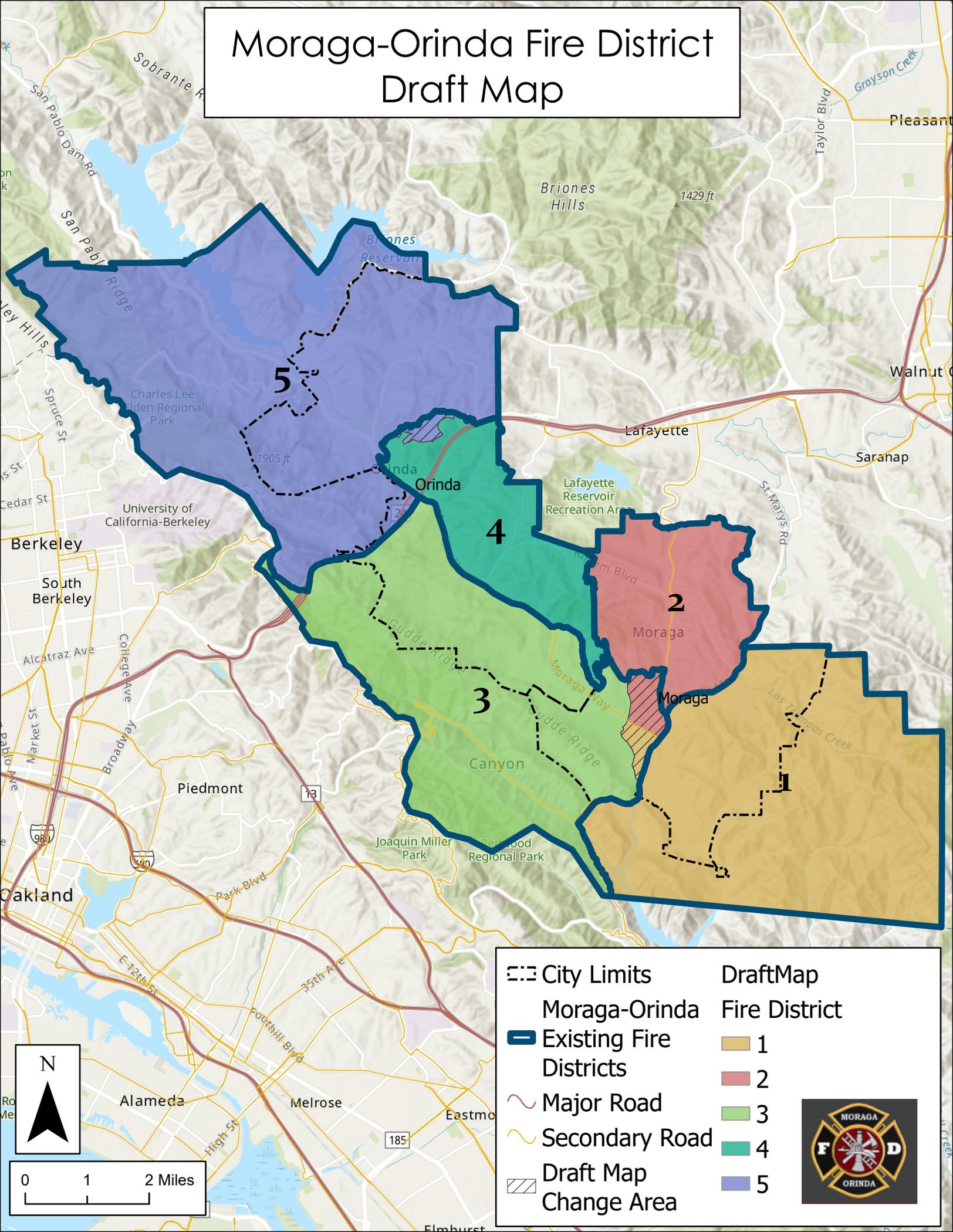


Moraga-Orinda Fire District

Board of Directors

Item 8.2 – Attachment A MOFD Draft Map

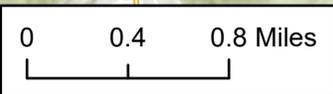
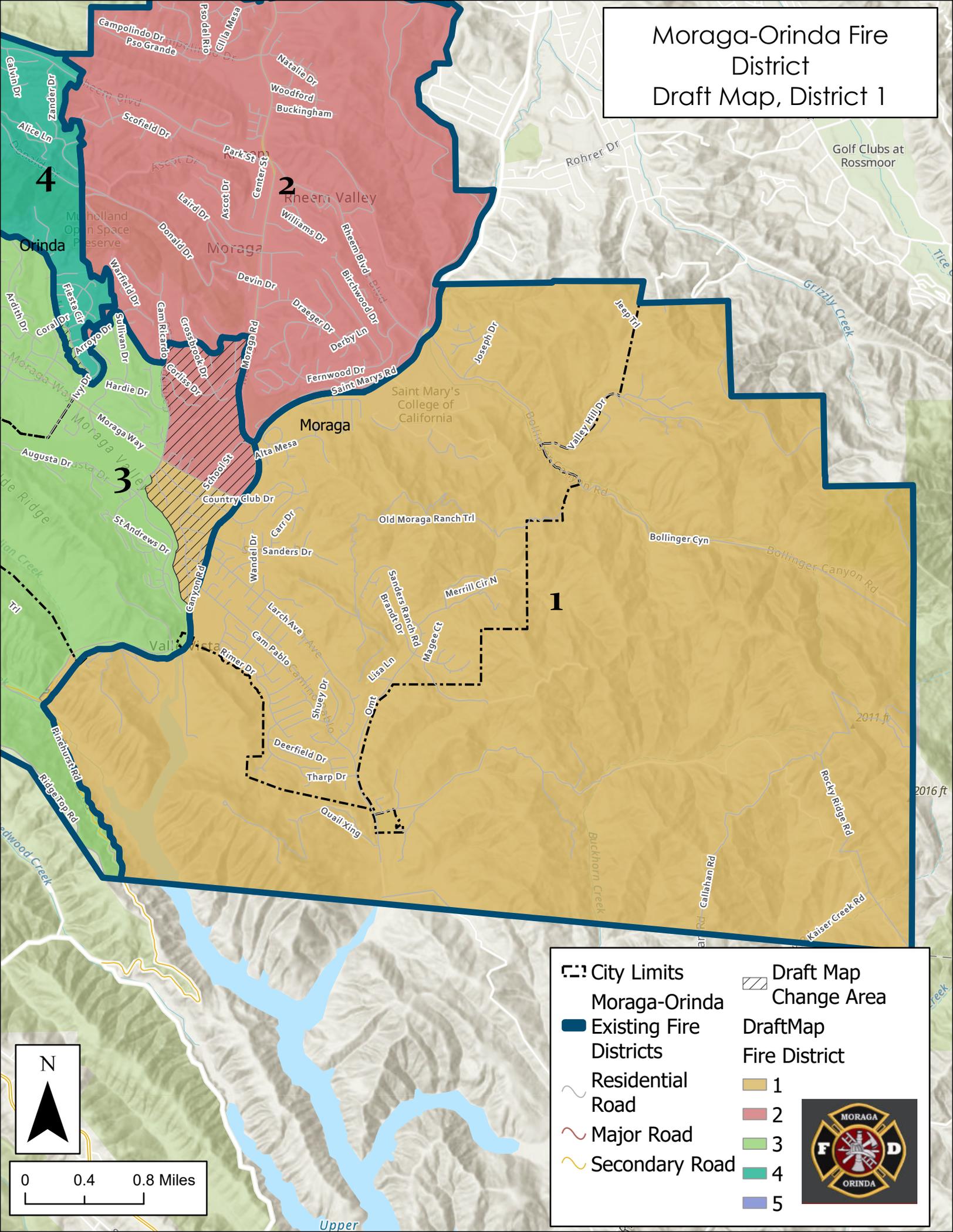
Moraga-Orinda Fire District Draft Map



City Limits	DraftMap
Existing Fire Districts	Fire District
Major Road	1
Secondary Road	2
Draft Map Change Area	3
	4
	5



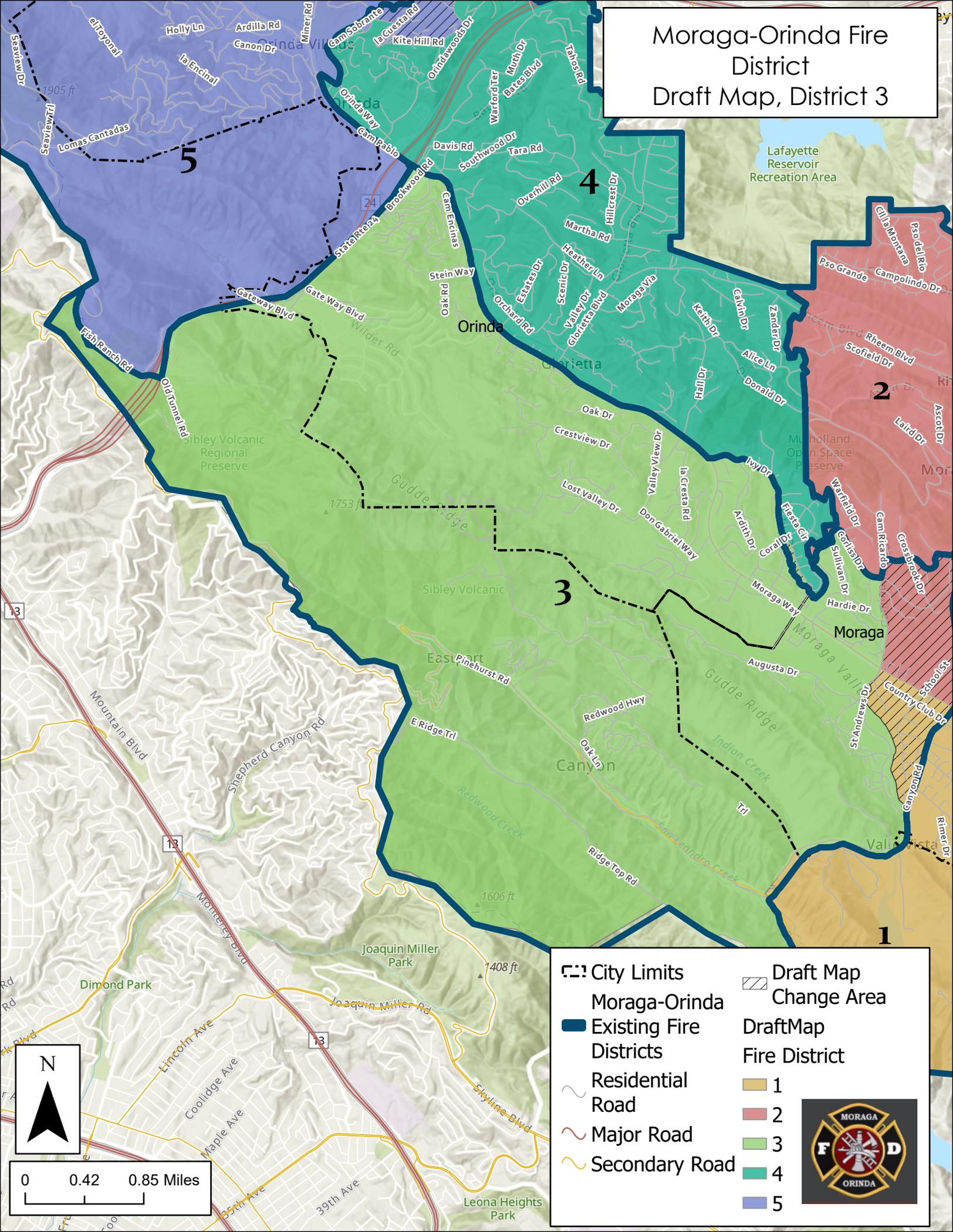
Moraga-Orinda Fire District Draft Map, District 1



City Limits	Draft Map Change Area
Existing Fire Districts	DraftMap Fire District 1
Residential Road	DraftMap Fire District 2
Major Road	DraftMap Fire District 3
Secondary Road	DraftMap Fire District 4
	DraftMap Fire District 5



Moraga-Orinda Fire District Draft Map, District 3



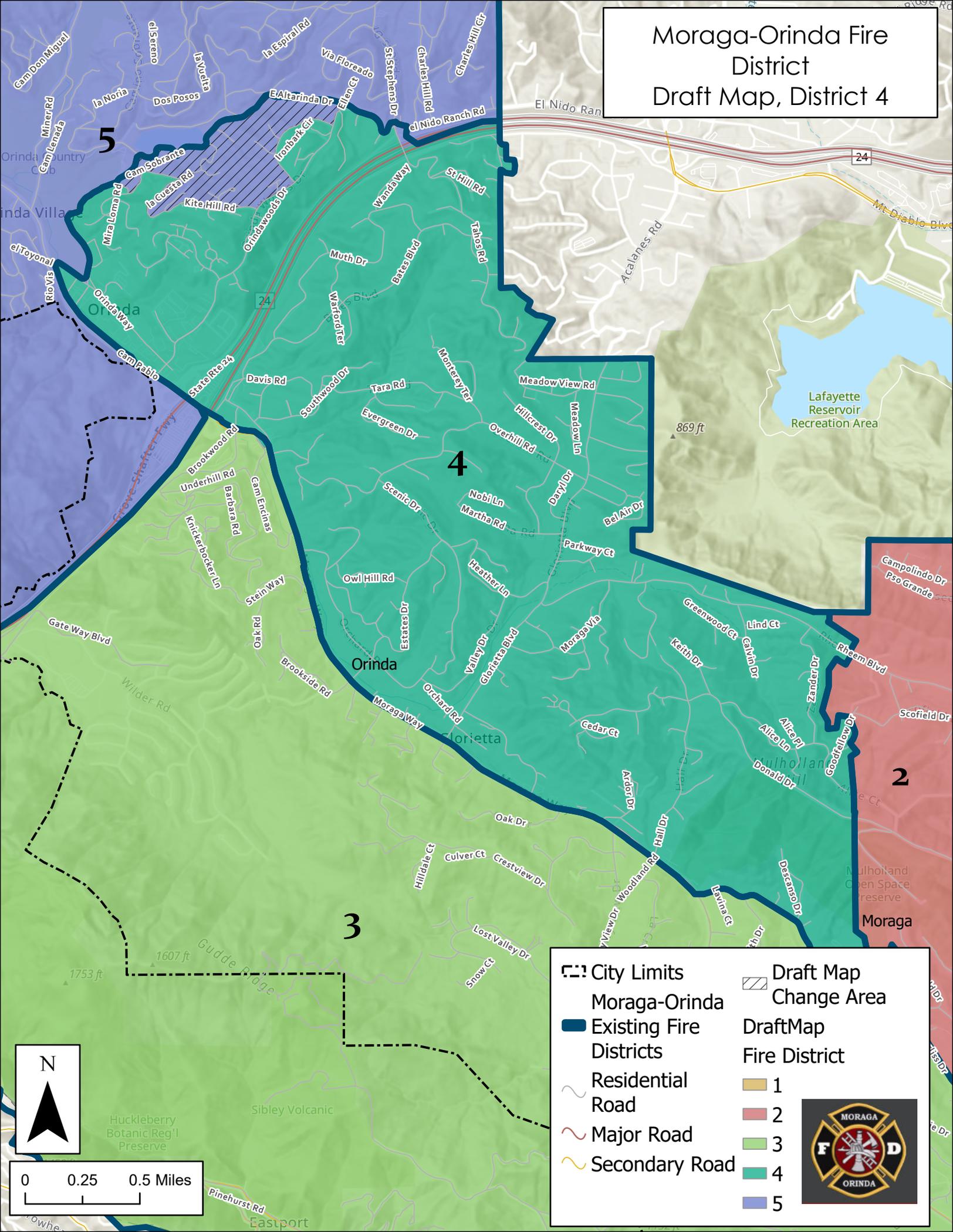
City Limits	Draft Map Change Area
Existing Fire Districts	DraftMap Fire District
Residential Road	1
Major Road	2
Secondary Road	3
	4
	5



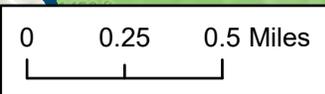
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0 0.42 0.85 Miles

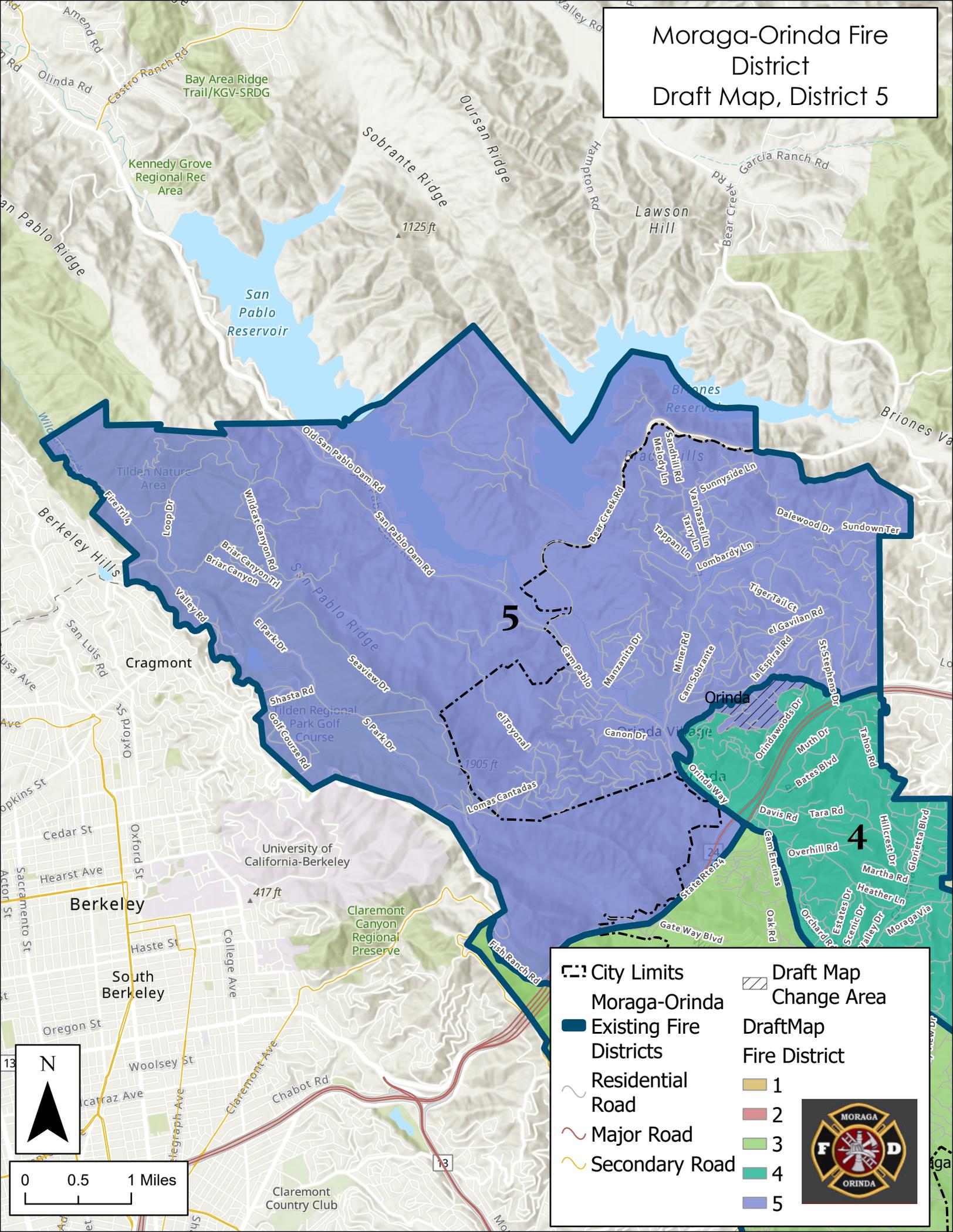
Moraga-Orinda Fire District Draft Map, District 4



City Limits	Draft Map Change Area
Existing Fire Districts	DraftMap Fire District
Residential Road	1
Major Road	2
Secondary Road	3
	4
	5



Moraga-Orinda Fire District Draft Map, District 5



City Limits	Draft Map Change Area
Moraga-Orinda Existing Fire Districts	DraftMap Fire District 1
Residential Road	DraftMap Fire District 2
Major Road	DraftMap Fire District 3
Secondary Road	DraftMap Fire District 4
	DraftMap Fire District 5




0 0.5 1 Miles

Moraga-Orinda Redistricting Summary Statistics

Draft Map—DRAFT—Subject to change

01/13/2022



Ideal Population Criterion

Ideal Population	7,378
Overall Range	5.7%
< 5.0%	5.0 - 10.0%
> 10.0%	

Total Population & Deviation per District

District ID	Total Population	Over / Under Ideal	Deviation From Ideal
1	7,495	117	1.6%
2	7,336	-42	-0.6%
3	7,121	-257	-3.5%
4	7,394	16	0.2%
5	7,544	166	2.2%

Total Population by Race/Ethnicity per District

District ID	White	Black or African American	American Indian or Alaska Native	Asian	Native Hawaiian and Pacific Islander	Some Other Race	Two or More Races	Hispanic / Latino
1	61.6%	1.4%	0.1%	16.6%	0.4%	0.4%	7.5%	12.0%
2	60.4%	1.3%	0.1%	20.8%	0.1%	0.4%	8.3%	8.7%
3	64.3%	1.3%	0.1%	19.4%	0.1%	0.7%	7.1%	7.0%
4	64.4%	0.8%	0.1%	19.8%	0.1%	0.5%	7.5%	6.8%
5	73.0%	0.7%	0.1%	12.8%	0.1%	0.6%	7.0%	5.9%

2020 Census P.L 94-171 Redistricting Data Summary Files Total Population by race and Hispanic/Latino origin.

CVAP by Race/Ethnicity per District

District ID	White	Black or African American	American Indian or Alaska Native	Asian	Native Hawaiian and Pacific Islander	Two or More Races	Hispanic / Latino
1	67.9%	1.0%	0.3%	13.7%	0.8%	4.2%	11.8%
2	71.1%	0.7%	0.0%	15.8%	0.5%	3.3%	7.5%
3	75.3%	1.0%	0.1%	16.5%	0.2%	3.6%	3.6%
4	75.4%	1.8%	0.0%	15.7%	0.0%	2.8%	3.9%
5	80.2%	0.6%	0.0%	11.3%	0.0%	1.9%	5.0%

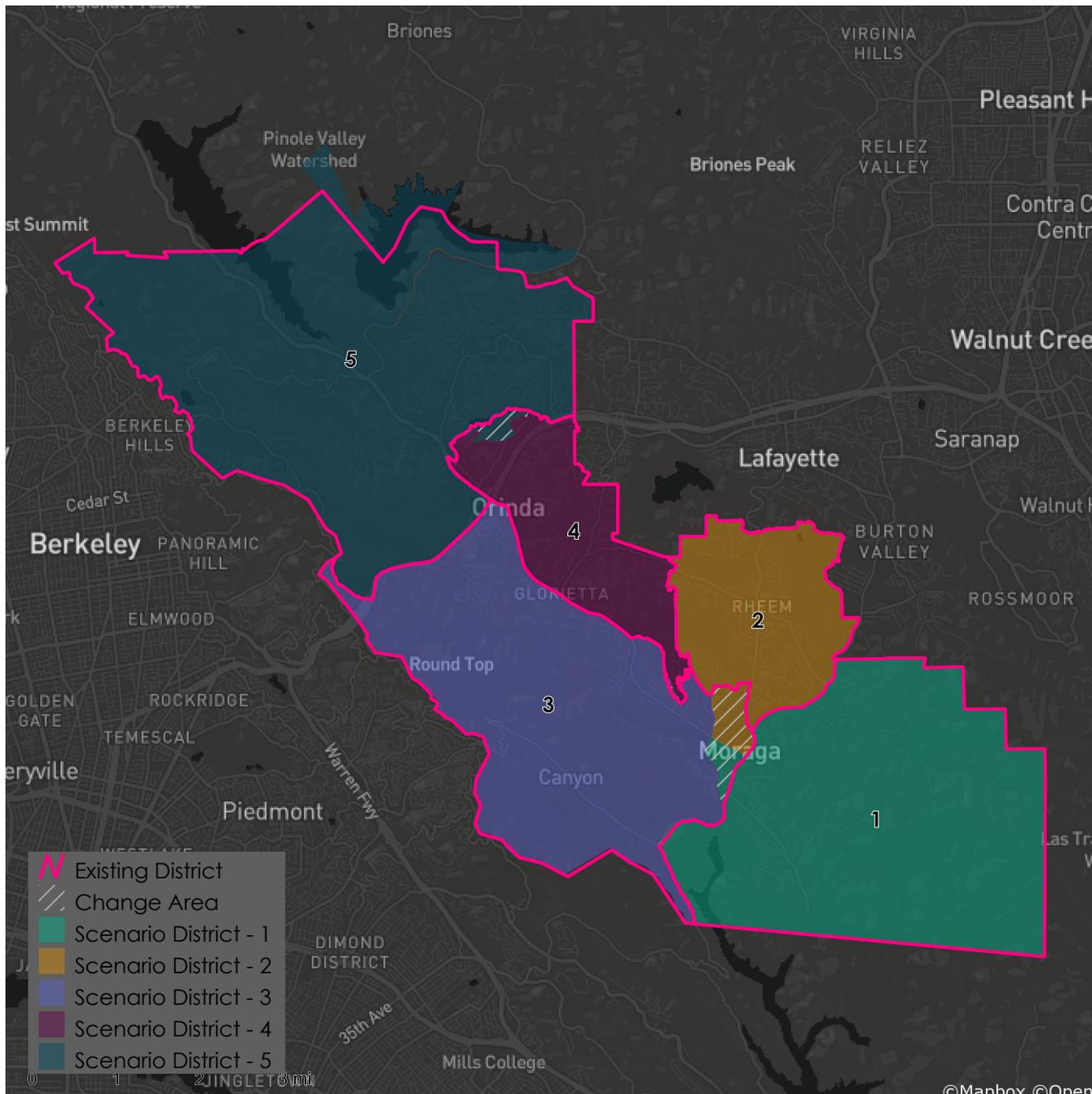
2015-2019 (5-year) American Community Survey (ACS) Citizen Voting-age Population (CVAP) by Race and Ethnicity Special Tabulation. Some Other Race category not included within the ACS special tabulation.

*Rounding may lead to summation of race/ethnicity percentages not equal to 100% (+/- 1%)

Moraga-Orinda Redistricting Summary Statistics

Draft Map—DRAFT—Subject to change

01/13/2022



Metadata

Run Time Stamp: 2022-01-13 18:15:06
Workflow Directory: X:\F2203.01 Renne Public Law Group\01_Moraga-Orinda Fire District - Redistricting Services\Projects\Alteryx\
District Scenario: File: gdb:X:\F2203.01 Renne Public Law Group\01_Moraga-Orinda Fire District - Redistricting Services\Data\Redist.gdb\|DraftMap

01 - PUBLIC COMMENT

From: [Richard Olsen](#)
To: [Info](#)
Cc: [Winnacker, David](#); [Holbrook, Marcia](#)
Subject: MOFD Post-2020-Census Board Election Districts Redistricting -- Election Districts History
Date: Thursday, January 13, 2022 10:47:45 PM

Gentlemen:

I am responding to a "Notice of a Public Hearing" in the January 11, 2022 East Bay Times, which Hearing is scheduled to occur during your Board's Wednesday, January, 19, 2022 Regular Meeting. That Hearing relates to the potential redistricting of the Moraga Orinda Fire District's (MOFD) Board Election Districts following the 2020 Census. The Notice indicates that one of the Hearing's purposes is to "receive input from the public". I believe that it might be helpful to you in your deliberations to learn how and why the current Director Election Districts were established from someone who was significantly involved in their initial structuring some 25 years ago. That is my purpose in writing to you.

The MOFD's Board Election District boundaries for the Board's five members were established at the time the MOFD was formed. They were detailed in Exhibit E of the August 30, 1996 "Application to the Local Agency Formation Commission Requesting Reorganization of the Moraga and Orinda Fire Protection Districts". In the LAFCO Application's "Governance" paragraph on page 20, the basic rationale for having Directors elected by District, rather than at-large, was: "to recognize the importance of geographical representation". The LAFCO Application was prepared by a ten-member working committee. Its membership consisted of two members from each of: the Moraga Town Council; the Orinda City Council; the Moraga Fire District's Fire Commission; the Orinda Fire District's Fire Commission, plus one member from each of the Orinda Fire Committee and the Moraga Fire Committee. (I served as Vice Chair of that working committee.) The Town of Moraga's Town Manager, Ross Hubbard and the City of Orinda's City Manager Bill Lindsay provided staff support to the committee.

The LAFCO Application -- including Exhibit E's Director Election District boundaries -- was subsequently approved, as originally submitted, by Contra Costa County LAFCO, the County Board of Supervisors and by the electorates of both the Moraga Fire District and the Orinda Fire District.

In formulating the boundaries of the 5 Director Election Districts, the working committee's intent was to carve out two Director Election Districts from the area served by the Moraga Fire Protection District, two Director Election Districts from the area served by the Orinda Fire Protection District and to form a fifth district from parts of both of the two then-existing fire districts on approximately a 50/50-split basis. The LAFCO Application on page 9 notes that at that time (1996) there were approximately 13,200 land parcels within the boundaries of the proposed Moraga Orinda Fire District -- 6,900 within the Moraga Fire District and 6,300 within the Orinda Fire District. It also noted in a "Population and Demographics" paragraph (also on the Application's page 9) that per the 1990 Census, the population within the boundaries of the proposed MOFD was approximately 34,000. 18,000 residents (including 1385 resident students at Saint Mary's College) were served by the Moraga Fire District and 16,000 by the Orinda Fire District.

I believe that it is worth noting that while the Town of Moraga and the City of Orinda are parts of the geographic area of the MOFD, and the municipal boundaries of the Town of Moraga and the City of Orinda are displayed in the LAFCO Application's Exhibit E for informational purposes, the boundaries of the two municipalities were **not** factors in the drawing of the Director Election District boundaries.

Following is my recollection of the major elements that were involved in drawing the Board Election District Boundaries back in 1996:

District 1 was fashioned from the Moraga Valley geographic area. The northwest boundary of District 1 was drawn to start from the southern portion of Pinehurst, then run to the Pinehurst/Canyon Road intersection. The boundary line then runs East on Canyon Road to Saint Mary's Road, then east on Saint Mary's Road to the eastern border of the Moraga Fire District. District 1 includes the Sanders Ranch

01 - PUBLIC COMMENT

subdivision, the Sanders Drive, Larch Avenue and Camino Pablo areas, four Townhouse subdivisions at the Canyon Road/Saint Mary's Road intersection, and the Saint Mary's Gardens and Bollinger Bluffs developments. District 1 also included Saint Mary's College and the rural, unincorporated portion of Bollinger Canyon. Unincorporated Bollinger Canyon had always been part of the Moraga Fire District and has also long been a part of the Moraga School District. All the parcels in unincorporated Bollinger Canyon also have Moraga postal addresses. The other major unincorporated area of District 1 is the East Bay Municipal Utilities District lands that surround and feed into the Upper San Leandro Reservoir.

District 2 was fashioned from Moraga's Rheem Valley geographic area. Saint Mary's Road provides much of District 2's southern boundary. A portion of the Rheem Valley Orchards (Corliss Drive) area was also included in the District. Its major elements include the Campolindo and Rheem Valley Manor subdivisions, the Ascot Drive multi-family residential area and the Rheem Shopping Center. District 2's northern boundary is the Lafayette City line. Also part of District 2 is the as-yet undeveloped Palos Colorados subdivision area east of Moraga Road and of the Campolindo area, which has been approved for a 123 unit, single family residential housing development. There are no unincorporated areas within District 2.

District 3 is the previously noted District that was intended to consist of approximately equal portions of the Moraga Fire District and the Orinda Fire District. Its principal parts are: most of Orinda's Ivy Drive Area; Orinda's Crestview and Lost Valley areas; the then-undeveloped Gateway Valley; the Moraga Country Club; Moraga's School Street District; the Moraga Center Specific Plan high-density residential area; Indian Valley, the Moraga Shopping Center and the unincorporated area of Canyon (aka historically "Redwood Canyon"). The Canyon area was also part of the Moraga Fire District. However, in contrast to the unincorporated portion of Bollinger Canyon, Canyon has its own school district and post office. Linking it to District 1 would have grossly distorted District 1's boundaries. Canyon is also due west from the major portions of District 3.

District 4 was essentially designed to include Central Orinda. A small portion of the Ivy Drive area is its southern limit. Its western boundary is Moraga Way. It also crosses over Highway 24 to include portions of Orindawoods and the Orinda Country Club area. Both ends of the Orinda Shopping Center area (Village and Theatre) are within District 4.

District 5 was designed to consist of most of Orinda that lies north of Highway 24. It includes the El Toyonal and Miner Road areas most of the Orinda Country Club area plus the Sleepy Hollow and Orinda Downs subdivisions -- all of which are single family residential areas. Much of District 5 is unincorporated land that lies within the boundaries of the East Bay Regional Parks District and also the East Bay Municipal Utilities District.

The final work of drawing the exact Director Election District Boundaries was performed by the Town of Moraga's Town Manager, Ross Hubbard and the City of Orinda's City Manager Bill Lindsay. I readily concede that there are some minor twists and bends in the Districts' boundary lines for the reasons for which I don't recall.

I plan to attend your January 19th meeting via Zoom and would be happy to answer any questions you might have at that time.

Richard J. Olsen

Home Phone: [REDACTED]



Moraga-Orinda Fire District

TO: Board of Directors

FROM: Dave Winnacker, Fire Chief
Gloriann Sasser, Administrative Services Director

DATE: January 19, 2022

SUBJECT: **Item 9.1 – Asset Allocations and Investment Guidelines Documents for the Pension Trust and for the Other Post-Employment Benefits Trust**

BACKGROUND

The District contracts with Public Agency Retirement Services (PARS) for pension trust and post-employment benefits trust services. PARS provides an IRS Section 115 approved irrevocable trust for the District to use to fund other post-employment benefits (OPEB) and to fund a pension rate stabilization trust account. On September 15, 2021 the Board directed staff to place the topic of asset allocation of the PARS trust accounts on a future agenda. On November 17, 2021 the Board discussed the investment guidelines documents and provided direction to staff. The changes directed by the Board have been incorporated into the investment guidelines documents (Attachments C, D, E, F.)

ASSET ALLOCATION

Asset allocation ranges are determined by the Board as part of the Investment Guidelines Document (Attachments A and B.) Based on Board direction at the November 2021 meeting, the following changes have been included in the updated investment guidelines documents:

Pension Trust and OPEB Trust

Description	Existing Guideline	New Guideline
Target rate of return - OPEB	7.25%	6.25%
Investment objective	Capital Appreciation with a primary goal of growth of principal	Customized strategy with a single goal of growth of principal
Risk tolerance	Capital Appreciation – High level of risk tolerance	Aggressive Growth – Very high level of risk tolerance
Asset allocation cash	0% - 20%/Policy 5%	0-5%/Policy 1%
Asset allocation fixed income	10% - 30%/Policy 20%	0% - 10%/Policy 4%
Asset allocation equity	65% - 85%/Policy 75%	85% - 100%/Policy 95%
Developed international markets	0% - 25%	0% - 30%
Emerging markets	0 - 25%	0% - 5%

According to the Government Finance Officers' Association (GFOA) Best Practices for Asset Allocation for Defined Benefit Plans, diversifying an investment portfolio by including asset categories with investment returns that increase or decrease under different market conditions can protect a defined benefit plan against significant investment losses. The GFOA recommends a portfolio be diversified among asset categories.

At June 30, 2021, the District's OPEB plan was 20% funded and the District's pension plan was 89.6% funded. Decreasing the cash and fixed income ranges and increasing the equity range results in increased risk/volatility. Highmark provided an analysis report that assumes a 100% equity allocated portfolio (Attachment G). Based on the report, the expected return is 7.35% which is an increase of 0.71% above the current estimate of 6.64%. The volatility of the District's portfolio would increase to 16.69% from the current volatility estimate of 12.53%. To summarize, changing the portfolio to 100% equities results in an expected rate of return increase of 0.71% and volatility increase of 4.16%.

RECOMMENDATION

1) Discuss; 2) Deliberate; 3) Approve the Investment Guidelines Documents for the Pension Trust and Other Post-Employment Benefits Trust

ATTACHMENTS

Attachment A – Investment Guidelines Document February 2017 – Pension Trust

Attachment B – Investment Guidelines Document February 2017 – OPEB Trust

Attachment C – Investment Guidelines Document January 2022 – Pension Trust (redlined version)

Attachment D – Investment Guidelines Document January 2022 – OPEB Trust (redlined version)

Attachment E – Investment Guidelines Document January 2022 – Pension Trust (final version)

Attachment F - Investment Guidelines Document January 2022 – OPEB Trust (final version)

Attachment G - Sample Portfolio Asset Allocation – 100% Equities

Attachment



Investment Guidelines Document

Moraga-Orinda Fire District

Employee Benefits Fund Pension Plan

February 2017

Investment Guidelines Document

Scope and Purpose

The purpose of this Investment Guidelines Document is to:

- Facilitate the process of ongoing communication between the Plan Sponsor and its plan fiduciaries;
- Confirm the Plan's investment goals and objectives and management policies applicable to the investment portfolio identified below and obtained from the Plan Sponsor;
- Provide a framework to construct a well-diversified asset mix that can potentially be expected to meet the account's short- and long-term needs that is consistent with the account's investment objectives, liquidity considerations and risk tolerance;
- Identify any unique considerations that may restrict or limit the investment discretion of its designated investment managers;
- Help maintain a long-term perspective when market volatility is caused by short-term market movements.

Key Plan Sponsor Account Information as of February 2017

Plan Sponsor:	The Board of the Moraga-Orinda Fire Protection District
Governance:	The Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District
Plan Name ("Plan"):	Moraga-Orinda Fire Protection District Employee Benefit Fund Pension Plan
Trustee:	US Bank Contact: Sue Hughes, 949-224-7209 Susan.hughes@usbank.com
Type of Account:	Pension Plan
Investment Manager:	US Bank, as discretionary trustee, has delegated investment management responsibilities to HighMark Capital Management, Inc. ("Investment Manager"), an SEC-registered investment adviser Contact: Andrew Brown, CFA, 415-705-7605 Andrew.brown@highmarkcapital.com

Investment Authority: Except as otherwise noted, the Trustee, US Bank, has delegated investment authority to HighMark Capital Management, an SEC-registered investment adviser. Investment Manager has full investment discretion over the managed assets in the account. Investment Manager is authorized to purchase, sell, exchange, invest, reinvest and manage the designated assets held in the account, all in accordance with account's investment objectives, without prior approval or subsequent approval of any other party(ies).

Investment Objectives and Constraints

The goal of the Plan's investment program is to generate adequate long-term returns that, when combined with contributions, will result in sufficient assets to pay the present and future obligations of the Plan. The following objectives are intended to assist in achieving this goal:

- The Plan should seek to earn a return in excess of its policy benchmark over the life of the Plan.
- The Plan's assets will be managed on a total return basis which takes into consideration both investment income and capital appreciation. While the Plan Sponsor recognizes the importance of preservation of capital, it also adheres to the principle that varying degrees of investment risk are generally rewarded with compensating returns. To achieve these objectives, the Plan Sponsor allocates its assets (asset allocation) with a strategic perspective of the capital markets.

Investment Time Horizon: Long-term

Anticipated Cash Flows: Assets in the Plan will seek to mitigate the impact of future rate increases from Contra Costa County Employees' Retirement Association (CCCERA). Typically increases in rates come with a one-year advance warning, however this Plan may transfer assets to CCCERA at any time.

Investment Objective: The investment objective the Plan Sponsor has selected is the Capital Appreciation Objective, which has a primary goal of growth of principal. The assets in this Plan will eventually be used to fund Pension Plan obligations for assets managed in the CCCERA pension plan. The assets in this Trust are also available to mitigate the potential negative impact of future rate increases from CCCERA.

Risk Tolerance: Capital Appreciation – High level of risk tolerance
The account's risk tolerance has been rated above average, which demonstrates that the account can accept significant price fluctuations to pursue its investment objectives

Strategic Asset Allocation: The asset allocation ranges for this objective are listed below:

<i>Strategic Asset Allocation Ranges</i>		
Cash	Fixed Income	Equity
0-20%	10%-30%	65%-85%
Policy: 5%	Policy: 20%	Policy: 75%

Market conditions may cause the account's asset allocation to vary from the stated range from time to time. The Investment Manager will rebalance the portfolio no less than quarterly and/or when the actual weighting differs substantially from the strategic range, if appropriate and consistent with your objectives.

Security Guidelines:

Equities

With the exception of limitations and constraints described above, Investment Manager may allocate assets of the equity portion of the account among various market capitalizations (large, mid, small) and investment styles (value, growth). Further, Investment Manager may allocate assets among domestic, international developed and emerging market equity securities.

Total Equities	65%-85%
<i>Equity Style</i>	<i>Range</i>
Domestic Large Cap Equity	25%-55%
Domestic Mid Cap Equity	0%-18%
Domestic Small Cap Equity	0%-25%
International Equity (incl. Emerging Markets)	0%-25%
Real Estate Investment Trust (REIT)	0%-15%

Fixed Income

In the fixed income portion of the account, Investment Manager may allocate assets among various sectors and industries, as well as varying maturities and credit quality that are consistent with the overall goals and objectives of the portfolio.

Total Fixed Income	10%-30%
<i>Fixed Income Style</i>	<i>Range</i>
Long-term bonds (maturities >7 years)	0%-20%
Intermediate-term bonds (maturities 3-7 years)	10%-30%
Short-Term bonds (maturities <3 years)	0%-15%
High Yield bonds	0%-8%

Performance Benchmarks:

The performance of the total Plan shall be measured over a three and five-year periods. These periods are considered sufficient to accommodate the market cycles experienced with investments. The performance shall be compared to the return of the total portfolio blended benchmark shown below.

Total Portfolio Blended Benchmark

- 39.50% S&P 500 Index
- 7.50% Russell Mid Cap Index
- 10.50% Russell 2000 Index
- 5.25% MSCI Emerging Market Index
- 10.25% MSCI EAFE Index
- 2.00% Wilshire REIT Index
- 16.00% Barclays Capital US Aggregate Bond Index
- 3.00% ML 1-3 Year US Corp/Gov't Index
- 1.00% US High Yield Master II Index
- 5.00% Citi 1Mth T-Bill

Asset Class/Style Benchmarks

Over a market cycle, the long-term objective for each investment strategy is to add value to a market benchmark. The following are the benchmarks used to monitor each investment strategy:

Large Cap Equity	S&P 500 Index
Growth	S&P 500 Growth Index
Value	S&P 500 Value Index
Mid Cap Equity	Russell Mid Cap Index
Growth	Russell Mid Cap Growth Index
Value	Russell Mid Cap Value Index
Small Cap Equity	Russell 2000 Index
Growth	Russell 2000 Growth Index
Value	Russell 2000 Value Index
REITs	Wilshire REIT Index
International Equity	MSCI EAFE Index
Investment Grade Bonds	Barclays Capital US Aggregate Bond Index
High Yield	US High Yield Master II Index

Security Selection

Investment Manager may utilize a full range of investment vehicles when constructing the investment portfolio, including but not limited to individual securities, mutual funds, and exchange-traded funds. In addition, to the extent permissible, Investment Manager is authorized to invest in shares of mutual funds in which the Investment Manager serves as adviser or sub-adviser.

Investment Limitations:

The following investment transactions are prohibited:

- Direct investments in precious metals (precious metals mutual funds and exchange-traded funds are permissible).
- Venture Capital
- Short sales*
- Purchases of Letter Stock, Private Placements, or direct payments
- Leveraged Transactions*
- Commodities Transactions Puts, calls, straddles, or other option strategies*
- Purchases of real estate, with the exception of REITs
- Derivatives, with exception of ETFs*

**Permissible in diversified mutual funds and exchange-traded funds*

Duties and Responsibilities

Responsibilities of Plan Sponsor

- The Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District is responsible for:
 - Confirming the accuracy of this Investment Guidelines Document, in writing.
 - Advising Trustee and Investment Manager of any change in the plan/account's financial situation, funding status, or cash flows, which could possibly necessitate a change to the account's overall risk tolerance, time horizon or liquidity requirements; and thus would dictate a change to the overall investment objective and goals for the account.
 - Monitoring and supervising all service vendors and investment options, including investment managers.
- Avoiding prohibited transactions and conflicts of interest.

Responsibilities of Trustee

The plan Trustee is responsible for:

- Valuing the holdings.
- Collecting all income and dividends owed to the Plan.
- Settling all transactions (buy-sell orders).

Responsibilities of Investment Manager

The Investment Manager is responsible for:

- Assisting the Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District with the development and maintenance of this Investment Policy Guideline document annually.
- Meeting with the Finance Committee and Board of Directors annually to review portfolio structure, holdings, and performance.
- Designing, recommending and implementing an appropriate asset allocation consistent with the investment objectives, time horizon, risk profile, guidelines and constraints outlined in this statement.
- Researching and monitoring investment advisers and investment vehicles.
- Purchasing, selling, and reinvesting in securities held in the account.
- Monitoring the performance of all selected assets.
- Voting proxies, if applicable.

- Recommending changes to any of the above.
- Periodically reviewing the suitability of the investments, being available to meet with the committee at least once each year, and being available at such other times within reason at your request.
- Preparing and presenting appropriate reports.
- Informing the committee if changes occur in personnel that are responsible for portfolio management or research.

Acknowledgement and Acceptance

I/We being the Plan Sponsor with responsibility for the account(s) held on behalf of the Plan Sponsor specified below, designate Investment Manager as having the investment discretion and management responsibility indicated in relation to all assets of the Plan or specified Account. If such designation is set forth in the Plan/trust, I/We hereby confirm such designation as Investment Manager.

I have read the Investment Guidelines Document, and confirm the accuracy of it, including the terms and conditions under which the assets in this account are to be held, managed, and disposed of by Investment Manager. This Investment Guidelines Document supersedes all previous versions of an Investment Guidelines Document or investment objective instructions that may have been executed for this account.


 _____ Date: 2-16-17.
 Plan Sponsor: The Board of the Moraga-Orinda Fire Protection District
 Kathleen Famulener, Board President


 _____ Date: 2/24/17
 Investment Manager: Andrew Brown, CFA, Senior Portfolio Manager, (415) 705-7605



Investment Guidelines Document

Moraga-Orinda Fire Protection District

Other Post-Employment Benefits Trust

February 2017

Investment Guidelines Document

Scope and Purpose

The purpose of this Investment Guidelines Document is to:

- Facilitate the process of ongoing communication between the Plan Sponsor and its plan fiduciaries;
- Confirm the Plan's investment goals and objectives and management policies applicable to the investment portfolio identified below and obtained from the Plan Sponsor;
- Provide a framework to construct a well-diversified asset mix that can potentially be expected to meet the account's short- and long-term needs that is consistent with the account's investment objectives, liquidity considerations and risk tolerance;
- Identify any unique considerations that may restrict or limit the investment discretion of its designated investment managers;
- Help maintain a long-term perspective when market volatility is caused by short-term market movements.

Key Plan Sponsor Account Information as of February 2017

Plan Sponsor:	The Board of the Moraga-Orinda Fire Protection District
Governance:	The Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District
Plan Name ("Plan"):	Moraga-Orinda Fire Protection District Retiree Healthcare Plan
Trustee:	US Bank Contact: Sue Hughes, 949-224-7209 Susan.Hughes@usbank.com
Type of Account:	GASB 45/Other Post-Employment Benefits Trust
ERISA Status:	Not subject to ERISA
Investment Manager:	US Bank, as discretionary trustee, has delegated investment management responsibilities to HighMark Capital Management, Inc. ("Investment Manager"), an SEC-registered investment adviser Contact: Andrew Brown, CFA, 415-705-7605 Andrew.Brown@highmarkcapital.com

Investment Authority: Except as otherwise noted, the Trustee, US Bank, has delegated investment authority to HighMark Capital Management, an SEC-registered investment adviser. Investment Manager has full investment discretion over the managed assets in the account. Investment Manager is authorized to purchase, sell, exchange, invest, reinvest and manage the designated assets held in the account, all in accordance with account's investment objectives, without prior approval or subsequent approval of any other party(ies).

Investment Objectives and Constraints

The goal of the Plan's investment program is to generate adequate long-term returns that, when combined with contributions, will result in sufficient assets to pay the present and future obligations of the Plan. The following objectives are intended to assist in achieving this goal:

- The Plan should earn, on a long-term average basis, a rate of return equal to or in excess of the target rate of return of 7.25%.
- The Plan should seek to earn a return in excess of its policy benchmark over the long-term.
- The Plan's assets will be managed on a total return basis which takes into consideration both investment income and capital appreciation. While the Plan Sponsor recognizes the importance of preservation of capital, it also adheres to the principle that varying degrees of investment risk are generally rewarded with compensating returns. To achieve these objectives, the Plan Sponsor allocates its assets (asset allocation) with a strategic, long-term perspective of the capital markets.

Investment Time Horizon: Long-term

Anticipated Cash Flows: Distributions are expected to be low in the early years of the Plan

Target Rate of Return: 7.25% annual target

Investment Objective: The primary objective is to maximize total Plan return, subject to the risk and quality constraints set forth herein. The investment objective the Plan Sponsor has selected is the Capital Appreciation Objective, which has a primary goal of growth of principal.

Risk Tolerance: Capital Appreciation – High level of risk tolerance
The account's risk tolerance has been rated above average, which demonstrates that the account can accept price fluctuations to pursue its investment objectives.

Strategic Asset Allocation: The asset allocation ranges for this objective are listed below:

<i>Strategic Asset Allocation Ranges</i>		
Cash	Fixed Income	Equity
0-20%	10%-30%	65%-85%
Policy: 5%	Policy: 20%	Policy: 75%

Market conditions may cause the account's asset allocation to vary from the stated range from time to time. The Investment Manager will rebalance the portfolio no less than quarterly and/or when the actual weighting differs substantially from the strategic range, if appropriate and consistent with your objectives.

Security Guidelines:

Equities

With the exception of limitations and constraints described above, Investment Manager may allocate assets of the equity portion of the account among various market capitalizations (large, mid, small) and investment styles (value, growth). Further, Investment Manager may allocate assets among domestic, international developed and emerging market equity securities.

Total Equities	65%-85%
<i>Equity Style</i>	<i>Range</i>
Domestic Large Cap Equity	25%-55%
Domestic Mid Cap Equity	0%-18%
Domestic Small Cap Equity	0%-25%
International Equity (incl. Emerging Markets)	0%-25%
Real Estate Investment Trust (REIT)	0%-15%

Fixed Income

In the fixed income portion of the account, Investment Manager may allocate assets among various sectors and industries, as well as varying maturities and credit quality that are consistent with the overall goals and objectives of the portfolio.

Total Fixed Income	10%-30%
<i>Fixed Income Style</i>	<i>Range</i>
Long-term bonds (maturities >7 years)	0%-20%
Intermediate-term bonds (maturities 3-7 years)	10%-30%
Short-Term bonds (maturities <3 years)	0%-15%
High Yield bonds	0%-8%

Performance Benchmarks:

The performance of the total Plan shall be measured over a three and five-year periods. These periods are considered sufficient to accommodate the market cycles experienced with investments. The performance shall be compared to the return of the total portfolio blended benchmark shown below.

Total Portfolio Blended Benchmark

- 39.50% S&P 500 Index
- 7.50% Russell Mid Cap Index
- 10.50% Russell 2000 Index
- 5.25% MSCI Emerging Market Index
- 10.25% MSCI EAFE Index
- 2.00% Wilshire REIT Index
- 16.00% Barclays Capital US Aggregate Bond Index
- 3.00% ML 1-3 Year US Corp/Gov't Index
- 1.00% US High Yield Master II Index
- 5.00% Citi 1Mth T-Bill

Asset Class/Style Benchmarks

Over a market cycle, the long-term objective for each investment strategy is to add value to a market benchmark. The following are the benchmarks used to monitor each investment strategy:

Large Cap Equity	S&P 500 Index
Growth	S&P 500 Growth Index
Value	S&P 500 Value Index
Mid Cap Equity	Russell Mid Cap Index
Growth	Russell Mid Cap Growth Index
Value	Russell Mid Cap Value Index
Small Cap Equity	Russell 2000 Index
Growth	Russell 2000 Growth Index
Value	Russell 2000 Value Index
REITs	Wilshire REIT Index
International Equity	MSCI EAFE Index
Investment Grade Bonds	Barclays Capital US Aggregate Bond Index
High Yield	US High Yield Master II Index

Security Selection

Investment Manager may utilize a full range of investment vehicles when constructing the investment portfolio, including but not limited to individual securities, mutual funds, and exchange-traded funds. In addition, to the extent permissible, Investment Manager is authorized to invest in shares of mutual funds in which the Investment Manager serves as advisor or sub-adviser.

Investment Limitations:

The following investment transactions are prohibited:

- Direct investments in precious metals (precious metals mutual funds and exchange-traded funds are permissible).
- Venture Capital
- Short sales*
- Purchases of Letter Stock, Private Placements, or direct payments
- Leveraged Transactions*
- Commodities Transactions Puts, calls, straddles, or other option strategies*
- Purchases of real estate, with the exception of REITs
- Derivatives, with exception of ETFs*

**Permissible in diversified mutual funds and exchange-traded funds*

Duties and Responsibilities

Responsibilities of Plan Sponsor

The Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District is responsible for:

- Confirming the accuracy of this Investment Guidelines Document, in writing.
- Advising Trustee and Investment Manager of any change in the plan/account's financial situation, funding status, or cash flows, which could possibly necessitate a change to the account's overall risk tolerance, time horizon or liquidity requirements; and thus would dictate a change to the overall investment objective and goals for the account.
- Monitoring and supervising all service vendors and investment options, including investment managers.
- Avoiding prohibited transactions and conflicts of interest.

Responsibilities of Trustee

The plan Trustee is responsible for:

- Valuing the holdings.
- Collecting all income and dividends owed to the Plan.
- Settling all transactions (buy-sell orders).

Responsibilities of Investment Manager

The Investment Manager is responsible for:

- Assisting the Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District with the development and maintenance of this Investment Policy Guideline document annually.
- Meeting with Finance Committee annually to review portfolio structure, holdings, and performance.
- Designing, recommending and implementing an appropriate asset allocation consistent with the investment objectives, time horizon, risk profile, guidelines and constraints outlined in this statement.
- Researching and monitoring investment advisers and investment vehicles.
- Purchasing, selling, and reinvesting in securities held in the account.
- Monitoring the performance of all selected assets.

- Voting proxies, if applicable.
- Recommending changes to any of the above.
- Periodically reviewing the suitability of the investments, being available to meet with the committee at least once each year, and being available at such other times within reason at your request.
- Preparing and presenting appropriate reports.
- Informing the committee if changes occur in personnel that are responsible for portfolio management or research.

Acknowledgement and Acceptance

I/We being the Plan Sponsor with responsibility for the account(s) held on behalf of the Plan Sponsor specified below, designate Investment Manager as having the investment discretion and management responsibility indicated in relation to all assets of the Plan or specified Account. If such designation is set forth in the Plan/trust, I/We hereby confirm such designation as Investment Manager.

I have read the Investment Guidelines Document, and confirm the accuracy of it, including the terms and conditions under which the assets in this account are to be held, managed, and disposed of by Investment Manager. This Investment Guidelines Document supersedes all previous versions of an Investment Guidelines Document or investment objective instructions that may have been executed for this account.


 _____ Date: 2-16-17
 Plan Sponsor: The Board of the Moraga-Orinda Fire District


 _____ Date: 2/24/17
 Investment Manager: Andrew Brown, CFA, Senior Portfolio Manager, (415) 705-7605



Investment Guidelines Document

Moraga-Orinda Fire District

Employee Benefits Fund Pension Plan

~~February 2017~~

Revised January 2022

DRAFT

Investment Guidelines Document

Scope and Purpose

The purpose of this Investment Guidelines Document is to:

- Facilitate the process of ongoing communication between the Plan Sponsor and its plan fiduciaries;
- Confirm the Plan's investment goals and objectives and management policies applicable to the investment portfolio identified below and obtained from the Plan Sponsor;
- Provide a framework to construct a well-diversified asset mix that can potentially be expected to meet the account's short- and long-term needs that is consistent with the account's investment objectives, liquidity considerations and risk tolerance;
- Identify any unique considerations that may restrict or limit the investment discretion of its designated investment managers;
- Help maintain a long-term perspective when market volatility is caused by short-term market movements.

Key Plan Sponsor Account Information as of ~~February 2017~~ January 2022

Plan Sponsor:	The Board of the Moraga-Orinda Fire Protection District
Governance:	The Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District
Plan Name ("Plan"):	Moraga-Orinda Fire Protection District Employee Benefit Fund Pension Plan
Trustee:	US Bank Contact: Sue Hughes, 949-224-7209 Susan.hughes@usbank.com
Type of Account:	Pension Plan
Investment Manager:	US Bank, as discretionary trustee, has delegated investment management responsibilities to HighMark Capital Management, Inc. ("Investment Manager"), an SEC-registered investment adviser Contact: Andrew Brown, CFA, 415-705-7605 Andrew.brown@highmarkcapital.com

Investment Authority: Except as otherwise noted, the Trustee, US Bank, has delegated investment authority to HighMark Capital Management, an SEC-registered investment adviser. Investment Manager has full investment discretion over the managed assets in the account. Investment Manager is authorized to purchase, sell, exchange, invest, reinvest and manage the designated assets held in the account, all in accordance with account's investment objectives, without prior approval or subsequent approval of any other party(ies).

Investment Objectives and Constraints

The goal of the Plan's investment program is to generate adequate long-term returns that, when combined with contributions, will result in sufficient assets to pay the present and future obligations of the Plan. The following objectives are intended to assist in achieving this goal:

- The Plan should seek to earn a return in excess of its policy benchmark over the life of the Plan.
- The Plan's assets will be managed on a total return basis which takes into consideration both investment income and capital appreciation. While the Plan Sponsor recognizes the importance of preservation of capital, it also adheres to the principle that varying degrees of investment risk are generally rewarded with compensating returns. To achieve these objectives, the Plan Sponsor allocates its assets (asset allocation) with a strategic perspective of the capital markets.

Investment Time Horizon: Long-term

Anticipated Cash Flows: Assets in the Plan will seek to mitigate the impact of future rate increases from Contra Costa County Employees' Retirement Association (CCCERA). Typically increases in rates come with a one-year advance warning, however this Plan may transfer assets to CCCERA at any time.

Investment Objective: The investment objective the Plan Sponsor has selected is ~~the Capital Appreciation Objective, which has a primary goal of growth of principal~~ a customized strategy which has a single goal of growth of principal. The assets in this Plan will eventually be used to fund Pension Plan obligations for assets managed in the CCCERA pension plan. The assets in this Trust are also available to mitigate the potential negative impact of future rate increases from CCCERA.

Risk Tolerance: ~~Capital Appreciation~~ - Aggressive Growth - Very high level of risk tolerance. The account's risk tolerance has been rated above average, which demonstrates that the account can accept significant price fluctuations to pursue its investment objectives

Strategic Asset Allocation: The asset allocation ranges for this objective are listed below:

<i>Strategic Asset Allocation Ranges</i>		
Cash	Fixed Income	Equity
0-20% 0-5%	10%-30% 0%-10%	65%-85% 85%-100%
Policy: 51%	Policy: 20 4%	Policy: 75 95%

Market conditions may cause the account's asset allocation to vary from the stated range from time to time. The Investment Manager will rebalance the portfolio no less than quarterly and/or when the actual weighting differs substantially from the strategic range, if appropriate and consistent with your objectives.

Security Guidelines:

Equities

With the exception of limitations and constraints described above, Investment Manager may allocate assets of the equity portion of the account among various market capitalizations (large, mid, small) and investment styles (value, growth). Further, Investment Manager may allocate assets among domestic, international developed and emerging market equity securities.

Total Equities	65%-85% 85%-100%
<i>Equity Style</i>	<i>Range</i>
Domestic Large Cap Equity	25%-55% 35%-60%
Domestic Mid Cap Equity	0-18% 0%-20%
Domestic Small Cap Equity	0%-25%
International Equity – (incl. Emerging Markets) Developed International Markets	0-25% 0%-30%
International Equity – Emerging Markets	0%-5%
Real Estate Investment Trust (REIT)	0%-15%

Fixed Income

In the fixed income portion of the account, Investment Manager may allocate assets among various sectors and industries, as well as varying maturities and credit quality that are consistent with the overall goals and objectives of the portfolio.

Total Fixed Income	10%-30% 0%-10%
<i>Fixed Income Style</i>	<i>Range</i>
Long-term bonds (maturities >7 years)	0%-20% 0%-10%
Intermediate-term bonds (maturities 3-7 years)	10%-30% 0%-10%
Short-Term bonds (maturities <3 years)	0%-15% 0%-10%
High Yield bonds	0%-8%

	0%-3%
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Performance Benchmarks:

The performance of the total Plan shall be measured over a three and five-year periods. These periods are considered sufficient to accommodate the market cycles experienced with investments. The performance shall be compared to the return of the total portfolio blended benchmark shown below.

Total Portfolio Blended Benchmark

- ~~39.50%~~ 50.00% S&P 500 Index
- ~~7.50%~~ 9.00% Russell Mid Cap Index
- ~~10.50%~~ 13.00% Russell 2000 Index
- ~~5.25%~~ ~~MSCI Emerging Market Index~~
- ~~10.25%~~ 18.00% MSCI EAFE Index
- ~~2.00%~~ 5.00% Wilshire REIT Index
- ~~16.00%~~ 4.00% ~~Bloomberg Barclays~~ Capital US Aggregate Bond Index
- ~~3.00%~~ ~~ML 1-3 Year US Corp/Gov't Index~~
- ~~1.00%~~ ~~US High Yield Master II Index~~
- ~~5.00%~~ 1.00% Citi 1Mth T-Bill

Asset Class/Style Benchmarks

Over a market cycle, the long-term objective for each investment strategy is to add value to a market benchmark. The following are the benchmarks used to monitor each investment strategy:

- Large Cap Equity
 - Growth S&P 500 Index
 - Value S&P 500 Growth Index
 - S&P 500 Value Index
- Mid Cap Equity
 - Russell Mid Cap Index
 - Growth Russell Mid Cap Growth Index
 - Value Russell Mid Cap Value Index
- Small Cap Equity
 - Russell 2000 Index
 - Growth Russell 2000 Growth Index
 - Value Russell 2000 Value Index
- REITs
 - Wilshire REIT Index
- International Equity
 - MSCI EAFE Index
- Investment Grade Bonds
 - ~~Bloomberg Barclays~~ Capital US Aggregate Bond Index
- ~~High Yield~~ ~~US High Yield Master II Index~~

Security Selection

Investment Manager may utilize a full range of investment vehicles when constructing the investment portfolio, including but not limited to individual securities, mutual funds, and exchange-traded funds. In addition, to the extent permissible, Investment Manager is authorized to invest in shares of mutual funds in which the Investment Manager serves as advisor or sub-adviser.

Investment Limitations:

The following investment transactions are prohibited:

- Direct investments in precious metals (precious metals mutual funds and exchange-traded funds are permissible).
- Venture Capital
- Short sales*
- Purchases of Letter Stock, Private Placements, or direct payments
- Leveraged Transactions*
- Commodities Transactions Puts, calls, straddles, or other option strategies*
- Purchases of real estate, with the exception of REITs
- Derivatives, with exception of ETFs*

**Permissible in diversified mutual funds and exchange-traded funds*

Duties and Responsibilities

Responsibilities of Plan Sponsor

- The Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District is responsible for:
 - Confirming the accuracy of this Investment Guidelines Document, in writing.
 - Advising Trustee and Investment Manager of any change in the plan/account's financial situation, funding status, or cash flows, which could possibly necessitate a change to the account's overall risk tolerance, time horizon or liquidity requirements; and thus would dictate a change to the overall investment objective and goals for the account.
 - Monitoring and supervising all service vendors and investment options, including investment managers.
 - Avoiding prohibited transactions and conflicts of interest.

Responsibilities of Trustee

The plan Trustee is responsible for:

- Valuing the holdings.
- Collecting all income and dividends owed to the Plan.
- Settling all transactions (buy-sell orders).

Responsibilities of Investment Manager

The Investment Manager is responsible for:

- Assisting the Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District with the development and maintenance of this Investment Policy Guideline document annually.
- Meeting with the ~~Finance Committee and~~ Board of Directors annually to review portfolio structure, holdings, and performance.
- Designing, recommending and implementing an appropriate asset allocation consistent with the investment objectives, time horizon, risk profile, guidelines and constraints outlined in this statement.
- Researching and monitoring investment advisers and investment vehicles.
- Purchasing, selling, and reinvesting in securities held in the account.
- Monitoring the performance of all selected assets.

- Voting proxies, if applicable.
- Recommending changes to any of the above.
- Periodically reviewing the suitability of the investments, being available to meet with the ~~committee~~ Board at least once each year, and being available at such other times within reason at your request.
- Preparing and presenting appropriate reports.
- Informing the ~~committee~~ District committee if changes occur in personnel that are responsible for portfolio management or research.

Acknowledgement and Acceptance

I/We being the Plan Sponsor with responsibility for the account(s) held on behalf of the Plan Sponsor specified below, designate Investment Manager as having the investment discretion and management responsibility indicated in relation to all assets of the Plan or specified Account. If such designation is set forth in the Plan/trust, I/We hereby confirm such designation as Investment Manager.

I have read the Investment Guidelines Document, and confirm the accuracy of it, including the terms and conditions under which the assets in this account are to be held, managed, and disposed of by Investment Manager. This Investment Guidelines Document supersedes all previous versions of an Investment Guidelines Document or investment objective instructions that may have been executed for this account.

_____ Date: _____
 Plan Sponsor: The Board of the Moraga-Orinda Fire District

_____ Date: _____
 Investment Manager: Andrew Brown, CFA, Senior Portfolio Manager, (415) 705-7605



Investment Guidelines Document

Moraga-Orinda Fire Protection District

Other Post-Employment Benefits Trust

~~February 2017~~

Revised January 2022

Investment Guidelines Document

Scope and Purpose

The purpose of this Investment Guidelines Document is to:

- Facilitate the process of ongoing communication between the Plan Sponsor and its plan fiduciaries;
- Confirm the Plan's investment goals and objectives and management policies applicable to the investment portfolio identified below and obtained from the Plan Sponsor;
- Provide a framework to construct a well-diversified asset mix that can potentially be expected to meet the account's short- and long-term needs that is consistent with the account's investment objectives, liquidity considerations and risk tolerance;
- Identify any unique considerations that may restrict or limit the investment discretion of its designated investment managers;
- Help maintain a long-term perspective when market volatility is caused by short-term market movements.

Key Plan Sponsor Account Information as of ~~February 2017~~ January 2022

Plan Sponsor:	The Board of the Moraga-Orinda Fire Protection District
Governance:	The Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District
Plan Name ("Plan"):	Moraga-Orinda Fire Protection District Retiree Healthcare Plan
Trustee:	US Bank Contact: Sue Hughes, 949-224-7209 Susan.Hughes@usbank.com
Type of Account:	GASB 45/Other Post-Employment Benefits Trust
ERISA Status:	Not subject to ERISA
Investment Manager:	US Bank, as discretionary trustee, has delegated investment management responsibilities to HighMark Capital Management, Inc. ("Investment Manager"), an SEC-registered investment adviser Contact: Andrew Brown, CFA, 415-705-7605 Andrew.Brown@highmarkcapital.com

Investment Authority: Except as otherwise noted, the Trustee, US Bank, has delegated investment authority to HighMark Capital Management, an SEC-registered investment adviser. Investment Manager has full investment discretion over the managed assets in the account. Investment Manager is authorized to purchase, sell, exchange, invest, reinvest and manage the designated assets held in the account, all in accordance with account's investment objectives, without prior approval or subsequent approval of any other party(ies).

Investment Objectives and Constraints

The goal of the Plan's investment program is to generate adequate long-term returns that, when combined with contributions, will result in sufficient assets to pay the present and future obligations of the Plan. The following objectives are intended to assist in achieving this goal:

- The Plan should earn, on a long-term average basis, a rate of return equal to or in excess of the target rate of return of ~~6.257.25~~6.25%.
- The Plan should seek to earn a return in excess of its policy benchmark over the long-term.
- The Plan's assets will be managed on a total return basis which takes into consideration both investment income and capital appreciation. While the Plan Sponsor recognizes the importance of preservation of capital, it also adheres to the principle that varying degrees of investment risk are generally rewarded with compensating returns. To achieve these objectives, the Plan Sponsor allocates its assets (asset allocation) with a strategic, long-term perspective of the capital markets.

Investment Time Horizon: Long-term

Anticipated Cash Flows: Distributions are expected to be low in the early years of the Plan

Target Rate of Return: ~~67~~6.25% annual target

Investment Objective: ~~The primary objective is to maximize total Plan return, subject to the risk and quality constraints set forth herein.~~ The investment objective the Plan Sponsor has selected is a customized strategy which has a single goal of growth of principal. ~~the Capital Appreciation Objective, which has a primary goal of growth of principal.~~

Risk Tolerance: ~~Capital Appreciation Aggressive Growth~~ – Very High level of risk tolerance.

The account's risk tolerance has been rated above average, which demonstrates that the account can accept price fluctuations to pursue its investment objectives.

Strategic Asset Allocation: The asset allocation ranges for this objective are listed below:

<i>Strategic Asset Allocation Ranges</i>		
Cash	Fixed Income	Equity
0- 20 5%	40%- 31 0%	65 %-85%- 100 %
Policy: <u>51</u> %	Policy: <u>204</u> %	Policy: <u>795</u> %

Market conditions may cause the account's asset allocation to vary from the stated range from time to time. The Investment Manager will rebalance the portfolio no less than quarterly and/or when the actual weighting differs substantially from the strategic range, if appropriate and consistent with your objectives.

Security Guidelines:

Equities

With the exception of limitations and constraints described above, Investment Manager may allocate assets of the equity portion of the account among various market capitalizations (large, mid, small) and investment styles (value, growth). Further, Investment Manager may allocate assets among domestic, international developed and emerging market equity securities.

Total Equities	68 5%- 85 100%
<i>Equity Style</i>	<i>Range</i>
Domestic Large Cap Equity	23 5%- 55 60%
Domestic Mid Cap Equity	0%- 18 20%
Domestic Small Cap Equity	0%-25%
International Equity – Developed International Markets (incl. Emerging Markets)	0%- 30 25%
International Equity – Emerging Markets	0 0%-5%
Real Estate Investment Trust (REIT)	0%-15%

Fixed Income

In the fixed income portion of the account, Investment Manager may allocate assets among various sectors and industries, as well as varying maturities and credit quality that are consistent with the overall goals and objectives of the portfolio.

Total Fixed Income	40%- 31 0%
<i>Fixed Income Style</i>	<i>Range</i>
Long-term bonds (maturities >7 years)	0%- 12 0%
Intermediate-term bonds (maturities 3-7 years)	40%- 31 0%
Short-Term bonds (maturities <3 years)	0%- 10 5%
High Yield bonds	0%- 38 %

Performance Benchmarks:

The performance of the total Plan shall be measured over a three and five-year periods. These periods are considered sufficient to accommodate the market cycles experienced with investments. The performance shall be compared to the return of the total portfolio blended benchmark shown below.

Total Portfolio Blended Benchmark

39.50 50.00%	S&P 500 Index
7.50 9.00%	Russell Mid Cap Index
10.50 13.00%	Russell 2000 Index
5.25 %	MSCI Emerging Market Index
10.25 18.00%	MSCI EAFE Index
2.00 5.00%	Wilshire REIT Index
16.00 4.00%	Barclays Bloomberg Capital US Aggregate Bond Index
3.00 %	ML 1-3 Year US Corp/Gov't Index
-1.00 %	US High Yield Master II Index
51.00%	Citi 1Mth T-Bill

Asset Class/Style Benchmarks

Over a market cycle, the long-term objective for each investment strategy is to add value to a market benchmark. The following are the benchmarks used to monitor each investment strategy:

Large Cap Equity	S&P 500 Index
Growth	S&P 500 Growth Index
Value	S&P 500 Value Index
Mid Cap Equity	Russell Mid Cap Index
Growth	Russell Mid Cap Growth Index
Value	Russell Mid Cap Value Index
Small Cap Equity	Russell 2000 Index
Growth	Russell 2000 Growth Index
Value	Russell 2000 Value Index
REITs	Wilshire REIT Index
International Equity	MSCI EAFE Index
Investment Grade Bonds	Bloomberg Barclays Capital US Aggregate Bond Index
High Yield	US High Yield Master II Index

Security Selection

Investment Manager may utilize a full range of investment vehicles when constructing the investment portfolio, including but not limited to individual securities, mutual funds, and exchange-traded funds. In addition, to the extent permissible, Investment Manager is authorized to invest in shares of mutual funds in which the Investment Manager serves as advisor or sub-adviser.

Investment Limitations:

The following investment transactions are prohibited:

- Direct investments in precious metals (precious metals mutual funds and exchange-traded funds are permissible).
- Venture Capital
- Short sales*
- Purchases of Letter Stock, Private Placements, or direct payments
- Leveraged Transactions*
- Commodities Transactions Puts, calls, straddles, or other option strategies*
- Purchases of real estate, with the exception of REITs
- Derivatives, with exception of ETFs*

**Permissible in diversified mutual funds and exchange-traded funds*

Duties and Responsibilities

Responsibilities of Plan Sponsor

The Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District is responsible for:

- Confirming the accuracy of this Investment Guidelines Document, in writing.
- Advising Trustee and Investment Manager of any change in the plan/account's financial situation, funding status, or cash flows, which could possibly necessitate a change to the account's overall risk tolerance, time horizon or liquidity requirements; and thus would dictate a change to the overall investment objective and goals for the account.
- Monitoring and supervising all service vendors and investment options, including investment managers.
- Avoiding prohibited transactions and conflicts of interest.

Responsibilities of Trustee

The plan Trustee is responsible for:

- Valuing the holdings.
- Collecting all income and dividends owed to the Plan.
- Settling all transactions (buy-sell orders).

Responsibilities of Investment Manager

The Investment Manager is responsible for:

- Assisting the Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District with the development and maintenance of this Investment Policy Guideline document annually.
- Meeting with ~~the Board of Directors Finance Committee~~ annually to review portfolio structure, holdings, and performance.
- Designing, recommending and implementing an appropriate asset allocation consistent with the investment objectives, time horizon, risk profile, guidelines and constraints outlined in this statement.
- Researching and monitoring investment advisers and investment vehicles.

- Purchasing, selling, and reinvesting in securities held in the account.
- Monitoring the performance of all selected assets.
- Voting proxies, if applicable.
- Recommending changes to any of the above.
- Periodically reviewing the suitability of the investments, being available to meet with the ~~committee at~~**Board at** least once each year, and being available at such other times within reason at your request.
- Preparing and presenting appropriate reports.
- Informing the ~~District committee~~ if changes occur in personnel that are responsible for portfolio management or research.

Acknowledgement and Acceptance

I/We being the Plan Sponsor with responsibility for the account(s) held on behalf of the Plan Sponsor specified below, designate Investment Manager as having the investment discretion and management responsibility indicated in relation to all assets of the Plan or specified Account. If such designation is set forth in the Plan/trust, I/We hereby confirm such designation as Investment Manager.

I have read the Investment Guidelines Document, and confirm the accuracy of it, including the terms and conditions under which the assets in this account are to be held, managed, and disposed of by Investment Manager. This Investment Guidelines Document supersedes all previous versions of an Investment Guidelines Document or investment objective instructions that may have been executed for this account.

_____ Date: _____
 Plan Sponsor: The Board of the Moraga-Orinda Fire District

_____ Date: _____
 Investment Manager: Andrew Brown, CFA, Senior Portfolio Manager, (415) 705-7605



Investment Guidelines Document

Moraga-Orinda Fire District

Employee Benefits Fund Pension Plan

Revised January 2022

Investment Guidelines Document

Scope and Purpose

The purpose of this Investment Guidelines Document is to:

- Facilitate the process of ongoing communication between the Plan Sponsor and its plan fiduciaries;
- Confirm the Plan's investment goals and objectives and management policies applicable to the investment portfolio identified below and obtained from the Plan Sponsor;
- Provide a framework to construct a well-diversified asset mix that can potentially be expected to meet the account's short- and long-term needs that is consistent with the account's investment objectives, liquidity considerations and risk tolerance;
- Identify any unique considerations that may restrict or limit the investment discretion of its designated investment managers;
- Help maintain a long-term perspective when market volatility is caused by short-term market movements.

Key Plan Sponsor Account Information as of January 2022

<i>Plan Sponsor:</i>	The Board of the Moraga-Orinda Fire Protection District
<i>Governance:</i>	The Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District
<i>Plan Name ("Plan"):</i>	Moraga-Orinda Fire Protection District Employee Benefit Fund Pension Plan
<i>Trustee:</i>	US Bank Contact: Sue Hughes, 949-224-7209 Susan.hughes@usbank.com
<i>Type of Account:</i>	Pension Plan
<i>Investment Manager:</i>	US Bank, as discretionary trustee, has delegated investment management responsibilities to HighMark Capital Management, Inc. ("Investment Manager"), an SEC-registered investment adviser Contact: Andrew Brown, CFA, 415-705-7605 Andrew.brown@highmarkcapital.com

Investment Authority: Except as otherwise noted, the Trustee, US Bank, has delegated investment authority to HighMark Capital Management, an SEC-registered investment adviser. Investment Manager has full investment discretion over the managed assets in the account. Investment Manager is authorized to purchase, sell, exchange, invest, reinvest and manage the designated assets held in the account, all in accordance with account's investment objectives, without prior approval or subsequent approval of any other party(ies).

Investment Objectives and Constraints

The goal of the Plan's investment program is to generate adequate long-term returns that, when combined with contributions, will result in sufficient assets to pay the present and future obligations of the Plan. The following objectives are intended to assist in achieving this goal:

- The Plan should seek to earn a return in excess of its policy benchmark over the life of the Plan.
- The Plan's assets will be managed on a total return basis which takes into consideration both investment income and capital appreciation. While the Plan Sponsor recognizes the importance of preservation of capital, it also adheres to the principle that varying degrees of investment risk are generally rewarded with compensating returns. To achieve these objectives, the Plan Sponsor allocates its assets (asset allocation) with a strategic perspective of the capital markets.

Investment Time Horizon: Long-term

Anticipated Cash Flows: Assets in the Plan will seek to mitigate the impact of future rate increases from Contra Costa County Employees' Retirement Association (CCCERA). Typically increases in rates come with a one-year advance warning, however this Plan may transfer assets to CCCERA at any time.

Investment Objective: The investment objective the Plan Sponsor has selected is a customized strategy which has a single goal of growth of principal. The assets in this Plan will eventually be used to fund Pension Plan obligations for assets managed in the CCCERA pension plan. The assets in this Trust are also available to mitigate the potential negative impact of future rate increases from CCCERA.

Risk Tolerance: Aggressive Growth - Very high level of risk tolerance. The account's risk tolerance has been rated above average, which demonstrates that the account can accept significant price fluctuations to pursue its investment objectives

Strategic Asset Allocation: The asset allocation ranges for this objective are listed below:

<i>Strategic Asset Allocation Ranges</i>		
Cash	Fixed Income	Equity
0-5%	0%-10%	85%-100%
Policy: 1%	Policy: 4%	Policy: 95%

Market conditions may cause the account's asset allocation to vary from the stated range from time to time. The Investment Manager will rebalance the portfolio no less than quarterly and/or when the actual weighting differs substantially from the strategic range, if appropriate and consistent with your objectives.

Security Guidelines:

Equities

With the exception of limitations and constraints described above, Investment Manager may allocate assets of the equity portion of the account among various market capitalizations (large, mid, small) and investment styles (value, growth). Further, Investment Manager may allocate assets among domestic, international developed and emerging market equity securities.

Total Equities	85%-100%
<i>Equity Style</i>	<i>Range</i>
Domestic Large Cap Equity	35%-60%
Domestic Mid Cap Equity	0%-20%
Domestic Small Cap Equity	0%-25%
International Equity –Developed International Markets	0%-30%
International Equity – Emerging Markets	0%-5%
Real Estate Investment Trust (REIT)	0%-15%

Fixed Income

In the fixed income portion of the account, Investment Manager may allocate assets among various sectors and industries, as well as varying maturities and credit quality that are consistent with the overall goals and objectives of the portfolio.

Total Fixed Income	0%-10%
<i>Fixed Income Style</i>	<i>Range</i>
Long-term bonds (maturities >7 years)	0%-10%
Intermediate-term bonds (maturities 3-7 years)	0%-10%
Short-Term bonds (maturities <3 years)	0%-10%
High Yield bonds	0%-3%

Performance Benchmarks:

The performance of the total Plan shall be measured over a three and five-year periods. These periods are considered sufficient to accommodate the market cycles experienced with investments. The performance shall be compared to the return of the total portfolio blended benchmark shown below.

Total Portfolio Blended Benchmark

50.00%	S&P 500 Index
9.00%	Russell Mid Cap Index
13.00%	Russell 2000 Index
18.00%	MSCI EAFE Index
5.00%	Wilshire REIT Index
4.00%	Bloomberg Capital US Aggregate Bond Index
1.00%	Citi 1Mth T-Bill

Asset Class/Style Benchmarks

Over a market cycle, the long-term objective for each investment strategy is to add value to a market benchmark. The following are the benchmarks used to monitor each investment strategy:

Large Cap Equity	S&P 500 Index
Growth	S&P 500 Growth Index
Value	S&P 500 Value Index
Mid Cap Equity	Russell Mid Cap Index
Growth	Russell Mid Cap Growth Index
Value	Russell Mid Cap Value Index
Small Cap Equity	Russell 2000 Index
Growth	Russell 2000 Growth Index
Value	Russell 2000 Value Index
REITs	Wilshire REIT Index
International Equity	MSCI EAFE Index
Investment Grade Bonds	Bloomberg Capital US Aggregate Bond Index

Security Selection

Investment Manager may utilize a full range of investment vehicles when constructing the investment portfolio, including but not limited to individual securities, mutual funds, and exchange-traded funds. In addition, to the extent permissible, Investment Manager is authorized to invest in shares of mutual funds in which the Investment Manager serves as advisor or sub-adviser.

Investment Limitations:

The following investment transactions are prohibited:

- Direct investments in precious metals (precious metals mutual funds and exchange-traded funds are permissible).
- Venture Capital
- Short sales*
- Purchases of Letter Stock, Private Placements, or direct payments
- Leveraged Transactions*
- Commodities Transactions Puts, calls, straddles, or other option strategies*
- Purchases of real estate, with the exception of REITs
- Derivatives, with exception of ETFs*

**Permissible in diversified mutual funds and exchange-traded funds*

Duties and Responsibilities

Responsibilities of Plan Sponsor

- The Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District is responsible for:
 - Confirming the accuracy of this Investment Guidelines Document, in writing.
 - Advising Trustee and Investment Manager of any change in the plan/account's financial situation, funding status, or cash flows, which could possibly necessitate a change to the account's overall risk tolerance, time horizon or liquidity requirements; and thus would dictate a change to the overall investment objective and goals for the account.
 - Monitoring and supervising all service vendors and investment options, including investment managers.
 - Avoiding prohibited transactions and conflicts of interest.

Responsibilities of Trustee

The plan Trustee is responsible for:

- Valuing the holdings.
- Collecting all income and dividends owed to the Plan.
- Settling all transactions (buy-sell orders).

Responsibilities of Investment Manager

The Investment Manager is responsible for:

- Assisting the Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District with the development and maintenance of this Investment Policy Guideline document annually.
- Meeting with the Board of Directors annually to review portfolio structure, holdings, and performance.
- Designing, recommending and implementing an appropriate asset allocation consistent with the investment objectives, time horizon, risk profile, guidelines and constraints outlined in this statement.
- Researching and monitoring investment advisers and investment vehicles.
- Purchasing, selling, and reinvesting in securities held in the account.
- Monitoring the performance of all selected assets.
- Voting proxies, if applicable.
- Recommending changes to any of the above.
- Periodically reviewing the suitability of the investments, being available to meet with the Board at least once each year, and being available at such other times within reason at your request.
- Preparing and presenting appropriate reports.
- Informing the District if changes occur in personnel that are responsible for portfolio management or research.

Acknowledgement and Acceptance

I/We being the Plan Sponsor with responsibility for the account(s) held on behalf of the Plan Sponsor specified below, designate Investment Manager as having the investment discretion and management responsibility indicated in relation to all assets of the Plan or specified Account. If such designation is set forth in the Plan/trust, I/We hereby confirm such designation as Investment Manager.

I have read the Investment Guidelines Document, and confirm the accuracy of it, including the terms and conditions under which the assets in this account are to be held, managed, and disposed of by Investment Manager. This Investment Guidelines Document supersedes all previous versions of an Investment Guidelines Document or investment objective instructions that may have been executed for this account.

_____ Date: _____
Plan Sponsor: The Board of the Moraga-Orinda Fire District

_____ Date: _____
Investment Manager: Andrew Brown, CFA, Senior Portfolio Manager, (415) 705-7605



Investment Guidelines Document

Moraga-Orinda Fire Protection District

Other Post-Employment Benefits Trust

Revised January 2022

Investment Guidelines Document

Scope and Purpose

The purpose of this Investment Guidelines Document is to:

- Facilitate the process of ongoing communication between the Plan Sponsor and its plan fiduciaries;
- Confirm the Plan's investment goals and objectives and management policies applicable to the investment portfolio identified below and obtained from the Plan Sponsor;
- Provide a framework to construct a well-diversified asset mix that can potentially be expected to meet the account's short- and long-term needs that is consistent with the account's investment objectives, liquidity considerations and risk tolerance;
- Identify any unique considerations that may restrict or limit the investment discretion of its designated investment managers;
- Help maintain a long-term perspective when market volatility is caused by short-term market movements.

Key Plan Sponsor Account Information as of January 2022

Plan Sponsor:	The Board of the Moraga-Orinda Fire Protection District
Governance:	The Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District
Plan Name ("Plan"):	Moraga-Orinda Fire Protection District Retiree Healthcare Plan
Trustee:	US Bank Contact: Sue Hughes, 949-224-7209 Susan.Hughes@usbank.com
Type of Account:	GASB 45/Other Post-Employment Benefits Trust
ERISA Status:	Not subject to ERISA
Investment Manager:	US Bank, as discretionary trustee, has delegated investment management responsibilities to HighMark Capital Management, Inc. ("Investment Manager"), an SEC-registered investment adviser Contact: Andrew Brown, CFA, 415-705-7605 Andrew.Brown@highmarkcapital.com

Investment Authority: Except as otherwise noted, the Trustee, US Bank, has delegated investment authority to HighMark Capital Management, an SEC-registered investment adviser. Investment Manager has full investment discretion over the managed assets in the account. Investment Manager is authorized to purchase, sell, exchange, invest, reinvest and manage the designated assets held in the account, all in accordance with account's investment objectives, without prior approval or subsequent approval of any other party(ies).

Investment Objectives and Constraints

The goal of the Plan's investment program is to generate adequate long-term returns that, when combined with contributions, will result in sufficient assets to pay the present and future obligations of the Plan. The following objectives are intended to assist in achieving this goal:

- The Plan should earn, on a long-term average basis, a rate of return equal to or in excess of the target rate of return of 6.25%.
- The Plan should seek to earn a return in excess of its policy benchmark over the long-term.
- The Plan's assets will be managed on a total return basis which takes into consideration both investment income and capital appreciation. While the Plan Sponsor recognizes the importance of preservation of capital, it also adheres to the principle that varying degrees of investment risk are generally rewarded with compensating returns. To achieve these objectives, the Plan Sponsor allocates its assets (asset allocation) with a strategic, long-term perspective of the capital markets.

Investment Time Horizon:	Long-term
Anticipated Cash Flows:	Distributions are expected to be low in the early years of the Plan
Target Rate of Return:	6.25% annual target
Investment Objective:	The investment objective the Plan Sponsor has selected is a customized strategy which has a single goal of growth of principal.
Risk Tolerance:	Aggressive Growth – Very high level of risk tolerance. The account's risk tolerance has been rated above average, which demonstrates that the account can accept price fluctuations to pursue its investment objectives.

Strategic Asset Allocation: The asset allocation ranges for this objective are listed below:

<i>Strategic Asset Allocation Ranges</i>		
Cash	Fixed Income	Equity
0-5%	0%-10%	85%-100%
Policy: 1%	Policy: 4%	Policy: 95%

Market conditions may cause the account's asset allocation to vary from the stated range from time to time. The Investment Manager will rebalance the portfolio no less than quarterly and/or when the actual weighting differs substantially from the strategic range, if appropriate and consistent with your objectives.

Security Guidelines:

Equities

With the exception of limitations and constraints described above, Investment Manager may allocate assets of the equity portion of the account among various market capitalizations (large, mid, small) and investment styles (value, growth). Further, Investment Manager may allocate assets among domestic, international developed and emerging market equity securities.

Total Equities	85%-100%
<i>Equity Style</i>	<i>Range</i>
Domestic Large Cap Equity	35%-60%
Domestic Mid Cap Equity	0%-20%
Domestic Small Cap Equity	0%-25%
International Equity – Developed International Markets	0%-30%
International Equity – Emerging Markets	0%-5%
Real Estate Investment Trust (REIT)	0%-15%

Fixed Income

In the fixed income portion of the account, Investment Manager may allocate assets among various sectors and industries, as well as varying maturities and credit quality that are consistent with the overall goals and objectives of the portfolio.

Total Fixed Income	0%-10%
<i>Fixed Income Style</i>	<i>Range</i>
Long-term bonds (maturities >7 years)	0%-10%
Intermediate-term bonds (maturities 3-7 years)	0%-10%
Short-Term bonds (maturities <3 years)	0%-10%
High Yield bonds	0%-3%

Performance Benchmarks:

The performance of the total Plan shall be measured over a three and five-year periods. These periods are considered sufficient to accommodate the market cycles experienced with investments. The performance shall be compared to the return of the total portfolio blended benchmark shown below.

Total Portfolio Blended Benchmark

50.00%	S&P 500 Index
9.00%	Russell Mid Cap Index
13.00%	Russell 2000 Index
18.00%	MSCI EAFE Index
5.00%	Wilshire REIT Index
4.00%	Bloomberg Capital US Aggregate Bond Index
1.00%	Citi 1Mth T-Bill

Asset Class/Style Benchmarks

Over a market cycle, the long-term objective for each investment strategy is to add value to a market benchmark. The following are the benchmarks used to monitor each investment strategy:

Large Cap Equity	S&P 500 Index
Growth	S&P 500 Growth Index
Value	S&P 500 Value Index
Mid Cap Equity	Russell Mid Cap Index
Growth	Russell Mid Cap Growth Index
Value	Russell Mid Cap Value Index
Small Cap Equity	Russell 2000 Index
Growth	Russell 2000 Growth Index
Value	Russell 2000 Value Index
REITs	Wilshire REIT Index
International Equity	MSCI EAFE Index
Investment Grade Bonds	Bloomberg Capital US Aggregate Bond Index

Security Selection

Investment Manager may utilize a full range of investment vehicles when constructing the investment portfolio, including but not limited to individual securities, mutual funds, and exchange-traded funds. In addition, to the extent permissible, Investment Manager is authorized to invest in shares of mutual funds in which the Investment Manager serves as advisor or sub-adviser.

Investment Limitations:

The following investment transactions are prohibited:

- Direct investments in precious metals (precious metals mutual funds and exchange-traded funds are permissible).
- Venture Capital
- Short sales*
- Purchases of Letter Stock, Private Placements, or direct payments
- Leveraged Transactions*
- Commodities Transactions Puts, calls, straddles, or other option strategies*
- Purchases of real estate, with the exception of REITs
- Derivatives, with exception of ETFs*

**Permissible in diversified mutual funds and exchange-traded funds*

Duties and Responsibilities

Responsibilities of Plan Sponsor

The Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District is responsible for:

- Confirming the accuracy of this Investment Guidelines Document, in writing.
- Advising Trustee and Investment Manager of any change in the plan/account's financial situation, funding status, or cash flows, which could possibly necessitate a change to the account's overall risk tolerance, time horizon or liquidity requirements; and thus would dictate a change to the overall investment objective and goals for the account.
- Monitoring and supervising all service vendors and investment options, including investment managers.
- Avoiding prohibited transactions and conflicts of interest.

Responsibilities of Trustee

The plan Trustee is responsible for:

- Valuing the holdings.
- Collecting all income and dividends owed to the Plan.
- Settling all transactions (buy-sell orders).

Responsibilities of Investment Manager

The Investment Manager is responsible for:

- Assisting the Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District with the development and maintenance of this Investment Policy Guideline document annually.
- Meeting with the Board of Directors annually to review portfolio structure, holdings, and performance.
- Designing, recommending and implementing an appropriate asset allocation consistent with the investment objectives, time horizon, risk profile, guidelines and constraints outlined in this statement.
- Researching and monitoring investment advisers and investment vehicles.
- Purchasing, selling, and reinvesting in securities held in the account.
- Monitoring the performance of all selected assets.
- Voting proxies, if applicable.

- Recommending changes to any of the above.
- Periodically reviewing the suitability of the investments, being available to meet with the Board at least once each year, and being available at such other times within reason at your request.
- Preparing and presenting appropriate reports.
- Informing the District if changes occur in personnel that are responsible for portfolio management or research.

Acknowledgement and Acceptance

I/We being the Plan Sponsor with responsibility for the account(s) held on behalf of the Plan Sponsor specified below, designate Investment Manager as having the investment discretion and management responsibility indicated in relation to all assets of the Plan or specified Account. If such designation is set forth in the Plan/trust, I/We hereby confirm such designation as Investment Manager.

I have read the Investment Guidelines Document, and confirm the accuracy of it, including the terms and conditions under which the assets in this account are to be held, managed, and disposed of by Investment Manager. This Investment Guidelines Document supersedes all previous versions of an Investment Guidelines Document or investment objective instructions that may have been executed for this account.

_____ Date: _____
Plan Sponsor: The Board of the Moraga-Orinda Fire District

_____ Date: _____
Investment Manager: Andrew Brown, CFA, Senior Portfolio Manager, (415) 705-7605

Moraga Orinda Fire Protection District

September 7, 2021

Andrew Brown, CFA
Director & Senior Portfolio Manager

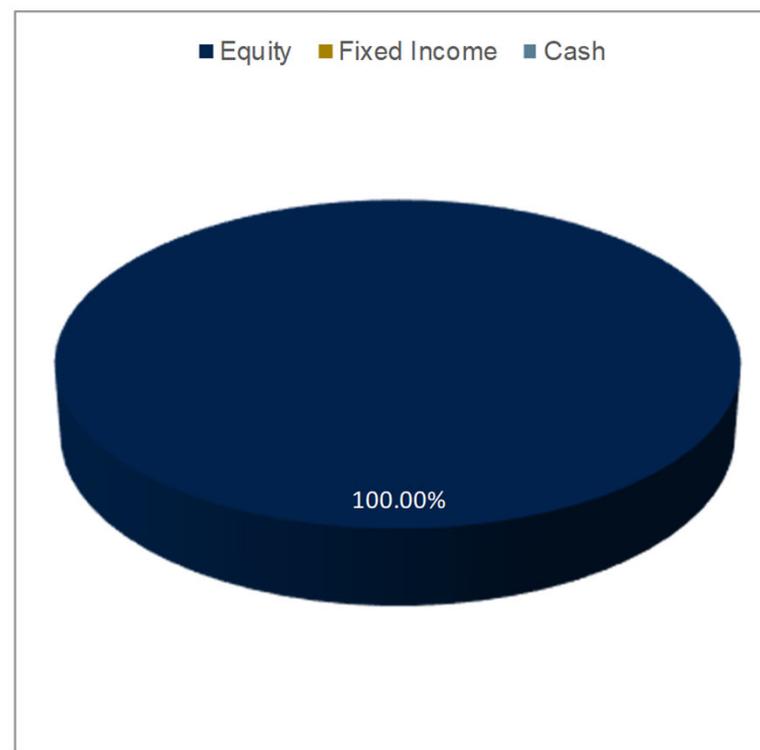


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Moraga Orinda Fire Protection District - Sample Portfolio Asset Allocation

All Equity Allocation

Asset Class	Weight	Asset Class Expected Return**
Equity	100.00%	
Large Cap Core	29.58%	6.80%
Large Cap Value	12.64%	6.60%
Large Cap Growth	11.06%	7.10%
Mid Cap Core	8.16%	7.10%
Small Cap Value	7.46%	7.40%
Small Cap Growth	7.46%	8.80%
Real Estate	2.54%	6.60%
International	14.58%	7.30%
Emerging Markets	6.52%	7.30%
Fixed Income	0.00%	
Cash	0.00%	
Expected Return*	7.35%	
Expected Standard Deviation	16.69%	



This Sample Portfolio has been prepared for the sole use of the **Moraga Orinda Fire Protection District**. While the information contained herein has been obtained from sources believed to be accurate and reliable, any other reproduction or use of this information may necessitate further disclosures in order to ensure that the presentation is accurate, balanced, and conforms to all applicable regulatory requirements. The above information is for illustrative purposes only and is not intended to provide investment recommendations as to which securities to buy or sell, or when to buy or sell securities. Each Sample Portfolio is a hypothetical portfolio only and does not reflect actual investment decisions or recommendations and does not represent actual trading or actual portfolio performance. An actual client's portfolio construction and performance may vary depending on the client's investment needs, objectives, restrictions, and market conditions. Asset allocation ranges and performance for each investment objective may also vary depending on the prevailing market conditions. Past performance is no indication of future results. For institutional investor use only. Data as of March 2021.

*Expected Returns are based on 30-year returns for various asset classes. Please see disclosure page for additional details on Expected Return and Expected Standard Deviation.

**Expected Asset Class returns may be derived from different indexes than requested to be used in the sample portfolio. The rate provided is a geometric rate of return for that specific asset class only.

Source: Factset

Disclosures

Each strategy represented as a Sample Portfolio is a hypothetical portfolio only and does not reflect actual investment decisions or recommendations. It is solely for illustrative purposes and is subject to change at any time. It is not intended to represent a specific investment. It does not reflect the liquidity constraints of actual investing or the impact that material economic and market factors may have on an investment adviser's decision-making. Investors cannot invest in the Sample Portfolio and actual investment results may differ materially. An account could incur losses as well as gains. The Sample Portfolio does not reflect the deduction of advisory fees, brokerage, commissions, or any other actual client expenses, which would reduce investor returns. The sample portfolio does not always reflect the potential impact of active management, excluding those investments that are only available from an active manager. Advisory fees are described in Form ADV, Part 2A and are available upon request.

A Sample Portfolio's expected return (comprised of capital appreciation and income/dividends) is calculated the following way:

1. The expected return of each asset class in a given Sample Portfolio is determined through a combination of historical rates of returns, valuation projections, and economic expectations. Expected rates of return are provided by HighMark proprietary research which incorporates Wilshire Associates Incorporated assumptions. Expected rates of return are developed and annually reviewed by HighMark's Asset Allocation Committee.
2. With 30-year forecasts for U.S. Treasuries, Wilshire's ten year forecast for U.S. Treasuries is used as the assumed return for the first ten years of the 30-year period. Over the following twenty years (years 11-30), Wilshire's ULT forecast is used as the assumed return for U.S Treasuries. The resulting combination of the assumed return on U.S. Government bonds over the two periods becomes HighMark's 30-year forecast subject to rounding. All other taxable fixed income asset classes are derived from the expected return on U.S. Treasuries plus a credit or term premium consistent with those of the ten year forecasts.
3. With 30-year forecasts for global equity, Wilshire's ten year forecast for global equity is used as the assumed return for the first ten years of the 30-year period. Over the following twenty years (years 11-30), Wilshire's ULT forecast is used as the assumed return for global equities. The return on cash over this period is derived from the 10 and 30-year cash assumptions. The resulting combination of the assumed global equity returns over the two periods becomes HighMark's 30-year forecast subject to rounding.
4. Returns reflect the reinvestment of dividends, interests, and other distributions.
5. An expected return for the Sample Portfolio is then calculated by weighting the returns for each asset class according to the exposure as determined by HighMark's current strategic allocation.

Expected returns generated are before taxes and any fees. The standard deviation for an asset class represents its possible divergence of the actual return for an asset class from its expected return. It is a statistical measure of the potential magnitude of volatility of an asset class from its expected return. The range of returns may be higher or lower than those predicted by expected standard deviation.

In certain sub asset classes where Wilshire does not provide a discrete 10-year return forecast, HighMark supplements Wilshire's 10-year expected returns with its proprietary methodology which is based on various market and economic factors some of which are described below. To obtain a full copy of the methodology please contact hcasalesupport@unionbank.com.

- US Equities – Expected returns at sub asset class level are determined by starting with Wilshire Broad Market 10 year forecast and interpolating into sub asset class returns by referencing Wilshire 5000 index data.
- Municipal Bonds – HighMark determines expected returns by assuming there will be historical return discounts for municipal bonds relative to U.S. Treasuries.
- Alternative Investments - Expected total return forecasts for alternative investments begin with the forecast for the return on cash over the respective time-horizon and adjusting for estimating the Sharpe ratio (excess return / standard deviation) of each alternative strategy based on the observed long-term performance of a representative strategy specific hedge fund peer group index.

HighMark Capital Management, Inc. (HighMark), an SEC-registered investment adviser, is a wholly owned subsidiary of MUFG Union Bank, N.A. (MUB). HighMark manages institutional separate account portfolios for a wide variety of for-profit and nonprofit organizations, public agencies, and public and private retirement plans. MUB, a subsidiary of MUFG Americas Holdings Corporation, provides certain services to HighMark and is compensated for these services. Past performance does not guarantee future results. Individual account management and construction will vary depending on each client's investment needs and objectives. **Investments employing HighMark strategies are NOT insured by the FDIC or by any other Federal Government Agency, are NOT Bank deposits, are NOT guaranteed by the Bank or any Bank affiliate, and MAY lose value, including possible loss of principal.**



Moraga-Orinda Fire District

TO: Board of Directors
FROM: Dave Winnacker, Fire Chief
DATE: January 19, 2022
SUBJECT: Item 9.2 - Request for a MOFD/City of Orinda Joint Meeting

BACKGROUND

On December 2, 2021, correspondence was received from the City of Orinda City Council requesting a joint meeting with the City of Orinda City Council and MOFD Board to discuss how to best collaborate and address the fire prevention and emergency preparedness concerns of the mutual constituents.

RECOMMENDATION

1) Discuss; 2) Deliberate; 3) Provide Direction to Staff.

ATTACHMENTS

Attachment A - 12/02/21 Letter to MOFD President – Request for a Joint Meeting from the City of Orinda



December 2, 2021

Mr. Craig Jorgens, Board President
Moraga Orinda Fire District
1280 Moraga Way
Moraga, CA 94556

Dear President Jorgens,

The City of Orinda is fortunate to be served by the Moraga Orinda fire District and we value the scope and scale of the fire suppression and prevention, and medical aid services which we receive for your stellar organization. As you are aware, many communities are concerned about wildfire danger, and that includes our Orinda community. Our residents were so concerned that in November, 2020, they approved Measure which has provided us with additional resources to dedicate to fire prevention and emergency preparedness, in addition to roads and storm drains.

With the assistance of a citizen's commission, our City staff has been working to give life to variety of fire prevention and emergency preparedness initiatives. One of those is the year round chipper funded by the City which complements the Fire District's existing seasonal chipper service, for which the Fire District is managing scheduling for us. Our City staff and the Fire District staff work collaboratively on on-going basis on a number of projects and programs, and we are grateful for those efforts.

Our City Council has recently spent some time discussing the Initial Report and Recommendations of the Supplemental Sales Tax Oversight Commission, and how to best implement those recommendations. As part of a discussion at a recent City Council meeting, the City Council directed that we request a joint meeting of the Fire Board and the City Council to discuss how to best collaborate to address the fire prevention and emergency preparedness concerns of our mutual constituents.



As such, I am writing on behalf of the Orinda City Council to request that the Fire Board join us in a joint meeting to be set for early next year to have that discussion and for an exchange of ideas. I am certain that the Board President and the Mayor, working with the Fire Chief and City Manager, can develop a format and agenda for the joint meeting which will be informative and productive for all.

I look forward to such joint meeting of our two governing bodies and hope that you are able to respond affirmatively to our request.

Sincerely yours,

Amy R. Worth
Mayor

cc: City Council
City Manager
Fire Chief



Moraga-Orinda Fire District

TO: Board of Directors
FROM: Gloriann Sasser, Administrative Services Director
DATE: January 19, 2022
SUBJECT: Item 9.3 – Adopt Resolution 22-02 Approving an Investment Policy for District Funds

BACKGROUND

The District's Investment Policy requires the Board to annually review the District's Investment Policy. The Policy has been reviewed by staff. No changes are recommended.

RECOMMENDATION

- 1) Discuss; 2) Deliberate; 3) Adopt Resolution 22-02 approving an Investment Policy for District Funds.

ATTACHMENTS

Attachment A – Resolution 22-02 Approving an Investment Policy for District Funds
Attachment B – Investment Policy

RESOLUTION NO. 22-02

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MORAGA-ORINDA FIRE PROTECTION DISTRICT
APPROVING AN INVESTMENT POLICY FOR DISTRICT FUNDS**

WHEREAS, The Board of Directors (“Board”) of the Moraga-Orinda Fire Protection District (“District”) desires to maintain a current investment policy for District funds to ensure that District monies are invested prudently, and

WHEREAS, the Fire Chief, County Treasurer or designee have been given authority to invest District funds pursuant to the District’s Investment Policy, and

WHEREAS, State law has necessitated the establishment and periodic review of a District Investment Policy.

NOW THEREFORE, the District Board does hereby resolve that the District Investment Policy, attached as Attachment B and incorporated herein by reference, is hereby adopted, and

BE IT FURTHER RESOLVED THAT the District Board delegates its authority to the Fire Chief, County Treasurer or designee to invest District funds in a manner consistent with the attached Investment Policy.

PASSED, APPROVED AND ADOPTED this 19th day of January 2022 at the regular meeting of the District Board held virtually due to the COVID-19 pandemic, on a motion made by Director _____, seconded by Director _____, and duly carried with the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dated: January 19, 2022

Michael Donner, President
Board of Directors

ATTEST:

Marcia Holbrook
District Secretary/District Clerk

MORAGA-ORINDA FIRE DISTRICT DISTRICT POLICY 13

Investment Policy

Purpose

The purpose of the Investment Policy is to establish a prudent and systematic policy and to organize and formalize investment-related activities.

Policy

Section One: Scope and Authority

- 1.1 The Moraga Orinda Fire District's (District) Investment Policy is authorized under the California Government Code, section 53600, et seq. as it applies to the investment of public funds.
- 1.2 It is intended that this policy cover all funds and investment activities under the direct authority of the District excluding pension funds, other post-employment benefit trust funds, and the proceeds of debt issues. Investments authorized by Fiscal Agents pursuant to bonded debt are controlled by the terms and conditions of the specific bond and may not necessarily coincide with the Investment Policy outlined herein. Investments must conform to Government Code section 53601 concerning custody of all securities. Wherever practical, investments made by a Fiscal Agent on behalf of the District will be consistent with this Policy.
- 1.3 The District's Board hereby delegates management authority for the investment program to the Fire Chief or designee.
- 1.4 The District's Board hereby authorizes District participation in the Contra Costa County investment pool. The Board delegates investment authority for investment of public agency funds to the Treasurer of Contra Costa County. The Board authorizes the County Treasurer to invest such District funds as may be designated by the District consistent with provisions of the California Government Code. The County Treasurer shall follow the written instructions provided by the District.

Section Two: Investment Objectives

- 2.1 Safety - It is the primary duty and responsibility of the District Treasurer, Fire Chief, Administrative Services Director and Finance Committee to protect, preserve and maintain cash and investments placed in trust on behalf of the citizens of the District.

2.2 Liquidity - An adequate percentage of the District's investment portfolio should be maintained in liquid short-term securities which can be converted to cash if necessary to meet disbursement requirements. Since all cash requirements cannot be anticipated, investments in securities with active secondary or resale markets is highly recommended. Emphasis should be on marketable securities with low sensitivity to market risk.

2.3 Yield - Yield should become a consideration only after the basic requirements of safety and liquidity have been met.

a) The overall yield should be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the District's risk constraints, the cash flow characteristics of the portfolio, and State and local laws, ordinances or resolutions that restrict investments.

2.4 Public Trust - All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust.

2.5 Diversification - The investment portfolio will be diversified to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions.

In a diversified portfolio, it must be recognized that occasional measured losses are inevitable and must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been implemented.

2.6 Prudence - The District adheres to the "prudent investor standard" which states that

"When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency."

Section Three: District's Investment Strategy

3.1 The most effective method of increasing investment yields without sacrificing safety is to extend the investment horizon commensurate with the District's cash requirements. To that end, improved cash forecasting and management is the preferred investment strategy for the District.

a) Cash management activities include accurate cash projections, the expeditious collection of revenue, the control of disbursements, cost-effective banking relations, and a short-term borrowing program, when needed, that coordinates working capital requirements and investment opportunity.

Section Four: Allowable Investment Instruments

4.1 The Government Code, sections 53601, 53601.1, 53601.6 and 53635 shall govern the District's allowable investments and the length of those investments, unless specifically limited by this policy. Although the maximum maturity for any deposit or investment is five years, most investments should be for no longer than 2-3 years.

4.2 The specific investments allowed are listed below:

- a) The State's Local Agency Investment Fund (LAIF)
- b) Any Public Agency's Pooled Investment Fund, provided such involvement is approved in advance by resolution of the Board
- c) United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest
- d) Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises
- e) Insured Certificates of Deposits (CD's)
- f) Passbook savings and money market accounts
- g) Money market funds that have attained the highest letter and numerical rating provided by not less than two Nationally Recognized Statistical Rating Organizations and not to exceed 20% of the portfolio and not to exceed 10% of the portfolio per money market fund.

4.3 Any investment not specifically approved by this policy is prohibited.

Section Five: Reporting Requirements

5.1 The Fire Chief or designee shall annually submit a written investment policy to the Board. The Board shall consider the investment policy at a public meeting.

5.2 The Treasurer or designee shall submit a quarterly investment report to the Board. The report must be submitted within 30 days following the end of the month covered by the report. Such report shall include at least the following information:

- a) Types of investments;
- b) Names of the institution in which funds are invested or deposited;
- c) Date of maturity, if applicable;
- d) Par and original investment amount on all securities;
- e) Percent distribution of each type of investment;
- f) Current market value as of the date of the report, including sources of the valuation except those under LAIF;
- g) Rate of interest;
- h) Average weighted yield of portfolio;
- i) Investment income for the fiscal year to date
- j) A statement relating the report to the District's Investment Policy; and
- k) A statement that there are sufficient funds to meet the District's next six months' financial obligations.

5.3 Periodic reports shall be prepared as required by circumstances or as directed by the Board. Such circumstances include, but are not limited to, notification that any District investment may be in jeopardy or a sudden and significant drop in the current market value of any District investment.

5.4 The District will report the investment portfolio at market value at the end of each fiscal year in accordance with Governmental Accounting Standards Board Statement No. 31.

Section Six: Internal Controls and General Guidelines

- 6.1 A system of internal control shall be established and documented in writing. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation of third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the District.
- 6.2 Controls deemed most important include:
- a) The control of collusion and separation of duties;
 - b) Custodial safekeeping of funds invested or on deposit;
 - c) Minimizing the number of authorized Investment Officers; and
 - d) Written documentation of procedures and transactions.
- 6.3 In selecting financial institutions for the deposit or investment of District funds, the Treasurer or designee shall consider the credit-worthiness of the institution. Such credit-worthiness shall be monitored on a regular basis throughout the period in which District funds are deposited or invested.
- a) Any deposit or investment of funds shall be in writing, signed by the Fire Chief or designee and the authorized representative of the institution.
 - b) All transactions will be executed on a Delivery Versus Payment (DVP) basis
 - c) All investment securities shall be held in the District's name by a third-party custodian that is the trust or custody division of a bank.
- 6.4 The District will require the auditors to perform cash and investment testing as part of the audit of the District's financial statements.
- 6.5 An annual Cash Flow Forecast may be prepared by the Fire Chief or designee and would be used to assist in the development of the annual operating budget for the District.
- 6.6 This Investment Policy shall be reviewed by the Board on an annual basis.
- 6.7 Ethics and Conflict of Interest - Board members and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions. Board members and employees shall disclose any material financial interests that could be related to the performance of the District's investment portfolio.

DEFINITIONS

Certificate of Deposit (CD) – A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CDs are typically negotiable.

Collateral – Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Custody – Safekeeping services offered by a bank, financial institution or trust company, referred to as the “custodian.” Service normally includes the holding and reporting of the customer's securities, the collection and disbursement of income, securities settlement and market values.

Delivery Versus Payment – A type of securities transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or custodian. It ensures that securities

are deposited in an eligible financial institution prior to the release of funds. Securities should be held by a third-party custodian as evidenced by safekeeping receipts.

Diversification – Dividing investment funds among a variety of securities offering independent returns.

Federal Agency Obligation – A debt instrument issued by one of the federal agencies. Federal agencies are considered second in credit quality and liquidity only to U.S. Treasuries.

Liquidity – An investment that can be converted easily and rapidly into cash without a substantial loss of value.

Local Agency Investment Fund (LAIF) – The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

Market Value – The price at which a security is trading and could presumably be purchased or sold on a specific date.

Maturity – The date upon which the principal or stated value of an investment becomes due and payable.

Portfolio – Collection of securities held by an investor.

Prudent Investor Standard – An investment standard that all investments should be made with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

Secondary Market – A market made for the purchase and sale of outstanding issues following the initial distribution.

U.S. Treasury – Government debt issued by the United States Department of the Treasury through the Bureau of the Public Debt. Treasury securities are the debt financing instruments of the United States federal government, and they are often referred to simply as Treasuries. There are four types of marketable treasury securities: Treasury bills, Treasury notes, Treasury bonds, and Treasury Inflation Protected Securities (TIPS). All of the marketable Treasury securities are very liquid and are heavily traded on the secondary market.

Yield at Market – The percentage rate of return paid if the security is held to its maturity date using the market price of the security. The calculation is based on the coupon rate, length of time to maturity, and market price. It assumes that coupon interest paid over the life of the security is reinvested at the same rate. The Yield at Market will vary over time.

Yield at Cost – The percentage rate of return paid if the security is held to its maturity date at the original time of purchase. The calculation is based on the coupon rate, length of time to maturity, and original price. It assumes that coupon interest paid over the life of the security is reinvested at the same rate. The Yield at Cost on a security remains the same while held as an investment.



Moraga-Orinda Fire District

TO: Board of Directors

FROM: David Winnacker, Fire Chief
Jon Holtzman, District Counsel

DATE: January 19, 2022

SUBJECT: **Item 9.4 – Second Reading and Adoption of Resolution 21-08 – adopting revised Rules of Procedure for Board Meetings and related Functions and Activities**

BACKGROUND

On January 19, 2011, the MOFD board adopted resolution 2011-3, which has governed the Board's procedures since that time. In 2020, District Counsel reviewed the existing results and recommended changes to adopt best practices.

At the May 2021 MOFD board meeting, the Directors determined that since the revised Rules of Procedure was a new document and not a redlined marked version to compare changes, more time was needed for review. Directors were encouraged to review and send questions or suggested edits to District Council. The suggested edits received from the Directors are outlined below in red and referenced in the attached revised Rules of Procedures (attachment B). In addition, a redline document of Resolution 11-03 – A Resolution Adopting Rules of Procedure for Board Meetings and Related Functions and Activities has been provided (attachment D).

SUGGESTED EDITS FROM DIRECTORS

Section 2.3 Selection of President and Vice-President

Each year, at the first regular meeting in December, the Board will select one of its members to serve as the President of the Board for the coming year and another member to serve as Vice-President. No member of the Board shall serve as President for more than one consecutive year. No member of the Board shall serve as Vice-President for more than one consecutive year. **In the event that four board members decline to accept nomination to serve as President, the current President by majority vote may serve a second consecutive term.**

Suggested amendment made by Director Danziger

3.4 Quorum and Vote.

A majority of the Board shall constitute a quorum for the transaction of business. A majority of the total membership of the Board is required on each action, unless **specified** otherwise **required by law as set forth in Attachment A to these Rules.**~~in the Health and Safety Code or below.~~ (Health & Safety Code § 13856.) *Attachment suggested by President Jorgens.*

3.11 Rules of Order

~~Meetings shall be governed by Roberts Rules of Order, as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with these Rules or with provisions of law.~~ In the absence of a rule herein to govern a point or procedure, Robert's Rules

of Order, Newly Revised, shall be used as a guide. *Revision to text in existing Board Rules, suggested by President Jorgens.*

4.1 Regular Meetings.

~~All regular Board meetings shall end by 10:00 p.m. unless the Board extends the meeting by motion of Board. The Board may extend the meeting to 10:30 p.m. by the affirmative vote of a majority Board members present, and beyond 10:30 p.m. by the affirmative vote of all Board members present.~~

Suggested Deletion. Several Board members, as well as Staff pointed out that Board meetings routinely last longer and so this is impractical for this board.

VOTING REQUIREMENTS FOR THE BOARD OF DIRECTORS

~~Attachment A to the Moraga Orinda Fire District Rules of Procedure for the Board of Directors. This attachment has been added since the May 2021 board meeting.~~

SUMMARY OF MAJOR CHANGES

Section 2.3 Eliminate the positions of Board Secretary and Treasurer. The duties of these positions are carried out by MOFD staff, and the titles do not match assigned duties.

Section 4.1 adding a second regular meeting on the 4th Wednesday of the month during June, July, August, September, and October. Per section 325.9.1.8 of the fire code, exterior hazard abatement hearings must be held at a regular meeting of the MOFD board. The additional meetings are proposed in anticipation of an increased number of hearings as a result of fire prevention inspection activities.

RECOMMENDATIONS

1) Discuss; 2) Deliberate; 3) Adopt Resolution 21-08 – adopting revised Rules of Procedure for Board Meetings and related Functions and Activities.

ATTACHMENTS

Attachment A - Resolution 21-08 – adopting revised Rules of Procedure for Board Meetings and related Functions and Activities

Attachment B – Exhibit A - MOFD Board of Directors Rules of Procedures – Redlined

Attachment C – Resolution 11-03 – A Resolution Adopting Rules of Procedure for Board Meetings and Related Functions and Activities

Attachment D – Resolution 11-03 – A Resolution Adopting Rules of Procedure for Board Meetings and Related Functions – Redlined

RESOLUTION NO 21-08

**A RESOLUTION OF THE MORAGA-ORINDA FIRE
PROTECTION DISTRICT OF CONTRA COSTA COUNTY,
ADOPTING REVISED RULES OF PROCEDURE FOR BOARD MEETINGS
AND RELATED FUNCTIONS AND ACTIVITIES**

WHEREAS, the Board of Directors (“District Board”) of the Moraga-Orinda Fire District (“District”) previously adopted Resolution 11-03 establishing Rules of Procedure to govern the conduct of District Board meetings and related functions and activities; and

WHEREAS, the District Board desires to amend its Rules of Procedure to reflect changes in law since the adoption of its prior rules and clarify its procedures; and

WHEREAS, the District Board seeks to replace the District Board’s Rules of Procedure;

NOW, THEREFORE, BE IT RESOLVED that the District Board does hereby repeal Resolution Number 11-03 relating to the adoption of Rules of Procedure and the Rules of Procedure contained therein;

BE IT FURTHER RESOLVED; that the District Board does hereby adopt the attached Rules of Procedure for District Board meetings and related functions and activities set forth in Exhibit A, attached hereto and made a part hereof.

PASSED, APPROVED, and ADOPTED this 19th day of January 2022 at the regular meeting of the District Board of Directors held virtually due to the COVID Pandemic on January 19, 2022, on motion made by Director _____, seconded by Director _____, and duly carried with the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dated: **January 19, 2022**
Resolution: **21-08**

Michael Donner, President
Board of Directors

I certify that this is a full, true and correct copy of the original document which is on file in my office, and that was passed and adopted by the Moraga-Orinda Fire Protection District on the date shown.

ATTEST:

Marcia Holbrook, District Clerk

APPROVED AS TO FORM:

Jon Holtzman, District Counsel

APPROVED AS TO CONTENT:

Dave Winnacker, Fire Chief

**MOFD BOARD OF DIRECTORS
RULES AND PROCEDURES**

1. AUTHORITY.....	4
1.1 State Law.....	4
2. GENERAL BOARD RULES.....	4
2.1 Board Members.....	4
2.2 Decorum of Board Members.....	4
2.3 Selection of President and Vice-President.....	4
2.4 Presiding Officer.....	4
2.5 Committees.....	4
2.6 Written Correspondence.....	4
3. MEETINGS AND ACTIONS, GENERALLY.....	5
3.1 Meetings to Be Public.....	5
3.2 Meeting Location.....	5
3.3 Board Action.....	5
3.4 Quorum and Vote.....	5
3.6. Record of Proceedings.....	5
3.7 Fire Chief.....	5
3.8 General Counsel.....	5
3.9 District Clerk.....	5
3.10 Sergeant-at-Arms.....	5
3.11 Rules of Order.....	6
4. TYPES OF MEETINGS.....	6
4.1 Regular Meetings.....	6
4.2 Special Meetings.....	6
4.3 Emergency Meetings.....	6
4.4 Adjourned Meetings.....	6
4.5 Closed Sessions.....	7
4.6 Disclosure of Information from Closed Session.....	7
5. AGENDAS AND ORDER OF BUSINESS.....	7
5.1 Agenda.....	7

5.2 Agenda Posting.	7
5.3 Order of Business.	7
5.4 Change to the Order of Business.	8
5.5 Consent Agenda.	8
5.6 Discussion of Items Not on the Agenda Prohibited.	8
5.7 Exceptions for Considering Items Not on the Agenda.	8
6. CONDUCT OF MEETINGS.	9
6.1 Call to Order.	9
6.2 Preservation of Order	9
6.3 Points of Order.	9
6.4 Questions to be Stated.	9
6.5 Procedures for Board Action on Agenda Items.	9
6.6. Hearings When Board sits as a Board of Appeals.	9
7. PUBLIC PARTICIPATION.	10
7.1 Conditions of Attendance Prohibited.	10
7.2 General Public Comment at Regular Meetings.	10
7.3 Public Comment on Each Agenda Item at Regular and Special Meetings	10
7.4 Manner of Addressing the District Board.	10
7.4 Public’s Right to Criticize.	10
7.5 Limitations on Public Comment.	10
7.6 Disorderly Conduct of Public During a Meeting.	11
8. VOTING PROCEDURE.	11
8.1 Voting Procedure.	11
8.2. Announce Vote.	11
8.3 Reconsideration.	11
8.4 Conflict of Interest.	11
9. ADOPTION OF BUDGET.	11
9.1 Preliminary Budget and Notice.	11
9.2 Publication of Notice of Adoption of Budget.	11
9.3 Adoption of Final Budget.	12
10. RESOLUTIONS AND ORDINANCES.	12
10.1 Complete and Numbered.	12
10.2 Resolutions.	12

10.3 Matters That Require a Resolution..... 12

10.3 Governing Law for Adopting Ordinances..... 12

10.4 Adoption of Ordinances..... 12

10.5 Adoption of Urgency Ordinances..... 12

10.7 Matters That Require an Ordinance..... 13

10.6. Adoption of Ordinance Adopting Building Standards Relating to Fire and Panic Safety..... 13

10.7 Fee Ordinances..... 13

10.8 Signature and Attestation of Ordinances..... 13

10.8 Publication of Ordinances..... 13

Attachment A: Voting Requirements for the Board of Directors14

DRAFT

1. AUTHORITY.

1.1 State Law.

The Board of Directors of the Moraga Orinda Fire District serves as the governing body of the District. (Health & Safety Code § 13840.) These rules govern the procedures for Board meetings.

2. GENERAL BOARD RULES.

2.1 Board Members.

Each member of the Board of Directors shall be a resident of and registered voter in the District. (Health & Safety Code §13840.)

2.2 Decorum of Board Members.

Board Members shall accord the utmost courtesy to each other, to District employees, and to the public appearing before the District Board and shall refrain at all times from rude and derogatory remarks, reflections as to integrity, abusive comments and statements as to motives and personalities.

2.3 Selection of President and Vice-President. [AA1]

Each year, at the first regular meeting in December, the Board will select one of its members to serve as the President of the Board for the coming year and another member to serve as Vice-President.

No member of the Board shall serve as President for more than one consecutive year. No member of the Board shall serve as Vice-President for more than one consecutive year. In the event that four board members decline to accept nomination to serve as president, the current president by majority vote may serve a second consecutive term. [AA2]

2.4 Presiding Officer.

The President shall serve as the presiding officer of the Board, and in the President's absence, the Vice-President serves as presiding officer. The President and Vice-President have the additional duties specified in these Rules.

2.5 Committees.

The Board may establish standing or ad hoc committees as necessary to carry out the business of the District. The President shall appoint Board members to serve on the committees.

Standing committees with continuing subject matter or a meeting schedule fixed by the Board are legislative bodies subject to the provisions of the Brown Act. (Govt. Code § 54952(b).)

2.6 Written Correspondence.

The District Chief, or his or her designee, may receive and open all mail addressed to the District Board. A copy of all communications shall be sent to each member of the Board by the appropriate means. Any communication relating to a matter pending or brought before the Board shall be included in the agenda packet for the meeting at which the item is to be considered. Any communication not necessarily requiring Board action shall be addressed by District employees, as appropriate. Communication related to decisions of fire officials shall be processed under applicable provisions of the District ordinances.

3. MEETINGS AND ACTIONS, GENERALLY

3.1 Meetings to Be Public.

All meetings of the Board shall be open to the public, except that the Board may meet in closed session as permitted under the Ralph M. Brown Act ("Brown Act"). (Govt. Code §§ 54950-54956.)

3.2 Meeting Location.

The Board's regular meeting locations shall be 22 Orinda Way Orinda, CA and Moraga Library Community Room, 1500 Saint Mary's Road, Moraga CA. The meeting site may be changed for convenience, to accommodate larger attendance, and for other reasons, provided that the alternate location is within the jurisdiction of the District, permitted by law, accessible as required pursuant to the Americans with Disabilities Act, and the alternate location is posted at the District offices and on its website. (Govt. Code § 54954.)

3.3 Board Action.

The Board may act only by ordinance, resolution, or motion. (Health & Safety Code section 13856.)

3.4 Quorum and Vote.

A majority of the Board shall constitute a quorum for the transaction of business. A majority of the total membership of the Board is required on each action, unless ~~specified otherwise~~ required by law as set forth in Attachment A to these Rules in the Health and Safety Code or below. (Health & Safety Code § 13856.) [AA3]

3.6. Record of Proceedings.

The District Clerk shall keep a written account ("minutes") of acts of the Board, all open meetings of the Board, and those minutes shall be retained pursuant to the District's record retention policy. The minutes shall record the vote of each member on each item of business. (Govt. Code § 25122, Health & Safety Code § 13868.)

3.7 Fire Chief.

The Fire Chief shall attend all meetings of the Board. The Fire Chief may make recommendations to the Board and may take part in all discussions of the Board, but shall have not vote.

3.8 General Counsel.

The General Counsel for the District, or his or her designee, shall attend all meetings of the Board unless excused and shall, upon request from the Board or Fire Chief, give an opinion, either written or oral, on questions of law. General Counsel shall act as the Board's parliamentarian. In the Counsel's absence, the District Clerk shall serve in the capacity as parliamentarian.

3.9 District Clerk.

The District Clerk shall attend all meetings of the Board unless excused by the Fire Chief and shall be responsible for keeping the official record (minutes) and perform such other duties as may be required by the Board.

3.10 Sergeant-at-Arms.

The Fire Chief, or his or her designee, shall be the sergeant-at-arms of the District Board. The sergeant-at-arms shall carry out all orders and instructions by the presiding officer to maintain order and decorum in the Board chambers.

3.11 Rules of Order.

~~In the absence of a rule herein to govern a point or procedure, Robert's Rules of Order, Newly Revised, shall be used as a guide.~~

~~Meetings shall be governed by Roberts Rules of Order, as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with these Rules or with provisions of law.~~^[AA4]

4. TYPES OF MEETINGS.

4.1 Regular Meetings.

Regular Meetings are held on the Third Wednesday of the Month at 7:00 p.m. and on **the Fourth Wednesday** of the month during the months of June, July, August, September, and October **at 7:00 p.m.**

~~All regular ^[AA5]Board meetings shall end by 10:00 p.m. unless the Board extends the meeting by motion of Board. The Board may extend the meeting to 10:30 p.m. by the affirmative vote of a majority Board members present, and beyond 10:30 p.m. by the affirmative vote of all Board members present.~~

4.2 Special Meetings.

A special meeting is a meeting held at a time or place that is different from the regular time or place of regular meetings. The President or the Board by motion may call for a special meeting. The notice and agenda for a special meeting shall specify the day, the hour, and the location of the special meeting and shall include an agenda of the items to be considered. Notice shall be provided to any local newspaper and radio or television station that has requested in writing to receive notice and shall be posted on the Board's website. No special meeting shall be held unless it complies with the twenty-four (24) hour minimum notice requirements set forth in the Brown Act. (Govt. Code § 54956.)

4.3 Emergency Meetings.

The Board may hold an emergency meeting if a majority of the members of the Board find that a work stoppage, crippling activity, or other activity severely impairs public health, safety, or both. The District must comply with the notice and minutes requirements provided in Government Code section 54956.5.

4.4 Adjourned Meetings.

When members of the Board wish to continue a regular or special meeting to a later date, the Board may approve a motion to adjourn the meeting and continue it to a definite later time. The second meeting is an "adjourned meeting." Any meeting of the Board may be adjourned to a later date and time. The Clerk shall provide notice of an Adjourned Meeting in the same way required for a special meeting. A copy of the notice of adjournment shall be posted on or near the door of the place where the meeting was held within 2 hours of adjournment. If the adjourned meeting occurs more than five days after the meeting that was continued, a new agenda for the adjourned meeting shall be posted 72 hours in advance of the adjourned meeting. When a regular meeting is adjourned, the adjourned meeting is conducted in the same way as a regular meeting. (Govt. Code §§ 54954.2(b)(3), 54955.)

4.5 Closed Sessions.

The Board may meet in closed sessions only as permitted in the Brown Act. Closed sessions shall be scheduled at either the beginning or end of the Council meetings. After the closed session, the Board shall report any action taken in closed session and the vote of each member on that action as required by Government Code section 54957.1.

4.6 Disclosure of Information from Closed Session.

Members of the Board or any other person attending a closed session may not disclose confidential information acquired in a closed session to a person not authorized to receive it unless the Board votes to disclose that information. "Confidential information" means a communication made in a closed session that is specifically related to the basis for the Board to meet lawfully in closed session. (Govt. Code § 54963.)

5. AGENDAS AND ORDER OF BUSINESS

5.1 Agenda.

The Clerk of the Board shall prepare the agenda, in consultation with the Fire Chief, President, and General Counsel. The agenda shall list all items to be considered at the meeting, in the order stated in section 5.3, below. The agenda shall contain a brief general discussion of each item of business to be transacted or discussed at the meeting. Each agenda shall include information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting. (Govt. Code §§ 54954, 54954.2.)

5.2 Agenda Posting.

The agenda and any supporting documents shall be provided to Board members, posted at the District Administrative office, located at 1280 Moraga Way, Moraga, CA 94556, Stations 41, 42, 43, 44, and 45, and on the District's website at least 72 hours before a regular meeting and at least 24 hours before a special meeting, and to anyone who has requested, in writing, to receive copies of the agenda. (Govt. Code §§ 54954, 54954.1, 54956.)

5.3 Order of Business.

In order to facilitate the orderly conduct of the business of the District Board, the Clerk shall prepare the agenda in accordance with the following Conduct of Business:

1. CALL TO ORDER and ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. CLOSED SESSION
4. GENERAL PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA
5. COMMENDATIONS AND PRESENTATIONS
6. PUBLIC HEARINGS
7. CONSENT AGENDA
8. BUSINESS ITEMS
9. REPORTS OF COMMITTEES, FIRE CHIEF, BOARD MEMBERS,

10. REQUESTS FOR ITEMS ON FUTURE AGENDAS

10. ADJORNMENT

5.4 Change to the Order of Business.

The presiding officer or the Board, upon a vote of the majority of members, may change the order of business to facilitate the conduct of the meeting.

5.5 Consent Agenda.

Items of routine or non-controversial nature shall be placed on the Consent Agenda. All items may be approved by one blanket motion upon unanimous consent. Any Board Member may request that any item be withdrawn from the Consent Agenda for separate consideration. Any member of the public may request that any Board Member to withdraw a Consent Agenda item from Board consideration, a Board member may then choose whether to do so. A Board Member may abstain from voting on any Consent Agenda item without requesting its removal from the Consent Agenda, and the Board Clerk shall be instructed to record such abstentions in the minutes.

5.6 Discussion of Items Not on the Agenda Prohibited.

Except as provided in section 5.7, the Board may not take action or discuss any item not appearing on the agenda. A Board member or staff may briefly respond to statements made or questions posed by members of the public during public comment. A board member or staff may ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities. A Board member may provide a reference to staff or other resources for factual information, request staff to report back to the Board at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda. (Government Code § 54954.2(a)(3).)

5.7 Exceptions for Considering Items Not on the Agenda.

The Board may discuss or take action on an item not on the agenda only under the following circumstances. The Board shall publicly identify the item and the basis for taking action:

1. Upon a determination by a majority vote of the legislative body that an emergency situation exists. For purposes of this section, an emergency is defined as a work stoppage, crippling activity, or other activity that severely impairs public health, safety, or both, as determined by a majority of the members of the Board.
2. Upon a determination by a two-thirds vote of the members of the legislative body present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted.
3. The item was posted pursuant to subdivision for a prior meeting of the legislative body occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken. (Govt. Code § 54954.2 (b).)

6. CONDUCT OF MEETINGS.

6.1 Call to Order.

The presiding officer shall call the meeting to order. In the absence of the President and Vice-President, the Board Clerk shall call the Board meeting to order. The Board members present shall then, by motion, appoint a temporary presiding officer. Upon arrival of the President or Vice-President, the temporary presiding officer shall relinquish the chair immediately.

6.2 Preservation of Order.

The presiding officer shall preserve order and decorum, and confine members in debate to the question under discussion. All speakers must be recognized by the presiding officer and shall address their comments to the Board through the presiding officer.

6.3 Points of Order.

Only members of the Board may raise points of order and questions of privilege, including points of information or clarification. The presiding officer shall determine all points of order, subject to the right of any Board member to appeal to the Board.

6.4 Questions to be Stated.

The presiding officer shall state all questions submitted for a vote and announce the result.

6.5 Procedures for Board Action on Agenda Items.

1. The presiding officer shall call the item.
2. The Chief, or his or her designee, and/or an invited expert, shall provide a report on the item.
3. The presiding officer shall take entertain questions from Board members to staff or an invited expert.
4. The presiding officer shall then take public comment.
5. If the item is an action item, the presiding officer shall take a motion and a second on the item.
6. The Board deliberates and votes on the motion.

6.6. Hearings When Board sits as a Board of Appeals.

The District Fire Code provides that the Board sits as a Board of Appeals to hear appeals of orders, decisions, or determinations made by the fire code official relative to the application and interpretation of the code. (Moraga Orinda Fire Code § 109.1) When the Board hears these matters, the hearing shall be conducted in the following manner:

1. Board members disclose any ex parte Communications
2. Staff report
3. Board questions for staff
3. Presiding officer then opens the public portion of the hearing
4. Presentation by appellant (10 minutes)
5. Board questions for appellant, applicant and/or staff
6. Public comment
7. Rebuttal by staff (5 minutes)

8. Rebuttal by appellant (5 minutes)
9. Final Board questions of appellant
10. Final Board questions of staff
11. Presiding officer closes the public portion of hearing
12. Board discusses, deliberates, makes findings and takes final action by motion.

At any hearing before the Board sitting as the Board of Appeal, the Board may request that parties testify under oath.

7. PUBLIC PARTICIPATION.

7.1 Conditions of Attendance Prohibited.

The District may not require a member of the public to provide his or her name, other information or complete a questionnaire as a condition for attending a meeting. Any attendance list, questionnaire, or other document circulated at a meeting must state clearly that signing or completing the document is optional. (Govt. Code § 54953.3.)

7.2 General Public Comment at Regular Meetings.

Each agenda for a regular meeting shall provide for public comment on any item within the subject matter jurisdiction of the District. (Govt. Code § 54954.3.)

7.3 Public Comment on Each Agenda Item at Regular and Special Meetings.

At every regular and special meeting, the agenda shall provide an opportunity for members of the public to directly address the Board on each item on the agenda, before or during the Board's consideration of the item. (Govt. Code § 54954.3.)

7.4 Manner of Addressing the District Board.

A member of the public wishing to address the Board shall wait to be recognized by the presiding officer. Once recognized, the person shall direct his remarks to the Chair and not to any individual Board member, employee, or other person.

7.4 Public's Right to Criticize.

The Board shall not prohibit public criticism of the policies, procedures, programs, or services of the District, or of the acts or omissions of the Board. (Govt. Code § 54954.3(c).) If a member of the public is engaging in hate speech or speech that constitutes harassment of an employee, Board member or member of the public, or profanity, the presiding officer may caution the speaker to cease that speech. If the speaker fails to do so, the presiding officer may cut off the speaker's access to the microphone, and if necessary to retain decorum, order the sergeant-at-arms to remove the speaker.

7.5 Limitations on Public Comment.

In the absence of a specific vote by the Board, each speaker may have no more than three minutes to comment on each item. The presiding officer or the Board, upon majority vote, may reasonably limit the total amount of time allocated for public comment on particular items and may limit each individual speaker to no more than three minutes of public comment. The Board shall allot at least twice the allotted time per speaker to a member of the public who utilizes a translator when making public comment. (Govt. Code § 54954.3(b).)

7.6 Disorderly Conduct of Public During a Meeting.

If a meeting is willfully interrupted by a group of people, the presiding officer shall first attempt to maintain order. If unsuccessful, the presiding officer may call a recess, adjourn the meeting to another date, or remove the individuals interrupting the meeting. If the Board opts to continue the meeting and order is not restored by removing the individuals willfully interrupting the meeting, the Board may order the meeting room cleared and continue holding the meeting. Representatives of the media, except those participating in the disturbance, shall be allowed to continue attending the meeting. (Govt. Code § 54957.5.)

8. VOTING PROCEDURE.

8.1 Voting Procedure.

When meetings are held by teleconference, the Clerk shall call for a roll call vote on each action. (Govt. Code § 54953(b)(2).) When meetings occur in person, vote may be taken by roll call vote or other method, provided that each Board member casts a vote. A Board member must vote for, against or abstain on each item. If a Board member is recused from voting on a matter due to a conflict of interest, the member must comply with section 8.4, below.

8.2. Announce Vote.

The Board shall publicly report any action taken and the vote or abstention on that action of each member present for the action. (Govt. Code § 54953.)

8.3 Reconsideration.

Any Board member who voted with the majority may move a reconsideration of any action at the same meeting or the next meeting of the Board. After a motion for reconsideration has been acted upon, no other motion for reconsiderations thereof shall be made without unanimous consent of the Board. If the motion for reconsideration is to be considered at the meeting after the action is taken, it may will only be entertained if it is listed on the agenda.

8.4 Conflict of Interest.

All Board Members are subject to the provisions of Government Code section 1090 *et seq.*, Government Code section 87100 *et seq.*, and applicable regulations relative to conflicts of interest. Any Board Member prevented from voting because of a conflict of interest or a declared financial interest shall refrain from debate and voting on the included matter. Such Board Member must identify the conflict of interest, and leave the District Chambers during debate and voting on the issue.

9. ADOPTION OF BUDGET.

9.1 Preliminary Budget and Notice.

On or before June 30 of each year the Board shall adopt a preliminary budget conforming to the accounting and budgeting procedures for special districts. (Health & Safety Code § 13890.)

9.2 Publication of Notice of Adoption of Budget.

On or before June 30 of each year, the District shall publish a notice that it has adopted a preliminary budget that is available for inspection at the time and place specified in the notice; the date, time and place when the Board will meet to adopt the final budget, and that the Board will take public comment on the budget. The District shall publish the notice in at least one newspaper

of general circulation at least two weeks before the date of the meeting. (Health & Safety Code § 13893.)

9.3 Adoption of Final Budget.

On or about October 1 of each year, the Board shall adopt the final budget. The budget shall establish its appropriation limit and a copy of the final budget shall be sent to the county auditor. (Health & Safety Code § 13895.)

10. RESOLUTIONS AND ORDINANCES.

10.1 Complete and Numbered.

All Board resolutions and ordinances shall be presented to the Board in printed or typewritten form and numbered serially for each calendar year.

10.2 Resolutions

The Board may finally adopt a resolution at the meeting where it is introduced.

10.3 Matters That Require a Resolution.

The following matters require adoption by resolution:

1. Establishing a petty cash fund. (Health & Safety Code § 13905.)
2. Authorizing the District to borrow money to acquire property. (Health & Safety Code § 13906.)
3. Authorizing the policies and procedures for fee waivers. (Health & Safety Code § 13919.)
4. Determining the necessity for incurring general obligation bond indebtedness for the acquisition or construction of any real property or other capital expense or for funding or refunding of any outstanding indebtedness and calling an election on the proposition to incur indebtedness and issue general obligation bonds. (Health & Safety Code § 13925.)

Resolutions shall be used when required by law; to address internal operations of the District; to honor or commemorate; or as otherwise determined by the Board.

10.3 Governing Law for Adopting Ordinances.

The Board may adopt ordinances by following the procedures for county ordinances as specified in Government Code section 25120 *et seq.* (Health & Safety Code § 13861(h).)

10.4 Adoption of Ordinances.

Except for urgency ordinances, an ordinance may not be passed within five days of its introduction or at any meeting other than a regular or adjourned regular meeting. If the title of the ordinance is published and a copy of the full ordinance is made available to the public online and in print before its introduction or if the Board waives further reading by a majority vote, a reading of the ordinance is not required. (Govt. Code § 25131.)

10.5 Adoption of Urgency Ordinances.

An urgency ordinance is an ordinance passed for the immediate preservation of the public peace, health or safety. An urgency ordinance must contain a declaration of the facts constituting the urgency. (Govt. Code § 25123(d).) An urgency ordinance may be passed immediately upon introduction at either a regular or special meeting. (Govt. Code § 25131.) An urgency ordinance must have a four-fifths vote of the Board to pass. (Govt. Code § 25123(d).)

10.7 Matters That Require an Ordinance.

1. Adopting a Fee Schedule. (Health & Safety Code § 13916.)
2. Adopting a Fire Code, including Building Standards Relating to Fire and Panic Safety. (Health & Safety Code §§ 13869, 13869.7.)
3. Authorizing the Fire Chief or his or her designee to issue citations for misdemeanors for a violation of the Fire Code or District ordinance or failure to correct or eliminate a fire or life hazard . (Health & Safety Code §§ 13871, 13872.)
4. Establishing an employee relations civil service system. (Health & Safety Code § 13961.)
5. Increasing the compensation of Board members above the default amount of \$100.00 per meeting. (Health & Safety Code § 13857.)

10.6. Adoption of Ordinance Adopting Building Standards Relating to Fire and Panic Safety.

The Board may adopt building standards relating to fire and panic safety that are more stringent than those standards adopted by the State Fire Marshall and contained in the California Building Standards Code. The District shall comply with the procedures set forth in Health & Safety Code section 13869.7 when adopting building standards. (Health & Safety Code § 13869.7.)

10.7 Fee Ordinances.

The Board must adoption of a schedule of fees by ordinance.

Before adopting a fee ordinance or approving an increase in fees, the District must publish notice of its intent to establish or increase fees. The notice must include the time and place of the meeting, a general explanation of the matter to be considered; and a statement that the data establishing the fees is available for inspection. Notice must be provided at least 14 days prior to the meeting to anyone who has filed a written request from the District for mailed notice of any meeting on new or increased fees. At least 10 days before the meeting, the District shall make available to the public the data indicating the amount of cost, or estimated cost, required to provide the service or the cost of enforcing any regulation for which the fee is charged and the revenue sources anticipated to provide the service or the cost of enforcing any regulation, including general fund revenues. (Health & Safety Code § 13916)

10.8 Signature and Attestation of Ordinances.

Every ordinance shall be signed by the President, or Vice-President if the President is not available, and attested by the clerk. (Govt. Code § 25121.)

10.8 Publication of Ordinances.

After the Board adopts an ordinance, it shall be published as required in Government Code section 2512.

VOTING REQUIREMENTS FOR THE BOARD OF DIRECTORS

Attachment A to the Moraga Orinda Fire District Rules of Procedure for the Board of Directors^[AA6]

I. Majority votes of the Membership of the Board

Unless the Board of Directors is taking an action specified below, a majority vote of the membership of the Board of Directors, or three votes, is required to take action. (Health & Safety Code § 13856.)

II. Adoption of Ordinances

A. Regular Ordinance

Adoption of a regular ordinance requires a majority of members of the Board of Directors – three members. (Health & Safety Code § 13861(h); Govt. Code § 25123(d).)

B. Urgency Ordinance

Adoption of an urgency ordinance requires a four-fifths vote of the Board of Directors – four members.¹ (Health & Safety Code § 13861(h); Govt. Code § 25123(d).)

III. Financial Decisions Requiring More than a Majority Vote.

A. Reallocation of Certain Types of Appropriations.

Changes to certain types of appropriations after the approval of a final budget, requires four votes of the Board of Directors. Four votes are required if the Board seeks to make available for appropriation any of the following:

- (a) Balances in appropriations for contingencies, including accretions from cancellations of appropriations.
- (b) Designations and reserves no longer required for the purpose for which intended, excluding the general reserve, balance sheet reserves, and reserve for encumbrances.
- (c) Amounts which are either in excess of anticipated amounts or not specifically set forth in the budget derived from any or anticipated increases in available financing.

(Health & Safety Code § 13900.)

B. Appropriating Funding in an Emergency.

If an emergency affects the ability of the District to provide adequate services, the Board of Directors may make available for expenditure money that was not specifically set forth as revenue in the final budget. Such an action requires four votes. (Health & Safety Code § 13901.)

¹ An urgency ordinance is an ordinance passed for the immediate preservation of the public peace, health or safety. (Govt. Code § 25123(d).) An urgency ordinance may be passed immediately upon introduction at either a regular or special meeting. (Govt. Code § 25131.)

C. Discontinuing Capital Outlay Reserves.

The Board may establish a reserve for capital outlays for a specific declared purpose. If so, the Board may transfer to that capital outlays reserve any unencumbered surplus funds remaining at the end of the fiscal year. The capital outlay reserve may only be used for the purpose declared by the Board. If the Board finds that the final budget reserve is no longer required, it may discontinue the reserve or transfer any balance to the district's general fund. The decision to discontinue the reserve or transfer the balance must be made by a unanimous vote of the Board. (Health & Safety Code § 13902.)

IV. Incurring Debt.

A. Borrowing Funds to Acquire Property.

The District may borrow money to purchase real property. (Health & Safety Code § 13906.) The Board must approve the action to incur the debt by a resolution adopted by four votes. (*Ibid.*)

B. General Obligation Bond Indebtedness.

The Board may issue general obligation bonds for the acquisition or construction of any real property, other capital expenses, or funding any outstanding indebtedness. The Board must adopt a resolution calling an election to incur indebtedness and to issue general obligation bonds. (Health & Safety Code §§ 13925 *et. seq.*) If two-thirds of the voters approve incurring the debt and issuing the bonds, the Board may then adopt resolutions to issue the bond. (Health & Safety Code § 13928.) Because the statutes authorizing the Board to adopt resolutions calling for an election and then issuing the bonds do not expressly require a supermajority, the Board may adopt those resolutions by a majority of the total membership of the Board, or three members. (Health & Safety Code § 13856.)

C. Temporary Borrowing.²

The District may temporarily borrow funds to be repaid within the same year as the funds are borrowed. The District must adopt a resolution approved by a four-fifths vote of the Board to do so. (Govt. Code §§ 53824, 53825.)

The District may borrow funds secured by a note for any purpose the District is authorized to use funds, including but not limited to current expenses, capital expenditures, investment and reinvestment, and the discharge of any obligation or indebtedness. (Govt. Code § 53852.) The notes must be repaid within 15 days of issuance. (Govt. Code § 53854.) There is no voting requirement specified within Article 7.6.

D. Securitized Limited Obligation Notes.

The District may borrow money secured by a limited obligation note. The District may use the money solely for the acquisition of land, facilities, or equipment. (Govt. § 53837.) The District must adopt a resolution approved by a four-fifths vote of the Board to do so. (Govt. Code §

² Health & Safety Code section 13897 allows a district to borrow money and incur indebtedness as otherwise authorized in Articles 7, 7.4, 7.5, 7.6, and 7.7 of the Government Code.

53838.)

E. Grant Anticipation Notes.

The District to temporarily borrow money based on a grant anticipation note, grant, or loan from the federal or state government for which funds have been appropriated and committed to the District. (Govt. Code §§ 53859, 53859.02.) The Board must approve the debt by resolution, but the statute does not require a four-fifths vote. (Govt. Code § 53859.03.)

DRAFT

RESOLUTION NO. 11-03

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE MORAGA-ORINDA FIRE DISTRICT
ADOPTING RULES OF PROCEDURE FOR BOARD MEETINGS
AND RELATED FUNCTIONS AND ACTIVITIES**

WHEREAS, the Board of Directors ("District Board") of the Moraga-Orinda Fire District ("District") has previously adopted Rules of Procedure to govern the conduct of its meetings and related functions and activities through Resolution Number 07-02; and

WHEREAS, the District Board desires to amend its Rules of Procedure for purposes of clarification, and replace the District's existing Rules of Procedure.

NOW, THEREFORE, BE IT RESOLVED that the District Board does hereby repeal Resolution Number 07-02 relating to the adoption of Rules of Procedure and related functions and activities within the District.

BE IT FURTHER RESOLVED that the District Board does hereby adopt the following Rules of Procedure for District Board meetings and related functions and activities:

PURPOSE: The purpose and intent of the District Board in adopting these rules is to provide directory, as opposed to mandatory, guidelines relating to the conduct of the public business by or on behalf of the District Board, and in the event of any noncompliance with or violation of any provision herein, such will not be deemed to affect the validity of any action taken, unless otherwise specifically provided by law. These procedures are intended to supplement and implement provisions of the Ralph M. Brown Act, Government Code section 54950 et seq., (the "Brown Act").

1. MEETINGS

1.1 REGULAR MEETING:

The District Board shall hold regular meetings located at the Moraga-Orinda Fire District at 1280 Moraga Way, Moraga, California 94556, on the third Wednesday of each month beginning at 7:00 p.m. When the day for a regular meeting of the District Board falls on a legal holiday, the District Board, at the preceding meeting, shall determine the time and date of any rescheduled meeting.

1.2 ADJOURNED MEETINGS:

Any meeting may be adjourned to a time, place, and date certain, but not beyond the next regular meeting, in compliance with the Brown Act Section 54955. Once adjourned, the meeting may not be reconvened. Whenever a regular or adjourned meeting is adjourned as provided in this section, the resulting adjourned meeting is a regular meeting for all purposes.

1.3 SPECIAL AND EMERGENCY MEETINGS:

Special and emergency meetings shall be held and noticed in compliance with the Brown Act Sections 54956 and 54956.5

Special Meetings may be called by the Board President or majority of Board Members on

24-hours notice, as set forth in the Government Code section 54956. The notice shall specify the time and place of the special meeting and the business to be transacted or discussed. Only matters contained in the notice may be considered.

1.4 QUORUM:

Unless otherwise provided for in District Ordinance, a majority of the District Board shall be sufficient to do business and motions may be passed by a vote of 2-1 if only 3 Board Members attend. The following matters, however, require three affirmative votes: a) adoption of ordinances, b) resolutions granting franchises, and c) orders for payment of money.

1.4.1 Legally Required Participation:

If a majority of the District Board shall be disqualified to vote on a matter by reason of actual or apparent conflict of interest, the District Board shall select by lot or other means of random selection, or by such other impartial and equitable means as the District Board shall determine, that number of its disqualified members which, when added to the members eligible to vote, shall constitute a quorum. The selected disqualified members may vote, but may not participate in discussion or deliberation on the item.

1.5 MEETINGS TO BE PUBLIC:

All regular, adjourned, special, and emergency meetings of the District Board shall be open to the public, provided, however, the District Board may hold closed sessions from which the public may be excluded for the consideration of matters authorized by the Brown Act, which include, but are not presently limited to, personnel matters, negotiations for the sale or purchase of real property, attorney-client consultation concerning existing and potential litigation.

2. ORDER OF BUSINESS

2.1 AGENDA:

In order to facilitate the orderly conduct of the business of the District Board, the Board Clerk shall prepare an agenda for each Board Meeting in accordance with the Order of Business set forth in Section 2.1.1. The Agenda prepared by the Board Clerk shall, at a minimum, include:

1. The date of the meeting.
2. The time of the meeting.
3. The location of the meeting.
4. A specified period of time for members of the public to address the District Board on items of interest to the public that are within the jurisdiction of the District Board.
5. A specified section under which Board Members and District Staff may present information-only reports.

2.1.1 The Order of Business of each meeting shall be as contained in the Agenda prepared by the Board Clerk. The Agenda shall be a listing by topic of the subjects which shall be taken up for consideration in the following order:

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. CLOSED SESSION
5. RECONVENE THE MEETING
6. REPORT OF CLOSED SESSION ACTION
7. PUBLIC COMMENT
8. CONSENT AGENDA
9. REGULAR CALENDAR
10. COMMITTEE REPORTS
11. ANNOUNCEMENTS
12. ADJOURNMENT

2.1.2 On a majority vote of the District Board, items may be taken out of the order prescribed above, so long as there is no discernible prejudice to the right of the public to be heard on the matter.

2.1.3 No matters other than those on the agenda shall be finally acted upon by the District Board; provided, however, that the District Board may take action on items of business which do not appear on the posted agenda under any of the following conditions or circumstances.

(1) Upon a determination by a majority vote of the District Board that an emergency situation exists, as defined in the Brown Act Section 54956.5;

(2) Upon a determination by a two-thirds vote of the District Board, or, if less than two-thirds of the members are present, by a unanimous vote of those members present, that the need to take immediate action arose subsequent to the Agenda having been posted;

(3) The item was posted for a prior meeting of the District Board occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is proposed to be taken.

2.2 DELIVERY OF AGENDA:

The Agenda for each regular meeting of the District Board, and reports and other documentation related thereto, shall be delivered to the Board Members and made available to the public on the Friday preceding the Wednesday meeting to which it pertains. In respect to every regular meeting, the Agenda shall conform to the Brown Act Section 54954.2 and shall be posted at least 72 hours prior to the time scheduled for the meeting. Agendas shall be posted on the windows outside the administrative offices of the District located at 33 Orinda Way, and at such other places within the District as the District Board has designated for posting notices of District Board meetings.

2.3 ROLL CALL:

Before proceeding with the business of the District Board, the names of those present shall be entered in the minutes. No formal roll call need be taken.

2.4 APPROVAL OF MINUTES:

Unless requested by a majority of the District Board, minutes of the previous meeting may be approved without public reading if the Board Clerk has previously furnished each Board Member with a copy thereof.

2.5 PUBLIC HEARINGS:

Generally, public hearings (such as Public Hearing on Fire Code Adoption, Public Hearing on Exterior Hazard Control Notices - Weed Abatement, Public Hearing Contesting Weed Abatement Notification), other than those of a quasi-judicial nature, shall be conducted in the following order:

- Staff Review
- Questions of Staff by District Board
- Hearing opened by Board President
- Preliminary Board Comments
- Testimony by proponents
- Testimony by opponents
- Public Comments
- Rebuttal by proponents
- Questions by District Board
- Discussion by District Board
- Proposed Action by District Board
- Public Comment on Proposed Action by District Board
- Closing of Hearing
- Final Action by District Board

Questions or comments from the public shall be limited to the subject under consideration. Depending upon the extent of the agenda, and the number of persons desiring to speak on an issue, the Board President may at the beginning of the hearing limit testimony, but in no event to less than three minutes per individual. Any person may speak for a longer period of time, upon approval of the District Board, when this is deemed necessary in such cases as when a person is speaking as representative of a group or has graphic or slide presentations requiring more time.

Quasi-judicial hearings shall be conducted in accordance with the principles of due process, and the District Counsel shall advise the District Board in this regard.

At any public hearing before the District Board, testimony of witnesses under oath may be requested by the District Board.

2.6 PUBLIC COMMENT:

Public comment on any item not otherwise appearing on the agenda is invited during the Public Comment.

If the matter brought before the Board requires a collective decision by a majority of the

members of the Board, the matter may be received and then forwarded to staff, a Director or Board Committee for recommendation and report at a subsequent meeting. This procedure is necessary in order to comply with the Brown Act. Items brought under this category may be limited to ten (10) minutes per subject and three (3) minutes per speaker. The name and address of the speaker will be asked to be stated for the record.

2.7 CONSENT AGENDA:

Items of routine nature, and non-controversial, shall be placed on the Consent Agenda. All items may be approved by one blanket motion upon unanimous consent. Prior to, or following review of, the Consent Agenda by the District Chief, any Board Member may request that any item be withdrawn from the Consent Agenda for separate consideration. Any member of the public may request any Board Member to withdraw a Consent Agenda item from Board consideration. However, any Board Member may abstain from voting on any Consent Agenda item without requesting its removal from the Consent Agenda, and the Board Clerk shall be instructed to record such abstentions in the minutes.

2.8 PARTICIPATION BY MEMBERS OF THE DISTRICT BOARD IN AGENDA SETTING:

The President or any District Board Member may bring before the District Board any new business under the Announcements portion of the agenda for the purpose of agendaizing and not discussing, but formal action such matters shall be deferred until a subsequent District Board meeting unless deemed to be of an urgent nature.

3. PRESIDING OFFICER

3.1 PRESIDING OFFICER

The Board President shall be the Presiding Officer, also referred to herein as "Chair", at all meetings of the District Board. In the absence of the Board President, the Board Vice-President shall preside. In the absence of both the Board President and the Board Vice President, the District Board Secretary shall act as the presiding officer to serve until the arrival of the Board President or Board Vice President or until adjournment.

3.2 CALL TO ORDER:

The meeting of the District Board shall be called to order by the Board President or, if absent, by the Board Vice President. In the absence of both the Board President and the Board Vice President, the meeting shall be called to order by the Board Secretary.

3.3 PARTICIPATION OF PRESIDING OFFICER:

The Presiding Officer may move, second, and debate from the Chair, subject only to such limitations of debate as are imposed on all Board Members, and the Presiding Officer shall not be deprived of any of the rights and privileges of a Board Member by reason of acting as Presiding Officer. However, the Presiding Officer is primarily responsible for the conduct of the meeting. If the Presiding Officer desires to personally engage in extended debate on questions before the District Board, the Presiding Officer should consider turning the Chair over to another member.

3.4 QUESTION TO BE STATED:

The Presiding Officer shall verbally restate each question immediately prior to calling for the vote. Following the vote, the Presiding Officer shall verbally announce whether the question carried or was defeated. The Presiding Officer may also publicly state the effect of the vote for the benefit of the audience before proceeding to the next item of business.

3.5 SIGNING OF DOCUMENTS:

The Board President, or Board Vice President, in the absence of the Board President, shall sign ordinances and resolutions adopted by the District Board. The Board Clerk or Deputy Board Clerk shall attest to the signature of the Board President or Board Vice President.

3.6 MAINTENANCE OF ORDER:

The Board President or Presiding Officer is responsible for the maintenance of order and decorum at all times. No person is allowed to speak who has not first been recognized by the Chair. All questions and remarks shall be addressed to the Chair.

4. RULES, DECORUM AND ORDER

4.1 POINTS OF ORDER:

The Presiding Officer shall determine all Points of Order subject to the right of any member to appeal to the District Board. If any appeal is taken, the question shall be, "Shall the decision of the Presiding Officer be sustained?" in which event a majority vote shall govern and conclusively determine such question of order.

4.2 DECORUM AND ORDER - BOARD MEMBERS:

(a) Any Board Member desiring to speak shall address the Chair and, upon recognition by the Presiding Officer, shall confine remarks to the question under debate.

(b) A Board Member desiring to question the staff shall address questions to the District Chief or District Counsel, in appropriate cases, who shall be entitled either to answer the inquiry himself or to designate some member of staff for that purpose.

(c) A Board Member, once recognized, shall not be interrupted while speaking unless called to order by the Presiding Officer; unless a Point of Order is raised by another Board Member; or unless the speaker chooses to yield to questions from another Board Member.

(d) Any Board Member called to order while speaking shall cease speaking immediately until the question of order is determined. If ruled to be in order, the Board member shall be permitted to proceed. If ruled to be not in order, the Board member shall remain silent or shall alter remarks so as to comply with rules of the District Board.

(e) Board Members shall accord the utmost courtesy to each other, to District employees, and to the public appearing before the District Board and shall refrain at all times from rude and derogatory remarks, reflections as to integrity, abusive comments and statements as to motives and personalities.

(f) Any Board Member may move to require the Presiding Officer to enforce the rules and the affirmative vote of a majority of the District Board shall require the Presiding Officer to so act.

4.3 DECORUM AND ORDER - EMPLOYEES:

Members of the administrative staff and employees of the District shall observe the same rules of procedure and decorum applicable to members of the District Board. The District Chief shall insure that all District employees observe such decorum. Any staff members including the District Chief, desiring to address the District Board or members of the public shall first be recognized by the Chair. All remarks shall be addressed to the Chair and not to any one individual Board Member or member of the public.

4.4 DECORUM AND ORDER - PUBLIC:

Members of the public attending District Board meetings shall observe the same rules or order and decorum applicable to the District Board. Any person making impertinent and slanderous remarks or who becomes boisterous while addressing the District Board or while attending the District Board meeting shall be removed from the room if the sergeant-of-arms is so directed by the Presiding Officer, and such person may be barred from further audience before the District Board. Unauthorized remarks from the audience, stamping of feet, whistles, yells and similar demonstrations shall not be permitted by the Presiding Officer, who may direct the sergeant-of-arms to remove such offenders from the room. Aggravated cases shall be prosecuted on appropriate complaint signed by the Presiding Officer.

4.5 ENFORCEMENT OF DECORUM:

District Chief or designee shall be ex-officio sergeant-of-arms of the District Board. The ex-officio sergeant-of-arms shall carry out all orders and instructions given by the Presiding Officer for the purpose of maintaining order and decorum in the Board Chambers. Upon instructions from the Presiding Officer, it shall be the duty of the sergeant-of-arms or another representative to eject any person from the District Board Chambers or place the individual under arrest or both.

As set forth in the Brown Act Section 54957.9, in the event that any meeting is willfully interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible and order cannot be restored by the removal of individuals who are willfully interrupting the meeting, the members of the District Board may order the meeting room cleared and continue in session. Only matters appearing on the agenda may be considered in such a session. Duly accredited representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to this section. Nothing in this section shall prohibit the District Board from establishing procedure for readmitting an individual or individuals not responsible for willfully disturbing the orderly conduct of the meeting.

4.6 PERSONAL PRIVILEGE:

A District Board Member may request a point of personal privilege, requesting the immediate consideration of a matter affecting the comfort, safety or orderliness of a member.

4.7 CONFLICT OF INTEREST:

All Board Members are subject to the provisions of California Law, including, but not limited to, California Government Code, section 1090 *et seq.* relative to conflicts of interest, and to conflicts of interest codes as may be adopted by the District Board and to the provisions of Government Code section 87100 *et seq.* relative to certain defined financial interests prohibiting participation in District decisions. Any Board Member prevented from voting because of a conflict of interest or a declared financial interest shall refrain from debate and voting on the included matter. Such Board Member must leave the District Chambers during debate and voting on the issue, except as may be allowed as a private citizen.

4.8 LIMITATION OF DEBATE:

No Board Members normally should speak more than once upon any one subject until every other Board Member choosing to speak thereon has spoken.

4.9 DISSENTS, PROTESTS, AND COMMENTS:

Any Board Member shall have the right to express dissent from or protest to or comment upon any action of the District Board and have the reason entered in the minutes. If such dissent, protest or comment is desired to be entered in the minutes, this should be made clear by language such as, "I would like the minutes to show that I am opposed to this action for the following reasons . . ."

4.10 PROCEDURES IN ABSENCE OF RULES:

In the absence of a rule herein to govern a point or procedure, Robert's Rules of Order, Newly Revised, shall be used as a guide.

4.11 RULINGS OF PRESIDENT ARE FINAL UNLESS OVERRULED:

In presiding over District Board meetings, the Board President, Board Vice President, or temporary Presiding Officer shall decide all questions of interpretation of these rules, points of order or other questions of procedure requiring rulings. Any such decision or ruling shall be final unless overridden or suspended by a majority vote of the Board Members present and voting, and shall be binding and legally effective (even though clearly erroneous) for purposes of the matter under consideration.

4.12 ACTIONS NOT INVALIDATED:

Failure to strictly comply with these Rules of Procedure shall not necessarily invalidate any action taken by the District Board.

5. PROCEDURES FOR BOARD ACTION ON AGENDIZED ITEMS

5.1 The Board shall take input from staff and other invited experts and ask questions for clarification.

5.2 The Board shall discuss the item on the agenda and may ask further questions of staff or other invited experts.

5.3 The Board shall invite comments or questions from the public relative to that agenda item. A limitation of three (3) minutes may be imposed upon each person so desiring to address the Board.

5.4 A motion is made and seconded if an action is intended to occur.

5.5 The Board shall invite comments or questions from the public relative to that motion. A limitation of three (3) minutes may be imposed upon each person so desiring to address the Board.

5.6 The Board deliberates on the motion.

5.7 The Board votes.

6. ADDRESSING THE DISTRICT BOARD

6.1 MANNER OF ADDRESSING THE DISTRICT BOARD:

Any member of the public desiring to address the District Board shall wait to be recognized by the Presiding Officer. After being recognized, he or she shall state his or her name and address for the record.

All remarks and questions shall be addressed to the Chair and not to any individual District Board Member, staff member or other person. During a public hearing, all remarks shall be limited to the subject under consideration. No person shall enter into any discussion without being recognized by the Presiding Officer.

6.2 TIME LIMITATION:

Any member of the public desiring to address the District Board may be required to limit his or her address to three (3) minutes unless further time has been granted by the Presiding Officer in the individual case, or in accordance with Section 2.5.

6.3 LIMITATION REGARDING PUBLIC COMMENT AND REPORTS:

The making of oral communications to the District Board by any member of the public during the Public Comment portion of the Agenda shall be subject to the following limitations:

6.3.1 At any time, before or after the oral communication is commenced, the Presiding Officer may if he deems it preferable, direct that the communication be made instead either to the District Chief or other appropriate staff member during regular business hours or in writing for subsequent submittal to Board Members, pursuant to Section 6.5.

6.3.2 The Presiding Officer may limit the number of speakers heard on non-agenda topics at any single meeting. Those whose presentations are postponed shall be given priority at the next meeting, during the Public Comment portion of the Agenda.

6.3.3 If it appears that several speakers desire to speak regarding a single topic, the Presiding Officer may reasonably limit the number speaking as to each side of an issue. In this regard, preference may be given to speakers who represent groups or persons who have designated a spokesperson.

6.4 WRITTEN CORRESPONDENCE

The District Chief is authorized to receive and open all mail addressed to the District Board as a whole and give it immediate attention to the end that all administrative business referred to in said communications, and not necessarily requiring District Board action, may be disposed of between District Board meetings. A copy of such communication shall be sent to each Board Member by the appropriate means. Any communication relating to a matter pending or to be brought before the District Board shall be included in the agenda packet for the meeting at which such item is to be considered.

Letters of appeal from administrative decisions shall be processed under applicable provisions of the District ordinances.

Copies of all other communications sent to the District Board will be transmitted to all District Board Members.

6.5 PERSONS AUTHORIZED TO BE WITHIN PLATFORM:

No person except District officials shall be permitted within the platform area in front of the District Board table without the invitation or consent of the Presiding Officer.

7. MOTIONS

7.1 PROCESSING OF MOTIONS:

When a motion is made and seconded, it shall be stated by the Presiding Officer before debate. A motion so stated shall not be withdrawn by the mover without the consent of the person seconding it.

7.2 MOTIONS OUT OF ORDER:

The Presiding Officer may at any time, by majority consent of the District Board, permit a Board member to introduce an ordinance, resolution or motion out of the regular agenda order.

7.3 DIVISION OF QUESTION:

If the question contains two or more divisionable propositions, the Presiding Officer may, and upon request of a Board Member shall, divide the same.

7.4 PRECEDENCE OF MOTIONS:

When a motion is before the District Board, no motion shall be entertained except the following, which shall have precedence in the following order:

- a. Adjourn
- b. Fix Hour of adjournment
- c. Table
- d. Limit or terminate discussion
- e. Substitute
- f. Reconsider
- g. Amend
- h. Postpone

7.5 MOTION TO ADJOURN: (not debatable)

A motion to adjourn shall be in order at any time, except as follows:

- a. When repeated without intervening business or discussion.
- b. When made as an interruption of a Board Member while speaking.
- c. When discussion has been ended, and vote on motion is pending, and,
- d. While a vote is being taken.

A motion to adjourn "to another time" shall be debatable only as to the time to which the meeting is adjourned.

7.6 MOTION TO FIX HOUR OF ADJOURNMENT:

Such a motion shall be to set a definite time at which to adjourn and shall be undebatable and shall be unamendable except by unanimous vote.

7.7 MOTION TO TABLE:

A motion to table shall be used to temporarily by-pass the subject. A motion to table shall be undebatable and shall preclude all amendments or debate of the subject under consideration. If the motion shall prevail, the matter may be "taken from the table" at any time prior to the end of the next regular meeting.

7.8 MOTION TO LIMIT OR TERMINATE DISCUSSION:

Such a motion shall be used to limit or close debate on, or further amendment to, the main motion and shall be undebatable. If the motion fails, debate shall be reopened; if the motion passes, a vote shall be taken on the main motion.

7.9 MOTION TO AMEND:

A motion to amend shall be debatable only as to the amendment. A motion to amend an amendment shall be in order, but a motion to amend an amendment to an amendment shall not be in order. An amendment modifying the intention of a motion shall be in order, but an amendment relating to a different matter shall not be in order. A substitute motion on the same subject shall be acceptable, and voted on before a vote on the amendment. Amendments shall be voted first then the main motion as amended.

7.10 MOTION TO CONTINUE

Motions to continue to a definite time shall be amendable and debatable as to propriety of postponement and time set.

8. VOTING PROCEDURE

8.1 VOTING PROCEDURE:

In acting upon every motion, the vote shall be taken by voice or roll call or any other method by which the vote of each Board Member present can be clearly ascertained. The Board Clerk shall call the names of all members seated when a roll call vote is ordered or required. Board Members shall respond "aye," "no" or "abstain," provided that when a vote is collectively taken by voice or when a method of voting other than by voice or roll call is used, any Board Member not audibly and clearly responding "no" or "abstain" or otherwise registering an objection shall have his voice recorded as "aye".

8.2 ROLL CALL VOTING:

Every ordinance and any resolution or orders for franchises or payments of money require three affirmative votes. A roll call vote shall be used for these changes. Any other question before the District Board shall not require a roll call vote unless demanded by any Board Member. It shall not be in order for Board Members to explain their vote during roll call. Any Board Member may change his vote before the next order of business.

8.3 RECONSIDERATION:

Any Board Member who voted with the majority may move a reconsideration of any action at the same or next meeting. After a motion for reconsideration has once been acted upon, no other motion for reconsideration thereof shall be made without unanimous consent of the District Board.

8.4 TIE VOTES:

Tie votes shall be lost motions. When all District Board Members are present, a tie vote on whether to grant an appeal from official action shall be considered a denial of such appeal, unless the District Board takes other action to further consider the matter. If a tie vote results at a time when less than all Board Members are present the matter shall automatically be continued to the agenda of the next regular meeting of the District Board, unless otherwise ordered by the District Board.

9. RESOLUTIONS

9.1 DEFINITIONS:

Legislative acts of the District Board (usually a role of public policy for long-term application) are taken by ordinance, whereas more routine business and administrative matters (usually more temporary and transitory in nature) are accomplished by "resolutions." The term "resolution," generally denotes any action taken affirmatively via a vote of the District Board, other than one taken by ordinance. Three terms are in general use to denote such (non-ordinance) actions: "resolution," "minute order," and "motion" (thereafter recorded by minute entry). All three actions are equally as legally effective and binding; they just vary in the formality of respective memorialization.

The most formal is referred to locally as a "resolution" which in addition to being referenced in the minutes, will be recorded by a separate document, numbered in sequence and preserved in a separate set of books. Such "resolutions" are used in this District for various reasons, such as when specifically required by law, when needed as a separate evidentiary document to be transmitted to another governmental agency, or where the frequency of future reference back to its contents warrants a separate document (with the additional "whereas" explanatory material it often recites) to facilitate such future reference and research.

A "minute order" denotes a separate document which is also maintained in a separate set of books, under a system of sequential numbering, and is referenced in the minutes; however, the "minute order" is drafted far more briefly than a "resolution" and is distinguished from a mere minute entry only by the need in general, to have a separate document to facilitate certain administrative processes to which it pertains.

A "motion" (assuming it was one which passed) is a District Board action which is recorded simply by an item entry in the minutes of the meeting at which it was accomplished, and no separate document is made to memorialize it.

9.2 RESOLUTIONS PREPARED IN ADVANCE:

Where a resolution has been prepared in advance, the procedure shall be: Motion, second, discussion, vote pursuant to methods prescribed in Section 8.1, and result declared. It shall not be necessary to read a resolution in full or by title except to identify it. Any Board Member may require that the resolution be read in full.

9.3 RESOLUTIONS NOT PREPARED IN ADVANCE:

Where a resolution has not been prepared in advance, the procedure shall be to instruct the District Chief or District Counsel to prepare a resolution for presentation at the next District Board meeting.

9.4 URGENCY RESOLUTIONS:

In matters of urgency, a resolution may be presented verbally in motion form together with instructions for written preparation for later execution. After the resolution has been verbally stated, the voting procedure in 8.1 above shall be followed.

Urgency resolutions shall be avoided except when absolutely necessary; and shall be avoided entirely when resolutions are required by law. Where the resolution has been drafted in written form either before or during the meeting, this paragraph shall not be deemed applicable.

10. ORDINANCES

10.1 INTRODUCTION AND ADOPTION OF ORDINANCES:

Ordinances shall not be passed within five days of their introduction, nor at other than a regular meeting or at an adjourned regular meeting. However, an urgency ordinance may be passed immediately upon introduction and either at a regular or special meeting. Except when, after reading the title, further reading is waived by regular motion adopted by unanimous vote of the Board Members present, all ordinances shall be read in full either at the time of introduction or passage.

When ordinances, other than urgency ordinances, are altered after introduction, they shall be passed only at regular or at an adjourned regular meeting held at least five days after alteration.

Corrections of typographical or clerical errors are not alterations within the meaning of this section.

10.2 EFFECTIVE DATE:

All ordinances, except as otherwise provided by law, shall take effect 30 days after adoption, but may be made operative at such later date as may be designated in the ordinance.

10.3 PUBLISHING:

It shall be the duty of the Board Clerk to post or publish all ordinances within 15 days after adoption.

10.4 URGENCY ORDINANCES:

All urgency ordinances must receive four (4) affirmative votes to be adopted and to become effective immediately. If such an ordinance fails to receive a 4/5 majority, it may thereafter be considered and passed in the same manner as regular ordinances.

11. ELECTION OF OFFICERS

The District Board shall elect the following Officers: President, Vice President, Secretary and Treasurer on an annual basis or as may be required after a general district election. The District Board may also elect such additional officers as may be created.

12. STANDING OR AD HOC COMMITTEES

The District Board may appoint such standing or ad hoc committees as are necessary to conduct District business.

PASSED, APPROVED AND ADOPTED this 19th day of January 2011, by the following vote:

AYES: **Directors Mancinelli, Olsen, Sperling, Weil, and President Wyro**
NOES: **None**
ABSENT: **None**
ABSTAIN: **None**



John Wyro, President
Board of Directors

ATTEST:



Grace Santos
Secretary to the Board

~~RESOLUTION NO. 11-03~~

~~RESOLUTION OF THE MOFD BOARD OF DIRECTORS OF
THE MORAGA-ORINDA FIRE DISTRICT
ADOPTING RULES OF PROCEDURE FOR BOARD MEETINGS
AND RELATED FUNCTIONS AND ACTIVITIES PROCEDURES~~

~~WHEREAS,~~

<u>1. AUTHORITY.....</u>	<u>4</u>
<u>1.1 State Law.....</u>	<u>4</u>
<u>2. GENERAL BOARD RULES.....</u>	<u>4</u>
<u>2.1 Board Members.....</u>	<u>4</u>
<u>2.2 Decorum of Board Members.....</u>	<u>4</u>
<u>2.3 Selection of President and Vice-President.....</u>	<u>5</u>
<u>2.4 Presiding Officer.....</u>	<u>5</u>
<u>2.5 Committees.....</u>	<u>5</u>
<u>2.6 Written Correspondence.....</u>	<u>5</u>
<u>3. MEETINGS AND ACTIONS, GENERALLY.....</u>	<u>5</u>
<u>3.1 Meetings to Be Public.....</u>	<u>5</u>
<u>3.2 Meeting Location.....</u>	<u>5</u>
<u>3.3 Board Action.....</u>	<u>5</u>
<u>3.4 Quorum and Vote.....</u>	<u>6</u>
<u>3.6. Record of Proceedings.....</u>	<u>6</u>
<u>3.7 Fire Chief.....</u>	<u>6</u>
<u>3.8 General Counsel.....</u>	<u>6</u>
<u>3.9 District Clerk.....</u>	<u>6</u>
<u>3.10 Sergeant-at-Arms.....</u>	<u>6</u>
<u>3.11 Rules of Order.....</u>	<u>6</u>
<u>4. TYPES OF MEETINGS.....</u>	<u>7</u>
<u>4.1 Regular Meetings.....</u>	<u>7</u>
<u>4.2 Special Meetings.....</u>	<u>7</u>

4.3 Emergency Meetings.	8
4.4 Adjourned Meetings.	8
4.5 Closed Sessions.	8
4.6 Disclosure of Information from Closed Session.	8
5. AGENDAS AND ORDER OF BUSINESS.	8
5.1 Agenda.	8
5.2 Agenda Posting.	8
5.3 Order of Business.	9
5.4 Change to the Order of Business.	11
5.5 Consent Agenda.	12
5.6 Discussion of Items Not on the Agenda Prohibited.	14
5.7 Exceptions for Considering Items Not on the Agenda.	14
6. CONDUCT OF MEETINGS.	15
6.1 Call to Order.	15
6.2 Preservation of Order.	15
6.3 Points of Order.	15
6.4 Questions to be Stated.	15
6.5 Procedures for Board Action on Agenda Items.	15
6.6. Hearings When Board sits as a Board of Appeals.	15
7. PUBLIC PARTICIPATION.	16
7.1 Conditions of Attendance Prohibited.	16
7.2 General Public Comment at Regular Meetings.	16
7.3 Public Comment on Each Agenda Item at Regular and Special Meetings.	16
7.4 Manner of Addressing the District Board.	16
7.4 Public's Right to Criticize.	16
7.5 Limitations on Public Comment.	17
7.6 Disorderly Conduct of Public During a Meeting.	17
8. VOTING PROCEDURE.	17
8.1 Voting Procedure.	17
8.2. Announce Vote.	17
8.3 Reconsideration.	18
8.4 Conflict of Interest.	18
9. ADOPTION OF BUDGET.	18

<u>9.1 Preliminary Budget and Notice.....</u>	<u>23</u>
<u>9.2 Publication of Notice of Adoption of Budget.....</u>	<u>24</u>
<u>9.3 Adoption of Final Budget.....</u>	<u>24</u>
<u>10. RESOLUTIONS AND ORDINANCES.....</u>	<u>24</u>
<u>10.1 Complete and Numbered.....</u>	<u>24</u>
<u>10.2 Resolutions.....</u>	<u>24</u>
<u>10.3 Matters That Require a Resolution.....</u>	<u>24</u>
<u>10.3 Governing Law for Adopting Ordinances.....</u>	<u>24</u>
<u>10.4 Adoption of Ordinances.....</u>	<u>24</u>
<u>10.5 Adoption of Urgency Ordinances.....</u>	<u>25</u>
<u>10.7 Matters That Require an Ordinance.....</u>	<u>26</u>
<u>10.6. Adoption of Ordinance Adopting Building Standards Relating to Fire and Panic Safety.....</u>	<u>27</u>
<u>10.7 Fee Ordinances.....</u>	<u>27</u>
<u>10.8 Signature and Attestation of Ordinances.....</u>	<u>27</u>
<u>10.8 Publication of Ordinances.....</u>	<u>27</u>

Attachment A: Voting Requirements for the Board of Directors
(“District.....14

1. AUTHORITY.

1.1 State Law.

~~The Board²) of Directors of the Moraga-Orinda Fire District ("District") has previously adopted Rules of Procedure to govern the conduct of its meetings and related functions and activities through Resolution Number 07-02; and~~

~~WHEREAS, the District Board desires to amend its Rules of Procedure for purposes of clarification, and replace the District's existing Rules of Procedure.~~

~~NOW, THEREFORE, BE IT RESOLVED that the District Board does hereby repeal Resolution Number 07-02 relating to serve as the adoption of Rules of Procedure and related functions and activities with governing body of the District.~~

~~BE IT FURTHER RESOLVED that the District Board does hereby adopt the following Rules of Procedure for District Board meetings and related functions and activities:~~

~~PURPOSE: The purpose and intent of the District Board in adopting these rules is to provide directory, as opposed to mandatory, guidelines relating to the conduct of the public business by or on behalf of the District Board, and in the event of any noncompliance with or violation of any provision herein, such will not be deemed to affect the validity of any action taken, unless otherwise specifically provided by law. (Health & Safety Code § 13840.) These rules govern the procedures are intended to supplement and implement provisions of the Ralph M. Brown Act, Government Code section 54950 et seq., (the "Brown Act").~~

~~1. MEETINGS~~

~~1.1 REGULAR MEETING:~~

~~The District Board shall hold regular meetings located at the Moraga-Orinda Fire District at 1280 Moraga Way, Moraga, California 94556, on the third Wednesday of each month beginning at 7:00 p.m. When the day for a regular meeting of the District for Board falls on a legal holiday, the District Board, at the preceding meeting, shall determine the time and date of any rescheduled meeting. meetings.~~

2. GENERAL BOARD RULES.

2.1 Board Members.

Each member of the Board of Directors shall be a resident of and registered voter in the District. (Health & Safety Code §13840.)

2.2 Decorum of Board Members.

Board Members shall accord the utmost courtesy to each other, to District employees, and to the public appearing before the District Board and shall refrain at all times from rude and derogatory remarks, reflections as to integrity, abusive comments and statements as to motives and personalities.

2.3 Selection of President and Vice-President.[AA1]

Each year, at the first regular meeting in December, the Board will select one of its members to serve as the President of the Board for the coming year and another member to serve as Vice-President.

No member of the Board shall serve as President for more than one consecutive year. No member of the Board shall serve as Vice-President for more than one consecutive year. In the event that four board members decline to accept nomination to serve as president, the current president by majority vote may serve a second consecutive term. [AA2]

2.4 Presiding Officer.

The President shall serve as the presiding officer of the Board, and in the President's absence, the Vice-President serves as presiding officer. The President and Vice-President have the additional duties specified in these Rules.

2.5 Committees.

The Board may establish standing or ad hoc committees as necessary to carry out the business of the District. The President shall appoint Board members to serve on the committees.

Standing committees with continuing subject matter or a meeting schedule fixed by the Board are legislative bodies subject to the provisions of the Brown Act. (Govt. Code § 54952(b).)

2.6 Written Correspondence.

The District Chief, or his or her designee, may receive and open all mail addressed to the District Board. A copy of all communications shall be sent to each member of the Board by the appropriate means. Any communication relating to a matter pending or brought before the Board shall be included in the agenda packet for the meeting at which the item is to be considered. Any communication not necessarily requiring Board action shall be addressed by District employees, as appropriate. Communication related to decisions of fire officials shall be processed under applicable provisions of the District ordinances.

3. MEETINGS AND ACTIONS, GENERALLY

3.1 Meetings to Be Public.

All meetings of the Board shall be open to the public, except that the Board may meet in closed session as permitted under the Ralph M. Brown Act ("Brown Act"). (Govt. Code §§ 54950-54956.)

3.2 Meeting Location.

The Board's regular meeting locations shall be 22 Orinda Way Orinda, CA and Moraga Library Community Room, 1500 Saint Mary's Road, Moraga CA. The meeting site may be changed for convenience, to accommodate larger attendance, and for other reasons, provided that the alternate location is within the jurisdiction of the District, permitted by law, accessible as required pursuant to the Americans with Disabilities Act, and the alternate location is posted at the District offices and on its website. (Govt. Code § 54954.)

3.3 Board Action.

The Board may act only by ordinance, resolution, or motion. (Health & Safety Code section 13856.)

3.4 Quorum and Vote.

A majority of the Board shall constitute a quorum for the transaction of business. A majority of the total membership of the Board is required on each action, unless otherwise required by law as set forth in Attachment A to these Rules.(Health & Safety Code § 13856.) [AA3]

3.6. Record of Proceedings.

The District Clerk shall keep a written account (“minutes”) of acts of the Board, all open meetings of the Board, and those minutes shall be retained pursuant to the District’s record retention policy. The minutes shall record the vote of each member on each item of business. (Govt. Code § 25122, Health & Safety Code § 13868.)

3.7 Fire Chief.

The Fire Chief shall attend all meetings of the Board. The Fire Chief may make recommendations to the Board and may take part in all discussions of the Board, but shall have not vote.

3.8 General Counsel.

The General Counsel for the District, or his or her designee, shall attend all meetings of the Board unless excused and shall, upon request from the Board or Fire Chief, give an opinion, either written or oral, on questions of law. General Counsel shall act as the Board’s parliamentarian. In the Counsel’s absence, the District Clerk shall serve in the capacity as parliamentarian.

3.9 District Clerk.

The District Clerk shall attend all meetings of the Board unless excused by the Fire Chief and shall be responsible for keeping the official record (minutes) and perform such other duties as may be required by the Board.

3.10 Sergeant-at-Arms.

The Fire Chief, or his or her designee, shall be the sergeant-at-arms of the District Board. The sergeant-at-arms shall carry out all orders and instructions by the presiding officer to maintain order and decorum in the Board chambers.

3.11 Rules of Order.

In the absence of a rule herein to govern a point or procedure, Robert's Rules of Order, Newly Revised, shall be used as a guide.

~~1.2 ADJOURNED MEETINGS:~~

~~Any meeting may be adjourned to a time, place, and date certain, but not beyond the next regular meeting, in compliance with the Brown Act Section 54955. Once adjourned, the meeting may not be reconvened. Whenever a regular or adjourned meeting is adjourned as provided in this section, the resulting adjourned meeting is a regular meeting for all purposes.~~

~~1.3 SPECIAL AND EMERGENCY MEETINGS:~~

~~Special and emergency meetings shall be held and noticed in compliance with the Brown Act Sections 54956 and 54956.5~~

~~Special Meetings may be called by the Board President or majority of Board Members on 24 hours notice, as set forth in the Government Code section 54956. The notice shall specify the time and place of the special meeting and the business to be transacted or discussed. Only matters contained in the notice may be considered.~~

~~1.4 QUORUM:~~

~~Unless otherwise provided for in District Ordinance, a majority of the District Board shall be sufficient to do business and motions may be passed by a vote of 2-1 if only 3 Board Members attend. The following matters, however, require three affirmative votes: a) adoption of ordinances, b) resolutions granting franchises, and c) orders for payment of money.~~

~~1.4.1 Legally Required Participation:~~

~~If a majority of the District Board shall be disqualified to vote on a matter by reason of actual or apparent conflict of interest, the District Board shall select by lot or other means of random selection, or by such other impartial and equitable means as the District Board shall determine, that number of its disqualified members which, when added to the members eligible to vote, shall constitute a quorum. The selected disqualified members may vote, but may not participate in discussion or deliberation on the item.~~

~~1.5 MEETINGS TO BE PUBLIC:~~

~~All regular, adjourned, special, and emergency meetings of the District Board shall be open to the public, provided, however, the District Board may hold closed sessions from which the public may be excluded for the consideration of matters authorized by the Brown Act, which include, but are not presently limited to, personnel matters, negotiations for the sale or purchase of real property, attorney-client consultation concerning existing and potential litigation.~~

~~2. [AA4]4. TYPES OF MEETINGS.~~

~~4.1 Regular Meetings.~~

~~Regular Meetings are held on the Third Wednesday of the Month at 7:00 p.m. and on the Fourth Wednesday of the month during the months of June, July, August, September, and October at 7:00 p.m.~~

~~4.2 Special Meetings.~~

~~A special meeting is a meeting held at a time or place that is different from the regular time or place of regular meetings. The President or the Board by motion may call for a special meeting. The notice and agenda for a special meeting shall specify the day, the hour, and the location of the special meeting and shall include an agenda of the items to be considered. Notice shall be provided to any local newspaper and radio or television station that has requested in writing to receive notice and shall be posted on the Board's website. No special meeting shall be held unless it complies with the twenty-four (24) hour minimum notice requirements set forth in the Brown Act. (Govt. Code § 54956.)~~

4.3 Emergency Meetings.

The Board may hold an emergency meeting if a majority of the members of the Board find that a work stoppage, crippling activity, or other activity severely impairs public health, safety, or both. The District must comply with the notice and minutes requirements provided in Government Code section 54956.5.

4.4 Adjourned Meetings.

When members of the Board wish to continue a regular or special meeting to a later date, the Board may approve a motion to adjourn the meeting and continue it to a definite later time. The second meeting is an “adjourned meeting.” Any meeting of the Board may be adjourned to a later date and time. The Clerk shall provide notice of an Adjourned Meeting in the same way required for a special meeting. A copy of the notice of adjournment shall be posted on or near the door of the place where the meeting was held within 2 hours of adjournment. If the adjourned meeting occurs more than five days after the meeting that was continued, a new agenda for the adjourned meeting shall be posted 72 hours in advance of the adjourned meeting. When a regular meeting is adjourned, the adjourned meeting is conducted in the same way as a regular meeting. (Govt. Code §§ 54954.2(b)(3), 54955.)

4.5 Closed Sessions.

The Board may meet in closed sessions only as permitted in the Brown Act. Closed sessions shall be scheduled at either the beginning or end of the Council meetings. After the closed session, the Board shall report any action taken in closed session and the vote of each member on that action as required by Government Code section 54957.1.

4.6 Disclosure of Information from Closed Session.

Members of the Board or any other person attending a closed session may not disclose confidential information acquired in a closed session to a person not authorized to receive it unless the Board votes to disclose that information. “Confidential information” means a communication made in a closed session that is specifically related to the basis for the Board to meet lawfully in closed session. (Govt. Code § 54963.)

5. AGENDAS AND ORDER OF BUSINESS

5.1 ~~AGENDA:~~ Agenda.

The Clerk of the Board shall prepare the agenda, in consultation with the Fire Chief, President, and General Counsel. The agenda shall list all items to be considered at the meeting, in the order stated in section 5.3, below. The agenda shall contain a brief general discussion of each item of business to be transacted or discussed at the meeting. Each agenda shall include information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting. (Govt. Code §§ 54954, 54954.2.)

5.2 Agenda Posting.

The agenda and any supporting documents shall be provided to Board members, posted at the District Administrative office, located at 1280 Moraga Way, Moraga, CA 94556, Stations 41, 42, 43, 44, and 45, and on the District’s website at least 72 hours before a regular meeting and at least 24 hours before a special meeting, and to anyone who has requested, in writing, to receive copies of the agenda. (Govt. Code §§ 54954, 54954.1, 54956.)

5.3 Order of Business.

In order to facilitate the orderly conduct of the business of the District Board, the ~~Board Clerk shall prepare an agenda for each Board Meeting in accordance with the Order of Business set forth in Section 2.1.1. The Agenda prepared by the Board Clerk shall, at a minimum, include:~~

- ~~1. The date of the meeting.~~
- ~~2. The time of the meeting.~~
- ~~3. The location of the meeting.~~
- ~~4. A specified period of time for members of the public to address the District Board on items of interest to the public that are within the jurisdiction of the District Board.~~
- ~~5. A specified section under which Board Members and District Staff may present information-only reports.~~

~~2.1.1 The Order of Business of each meeting shall be as contained in the Agenda prepared by the Board Clerk. The Agenda shall be a listing by topic of the subjects which shall be taken up for consideration in the following order:~~

- ~~1. CALL TO ORDER~~
- ~~2. ROLL CALL~~
- ~~3. Clerk shall prepare the agenda.~~ PLEDGE OF ALLEGIANCE
- ~~4. CLOSED SESSION~~
- ~~5. RECONVENE THE MEETING~~
- ~~6. REPORT OF CLOSED SESSION ACTION~~
- ~~7. PUBLIC COMMENT~~
- ~~8. CONSENT AGENDA~~
- ~~9. REGULAR CALENDAR~~
- ~~10. COMMITTEE REPORTS~~
- ~~11. ANNOUNCEMENTS~~
- ~~12. ADJOURNMENT~~

~~2.1.2 On a majority vote of the District Board, items may be taken out of the order prescribed above, so long as there is no discernible prejudice to the right of the public to be heard on the matter.~~

~~2.1.3 No matters other than those on the agenda shall be finally acted upon by the District Board; provided, however, that the District Board may take action on items of business which do not appear on the posted agenda under any of the following conditions or circumstances:~~

~~(1) Upon a determination by a majority vote of the District Board that an emergency situation exists, as defined in the Brown Act Section 54956.5;~~

~~(2) Upon a determination by a two thirds vote of the District Board, or, if less~~

~~than two-thirds of the members are present, by a unanimous vote of those members present, that the need to take immediate action arose subsequent to the Agenda having been posted;~~

~~(3) The item was posted for a prior meeting of the District Board occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is proposed to be taken.~~

~~2.2 DELIVERY OF AGENDA:~~

~~The Agenda for each regular meeting of the District Board, and reports and other documentation related thereto, shall be delivered to the Board Members and made available to the public on the Friday preceding the Wednesday meeting to which it pertains. In respect to every regular meeting, the Agenda shall conform to the Brown Act Section 54954.2 and shall be posted at least 72 hours prior to the time scheduled for the meeting. Agendas shall be posted on the windows outside the administrative offices of the District located at 33 Orinda Way, and at such other places within the District as the District Board has designated for posting notices of District Board meetings.~~

~~2.3 ROLL CALL:~~

~~Before proceeding with the business of the District Board, the names of those present shall be entered in the minutes. No formal roll call need be taken.~~

~~2.4 APPROVAL OF MINUTES:~~

~~Unless requested by a majority of the District Board, minutes of the previous meeting may be approved without public reading if the Board Clerk has previously furnished each Board Member with a copy thereof.~~

~~2.5 PUBLIC HEARINGS:~~

~~Generally, public hearings (such as Public Hearing on Fire Code Adoption, Public Hearing on Exterior Hazard Control Notices – Weed Abatement, Public Hearing Contesting Weed Abatement Notification), other than those of a quasi-judicial nature, shall be conducted in the following order:~~

- ~~Staff Review~~
- ~~Questions of Staff by District Board~~
- ~~Hearing opened by Board President~~
- ~~Preliminary Board Comments~~
- ~~Testimony by proponents~~
- ~~Testimony by opponents~~
- ~~Public Comments~~
- ~~Rebuttal by proponents~~
- ~~Questions by District Board~~
- ~~Discussion by District Board~~
- ~~Proposed Action by District Board~~
- ~~Public Comment on Proposed Action by District Board~~
- ~~Closing of Hearing~~

~~Final Action by District Board~~

~~Questions or comments from the public shall be limited to the subject under consideration. Depending upon the extent of the agenda, and the number of persons desiring to speak on an issue, the Board President may at the beginning of the hearing limit testimony, but in no event to less than three minutes per individual. Any person may speak for a longer period of time, upon approval of the District Board, when this is deemed necessary in such cases as when a person is speaking as representative of a group or has graphic or slide presentations requiring more time.~~

~~Quasi-judicial hearings shall be conducted in accordance with the principles of due process, and the District Counsel shall advise the District Board in this regard.~~ following Conduct of Business:

~~At any public hearing before the District Board, testimony of witnesses under oath may be requested by the District Board.~~

1. CALL TO ORDER and ROLL CALL

2. PLEDGE OF ALLEGIANCE

~~3. CLOSED SESSION~~ 6

4. GENERAL PUBLIC COMMENT: ON ITEMS NOT ON THE AGENDA

5. COMMENDATIONS AND PRESENTATIONS

6. PUBLIC HEARINGS

~~Public comment on any item not otherwise appearing on the agenda is invited during the Public Comment.~~

~~If the matter brought before the Board requires a collective decision by a majority of the members of the Board, the matter may be received and then forwarded to staff, a Director or Board Committee for recommendation and report at a subsequent meeting. This procedure is necessary in order to comply with the Brown Act. Items brought under this category may be limited to ten (10) minutes per subject and three (3) minutes per speaker. The name and address of the speaker will be asked to be stated for the record.~~

~~2.~~

~~7.~~ CONSENT AGENDA:

~~8. BUSINESS ITEMS~~

9. REPORTS OF COMMITTEES, FIRE CHIEF, BOARD MEMBERS,

10. REQUESTS FOR ITEMS ON FUTURE AGENDAS

10. ADJORNMENT

5.4 Change to the Order of Business.

The presiding officer or the Board, upon a vote of the majority of members, may change the order of business to facilitate the conduct of the meeting.

5.5 Consent Agenda.

Items of routine ~~nature, and/or~~ non-controversial, nature shall be placed on the Consent Agenda. All items may be approved by one blanket motion upon unanimous consent. ~~Prior to, or following review of, the Consent Agenda by the District Chief, any~~Any Board Member may request that any item be withdrawn from the Consent Agenda for separate consideration. -Any member of the public may request that any Board Member to withdraw a Consent Agenda item from Board consideration. ~~However, any, a Board member may then choose whether to do so.~~ A Board Member may abstain from voting on any Consent Agenda item without requesting its removal from the Consent Agenda, and the Board Clerk shall be instructed to record such abstentions in the minutes.

~~2.8 PARTICIPATION BY MEMBERS OF THE DISTRICT BOARD IN AGENDA SETTING:~~

~~The President or any District Board Member may bring before the District Board any new business under the Announcements portion of the agenda for the purpose of agendaizing and not discussing, but formal action such matters shall be deferred until a subsequent District Board meeting unless deemed to be of an urgent nature.~~

~~3. PRESIDING OFFICER~~

~~3.1 PRESIDING OFFICER~~

~~The Board President shall be the Presiding Officer, also referred to herein as "Chair", at all meetings of the District Board. In the absence of the Board President, the Board Vice-President shall preside. In the absence of both the Board President and the Board Vice President, the District Board Secretary shall act as the presiding officer to serve until the arrival of the Board President or Board Vice President or until adjournment.~~

~~3.2 CALL TO ORDER:~~

~~The meeting of the District Board shall be called to order by the Board President or, if absent, by the Board Vice President. In the absence of both the Board President and the Board Vice President, the meeting shall be called to order by the Board Secretary.~~

~~3.3 PARTICIPATION OF PRESIDING OFFICER:~~

~~The Presiding Officer may move, second, and debate from the Chair, subject only to such limitations of debate as are imposed on all Board Members, and the Presiding Officer shall not be deprived of any of the rights and privileges of a Board Member by reason of acting as Presiding Officer. However, the Presiding Officer is primarily responsible for the conduct of the meeting. If the Presiding Officer desires to personally engage in extended debate on questions before the District Board, the Presiding Officer should consider turning the Chair over to another member.~~

~~3.4 QUESTION TO BE STATED:~~

~~The Presiding Officer shall verbally restate each question immediately prior to calling for the vote. Following the vote, the Presiding Officer shall verbally announce whether the question carried or was defeated. The Presiding Officer may also publicly state the effect of the vote for the benefit of the audience before proceeding to the next item of business.~~

~~3.5 SIGNING OF DOCUMENTS:~~

~~The Board President, or Board Vice President, in the absence of the Board President, shall sign ordinances and resolutions adopted by the District Board. The Board Clerk or Deputy Board Clerk shall attest to the signature of the Board President or Board Vice President.~~

~~3.6 MAINTENANCE OF ORDER:~~

~~The Board President or Presiding Officer is responsible for the maintenance of order and decorum at all times. No person is allowed to speak who has not first been recognized by the Chair. All questions and remarks shall be addressed to the Chair.~~

~~4. RULES, DECORUM AND ORDER~~

~~4.1 POINTS OF ORDER:~~

~~The Presiding Officer shall determine all Points of Order subject to the right of any member to appeal to the District Board. If any appeal is taken, the question shall be, "Shall the decision of the Presiding Officer be sustained?" in which event a majority vote shall govern and conclusively determine such question of order.~~

~~4.2 DECORUM AND ORDER – BOARD MEMBERS:~~

~~(a) Any Board Member desiring to speak shall address the Chair and, upon recognition by the Presiding Officer, shall confine remarks to the question under debate.~~

~~(b) A Board Member desiring to question the staff shall address questions to the District Chief or District Counsel, in appropriate cases, who shall be entitled either to answer the inquiry himself or to designate some member of staff for that purpose.~~

~~(c) A Board Member, once recognized, shall not be interrupted while speaking unless called to order by the Presiding Officer; unless a Point of Order is raised by another Board Member; or unless the speaker chooses to yield to questions from another Board Member.~~

~~(d) Any Board Member called to order while speaking shall cease speaking immediately until the question of order is determined. If ruled to be in order, the Board member shall be permitted to proceed. If ruled to be not in order, the Board member shall remain silent or shall alter remarks so as to comply with rules of the District Board.~~

~~(e) Board Members shall accord the utmost courtesy to each other, to District employees, and to the public appearing before the District Board and shall refrain at all times from rude and derogatory remarks, reflections as to integrity, abusive comments and statements as to motives and personalities.~~

~~(f) Any Board Member may move to require the Presiding Officer to enforce the rules and the affirmative vote of a majority of the District Board shall require the Presiding Officer to so act.~~

~~4.3 DECORUM AND ORDER – EMPLOYEES:~~

~~Members of the administrative staff and employees of the District shall observe the same rules of procedure and decorum applicable to members of the District Board. The District~~

~~Chief shall insure that all District employees observe such decorum. Any staff members including the District Chief, desiring to address the District Board or members of the public shall first be recognized by the Chair. All remarks shall be addressed to the Chair and not to any one individual Board Member or member of the public.~~

~~4.4 DECORUM AND ORDER PUBLIC:~~

~~Members of the public attending District Board meetings shall observe the same rules or order and decorum applicable to the District Board. Any person making impertinent and slanderous remarks or who becomes boisterous while addressing the District Board or while attending the District Board meeting shall be removed from the room if the sergeant of arms is so directed by the Presiding Officer, and such person may be barred from further audience before the District Board. Unauthorized remarks from the audience, stamping of feet, whistles, yells and similar demonstrations shall not be permitted by the Presiding Officer, who may direct the sergeant of arms to remove such offenders from the room. Aggravated cases shall be prosecuted on appropriate complaint signed by the Presiding Officer.~~

~~4.5 ENFORCEMENT OF DECORUM:~~

~~District Chief or designee shall be ex-officio sergeant of arms of the District Board. The ex-officio sergeant of arms shall carry out all orders and instructions given by the Presiding Officer for the purpose of maintaining order and decorum in the Board Chambers. Upon instructions from the Presiding Officer, it shall be the duty of the sergeant of arms or another representative to eject any person from the District Board Chambers or place the individual under arrest or both.~~

As set forth in the Brown Act Section 54957.9, in the event that any~~5.6 Discussion of Items Not on the Agenda Prohibited.~~

Except as provided in section 5.7, the Board may not take action or discuss any item not appearing on the agenda. A Board member or staff may briefly respond to statements made or questions posed by members of the public during public comment. A board member or staff may ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities. A Board member may provide a reference to staff or other resources for factual information, request staff to report back to the Board at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda. (Government Code § 54954.2(a)(3).)

5.7 Exceptions for Considering Items Not on the Agenda.

The Board may discuss or take action on an item not on the agenda only under the following circumstances. The Board shall publicly identify the item and the basis for taking action:

1. Upon a determination by a majority vote of the legislative body that an emergency situation exists. For purposes of this section, an emergency is defined as a work stoppage, crippling activity, or other activity that severely impairs public health, safety, or both, as determined by a majority of the members of the Board.
2. Upon a determination by a two-thirds vote of the members of the legislative body present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those

members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted.

3. The item was posted pursuant to subdivision for a prior meeting of the legislative body occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken. (Govt. Code § 54954.2 (b).)

6. CONDUCT OF MEETINGS.

6.1 Call to Order.

The presiding officer shall call the meeting to order. In the absence of the President and Vice-President, the Board Clerk shall call the Board meeting to order. The Board members present shall then, by motion, appoint a temporary presiding officer. Upon arrival of the President or Vice-President, the temporary presiding officer shall relinquish the chair immediately.

6.2 Preservation of Order.

The presiding officer shall preserve order and decorum, and confine members in debate to the question under discussion. All speakers must be recognized by the presiding officer and shall address their comments to the Board through the presiding officer.

6.3 Points of Order.

Only members of the Board may raise points of order and questions of privilege, including points of information or clarification. The presiding officer shall determine all points of order, subject to the right of any Board member to appeal to the Board.

6.4 Questions to be Stated.

The presiding officer shall state all questions submitted for a vote and announce the result.

6.5 Procedures for Board Action on Agenda Items.

1. The presiding officer shall call the item.
2. The Chief, or his or her designee, and/or an invited expert, shall provide a report on the item.
3. The presiding officer shall take entertain questions from Board members to staff or an invited expert.
4. The presiding officer shall then take public comment.
5. If the item is an action item, the presiding officer shall take a motion and a second on the item.
6. The Board deliberates and votes on the motion.

6.6. Hearings When Board sits as a Board of Appeals.

The District Fire Code provides that the Board sits as a Board of Appeals to hear appeals of orders, decisions, or determinations made by the fire code official relative to the application and interpretation of the code. (Moraga Orinda Fire Code § 109.1) When the Board hears these matters, the hearing shall be conducted in the following manner:

1. Board members disclose any ex parte Communications
2. Staff report

3. Board questions for staff

3. Presiding officer then opens the public portion of the hearing

4. Presentation by appellant (10 minutes)

5. Board questions for appellant, applicant and/or staff

6. Public comment

7. Rebuttal by staff (5 minutes)

8. Rebuttal by appellant (5 minutes)

9. Final Board questions of appellant

10. Final Board questions of staff

11. Presiding officer closes the public portion of hearing

12. Board discusses, deliberates, makes findings and takes final action by motion.

At any hearing before the Board sitting as the Board of Appeal, the Board may request that parties testify under oath.

7. PUBLIC PARTICIPATION.

7.1 Conditions of Attendance Prohibited.

The District may not require a member of the public to provide his or her name, other information or complete a questionnaire as a condition for attending a meeting. Any attendance list, questionnaire, or other document circulated at a meeting must state clearly that signing or completing the document is optional. (Govt. Code § 54953.3.)

7.2 General Public Comment at Regular Meetings.

Each agenda for a regular meeting shall provide for public comment on any item within the subject matter jurisdiction of the District. (Govt. Code § 54954.3.)

7.3 Public Comment on Each Agenda Item at Regular and Special Meetings.

At every regular and special meeting, the agenda shall provide an opportunity for members of the public to directly address the Board on each item on the agenda, before or during the Board's consideration of the item. (Govt. Code § 54954.3.)

7.4 Manner of Addressing the District Board.

A member of the public wishing to address the Board shall wait to be recognized by the presiding officer. Once recognized, the person shall direct his remarks to the Chair and not to any individual Board member, employee, or other person.

7.4 Public's Right to Criticize.

The Board shall not prohibit public criticism of the policies, procedures, programs, or services of the District, or of the acts or omissions of the Board. (Govt. Code § 54954.3(c).) If a member of the public is engaging in hate speech or speech that constitutes harassment of an employee, Board member or member of the public, or profanity, the presiding officer may caution the speaker to cease that speech. If the speaker fails to do so, the presiding officer may cut off the speakers access

to the microphone, and if necessary to retain decorum, order the sergeant-at-arms to remove the speaker.

7.5 Limitations on Public Comment.

In the absence of a specific vote by the Board, each speaker may have no more than three minutes to comment on each item. The presiding officer or the Board, upon majority vote, may reasonably limit the total amount of time allocated for public comment on particular items and may limit each individual speaker to no more than three minutes of public comment. The Board shall allot at least twice the allotted time per speaker to a member of the public who utilizes a translator when making public comment. (Govt. Code § 54954.3(b).)

7.6 Disorderly Conduct of Public During a Meeting.

If a meeting is willfully interrupted by a group ~~or groups of persons so as to render the orderly conduct of such meeting unfeasible and order cannot be~~ of people, the presiding officer shall first attempt to maintain order. If unsuccessful, the presiding officer may call a recess, adjourn the meeting to another date, or remove the individuals interrupting the meeting. If the Board opts to continue the meeting and order is not restored by removing the ~~removal of~~ individuals ~~who are~~ willfully interrupting the meeting, the ~~members of the District~~ Board may order the meeting room cleared and continue ~~in session. Only matters appearing on the agenda may be considered in such a session. Duly accredited representatives of the press or other newsholding the~~ meeting. Representatives of the media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to this section. Nothing in this section shall prohibit the District Board from establishing procedure for readmitting an individual or individuals not responsible for willfully disturbing the orderly conduct of the meeting-continue attending the meeting. (Govt. Code § 54957.5.)

4.6 PERSONAL PRIVILEGE:

A District Board Member may request a point of personal privilege, requesting the immediate consideration of a matter affecting the comfort, safety or orderliness of a member.

4.7 CONFLICT OF INTEREST:

8. VOTING PROCEDURE.

8.1 Voting Procedure.

When meetings are held by teleconference, the Clerk shall call for a roll call vote on each action. (Govt. Code § 54953(b)(2).) When meetings occur in person, vote may be taken by roll call vote or other method, provided that each Board member casts a vote. A Board member must vote for, against or abstain on each item. If a Board member is recused from voting on a matter due to a conflict of interest, the member must comply with section 8.4, below.

8.2. Announce Vote.

The Board shall publicly report any action taken and the vote or abstention on that action of each member present for the action. (Govt. Code § 54953.)

8.3 Reconsideration.

Any Board member who voted with the majority may move a reconsideration of any action at the same meeting or the next meeting of the Board. After a motion for reconsideration has been acted upon, no other motion for reconsiderations thereof shall be made without unanimous consent of the Board. If the motion for reconsideration is to be considered at the meeting after the action is taken, it may will only be entertained if it is listed on the agenda.

8.4 Conflict of Interest.

All Board Members are subject to the provisions of ~~California Law, including, but not limited to, California~~ Government Code, section 1090 ~~et seq.~~, Government Code section 87100 et seq., and applicable regulations relative to conflicts of interest, ~~and to conflicts of interest codes as may be adopted by the District Board and to the provisions of Government Code section 87100 et seq. relative to certain defined financial interests prohibiting participation in District decisions.~~ Any Board Member prevented from voting because of a conflict of interest or a declared financial interest shall refrain from debate and voting on the included matter. -Such Board Member must identify the conflict of interest, and leave the District Chambers during debate and voting on the issue, ~~except as may be allowed as a private citizen.~~

~~4.8 — LIMITATION OF DEBATE:~~

~~— No Board Members normally should speak more than once upon any one subject until every other Board Member choosing to speak thereon has spoken.~~

~~4.9 — DISSENTS, PROTESTS, AND COMMENTS:~~

~~— Any Board Member shall have the right to express dissent from or protest to or comment upon any action of the District Board and have the reason entered in the minutes. If such dissent, protest or comment is desired to be entered in the minutes, this should be made clear by language such as, "I would like the minutes to show that I am opposed to this action for the following reasons . . ."~~

~~4.10 — PROCEDURES IN ABSENCE OF RULES:~~

~~— In the absence of a rule herein to govern a point or procedure, Robert's Rules of Order, Newly Revised, shall be used as a guide.~~

~~4.11 — RULINGS OF PRESIDENT ARE FINAL UNLESS OVERRULED:~~

~~— In presiding over District Board meetings, the Board President, Board Vice President, or temporary Presiding Officer shall decide all questions of interpretation of these rules, points of order or other questions of procedure requiring rulings. Any such decision or ruling shall be final unless overridden or suspended by a majority vote of the Board Members present and voting, and shall be binding and legally effective (even though clearly erroneous) for purposes of the matter under consideration.~~

~~4.12 — ACTIONS NOT INVALIDATED:~~

~~— Failure to strictly comply with these Rules of Procedure shall not necessarily invalidate any action taken by the District Board.~~

~~5. PROCEDURES FOR BOARD ACTION ON AGENDIZED ITEMS~~

~~5.1 The Board shall take input from staff and other invited experts and ask questions for clarification.~~

~~5.2 The Board shall discuss the item on the agenda and may ask further questions of staff or other invited experts.~~

~~5.3 The Board shall invite comments or questions from the public relative to that agenda item. A limitation of three (3) minutes may be imposed upon each person so desiring to address the Board.~~

~~5.4 A motion is made and seconded if an action is intended to occur.~~

~~5.5 The Board shall invite comments or questions from the public relative to that motion. A limitation of three (3) minutes may be imposed upon each person so desiring to address the Board.~~

~~5.6 The Board deliberates on the motion.~~

~~5.7 The Board votes.~~

~~6. ADDRESSING THE DISTRICT BOARD~~

~~6.1 MANNER OF ADDRESSING THE DISTRICT BOARD:~~

~~Any member of the public desiring to address the District Board shall wait to be recognized by the Presiding Officer. After being recognized, he or she shall state his or her name and address for the record.~~

~~All remarks and questions shall be addressed to the Chair and not to any individual District Board Member, staff member or other person. During a public hearing, all remarks shall be limited to the subject under consideration. No person shall enter into any discussion without being recognized by the Presiding Officer.~~

~~6.2 TIME LIMITATION:~~

~~Any member of the public desiring to address the District Board may be required to limit his or her address to three (3) minutes unless further time has been granted by the Presiding Officer in the individual case, or in accordance with Section 2.5.~~

~~6.3 LIMITATION REGARDING PUBLIC COMMENT AND REPORTS:~~

~~The making of oral communications to the District Board by any member of the public during the Public Comment portion of the Agenda shall be subject to the following limitations:~~

~~6.3.1 At any time, before or after the oral communication is commenced, the Presiding Officer may if he deems it preferable, direct that the communication be made instead either to the District Chief or other appropriate staff member during regular business hours or in writing for subsequent submittal to Board Members, pursuant to Section 6.5.~~

~~6.3.2 The Presiding Officer may limit the number of speakers heard on non-agenda topics at any single meeting. Those whose presentations are postponed shall be given priority at the next meeting, during the Public Comment portion of the Agenda.~~

~~6.3.3 If it appears that several speakers desire to speak regarding a single topic, the~~

~~Presiding Officer may reasonably limit the number speaking as to each side of an issue. In this regard, preference may be given to speakers who represent groups or persons who have designated a spokesperson.~~

~~6.4 WRITTEN CORRESPONDENCE~~

~~The District Chief is authorized to receive and open all mail addressed to the District Board as a whole and give it immediate attention to the end that all administrative business referred to in said communications, and not necessarily requiring District Board action, may be disposed of between District Board meetings. A copy of such communication shall be sent to each Board Member by the appropriate means. Any communication relating to a matter pending or to be brought before the District Board shall be included in the agenda packet for the meeting at which such item is to be considered.~~

~~Letters of appeal from administrative decisions shall be processed under applicable provisions of the District ordinances.~~

~~Copies of all other communications sent to the District Board will be transmitted to all District Board Members.~~

~~6.5 PERSONS AUTHORIZED TO BE WITHIN PLATFORM:~~

~~No person except District officials shall be permitted within the platform area in front of the District Board table without the invitation or consent of the Presiding Officer.~~

~~7. MOTIONS~~

~~7.1 PROCESSING OF MOTIONS:~~

~~When a motion is made and seconded, it shall be stated by the Presiding Officer before debate. A motion so stated shall not be withdrawn by the mover without the consent of the person seconding it.~~

~~7.2 MOTIONS OUT OF ORDER:~~

~~The Presiding Officer may at any time, by majority consent of the District Board, permit a Board member to introduce an ordinance, resolution or motion out of the regular agenda order.~~

~~7.3 DIVISION OF QUESTION:~~

~~If the question contains two or more divisionable propositions, the Presiding Officer may, and upon request of a Board Member shall, divide the same.~~

~~7.4 PRECEDENCE OF MOTIONS:~~

~~When a motion is before the District Board, no motion shall be entertained except the following, which shall have precedence in the following order:~~

- ~~a. Adjourn~~
- ~~b. Fix Hour of adjournment~~
- ~~c. Table~~

~~_____ d. _____ Limit or terminate discussion~~

~~_____ e. _____ Substitute~~

~~_____ f. _____ Reconsider~~

~~_____ g. _____ Amend~~

~~_____ h. _____ Postpone~~

~~_____ 7.5 _____ MOTION TO ADJOURN: (not debatable)~~

~~_____ A motion to adjourn shall be in order at any time, except as follows:~~

~~_____ a. _____ When repeated without intervening business or discussion.~~

~~_____ b. _____ When made as an interruption of a Board Member while speaking.~~

~~_____ c. _____ When discussion has been ended, and vote on motion is pending, and,~~

~~_____ d. _____ While a vote is being taken.~~

~~A motion to adjourn "to another time" shall be debatable only as to the time to which the meeting is adjourned.~~

~~_____ 7.6 _____ MOTION TO FIX HOUR OF ADJOURNMENT:~~

~~_____ Such a motion shall be to set a definite time at which to adjourn and shall be undebatable and shall be unamendable except by unanimous vote.~~

~~_____ 7.7 _____ MOTION TO TABLE:~~

~~_____ A motion to table shall be used to temporarily by-pass the subject. A motion to table shall be undebatable and shall preclude all amendments or debate of the subject under consideration. If the motion shall prevail, the matter may be "taken from the table" at any time prior to the end of the next regular meeting.~~

~~_____ 7.8 _____ MOTION TO LIMIT OR TERMINATE DISCUSSION:~~

~~_____ Such a motion shall be used to limit or close debate on, or further amendment to, the main motion and shall be undebatable. If the motion fails, debate shall be reopened; if the motion passes, a vote shall be taken on the main motion.~~

~~_____ 7.9 _____ MOTION TO AMEND:~~

~~_____ A motion to amend shall be debatable only as to the amendment. A motion to amend an amendment shall be in order, but a motion to amend an amendment to an amendment shall not be in order. An amendment modifying the intention of a motion shall be in order, but an amendment relating to a different matter shall not be in order. A substitute motion on the same subject shall be acceptable, and voted on before a vote on the amendment. Amendments shall be voted first then the main motion as amended.~~

~~_____ 7.10 _____ MOTION TO CONTINUE~~

~~_____ Motions to continue to a definite time shall be amendable and debatable as to propriety~~

~~of postponement and time set.~~

~~8. VOTING PROCEDURE~~

~~8.1 VOTING PROCEDURE:~~

~~In acting upon every motion, the vote shall be taken by voice or roll call or any other method by which the vote of each Board Member present can be clearly ascertained. The Board Clerk shall call the names of all members seated when a roll call vote is ordered or required. Board Members shall respond "aye," "no" or "abstain," provided that when a vote is collectively taken by voice or when a method of voting other than by voice or roll call is used, any Board Member not audibly and clearly responding "no" or "abstain" or otherwise registering an objection shall have his voice recorded as "aye".~~

~~8.2 ROLL CALL VOTING:~~

~~Every ordinance and any resolution or orders for franchises or payments of money require three affirmative votes. A roll call vote shall be used for these changes. Any other question before the District Board shall not require a roll call vote unless demanded by any Board Member. It shall not be in order for Board Members to explain their vote during roll call. Any Board Member may change his vote before the next order of business.~~

~~8.3 RECONSIDERATION:~~

~~Any Board Member who voted with the majority may move a reconsideration of any action at the same or next meeting. After a motion for reconsideration has once been acted upon, no other motion for reconsideration thereof shall be made without unanimous consent of the District Board.~~

~~8.4 TIE VOTES:~~

~~Tie votes shall be lost motions. When all District Board Members are present, a tie vote on whether to grant an appeal from official action shall be considered a denial of such appeal, unless the District Board takes other action to further consider the matter. If a tie vote results at a time when less than all Board Members are present the matter shall automatically be continued to the agenda of the next regular meeting of the District Board, unless otherwise ordered by the District Board.~~

~~9. RESOLUTIONS~~

~~9.1 DEFINITIONS:~~

~~Legislative acts of the District Board (usually a role of public policy for long-term application) are taken by ordinance, whereas more routine business and administrative matters (usually more temporary and transitory in nature) are accomplished by "resolutions." The term "resolution," generally denotes any action taken affirmatively via a vote of the District Board, other than one taken by ordinance. Three terms are in general use to denote such (non-ordinance) actions: "resolution," "minute order," and "motion" (thereafter recorded by minute entry). All three actions are equally as legally effective and binding; they just vary in the formality of respective memorialization.~~

~~The most formal is referred to locally as a "resolution" which in addition to being referenced in the minutes, will be recorded by a separate document, numbered in sequence and preserved in a separate set of books. Such "resolutions" are used in this District for various reasons, such as when specifically required by law, when needed as a separate evidentiary document to be transmitted to another governmental agency, or where the frequency of future reference back to its contents warrants a separate document (with the additional "whereas" explanatory material it often recites) to facilitate such future reference and research.~~

~~A "minute order" denotes a separate document which is also maintained in a separate set of books, under a system of sequential numbering, and is referenced in the minutes; however, the "minute order" is drafted far more briefly than a "resolution" and is distinguished from a mere minute entry only by the need in general, to have a separate document to facilitate certain administrative processes to which it pertains.~~

~~A "motion" (assuming it was one which passed) is a District Board action which is recorded simply by an item entry in the minutes of the meeting at which it was accomplished, and no separate document is made to memorialize it.~~

~~9.2 RESOLUTIONS PREPARED IN ADVANCE:~~

~~Where a resolution has been prepared in advance, the procedure shall be: Motion, second, discussion, vote pursuant to methods prescribed in Section 8.1, and result declared. It shall not be necessary to read a resolution in full or by title except to identify it. Any Board Member may require that the resolution be read in full.~~

~~9.3 RESOLUTIONS NOT PREPARED IN ADVANCE:~~

~~Where a resolution has not been prepared in advance, the procedure shall be to instruct the District Chief or District Counsel to prepare a resolution for presentation at the next District Board meeting.~~

~~9.4 URGENCY RESOLUTIONS:~~

~~In matters of urgency, a resolution may be presented verbally in motion form together with instructions for written preparation for later execution. After the resolution has been verbally stated, the voting procedure in 8.1 above shall be followed.~~

~~Urgency resolutions shall be avoided except when absolutely necessary; and shall be avoided entirely when resolutions are required by law. Where the resolution has been drafted in written form either before or during the meeting, this paragraph shall not be deemed applicable.~~

~~10. ORDINANCES~~

~~10.1 INTRODUCTION AND ADOPTION OF ORDINANCES; BUDGET.~~

~~9.1 Preliminary Budget and Notice.~~

~~On or before June 30 of each year the Board shall adopt a preliminary budget conforming to the accounting and budgeting procedures for special districts. (Health & Safety Code § 13890.)~~

9.2 Publication of Notice of Adoption of Budget.

On or before June 30 of each year, the District shall publish a notice that it has adopted a preliminary budget that is available for inspection at the time and place specified in the notice; the date, time and place when the Board will meet to adopt the final budget, and that the Board will take public comment on the budget. The District shall publish the notice in at least one newspaper of general circulation at least two weeks before the date of the meeting. (Health & Safety Code § 13893.)

9.3 Adoption of Final Budget.

On or about October 1 of each year, the Board shall adopt the final budget. The budget shall establish its appropriation limit and a copy of the final budget shall be sent to the county auditor. (Health & Safety Code § 13895.)

10. RESOLUTIONS AND ORDINANCES.

10.1 Complete and Numbered.

All Board resolutions and ordinances shall be presented to the Board in printed or typewritten form and numbered serially for each calendar year.

10.2 Resolutions

The Board may finally adopt a resolution at the meeting where it is introduced.

10.3 Matters That Require a Resolution.

The following matters require adoption by resolution:

1. Establishing a petty cash fund. (Health & Safety Code § 13905.)
2. Authorizing the District to borrow money to acquire property. (Health & Safety Code § 13906.)
3. Authorizing the policies and procedures for fee waivers. (Health & Safety Code § 13919.)
4. Determining the necessity for incurring general obligation bond indebtedness for the acquisition or construction of any real property or other capital expense or for funding or refunding of any outstanding indebtedness and calling an election on the proposition to incur indebtedness and issue general obligation bonds. (Health & Safety Code § 13925.)

Resolutions shall be used when required by law; to address internal operations of the District; to honor or commemorate; or as otherwise determined by the Board.

10.3 Governing Law for Adopting Ordinances shall.

The Board may adopt ordinances by following the procedures for county ordinances as specified in Government Code section 25120 *et seq.* (Health & Safety Code § 13861(h).)

10.4 Adoption of Ordinances.

Except for urgency ordinances, an ordinance may not be passed within five days of ~~their~~ introduction, ~~nor at other than a regular meeting or at an adjourned regular meeting.~~ However, ~~an~~ or at any meeting other than a regular or adjourned regular meeting. If the title of the ordinance is published and a copy of the full ordinance is made available to the public online and in print before its introduction or if the Board waives further reading by a majority vote, a reading of the ordinance is not required. (Govt. Code § 25131.)

10.5 Adoption of Urgency Ordinances.

An urgency ordinance is an ordinance passed for the immediate preservation of the public peace, health or safety. An urgency ordinance must contain a declaration of the facts constituting the urgency. (Govt. Code § 25123(d).) An urgency ordinance may be passed immediately upon introduction and at either at a regular or special meeting. Except when, after reading the title, further reading is waived by regular motion adopted by unanimous (Govt. Code § 25131.) An urgency ordinance must have a four-fifths vote of the Board Members present, all ordinances shall be read in full either at the time of introduction or passage. to pass. (Govt. Code § 25123(d).)

~~When ordinances, other than urgency ordinances, are altered after introduction, they shall be passed only at regular or at an adjourned regular meeting held at least five days after alteration.~~

~~Corrections of typographical or clerical errors are not alterations within the meaning of this section.~~

~~10.2 EFFECTIVE DATE:~~

~~All ordinances, except as otherwise provided by law, shall take effect 30 days after adoption, but may be made operative at such later date as may be designated in the ordinance.~~

~~10.3 PUBLISHING:~~

~~It shall be the duty of the Board Clerk to post or publish all ordinances within 15 days after adoption.~~

~~10.4 URGENCY ORDINANCES:~~

~~All urgency ordinances must receive four (4) affirmative votes to be adopted and to become effective immediately. If such an ordinance fails to receive a 4/5 majority, it may thereafter be considered and passed in the same manner as regular ordinances.~~

~~11. ELECTION OF OFFICERS~~

~~The District Board shall elect the following Officers: President, Vice President, Secretary and Treasurer on an annual basis or as may be required after a general district election. The District Board may also elect such additional officers as may be created.~~

~~12. STANDING OR AD HOC COMMITTEES~~

~~The District Board may appoint such standing or ad hoc committees as are necessary to conduct District business.~~

~~PASSED, APPROVED AND ADOPTED this 19 day of January 2011, by the following vote:~~

~~AYES: Directors Mancinelli, Olsen, Sperling, Weil, and President Wyro~~

~~NOES: None~~

~~ABSENT: None~~

~~ABSTAIN: None~~

John Wyro, President
Board of Directors

ATTEST:

Grace Santos
Secretary to the Board

-10.7 Matters That Require an Ordinance.

1. Adopting a Fee Schedule. (Health & Safety Code § 13916.)
2. Adopting a Fire Code, including Building Standards Relating to Fire and Panic Safety. (Health & Safety Code §§ 13869, 13869.7.)
3. Authorizing the Fire Chief or his or her designee to issue citations for misdemeanors for a violation of the Fire Code or District ordinance or failure to correct or eliminate a fire or life hazard. (Health & Safety Code §§ 13871, 13872.)
4. Establishing an employee relations civil service system. (Health & Safety Code § 13961.)
5. Increasing the compensation of Board members above the default amount of \$100.00 per meeting. (Health & Safety Code § 13857.)

10.6. Adoption of Ordinance Adopting Building Standards Relating to Fire and Panic Safety.

The Board may adopt building standards relating to fire and panic safety that are more stringent than those standards adopted by the State Fire Marshall and contained in the California Building Standards Code. The District shall comply with the procedures set forth in Health & Safety Code section 13869.7 when adopting building standards. (Health & Safety Code § 13869.7.)

10.7 Fee Ordinances.

The Board must adoption of a schedule of fees by ordinance.

Before adopting a fee ordinance or approving an increase in fees, the District must publish notice of its intent to establish or increase fees. The notice must include the time and place of the meeting, a general explanation of the matter to be considered; and a statement that the data establishing the fees is available for inspection. Notice must be provided at least 14 days prior to the meeting to anyone who has filed a written request from the District for mailed notice of any meeting on new or increased fees. At least 10 days before the meeting, the District shall make available to the public the data indicating the amount of cost, or estimated cost, required to provide the service or the cost of enforcing any regulation for which the fee is charged and the revenue sources anticipated to provide the service or the cost of enforcing any regulation, including general fund revenues. (Health & Safety Code § 13916)

10.8 Signature and Attestation of Ordinances.

Every ordinance shall be signed by the President, or Vice-President if the President is not available, and attested by the clerk. (Govt. Code § 25121.)

10.8 Publication of Ordinances.

After the Board adopts an ordinance, it shall be published as required in Government Code section 2512.

VOTING REQUIREMENTS FOR THE BOARD OF DIRECTORS

Attachment A to the Moraga Orinda Fire District Rules of Procedure for the Board of Directors^[AA5]

I. Majority votes of the Membership of the Board

Unless the Board of Directors is taking an action specified below, a majority vote of the membership of the Board of Directors, or three votes, is required to take action. (Health & Safety Code § 13856.)

II. Adoption of Ordinances

A. Regular Ordinance

Adoption of a regular ordinance requires a majority of members of the Board of Directors – three members. (Health & Safety Code § 13861(h); Govt. Code § 25123(d).)

B. Urgency Ordinance

Adoption of an urgency ordinance requires a four-fifths vote of the Board of Directors – four members.¹ (Health & Safety Code § 13861(h); Govt. Code § 25123(d).)

III. Financial Decisions Requiring More than a Majority Vote.

A. Reallocation of Certain Types of Appropriations.

Changes to certain types of appropriations after the approval of a final budget, requires four votes of the Board of Directors. Four votes are required if the Board seeks to make available for appropriation any of the following:

- (a) Balances in appropriations for contingencies, including accretions from cancellations of appropriations.
- (b) Designations and reserves no longer required for the purpose for which intended, excluding the general reserve, balance sheet reserves, and reserve for encumbrances.
- (c) Amounts which are either in excess of anticipated amounts or not specifically set forth in the budget derived from any or anticipated increases in available financing.

(Health & Safety Code § 13900.)

B. Appropriating Funding in an Emergency.

If an emergency affects the ability of the District to provide adequate services, the Board of Directors may make available for expenditure money that was not specifically set forth as

¹ An urgency ordinance is an ordinance passed for the immediate preservation of the public peace, health or safety. (Govt. Code § 25123(d).) An urgency ordinance may be passed immediately upon introduction at either a regular or special meeting. (Govt. Code § 25131.)

revenue in the final budget. Such an action requires four votes. (Health & Safety Code § 13901.)

C. Discontinuing Capital Outlay Reserves.

The Board may establish a reserve for capital outlays for a specific declared purpose. If so, the Board may transfer to that capital outlays reserve any unencumbered surplus funds remaining at the end of the fiscal year. The capital outlay reserve may only be used for the purpose declared by the Board. If the Board finds that the final budget reserve is no longer required, it may discontinue the reserve or transfer any balance to the district's general fund. The decision to discontinue the reserve or transfer the balance must be made by a unanimous vote of the Board. (Health & Safety Code § 13902.)

IV. Incurring Debt.

A. Borrowing Funds to Acquire Property.

The District may borrow money to purchase real property. (Health & Safety Code § 13906.) The Board must approve the action to incur the debt by a resolution adopted by four votes. (*Ibid.*)

B. General Obligation Bond Indebtedness.

The Board may issue general obligation bonds for the acquisition or construction of any real property, other capital expenses, or funding any outstanding indebtedness. The Board must adopt a resolution calling an election to incur indebtedness and to issue general obligation bonds. (Health & Safety Code §§ 13925 *et. seq.*) If two-thirds of the voters approve incurring the debt and issuing the bonds, the Board may then adopt resolutions to issue the bond. (Health & Safety Code § 13928.) Because the statutes authorizing the Board to adopt resolutions calling for an election and then issuing the bonds do not expressly require a supermajority, the Board may adopt those resolutions by a majority of the total membership of the Board, or three members. (Health & Safety Code § 13856.)

C. Temporary Borrowing.²

The District may temporarily borrow funds to be repaid within the same year as the funds are borrowed. The District must adopt a resolution approved by a four-fifths vote of the Board to do so. (Govt. Code §§ 53824, 53825.)

The District may borrow funds secured by a note for any purpose the District is authorized to use funds, including but not limited to current expenses, capital expenditures, investment and reinvestment, and the discharge of any obligation or indebtedness. (Govt. Code § 53852.) The notes must be repaid within 15 days of issuance. (Govt. Code § 53854.) There is no voting requirement specified within Article 7.6.

D. Securitized Limited Obligation Notes.

² Health & Safety Code section 13897 allows a district to borrow money and incur indebtedness as otherwise authorized in Articles 7, 7.4, 7.5, 7.6, and 7.7 of the Government Code.

The District may borrow money secured by a limited obligation note. The District may use the money solely for the acquisition of land, facilities, or equipment. (Govt. § 53837.) The District must adopt a resolution approved by a four-fifths vote of the Board to do so. (Govt. Code § 53838.)

E. Grant Anticipation Notes.

The District to temporarily borrow money based on a grant anticipation note, grant, or loan from the federal or state government for which funds have been appropriated and committed to the District. (Govt. Code §§ 53859, 53859.02.) The Board must approve the debt by resolution, but the statute does not require a four -fifths vote. (Govt. Code § 53859.03.)

DRAFT



Moraga-Orinda Fire District

TO: Board of Directors

FROM: Gloriann Sasser, Administrative Services Director

DATE: January 19, 2022

SUBJECT: Item 9.5 – Adoption of Resolution No. 22-03 Authorizing Investment of Monies in Local Agency Investment Fund

BACKGROUND

The District uses the State of California Local Agency Investment Fund (LAIF) for the investment of District funds. One of the requirements of participation in LAIF is for the Board to confirm the authority of District officers to order the deposit or withdrawal of funds in LAIF. Historically the following positions have been authorized:

- Fire Chief
- Administrative Services Director
- Board President
- Board Treasurer

The deposit and withdrawal of funds in LAIF is an administrative duty that is performed by staff. Staff recommends authorization of the following positions:

- Fire Chief
- Administrative Services Director
- Finance Manager

RECOMMENDATION

Staff recommends the Board adopt Resolution No. 22-03 authorizing investment of monies in Local Agency Investment Fund.

ATTACHMENTS

Attachment A - Resolution No. 22-03 Authorizing Investment of Monies in Local Agency Investment Fund

RESOLUTION NO. 22-03

**RESOLUTION AUTHORIZING INVESTMENT
OF MORAGA-ORINDA FIRE PROTECTION DISTRICT
MONIES IN
LOCAL AGENCY INVESTMENT FUND**

WHEREAS, Pursuant to Chapter 730 of the statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer, and

WHEREAS, the Board of Directors does hereby find that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein as in the best interests of the **Moraga-Orinda Fire Protection District**.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors does hereby authorize the deposit and withdrawal of **Moraga-Orinda Fire Protection District** monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein.

BE IT FURTHER RESOLVED, that the following **Moraga-Orinda Fire Protection District** officers or their successors in office shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund:

David Winnacker
Fire Chief

Gloriann Sasser
Administrative Services Director

(Signature)

(Signature)

Mary Smith
Finance Manager

(Signature)

PASSED, APPROVED and ADOPTED this 19th day of January 2022 at a regular meeting of the District Board of Directors held virtually due to the COVID-19 pandemic, on motion made by Director _____ and seconded by Director _____, and duly carried with the following roll call vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

Resolution 22-03

Dated: January 19, 2022

Michael Donner, President
Board of Directors

ATTEST:

Marcia Holbrook
District Secretary/District Clerk



Moraga-Orinda Fire District

TO: Board of Directors

FROM: Gloriann Sasser, Administrative Services Director

DATE: January 19, 2022

SUBJECT: Item 9.6 – Request For Proposal - General Banking and Cash Management Services and Authorize staff to Contract with JPMorgan Chase & Co. for a Business Platinum Checking Account and Lockbox Services for the Period February 1, 2022 – January 31, 2027

BACKGROUND

The District has contracted with Citibank for banking services since 2004. In December 2021 Citibank informed the District they were moving away from the government sector and that the District needed to contract with a new bank for banking services.

Current banking costs paid to Citibank are approximately \$1,500 per year.

The District issued a Request For Proposal (RFP) for General Banking and Cash Management Services in December 2021. The RFP stated the following:

The District prefers to award a five year contract with fixed pricing. However, the District recognizes the uncertainty of the financial markets due to the COVID-19 pandemic and other factors and is open to shorter contract periods if the bank prefers. The District requires fixed pricing for a minimum two year contract period. Prices in years three, four and five may be negotiated based on satisfactory customer service.

PROPOSAL RESULTS

Four banks submitted qualified proposals to the District: Bank of the West, JPMorgan Chase & Co. (Chase), Mechanics Bank and US Bank. All four banks are sufficiently capable to provide the services required by the District. All four banks have public sector experience, resources and local branches.

The strength and stability of each bank was compared by examining the bank credit ratings issued by Fitch, Moody's, Standard & Poor's and Bauer Financial. All four banks have a high credit rating with a low default risk.

Detailed cost information was provided. Annual bank fees are similar between the four banks and range from \$1,931 to \$6,144 plus FDIC insurance. The earnings credit rate offered by the four banks ranges from 0.14% to 0.36%. Earnings credit rate is the rate used by a bank to determine the allowable credit they will provide for the use of a customer's balances on deposit. The amount of earnings credit is used to offset bank fees. The District intends to maintain adequate account

balances to generate enough earnings credit to offset bank fees. (The District's contract with Citibank included an earnings credit rate of 0.40% from 2016 through 2021.)

Based on the earnings credit rates and proposed bank fees, the District would need to maintain the following average balances to cover fees in each bank: Bank of the West \$1.3M, Chase Bank \$6.3M, Mechanics Bank \$3.1M and US Bank \$1.5M. The Federal Reserve is expected to increase interest rates in 2022. If this occurs the District's earnings credit rate would also increase and the average balances necessary to offset bank fees could decrease.

Chase offered the District a Chase Business Platinum Checking Account structure in lieu of an analysis/earnings credit rate checking account. Since interest rates are so low Chase is moving clients away from the analysis checking accounts. The Platinum Checking Account waives most of the bank fees as long as the District maintains a \$100,000 combined balance. The Chase proposal includes a five-year term with fixed pricing. The Platinum Checking Account provides all the services needed by the District up to 500 transactions per month which is adequate for the District's banking volume. The annual fee for existing services is projected to be \$500. The fees could not be offset by earnings credit and would have to be paid by the District. However, the District is better off maintaining a lower balance at Chase, paying the bank fees and investing the difference in LAIF (0.21% interest as of December 30, 2021.)

OPTIONAL BANKING SERVICES

The District regularly receives paper checks for payment for a variety of services including strike team payments, grant payments, plan review fees, retiree medical insurance withholdings and worker's compensation insurance reimbursements. Check amounts can range from small dollar amounts to hundreds of thousands of dollars. Checks are delivered to the District on a daily basis via mail service. Prior to COVID when the Administration office was open five days a week, the mail would be delivered and immediately distributed. Checks received in the mail were immediately endorsed to the District and placed in a locked cabinet. Since COVID and the necessary closing of the Administration office, checks are still received in the mail on a daily basis but are not immediately endorsed and secured because finance employees are working remotely.

Chase included lockbox services in their proposal. Lockbox services would improve the security of paper checks. All checks payable to the District would be mailed to a secure post office box and deposited on a daily basis in a Chase lockbox facility. Trained Chase employees would open the envelopes, extract the contents, scan the checks and paper contents and deposit the money. The District would access lockbox reports for deposit details. District employees would no longer be required to handle and deposit paper checks and checks would be processed at a secure Chase facility.

The cost of lockbox services is \$155 per month (\$1,860 per year.) Staff recommends implementation of lockbox services while finance employees work remotely. Lockbox services would be revisited in the future when the Administration office reopens and lockbox services could be discontinued.

BANK COVERSION PROCESS

The conversion process with Chase will begin immediately following Board authorization. Conversion activities are projected to be completed by April 1, 2022.

RECOMMENDATION

1) Discuss; 2) Deliberate; 3) Authorize staff to contract with JPMorgan Chase & Co. for a business platinum checking account and lockbox services for the period February 1, 2022 – January 31, 2027.

ATTACHMENTS

1. Attachment A – JPMorgan Chase & Co. General Banking and Cash Management Services Proposal



Moraga-Orinda Fire Protection District

General Banking and Cash Management Services Proposal

January 7, 2022

Prepared by:

Trent Adams
GNP Relationship Manager Sr
560 Mission St, Floor 02
San Francisco, CA 94105-2907
(415) 572-0551
trent.adams@chase.com

Mari Martinez
Cash Management Consultant Sr.
100 W University Dr, Floor 03
Tempe, AZ, 85281-3640
(480) 353-1646
mari.martinez@jpmchase.com

DISCLOSURE STATEMENT

This document was prepared exclusively for the benefit and internal use of the party to whom it is directly addressed and delivered (the "Organization") in order to assist the Organization in evaluating certain products or services that may be provided by JPMorgan Chase Bank, N.A. ("Chase") or one of its banking affiliates. Chase is a subsidiary of JPMorgan Chase & Co. This document contains information which is confidential and proprietary to Chase, that may only be used in order to evaluate the products and services described herein and may not be disclosed to any other person. Neither this document nor any of its contents may be used for any other purpose without the prior written consent of Chase. Chase makes no representations as to the legal, regulatory, tax or accounting implications of the matters referred to in this document.

Chase is the marketing name for Consumer and Community Banking including Business Banking lending and deposit services activities. All cash management arrangements, including pool implementations, are subject to the satisfaction of legal, tax and credit due diligence. The information herein does not purport to set forth all applicable issues and is not intended to constitute advice on legal, tax, investment, accounting, regulatory or any other matters. Chase makes no representations as to such matters or any other effects of any transaction and shall have no responsibility or liability to you with respect thereto. You should consul

t with your own advisors regarding such matters and the suitability, permissibility and effect of any transaction. In no event shall Chase nor any of its directors, officers, employees or agents be liable for any use of, for any decision made or action taken in reliance upon, or for any inaccuracies or errors in, or omissions from, the information herein. The information herein is not intended as nor shall it be deemed to constitute advice or a recommendation regarding the issuance of municipal securities or the use of any municipal financial products. Chase is not providing any such advice or acting as the Organization's agent, fiduciary or advisor, including, without limitation, as a Municipal Advisor under Section 15B of the Securities and Exchange Act of 1934, as amended. The Organization is responsible for its own independent assessment as to the suitability and appropriateness of the services hereunder for the needs and requirements of its business.

Chase is licensed under U.S. Pat Nos. 5,910,988 and 6,032,137.

This proposal is subject to and conditioned upon a mutually agreeable contract between the Organization and Chase. Chase also requires execution of all applicable product and service agreements.

This document may contain information that is confidential and/or proprietary to Chase and JPMorgan Chase & Co. Such information may not be copied, published or used, in whole or in part, for any purpose other than as expressly authorized by Chase.

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Chase supports sustainable business practices and adheres to the principles of environmental sustainability wherever possible.



Contents

Cover letter.....	1
Section 2: Proposal letter.....	4
Bank information	4
Experience	6
References	7
Options for Offsetting or Paying for Banking Services:.....	7
Pricing	10
Terms and conditions	14

Appendices

- Appendix 1. Chase Business Platinum Checking Account Pro Forma Analysis**
- Appendix 2. Chase Analysis Checking Account Pro Forma Analysis**
- Appendix 3. Sample Deposit Account Agreement**
- Appendix 4. Sample Consolidated Service Terms**

Cover letter

January 7, 2022

Gloriann Sasser
Administrative Services Director
1280 Moraga Way
Moraga, CA 94556

RE: Request for Proposal for General Banking and Cash Management Services

Dear Gloriann:

In 1997, Moraga-Orinda Fire Protection District (the District) was formed through the consolidation of the Moraga Fire Protection District and the Orinda Fire Protection District to provide more efficient fire protection and emergency medical services to the communities of Moraga and Orinda and the surrounding unincorporated areas, including the communities of Canyon and Bollinger Canyon. Over time, the District has grown and transformed into an organization requiring more advanced banking solutions to meet the demands of your mission.

We will work with the District to capitalize on the resources available by collaborating with you to achieve savings, realize greater program value and optimize working capital using the most up-to-date technologies.

We will support your broader goals, including achieving economies of scale across your providers, reducing costs, enhancing technological capabilities, tightening cybersecurity controls and increasing efficiencies. Your Chase team will deliver on your objectives with an intense focus on customer service, thoughtful implementation and ongoing support to meet the District's expectations and goals.

We will work side-by-side with you to make certain your treasury solutions are optimized. Your banking team will:

- Understand processes, challenges and long-term goals by working closely with your teams
- Offer forward-looking strategies to standardize your treasury solutions, drive employee satisfaction and provide optimal financial outcomes
- Implement a tailored roadmap for a successful program that requires minimal effort from the District

We believe Chase is the right provider for the District. As you know from your experience of working with us in the past, we have a proven track record of assisting organizations like yours and will work with you to execute robust treasury solutions to achieve tangible results.

The District will find that we distinguish ourselves from our competition through our commitment to the communities we serve. We have one local branch office in Moraga within a one mile radius to meet your needs. On a more global scale, Chase is committed to the overall health of the communities we serve. As such, we have committed to the following initiatives:

- ❖ **Increase Homeownership** by originating an additional 40,000 home purchase loans (\$8 billion) and refinance an additional 20,000 mortgages for Black, Hispanic and Latino households (\$4 billion).
- ❖ **Expand Affordable Housing** through financing the creation and preservation of 100,000 affordable rental units through \$14 billion in new loans, equity investments and other efforts to expand affordable housing in underserved communities.

- ❖ **Grow Small Businesses** by providing an additional 15,000 loans or \$2 billion in lending, to small businesses in majority-Black, Hispanic and Latino communities.
- ❖ **Spend an additional \$750 million** with Black, Hispanic and Latino suppliers.
- ❖ **Improve Financial Health and Access to Banking** by helping one million consumers open low-cost checking or savings accounts - by opening branches in underserved communities and materially increasing marketing spending to reach more customers who are currently underserved, unbanked or underbanked.
- ❖ **Invest in Minority Depository Institutions and Community Development Financial Institutions** by investing up to \$50 million in the form of capital and deposits to Black, Hispanic and Latino-owned or -led Minority Depository Institutions (MDIs) and Community Development Financial Institutions (CDFIs), which often provide a large percentage of mortgages and small business loans to underserved communities.
- ❖ **Accelerate investment in Employees and Build a More Diverse and Inclusive Workforce** by incorporating priorities and progress into year-end performance evaluations and compensation decisions for members of the Operating Committee and their direct reports.

Thank you for the opportunity to respond with our proposal for banking services. Our team has put considerable thought into this proposal and believes that our products, pricing and proactive expertise will provide significant benefits to your organization. We want and value your business and look forward to hearing from you soon.

Sincerely,

Trent Adams

Trent Adams | GNP Relationship Manager Sr | (415) 572-0551 | trent.adams@chase.com

“Ultimately, the basis for our success is our people. They are the ones who serve our customers and communities, build the technology, make the strategic decisions, manage the risks, determine our investments and drive innovation. Whatever your view is of the world’s complexity and the risks and opportunities ahead, having a great team of people—with guts and brains and enormous capabilities who can navigate personally challenging circumstances while dedicating themselves to professional excellence—is what ensures our prosperity, now and in the future.”



Jamie Dimon

Chairman and CEO

JPMorgan Chase & Co.

2020 Annual Letter to Shareholders



Section 2: Proposal letter

The District would like to simplify and expedite the proposal process. Please provide a brief letter that includes the following:

Bank information

Name of the proposing bank, its principal business address where the relationship will be managed, the address of the local branch and a contact for inquiries.

JPMorgan Chase & Co. (JPMorgan Chase) is a financial holding company. Its principal banking subsidiary is JPMorgan Chase Bank, N.A., a national banking association with branches in 49 states. Here are some other key distinctions we think you should know about us:

- Our principal nonbank subsidiary is J.P. Morgan Securities LLC (“J.P. Morgan Securities”), a U.S. broker-dealer
- The firm’s principal operating subsidiary outside the U.S. is J.P. Morgan Securities plc, a U.K.-based subsidiary of JPMorgan Chase Bank, N.A. JPMorgan Chase Bank, N.A., is wholly owned by JPMorgan Chase & Co.
- JPMorgan Chase is a leading global financial services firm with assets of more than \$3.8 trillion.
- The firm is a leader in investment banking, financial services for consumers, small businesses, commercial banking, financial transaction processing and asset management
- A component of the Dow Jones industrial average, JPMorgan Chase & Co. has its corporate headquarters in New York

The firm serves millions of consumers in the United States and many of the world's most prominent corporate, institutional and government clients under the J.P. Morgan and Chase brands. Information about the firm is available at www.jpmorganchase.com.

Branch location

You benefit from making deposits less than \$10,000 at our commercially enabled branch near your location.

Branch location, address and hours of operation are provided in the table below. The deposit cutoff time is the branch closing time Monday through Friday, 5:00 p.m. PT.

Commercially Enabled Branch Name	Address	Hours of Operation (Pacific time)
Moraga Way and School St	1299 School St Moraga, CA 94556	Monday – Friday: 9:00 a.m. to 5:00 p.m. Saturday: 9:00 a.m. to 4:00 p.m.

* Branch hours are subject to change and are posted at each branch location.

Relationship team

The District benefits from a premier client experience, and a consultative, team approach. Our skilled relationship team of professionals with a variety of expertise takes the time to understand the District's business needs and proactively provide targeted ideas to energize your operations.

Let us help lead you to success. Trent Adams will be your relationship manager to share new and valuable ideas that provide you present and future benefits. Trent is located in San Francisco, CA. Mari Martinez, your cash management consultant, will lead the Treasury Services team supporting you.

Here are brief biographies of your relationship team members.

Trent Adams



Role	GNP Relationship Manager Sr
Address	560 Mission St, Floor 02 San Francisco, CA, 94105-2907
Phone	(415) 572-0551
Email	trent.adams@chase.com

Responsibilities

Trent will lead the District's banking team with a focus on the quality and delivery of our services.

He will:

- Serve as your primary point of contact for the bank's full capabilities
- Recommend products and services that meet the District's needs and goals, including financing solutions, treasury management and other banking services
- Oversee delivery of products and services, including financing, treasury services and other financial services
- Address your overall satisfaction with your Chase banking relationship

Biography

Trent Adams has 16 years of experience in financial services with over 1 year of experience at Chase. He is particularly passionate about partnering with Government and Not-For-Profit organizations, improving each aspect of their banking and financial management processes. He has a proven track record of effectively managing each client's business banking relationship to their best advantage by implementing efficient and effective credit, risk and cash management strategies.

Mari Martinez



Role	Cash Management Consultant Sr
Address	2104 E Elliot Rd, Floor 01 Tempe, AZ 85284-1806
Phone	(480) 353-1646
Email	mari.martinez@jpmchase.com

Responsibilities

Mari will assist the District in resolving working capital and efficiency challenges by providing information and offering ideas from Chase's Treasury Services team.

She will:

- Recommend cash flow optimization strategies, including ways to streamline financial processes
- Assist the District in realizing day-to-day operational efficiencies in alignment with your treasury service goals
- Provide targeted information to you about new products, market developments and industry trends
- Monitor the District's implementation for successful service delivery

Biography

Mari Martinez is our Government and Not for Profit Cash Management Consultant assisting with any treasury needs. She has been with the bank for 14 years and has seven years banking experience in business banking, treasury and merchant services. She has worked with various entities throughout California, Nevada and Colorado.

Experience

Describe the Bank's experience in providing services to the public sector.

Our Government Banking team is committed to providing the industry with innovative financial solutions and personalized client service. Our first-hand knowledge and understanding of today's challenges comes from having supported government agencies and authorities with critical activities ranging from planning and development—to tax processing, utilities, finance, procurement, public safety and disaster relief.

- **Expertise:** Draw on the institutional banking knowledge of more than 1,900 public agency clients.
- **Technology:** Benefit from innovations funded by a technology budget of \$12 billion, which includes investments in cybersecurity.
- **Service:** Stay up-to-date through regular relationship reviews, training opportunities and client discussions via local coverage.
- **One relationship:** Leverage one vendor relationship to provide a broad assortment of services that can help reduce costs, improve services and better manage risks.
- **Implementation:** Gain project visibility and insights from your experienced onboarding specialist to facilitate the transition and implementation of services.

References

Provide two comparable local government references. Please include:

- *Name of government agency*
- *Contact name*
- *Contact phone number and email address*
- *Banking services in use*
- *Length of banking relationship*

Chase considers information about our clients proprietary and highly confidential. Therefore, we are not at liberty to disclose specific information about any current or former clients. However, the following clients have agreed to serve as a reference for this proposal:

Castroville Community Services District	
Contact Name, Title	Lidia Santos, Office Manager
Phone	(831) 633-2560
Email	lidia@castrovillecsd.org

Carmel Area Wastewater District	
Contact Name, Title	Barbara Buikema, General Manager
Phone	(831) 624-1248
Email	buikema@cawd.org

Options for Offsetting or Paying for Banking Services:

Describe options for offsetting bank fees including settlement options: monthly, quarterly or annually.

Yes. We accept compensation based on balances, with no difference in unit prices.

Balance Compensation: If you choose a balance compensation plan, eligible balances are used to calculate an earnings credit allowance to offset service charges.

If eligible balances are sufficient, the earnings credit allowance offsets the service charge. Should the level of eligible balances not fully cover the fees, remaining service charges are debited from a designated account, usually on a monthly basis.

Settlement options

As the standard option, Chase offers monthly settlement with fees debited on the 15th calendar day of the month following the close of the billing period. Alternative schedules may be quarterly, semi-annual or annual and are subject to negotiation.

Account analysis statements are generated monthly, regardless of settlement period. Chase's electronic billing statements are available online through J.P. Morgan Access on the sixth business day after the close of the billing period for all your accounts. Account analysis statements are typically available on Chase Connect within three business days after statement cutoff.

a. Provide your current Earnings Credit Rate

The current earnings credit rate is 0.14%.

b. Provide historic Earnings Credit Rate for the past 12 months

The earnings credit rate has been 0.14% for the past 12 months.

c. Provide the formula your bank uses for calculating the balance required to offset fees, including any deduction for reserves. Apply that formula to the monthly services listed in your pricing proposal.

The earnings credit is based on your operating balances held overnight in non-interest bearing DDAs. Each month we calculate the earnings credit by applying the ECR to your average end-of-day balances. We automatically apply the credit to eligible service fees. If the earnings credit is equal to or greater than the service fees, you will not be charged that month. If the earnings credit is less than that month's services, you only pay the difference.

Chase is proposing a Chase Business Platinum account structure, which is not on account analysis.

The monthly account analysis uses the below calculation to determine your compensating balance requirement.

Optimal compensating balance calculation*

$(\text{Monthly Fees} / \text{Net Earnings Credit Rate}) \times (\text{Actual Days in the Year} / \text{Actual Days in the Month})$

*Note: Monthly fees include maintenance and transaction fees quoted for your banking and cash management services.

Net earnings credit rate is the variable rate ECR in effect minus the balance based charge.

For example: $(\$1,000 / 0.17\%) \times (365 / 31) = \$6,925,996$

Value-added optional product and services

Chase's particular expertise lies in adapting and aligning our vast breadth of solutions to the specific operating requirements and environments of our clients.

We accomplish this by **listening** to our clients and **developing an understanding** of their operating environments. We then construct a solution that not only meets our clients' existing operational needs, but also challenges them to consider additional operational improvements.

It is our intent to **bring this same approach** to the District as we endeavor to strengthen and grow our relationship.

The services below are proposed to augment and complement the requirements included in the RFP. Each of these services is incremental to the solutions presented in the body of our response. Pricing for these services will be provided upon request.

- Economy lockbox
- Wholesale lockbox

Economy lockbox

Our Economy lockbox solution is designed to offer fast, accurate and cost-effective processing 24 hours a day, 7 days a week. If you are still manually processing your customers' payments, our solution will help you reduce resource costs, risk of internal check fraud and accounts receivable system errors. Economy Lockbox will also provide you with faster access to funds that you can invest or use for operating expenses. Plus, we have tools that allow you to access check and invoice images online, helping you respond to customer inquiries promptly.

Our clients are given a lockbox number and remittance address to help ensure your remittance mail is delivered to the correct facility.

We collect your remittance mail from the post office and bring it to our lockbox facility throughout the day and night. Your mail is sorted by lockbox number and separated into batches. Our trained associates open the envelopes, extract the contents and prepare them for standard processing. Next, we scan your checks and paper materials and store the captured images in our Internet-based archive, along with your lockbox reports.

Wholesale lockbox

We provide lockbox services and a brief summary follows.

Faster, easier, more cost-effective collections

As checks remain viable within the business-to-business industry, many organizations still face challenges with manual processes and inefficiencies.

We can help the District post receivables quickly, reduce exceptions and strengthen your cash position.

Benefit from our continued investment in equipment refresh and new technology to leverage and minimize exception processing and simplify your experience.

Lockbox improves your efficiency by reducing costs and expediting deposit credits to your account.

LOCKBOX INNOVATIONS

- 1947: Originated lockbox services
 - 1984: Launched network sites
 - 1995: Initiated secure, same-day check and remittance document imaging through our online browser
 - Today: Offer receivables reconciliation and enrichment tools
-

□ BENEFITS OF OUR APPROACH □

WHOLESALE LOCKBOX



Reduce paper

Redirect mail volume sent to you and eliminate costly, labor-intensive, paper-based receivables processing



One view

Use our full suite of imaging products to post information and efficiently handle exceptions using Receivables Online



Rely on us

Depend on uninterrupted processing and disaster recovery with fully-redundant locations and around-the-clock monitoring



Save capital expense

Access document and payment images and associated details without investing in proprietary or redundant archives



Reduce risk

Remove the need to visit the branch or store by depositing checks online



Save time, money and effort

Eliminate manual scanning of backup documentation onto your server

Pricing

Attached to the letter please provide the completed Banking Services Proposal Form that includes all services listed on the bank analysis statement. The Proposal Form is included with this request for proposal. Add all pricing elements relative to the services you provide. Use the term "No Charge" for any pricing elements listed on the current analysis statement for which your bank does not charge. This will provide an equitable comparison of all bidders. Include the number of years the fees will remain in place (minimum two years, a longer term up to five years is preferred. See Section 2 page 3 of this RFP.)

All pricing quoted in this response to RFP will remain fixed for an initial period of five (5) years. After the initial period, pricing, fees and terms is subject to mutual negotiation of the parties.

Chase is offering the District a Chase Business Platinum Checking Account structure in lieu of an Analysis checking account. Pricing has been provided for both in Appendix 1 and 2 respectively. However, the recommended structure has been detailed in the banking services proposal form.

BANKING SERVICES PROPOSAL FORM

Please complete all items on this attachment. (1) If your financial institution does not or cannot provide a specific requested service, please indicate "no proposal" and if appropriate recommend an alternate service and include as a specified attachment. (2) If the service is contracted to a third-party, please mark this clearly.

Moraga Orinda Fire Protection District Banking Services Proposal Form (Mark Item Clearly if "No Proposal" or Contracted to Third Party)	Estimated Mo. Unit Volume	Standard Fee Per Unit	Total Monthly Cost	Total Annual Cost	Comments
ACCOUNT ANALYSIS					
Monthly Maintenance Fee Public Funds Checking	2	0.00	\$	\$	\$95 monthly fee waived with \$100,000 in combined balances.
ACCOUNT RECONCILIATION					
Positive Pay Monthly Maintenance Fee	1	0.00	\$	\$	No Charge.
Checks Paid	70	0.00	\$	\$	First 500 debits and paper transaction are free. Paper transactions and debits over 500 are \$0.40 each.
Web Based Positive Pay	1	0.00	\$	\$	Free on Chase.com.
Web Based Positive Pay Exceptions	1	0.00	\$	\$	Free on Chase.com.
Stand Alone Payee Positive Pay Monthly	1	0.00	\$	\$	Free on Chase.com.
Stand Alone Payee Positive Pay Item	63	0.00	\$	\$	Free on Chase.com.
PUBLIC FUNDS CHECKING					
Bank Statement - Web	2	0.00	\$	\$	Free on Chase.com.
FDIC Insurance	0		\$	\$	Premium Assessment is not passed to clients on the Platinum Business

					Checking account.
FICO Insurance	0		\$	\$	Premium Assessment is not passed to clients on the Platinum Business Checking account.
CHECK PROCESSING					
Branch Deposit Tickets	2		\$	\$	First 500 debits and paper transaction are free. Paper transactions and debits over 500 are \$0.40 each.
Remote Deposit Monthly Fee	1	0.00	\$	\$	Quick Deposit single feed scanner service is complimentary on the Platinum Business Checking account.
Remote Deposit Per Item Fee	90	0.00	\$	\$	Quick Deposit single feed scanner service is complimentary on the Platinum Business Checking account.
AUTOMATED CLEARING HOUSE (ACH)					
ACH - Monthly Maintenance Fee	1	25.00	\$25.00	\$300.00	ACH Payments on available to all accounts. First 25 originated payments are free. Fee of \$0.15 per originated item above 25 items per month.
ACH Item Originated WCM	17	0.00	\$	\$	ACH Payments on available to all accounts. First 25 originated payments are free. Fee of \$0.15 per originated item

					above 25 items per month.
ACH Batch Processed WCM	5	0.00	\$	\$	ACH Payments on available to all accounts. First 25 originated payments are free. Fee of \$0.15 per originated item above 25 items per month.
Addenda Record WCM	11	0.00	\$	\$	Included in the ACH Payments service.
ACH Credit Received	26	0.00	\$	\$	Premium Assessment is not passed to clients on the Platinum Business Checking account.
ACH Debit Received	16	0.00	\$	\$	Premium Assessment is not passed to clients on the Platinum Business Checking account.
ACH Debit Block	2	0.00	\$	\$	Premium Assessment is not passed to clients on the Platinum Business Checking account.
ACH Debit Filter	16	0.00	\$	\$	Premium Assessment is not passed to clients on the Platinum Business Checking account.
WEB STOP PAYMENTS					
Stop Payment Renewal	1	0.00	\$	\$	Premium Assessment is not passed to clients on the Platinum Business Checking account.

Web Number Stop Accounts	1	0.00	\$	\$	Premium Assessment is not passed to clients on the Platinum Business Checking account.
WIRE TRANSFER SERVICES					
Incoming Draw/Outgoing Wire	2	0	\$	\$	Free incoming wires. First 4 outgoing wires are free. Outgoing wires exceeding the first 4 are \$25.00 each.
TOTAL CHARGES EXISTING SERVICES					
REQUESTED SERVICES					
Remote Deposit Scanner - one time cost, 2 scanners needed	2	\$300.00	\$300.00	\$300.00	First one free, then \$300 (plus sales tax) for each additional scanner.
EARNINGS CREDIT RATE					
Earnings Credit Rate Allowance				0.14%	Chase is proposing a Chase Business Platinum account structure, which does not provide an ECR allowance.
Number of Years Fees Will Remain in Place - minimum 2 years, longer term up to 5 years preferred			5 years		Chase is proposing a 5 year term.

Name of Bank	Chase Bank
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Terms and conditions

Chase has identified below the terms or conditions that we respectfully request be modified in accordance with our recommended revisions. We are willing to discuss mutually agreeable modifications to the contract terms. The proposed changes are indicated by additions *in italic, underlined, text* and deletions by ~~strikethrough, red text~~.

2. BACKGROUND

The District currently maintains a commercial banking relationship with Citibank. The District was notified by Citibank that Citibank is moving out of the government sector and will be closing the District's accounts. The District must contract with a new bank.

The District prefers to award a five year contract with fixed pricing. However, the District recognizes the uncertainty of the financial markets due to the COVID-19 pandemic and other factors and is open to shorter contract periods if the bank prefers. The District requires fixed pricing for a minimum two year contract period. Prices in years three, four and five may be negotiated based on satisfactory customer service.

Notwithstanding anything to the contrary, if Chase is the successful bidder, the award will be subject to a deposit account agreement (Appendix 3), the bank's standard terms and conditions (Appendix 4) for the services provided, and any modifications provided in this response to RFP. In addition, all pricing quoted in this response to RFP will remain fixed for an initial period of five (5) years. After the initial period, pricing, fees and terms is subject to mutual negotiation of the parties. The terms of this proposal shall expire on 3/8/22.

Know Your Customer (KYC)

Chase is required to know its customer and to adhere to policies and procedures intended to meet those regulatory requirements that apply to safety and soundness and to fight against the funding of terrorism, money laundering and sanction related activities including performing certain transaction screenings. This means Chase will request information about the District and its management and those having authority to transact business with Chase in order for Chase to comply with its policies and procedures. This is an ongoing requirement and the provision of services pursuant to this proposal and any additional products or services that may be requested is subject to and conditioned upon the ongoing satisfaction of those policies and procedures and compliance by the District with applicable law with respect to the services provided and Chase's policies of which the District is informed.

Appendix 1. Chase Business Platinum Checking Account Pro Forma Analysis

Pricing quoted herein is valid for 60 days from the date of this presentation



Customer: MORAGA-ORINDA FIRE PROTECTION DISTRICT

January 2022

Pro Forma Analysis - Platinum Checking

Average Ledger Balance: \$600,000.00

Service Charge Summary *

Maintenance Fees	\$0.00
Transaction Fees	\$0.00
Other Service Charges	\$180.00
Total Service Charges	\$180.00

Service Charge Detail *

Description	Volume	Allowed	Charged	Unit Price	Total
Acct Maint Platinum Chkg	100000		100000	\$0.0000	\$0.00
Elec Credits	143	99999	0	\$0.0000	\$0.00
Transactions - Non Elec	161	500	0	\$0.0000	\$0.00
Returned Item	0		0	\$0.0000	\$0.00
Insufficient Funds	0		0	\$0.0000	\$0.00
Cash Deposit	6910	25000	0	\$0.0000	\$0.00
Quick Dep Mthly Ser Chg Single	1		1	\$0.0000	\$0.00
QuickDeposit - Items	90		90	\$0.0000	\$0.00
Online - ACH Payments Maint	1		1	\$25.0000	\$25.00
Online - ACH Payments Trans	25	25	0	\$0.0000	\$0.00
ACH Debit Block Maintenance	2		2	\$0.0000	\$0.00
Incoming Wires - Domestic	0		0	\$0.0000	\$0.00
Outgoing Wires-Domestic Online	0		0	\$25.0000	\$0.00
Economy Lockbox w/Image-Maint	1		1	\$155.0000	\$155.00
Positive Pay - Maintenance	2		2	\$0.0000	\$0.00
Positive Pay - Check Return	0		0	\$15.0000	\$0.00
PWS Positive Pay Exception	0		0	\$2.0000	\$0.00
Total Service Charges					\$180.00

* Volumes on this Pro Forma are estimates. Actual volumes may be different, which will result in different charges than are specified above. Consult your Deposit Account Agreement and Additional Banking Services and Fees disclosure for checking account pricing and details.

Appendix 2. Chase Analysis Checking Account Pro Forma Analysis



Pro Forma Analysis

January 2022

Customer: MORAGA-ORINDA FIRE PROTECTION DISTRICT

ECR Rate: 0.1400%

Balance Analysis *

Average Ledger Balance				\$600,000.00
Less Average Float				\$30,000.00
Average Collected Balance				\$570,000.00
Less Reserve Requirement	Rate	0.00%		\$0.00
Average Available Balance				\$570,000.00
Less Balance Required				\$6,353,607.14
Net Available Balance				-\$5,783,607.14
Earnings Credit Allowance	Rate	0.1400%		\$65.59
Total Charge For Services				\$731.10
Net Credit Amount				-\$665.51
Service Charge Amount:				\$665.51

Service Analysis *

Service Description	Number of Units	Unit Price	Charge For Service	Balance Required
ACCOUNT SERVICES				
ACCOUNT MAINTENANCE	2	\$25.0000	\$50.00	\$434,523.81
QD DEPOSIT CREDIT	24	\$0.8000	\$19.20	\$166,857.14
CREDIT POSTED- ELECTRONIC	90	\$0.2500	\$22.50	\$195,535.71
DEBIT POSTED - ELECTRONIC	126	\$0.2000	\$25.20	\$219,000.00
Subtotal			\$116.90	\$1,015,916.67
AUTOMATED CLEARING HOUSE				
CREDIT RECEIVED	26	\$0.2000	\$5.20	\$45,190.48
DEBIT RECEIVED	16	\$0.2000	\$3.20	\$27,809.52
CREDIT ORIGINATED - JPM ACCESS	26	\$0.0000	\$0.00	
	26		\$0.00	\$0.00
DEBIT ORIGINATED - JPM ACCESS	100	\$0.0000	\$0.00	

Volumes and Balances on this Pro Forma are estimated. Actual volumes and balances may be different, which will result in different charges than are specified above.

*

**

Denotes Service is a one-time charge and will not appear on customer statement on a monthly basis.

Service Analysis *

Service Description	Number of Units	Unit Price	Charge For Service	Balance Required
	26	\$0.2500	\$6.50	
	126		\$6.50	\$56,488.10
JPM ACCESS ACH MAINTENANCE	1	\$0.0000	\$0.00	
	Flat	\$40.0000	\$40.00	
	1		\$40.00	\$347,619.05
ADDENDA RECORD ORIGINATED	0	\$0.1000	\$0.00	\$0.00
TRANSACTION BLOCK MAINTENANCE	2	\$0.0000	\$0.00	\$0.00
ACH TRANS BLOCK AUTHORIZED ID	16	\$0.0000	\$0.00	\$0.00
Subtotal			\$54.90	\$477,107.14
BALANCE BASED CHARGES				
BALANCE BASED CHARGES	1	\$64.1000	\$64.10	\$557,059.52
Subtotal			\$64.10	\$557,059.52
DEPOSITORY SERVICES				
CHECK DEPOSITED-ON US	80	\$0.2000	\$16.00	\$139,047.62
CHECK DEPOSITED-TRANSIT	10	\$0.2700	\$2.70	\$23,464.29
Subtotal			\$18.70	\$162,511.90
DISBURSEMENT SERVICES				
STOP PAYMENT AUTOMATIC RENEWAL	6	\$4.0000	\$24.00	\$208,571.43
CHECK / DEBIT POSTED	31	\$0.2400	\$7.44	\$64,657.14
CHECK INQUIRY MAINTENANCE	1	\$12.0000	\$12.00	\$104,285.71
EXCEPTION NOTIFICATION - ACCT	1	\$10.0000	\$10.00	\$86,904.76
STOP PAYMENT - ELECTRONIC	2	\$25.0000	\$50.00	\$434,523.81
Subtotal			\$103.44	\$898,942.86
JPMORGAN ACCESS				
MONTHLY SERVICE	1	\$75.0000	\$75.00	\$651,785.71
ACCOUNTS REPORTED	2	\$40.0000	\$80.00	\$695,238.10
TRANSACTIONS REPORTED - 45 DAY	212	\$0.1500	\$31.80	\$276,357.14
EXTENDED TRANSACTION DETAIL	814	\$0.0000	\$0.00	\$0.00
Subtotal			\$186.80	\$1,623,380.95
RECONCILIATION SERVICES				

Volumes and Balances on this Pro Forma are estimated. Actual volumes and balances may be different, which will result in different charges than are specified above.

*

**

Denotes Service is a one-time charge and will not appear on customer statement on a monthly basis.

Service Analysis *

Service Description	Number of Units	Unit Price	Charge For Service	Balance Required
PAYEE NAME VERIFICATION	126	\$0.0100	\$1.26	\$10,950.00
POSITIVE PAY MAINTENANCE	1	\$0.0000	\$0.00	\$0.00
PP NON RECON MAINTENANCE	1	\$30.0000	\$30.00	\$260,714.29
POS PAY WITHOUT RECON ITEMS	126	\$0.0000	\$0.00	\$0.00
Subtotal			\$31.26	\$271,664.29
WHOLESALE LOCKBOX				
WNLB ECONOMY LOCKBOX IMAGE	1	\$155.0000	\$155.00	\$1,347,023.81
Subtotal			\$155.00	\$1,347,023.81
Total Charge For Services			\$731.10	\$6,353,607.14

Volumes and Balances on this Pro Forma are estimated. Actual volumes and balances may be different, which will result in different charges than are specified above.

*
** Denotes Service is a one-time charge and will not appear on customer statement on a monthly basis.

Pro Forma Notes, Assumptions & Disclaimers

Additional Pricing Detail is provided below.

Volumes and Balances on this Pro Forma are estimated. Actual volumes and balances may be different, which will result in different charges than are specified above.

*

**

Denotes Service is a one-time charge and will not appear on customer statement on a monthly basis.

Additional Pricing Detail

CREDIT ORIGINATED - JPM ACCESS 2742 Unit Price 0.0000 Tiered Volume Price 101+ 0.2500	DEBIT ORIGINATED - JPM ACCESS 2744 Unit Price 0.0000 Tiered Volume Price 101+ 0.2500
JPM ACCESS ACH MAINTENANCE 2746 Unit Price 0.0000 Flat Charge 40.0000	WNLB ECONOMY LOCKBOX IMAGE 6119 Unit Price 1.5000 Min Charge 155.0000

Volumes and Balances on this Pro Forma are estimated. Actual volumes and balances may be different, which will result in different charges than are specified above.

*

**

Denotes Service is a one-time charge and will not appear on customer statement on a monthly basis.

Appendix 3. Sample Deposit Account Agreement

Welcome to Chase

Thank you for opening your account with Chase; we look forward to serving you. We recommend keeping this agreement but we regularly update it, so you can always get the current agreement at [chase.com](https://www.chase.com), a branch or by request when you call us.

This is your Deposit Account Agreement (may also be referred to as Account Rules and Regulations), or contract, with us.

The Deposit Account Agreement also includes these separate documents that pertain to our personal and business accounts:

- Rates for interest-bearing accounts
- Personal accounts:
 - Additional Banking Services and Fees (including our Fee Schedule)
- Business accounts:
 - Additional Banking Services and Fees (including our Fee Schedule)
- Any additional disclosures, such as amendments or agreements, that we provide to you either when you open your account or when we change the terms of your account.

How to Contact Us

We're here for you. See below for how to reach us.

Personal Accounts:

Main phone number: 1-800-935-9935
Spanish: 1-877-312-4273
International calls: 1-713-262-1679
Website: [chase.com](https://www.chase.com)

Business Accounts:

Main phone number: 1-800-242-7338
Spanish: 1-888-622-4273
International calls: 1-713-262-1679
Website: [chase.com/business](https://www.chase.com/business)

Chase Private Client:

Main phone number: 1-888-994-5626
International calls: 1-405-235-4847
Website: [chase.com/privateclient](https://www.chase.com/privateclient)

Chase Mobile or Online Banking: 1-877-242-7372

Deaf and Hard of Hearing: We accept operator relay calls

Electronic Funds Transfers (EFTs):

In case of errors or questions about your EFTs, or if you believe your debit card has been lost or stolen, call us at 1-866-564-2262 or write:

Chase
PO Box 659809
Internal Mail TX3-7849
San Antonio, TX 78265-9109

To Dispute Information Reported to a Consumer Reporting Agency:

JPMorgan Chase Bank, N.A.
PO Box 182108
Internal Mail OHW-1000
Columbus, OH 43218

All Other Written Correspondence:

JPMorgan Chase Bank, N.A.
PO Box 659754
San Antonio, TX 78265-9754

Deposit Account Agreement Table of Contents

I. Definitions	5
II. Opening Your Account	5
A. Personal Accounts	5
1. Solely owned account	5
2. Joint accounts	5
3. "Payable on death" account	6
4. "In trust for" (informal trust) account	6
5. Convenience account	6
6. Power of attorney	6
7. Uniform Transfers to Minors Act/Uniform Gifts to Minors Act account	6
8. Representative payee/VA custodian account	6
9. Other fiduciary accounts	7
B. Business Accounts	7
III. Using Your Checking or Savings Account	7
A. Adding Money to Your Account	7
1. Direct deposits; notice of electronic deposits	7
2. Endorsements	7
3. Endorsement requirements	7
4. Our right to refuse deposits	7
5. Our right to charge back deposited or cashed items	7
6. Transaction records and receipts	7
7. Night depository and large cash deposits	8
8. Our responsibility for collecting deposits	8
9. Depositing remotely created checks	8
B. Posting Order and Processing	8
1. Posting order	8
2. "Pending" transactions	8
C. Overdrafts, Fees and Overdraft Protection	9
1. Paying items presented against insufficient funds	9
2. Your responsibility to repay overdrafts	9
3. Insufficient Funds and Returned Item fees	9
4. Overdraft Protection	9
D. Electronic Funds Transfer Service Terms; Payments, Deposits and Transfers You Make or Receive by Electronic Methods	10
1. Types of EFT services	10
a. Debit and ATM cards	10
b. Electronic transfers using your account number	10
c. Online banking and Chase Mobile	10
d. Telephone banking	10
e. Transfers for Overdraft Protection	10
2. Important information and agreements about your card	11
a. Authorizations and holds	11
b. Overdrafts with your card	11
c. Canceling your card	11
d. Our right to refuse transactions	11
e. Foreign exchange transactions	11

f. Debit or credit prompts at terminals.....	11
g. ATM safety and safeguarding your account information	11
3. Daily dollar limits on ATM withdrawals and card purchases.....	12
4. Receipts and statements	12
5. In case of errors or questions about your electronic funds transfers.....	12
6. Our liability for failure to complete transactions.....	12
7. Preauthorized (recurring) transfers and stop payments	12
8. Disclosure of account information to third parties	13
9. Notice of your rights and liabilities.....	13
10. Fees.....	13
11. Services not covered by this part; separate agreements	14
E. Other Ways to Use Your Money.....	14
1. When you can withdraw funds you've deposited	14
2. Withdrawals and transfers from your account	14
3. Autosave feature.....	14
4. Transactions in a foreign currency.....	14
5. Large cash withdrawals	14
6. Stop payments on a check.....	14
7. Account numbers on funds transfers	15
8. Savings account withdrawals	15
9. Our right to require advance notice of withdrawals.....	15
10. Check cashing.....	15
11. Incomplete, future-dated, conditional or stale-dated checks.....	15
12. Multiple signatures.....	15
13. Facsimile signatures	15
14. Review of checks and signatures.....	15
15. Substitute Checks and Your Rights	15
IV. Funds Availability Policy	16
V. Safeguarding Your Information.....	17
A. Checks and Other Documents You Use	17
B. Protecting Your Checks.....	17
C. Notice of Errors, Forgeries and Unauthorized Signatures.....	17
VI. Managing and Maintaining Your Account.....	18
A. Interest on Checking and Savings Accounts.....	18
B. Linking Your Accounts; Statements	18
1. Linked accounts	18
2. Statements and notices	18
3. Combined statements	18
4. Options for receiving checks.....	18
C. Telephone and Electronic Communication.....	19
D. Other Fees for Your Account.....	19
1. Fees	19
2. Savings Withdrawal Limit Fee	19
E. Setoff and Security Interest.....	19
F. Account Alerts and Text Banking	19
VII. Maintaining Your Certificate of Deposit (CD) Account.....	19

- VIII. Closing Your Account..... 21**
- IX. Other Legal Terms..... 21**
 - A. Rules Governing Your Account 21**
 - B. General Liability 21**
 - C. Restricting Your Account; Blocking or Delaying Transactions..... 21**
 - D. Changes to the Agreement 22**
 - E. Our Responsibility to Obtain Personal Information 22**
 - F. Prohibited Activities and Tax Reporting..... 22**
 - G. Death or Incompetence of Account Owner or Sole Signer..... 22**
 - H. Adverse Claims 22**
 - I. Authorization to Share Information..... 23**
 - J. Disputing Information Reported to a Consumer Reporting Agency..... 23**
 - K. Legal Process and Requests for Information 23**
 - L. Abandoned Property 23**
 - M. English Language — Other Language Preferences..... 23**
 - N. Referrals 23**
 - O. Special Provisions for Pass-Through Accounts 23**
 - P. Sub-accounts 23**
 - Q. Permitted Time for Filing a Lawsuit..... 24**
 - R. Location of Legal Proceedings..... 24**
 - S. Pre-judgment Interest Rate 24**
 - T. Assignment of Agreement and Successors..... 24**
 - U. No Waiver 24**
- X. Arbitration; Resolving Disputes 24**

Privacy Notice

Deposit Account Agreement

This agreement is the contract that governs your account.

Whether you have a personal or business deposit account, this document is the basic agreement between you and us (JPMorgan Chase Bank, N.A. or “Chase”). By signing a signature card or submitting an account application, or by using any of our deposit account services, you and anyone else identified as an owner of the account agree to the terms in this agreement. Customers of some of our business groups, such as Corporate Banking, will get a different agreement and their accounts will be governed by that agreement, not this one. If you have a product that is not a deposit account, such as a prepaid card or credit card, this agreement does not apply to that product. Also, other products or services, such as online banking or retirement accounts, may have additional agreements. A more specific agreement takes precedence over this one.

This agreement also refers to and includes other disclosures we may provide to you, including (1) product information, (2) rate information, (3) banking services and fees, and (4) other disclosures, agreements, and amendments that we may provide to you. All may contain information on fees that apply to your accounts. Products and services as well as associated fees, charges, interest rates and balance requirements may differ among different geographic locations. Not all products and services, including check cashing, are offered at all locations.

I. Definitions

Here are some important terms that we use throughout this agreement:

Account: Any deposit account, such as a checking or savings account, you have with us that is covered by this agreement.

ACH (Automated Clearing House): ACH, which may also be referred to as automatic payments, are funds transferred to or from your account through an automated clearing house network. Common examples include direct deposits of payroll, pension or government benefits such as Social Security.

ATM (Automated Teller Machine): An electronic device that performs many banking services, which can include withdrawals and balance inquiries.

Available balance: The amount of money in your account that you can use right now. You can find this balance on receipts you receive at ATMs, from a banker at a branch, on chase.com or Chase Mobile.

Business day: Every day except Saturdays, Sundays and federal holidays. Some branches may close on a business day due to an emergency or to observe a state holiday.

Check: A written order to pay a specific amount of money drawn on, payable through, payable at or processed by a bank or other depository institution. If a check is sent or returned as an electronic image or as a substitute check, it is still considered a check.

Debit card transaction: Any purchase or bill payment using your debit card. A debit card transaction may be either an everyday (not recurring) purchase transaction or a recurring payment, such as a monthly bill.

Direct deposit: An automatic electronic deposit made through the ACH network to your account by someone else, such as an employer issuing payroll or a government paying benefits.

Item: Any check, ACH, funds transfer, online banking transaction, wire transfer, teller cash withdrawal, ATM withdrawal, debit card purchase, fee, charge or other instruction for an amount to be added to or subtracted from your balance.

Overdraft: The amount by which any item(s) presented on your account on a business day exceeds the available balance.

Overdrawn: When your account has a negative balance.

PIN: A four-digit personal identification number that you either select or request from us for your debit or ATM card. Some merchants and all ATMs require a PIN when you use a debit card.

Present balance: The total amount of money recorded in your account, including funds not yet available for you to use. This includes pending transactions, authorization holds that are not yet posted or deposits that have not yet been made available. You can find this balance on receipts you receive at ATMs, from a banker at a branch, on chase.com or Chase Mobile.

II. Opening Your Account

A. Personal Accounts

THE TYPE OF ACCOUNT OWNERSHIP MAY DETERMINE HOW YOUR FUNDS ARE PAID IF YOU DIE, EVEN IF YOUR WILL STATES OTHERWISE. PLEASE CONSULT YOUR ESTATE PLANNING ADVISOR OR ATTORNEY ABOUT YOUR CHOICES.

If your account is a type listed under “Personal Accounts” in our product information, you agree not to use it for business purposes. Ownership of your account is determined by the most current signature card. However, we are authorized to rely on the account ownership information contained in our deposit system unless we are notified that the most current signature card and the deposit system contain different information.

1. Solely owned account

When only one individual is listed as the owner of an account, we will treat the account as a solely owned account.

2. Joint accounts

When two or more people are listed as owners of a personal account, the account is a “joint account” and each owner is a “joint owner.”

Each joint owner has complete control over all of the funds in the account.

If your joint account becomes overdrawn, each joint owner is liable for the full amount the account is overdrawn, regardless of who initiated or benefited from the item(s) that caused the overdraft.

If one joint owner requests that we not pay items authorized by a different joint owner, we may block the account, but we are not required to do so. That means we will refuse to pay all items, including items authorized by the owner making the request. If we block the account, we may not release the block unless all joint owners agree

in writing to remove it. No request to block the account will affect items that we paid before the request. If we decide not to block the account, all joint owners remain responsible for items subtracted from the account.

Any joint owner may close the account without the consent from any other joint owners. We may choose whether or not to act upon other instructions of any joint owners, including adding another owner to the account, without the authorization of the other joint owners. We may also pay all or any part of the funds in the joint account to a court or government agency if we receive a garnishment, levy or similar legal process that identifies any of the joint owners.

Joint account with rights of survivorship

If a joint account has rights of survivorship, and one joint owner dies, the account ownership will be transferred to the surviving joint owners. The estate of the deceased owner will have no rights to the account. If there is more than one surviving joint owner, the account will continue as a joint account with rights of survivorship among the remaining owners. If an account is designated "JAWROS" or "JTWROS," it has rights of survivorship.

Joint account with no right of survivorship (also called "tenants in common")

If a joint account does not have rights of survivorship, and one joint owner dies, that owner's interest passes to the owner's estate. Either the surviving joint owners or the deceased owner's estate may withdraw the funds at any time, and we have no responsibility for determining the respective interests of the owners. If an account is designated "Tenants in common" or "JTIC," it does not have rights of survivorship.

When survivorship rights apply

Except as otherwise stated in this paragraph, a joint account has rights of survivorship unless you clearly indicate on the signature card and in the account title that the account is created without these rights. Accounts in Louisiana do not have rights of survivorship. Accounts in Texas do not have rights of survivorship unless you clearly indicate on the signature card and in the account title that the account is created with these rights.

If a joint account also contains a "payable on death" or "in trust for" designation, the account always includes a right of survivorship and is payable to the beneficiary only upon the death of the last surviving owner, except as stated in the paragraph below.

Marital account (Wisconsin only)

If one owner of a marital account dies, the survivor is entitled to 50% of the account funds and the estate of the deceased is entitled to the other 50%. If a marital account contains a payable on death designation, the POD beneficiary is entitled to the deceased spouse's 50% share. However, we have no responsibility to determine the respective interests of the owner and the POD beneficiary.

Tenants by the entirety (Florida only)

A Florida joint account owned solely by two spouses is a "tenants by the entirety" account unless the signature card indicates otherwise. We are not required to determine whether an account is a tenants by the entirety account before responding to a garnishment or other legal process. We may assert our right of setoff or security interest in a tenants by the entirety account in order to collect debts of either owner.

3. "Payable on death" account

If you establish your account payable on death to one or more beneficiaries, the account is a "POD" account. If we receive proof you've died, we will pay the balance of the account to the beneficiary or beneficiaries you designated. Multiple beneficiaries will be paid in equal shares unless the signature card provides otherwise. We do not offer POD accounts in all states.

4. "In trust for" (informal trust) account

If you establish your account as in trust for ("ITF") or as trustee for one or more beneficiaries without presenting formal trust documents, we may treat the account as an "ITF" account. If we receive proof you've died, we will pay the balance of the account to the beneficiary or beneficiaries you designated. Multiple beneficiaries will be paid in equal shares unless the signature card provides otherwise. We do not offer ITF accounts in all states.

5. Convenience account

If you have a convenience account, you are its sole owner, but you authorize an additional signer to write checks or authorize other items. You are solely responsible for the actions of the additional signer (legacy accounts only).

6. Power of attorney

A power of attorney is a document you sign that authorizes someone else, called the agent, to act on your behalf. If you sign a power of attorney, the agent can sign on your behalf and do anything you could do regarding the account, including withdrawing or spending all of the money in the account. Do not sign a power of attorney unless you trust the agent to act in your best interest. If you choose to add an agent, you must provide a power of attorney form that we agree to accept. We may rely on a copy of an original power of attorney. We are not required to investigate the facts relating to any power of attorney provided to us on your behalf, including whether your signature on the power of attorney is authentic or whether the agent continues to have authority. We may follow or refuse to follow the agent's instructions at any time, including if we suspect fraud or abuse on your account, unless state law requires otherwise. We may also refuse an agent's request to become a joint owner or a beneficiary of an account, but we have no liability to anyone if we do so. We have no liability when we follow or refuse to follow any instructions from an agent, for example, if your agent misuses the authority you have given them. An agent's power of attorney on an account is terminated when the account owner dies.

7. Uniform Transfers to Minors Act/Uniform Gifts to Minors Act account

If you are the custodian or successor custodian of an account under a state's Uniform Transfers/Gifts to Minors Act, you cannot pledge the account as collateral for a personal loan to you, or cash checks against it. You must transfer the funds in the account to the minor when the minor reaches the age of majority under the UTMA/UGMA law for the state where the UTMA was established. At our sole discretion we may limit transactions on the account if you fail to transfer funds to the beneficiary as required by applicable law. You agree that it is your responsibility as custodian to consult your own legal or tax advisor about the governing state law.

8. Representative payee/VA custodian account

If you open an account as a "representative payee" for someone who receives Social Security payments, or as a legal custodian, spouse payee or other custodian for someone who receives Veterans Administration payments, you agree not to permit any deposits to the account other than the designated payments. We are not required to determine whether you deposit other funds or whether any withdrawals or transfers from the account are for the support of the person for whose benefit the funds are paid. This person is called the beneficiary. If the beneficiary dies, you must promptly notify us and stop all further deposits to and withdrawals from the

account. If the government demands that we return deposits made after the beneficiary's death and the account does not have enough funds to pay the demand, we may take the funds from any account you or the beneficiary owns.

9. Other fiduciary accounts

If you open an estate account, trust account, guardianship or conservatorship account, or other similar type of account, we reserve the right to require any documents we reasonably request to satisfy us that you are authorized to open and use the account, including withdrawing the funds. We do not have to permit any withdrawal from the account until we receive all requested documents. We have no fiduciary duties to you as the trustee, executor, guardian or conservator, or to the beneficial owners of the account.

B. Business Accounts

If your account is a type listed under "Business Accounts" in our product information, you agree not to use it for personal purposes.

If our records list a business organization as the owner of an account, the account is payable to the business organization and not to any individual director, shareholder, member or partner. "Business organization" means a corporation, unincorporated association, limited liability company, partnership, or any other business, government or non-profit organization. We may rely on the accuracy and completeness of all resolutions, signature cards and other documents you deliver to us in connection with the account. If they state that a person is authorized to sign checks or otherwise initiate transactions on your account, that person is called a signer.

If the account owner is a sole proprietorship, that means that one person conducts the business as his or her own property, instead of through a business organization. A sole proprietor may also designate signers by appropriate documents. We may in some states allow a married couple to open an account as a sole proprietorship.

If you change your form of ownership or authorized signers, you must notify us when the change occurs.

A signer is authorized to endorse checks payable to the business. Endorsements "for deposit" may be written or stamped. A signer is also authorized to sign checks drawn on your account. We are authorized to pay checks without asking how the checks were issued or how the proceeds will be used, even if the check is payable to the person who signed the check.

A signer is authorized to instruct us to close accounts or do anything else involving any account, and to sign any agreements or documents relating to accounts or other business.

We may, although we are not required to, cash checks payable to or accept "less cash" deposits from a business organization.

If you open an attorney trust account, including an IOLTA or similar account, you authorize us to notify the appropriate state agency if the account is overdrawn or checks are dishonored, if the applicable state requires notice of those events.

III. Using Your Checking or Savings Account

A. Adding Money to Your Account

1. Direct deposits; notice of electronic deposits

When we receive an electronic deposit to your account, the only notice you will receive from us is on your next statement. You may visit [chase.com](https://www.chase.com) or Chase Mobile® and use Account Alerts, or call us to confirm that we have received a deposit.

If the bank that sent an electronic deposit to your account tells us it was a mistake, or was intended for another customer or account, we may deduct the amount from your balance without investigating.

2. Endorsements

An endorsement is a signature, stamp or other mark made on a check to transfer the check to another person. If a check you deposited doesn't have your endorsement, we may endorse it for you or treat the check as if we had endorsed it. Either way, the effect will be as if you had endorsed the check. Also, any deposited check that appears to contain your stamped or facsimile endorsement will be treated as if you had actually endorsed it. We are not bound by any conditional or restrictive endorsements on a check you cash or deposit, or by any endorsement "without recourse."

3. Endorsement requirements

To help ensure that checks you deposit or cash will be processed timely, your endorsement (and any other endorsement supplied by a co-payee) must be in the 1½ inch area that starts on the right side as viewed from the back. Payee or customer information must not be on any other part of the back of the check.

If you don't endorse your check properly and it causes us a loss, cost or expense, you have to pay that amount to us.

4. Our right to refuse deposits

We may refuse a deposit, or part of a deposit, at any time. We also may refuse a deposit after initially accepting it. We can reverse any amount we have added to your balance for a deposited check and send the check on a collection basis even after we have taken physical possession of the check. We will not be liable to you for refusing a deposit, even if it causes us to decline any transactions you have already made. If we refuse a deposit, we may take a check on a "collection basis," which means we will not add funds to your balance until we have actually been paid for the check.

5. Our right to charge back deposited or cashed items

If you deposit or cash a check or other item and (1) the paying bank returns it to us unpaid; (2) the paying bank or the issuer of a check demands that we repay them because the check was altered, forged or unauthorized, is missing a signature or endorsement, or has a forged endorsement; or (3) the sending bank or the originator of an item demands that we return the item because it was unauthorized, sent to the wrong account number or procured by fraud, we may pay the return or demand, and subtract the funds from your balance in other accounts for which you are an owner, or charge part of the item to each, even if you have already withdrawn the funds. If we have reason to believe that any of the events in the previous sentence has occurred or may occur or that the check or other item should not have been paid or may not be paid for any other reason, we may place a hold on the funds or move them to a non-customer account until we determine who is entitled to them. If a deposited or cashed item is returned, we will charge you a Deposited Item Returned Fee or a Cashed Check Returned Fee. Refer to the Fee Schedule for specific fee information.

6. Transaction records and receipts

We may rely on the account number on any deposit slip, payment instruction, or similar record we receive, even if that account number is associated with a name that's different from the name you've provided. It's not our responsibility to detect any inconsistency between the account number you provide and the name.

If you make a deposit, we may provide a receipt, but the amount on your deposit receipt is based entirely on the deposit slip you complete. We may confirm the funds you deposit and, after review, may adjust your account for any errors including any errors on your deposit slip.

We are permitted to adjust (debit or credit) your account, and we may notify you, if we:

- Determine a discrepancy exists between the declared and the actual amount of the funds in your account, or
- Misdirected a transaction to or from your account or made a transaction that we reasonably believe to be in error.

If we give you a receipt for a CD that you decide not to open or we give you a receipt for a deposit that you then cancel, the receipt is void and you may not claim those funds.

7. Night depository and large cash deposits

Any of our employees may open and count any deposit that a branch banker didn't count in front of you, including night depository deposits and large cash deposits, and you agree not to dispute that employee's determination of the amount you deposited.

If you use our night depository, you are responsible for any disappearance, theft or loss of any envelope, bag or money before we issue a written receipt for the deposit.

8. Our responsibility for collecting deposits

If you deposit or cash a check, or we send one for collection, we act only on your behalf. Our only responsibility is to exercise reasonable care. We will not be liable for the lack of care of any bank or third party we use to collect checks, or for checks lost during shipping. We may send checks to any bank or to the entity on which the check was written in our customary manner. We may have agreements with other banks regarding times and methods for collecting or returning items.

If we lose a check, you agree to use reasonable efforts to help us locate or replace it.

Although we attempt to identify and prevent fraudulent transactions, we have no duty to you to determine whether any check you deposit or cash is forged, counterfeit, altered, improperly endorsed or otherwise improper.

9. Depositing remotely created checks

A remotely created check is created by the payee and not signed by the account owner. It states that the account owner authorized the check. If you deposit a remotely created check, you guarantee it was authorized by the account owner for payment in the amount it shows.

B. Posting Order and Processing

1. Posting order

Posting order is the order in which we apply deposits and withdrawals to your account. We provide you with visibility into how transactions are posted and in what order to help you better manage your account.

When we transition from one business day to the next business day we post transactions to and from your account during our nightly processing. The order in which we generally post items during nightly processing for each business day is:

- First, we make any previous day adjustments, and add deposits to your account.
- Second, we subtract transactions in chronological order by using the date and time of when the transaction was authorized or shown as pending. This includes ATM and Chase banker withdrawals, transfers and payments; automatic payments; chase.com or Chase Mobile online transactions; checks drawn on your account; debit card transactions; wire transfers; and real time payments. If multiple transactions have the same date and time, then they are posted in high to low dollar order.
 - There are some instances where we do not have the time of the transaction therefore we post at the end of the day the transaction occurred:
 - We are unable to show the transaction as pending; or
 - We don't receive an authorization request from the merchant but the transaction is presented for payment.
- Third, there are some transactions that we cannot process automatically or until we've completed posting of your chronological transactions. This includes Overdraft Protection transfers or transfers to maintain target balances in other accounts. We subtract these remaining items in high to low dollar order.
- Finally, fees are assessed last.

If you review your account during the day, you will see that we show some transactions as "pending." For details, refer to the section "*Pending*" transactions. These transactions impact your available balance, but have not yet posted to your account and do not guarantee that we will pay these transactions to your account if you have a negative balance at that time. We may still return a transaction unpaid if your balance has insufficient funds during that business day's nightly processing, even if it had been displayed as a "pending" transaction on a positive balance during the day. If a transaction that you made or authorized does not display as "pending," you are still responsible for it and it may still be posted against your account during nightly processing.

2. "Pending" transactions

Throughout the day we post debits and credits to your account that may appear as "pending" when we become aware of the transaction. The following are the most common types of debit transactions that may appear as "pending" and reduce your available balance by the amount of the transaction:

- ATM and Chase Banker Withdrawals, Transfers and Payments
- Automatic Payments
- Chase.com or Chase Mobile Online Transactions
- Checks Drawn on Your Account
- Debit Card Transactions
- Wire Transfers

ATM and Chase Banker Withdrawals, Transfers and Payments: For payments or cash withdrawals, we will apply the transactions and update your available balance as soon as the transaction is complete.

Automatic Payments (ACH transactions): We will generally apply transactions against your available balance as pending at the start of the business day of the effective date of the payment. These transactions will be applied in the order we receive them. If you initiate ACH transactions on the same day as the effective date, we will apply them in the order we receive them from the merchant.

Chase.com or Chase Mobile Online Transactions: For any payment or transfer, once you approve the transaction, we'll apply it to your account. For recurring or future dated payments, it is applied on the effective "send on" date.

Checks Drawn on Your Account: When cashed or deposited at a Chase ATM, branch, or online will be pending on your account at the time the item was cashed or deposited. Checks that are deposited at other banks will show as pending throughout the day as the other banks submit the item to us for payment. If the amount of the check identified in the notice exceeds your balance at the time we receive the notice, we may notify the other bank of that fact.

Debit Card Transactions: For more information on debit card transactions refer to the section *Important Information and Agreements About Your Card*.

Wire Transfers: Once we've begun processing the wire transfer and completed all of our internal reviews, we will apply the transaction to your account and update your available balance on the transfer's effective date.

While we make every effort to place transactions in a pending status on your account during the day, transactions may be unable to be displayed as pending before they are posted to your account. How these items are posted when they are completed and no longer display as pending is based on the posting order. Fees are applied against the account based on how items are posted. For details, refer to the section *Posting Order*.

C. Overdrafts, Fees and Overdraft Protection

1. Paying items presented against insufficient funds

We may pay or decline to pay any item when it is presented if your available balance is less than the amount of that item plus all other items received but not yet paid. We will decline any requested ATM withdrawal unless your available balance at the time is equal to or more than the amount of the requested withdrawal. We look at your available balance only once when the item is presented (or represented such as a check or ACH) to us to decide if you have enough funds to pay the item.

Even if we've paid overdraft items before, we are not required to do it in the future. Special rules for everyday debit card transactions, overdraft and fees for these transactions, are described in the *Electronic Funds Transfer Service Terms*. Withdrawals and debits at ATMs or with merchants may be subject to additional limitation described in the Additional Banking Services and Fees.

2. Your responsibility to repay overdrafts

You must immediately pay the amount of any overdraft along with any fees that apply. We may report you to consumer reporting agencies, close your account, or both. This could affect your ability to open accounts with us or other banks in the future. For certain business accounts, if you don't immediately pay the amount of overdraft, you may also be charged additional fees or interest during nightly processing.

You authorize us to use the money from any subsequent deposits to your account (including but not limited to a direct deposit of Social Security or any other state or federal benefit payment) to pay any overdraft and resulting fees in that account. The repayment of any overdraft or resulting fee from any other account is outlined in the section *Setoff and Security Interest*. For deposits you have authorized, you understand and agree that if you don't want your benefits applied in this way, you may change your direct deposit instructions at any time with the person or organization paying the benefits.

You agree to pay all costs and expenses we incur in collecting any overdraft. We may still pursue collection of the amount you owe (including suing you) after it is charged off.

It's your responsibility to avoid overdrawing your account.

3. Insufficient Funds and Returned Item fees

We will charge a fee during nightly processing for any item presented on a business day when your account is overdrawn, whether or not we pay the item. If we pay it, we will charge an Insufficient Funds Fee. If we return it, we will charge a Returned Item Fee (even if we later decide to pay that item after we had initially decided to return it). Special rules for everyday debit card transactions are described in the *Electronic Funds Transfer Service Terms*.

Refer to your product information and Fee Schedule for information about what fees apply and how fees are calculated for your account. We may limit the number of Returned Item and Insufficient Funds fees we charge for a business day. For business accounts, we may charge interest on any amount you are overdrawn that you haven't repaid promptly.

4. Overdraft Protection

Overdraft Protection allows you to link one of your accounts as your backup account to your checking account to help pay an overdraft. If your checking account does not have enough money, we will use the available funds from your backup account to authorize or pay transactions.

Establishing or Canceling Overdraft Protection: Any owner of both a qualifying checking account and the backup account may enroll in Overdraft Protection without the consent of other owners and both accounts must share at least one owner to maintain Overdraft Protection. Any owner of the checking account or the backup account may cancel Overdraft Protection (by terminating the service or closing the account) without the consent of other owners. A backup account can provide Overdraft Protection for more than one checking account, but a checking account can have only one backup account. A personal checking account may be linked to a Chase personal savings account; and a business checking account may be linked to a Chase business savings account or a business line of credit in good standing. We may cancel your Overdraft Protection service at any time. Your request to add or cancel Overdraft Protection will become effective within a reasonable time after approval.

Transfers: We will make one Overdraft Protection transfer per business day that will appear on your statement for both accounts. If you have enough available funds in your backup account, we will automatically transfer enough to bring your checking account balance to zero. If you do not have enough available funds in your backup account to bring your checking account balance to zero, but you have enough available funds to pay one or more transactions and/or your previous day's negative balance, we will transfer that amount. If the amount transferred does not bring your checking account balance to zero, your checking account will become overdrawn and you may be charged Insufficient Funds or Returned Item fees. If we authorize your transaction, we will leave the funds in your backup account until we pay the transaction, which may take several days. However, if you use those funds before the transaction is paid there will not be available funds to make the transfer and your checking account may become overdrawn and charged an Insufficient Funds Fee. The available balance for a savings account is determined at the time that we authorize a transaction or at the end of business day processing. The available balance for a business line of credit is determined at the end of the previous business day processing. We are not required to notify you if funds from the backup account cannot be transferred for Overdraft Protection (for example if the account is dormant, purged, restricted or not in good standing). Refer to the section *Restricting Your Account; Blocking or Delaying Transactions* for additional information.

Overdraft Protection transfers may result in Savings Withdrawal Limit Fees. See the *Savings Withdrawal Limit Fee* section for more information.

D. Electronic Funds Transfer Service Terms; Payments, Deposits and Transfers You Make or Receive by Electronic Methods

We provide a variety of electronic funds transfer (EFT) services for deposit accounts. These include payments, deposits and transfers that you make or receive by electronic methods, such as with your card, telephone, or chase.com.

1. Types of EFT services

a. Debit and ATM cards

As a condition of opening certain accounts, you agree that we may automatically issue you a Chase debit or ATM card. However, activating your card is not required to keep your account open. We may deactivate any temporary ATM card when you activate your debit card.

You can use your card as follows:

At ATMs to:

- Withdraw cash;
- Transfer money;
- Check your balances;
- Deposit cash or checks;*
- Make payments to qualifying Chase credit cards and loans;*
- Obtain a copy of recent account activity.*

Services marked with an asterisk (*) are available only at Chase ATMs, and all services may not be available at all Chase ATMs.

When you use a Chase ATM, you will have access to all of your personal checking, savings and credit card accounts, regardless of whether the accounts are linked to your card. When linking multiple accounts to your card, one checking account and one savings account will be designated as primary. We also offer cards with limited functions for your deposit accounts, such as deposit-only business cards and prepaid cards that can be linked to a checking or savings account. Subject to the limited functions provided for each card, limited-function cards are also considered "cards" under this agreement.

You can use a non-Chase ATM only if it is in a participating network. Your primary checking and savings accounts will be accessible on that network, and your other linked accounts may be accessible. Outside the U.S., only your primary checking account is usually accessible. We may charge a Non-Chase ATM Fee, and the ATM owner/network may also charge a fee. Any of these fees may be charged for any activity, including withdrawals, balance inquiries and transfers. We generally waive the Non-Chase ATM Fee for a balance inquiry or transfer if it is made in connection with a withdrawal at the same non-Chase ATM at the same time with the same card. On some accounts, we will refund ATM fees charged by the ATM owner/network; however, some ATM owners/networks do not identify these fees in the information they send to us and, as a result, we may not automatically refund the fee. If for any reason the refund is not processed, please contact us. If you choose to convert an international transaction to U.S. dollars at either an ATM or on a purchase, foreign currency commissions and fees included in the exchange rate charged by third parties are excluded from Chase reimbursements.

You can use your debit card (but not your ATM card):

At participating merchants to:

- Purchase goods and services. Purchases are subtracted from your primary checking account. If you have arranged with your merchant to make recurring payments, you must notify the merchant if your card number or expiration date has changed or your debit card is closed. We may also provide the merchant or the participating network your new account number and expiration date.
- Withdraw cash while making a purchase using your PIN if the merchant permits the cash-back option.
- Send or receive payments from another person, or receive payments from a business by providing your card number to third-party payment services.

At participating financial institutions to:

- Withdraw funds at a teller. Withdrawals are subtracted from your primary checking account. You will be charged a Non-ATM Cash Fee.

b. Electronic transfers using your account number

You may authorize a third party to transfer funds to or from your account by providing your account number and your routing number. These transfers may use various payment networks and may take various forms, such as:

- Employer payroll, government benefits or other direct deposits;
- One-time or recurring charges to your account to a utility payment or to pay other bills; or
- A "check conversion" transfer, where a merchant or other payee creates an electronic transfer from your paper check. The merchant may keep your check or return it to you.

c. Online banking and Chase Mobile

You may use chase.com or Chase Mobile to view your account information, make deposits (Chase Mobile only), transfer funds between your Chase accounts, pay qualifying Chase loans or credit cards, or make payments from your account to third parties. Enroll for these services on chase.com or by downloading the Chase Mobile app for select mobile devices. You must agree to the additional disclosures and specific terms for using these services when you enroll.

d. Telephone banking

You may use our automated customer service system or speak to us to get your account information, transfer funds between your accounts with us, or pay qualifying Chase loans or credit cards. You must have a valid deposit or loan account and a valid password or PIN to use the automated system. Business account owners may also use a valid Taxpayer Identification Number (TIN).

e. Transfers for Overdraft Protection

Transfers to and from your accounts for Overdraft Protection are also EFTs and subject to these terms.

DEPOSIT ACCOUNT AGREEMENT

JPMorgan Chase Bank, N.A. Member FDIC

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[Return to Table of Contents](#)

2. Important information and agreements about your card

a. Authorizations and holds

Most merchants ask us to authorize your purchase. When we give authorization to a merchant, we will reserve or place a hold on your available balance, generally for three business days, for the amount of the authorization. There may be delays of several days between the authorization and the date the transaction is presented for payment, and your transaction may post to your account after the authorization hold has lifted.

We may authorize or refuse to authorize a transaction based on a different amount than the authorization request, because some merchants request authorization for an amount that is unrelated to the actual amount of the purchase (such as self-service fuel).

For some types of purchases we may place a hold for a longer period. There are times—for example, at restaurants, hotels or car rental agencies—that merchants won't know the exact amount of your purchase when they request the authorization. If the authorization is more or less than your actual purchase amount, the hold may remain for a day or two even after your purchase amount has been subtracted from your available balance. We will pay the purchase amount from your balance whenever the merchant sends it to us, even if the hold has expired.

b. Overdrafts with your card

For personal accounts, unless you have notified us that you DO want us to pay debit card overdrafts at our discretion, we generally won't authorize an everyday debit card transaction if your available balance isn't enough to pay that transaction, and we will not charge an Insufficient Funds Fee. For business accounts, if you have notified us NOT to pay overdrafts we generally won't authorize a debit card transaction if your available balance isn't enough to pay that transaction, and we will not charge an Insufficient Funds Fee.

When we give authorization to a merchant for your purchase, your available balance will decrease. But the authorization will not prevent certain items, such as ACH transactions and checks, from posting to your account, which can leave your account without enough funds. To avoid Insufficient Fund and Returned Item fees, be sure to keep enough funds in your account to avoid overdrawing your account, including enough funds for previously authorized debit card transactions not yet posted to your account.

We rely on transaction coding sent to us by the merchant or other third party to determine whether the transaction is everyday or recurring, which affects whether or not we would authorize these transactions at our discretion and whether we can assess you Insufficient Funds Fees. If any other transaction overdraws your account, we will assess fees described in the sections *Overdrafts, Fees and Overdraft Protection, Posting Order and Processing*, and the Fee Schedule.

c. Canceling your card

We may cancel your card at any time without notice. You may cancel your card by calling us. If you do, please destroy it.

d. Our right to refuse transactions

We can refuse to authorize any transaction when your card has been reported lost or stolen or when we reasonably believe there may be fraudulent, suspicious or illegal activity. If you lock your card, we will stop authorizing everyday debit card transactions and ATM withdrawals but may still authorize recurring debit card transactions. Any card we issue to you will be unlocked when you activate it.

e. Foreign exchange transactions

The exchange rate applied to card transactions that occur in a different currency will be selected by the network that processes the transaction. The network will select from the range of rates available in wholesale currency markets or a rate mandated by the government that issues or controls the currency in that country on the date it processes the transaction. The processing date on which the exchange rate is applied may differ from the date you used your card. When the card transaction is posted to your account, we will charge a Foreign Exchange Rate Adjustment Fee on the card transaction amount after conversion to U.S. dollars.

The exchange rate we use may include a spread, commissions or other costs that we, our affiliates or vendors charge in providing foreign exchange to you. The exchange rate may vary among customers depending on your relationship, products with us, or the type of transaction being conducted, the dollar amount, type of currency, and the date and the time of the exchange. You should expect that these rates will be less favorable than rates quoted online or in publications.

f. Debit or credit prompts at terminals

If a merchant asks "Debit or Credit?" when you make a purchase, you can choose either one and your purchase will be subtracted from your primary checking account.

- If you select Debit, you must also enter your PIN.
- If you select Credit, you may have to provide a signature except for some smaller amounts and when paying for self-service fuel.

g. ATM safety and safeguarding your account information

Be safe at ATMs. Some ATM locations are recorded by a surveillance camera or cameras. We advise you to be aware of your surroundings before, during and after any ATM use. Here are some additional tips:

- Choose an ATM that is well lit.
- Don't use an ATM that looks unusual or altered.
- During the hours of darkness, consider having someone accompany you to the ATM.
- If you suspect the ATM isn't working properly or if you notice anything suspicious, cancel the transaction and find another machine.
- When using a Chase ATM with a separate entry door, you should close the door completely upon entering and should not permit entrance to any unknown person after regular banking hours.
- If you need emergency assistance as a result of criminal activity or medical emergency, contact 911.
- At a walk-up ATM, minimize transaction time by having your card ready to use. At a drive-up ATM, keep your car engine running and lock your doors.
- Stand between the ATM and anyone waiting to use the machine or cover your hand so others can't see your PIN or the transaction amount.
- As soon as your transaction is complete, remove your card from the ATM, and then put away your money, receipt, and card.

- Contact the police or a security officer if you see any suspicious activity at the ATM. If you think you're being followed, go to a heavily populated, well lighted area, and immediately contact the police.
- Complaints concerning security at New York Chase ATMs should be reported to the Chase Security Department at 1-800-900-0001 or the New York State Department of Financial Services at 1-888-697-2861.

Keep your PIN confidential. Never give your PIN to anyone, and don't write it down. In addition, to keep your card information safe:

- Use a PIN that others can't easily figure out.
- To change your PIN (or if you forget your PIN), request a new PIN at chase.com, call us or visit any Chase branch.

Protect your debit card or ATM card as you would a credit card or cash.

Notify us immediately if your card is lost or stolen, or if you discover any other error. The sooner you report a problem, the sooner we can take precautions to ensure your card isn't misused.

3. Daily dollar limits on ATM withdrawals and card purchases

To protect your balance, we place daily dollar limits on ATM withdrawals and card purchases, even if your available balance is higher than the daily limit. Your limits are contained in the product information you received when you opened your account.

However, we may:

- Allow transactions that exceed your limits.
- Temporarily reduce your limits without notice, for security purposes.
- Change your limits (we'll notify you if we do).

Your card will be restricted if we consider your account to be inactive or dormant.

4. Receipts and statements

You can receive or have the option to receive a receipt at ATMs, from a banker at a branch, online through chase.com, and at merchant locations each time you make a transaction. However, for certain small dollar transactions at merchant locations, you may not receive a receipt.

See *Statements and notices* for information about periodic statements.

To confirm that you have received a direct deposit, review your balance and recent transactions through chase.com, Chase Mobile, at an ATM, or call us.

5. In case of errors or questions about your electronic funds transfers

If you think your statement is wrong, or if you need more information about a transaction listed on it, see the *How to Contact Us* section.

For personal accounts only, the following procedures apply:

We must hear from you NO LATER than 60 days after we sent you the FIRST statement on which the error appeared. Please provide us with the following:

- Your name and account number;
- A description of the error or the transaction you are unsure about, and why you think it is an error or want more information; and
- The amount of the suspected error.

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. However, if we need more time, we may take up to 45 days to investigate your complaint or question. If we do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If your first account deposit is less than 30 days before the date of the suspected error, the 10-business-day period is extended to 20 business days. If your first account deposit is less than 30 days before the date of the suspected error or the transaction occurred at a point-of-sale location or outside the U.S., the 45-day period is extended to 90 days.

If you call us, we may require that you send us your complaint or question in writing within 10 business days. If we do not receive it within 10 business days, we may not credit your account.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

For business accounts, our practice is to follow the procedures described above, but we are not legally required to do so. For example, we are not required to give provisional credit, or to finalize the claim during the periods stated above. We require you to notify us no later than 30 days after we sent you the first statement on which the error appeared. We may require you to provide us with a written statement that the disputed transaction was unauthorized.

6. Our liability for failure to complete transactions

If we do not complete a transaction from your personal account on time or in the correct amount, we will be liable for your losses or damages. However, we are not liable for any failed transaction if you do not have enough money in your balance to cover a transaction, if the ATM or device does not have enough cash or is not working properly, if circumstances beyond our control prevent the transaction, if the merchant requests authorization for an amount greater than the purchase amount, or if there are other exceptions stated in this agreement or as provided by law. We are not liable for failure to complete a transaction on a business account if we send you notice that the transaction was not completed.

7. Preauthorized (recurring) transfers and stop payments

You may use your account or debit card to make recurring payments. If these recurring payments vary in amount, the payee will tell you the amount and date of the next payment at least 10 days before the payment due date. You may choose to get this notice from your payee only when the payment would differ by more than a certain amount from the previous payment or when the amount would fall outside certain limits that you set.

You can stop some payments before the scheduled payment date in the following ways:

1. If you provided your card number for the recurring transfer, you must contact us by telephone or at the branch and give us the exact card number. We will close the card and you can replace it with a new card and card number upon request.
2. If you provided your account number and routing number for ACH direct debits to your account (both recurring and one-time payments), you must contact us by telephone or at the branch and give us your account number and the exact name of the payee. We will also need the exact amount of the payment, a range of amounts or an instruction to block all payments from the named payee. We will charge a Stop Payment Fee. We are not responsible for stopping payment on ACH transactions if you do not provide this information or if you provide inconsistent information. We may refuse a payment to a payee with a similar name that we believe to be the same payee; however, we are not liable if we don't refuse the payment. If you see a "pending" payment for a different amount or for a different payee than the stop payment you placed, contact us before the end of the business day so we can try to refuse payment. We may send you a written confirmation of your stop payment. We may rely on the information in the confirmation unless you notify us immediately of any errors. We may stop multiple transactions that have the amount and exact payee name you provided unless you cancel your stop payment request.

For personal accounts, your ACH stop payment is effective until we have determined that the ACH transaction is no longer occurring, or for 18 months, whichever is longer.

For business accounts, your ACH stop payment will either be effective:

- Until we have determined that the ACH transaction is no longer occurring, or for 18 months, whichever is longer, or
 - One calendar year with automatic renewal annually for up to six additional years. We will list scheduled renewals on your business account statement 60 to 90 days in advance. The stop payment will be renewed, and you will be charged a Stop Payment Automatic Renewal Fee, unless you notify us not to renew by following the instructions in the statement.
3. If you set up your recurring or one-time bill payments or transfers through chase.com or Chase Mobile, you can use that service to cancel pending and future payments.
 4. If you previously set up recurring account transfers in the branch, you can only cancel those pending and future transfers in the branch.

We will generally process a stop payment request as soon as we receive it. If you place a stop payment three or more business days before the transfer is scheduled, and we still pay, we will be responsible for your losses or damages.

For business accounts, you can enroll in ACH Debit Block on chase.com to block and return ACH debit transactions. The terms of the service are governed by the Fraud Protection Services Agreement.

8. Disclosure of account information to third parties

Information about your account or the transactions you made will be disclosed to third parties:

- As necessary to complete transactions;
- In connection with the investigation of any claim you initiate;
- To comply with government agency, arbitration or court orders (including subpoenas);
- With your written permission;
- As permitted by our Privacy Notice.

9. Notice of your rights and liabilities

For personal accounts only:

Tell us AT ONCE if you believe your card, PIN or code has been lost or stolen. Calling us is the best and fastest way of keeping your possible losses to a minimum.

If you tell us within two business days, you can lose no more than \$50 if someone used your card, PIN or code without your permission. If you do NOT tell us within two business days after you learn of the loss or theft of your card, PIN or code and we can prove we could have stopped unauthorized transactions if you had told us, you could lose as much as \$500. If your statement shows electronic funds transfers that you did not make, tell us right away. If you do not tell us within 60 days after the statement was sent or otherwise made available to you, you may not get back any money you lost after the 60 days if we can prove that we could have prevented the transactions if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, let us know. We will extend the time periods.

For business accounts only, you agree:

- To assist us in the investigation of claims for unauthorized transactions and related prosecution by completing the appropriate statements and reports reasonably requested by us;
- To notify us promptly in writing if any user of a card is no longer employed by you or authorized to conduct business on your behalf;
- That by allowing anyone to use your card, or by failing to exercise ordinary care (such as storing your PIN with your card or selecting your birthday as your PIN), you will be responsible for all authorized and unauthorized transactions;
- That all of the provisions of the Deposit Account Agreement, including liability limitations and the requirement that you give us notice of unauthorized items within 30 days, apply to your EFT services.

Special Provisions for Card Transactions (Zero Liability Protection) for personal and business accounts:

You are not liable for any unauthorized card transactions if you notify us promptly.

However, these special provisions do not apply where you were grossly negligent or fraudulent in the handling of your account or card, where you have given someone else your card, card number or PIN, or where you delay reporting unauthorized transactions for more than 60 days (30 days for business accounts).

10. Fees

Fees for all EFT services are disclosed in our Fee Schedule and product information.

11. Services not covered by this part; separate agreements

For personal accounts, EFT services described in the *Electronic Funds Transfer Service Terms* do not include wire transfers and any transactions that are not covered by Consumer Financial Protection Bureau Regulation E.

For business accounts, wire transfers and other services not specifically described in the *Electronic Funds Transfer Service Terms* are governed generally by the Deposit Account Agreement or by separate agreements.

We may offer additional EFT services besides those described in the *Electronic Funds Transfer Service Terms* that have separate agreements and disclosures.

E. Other Ways to Use Your Money

1. When you can withdraw funds you've deposited

Generally, for checking and savings accounts, you may withdraw funds the next business day after the business day you deposit them. But in some cases you may not. Please see the *Funds Availability Policy* for details.

If funds from a deposit become available and you can withdraw them, that does not mean the check or other item you've deposited is authorized, is "good," has "cleared," or has been paid by the paying bank. It's also possible that the check will be returned months after we've made the funds available to you and you've withdrawn them. No one, including our employees, can guarantee to you that a check will not be returned.

2. Withdrawals and transfers from your account

We may subtract from your available balance the amount of any check or other item that we receive throughout the day that you or any person you authorize created or approved. We may require you or any person you authorize to provide us with identification, documentation or information that's acceptable to us before allowing the transaction. If check writing is not an available feature of your account, we will not issue you checks, and you are not permitted to write checks drawn on your account. We will not pay checks if you attempt to do so.

3. Autosave feature

You can set up automatic transfers from your checking account to your other accounts. Use the Chase Mobile app or chase.com to set up, review, change or cancel your transfers.

We will not be liable to you for our failure to transfer funds under any Autosave feature that you select, for any reason, including system outages or defects. In particular, we will not be liable for any interest, gains or dividends you might have earned or not earned in any account as a result of your use of Autosave.

4. Transactions in a foreign currency

Any transaction we conduct for you in a foreign currency, such as sending or receiving a wire transfer to or from another country, depositing a foreign check, or exchanging foreign currency in our branches, will use an exchange rate. Currency exchange is only available at a limited number of branches and in certain currencies. The foreign exchange rates we use are determined by us in our sole discretion. The exchange rate we use will include a spread and may include commissions or other costs that we, our affiliates, or our vendors may charge in providing foreign currency exchange to you. The exchange rate may vary among customers depending on your relationship, products with us, or the type of transaction being conducted, the dollar amount, type of currency, and the date and time of the exchange, and whether the transaction is a debit or credit to your account. You should expect that these rates will be less favorable than rates quoted online or in publications.

We are not required to accept for deposit checks that are drawn on a non-U.S. bank or payable in a foreign currency. We may accept those checks on a collection basis without your specific instruction to do so. We can reverse any amount we've added to your balance and send the check on a collection basis even after we've taken physical possession of the check. Our Funds Availability Policy does not apply to any foreign check, whether we accept it for deposit or on a collection basis. The actual amount you receive for checks payable in a foreign currency will be determined at the exchange rate for such items that's in effect when we're paid for the check. If a check is returned later for any reason, we will subtract the amount of the check and any charges from other banks from your balance. We will use the applicable exchange rate in effect at the time of the return, which may be different from the exchange rate originally used for the deposit.

5. Large cash withdrawals

We may place reasonable restrictions on when and how you make any large cash withdrawal. We may also require that you sign a document releasing us from any liability if you are robbed or assaulted. We may refuse the withdrawal request if you do not agree with these conditions.

6. Stop payments on a check

If you request us to stop payment on a check, we will charge either a Stop Payment Fee or an Online or Automated Phone Stop Payment Fee depending on how you request your stop payment. However, the stop payment will not be effective if we have already certified, paid or otherwise become responsible for the check. For example, we can't stop payment on a check we've already cashed or a deposited check where the funds have already been withdrawn. Refer to the *Electronic Funds Transfer Service Terms* for how to place a stop payment on recurring electronic payments.

You may request a stop payment by calling us, in person, or through chase.com or Chase Mobile. We use automated systems to identify items, so we need specific information to process the request. In order for us to identify the item, you must give us the account number on which the check is drawn and either:

- The exact check number or a range of check numbers,
- The payee name and the exact amount of the check, or
- The payee name and range of amounts of the check.

We are not responsible for stopping payment on checks if you do not provide this information or if you provide inconsistent information. We may refuse a payment to a payee with a similar name that we believe to be the same payee; however, we are not liable if we don't refuse the payment. We may send you a written confirmation of your stop payment. We may rely on the information in the confirmation unless you notify us immediately of any errors. When the stop payment order expires, we may pay the item and have no duty to notify you.

For personal accounts, your stop payment request lasts for one year even if the check is presented more than once unless you cancel your stop payment request. However, you may place a new stop payment order, which will be effective for one calendar year from the day you place the additional order. An additional fee will be charged.

For business accounts, you may place a stop payment for either:

- One calendar year with automatic renewal annually for up to six additional years. We will list scheduled renewals on your business account statement 60 to 90 days in advance. The stop payment will be renewed, and you will be charged a Stop Payment Automatic Renewal Fee, unless you notify us not to renew by following the instructions in the statement, or
- One calendar year (this option is not available for stop payments initiated on chase.com or Chase Mobile).

Generally, we will complete your request as soon as we receive your instructions.

We may allow you to place a stop payment on a cashier's check, teller's check or certified check if you provide us a sworn statement—in a form we deem acceptable—that the check is lost, stolen or destroyed. Even if we agree to attempt to stop payment on a cashier's check, teller's check (official check) or certified check, if the check is presented for payment, we may pay it and you will be liable to us for that item, unless otherwise required by applicable law. After you place a stop payment, we are not required to refund the check amount or issue a replacement check until at least 90 days after the original check's issue date. We are not required to refund the check amount or issue a replacement check if the check is presented for payment within 90 days after the issue date.

7. Account numbers on funds transfers

If you instruct us to send a funds transfer, such as a wire or ACH transfer, we and every other bank involved in the transfer may rely on any bank number or account number you provide. If the funds transfer instruction gives both a bank number or account number and a name, and the name identifies a different person from the bank or account owner identified by number, we and other banks that handle the funds transfer may still rely exclusively on the number. We have no duty to detect any inconsistency between the bank number or account number and the name.

8. Savings account withdrawals

In this agreement, a savings account means an account, including a money market account (and excluding NOW accounts), for which we reserve the right to require seven days' prior written notice to withdrawal. See the section *Our right to require advance notice of withdrawals*. During any monthly statement period, you may make transfers and withdrawals, regardless of the number of transfers and withdrawals or the way in which transfers and withdrawals are made. You agree not to make withdrawals by negotiable or transferable instruments (checks or drafts) for the purpose of making transfers to third parties from savings accounts. If you make more than six withdrawals or transfers per monthly statement period, you will incur a fee, see the *Savings Withdrawal Limit Fee* section.

9. Our right to require advance notice of withdrawals

For all savings accounts and all personal interest-bearing checking accounts, we reserve the right to require seven days' prior written notice of withdrawal.

10. Check cashing

If a person who is not our deposit or loan customer tries to cash your check at any of our branches, we may charge them a fee or refuse to cash it. We may also require that they provide us identification we deem acceptable.

11. Incomplete, future-dated, conditional or stale-dated checks

You agree not to write a check that's incomplete, future-dated or tries to limit the time or method of payment with a condition, such as "Void after 180 days" or "Valid only for \$1,000 or less." We have no duty to discover, observe or comply with these conditions and may pay such checks. If we pay a conditional check, the conditions do not apply to us.

We may choose to pay or not to pay a stale-dated check (dated more than six months before it is presented), regardless of how old it is. If we pay it, you will be responsible for the check.

12. Multiple signatures

We are not required to comply with any multiple-signature requirement, either on personal or business accounts, even if your signature card specifies that multiple signatures are required or you have otherwise instructed us to do so. A multiple-signature requirement is for your internal control purposes only.

13. Facsimile signatures

We may pay a check bearing any form of facsimile or computer-generated signature. If you use a facsimile or computer-generated signature, or provide a signature card authorizing any such signature, you will be solely responsible for any check bearing a similar signature, regardless of your negligence or whether the signature was the same one you previously used.

14. Review of checks and signatures

Check payment is highly automated, and we pay millions of checks every day. Although we inspect some checks, you agree that reasonable commercial standards don't require us to do so. If we return a check because we believe it doesn't match your signature on file with us, we're not liable to you even if you authorized the check. If the numeric amount on a check doesn't match the amount written out in words, we may select either one when paying it. We have no duty to prevent a check from being presented more than once.

15. Substitute Checks and Your Rights

What is a substitute check?

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks, with a reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

What are your rights as a consumer regarding substitute checks?

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, Insufficient Funds Fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500 of your refund (plus interest if applicable) within 10 business days after we receive your claim and the remainder of your refund (plus interest if applicable) no later than 45 calendar days after we receive your claim. We may reverse the refund (including interest) if we later determine the substitute check was correctly posted.

How do you make a claim for a refund?

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us. You must contact us within 40 calendar days of the date that we mailed or otherwise delivered the substitute check or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include:

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- The following information to help us identify the substitute check: the check number, the name of the person to whom you wrote the check, and the amount of the check.

Depositing substitute checks

You may receive a substitute check, such as when a check you deposited is returned unpaid. If you deposit a substitute check and we suffer a loss, cost or expense as a result, you will have to pay us that amount.

IV. Funds Availability Policy

When Your Deposit Is Received:

If you make a deposit with a banker at a branch on a business day, we will consider that day to be the day of your deposit. If you make a deposit on a business day before our cutoff time at a Chase ATM, we will consider that day to be the day of your deposit. However, if you make a deposit on a day that is not a business day, or make an ATM deposit after the ATM cutoff time, we will consider the deposit to have been made on the next business day.

- For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays and federal holidays.
- For deposits and transfers at most ATMs, the cutoff time is 11 p.m. Eastern Time (8 p.m. Pacific Time). For ATMs with an earlier cutoff, the ATM screen will notify you of the cutoff time.
- Deposits placed in a night depository are considered received when we remove them from the night depository; we will remove deposits no later than the next business day.
- Branches in some locations may be closed on business days in observance of a state holiday or because of an emergency, and deposits made at a night depository when those branches are closed will be considered received on the next business day when the branch is open.
- We will not accept cash deposits by mail. Check deposits made by mail should be addressed to:

National Bank By Mail
PO Box 6185
Westerville, OH 43086

All deposits made by mail and addressed to any other Chase facility may be forwarded to the National Bank By Mail facility in Westerville, Ohio, and will be considered received on the date the deposit is received by that facility.

For all accounts other than Chase Analysis Business Checking (with or without Interest): Wire transfers, electronic direct deposits and cash deposits will be available on the day we receive your deposit. Except as described later in this policy, when you make other deposits, the funds are available on the first business day after the day we receive your deposit.

In most cases when you deposit checks drawn on a Chase account:

- Deposits made with a banker at a branch will be available on the same day we receive your deposit;
- Some or all deposits made at an ATM will be available on the same day we receive your deposit.

Once funds are available, you may withdraw them or use them to pay checks and other items. For online banking deposits, different terms may apply.

For Chase Analysis Business Checking (with or without Interest):

Same-day availability: Wire transfers, electronic direct deposits, and cash deposits made with a banker at a branch or at an ATM will be available on the day we receive your deposit.

Next business day availability: Funds from the following deposits are available on the first business day after the day we receive your deposit:

- U.S. Treasury checks that are payable to you;
- Checks that are drawn on us.
- The following items, if you make the deposit with a banker at a branch:
 - a. State and local government checks that are payable to you, if you use the "Next Day Funds Availability" deposit slip available at any branch upon request;
 - b. Cashier's, certified, and teller's checks that are payable to you, if you use the "Next Day Funds Availability" deposit slip available at any branch upon request;
 - c. Federal Reserve Bank checks, Federal Home Loan Bank checks, and postal money orders that are payable to you.

Second business day availability: Funds from all other deposits are available no later than the second business day after the day we receive your deposit. Available funds may be withdrawn in cash or used to pay checks and other items.

For online banking deposits, different terms may apply.

Longer Delays May Apply:

For all accounts other than Chase Analysis Business Checking (with or without Interest): In some cases, we may not make all of the funds that you deposited by check available by the first business day after the day of your deposit. Funds may not be available until the second business day after the day of your deposit. However, the first \$225 of these deposits will be available on the first business day after the day of your deposit, unless we delay availability for one of the circumstances listed below. If you will need the funds from a deposit right away, you should ask us when the funds will be available, but further review of the deposit after we receive it may still result in delayed availability.

For all accounts: We may delay availability for the full amount of the check, including the first \$225, up to the seventh business day after the day of your deposit under the following circumstances:

- We believe a check you deposited will not be paid;
- You deposited checks totaling more than \$5,525 in any one day;
- You redeposited a check that has been returned unpaid;
- You have overdrawn your account repeatedly in the last six months; or
- There is an emergency, such as failure of communications or our systems.

If your check deposit is made with one of our employees or at an ATM and we decide at that time to delay your ability to withdraw funds, we will tell you then. If we decide to delay availability of your funds after you complete your deposit, we will mail you a deposit hold notice by the business day after we decide to take that action.

Special Rules for CDs and Retirement Money Market Accounts:

Generally, funds you deposit will be available within one business day except when you deposit checks that total more than \$5,525 in a business day. The amount exceeding \$5,525 will be available no later than the seventh business day after the day of your deposit. However, we are not required to let you withdraw principal from a CD before it matures.

Special Rules for New Accounts:

If you are a new customer, the following special rules may apply during the first 30 days your account is open:

- Funds from deposits of the first \$5,525 of a business day's total deposits of cashier's, certified, teller's, traveler's, and federal, state, and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,525 will be available on the seventh business day after the day of your deposit. If your deposit of these checks (other than U.S. Treasury checks) is not made with a banker at a branch, the first \$5,525 will not be available until the second business day after the day of your deposit; and
- Funds from all other check deposits will be available no later than the seventh business day after the day of your deposit.

Holds on Other Funds:

If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available on the day they would have been available if you had deposited the check.

V. Safeguarding Your Information

A. Checks and Other Documents You Use

We are not responsible for losses or delays that result from improper printing on checks or other account documents that you obtain through someone other than us. We may refuse to accept for deposit or to pay checks that we cannot process or photograph using our customary equipment.

B. Protecting Your Checks

You must protect your checks and other account documents and information from theft and unauthorized use. You must write your checks in a way that prevents someone else from completing, altering or adding to them without your authorization. If you become aware that any checks or other documents and information, such as statements, have been lost or stolen, you must notify us immediately. If you fail to do any of these things, such as leaving your checks where they can easily be stolen, we are not responsible for any losses that may result.

C. Notice of Errors, Forgeries and Unauthorized Signatures

You must notify us in writing within 30 days after we mail a statement or otherwise make a statement available (for example, paperless statements) if:

- A check that you did not authorize or that is altered is listed on the statement;
- Your account statement contains any errors; or
- You did not receive your scheduled statement.

This 30-day notice requirement does not limit our rights to attempt to collect on unauthorized or altered checks from other banks.

You must notify us in writing of any unauthorized, improper or missing endorsements within six months after the account statement is mailed or made available.

You must provide us with all information we need to investigate the alleged error or item. You must also file any police reports and provide any supporting affidavits and testimony we reasonably request.

If you do not comply with the requirements above, we are not required to reimburse you for any claimed loss, and you cannot bring any legal claim against us in any way related to the check or errors. In addition, if you fail to notify us of any unauthorized check within 30 days (14 days in New York) after we mail, or in any other way make available, a statement that lists an unauthorized check, we are not required to reimburse you for unauthorized checks initiated by the same wrongdoer(s) that we

pay after that time. These requirements do not apply to personal account transactions covered by the *Electronic Funds Transfer Service Terms*. You also have certain rights under federal law for substitute checks; please see *Substitute Checks and Your Rights* for more information.

VI. Managing and Maintaining Your Account

A. Interest on Checking and Savings Accounts

When you open a checking or savings account that pays interest, we will provide you a rate sheet stating the current interest rate and Annual Percentage Yield for your account. The rate sheet is considered a part of this agreement.

Your account has a variable interest rate. That means we may change the interest rate and Annual Percentage Yield as often as we choose, without limits and without notice. Interest begins to accrue on the business day we receive credit for your deposit. For cash, wire transfers and electronic direct deposits, interest begins to accrue on the business day of your deposit.

We use the daily balance method for calculating interest. This method applies a daily periodic rate to the balance in your account each day, which may be based on your present balance or collected balance as explained in the product information for your account. The collected balance is the balance of all deposits in your account on which we have received credit for the deposited funds (determined by the availability schedule of our Federal Reserve Bank for checks and similar items). We reserve the right not to pay interest on any deposited item that is returned to us unpaid.

Interest is credited and compounded monthly. However, Retirement Money Market accounts with interest distributions will not compound, and interest will be credited on the distribution date. Unless otherwise stated in your product disclosure, interest is computed on a 365-day basis. We pay interest only in whole cents. Therefore, at the end of each interest payment period (usually monthly), any fractional amount of interest less than half of one cent will be rounded down and any fractional amount of interest equal to half of one cent or more will be rounded up to the next whole cent.

B. Linking Your Accounts; Statements

1. Linked accounts

You may link your qualifying accounts to your checking account to help you avoid some fees and get relationship rates. An account may be linked to only one checking account.

We may automatically link accounts or we may provide some of the benefits you would be eligible for had you requested your accounts to be linked. If we don't, you may ask us to link your accounts. Your account information may be made available to any other owner on any of the linked accounts. If the checking account to which your other accounts are linked closes for any reason, it is your responsibility to request any remaining eligible accounts to be linked. If we determine your accounts are no longer eligible for linking, we may delink them and we are not required to notify you if we do.

If you choose to link your accounts to other accounts for which you serve as trustee or custodian (fiduciary), your account may receive a financial benefit, which could be a violation of your fiduciary duties. We are not responsible for your decision to link fiduciary accounts. You should carefully consider this decision and consult with your legal advisor if necessary. Refer to your product information to determine which qualifying accounts are eligible to be linked, any additional requirements and the benefits from linking accounts.

2. Statements and notices

We will make a monthly account statement available for checking and savings accounts during each statement period. The statement period may or may not be a calendar month, but in most cases it won't be more than 32 days or less than 28. The specific dates covered by your account statement will be on your statement.

You will receive statements by mail unless you choose paperless statements or if your account has had no activity other than interest we paid. If you receive paper statements, we will mail them through U.S. mail to the current address listed in our records. We may change your mailing address if we receive an address change notice. Checking and savings statements are also generally available through chase.com or Chase Mobile.

We have made the statement available to you on the day we mail your paper statement or notify you that the paperless statement is available, even if your current address or email is invalid.

We may send you other notices related to your account. If you are enrolled in chase.com or Chase Mobile, some notices may only be available electronically. We send some notices only in paper form. You agree that sending the statement or notice to one owner of an account qualifies as sending it to all owners, even if all owners don't have access to the mailing address of record for the account.

3. Combined statements

Checking, savings and CD accounts with at least one common owner may be combined on a single statement, either with or without your request. Combined statements will be sent to the primary account holder's address, unless a new mailing address is designated for the account. However, we may send you separate statements at any time for any reason without prior notice. If accounts are included on a combined statement and you don't want that, notify us and we'll separate the statements. That change will affect only future statements.

Linked accounts do not have to be on a combined statement to receive the benefits of linking, and combining accounts on a single statement does not mean that the accounts are linked.

Each owner of each account listed on the statement can request a copy of a statement and will be able to view all account activity for all accounts on that statement through chase.com or Chase Mobile.

4. Options for receiving checks

We offer three choices for how you can view or receive copies of checks you've written or authorized:

- "Check safekeeping" means we keep images of your checks, which are available through chase.com. We do not include your paid checks or images of them with your statement. Some accounts require check safekeeping.
- "Image statement" means you will receive images of the front of your paid checks on your account statement.
- "Check enclosure" means we return legal copies of your paid checks with your account statement. This feature is not offered on all accounts.

If you have multiple personal checking accounts on a single statement and one of them uses check enclosure, all others will use check safekeeping. You agree that when we send a statement we have made the check available to you, even if we do not send originals or images with the statement. We will destroy original checks after a reasonable period of time we determine.

If for any reason we can't provide a copy of your check, you agree that we will not be liable for more than the face amount of the check. We cannot provide originals or images of checks that are sent to us as electronic transfers. Additionally, other banks may send us electronic images instead of original checks, so we can provide a copy of the image, but not the original check.

C. Telephone and Electronic Communication

We may record and/or monitor any of our telephone conversations with you. If we do record, we do not have to keep the recordings, unless the law says we must. We may use your voice to verify your identity.

When you give us your mobile number, we have your permission to contact you at that number about all of your Chase or J.P. Morgan accounts. Your consent allows us to use text messaging, artificial or prerecorded voice messages and automatic dialing technology for informational and account service calls, but not for telemarketing or sales calls. It may include contact from companies working on our behalf to service your accounts. Message and data rates may apply. You may contact us anytime to change these preferences. If you give us your email address, you agree that we may send servicing messages (such as fraud alerts and hold alerts) related to your accounts to that address.

We may send communications electronically, such as by email or text message, rather than through U.S. mail or other means, unless the law says otherwise.

D. Other Fees for Your Account

1. Fees

You agree to pay all fees applicable to your account. We provided you a schedule of fees when you opened your account, and we will notify you of any changes. We may subtract these fees from your balance, even if the fee makes your balance negative. Refer to the Fee Schedule for specific fee information.

2. Savings Withdrawal Limit Fee

The Savings Withdrawal Limit Fee is a Chase fee and applies for each withdrawal or transfer out of a Chase savings account over six per monthly statement period. All withdrawals and transfers out of your savings account count toward this fee, including those made at a branch or at an ATM. Refer to your product information for fees that apply for your account.

E. Setoff and Security Interest

If you owe a debt to us or any of our affiliates (either now or in the future) that is due or overdue, you grant us a right of setoff to, and a security interest in, all of your accounts to secure the debt and, as a consequence, we may use funds in any of your accounts to pay all or part of that debt. If your account is a joint account, we may use the funds in the joint account to pay the debt of any account owner. Our security interest will be governed by Uniform Commercial Code Article 9, whether Article 9 applies by its terms or not. We do not have to give you any prior notice to apply the funds except as required by law. You expressly agree that our rights extend to any federal or state benefit payments (including Social Security benefits) that had been deposited to your account. The right of setoff does not apply if the debt is created under a personal credit card plan. Any term that may exist in another agreement that governs your debt that may also provide for such rights provided here will be governed by that agreement.

If any federal benefits or other payments are deposited to your account after you become ineligible to receive them, and we are obligated to return those funds to the payor, we may reduce your account balance by that amount.

F. Account Alerts and Text Banking

If you receive or otherwise use Account Alerts or text banking, you agree to the following terms. If you are enrolled with chase.com, the terms of the Online Service Agreement control the terms of these services instead.

- We may use a telephone number, email address or other delivery point we have in our records for you or other contact information that you provide to us for these services so we can send you certain information about your account. You may be automatically enrolled to receive certain Account Alerts via email. To manage your Alerts preferences or cancel Account Alerts, use chase.com or Chase Mobile or call us.
- We will send Account Alerts or text banking messages through your service provider, who will act as your agent and deliver them to you. Delivery of alerts may be delayed for various reasons, including service outages affecting your phone, wireless, or Internet provider; technology failures; and system capacity limitations.
- We do not charge for Account Alerts or text banking, but message and data rates may apply. **To cancel text banking services, send STOP to 24273 at any time.** For help or information on text banking, send HELP to 24273 or contact us at 1-877-242-7372.
- Account Alerts and text banking are provided for your convenience and do not replace your monthly statement, which is the official record of your account. Anytime you review your balance, keep in mind it may not reflect all transactions, including recent debit card transactions or checks you have written.
- You understand we may not encrypt information when it is sent to you through these services. This information may include personal or confidential information about you, such as account activity or the status of your account.

You understand we are not liable for losses or damages from any disclosure of account information to third parties, non-delivery, delayed delivery, misdirected delivery or mishandling of, or inaccurate content in Account Alerts or information sent through text banking. If we suffer a loss, cost or expense because you provide an incorrect telephone number, email address or other delivery point, or you violate applicable laws, you have to pay that amount to us.

VII. Maintaining Your Certificate of Deposit (CD) Account

A certificate of deposit, or CD, is a deposit account with us for a specified period of time. This disclosure covers both retirement and non-retirement CD products. By opening your CD, you agree to keep the amount deposited (principal) on deposit.

Here are a few things you should know about CDs:

Term: The term is the number of days, months or years you agree to leave your money in the account.

Maturity date and grace period: The maturity date is the last day of your CD's term. The grace period is the 10 days after the maturity date for CDs with a term of 14 days or longer. On the maturity date or during the grace period you can change the term of your CD, make additional deposits (for non-retirement CDs only), or withdraw your CD principal without paying an early withdrawal penalty.

CD ladders: Chase may offer a CD ladder, which is a group of four CDs opened at the same time for the same amount but with different terms. When each CD matures, its term will change to the longest term of the original group. For example, in a 12-month ladder, we will open four CDs with original terms of 3, 6, 9 and 12 months. When each CD matures, its new term will be 12 months. The result will be four 12-month CDs with a CD maturing every three months.

Automatically renewable CD: An automatically renewable CD will renew on the maturity date for the same term unless 1) you have a different renewal term as part of a CD ladder; 2) you change or close the account or 3) we notify you otherwise. Once your CD renews, any reference to the maturity date means the last day of the new term. For the renewal term, your CD will earn interest for the term and amount at the CD standard rate unless you qualify for the CD relationship rate. If your CD is closed during the grace period, it will not earn interest on or after the maturity date.

Single maturity CD: A single maturity CD will not automatically renew on the maturity date and won't earn or be paid interest on or after that date.

Interest: We use the daily balance method to calculate interest on your CD. This method applies a periodic rate each day to your balance. Interest begins to accrue on the business day of your deposit. Interest for CDs is calculated on a 365-day basis, although some business CDs may calculate interest on a 360-day basis. The Annual Percentage Yield (APY) disclosed on your deposit receipt or on the maturity notice assumes interest will remain on deposit until maturity. On maturities of more than one year, interest will be paid at least annually.

You may withdraw any paid or credited interest without penalty during your CD's term or at maturity. On the maturity date, interest will become principal of the renewed CD. A withdrawal will reduce earnings.

Early withdrawal penalties: There is a penalty for withdrawing principal prior to the maturity date.

For Personal CDs:

- If the term of the CD is less than 6 months, the early withdrawal penalty is 90 days of interest on the amount withdrawn, but not more than the total amount of interest earned during the current term of the CD.
- If the term of the CD is 6 months to less than 24 months, then the early withdrawal penalty is 180 days of interest on the amount withdrawn, but not more than the total amount of interest earned during the current term of the CD.
- For terms 24 months or more, the early withdrawal penalty is 365 days of interest on the amount withdrawn, but not more than the total amount of interest earned during the current term of the CD.
- If the withdrawal occurs less than seven days after opening the CD or making another withdrawal of principal, the early withdrawal penalty will be calculated as described above, but it cannot be less than seven days' interest.
- The amount of your penalty will be deducted from principal.

For Business CDs:

- If the term of the CD is less than 12 months, the early withdrawal penalty is equal to \$25 plus 1% of the amount withdrawn.
- For terms of 12 months or more, the early withdrawal penalty is equal to \$25 plus 3% of the amount withdrawn.
- If the withdrawal occurs less than seven days after opening the CD or making another withdrawal of principal, the early withdrawal penalty will be calculated as described above, but it cannot be less than seven days' interest.
- The amount of your penalty will be deducted from principal.

Waiving early withdrawal penalties for Personal CDs:

We will waive early withdrawal penalties under the circumstances described below, unless these withdrawals occur less than seven days after the account was opened or a previous withdrawal was made.

For non-retirement CDs:

- Death of a CD owner or a grantor of a revocable family/living trust;
- Disability of a CD owner;
- A court's determination that a CD owner is incompetent; and
- Re-titling of a CD to transfer ownership of funds into a living trust without moving funds from the bank and where no change in term or rate occurs.

For retirement CDs:

- If the retirement CD owner is withdrawing an excess annual retirement contribution amount and any corresponding earnings.

We will also waive early withdrawal penalties for retirement CDs under the circumstances described below, regardless of when the early withdrawal is made in relation to the CD opening or a previous withdrawal.

- Death or disability of a retirement CD owner;
- A court's determination that a retirement CD owner is incompetent; and
- If the retirement CD owner is age 59½ or older and the funds are taken as an IRS-reportable distribution via cash, check, or deposit or transfer to a non-retirement account. This waiver does not apply if the transfer is to a retirement account at another financial institution.

Waiving early withdrawal penalties for Business CDs owned by a sole proprietorship:

We will waive early withdrawal penalties under the circumstances described below, unless these withdrawals occur less than seven days after the account was opened or a previous withdrawal was made.

- Death of a CD owner or a grantor of a revocable family/living trust;
- Disability of a CD owner;
- A court's determination that a CD owner is incompetent; and
- Re-titling of a CD to transfer ownership of funds into a living trust without moving funds from the bank and where no change in term or rate occurs.

VIII. Closing Your Account

Either you or we may close your account (other than a CD) at any time for any reason or no reason without prior notice. We are not required to close your account at your request if you have pending transactions, the account is overdrawn, your account is subject to legal process (such as a garnishment, attachment, execution or levy) or any type of holds (such as collateral hold, decedent hold or deposit hold). In those cases, we will limit the types of transactions that you can make until pending transactions are paid or returned, the balance is no longer negative and any legal restriction/hold has been released. After we restrict your account in preparation for closing, we will not pay any additional interest on the account. We may automatically close your account if the balance is \$0 or negative. Either you or we may close your CD account on any maturity date without cause.

We may send you written notice that we have closed or will close your account and return the balance less any fees, claims, setoffs or other amounts if the balance is greater than \$1. After your account is closed, we have no obligation to accept deposits or pay any outstanding checks, but we may reopen your account if we receive a deposit. We will have no liability for refusing to honor any check drawn on a closed account. We have the right to advise consumer reporting agencies and other third party reporting agencies of accounts closed for misuse, such as overdrafts.

This agreement continues to apply to your account and issues related to your account even after it closes.

IX. Other Legal Terms

A. Rules Governing Your Account

This agreement, all accounts and services provided to you, and any dispute relating to those accounts and services are governed by federal law and, when not superseded by federal law, the law of the state where your account is located.

Here's how we determine where your account is located:

- If you applied for the account in person at one of our banking offices, then the account is located in the state where you applied.
- If you applied in person for a business account with one of our representatives somewhere other than at one of our banking offices (your place of business, for example), your account is located in the state where the representative's business office is located.
- If you applied for the account by mail, digitally, or through other remote means, and your address as recorded in our records was in a state where we had a branch at the time, then the account is located in that state, which for joint accounts will be based on the address of the owner whose name was listed first.
- In all other cases your account will be governed by Ohio law.

Business trust accounts for professionals regulated by a state (or a self-regulatory body under a state's laws) are located in the designated state.

B. General Liability

Any provision of this agreement that limits the bank's liability does not negate the bank's duty (if any) under applicable law to act in good faith and with reasonable care. If any provision of this agreement is determined to limit the bank's liability in a way prohibited by applicable law, the provision will nevertheless be enforced to the fullest extent permitted under that law.

We will not be liable for anything we do when following your instructions. In addition, we will not be liable if we do not follow your instructions if we reasonably believe that your instructions would expose us to potential loss or civil or criminal liability, or conflict with customary banking practices. **WE WILL NOT BE LIABLE FOR INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGES REGARDLESS OF THE FORM OF ACTION AND EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IF WE FAIL TO STOP PAYMENT ON AN ITEM, OR PAY AN ITEM BEARING AN UNAUTHORIZED SIGNATURE, FORGED SIGNATURE, OR FORGED ENDORSEMENT OR ALTERATION, OUR LIABILITY, IF ANY, WILL BE LIMITED TO THE FACE AMOUNT OF THE ITEM.**

If this agreement conflicts with any statements made by one of our employees or by our affiliates' employees, this agreement will govern.

C. Restricting Your Account; Blocking or Delaying Transactions

There are many reasons we may decline or prevent transactions to or from your account, but we generally do it to protect you or us, or to comply with legal requirements. We may decline or prevent any or all transactions to or from your account. We may refuse, freeze, reverse or delay any specific withdrawal, payment or transfer of funds to or from your account, or we may remove funds from your account to hold them pending investigation, including in one or more of the following circumstances:

- Your account is involved in any legal or administrative proceeding;
- We receive conflicting information or instructions regarding account ownership, control or activity;
- We suspect that you may be the victim of a fraud, scam or financial exploitation, even though you have authorized the transaction(s);
- We suspect that any transaction may involve illegal activity or may be fraudulent;
- We are complying in our sole judgment, with any federal, state or local law, rule or regulation, including federal asset control and sanction rules and anti-money-laundering rules, or with our policies adopted to assure that we comply with those laws, rules or regulations; or
- We reasonably believe that doing so is necessary to avoid a loss or reduce risk to us.

We also may limit cash deposits to, or withdrawals from, your account (or all of your accounts collectively) in a single transaction or total withdrawals or deposits during any period of time, or who may make deposits, in order to reduce risk and/or enhance our efforts to comply with applicable law.

We can assign and transfer your account information and documentation to a replacement account number at our discretion. We may make this assignment when your account is reported compromised by you or any signer. If we issue you a replacement account number, this Deposit Account Agreement governing you and your account will continue to apply, without interruption, as if you retained the discontinued account number.

We will have no liability for any action we take under this section and we may take such action without advanced notice.

D. Changes to the Agreement

We may change the terms of this agreement, including fees and features of your account, at any time. If any change would adversely affect you, we will notify you in advance, unless the change is necessary to comply with a legal requirement.

For CDs, changes that would adversely affect you will be effective on the next maturity date.

If we transfer your account to a different business unit within the bank, we may give notice in the same manner and provide you a different deposit agreement to govern your account. You agree that notice of these changes may be provided to any joint owner.

We are not required to send you notice of interest rate and Annual Percentage Yield changes for variable rate accounts or notice of changes in printing fees for documents (such as checks).

We may direct you to a branch or chase.com for the content of any changes or the revised agreement unless the law requires a different method. By maintaining your account after the effective date of any change, you agree to the change.

This agreement takes the place of any understandings, agreements, representations, and warranties, both written and oral, made prior to or when you entered into this agreement.

E. Our Responsibility to Obtain Personal Information

Federal law requires all financial institutions to obtain, verify, and record information that identifies each person or business who opens an account. We require the following information or documents as a condition to your opening an account:

- For a personal account: your name; residential address; date of birth; and Social Security number, driver's license or other identifying documents
- For a business account: your business name, taxpayer identification number and business address; the name, residential address, date of birth and Social Security number of each signer, so we can verify the signer's identity; and documents to verify the business's existence.

Our policies may require additional information about you or any person associated with you or with the account when or after you open the account to assure that we comply with "Know Your Customer" requirements. We may restrict or close your account if we are unable to obtain information in order to satisfy our "Know Your Customer" requirements. By opening an account with us, you confirm that neither you nor any beneficial owner of any account is covered by any sanctions programs administered or enforced by the U.S. Department of the Treasury, Office of Foreign Asset Control.

F. Prohibited Activities and Tax Reporting

We strictly prohibit the use of any account to conduct transactions (including, without limitation, the acceptance or receipt of credit or other receipt of funds through an electronic funds transfer, or by check, draft or similar instrument, or the proceeds of any of the foregoing) that are related, directly or indirectly, to unlawful Internet gambling. The term "unlawful Internet gambling," as used in this Notice, shall have its meaning set forth in 12 C.F.R. Section 233.2(bb). You agree not to conduct any transactions through the account that directly or indirectly involve or are related to unlawful Internet gambling, including, without limitation, the acceptance or receipt of any funds or deposits in connection therewith.

You also agree not to use your account for any other illegal activity. We may refuse any gambling transaction, whether lawful or not.

Transactions in your account are also subject to applicable clearinghouse and Federal Reserve rules and regulations. You will not use your account to send or receive a payment on behalf of anyone who is not a U.S. citizen or resident using The Clearing House Association's Real-Time Payment network.

You agree that you are responsible for your tax obligations and any funds in, or to be deposited in, your accounts are not proceeds from any criminal activity (including, but not limited to, tax crimes). Funds in, and any income derived from, your accounts will be disclosed to the relevant tax authorities, if required by law. All information that has been provided is complete and accurate, including any information pertaining to your country of citizenship, residence, principal place of business and any other relevant information to determine legal and tax status. You agree to notify us and/or provide us with any changes related to your tax affairs as we may request in order to comply with our regulatory obligations.

G. Death or Incompetence of Account Owner or Sole Signer

Tell us immediately if any account owner dies or is declared incompetent by a court. We may act as if all owners are alive and competent until we receive notice otherwise.

After we receive notice of death or incompetence, we may freeze your balance, refuse to accept transactions, and reverse or return deposits. We are also not required to release your funds until we receive any documents we reasonably request to verify your death or incompetence, as well as who is entitled to the funds. If you die while residing outside the United States, we may require a personal representative to be appointed by a court in a United States jurisdiction. If we have any tax liability because of paying your balance to your estate, the estate will be responsible for repaying us the amount of that tax. If an account owner authorizes any transaction, but it's not presented for payment until after that owner dies, we are authorized to pay the transaction. If you owe us a debt at the time of your death, we are permitted to exercise our right of setoff (our right to apply funds in one account to the debt associated with another account) or security interest rights against the funds credited to your balance after your death. We have these rights even if a surviving joint owner, a "payable on death" payee, or a beneficiary of an "in trust for" or "trustee for" account has rights to the account.

After we receive notice of death or incompetence of the sole signer on a business organization's account, we may freeze the balance, refuse to accept transactions, and reverse or return deposits. We are also not required to release the organization's funds until we receive any documents we reasonably request to verify the death or incompetence of the signer and to establish a new person's authority to act on behalf of the organization in transacting on or closing the organization's account.

H. Adverse Claims

If there are conflicting instructions or there is any dispute regarding your account, we may take any action, including refusing to disburse any funds in the account to any person until all persons claiming an interest consent in writing to a resolution of the dispute; or a court of proper jurisdiction authorizes or directs the payment; or the person with a conflicting claim withdraws his or her claim in writing. We may also place funds in a court (this is called an interpleader action) for resolution. If any person notifies us of a dispute, we do not have to decide if the dispute has merit before we take further action. We may take these actions without any liability and without advance notice, unless the law says otherwise.

I. Authorization to Share Information

You authorize us to share information about you and your account with affiliates and third parties, unless the law or our Privacy Notice prohibits us from doing so. Please see our *Privacy Notice* for your choices about information sharing.

J. Disputing Information Reported to a Consumer Reporting Agency

If you believe that we have reported inaccurate or incomplete information about your account to a consumer reporting agency, you have the right to file a dispute with that consumer reporting agency. You may also submit a dispute directly to us by writing to the address in the *How to Contact Us* section. Provide your name, address and phone number; the account number; the specific information you are disputing; an explanation of why it is inaccurate or incomplete; and any supporting documentation.

K. Legal Process and Requests for Information

If we receive any legal process relating to you or your account, you authorize us to comply with it. "Legal process" means any document that appears to have the force of law that requires us to hold or pay out funds from your account, including a garnishment, attachment, execution, levy or similar order. We do not have to determine whether the legal process was validly issued or enforceable. If a hold is in effect, we will continue to charge any applicable fees even though the account cannot be closed. We also may remove your Overdraft Protection if a hold is placed, but you may ask us to relink your accounts after the hold is removed. As permitted by law, we will deduct from your balance a Legal Processing Fee or costs and expenses we incur in complying with the order, or both.

If any action, including administrative proceedings, garnishment, tax levies, restraining orders or another action is brought against you or your account, you will be liable to us for any loss, cost or expense (including attorneys' fees) resulting from our compliance with any legal process.

If we receive any subpoena, court order or request for information or documents from a government entity or arbitration panel relating to your account, we are authorized to comply with it.

L. Abandoned Property

If any of your accounts are closed, we will return any balance, less any fees, claims, setoffs or other amounts if the balance is greater than \$1, and we may transfer this balance from the closed account to any other open account with at least one common owner. Funds that cannot be returned or transferred may be considered abandoned under state law, and each state has laws that govern when we are required to send a customer's funds to the state.

M. English Language — Other Language Preferences

The terms of this agreement and the products and services we provide are governed by the English language. As a courtesy, we make some of our forms, disclosures and documents, including this agreement, available in languages other than English. However, many important bank documents, and some products and services related to this account, are provided only in English. If there is any difference in meaning between the English and non-English version of any of our documents, the English version applies and is available upon request.

N. Referrals

If you request it, our employees may at times provide contact information about third parties, such as lawyers, accountants, or contractors who offer products or services to the public. Some of these third parties may be our customers. We provide this information only as a courtesy and convenience to you and the third party, but in some cases we may be compensated for a referral. We do not make any warranties or representations about the third parties or their products or services. If you choose to do business with any third party, that decision is yours alone, and we are not responsible for the third party's performance or to help resolve any dispute between you and the third party. Our employees may also receive compensation when you purchase a Chase product based on their referral.

O. Special Provisions for Pass-Through Accounts

If you have opened a deposit account on behalf of the beneficial owner(s) of the funds in the account (for example as a trustee, agent, nominee, guardian, executor, custodian or funds held in some other capacity for the benefit of others), those beneficial owners may be eligible for "pass-through" insurance from the FDIC. This means the account could qualify for more than the standard maximum deposit insurance amount (currently \$250,000 per depositor in the same ownership capacity). If the account has transactional features, you as the account holder must be able to provide a record of the interests of the beneficial owner(s) in accordance with the FDIC's requirements as specified below. The FDIC has published a guide that describes the process to follow and the information you will need to provide in the event Chase fails. That information can be accessed on the FDIC's website at www.fdic.gov/deposit/deposits/brokers/part-370-appendix.html.

In addition, the FDIC published an Addendum to the guide, section VIII, which is a good resource to understand the FDIC's alternative recordkeeping requirements for pass-through insurance. The Addendum sets forth the expectations of the FDIC for pass-through insurance coverage of any deposit accounts, including those with transactional features. The Addendum will provide information regarding the records you keep on the beneficial owners of the funds, identifying information for those owners, and the format in which to provide the records to the FDIC upon bank failure. You must be able to provide this information in a timely manner in order to receive payment for the insured amount of pass-through deposit insurance coverage as soon as possible. You will have an opportunity to validate the capability to deliver the required information in the appropriate format so that a timely calculation of deposit insurance coverage can be made; further instructions relating to this opportunity will be communicated at a later time.

You agree to cooperate fully with us and the FDIC in connection with determining the insured status of funds in such accounts at any time. In the event of a bank failure, you agree to provide the FDIC with the information described above in the required format within 24 hours of a bank failure. As soon as a receiver is appointed, a hold will be placed on your account and that hold will not be released until the FDIC determines that you have provided the necessary data to enable the FDIC to calculate the deposit insurance. You understand and agree that your failure to provide the necessary data to the FDIC may result in a delay in receipt of insured funds and may result in legal claims against you from the beneficial owners of the funds in the account. If you do not provide the required data, your account may be held or frozen until the information is received, which will cause a delay when the beneficial owners could receive funds. Despite other provisions in this Agreement, this section survives after a receiver is appointed for us, and the FDIC is considered a third party beneficiary of this section.

P. Sub-accounts

For accounting purposes, all checking accounts consist of two sub-accounts: 1) a transaction sub-account where all deposits, withdrawals and fees are posted, and 2) a savings holding sub-account, where available balances above a certain level are transferred daily. Funds will be retransferred to your transaction sub-account to meet your transactional needs; however, all balances in the holding sub-account will be transferred to the transaction sub-account with the sixth transfer in any calendar month or monthly statement period.

Both sub-accounts are treated as a single account for purposes of your deposits and withdrawals, earning interest, access and information, tax reporting, fees, etc.

Q. Permitted Time for Filing a Lawsuit

You must file any lawsuit or arbitration against us within two years after the cause of action arises, unless federal or state law or an applicable agreement provides for a shorter time. This limit is in addition to limits on notice as a condition to making a claim. If applicable state law does not permit contractual shortening of the time during which a lawsuit must be filed to a period as short as two years, you and we agree to the shortest permitted time under that state's laws.

We abide by federal and applicable state record retention laws and may dispose of any records that we retained or preserved for the period set forth in these laws. Any action against us must be brought within the period that the law requires us to preserve records, unless applicable law or this agreement provides a shorter limitation period. Any action against us on an automatically renewable CD must be brought within the time that the law requires us to preserve records based on the stated maturity date in the most recent record of the CD.

R. Location of Legal Proceedings

If you file any lawsuit or other legal proceeding against us that is connected in any way to your accounts or services, you agree to do so in an appropriate court in the state where your account is located. If we file any lawsuit or legal proceeding that is connected in any way to your accounts or services, you consent to jurisdiction and venue in an appropriate court in the state where your account is located. If either party chooses to have disputes resolved by arbitration, the section *Arbitration; Resolving Disputes* governs the process and location of the arbitration proceedings.

S. Pre-judgment Interest Rate

If either you or we are awarded a judgment against the other in connection with your account, the rate of interest earned before judgment on the judgment amount will be the rate of interest the account earned during that period unless state law requires a different rate. If the account is not interest-bearing, the rate will be the lowest generally available rate for a personal interest-bearing checking account.

T. Assignment of Agreement and Successors

This agreement will be binding on your personal representative, executors, administrators and successors, and on our successors and assigns.

You may not assign, transfer or grant a security interest in your account to anyone other than us without our written consent. No assignment will be valid or binding on us, and we will not be considered to have knowledge of it, until we consent and note the assignment in our records. However, by noting the assignment, we do not have any responsibility to assure that the assignment is valid. Any permitted assignment of your account is subject to our setoff rights.

U. No Waiver

If we fail to exercise any right, that does not mean that we waive that right or any other right, and we may still enforce all of our rights in the future.

X. Arbitration; Resolving Disputes

You and we agree that upon the election of either of us, any dispute relating in any way to your account or transactions will be resolved by binding arbitration as discussed below, and not through litigation in any court (except for matters in small claims court).

This arbitration agreement is entered into pursuant to the Federal Arbitration Act, 9 U.S.C. §§ 1-16 ("FAA").

YOU HAVE A RIGHT TO OPT OUT OF THIS AGREEMENT TO ARBITRATE, AS DISCUSSED BELOW. UNLESS YOU OPT OUT OF ARBITRATION, YOU AND WE ARE WAIVING THE RIGHT TO HAVE OUR DISPUTE HEARD BEFORE A JUDGE OR JURY, OR OTHERWISE TO BE DECIDED BY A COURT OR GOVERNMENT TRIBUNAL. YOU AND WE ALSO WAIVE ANY ABILITY TO ASSERT OR PARTICIPATE IN A CLASS OR REPRESENTATIVE BASIS IN COURT OR IN ARBITRATION. ALL DISPUTES, EXCEPT AS STATED BELOW, MUST BE RESOLVED BY BINDING ARBITRATION WHEN EITHER YOU OR WE REQUEST IT.

What claims or disputes are subject to arbitration?

Claims or disputes between you and us about your deposit account, transactions involving your deposit account, safe deposit box, and any related service with us are subject to arbitration. Any claims or disputes arising from or relating to this agreement, any prior account agreement between us, or the advertising, the application for, or the approval or establishment of your account are also included. Claims are subject to arbitration, regardless of what theory they are based on or whether they seek legal or equitable remedies. Arbitration applies to any and all such claims or disputes, whether they arose in the past, may currently exist or may arise in the future. All such claims or disputes are referred to in this section as "Claims."

The only exception to arbitration of Claims is that both you and we have the right to pursue a Claim in a small claims court instead of arbitration, if the Claim is in that court's jurisdiction and proceeds on an individual basis.

Can I (customer) cancel or opt out of this agreement to arbitrate?

You have the right to opt out of this agreement to arbitrate if you tell us within 60 days of opening your account. If you want to opt out, call us at 1-800-935-9935 or see a banker. Otherwise this agreement to arbitrate will apply without limitation, regardless of whether 1) your account is closed; 2) you pay us in full any outstanding debt you owe; or 3) you file for bankruptcy.

What about class actions or representative actions?

Claims in arbitration will proceed on an individual basis, on behalf of the named parties only. YOU AND WE AGREE NOT TO:

1. SEEK TO PROCEED ON ANY CLAIM IN ARBITRATION AS A CLASS CLAIM OR CLASS ACTION OR OTHER COMPARABLE REPRESENTATIVE PROCEEDING;
2. SEEK TO CONSOLIDATE IN ARBITRATION ANY CLAIMS INVOLVING SEPARATE CLAIMANTS (EXCEPT FOR CLAIMANTS WHO ARE ON THE SAME ACCOUNT), UNLESS ALL PARTIES AGREE;
3. BE PART OF, OR BE REPRESENTED IN, ANY CLASS ACTION OR OTHER REPRESENTATIVE ACTION BROUGHT BY ANYONE ELSE; NOR
4. SEEK ANY AWARD OR REMEDY IN ARBITRATION AGAINST OR ON BEHALF OF ANYONE WHO IS NOT A NAMED PARTY TO THE ARBITRATION.

If these terms relating to class or representative procedures are legally unenforceable for any reason with respect to a Claim, then this agreement to arbitrate will be inapplicable to that Claim, and the Claim will instead be handled through litigation in court rather than by arbitration. No arbitrator shall have authority to entertain any Claim on behalf of a person who is not a named party, nor shall any arbitrator have authority to make any award for the benefit of, or against, any person who is not a named party.

Does arbitration apply to Claims involving third parties?

Arbitration applies whenever there is a Claim between you and us. If a third party is also involved in a Claim between you and us, then the Claim will be decided with respect to the third party in arbitration as well, and it must be named as a party in accordance with the rules of procedure governing the arbitration. No award or relief will be granted by the arbitrator except on behalf of, or against, a named party. For purposes of arbitration, “you” includes any person who is listed on your account, and “we” includes JPMorgan Chase Bank, N.A., all its affiliates, and all third parties who are regarded as agents or representatives of ours in connection with a Claim. (If we assign your account to an unaffiliated third party, then “we” includes that third party.) The arbitration may not be consolidated with any other arbitration proceeding.

How does arbitration work?

The party filing a Claim in arbitration must select either: JAMS or the American Arbitration Association (“AAA”) as the arbitration administrator. That organization will apply its code of procedures in effect at the time the arbitration claim is filed. If there is a conflict between that code of procedures and this arbitration provision and/or this agreement, this arbitration provision and this agreement will control. In the event that JAMS or the AAA is unable to handle the Claim for any reason, then the matter shall be arbitrated instead by a neutral arbitrator selected by agreement of the parties (or, if the parties cannot agree, selected by a court in accordance with the FAA), pursuant to the AAA rules of procedure.

The arbitrator will decide the Claim in accordance with all applicable law, including recognized principles of equity and statutes of limitations, and will honor all claims of privilege recognized by law. The arbitrator will have the power to award to a party any damages or other relief provided for under applicable law. A single arbitrator will conduct the arbitration and will use applicable substantive law, including the Uniform Commercial Code, consistent with the FAA and the applicable statutes of limitations or conditions precedent to suit, and will honor claims of privilege recognized at law. The arbitrator can award damages or other relief provided for by law to you or us, but not to anyone else. The arbitrator’s authority is limited to the Claims between you and us.

Is the arbitrator’s decision final? Is there an appeal process?

The arbitrator’s decision will be final and binding on the parties. A party can file a written appeal to the arbitration administrator within 30 days of award issuance. The appeal must request a new arbitration in front of three neutral arbitrators designated by the same arbitration administrators. The panel will reconsider all factual and legal issues, following the same rules of procedure, and will make decisions based on majority vote. Any final arbitration award will be binding on the named parties and enforceable by any court having jurisdiction.

Who will pay for costs?

We will pay any costs that are required to be paid by us under the arbitration administrator’s rules of procedure. Even if not otherwise required, we will reimburse you up to \$500 for any initial arbitration filing fees you have paid. We will also pay any fees of the arbitrator and arbitration administrator for the first two days of any hearing. If you win the arbitration, we will reimburse you for any fees you paid to the arbitration organization and/or arbitrator. All other fees will be allocated according to the arbitration administrator’s rules and applicable law. If you consider that you are unable to afford any fees that would be yours to pay, you may request that we pay or reimburse them, and we will consider your request in good faith.

How do I (customer) file an arbitration claim?

Rules and forms may be obtained from, and Claims may be filed with, JAMS (1-800-352-5267 or www.jamsadr.com) or the AAA (1-800-778-7879 or www.adr.org). Arbitration hearings will take place in the federal judicial district that includes your address at the time the Claim is filed, unless the parties agree to a different place.



Facts	What does Chase do with your personal information?
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> • Social Security number and income • account balances and transaction history • credit history and payment history
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Chase chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Chase share?	Can you limit this sharing?
For our everyday business purposes – such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes – to offer our products and services to you	Yes	No
For joint marketing with other financial companies	Yes	No
For our affiliates' everyday business purposes – information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes – information about your creditworthiness	Yes	Yes
For our affiliates to market to you	Yes	Yes
For nonaffiliates to market to you	Yes	Yes

To limit our sharing
<ul style="list-style-type: none"> • Call 1-888-868-8618 – our menu will prompt you through your choice(s). We accept operator relay calls. • Visit us online: chase.com/privacypreferences <p>Please note: If you are a <i>new</i> customer, we can begin sharing your information 30 days from the date we sent this notice. When you are <i>no longer</i> our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.</p>

Questions
Call 1-888-868-8618 – our menu will prompt you through your choice(s). We accept operator relay calls.

Who we are	
Who is providing this notice?	The U.S. consumer financial companies within the JPMorgan Chase & Co. family, including JPMorgan Chase Bank, N.A., Chase Insurance Agency, Inc., and J.P. Morgan Securities LLC.
What we do	
How does Chase protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. We authorize our employees to get your information only when they need it to do their work, and we require companies that work for us to protect your information.
How does Chase collect my personal information?	We collect your personal information, for example, when you <ul style="list-style-type: none"> • open an account or make deposits or withdrawals from your account • pay your bills or apply for a loan • use your credit or debit card We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only <ul style="list-style-type: none"> • sharing for affiliates' everyday business purposes – information about your creditworthiness • affiliates from using your information to market to you • sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on your account.
Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and non financial companies. <ul style="list-style-type: none"> • <i>Our affiliates include companies with a Chase or J.P. Morgan name and financial companies such as J.P. Morgan Securities LLC</i>
Nonaffiliates	Companies not related by common ownership or control. They can be financial and non financial companies. <ul style="list-style-type: none"> • <i>Nonaffiliates we share with can include companies such as retailers, auto dealers, auto makers and membership clubs</i>
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <ul style="list-style-type: none"> • <i>Our joint marketing partners include categories of companies such as insurance companies</i>
Other important information	
<p>VT: Accounts with a Vermont mailing address are automatically treated as if they have limited the sharing as described on page 1. For joint marketing, we will only disclose your name, contact information and information about your transactions.</p> <p>NV: We are providing you this notice pursuant to Nevada law. If you prefer not to receive marketing calls from us, you may be placed on our Internal Do Not Call List by calling 1-800-945-9470, or by writing to us at P.O. Box 734007, Dallas, TX 75373-4007.</p> <p>For more information, contact us at the address above, or email Privacy.Info@JPMChase.com, with "Nevada Annual Notice" in the subject line. You may also contact the Nevada Attorney General's office: Bureau of Consumer Protection, Office of the Nevada Attorney General, 555 E. Washington St., Suite 3900, Las Vegas, NV 89101; telephone number: 1-702-486-3132; email BCPINFO@ag.state.nv.us</p> <p>CA: Accounts with a California mailing address are automatically treated as if they have limited the sharing with nonaffiliates as described on page 1. CA residents are provided a CA notice for additional choices.</p>	

Appendix 4. Sample Consolidated Service Terms

Consolidated Service Terms

Chase provides an array of treasury services to meet your business needs. This booklet contains important information about Chase solutions that we provide. If you would like to add a service that is covered in this booklet, please contact your Cash Management Consultant.

TREASURY SERVICES (United States)
Business Banking and Private Wealth Management

Welcome to JPMorgan Chase Bank National Association (“J.P. Morgan”, “Chase”, or “Bank”). We are pleased that you have decided to maintain a banking relationship with us. This Consolidated Service Terms booklet (“Booklet”) contains the terms for certain cash management services JPMorgan Chase Bank, National Association (“JPMorgan” Chase”, or “Bank”) may provide the Customer (“you”). By using or continuing to use any of the services referenced herein after receipt of this Booklet, you acknowledge that you have received and agree to be bound by the Deposit Account Agreement, as amended by the Service Terms of this Booklet, in addition to such supplements, amendments, notices, and additional Service Terms, as applicable.

This Booklet includes Service Terms applicable for Treasury Services services which Chase may provide to you. The Service Terms included in this Booklet are subject to the Bank’s Deposit Account Agreement, as amended. Any modifications to this Booklet, including but not limited to any changes, amendments, deletions and/or additions, will not be binding upon Chase unless such modifications are acknowledged and agreed to in writing by an officer of Chase.

We look forward to serving your business needs and thank you again for choosing Chase.

SERVICES FOR CUSTOMERS

- A. Amendment to Deposit Account Agreement**
- B. ACH Origination**
- C. ACH Transaction Blocking & ACH Transaction Review**
- D. U.S. Funds Transfer**
- E. U.S. Funds Transfer by Check**
- F. Lockbox**
- G. Coin & Currency**
- H. Positive Pay, Reverse Positive Pay and Payee Verification**
- I. Electronic Channels**

A. Amendment to Deposit Account Agreement

INTRODUCTION

This document ("Amendment") amends your Deposit Account Agreement as it relates to certain cash management services ("Services") offered by the Bank. The Deposit Account Agreement, as amended by this Amendment, shall hereinafter be referred to as the "Account Terms." The Account Terms may be supplemented or amended by existing or future agreements, terms and conditions, and notices, including, but not limited to any terms contained in an implementation form or similar document regarding Services, or which by their terms ("Service Terms") are subject to the Account Terms. The Accounts established with the Bank are subject to the Account Terms and relevant Account and service documentation ("Account Documentation").

By signing service implementation forms or similar document, or by using or continuing to use any of the Services after receipt of this Amendment and relevant Service Terms, the Customer agrees to be bound by the Account Terms and the respective Service Terms.

Capitalized terms in the Service Terms, unless otherwise defined herein, shall have the meanings set forth in the Deposit Account Agreement.

As used herein, the term "Bank" means JPMorgan Chase Bank, N.A., and any of its affiliates or subsidiaries, and shall include any of its successors or assigns. "Customer" means the entity to which accounts and services are being provided by the Bank.

GENERAL PROVISIONS

1. **Authorized Persons.** The Bank is authorized to rely upon any document that indicates the person ("Authorized Person") authorized to act on behalf of the Customer with respect to the Services, until the Customer, by written notice to the Bank, withdraws the authority of the Authorized Person, and the Bank has a reasonable opportunity to act on the notice. Each Authorized Person, subject to any limitation received and accepted by the Bank, is authorized on behalf of the Customer to issue requests, directions or instructions, including, without limitation, payment orders, with respect to any Service ("Instruction").
2. **Security Procedures.** If the Bank and the Customer agree on a security procedure to be used for any type of Instruction, the Customer and the Bank shall safeguard any test keys, passwords, user identification codes, user documentation, and any other security or authentication devices, and the Customer shall be responsible for any Instructions using such security procedures. It is understood that the security procedures used by the Bank and the Customer are designed to verify the authenticity of, and not to detect errors in, the Instructions.
3. **Items.** The Bank is not responsible for actions taken by other banks, nor for the loss or destruction of any item in the possession of other banks or in transit. In the event the Bank receives or is presented with items that appear to be duplicates of each other, then the Bank may return one or more of such items. If the Bank offers the Customer services reasonably designed to help prevent check fraud and the Customer fails to utilize those services, that failure will constitute Customer negligence contributing to the making of an unauthorized signature and the Customer will assume the risk that checks or drafts presented against its Account may be forged or altered, to the extent that the services the Bank offered may have prevented any loss.
4. **Funds Transfer.**
 - (a) The Customer may issue funds transfer Instructions against Accounts, subject to the Bank's acceptance. Funds transfer Instructions will be received, processed and transmitted only on the Bank's funds transfer business days, and within the Bank's established cut-off hours on such days. The Bank will debit the Account for the amount of each funds transfer Instruction accepted by the Bank, and may debit the Account for all fees associated with any funds transfer Instruction. The Customer may reverse, amend, cancel or revoke an Instruction only with the consent of the Bank, and the beneficiary's bank, as applicable.
 - (b) In connection with any funds transfer, the Bank and other financial institutions may rely upon the identifying number of the beneficiary, the beneficiary's bank or any intermediary bank included in the funds transfer. The beneficiary's bank in the funds transfer Instruction may make payment on the basis of the identifying number even though it identifies a person different from the named beneficiary. The Customer shall be responsible for the consequences of any inconsistency between the name and identifying number, as instructed, of any party in such a funds transfer Instruction. Notwithstanding any instructions by the Customer to the contrary, the Bank reserves the right to use any funds transfer system and any intermediary bank in the execution of any funds transfer Instruction and may otherwise use any means of executing the funds transfer Instruction which the Bank deems reasonable in the circumstances.
 - (c) In accepting a funds transfer Instruction for payment in currency other than U.S. Dollars, the Bank is authorized to debit the Account for the equivalent amount of the foreign currency transferred at the Bank's prevailing rate of exchange. In processing the funds transfer, other banks may deduct fees from the payment order issued to them. If the Bank accepts funds transfer Instructions issued in a foreign currency where the Customer is the beneficiary, the Bank may convert the funds to the currency of the Account at the Bank's applicable currency exchange rate and charge the Customer a fee for such currency conversion.
 - (d) The authenticity of oral or written (including writings transmitted by facsimile) funds transfer Instructions and amendments to them may, at the Bank's discretion, be verified by telephonic call-back confirmation with an individual purporting to be an Authorized Person. If the Bank is not satisfied with any such confirmation, it may decline to honor any such Instruction. The Customer agrees that this security procedure is commercially reasonable for such funds transfer Instructions. The Customer further agrees to be bound by such funds transfer Instructions, whether or not authorized, issued in the name of the Customer using this security procedure.

- (e) Any credit given by the Bank to the Customer for an ACH entry shall be provisional until the Bank receives final settlement. If the Bank does not receive final settlement, the Bank may revoke the provisional credit and charge back the amount to the Account or obtain a refund from the Customer, in which case the originator of the credit entry shall not be deemed to have paid the Customer the amount of such entry.

5. Limitation of Liability; Indemnity.

- (a) The Bank shall have no liability for any damage, loss, expense or liability of any nature that the Customer may suffer or incur, except to the extent of direct losses or expenses attributable to the Bank's gross negligence or willful misconduct. The Bank shall not, in any event, be liable for indirect, special, consequential or punitive loss or damage of any kind (including, but not limited to lost profits), whether or not foreseeable, even if the Bank has been advised of the likelihood of such loss or damage, and regardless of whether the claim for loss or damage is made in negligence, gross negligence, for breach of contract or otherwise; provided, however, that the foregoing shall not apply to the extent such loss or damage is caused by fraud on the part of the Bank.
- (b) The Customer agrees to indemnify and hold the Bank, its agents, employees, officers and directors, harmless from and against any and all claims, damages, demands, judgments, liabilities, losses, costs and expenses (including attorneys' fees) resulting directly or indirectly from the Bank's acceptance or execution of any request or direction, including, without limitation, items and Instructions issued in the name of an Authorized Person.

6. Termination. Either the Bank or the Customer may terminate a Service at any time, with or without cause. If the Bank terminates a Service, the Bank may send you written notice of that on the date it terminates the Service. Notwithstanding anything to the contrary in any Service Terms, upon the closing of an Account, all Services linked to such Account are simultaneously terminated (unless otherwise specifically agreed to by the parties). However, any such closing or termination shall not affect the Customer's liabilities to the Bank arising prior to, or on, such closing or termination, all of which shall continue in full force and effect.

7. Fees. The Bank may impose, charge, pass-through and modify fees and/or charges for Accounts and services provided by the Bank, including, but not limited to, transaction, maintenance, balance-deficiency, and service fees and other charges, including those levied by any governmental authority (collectively "Fees"). The Customer will pay all Fees. The Bank may debit any Account for Fees, whether or not such debit may result in an overdraft of the Account. All payments to the Bank shall be in full, without set-off or counterclaim, and free of any deduction or withholdings related to any tax or other claim.

8. Miscellaneous.

- (a) Account statements, confirmations or advices ("Account Statements") sent via the Internet or electronic Account Statements, if applicable, shall be deemed by the Customer and the Bank to be available to the Customer when the Account Statements are posted on the Internet and the Bank sends an electronic mail notification of availability to the Customer, or when the Bank sends the electronic Account Statement to the Customer. For purposes of determining when an item is sent to the Customer, an image of an item or information identifying the item (i.e. item number, amount and date of payment) is a sufficient substitute for the actual item.
- (b) All Account Statements and notices may be sent to the Customer by ordinary mail, by courier, by facsimile transmission, by electronic transmission (including but not limited to e-mail), or through Internet sites, or by such other means as the Customer and the Bank agree upon from time to time, at the address of the Customer on the books and records of the Bank.
- (c) The Customer acknowledges that deposits held in a branch of the Bank located outside the United States: (i) are not insured by the Federal Deposit Insurance Corporation; (ii) are subject to cross-border risks; and (iii) may enjoy a lesser preference as compared to deposits held in the United States in the event the Bank should be liquidated, insolvent or placed into receivership or other proceeding for the benefit of creditors.
- (d) To the extent that the Customer has or hereafter may acquire any immunity (including sovereign, crown or similar immunity) from jurisdiction of any court, suit or legal process (whether from service of notice, injunction, attachment, execution or enforcement of any judgment or otherwise), the Customer irrevocably waives and agrees not to claim such immunity.
- (e) Any provision of any Service Terms that is inconsistent with a provision of the Account Terms shall supersede the Account Terms for purposes of the particular Service which is the subject thereof.
- (f) The Customer agrees that the Bank may deliver, make available and/or make accessible terms and conditions applicable to Accounts and Services to the Customer via electronic means and channels (including but not limited to by posting such terms on a Bank website). The Bank may request that the Customer "click" its approval of such terms. Subject to applicable law and regulations, the Customer agrees that the act of "clicking" its approval (or any similar act which has the same effect) with respect to any such terms will be evidence of Customer's acceptance of the applicable terms and conditions, to the same extent, and with the same force and effect, as if Customer had manually executed a written version of such terms and conditions.

The services described herein (each a "Service") are subject to the Bank's Account Terms (as may be amended from time to time), which are hereby incorporated by reference into each Service Terms. By using any of the Services described hereunder, the Customer acknowledges that it has received and agreed to the Account Terms, as supplemented by these Service Terms. Capitalized terms in the Service Terms, unless otherwise defined herein, shall have the meanings set forth in the Account Terms.

B. ACH Origination

The Automated Clearing House (ACH) is a batch processing payment system that U.S. banks use to exchange and settle credit and debit transactions on behalf of their clients or themselves. The origination of ACH Entries and the transmission and issuance of related transactions and information will be pursuant to these terms and the Operating Rules and Guidelines (collectively the "Rules") of the National Automated Clearing House Association. Capitalized terms used in this subpart, unless otherwise defined in this subpart shall have the same meanings as set forth in the Rules. The Customer and the Bank agree to comply with and be bound by the Rules as in effect from time to time, including without limitation, the provision making payment of a Credit Entry by an RDFI to the Receiver provisional until receipt by the RDFI of final settlement for such Credit Entry and the Customer acknowledges that it has received notice of such rule and of the fact that if such settlement is not received, the RDFI will be entitled to a refund from the Receiver of the amount credited and the Customer will not be deemed to have paid the Receiver the amount of such Credit Entry.

1. **Service.** Bank provides automated clearing house ("ACH") origination services that will enable Customer to do one or more of the following:

- originate ACH Debit Entries;
- originate ACH Credit Entries; and
- instruct the Bank to issue or transmit prenotifications, reversals, requests for return, notifications of change or other information pertaining to the Entries.

Origination of ACH Credit Entries and origination of ACH Debit Entries are two separate services and approval or set up for one ACH service does not automatically create the ability to utilize the other. The Rules and these Service Terms shall apply to all Entries, whether or not transmitted through an ACH Operator.

It is Customer's responsibility to provide Entries and instructions to Bank with all the necessary information to complete Customer's requested transactions. Customer agrees to transmit Entries to Bank in the manner, at the times and in accordance with approved media, content and format as agreed by Bank and Customer. Bank may reject or delay processing transactions or information if instructions are not complete or are inaccurate, contain an inactive Company ID or otherwise do not meet the criteria Bank specifies for acceptance. All requests to Bank must be received by Bank before Bank's established cut-off time in order for processing to commence on that ACH processing day. Any request that is incomplete or that Bank finishes receiving after the relevant cut-off time will be processed by Bank on the next day Bank processes ACH transactions. All transactions are subject to acceptance by Bank. Bank will notify Customer of any transactions or other transmissions that are rejected or returned. If Customer wants Bank to re-process those transactions or transmissions, Customer must correct them and re-submit them. Customer agrees to furnish Bank with copies of any authorizations or notifications, if requested, as well as any other information reasonably requested by Bank relating to Entries originated by the Customer. Customer shall provide Bank's auditors and other personnel with reasonable access at all reasonable times to the Customer's facilities, data and records relating to the initiation of Entries for the purpose of auditing Customer's compliance with these Service Terms and the Rules.

2. **Security and Data Protection Procedures.** All instructions received by Bank in Customer's name are subject to verification pursuant to mutually agreed security procedures. If Bank follows those procedures, Bank may process and transmit transactions or information in Customer's name. Unless Customer and Bank both otherwise agree, transmissions to Bank will be authenticated and/or encrypted using commercially reasonable security technologies meeting standards acceptable to Bank. If Customer uses a security procedure other than as described above, Customer acknowledges that Customer refused Bank's security procedure and chose another and Customer agrees to be bound by any transaction, whether or not authorized, issued in Customer's name and accepted by Bank in compliance with the security procedure Customer chose. If Customer elects not to utilize recommended message authentication and/or encryption technology, Customer assumes all responsibility for unauthorized disclosure or unauthorized access to Customer's data that occurs during transmission or while such data is in storage. Customer shall not disclose any Receiver's account number or routing number to any third party for such third party's use, directly or indirectly, in initiating a separate Debit.

3. **Settlement and Exposure Limits.** On the settlement date, Bank will credit Customer's account with Bank that Customer specifies for the total of:

- Customer's Debit Entries that Bank processed for settlement that day;
- RCCs issued for deposit to Customer's account on that day; and
- any returned or reversed Credit Entries.

Bank may delay the availability of funds deposited into Customer's account by Debit Entry or RCC until those transactions cannot be reversed in accordance with the Rules or applicable law.

Bank will debit Customer's account with Bank that Customer specifies for the total of Credit Entries processed in Customer's name and for any returned Debit Entries and RCCs. Bank may require Customer to pay Bank the amount of any Credit Entries on the date of transmission to Bank or otherwise prior to the settlement date. Bank also may require Customer to maintain collateral with Bank in an amount Bank specifies.

Bank may from time to time establish or revise maximum dollar limits for the total value of all outstanding files of Credit Entries and/or Debit Entries and RCCs that Bank will release on Customer's behalf. Bank may change or cancel the limits at any time without prior notice to Customer; although Bank will try to notify Customer before Bank does that.

- 4. Warranties; Indemnity.** Except as specified below, Customer will be deemed to make the same warranties to Bank as Bank makes pursuant to the Rules. In the case of an Entry to another account with Bank, warranties will be deemed to be given as of the time Bank first processes the Entry. Customer will not be deemed to warrant the power of the Bank under applicable law to comply with the requirements of the Rules or the conformity of Entries and other data Bank transmits to the file specifications contained in the Rules. The Customer further represents, warrants and covenants that (a) each Entry and RCC it originates will comply with all applicable U.S. laws and regulations and acknowledges that Entries may not be initiated that violate the laws of the United States, (b) unless Customer has identified itself to Bank as a Third Party Sender (as defined in Section 7) and obtained Bank's express consent to originate Entries as a Third Party Sender, Customer will not originate any Entries, or use any of its Company IDs to originate Entries, on behalf of third parties (including, without limitation, any affiliate of Customer), and (c) Customer will not permit a third party to originate Entries using a Customer account as the offset account unless Customer obtains Bank's express consent to do so.

Customer agrees to indemnify Bank and Bank's employees, officers, directors and agents, and hold all of them harmless from and against any and all claims, demands, losses, liabilities or expenses (including attorneys' fees and costs) resulting directly or indirectly from (a) Customer's breach of any warranty made under these Service Terms and (b) compliance by Bank and the RDFI with any request Customer makes for a cancellation, stop payment, reversal or recall of any Entry or any RCC created by Bank under Section 1 hereof.

Bank shall have no responsibility for any delay by any ACH Operator or RDFI in processing any Entry the Bank transmits to the ACH Operator or failure to process or credit or debit any such Entry.

- 5. Stop Payments; Reversals and Recalls; Rejections.** Customer's instruction to cancel, stop payment of, reverse or recall one or more Entries must be received by Bank in such time and manner as Bank specifies. Bank will process these transactions in accordance with Bank's procedures advised to Customer. Any reversal or recall initiated by Bank is subject to acceptance by the RDFI. Instructions to reverse or recall an ACH Credit Entry that are not initiated by Customer in time to meet the prescribed NACHA deadline for reversals may be originated by Bank as a Debit Entry; Customer shall obtain authorization from the Receiver in accordance with the Rules for any such Debit Entry and all other terms of these Service Terms applicable to Debit Entries shall apply. Entries or other instructions may not be amended or modified.

If Customer originates Debit Entries to an account or accounts at a financial institution that is not a Participating Depository Financial Institution in the ACH system (such account hereafter called a "Non-ACH Eligible Account"), all such Debit Entries will be rejected unless Customer subscribes to a service, subject to Bank's prior consent, pursuant to which Bank will process each such Debit Entry to a Non-ACH Eligible Account by preparing a remotely created check, as such term is defined in Federal Reserve Regulation CC (an "RCC"), on the Customer's behalf. The RCC will be drawn in the amount and on the Non-Eligible ACH Account of the individual or entity specified as the receiver in the Customer's instructions and will be deposited to the Customer's designated account with Bank. Such RCC will thereafter be processed through the check clearing system. If the Customer is using such service, the Customer hereby authorizes the Bank to create each RCC as described herein and the Customer warrants to the Bank, with respect to each RCC, that the person on whose account the RCC is drawn authorized the issuance of such RCC in the amount and to the payee stated in the RCC. The Customer authorizes the Bank to debit the Customer's account for any claim or return based upon an unauthorized RCC. All other terms herein related to Entries shall also apply to RCCs created under this Section. The Bank shall not create or process RCCs or other paper drafts in lieu of ACH Debits under any circumstances other than for Non-ACH Eligible Accounts and only when the Bank has consented to provide such service, even if the Customer includes an instruction in its file for the Bank to otherwise originate an RCC or paper draft.

- 6. Third Party Service Providers.** Customer may choose to use a third party service provider or service bureau to issue Entries or other instructions, handle returned Entries or perform other functions for and on Customer's behalf. If Bank accepts such Entries or other instructions, Customer will be bound by them. Customer is responsible for all actions taken or not taken by Customer's provider and Customer is responsible for all costs and expenses of Customer's provider.
- 7. Third Party Sender.** If Customer is a Third Party Sender, as such term is hereafter defined, (a) Customer warrants that the Originator has agreed to be bound by the Rules and has satisfied the obligations of an Originator under the Rules; (b) in any case where the Originator fails to perform its obligations under the Rules as an Originator, Customer shall indemnify, defend and hold Bank harmless from and against any and all claims, demands, losses, liabilities and expenses, including attorneys' fees and costs, that result directly or indirectly from the failure of the Originator to perform its obligations as an Originator under the Rules; (c) Customer agrees to cooperate with Bank regarding any request for information concerning the identity of any Originator; and (d) Customer represents, warrants and covenants that neither these Service Terms nor anything related to the ACH Origination Services violates, contravenes or is inconsistent with any of the terms, conditions or provisions of any agreement, understanding or arrangement between Customer and the Originator. Further, Bank will rely on Customer to evaluate the legitimacy of the Originators and their transactions originated by Customer and for ensuring that instructions do not involve illegal activities. Customer must notify Bank immediately if Customer suspects or become aware of any activity or transaction of an Originator that Customer believes may be of an illegal or illegitimate nature or that involves the proceeds of illegal activity or that was conducted, in part or whole, for the purpose of disguising the source of funds. Bank will be entitled at any time upon notice to Customer to decline to provide the ACH Origination Services, or terminate the provision of ACH Origination Services, for any Originator on whose behalf are originating Entries if Bank determines that there are excessive returns or reversals of Entries originated on behalf of such Originator or if Bank becomes aware of any information indicating suspicious, fraudulent or illegal activity related to such Originator or for any other reason. As used herein, "Third Party Sender" means an entity that is not an Originator, that has authorized an ODFI or another Third Party Sender to transmit, for the account of the Third Party Sender or another Third Party Sender, (i) a credit entry to the account of a Receiver in order to effect a payment from the Originator (i.e., the third party on whose behalf the Third Party Sender is transmitting the entry) to the Receiver, or (ii) a debit entry to the account of a Receiver in order to effect a payment from the Receiver to the Originator (i.e., the third party on whose behalf the Third Party Sender is transmitting the entry). Without limitation of the foregoing, Third Party Senders include U.S. regulated financial institutions, brokers and other financial intermediaries as well as any other regulated or unregulated payment processors that are customers of the Bank and use their accounts to process payments for third parties (including affiliates of the Customer).

- 8. IAT Entries.** If Customer is originating Entries that are required to be formatted under the Rules as IAT Entries, Customer will comply with all applicable Rules relating thereto, and Customer will originate such Entries only through one of Bank's ACH origination channels that support IAT origination. Some of Bank's ACH origination channels do not accommodate IAT Entries; upon request, the Bank will advise Customer as to which of Bank's ACH origination channels can be used for IAT origination.

If a foreign currency conversion is performed by Bank in connection with an IAT Entry, Customer acknowledges that the foreign currency exchange rates fluctuate, and accepts the risk of such fluctuation, including fluctuations in rate between the time Customer submits the Entry Data Instructions and the time the transaction is executed and/or reversed, returned or recalled. Any payment returns and/or reversals will be credited to Customer's account in the currency in which Customer's account is denominated, and Customer is responsible for any rate fluctuations.

In the event of an erroneous or duplicate IAT Entry originated for payment to a receiving bank outside the United States, the rights of Bank and Customer with respect to reversal or recall of such Entry are subject to the laws, regulations and payment system rules of the receiving bank's jurisdiction.

Customer acknowledges and agrees that IAT Entries may be delayed in processing or posting due to the Bank's or RDFI's review of such Entries for OFAC compliance. Further, Customer understands and acknowledges that unlike PPD Credit Entries, there is no requirement under the Rules that IAT Credit Entries that are made available to an RDFI by its ACH operator by 5:00 pm on the banking day prior to the Settlement Date be made available to the Receiver at the opening of business on the Settlement date; cleared IAT Credit Entries must be made available no later than the Settlement Date of the Entry, but funds are not required to be available at opening of business on the Settlement Date.

- 9. Incorporation of Account Documentation; Termination.** The provisions of the account documentation, including terms and conditions governing the operation of business accounts and services, are incorporated into these Service Terms by reference. By acknowledging or signing the applicable account documentation or by using or continuing to use the ACH Origination Services, Customer agrees to these Service Terms. In addition to Bank's termination rights under the aforementioned documentation, Bank shall have the right to terminate or suspend these Service Terms and the Services upon notice to Customer in the event of the Customer's breach of the Rules.

C. ACH Transaction Blocking & ACH Transaction Review

ACH Transaction Blocking is a Service that allows a Customer to block and return ACH debit and credit Entries originated to the Customer's account with the Bank. ACH Transaction Review allows the Customer to review ACH debit and credit Entries originated and posted to the Customer's account with the Bank and to instruct the Bank to return some or all of these transactions.

1. ACH Transaction Blocking:

- (a) **Service.** The Customer can select from a variety of authorization or blocking criteria and advise the Bank in a manner and form acceptable to the Bank. The Bank will return any blocked transaction indicating that the ACH debit was not authorized or that the ACH credit was refused.
- (b) **Company IDs.** If the Customer elects an option that blocks or allows ACH debits or credits from specified companies, the Customer must supply the Bank with the applicable ACH Company ID of the Originator as it appears on the Company/Batch Header Record. The Company ID will be the sole criterion for blocking debit and credit Entries (unless Customer has also set maximum dollar limits) and Bank will have no obligation to take any other steps to determine the identity of the Originator. The Customer will be solely responsible for obtaining the correct Company ID for each such Originator.

The Customer understands that Company IDs are not unique and that a Company ID may identify more than one Originator, and one Originator may have multiple Company IDs. The Customer understands that Company IDs are not a perfect filter and that transactions from Originators may be blocked or allowed if the Originator uses a Company ID other than the one Customer identifies. The Bank will not be responsible for transactions blocked or allowed in accordance with the instructions the Customer provides for the Company ID.

- (c) **Transactions Not Affected by Blocking.** ACH debit and credit blocks do not apply to certain transactions. The following types of ACH-related transactions will not be blocked:
- debits or credits to the Customer's account to offset any ACH credit or debit Entries originated by the Customer through Bank ;
 - reversals of previously received ACH credit or debit Entries;
 - returns or reversals by the RDFI of ACH debit or credit Entries originated by the Customer through the Bank;
 - Reclamation Entries (debits);
 - debits or credits to the Customer's account initiated by the Bank or Bank's agent or affiliate to correct processing errors, effect back valuations, make other adjustments or, with respect to debits, for fees, charges or other amounts the Customer owes the Bank or Bank's affiliates; and

- debits or credits to the Customer's account that the Bank posts pursuant to its internal procedures in order to comply with applicable law, regulations or payment system rules or guidance.

2. ACH Transaction Review:

- (a) **Service.** Customer shall use filter criteria available through the service to select the types or categories of incoming ACH debit and/or credit transactions it wishes to review or the Customer may elect to review all incoming ACH transactions subject to Section 2(d) below.
- (b) **Review and Return Process.** Based upon the filter criteria selected by the Customer, ACH transactions meeting that criteria will be made available for the Customer to review not later than a designated time on the banking day following the day on which the transactions are posted to the Customer's account. The details provided by the Bank for each Entry will include account number, dollar amount, company ID, receiver's name, standard entry class code and settlement date.
- (c) The Customer shall advise the Bank by means of an agreed upon transmission method not later than the Bank's designated cut-off time on the same day as transaction information is made available of those transactions, if any, that are unauthorized and that the Customer wishes to return. The Bank is entitled to rely on any instructions which it receives and which it reasonably believes to be genuine. The Bank shall return all such transactions and make corresponding adjustments to the Customer's account to which the transactions had been posted. All transactions reported to the Customer as to which Bank does not receive a timely instruction from the Customer will remain posted or be returned based on the Transaction Review profile default decision setting established by the Customer.
- (d) **ACH Transactions Not Subject to Review.** The following types of ACH transactions will not be made available for the Customer's review and decisioning:
- debits or credits to the Customer's account to offset any ACH Entries originated by the Customer through the Bank ;
 - reversals of previously received ACH Entries;
 - returns or reversals by the RDFI of ACH Entries originated by the Customer through the Bank;
 - Reclamation Entries;
 - debits or credits to the Customer's account initiated by the Bank or Bank's agent or affiliate to correct processing errors, effect back valuations, make other adjustments, or to comply with legal requirements or for fees or charges the Customer owes the Bank or Bank's affiliates; and
 - if the Customer is also subscribing to the ACH Transaction Blocking service, any transactions blocked and returned pursuant to that service.
- (e) **Certain Reviewed Transactions Maybe Returned/Posted Despite Instructions.** Certain transactions reviewed and approved by the Customer may nevertheless be returned by the Bank. This will happen if (i) there are insufficient funds in the Customer's account to cover the amount of an ACH debit or other charge, (ii) a stop payment was previously placed on the transaction, or (iii) the Bank determines the transaction must be returned for legal or regulatory reasons. Certain transactions that the Customer advises should be returned may nevertheless be posted by the Bank; these include ACH debits or credits to the Customer's account that the Bank posts pursuant to its internal procedures in order to comply with applicable law, regulations or payment system rules or guidance.

D. U.S. Funds Transfer

Chase's Funds Transfer Service enables the electronic transfer and settlement of funds between the Customer and a beneficiary of the payment to destinations around the world. Customers use USD funds transfer services (as opposed to checks or ACH payment services) when they seek same-day settlement with intraday finality and irrevocability of payments.

- 1. Service.** The Customer may issue payment orders against its accounts with the Bank by means of SWIFT, electronically, by telephone or by such other method as the Customer and the Bank may agree upon. All funds transfer instructions sent to the Bank shall be in the format specified by the Bank and must be received by the Bank no later than such time as may be established by the Bank upon notice to the Customer. The Bank will determine the order in which it processes payment orders. If the Customer's payment order bears the codeword "PRIORITY" in such field as the Bank specifies, the Bank will use reasonable efforts to move such payment order in advance of the Customer's standard payment orders. If the Customer's payment order bears the codeword "TIMED" in such field as the Bank specifies, the Bank will endeavor, but will have no obligation, to process the payment order by the time requested by the Customer within the payment order. For "TIMED" payment orders, funds in the Customer's Account are reserved by the Bank on the payment value date until processed. The Bank will have no liability for failure to process payments by the time requested by the Customer.
- 2. Security Procedures.** All payment orders and communications requesting amendment of payment orders issued in the Customer's name are subject to verification by the Bank in accordance with the security procedures agreed upon between the Customer and the Bank. Such security procedures may be set forth in written agreements between the Customer and the Bank.
- 3. Advices.** The Customer may subscribe to Bank services for the delivery of account-related activity and information ("Advices"), to a party designated by the Customer, including but not limited to information relating to credits and debits to a Customer account, and the return or rejection of certain payments. Advices may be sent via SWIFT or to devices capable of receiving text messages, such as alphanumeric pagers and cellular phones, or as otherwise agreed upon by the parties. The Customer is responsible for maintaining the accuracy of the information that is required to deliver such Advices, including but not limited to the address and/or telephone number of the recipient and, if applicable, the messaging components and conditions that will trigger the transmission of the Advices.
- 4. Processing.** The Bank reserves the right to use any funds transfer system and any intermediary bank in the execution of any funds transfer Instruction and may otherwise use any means of executing the funds transfer Instruction which the Bank deems reasonable in the circumstances. The Bank and other financial institutions may rely upon the identifying number of the beneficiary, the beneficiary's bank or any intermediary bank included in the funds transfer. Also, the beneficiary's bank in the funds transfer Instruction may make payment on the basis of the identifying number even though it identifies a person different from the named beneficiary.
- 5. Same-Day Amendment and Cancellation Service.** The Customer may subscribe to a service to enable same-day amendment and cancellation of payment orders. Once the Bank has expressly approved the customer's use of the service, all cancellation or amendment messages sent to the Bank shall be in the format specified by the Bank and must be received by the Bank no later than such time as may be established by the Bank upon notice to the Customer.
- 6. Reference Pattern Search.** The Customer may subscribe to a service to enable the Customer to instruct the Bank to repair information on incoming and outgoing payment orders, and to perform additional services related to beneficiary deduction services. The Customer shall comply with such formatting requirements specified by the Bank in connection with such services. In connection with beneficiary deduction services, the Customer represents and warrants that it has obtained all necessary authorizations to enable the Bank to deduct transaction charges from the funds transfer amount payable to the beneficiary.

E. U.S. Funds Transfer by Check

Chase's U.S. Funds Transfer by Check Service allows the Customer to instruct the Bank (as the Customer's agent) to draw U.S. dollar checks ("Disbursement Checks") payable to the order of payees and in amounts designated by the Customer for distribution.

- 1. Requests for Disbursement Checks.** All requests for Disbursement Checks must be transmitted to the Bank via authenticated SWIFT transmission, or one of the Bank's proprietary access mechanisms. The Customer shall transmit the requests in such format as the Bank specifies from time to time. The Bank may (but shall have no obligation to) process requests that do not conform to these Service Terms and may impose additional fees for such processing.
- 2. Issuance.** Unless the Customer specifies a future issuance date in the Customer's request, each Disbursement Check will be issued within one banking day of the day on which the Bank receives the issuance request. The Bank will not honor requests to draw Disbursement Checks to any person or entity with whom or with which the Bank is prohibited to do business by law or regulation, or in any case where compliance would, in the Bank's judgment, conflict with applicable law or good banking practice. Disbursement Checks will be signed by the Bank on the Customer's behalf substantially as follows:

Drawer: «Clientname»

By: JPMorgan Chase Bank, N.A. as Agent
for the Above-Named Drawer

As of the day a Disbursement Check is issued, the Bank will debit the Customer's designated demand deposit account in the amount of the issuance instruction.

- 3. Stop Payments Orders.** The Customer may issue a stop payment order in respect of any Disbursement Check only by a message sent via authenticated SWIFT to a Bank location to be designated by the Bank and in the format designated by the Bank from time to time. Any stop payment order must include the reference number assigned by the Bank to the Customer's request for the issuance of such Disbursement Check. The Customer shall pay a service fee for each stop payment order in the amount then in effect at such time the Customer issues the stop payment request.

F. Lockbox

Lockbox is a remittance processing Service offered to customers to support their accounts receivables business needs. The Customer's remittance deposits are sent to a Post Office Box and picked up by the Bank and delivered to or via courier for further processing and posting to the Customer's deposit account.

- 1. Service.** The Bank will maintain the Post Office Box for the Customer's remittances and will have unrestricted and exclusive access to the Post Office Box while providing the Lockbox Service. Customers requiring Caller Service or Business Reply Mail Service for remittance collection must obtain prior approval from the Bank. Upon approval, the Customer will secure such services directly with the United States Postal Service (the "USPS") and ensure the Bank is authorized to collect the mail. The Bank shall not be responsible for delays in processing due to the Customer's failure to pay the USPS for such services or any other action taken or not taken by USPS. The Bank may direct clients to include specific codes or formats within their assigned address in order to ensure mail is identified correctly. The Customer is responsible for ensuring their customers' remittances are properly addressed in order to prevent delays in processing.
- 2. Deposit; Endorsement.** The Bank will collect all mail delivered to the designated Post Office Box, and will open the mail, process the checks eligible for this service (the "Items") and credit the funds to the Customer account or process for collection the Items received, except: i) Items which the Customer has instructed the Bank in writing, and the Bank has agreed not to process; ii) Items which the Bank believes should receive the Customer's special attention; iii) Items for which the Customer is not the payee, unless the Customer has provided proper authorization to process for credit or collection of such Items; and iv) any other matter or merchandise received. The Bank will not process such excepted Items or other matters or merchandise, but will forward them to the Customer unprocessed. The Bank assumes no responsibility for the inadvertent processing of Items excepted from processing. The Bank will process credit card payments as point of sale transactions, obtaining authorization as required by applicable card rules; provided, however, the Bank will not place phone calls for authorization of referrals or process credit transactions. The Bank shall not be deemed a merchant processor and shall not be liable for any data entry errors or any chargeback. The Bank assumes no liability for any matter or merchandise received through the Post Office which is not a depositable Item, including cash. Any failure by the Bank to process an Item other than as provided herein does not constitute a failure by the Bank to exercise ordinary care. The Customer shall be liable to the Bank as a general endorser on all Items processed by the Bank.
- 3. Differing Amounts.** If the amount of an Item written in words and figures differ, the Item will be processed for amount written in words. If the Item is accompanied by an invoice or statement and the amount on the statement matches the amount written in figures, and the Customer has requested, and the Bank has agreed, to process such Item for the amount written in figures, the Item may be processed for the amount written in figures. In the event the Bank processes the Item for the amount written in figures, the Customer indemnifies the Bank for any claim which may arise from that action.
- 4. Foreign Items.** This Service is limited to Items drawn on domestic banks so to the extent the Bank notices that any Items drawn on foreign banks have been deposited, such Items shall be forwarded to Customer as unprocessable.
- 5. Returned Items; Re-presentation.** If any Item is returned to the Bank unpaid for any reason or there is a claim involving an Item deposited to the Customer Account, the Bank will charge back that Item, together with any fees or other amounts allowed on such claims or for returned Items, against the Customer Account, regardless of whether such debit causes an overdraft to the Customer Account. If, however, the Bank has been instructed in writing by the Customer to re-present Items which have been dishonored or returned to the Bank unpaid for reasons other than account closed, the Bank may do so automatically and without notice to the Customer, and the Bank reserves the same rights to debit the Customer Account should any such Items remain unpaid after the re-presentation.
- 6. Security for Imaged Items.** The Bank has specified Security Procedures for receiving and accessing Imaged Items, Imaged Documents and lockbox transaction data. The Bank is not obligated to send any images or data or allow access through the Delivery Media to any images or data which are not requested or accessed in accordance with the Security Procedures. The Customer acknowledges that once a CD-ROM is received, or it has accessed images by any Delivery Media, persons having access to the Customer's computers and image archives may have access to the Imaged Items, Imaged Documents and lockbox transaction data.
- 7. Image Option.** If the Customer elects and this image option is available at the designated Bank processing location, the Bank will provide images of the Items ("Imaged Items") received together with images of related documents ("Imaged Documents"), through the media ("Delivery Media") and at the intervals agreed upon between the Bank and the Customer. The Customer may receive additional service material, including user guides, software licenses and other terms in connection with the selection of this option.

8. **Original Documents; Image Storage.** Unless the Bank has agreed otherwise, the Bank will image all Items and associated remittances and retain original documents on site for no longer than 14 days. All original documents will be destroyed 14 days after processing. If the Customer uses the Bank's Regional Retail Lockbox product, associated original documents are retained on site no longer than 7 days. The Bank will store Imaged Items for a period of seven (7) years from the date of the applicable transaction regardless of any additional imaging service requested by the Customer. If the Customer elects storage of Imaged Documents, the Bank will store Imaged Documents for a period of thirty (30) days (Short Term Storage) to ten (10) years (Long Term Storage) from the processing date of the applicable transaction., per the Customer's selection. If the Customer elects to image and not store Imaged Documents with the Bank, such images will be delivered to the Customer via daily Direct Image Transmission.
9. **Accuracy; Legibility.** The information delivered to the Customer through the Delivery Media will be the same as the information in the data entry file provided to the Customer for the applicable time period. If the data entry file contains errors, those errors will also occur on the Delivery Media. The Bank will provide images that are as legible as possible given the legibility of the underlying remittance documents and the selected Delivery Media. The Bank has no liability or responsibility for the condition of the original remittance items provided to the Bank, and it reserves the right to review and approve sample remittance items for legibility prior to providing this service. The Customer is responsible for reviewing images obtained through the Delivery Media and to promptly notify the Bank of any images that are not clear.
10. **Disclosures.** As between the Customer and the Customer's clients, if applicable, certain payments collected hereunder may be subject to various cut-off times and payment deadlines (the "Disclosures"). The Customer acknowledges and agrees that the Bank has no duty to inquire as to the content of any such Disclosures, is not bound by them, and makes no representations or warranties, explicitly or implicitly, regarding same. The Customer is responsible for ensuring that the processing and payment cut-off times established by the Bank are in compliance with the Disclosures and Customer's responsibilities under applicable laws and regulations. The Customer further acknowledges and agrees that the data processed by the Bank belongs to the Customer or the Customer's clients.

G. Coin & Currency

Coin and Currency Services, also referred to as Cash Vault Services, provides coin and currency delivery and deposit services to companies that use large quantities of cash. With a nationwide vault network, Customers can place orders for coin and currency, make deposits and track activity by location through electronic reporting options.

1. Cash Orders

- 1.1. **Placement of Cash Orders.** The Customer may issue written instructions for the Bank to release United States coin and currency ("Cash") to an armored courier service (the "Courier") as designated by the Customer in accordance with the Bank's guidelines ("Cash Order"). The Customer acknowledges that Cash Orders may be transmitted to the Bank only during such times as set forth in the guidelines. The Bank is authorized to debit the account of the Customer designated in the Cash Order for the amount set forth in the Cash Order. If the Bank has agreed to such an arrangement, the Customer may also place a Cash Order directly at one of the Bank's branch locations by issuing a check to debit the Customer's account at the Bank or as a "cash for cash" exchange. If there are insufficient funds in the designated account, the Bank is authorized to refuse the Cash Order, to fill a partial Cash Order or to debit the designated account even if such debit causes an overdraft, or to debit any other account of the Customer at the Bank.
- 1.2. **Cash Order Limits.** The Bank and the Customer may agree to limit the amount of Cash that may be delivered pursuant to a Cash Order ("Cash Limit").
- 1.3. **Discrepancies for Cash Orders.** All Cash Orders must be validated by the Customer within 24 hours of receipt. If a currency strap, coin bag or wrapped coin discrepancy is identified, the Customer may contact Cash Services Customer Support at 888-872-0517 to request a Cash Order Claim Form. The completed form and proper documentation must be sent to the Bank and post marked within 48 hours of receipt of the Cash Order. Any claims post marked after the 48 hour period may be denied and the Customer will have no right to refuse or receive an adjustment after such time period.
- 1.4. **Cancellations and Amendments.** A Cash Order may be cancelled by the Customer telephonically, electronically or in writing by a person the Bank reasonably believes to be authorized to act on behalf of the Customer and only if the cancellation is received within a reasonable time before the Cash is delivered to the Courier ("Cancellation"). A Cash Order may only be amended telephonically and the Bank will not be responsible for any change in a Cash Order it has received. Any attempt to amend a Cash Order electronically may result in duplicate Cash being delivered.
- 1.5. **Notice of Rejection/Execution.** If the Bank rejects a Cash Order request, it will promptly notify the Customer of the reason. The Bank will notify the Customer when it has executed a Cash Order. Unless, within three (3) business days after receipt of notification of the execution of a Cash Order the Customer notifies the Bank in writing that a Cash Order was unauthorized or otherwise unenforceable against the Customer, the Bank shall not be liable for executing the Cash Order as notified, including any loss of interest.

1.6. Security Procedure. The Bank must receive a Cash Order using a touch-tone telephone, or other electronic communications device mutually agreed upon by the Customer and the Bank, based upon codes assigned by the Bank to the Customer that identify the Customer and the location (collectively, "Codes"). The Customer agrees that use of the Codes constitutes a security procedure for verifying the authenticity of the Cash Order as being that of the Customer ("Security Procedure")... The Customer and the Bank will maintain reasonable security and control of the Codes. The Bank is not responsible or liable for detecting any error in the transmission or content of any Cash Order or Cancellation and the Security Procedure is not intended to detect any such error. No agreement or instruction of the Customer restricting acceptance of any Cash Order or Cancellation is binding on the Bank, except as set forth in these Service Terms or in a writing signed by the Customer and the Bank. These Security Procedures do not apply to Cash Order requests made by the Customer at one of our branch locations when the Customer is making a "cash for cash" exchange or issuing a check to debit the Customer's account at the Bank.

1.7. Geographical Limitations. The Customer represents and warrants that all Cash Orders will be used by Customer in its normal course of business at the Customer's store/office locations in the United States.

2. Cash Deposits

2.1. Standard Courier Service. The Customer may deliver and pick up shipments of Cash or checks to or from the Bank by using the services of a Courier that has been authorized by the Bank, who will act solely as the Customer's agent. The Courier must comply with the Bank's guidelines, as amended from time to time, and must maintain all licenses and permits required by law in addition to adequate insurance to cover its liabilities in providing courier services to the Customer. The Bank may refuse to permit any courier to enter its premises with or without cause, in which case the Bank will use reasonable efforts to promptly notify the Customer. With regard to Customer's Courier, Customer is responsible for any individual's actions while at the Bank's facilities including theft, property damage, intentional crimes and any other act or omission even if such actions would be considered outside the scope of their employment and whether the individual is impersonating an employee of the courier if the Bank has followed its customary procedures for identifying the individual.

2.2. Deposit Presentment and Processing for Standard Courier Service. With regard to deposits delivered to one of the Bank's vault locations, the Customer's Courier must deliver deposits in sealed tamper-proof plastic security deposit bags that meet the standards described in the Bank's guidelines and contain only Cash and checks. The bags may also contain food stamps if the Customer provides proof satisfactory to the Bank of the Customer's authority to redeem food stamps. The Bank will open the bags and process the deposits.

(a) Delivery to Vault. If the Bank agrees to accept the Customer deposits at a vault location, the Bank will provide a receipt indicating the number of bags it has received. This receipt is not an acknowledgment of the contents of any bag, nor is any telephonic or other acknowledgment of a deposit of which the Customer notifies the Bank by telephone or by electronic means.

(b) Delivery to Branch for Delayed Processing. If the Bank agrees to accept the Customer deposits at a branch location, the Bank will not verify the amount of the deposits at the time of receipt but will provide the Customer with a receipt showing the amount indicated in the Customer's deposit slip. This receipt is not an acknowledgment of the contents of any bag.

2.3. Courier Service through the use of a Smart Safe or Recycler Machine. The Customer may use the services of a courier that has been authorized by the Bank, who will act solely as the Customer's agent. The courier must comply with the Bank's guidelines, as amended from time to time, and must maintain all licenses and permits required by law in addition to adequate insurance to cover its liabilities in providing courier services. The Bank may refuse to permit any courier to enter its premises with or without cause, in which case the Bank will use reasonable efforts to promptly notify the Customer. The Customer will receive Advance Credit only for Cash placed in Deposit Cassette (as defined below) component of the machine. The Customer's courier is authorized to transmit the Cash information only with regard to the Deposit Cassette component of the machine to the Bank on the Customer's behalf and the Bank, upon receipt of such data transmission, will provide provisional credit to the Customer's designated account. The courier will deliver the Cash to the Bank as directed by the Bank at the Customer's expense. The Customer authorizes the Bank to instruct the courier to pick up any Cash for which the Bank has given provisional credit at any time at the Customer's expense. For purpose of these Service Terms, "Deposit Cassette" is the component of the machine whereby the Customer places Cash into such component and only the courier is able to access such Cash once it is placed in the Deposit Cassette.

2.4. Deposit Presentment and Processing through the use of a Smart Safe or Recycler Machine. The Customer agrees that once the Cash is in the Deposit Cassette component of the machine, the Customer no longer has any ownership, control or rights with regard to the physical Cash and that the Bank is authorized to rely upon the transmitted information from the Customer's courier with regard to deposits or adjustments to the Customer's deposit account with the Bank. Once the Customer's courier has completed the verification of the Cash from the Deposit Cassette component of the machine and has transmitted the deposit/adjustment information to the Bank, the Cash is then placed into the Bank's inventory at the courier's location. In the event of a dispute related to the amount credited to the Customer's deposit account, the Customer will initiate its claim and request for an investigation with its courier.

2.5. Discrepancies. All deposits are subject to verification. If there are differences between the amount credited by the Bank and the amount shown on the deposit slip prepared by the Customer, the receipt provided to the Customer or its agent upon initial presentment or the transmission received from the courier on the Customer's behalf, the currency will be re-counted for discrepancies over the minimum amount specified in the Cash Vault Services Product Guide, the "Threshold" amount, the Customer's representative designated in the service implementation questionnaire will be notified of the adjustment, and an adjustment fee will be charged. If the discrepancy is in the Threshold amount or less, the Bank will not adjust the Customer's account, the Bank will retain the discrepancy amount, and no adjustment fee will be charged. The Bank's determination and records as to its receipt of any bag and as to the contents of any bag is conclusive and binding on the Customer..

- 2.6. Relationship upon Delivery of Bags.** Until the Bank recounts the contents of the bags and enters a final credit to the Customer's account, the Bank is not responsible for any claimed contents of the bags. The Customer should not include anything in a bag other than Cash and its deposit slip, and the Bank shall have no responsibility or liability if there is any other property included or claimed to have been included in a bag...
- 2.7. Delivery to Unattended Facility.** If the Bank agrees to allow the Customer to use one of the Bank's unattended facilities (including but not limited to a night depository or commercial ATM), the Bank may provide the Customer with an access device (such as a key or card that may require a personal identification number ("PIN")). The Customer must return all access devices to the Bank upon request. The Bank will process any deposits delivered to an unattended facility as provided for in the Bank's guidelines. If the Customer receives a receipt from an unattended facility, the receipt is not an acknowledgment of the contents of any bag or of the receipt of any bag. While the Customer or the Customer's Courier is physically present at one of the Bank's unattended facilities, the Customer is a licensee only and the Bank has no responsibility for the safety of the Customer or its Courier while at such facility.
- 2.8. Liability at Unattended Facility.** The Customer assumes all risks of using any unattended facilities, including risks of theft, robbery and personal injury; the Bank is not responsible if a facility fails to operate properly in any way, including failing to open, close, lock or unlock. It is the Customer's responsibility to verify that its bags have dropped down completely into the facility, and the Customer agrees that it will not leave any bags in any facility that does not appear to be operating properly. The Bank will not be liable to the Customer if any unattended facility, tele-entry or online system is closed or otherwise unavailable for use at any time.
- 2.9. Geographical Limitations of Cash Deposits.** Cash Deposits must be delivered to the Bank by Customer's courier and from Customer's physical store/office locations in the United States. Cross-border cash deposits (i.e., cash brought into the United States from outside the United States) are strictly prohibited.

H. Positive Pay, Reverse Positive Pay and Payee Verification

JPMorgan Chase Bank, N.A. (the "Bank") will provide Customer, in accordance with the provisions set forth in these Service Terms, with one or more of the services listed below (each a "Service") that help prevent check fraud on deposit accounts by identifying discrepancies between checks ("Items") presented to the Bank for payment from the Customer's demand deposit account associated with the Service (the "Account") and those Items that are issued by Customer. The provisions of the Bank's account documentation, including terms and conditions governing the operation of business accounts and services as well as other service guides or material (the "Account Documentation") are incorporated into these Service Terms by reference. By signing the applicable Account Documentation or by using or continuing to use any of these Services, the Customer agrees to these Service Terms.

1. Services.

With Positive Pay, the Customer sends check issuance information to the Bank and the Bank compares such information to Items being presented for payment. With Reverse Positive Pay, the Bank sends the Customer information on Items being presented for payment and the Customer does its own comparison. Payee Verification is an enhanced feature for Positive Pay whereby the Customer includes payee name information and the Bank compares such information against the payee names on Items being presented. As a condition precedent for receiving Payee Verification, the Customer must be receiving Positive Pay in connection with the same Account.

2. Issuance Information.

The following information is defined as "Issuance Information" for each Item: i) Account number on which the Item is drawn; ii) Item serial number; iii) dollar amount; iv) issue date, (not as part of Reverse Positive Pay); and v) for Payee Verification only, the payee name. For Positive Pay and Payee Verification, the Customer will provide the Bank the Issuance Information by the banking day on which the Customer issues Items by means of a mutually agreed upon transmission method. The Bank will compare the Issuance Information with the Items presented to the Bank for payment against the Account. For Reverse Positive Pay, the Bank will send the Customer the Issuance Information and the Customer will compare such information with the Items they have issued.

3. Discrepancies.

For Positive Pay and Payee Verification, if an Item is presented to the Bank for which it has not received timely Issuance Information or that contains information different from the Issuance Information for that Item, the Bank will notify the Customer by means of a mutually agreed upon method, by the designated time of the Banking Day following the Banking Day the Item is presented to the Bank for payment. The Customer shall advise the Bank by means of a mutually agreed upon method by the designated time on that same Banking Day whether any such Item is authorized for payment ("Presentment Decision"). In the event that the Customer fails to timely inform the Bank about any Item for which a Presentment Decision is requested, the Bank is authorized to return such Item unless otherwise agreed by the Customer and the Bank. For Reverse Positive Pay, the Bank will provide Issuance Information to the Customer of Items presented for payment; the Customer shall advise the Bank by means of a mutually agreed upon method by the designated time on that same Banking Day whether any such Item is not authorized for payment, and in the event that the Customer fails to timely inform the Bank as required, the Bank is authorized to pay such Item(s) unless otherwise agreed by the Customer and the Bank. The Bank is entitled to rely on any instructions by the Customer which it receives and which it reasonably believes to be genuine. If a Customer attempts to change an instruction previously given by sending an email or other message to the Bank, the Bank may, but has no obligation to, act upon such change request.

4. Payee Verification Additional Terms.

For Payee Verification, Customer acknowledges that Items which have been converted to ACH transactions prior to being presented for payment will not be eligible for this service and the payee name information will not be compared to the Issuance Information for Items that have been converted to ACH transactions. If Customer fails to provide the Issuance Information in the file format required by the Bank, the Bank will not be

liable for failing to detecting any discrepancy between the Item and the Issuance Information or for processing and payment of such Item. The Bank reserves the right to set a threshold amount for Items (as may be revised by the Bank from time to time) to be reviewed under the Payee Verification service (the "Threshold Amount"). The Items below the Threshold Amount will be handled according to the standard Account Documentation governing the Customer's Account; however, Customer will not be liable for such Items if the discrepancy would have otherwise been detected under this Service. With regard to Payee Verification, the Bank will compare the payee name provided in the Issuance Information to the payee lines contained in the name/address block identified on the Item (presented as provided for in the Bank's set-up requirements) and will otherwise be limited to those parameters specifically agreed to by the Customer and Bank.

5. Voided Items.

The Customer agrees to place a void on an Item in the Issuance Information only with respect to Items that are not in circulation. If the Customer decides to stop pay an Item that it has already issued, the Customer is required to place a Stop Payment request pursuant to the relevant terms of the Account Documentation, outside of these services.

6. Item Payment.

The Bank is not obligated to maintain signature cards for the Account and whether or not the Bank does maintain such signature cards, in no event shall the Bank be obligated to inspect any Item for the presence or authenticity of any signature or to determine whether any signature is authorized. The Customer acknowledges that the Bank's adherence to these procedures in these terms, in lieu of signature examination, will constitute the exercise of good faith and ordinary care by the Bank in handling Items presented for payment against the Account.

7. Over the Counter Presentment.

The Bank may, without liability to the Customer, refuse to pay any Item presented for encashment at any of the Bank's branch locations. If an Item is presented for encashment at one of the Bank's branch locations at the teller line and the account is under the Positive Pay or Payee Verification Service, the Customer authorizes the Bank to pay such Item based upon the Positive Pay information at the teller line. If an Item is presented for encashment at one of the Bank's branch locations at the teller line and the account is under the Reverse Positive Pay Service, (i) the Customer authorizes the Bank to pay such Item pursuant to the Bank's policies and procedures for encashment, (ii) Customer assumes the risk of any loss that would have been prevented through the use of Positive Pay or Payee Verification services; and (iii) Customer agrees to unconditionally release, indemnify and hold harmless the Bank against any and all liability loss or claim relating to an Item being cashed or returned over-the-counter. The Bank may charge a person who cashes an Item drawn on the Customer's Account a fee at the time of encashment.

I. Electronic Channels

1. Service and Service Terms.

The Bank will provide a service (the "Service") for electronic access to the Customer's account information, reports and data (collectively, "Data") and for the electronic transmission to the Bank of messages, service requests, and payment and non-payment instructions (each an "Instruction") and from the Bank of messages, notifications and alerts, via the J.P. Morgan Access® OnlineSM, J.P. Morgan Access® MobileSM, J.P. Morgan Host-to-Host/managed file transfer and J.P. Morgan Treasury Services API channels. The Bank reserves the right to modify the applications and products available via the Service. The Service is governed by these terms (the "Service Terms"), which incorporate the Bank's terms governing the business accounts and services, including service terms that govern the Bank's processing of Instructions transmitted via the Service (collectively, the "Account Documentation"), as the same may be amended from time to time. If and to the extent that there is a conflict between the Account Documentation and these Service Terms, the provisions of these Service Terms shall prevail. Capitalized terms used in these Service Terms, and not otherwise defined, have the meaning set forth in the Global Account Terms or other account terms applicable to the Customer.

2. Security Procedures and Other Controls

2.1. **General.** The security procedures for each channel are set forth below, as may be modified on notice to the Customer through any medium (each, a "Security Procedure"). Any Instruction, the authenticity of which has been verified through a Security Procedure, shall be effective as that of the Customer, whether or not authorized, and notwithstanding that the Instruction may result in an overdraft of an Account. Controls unilaterally implemented by the Bank shall not be deemed to be Security Procedures for purposes hereof unless explicitly identified as such in writing. The Customer is responsible for implementing any procedures and requirements set forth in the applicable documentation provided to it by the Bank, as well as any subsequent modification to the procedures and requirements that are designed to strengthen the Security Procedures.

2.2. Security Procedures for Access Online and Mobile Channels.

2.2.1. **Access Online.** The Security Procedure for verifying payment Instructions given in the Customer's name via the Access Online channel is validation of a user ID and confidential password of an Authorized User (as defined in Section 2.5 below), a token code generated by a Bank issued or approved security device ("Security Device") assigned to that Authorized User and Bank transaction review as specified in Section 2.4.

2.2.2. **Access Mobile.** The Security Procedure for verifying payment Instructions given in the Customer's name via the Access Mobile channel is either (i) validation of the registration with the Bank of the mobile device, a biometric identifier, and the private swipe key of an Authorized User (as defined in Section 2.5 below) and transaction review as specified in Section 2.4 or (ii) validation of a user ID and confidential password of an Authorized User (as defined in Section 2.5 below), a token code generated by Security Device assigned to that Authorized User and transaction review as specified in Section 2.4.

- 2.2.3. **Controls Offered to Customer.** For Access Online and Mobile, the Customer may choose to apply certain controls offered by the Bank to the Customer from time to time designed to reduce the Customer's risk of erroneous or unauthorized transactions. The Customer is responsible for choosing controls that are appropriate for the Customer taking into account, among other things, the nature and scale of the Customer's business, including the size, type and frequency of payment orders normally issued to the Bank, and the nature of its technical environment, internal accounting controls and information security policies and procedures (collectively, "Customer Internal Controls"). The Security Procedure that is established by agreement of the Customer and the Bank herein is established in view of the Customer Internal Controls applied by the Customer.
- 2.3. **Security Procedures and Certificate Procedures for Host-to-Host/Managed File Transfer and API Channels.** The Security Procedure for verifying payment Instructions given in the Customer's name via the Host-to-Host/managed file transfer and API channels is authentication of a digital signature certificate, which authenticates transmitted files on the basis of the corresponding security key (the "Signature Certificate") and transaction review as provided in Section 2.4. The Customer and the Bank will use the following procedures for the use of a transport certificate, which establishes a secure session between the Bank and the Customer on the basis of a corresponding security key (the "Transport Certificate") and the Signature Certificate. Each of the Signature Certificate and the Transport Certificate are referred to herein as a "Certificate" and the corresponding security key as a "Security Key".
- 2.3.1. **Certificate Procedures and Requirements.** The Customer shall comply with the Bank's procedures and requirements for Certificates and Security Keys notified to the Customer, including but not limited to Certificate validity period, key strength and cryptographic specifications, as amended from time to time. Any request to the Bank to add, update or delete a Security Key shall include the applicable Certificate, a text file or other physical representation of the public Security Key of such Certificate and any other information in the manner and form designated by the Bank. The Bank shall have the right to rely on any request that the Bank believes in good faith to have been sent by the designated security administrator ("Security Administrator"), notwithstanding that such Security Administrator may be a third party agent acting on behalf of the Customer.
- 2.3.2. **Certificate Expiration.** Notwithstanding any courtesy notifications the Bank may send to the Customer regarding the Customer's impending Certificate expiration, the Customer acknowledges that it is the Customer's sole responsibility to update the Certificate prior to its expiration date. The Bank shall have no liability for any loss or damage (including, for the avoidance of doubt, any indirect, special, punitive or consequential damages or losses) arising from the Customer's failure to timely update its Certificate. To allow for proper execution of administrative procedures, and to prevent any lapse in service or emergency procedures, the Customer must request a Certificate change at least 30 days prior to actual Certificate expiration.
- 2.4. **Transaction Review.** In addition to the Security Procedures described above, the applicable Security Procedure for each channel also includes transaction review based on various risk characteristics. The transaction review shall be conducted in accordance with commercially reasonable protocols selected by the Bank. Additional authentication from the Customer, such as call-back verification, may be required to complete certain transactions identified by the Bank through transaction review.
- 2.5. **Confidentiality/Security Breach.** The Customer will be responsible for safeguarding and ensuring that the Security Procedures and Security Devices are known to and used (i) in the case of Access Online and Mobile, only by individuals designated as users by the Security Administrators ("Authorized Users"), or, (ii) in the case of the Host-to-Host/managed file transfer and API channels, only by the Security Administrators. The Customer shall notify the Bank immediately in the event of any loss, theft or unauthorized use of a Security Procedure or a Security Device or any other breach of security. The Bank may dishonor or disable any Security Device or any aspect of the Security Procedures at any time without prior notice and will inform the Customer of the same. In addition, each Customer must implement its own physical and logical security, as well as management controls, that appropriately protect the hardware, software, and access controls used in the transaction process from unauthorized access and use.
- 2.6. **Security Administrator Designation.** The Customer shall designate Security Administrators who shall have equal authority as specified in Section 2.7 below. The Bank is entitled to rely on any such designation of a Security Administrator. The Customer agrees to notify the Bank of any change in Security Administrators in the manner and form designated by the Bank. Any such change shall be effective at such time as the Bank has received such notice and has had a reasonable opportunity to act upon it.
- 2.7. **Security Administrator Responsibilities.** Each Security Administrator shall be authorized by the Customer to and be responsible for (i) designating individuals as Authorized Users with respect to the Access Online and Mobile channels; (ii) identifying the functions of the Service that each Authorized User may access; (iii) requesting, creating, controlling, disseminating, and/or canceling user entitlements with respect to the Access Online and Mobile channels; (iv) managing the Customer's Certificates and corresponding Security Keys with respect to the Host-to-Host/managed file transfer and API channels; (v) receiving and distributing materials, notices, documents and correspondence relating to the Security Procedures; and (vi) advising each Authorized User of his/her obligations hereunder or under any of the applicable Account Documentation. The Security Administrators shall provide to the Bank, upon the Bank's request, a list of Authorized Users for the Access Online and Mobile channels. In the absence of a valid designation of a Security Administrator at any time or in the event that, after reasonable efforts, the Bank is unable to contact a Security Administrator, the Bank may deliver Security Devices and materials and deliver/receive Security Keys to/from any person authorized to act on behalf of the Customer with respect to the Accounts.
- 2.8. **Processing.** The Customer acknowledges that the application of the Security Procedures and any controls unilaterally implemented by the Bank may cause delays in processing Instructions or result in the Bank declining to execute an Instruction.

3. Open Network Access; Equipment

THE SERVICE IS PROVIDED "AS IS" AND "AS AVAILABLE". TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, ALL WARRANTIES AND REPRESENTATIONS, EXPRESS, STATUTORY OR IMPLIED, WITH REGARD TO THE SERVICE ARE HEREBY DISCLAIMED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE AND COURSE OF DEALING OR USAGE OF TRADE OR WARRANTIES OF NON-INFRINGEMENT OR WARRANTIES AS TO ANY RESULTS TO BE OBTAINED FROM THE USE OF THE SERVICE. TO THE EXTENT THAT ANY IMPLIED WARRANTIES CANNOT BE DISCLAIMED UNDER APPLICABLE LAW, ANY SUCH IMPLIED WARRANTIES ARE LIMITED IN DURATION TO 30 DAYS FROM THE INITIAL DELIVERY DATE OF THE RELEVANT SERVICE. THE BANK AND ITS THIRD PARTY DATA AND SERVICE PROVIDERS DO NOT WARRANT OR GUARANTEE THE SECURITY, SEQUENCE, TIMELINESS, ACCURACY, PERFORMANCE OR COMPLETENESS OF THE DATA OR THAT ANY PART OF THE SERVICE WILL BE ERROR-FREE, WITHOUT DELAY OR UNINTERRUPTED.

The Customer is responsible for, at its sole expense, obtaining, installing, maintaining and operating all browsers, software, hardware, telecommunications equipment or other equipment (collectively, "System") necessary for the Customer to access and use the Service in accordance with the Bank's recommended system configuration. The Bank makes no endorsement of any System or third party site, notwithstanding that the Bank may recommend certain Systems or provide a link to a third party site where the Customer may download software. The Customer shall at all times maintain current and effective anti-virus, anti-spyware or other security software and shall take all reasonable measures to maintain the security of its System. The Customer acknowledges that there are certain security, corruption, transmission error, and access availability risks associated with using open networks such as the Internet. The Customer further acknowledges that it has made an independent assessment of the adequacy of the Internet, the System and the Security Procedures in connection with the use of the Service. The Customer assumes all risks and liabilities associated with the operation, performance and security of its System and the use of the Internet or other open networks, failure or use of Customer's or third party equipment, hardware, browsers, operating systems and/or other software or programs, and services or persons outside of the Bank's control, and the Bank disclaims all such risks. The Customer shall not use any equipment, hardware, software or program that harms the Bank. The Customer agrees to indemnify and hold the Bank, and its agents, employees, officers and directors, harmless from and against any and all claims, damages, demands, judgments, liabilities, losses, costs and expenses arising, directly or indirectly, from the Customer's use of Customer's or third-party software or program. The Bank may in its discretion provide training or information on best practices to the Customer from time to time but in so doing it will not be considered a consultant or advisor with respect to cybersecurity.

4. Instructions; Data

- 4.1. The Customer shall be solely responsible for the genuineness and accuracy, both as to content and form, of all Instructions given to the Bank's in the Customer's name and verified through the applicable Security Procedure.
- 4.2. The Customer acknowledges that Data may not have been reviewed by the Bank, may be inaccurate, and may be periodically updated and adjusted. The Bank is not obligated to assure the accuracy of Data and will not be liable for any loss or damage arising out of the inaccuracy of Data. Further, the Bank shall have no liability for the receipt or viewing by any party of Data sent to the destinations designated by the Customer, including but not limited to email addresses, fax and telephone number(s).

5. Customer Warranties

The Customer represents, warrants and covenants to the Bank that: (i) prior to submitting any document or Instruction that designates Authorized Users, the Customer shall obtain from each individual referred to in such document or Instruction all necessary consents to enable the Bank to process the data set out therein for the purposes of providing the Service; (ii) the Customer has accurately designated in writing or electronically the geographic location of its Authorized Users and shall provide all updates to such information; (iii) the Customer shall not access the Service from any jurisdiction which the Bank informs the Customer or where the Customer has knowledge that the Service is not authorized; and (iv) the Security Procedures offered to the Customer conform to the Customer's wishes and needs and the Customer has not requested Security Procedures other than those expressly agreed by the Customer and the Bank. The Customer hereby represents, warrants and covenants to the Bank that these Service Terms constitute its legal and binding obligations enforceable in accordance with its terms.

6. Miscellaneous

- 6.1. The additional jurisdiction specific provisions set forth in the attached Exhibit are applicable to the Customer based on the domicile of the Customer. Where any local laws or regulations of any jurisdiction apply as a result of the Customer's Authorized Users accessing the Service from such jurisdiction or as a result of the location of such accounts in such jurisdiction, the jurisdictional specific provisions of that jurisdiction set forth in the attached Exhibit shall apply to the use of the Service by such Authorized Users.
- 6.2. These Service Terms shall be governed by and construed in accordance with the laws of the State of New York, USA (without reference to the conflict of laws rules thereof).
- 6.3. All disputes relating to or in connection with these Service Terms solely arising outside the United States shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The place of arbitration shall be (i) Singapore where the dispute arises solely in Asia and (ii) London where the dispute arises elsewhere (other than the United States) and the arbitration shall be conducted in English, except that (a) disputes solely between a Customer domiciled in the People's Republic of China and JPMorgan Chase Bank (China) Company Limited shall be submitted to the China International Economic and Trade Arbitration Commission ("CIETAC") for arbitration in accordance with its rules in effect at the time an application is made, with the place of arbitration being Beijing and the arbitration being conducted in English; and (b) disputes involving a Customer domiciled in Taiwan shall be irrevocably submitted to the exclusive jurisdiction of the courts of the State of New York and the United States District Court located

in the borough of Manhattan in New York City. With respect to any dispute, suit, action or proceedings arising in the United States relating to these Service Terms, the Customer irrevocably submits to the exclusive jurisdiction of the courts of the State of New York and the United States District Court located in the borough of Manhattan in New York City.

7. Mobile

- 7.1. Accepting use of the Bank's SMS text notification service and/or Access Mobile channel constitutes the Customer's authorization for the Bank to send Data, message notifications and alerts through any communication service providers, including both Internet and telecommunications providers, which shall each be deemed to be acting as the Customer's agent. Such providers may not encrypt communications.
- 7.2. Authorized Users may be required to accept an application agreement or license in order to download Access Mobile. The Customer acknowledges that the Account Documentation shall in all cases govern the provision of these services.
- 7.3. The Customer acknowledges that the Bank shall not be liable for any delays in any Data, message notification or alert delivered via any mobile device.

Exhibit A - Jurisdiction Specific Provisions

A. Australia & New Zealand

To the extent that any supply made by the Bank under these Service Terms is a taxable supply for the purposes of the Australian Goods and Services Tax, or that goods and services tax under the New Zealand Goods and Services Tax Act 1985 is payable in respect of any supply under this License Agreement, ("GST"), the fees payable in respect of that taxable supply ("original amount") will be increased by the amount of GST payable in respect of that taxable supply. Customer must pay the increased amount at the same time and in the same manner as the original amount.

B. Indonesia

The Bank and the Customer agree that, for the effectiveness of any termination of these Service Terms or the Services provided hereunder, they hereby waive any provisions, procedures and operation of any applicable law to the extent a court order is required for the termination of these Service Terms and the Account Documentation as applicable to the services provided under these Service Terms.

Section 4.2 shall be replaced by "Except for losses directly resulting from errors or delay caused by the Bank's gross negligence or willful misconduct, the Customer acknowledges that the Bank shall not be liable for any delays in any Data, message notification or alert delivered via any mobile device."

C. Malaysia/Labuan

In relation to accounts held in Malaysia (excluding Labuan) and/or where the Service is provided in Malaysia (excluding Labuan) references in the Service Terms to "Bank," shall mean J.P. Morgan Chase Bank Berhad. In relation to accounts held in Labuan and/or where the Service is provided in Labuan, references in the Service Terms to "Bank," shall mean J.P. Morgan Chase Bank, N.A., Labuan Branch. The Service provided by J.P. Morgan Chase Bank Berhad shall be accessed through <http://www.jpmorganaccess.com.my> and the Customer undertakes not to access or utilize or attempt to access or utilize the Service through any other JPMorgan website.

D. Republic of China (Taiwan)

Section 4.2 shall be replaced by "Except for losses directly resulting from errors or delay caused by the Bank's gross negligence or willful misconduct, the Customer acknowledges that the Bank shall not be liable for any delays in any Data, message notification or alert delivered via any mobile device."

The Customer acknowledges that it will take steps to ensure it enters into the correct website before attempting to access the Service.

E. European Union.

The Customer acknowledges that it is not a "consumer" for the purpose of the European Union's Electronic Commerce Directive ("ECD") (i.e., that it is not an individual) and agrees that the Bank shall not be required to make any disclosures or do any other thing which a non-consumer may agree not to require under the UK rules and legislation implementing the ECD. For further information on the Bank, please see "Notice regarding EU e-commerce information" in the Terms & Conditions on <http://www.jpmorgan.com>.

- (i) Details of the Bank's processing activities of personal data can be found in its EMEA Privacy Policy, which is available on the Bank's website at www.jpmorgan.com/privacy/EMEA. The Bank's EMEA Privacy Policy may be updated or revised from time to time without prior notice. The EMEA Privacy Policy may be used to assist the Customer with providing a fair processing notice to the Customer's underlying data subjects.

- (ii) The Customer agrees that it has established rights necessary to provide personal data to the Bank and that the Customer will provide any requisite notice to individuals and ensure that there is a proper legal basis for the Bank to process the personal data as described in and for the purposes detailed in the Bank's EMEA Privacy Policy. Both the Customer and the Bank will comply with its respective obligations under applicable privacy laws.

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SAMPLE



Moraga-Orinda Fire District

TO: Board of Directors
FROM: Dave Winnacker, Fire Chief
DATE: January 19, 2022
SUBJECT: Item 9.7 - Celebrating MOFD's 25th Anniversary

BACKGROUND

At the November 17, 2021 board meeting, a Director requested the discussion of celebrating MOFD's 25th anniversary be placed on the January agenda.

RECOMMENDATIONS

1) Discuss; 2) Deliberate; 3) Provide Direction to Staff.



Moraga-Orinda Fire District

Office of the Fire Marshal

Fire Prevention Report 2021 Year End

Number/Types of Complaints 2021:

- Dead tree – **147**
- Exterior Hazard – **204**
- Property Transfer Inspections-**716**
 - *Initial Pass- 374/Initial Fail- 342*

Exterior Hazard Inspections 2021:

- Number of Assessments – **1986**
 - *Initial Pass – 663/Initial Failed – 1323*
- Number of Notice to Abate – **368**
- Number of Pre-citations – **51**
- Number of Citations – **43**
- Number of Open Case - **140**
- Number of Abatement Hearings – **3**

Number of Failed Properties Moved to Weed Abatement Hearings 2020: 21

- Number of properties ordered to abate – **21**
- Number of properties abated – **7** / Total Cost District Funded Work: **\$36,960****Inc. admin fee*
- Number of properties moved to Lien Assessment Hearing – **6**
- Total Amount Liens placed: **\$31,490**

Number of Failed Properties Moved to Weed Abatement Hearings 2021: 3

- Number of properties ordered to abate – **3**
- Number of properties abated – **2** / Total Cost District Funded Work: **\$58,740****Inc. admin fee*
- Number of properties moved to Lien Assessment Hearing – **0**
- Total Amount Liens placed: **\$**

CHIPPING 2021:

- Total Number of Days – **67**
- Total Material Removed Tons – **309****estimated*

PLAN REVIEWS COMPLETED:

- **2020-** 296
- **2021-** 359
- **2022-** 0

STATE MANDATED INSPECTIONS:

- E Occupancy– **16 (8 passed/8 failed)**
Public K-12 Schools
- R-1 Occupancy–**0**
Boarding Houses, Motels, Hotels
- R-2 Occupancy–**66 (1 passed/65 failed)**
Apartments, Dorms, Fraternities, Sororities
- I Occupancy– **0**
Jails
- High Rise

2022 YEARLY PLAN

First Quarter

- Employee Training
- Inspections
- Community Outreach
- Pile Burning
- Chipper Training
- Fuel break
- FAC-A Training

Second Quarter

- Chipping
- Community Outreach
- Mandated inspections
- Business Inspections
- Pile Burning

Third Quarter

- Inspections
- Enforcement
- Hearings
- Fuel Break
- Community Outreach

Fourth Quarter

- Inspections
- Enforcement
- Hearings
- Chipping
- Fuel break