

CALAVERAS COUNTY WATER DISTRICT FINANCE COMMITTEE MEETING

AGENDA

OUR MISSION

Protect, enhance, and develop Calaveras County's water resources and watersheds to provide safe, reliable, and cost-effective services to our communities.

2021-2026 Strategic Plan, Adopted April 28, 2021, and can be viewed at this [link](#)

Committee Meeting
Tuesday, April 28, 2026,
1:00 p.m.

Calaveras County Water District
120 Toma Court
San Andreas, California 95249

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administration Office at 209-754-3028. Notification in advance of the meeting will enable CCWD to make reasonable arrangements to ensure accessibility to this meeting. Any documents related to agenda items that are made available to the Board before or at the meeting shall be available for review by the public at 120 Toma Court, San Andreas, CA 95249.

District Board Meetings are open to in-person attendance by the public and are conducted virtually. The public may participate in the District's Board meeting with the link below. Members of the public who participate in the meeting via teleconference or web conference will be given the opportunity to speak and address the Board, and their comments will be included in the recording of the meeting.

While the District makes efforts to facilitate remote participation, please be aware that remote Teams involvement is offered solely for convenience. In the event of a technological malfunction, the Board can only guarantee the receipt of live comments through in-person attendance. The Board retains the right to proceed with the meeting without remote access in case of a malfunction.

Microsoft Teams meeting

Join on your computer, mobile app or room device

[Click here to join the meeting](#)

Meeting ID: 236 189 580 456

Passcode: pM2LK7L2

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[+1 323-647-8603,,664105427#](#) United States

Phone Conference ID: 528 279 294#

COMMITTEE MEMBERS

Russ Thomas, Director

Jack Garamendi, Director

ORDER OF BUSINESS

CALL TO ORDER / PLEDGE OF ALLEGIANCE

1. **PUBLIC COMMENT:** Comments limited to three minutes per person.
2. **APPROVAL OF MINUTES:** For the meeting of March 17, 2026.
3. **NEW BUSINESS**
 - 3a Report on the Monthly Financial Reports for March 2026.
(Kelly Zahniser, Director of Administrative Services)
 - 3b Discussion Regarding CCWD's Adoption of an Updated Contract with Websoft Developers/Springbrook for the Use of Mobile MMS
(Damon Wyckoff, Director of Operations)
 - 3c Discussion on Reserve Policies*
(Kelly Zahniser, Director of Administrative Services)
4. **GENERAL MANAGER COMMENTS**
5. **DIRECTOR COMMENTS AND FUTURE AGENDA ITEMS**
6. **NEXT COMMITTEE MEETING**

Tuesday May 19, 2026, at 1:00 p.m.
7. **ADJOURNMENT**



MINUTES

CALAVERAS COUNTY WATER DISTRICT FINANCE COMMITTEE MEETING

March 17, 2026

Directors Present:

Jack Garamendi
Russ Thomas

Director, District 2
Director, District 4

Staff Present:

Michael Minkler
Kylie Muetterties
Rebecca Hitchcock*
Julie Johnson*
Kate Jesus*
Stacey Lollar*
Tiffany Burke*
Pat Burkhardt*
Joshua Fernandez*
Scott Ratterman*
Haley Airola*

General Manager
Accountant II
Executive Assistant and Clerk to the Board
Accounting Technician
Human Resources Technician
Human Resources Manager
Administrative Technician
Construction and Maintenance Manager
Information Systems Technician
Board of Director
Engineering Coordinator

Others Present:

Kamiko Tsuchida*

Eide Bailey

*Attended Virtually

ORDER OF BUSINESS

CALL TO ORDER / PLEDGE OF ALLEGIANCE

The meeting called to order at 1:34 p.m., the Pledge of Allegiance was led by Director Thomas.

1. PUBLIC COMMENT:

No public comment.

2. APPROVAL OF MINUTES:

The minutes for the meeting of February 17, 2026, were approved by the Committee.

3. NEW BUSINESS

3a Report on the Monthly Financial Reports for February 2026.

(Eide Bailley, Consultant)

DISCUSSION: Kamiko Tsuchida, Eide Bailley Consultant, presented the Monthly Financial Reports and responded to questions from the Committee.

PUBLIC COMMENT: No public comment.

4. DIRECTOR OF ADMINISTRATIVE SERVICES COMMENTS

No comments.

5. GENERAL MANAGER COMMENTS

Mr. Minkler reviewed items planned for next month's agenda. The agenda will include a review of reserves and related policies. Department heads have submitted their FY 2027 budget proposals, which will be presented to the Finance Committee in May.

6. DIRECTOR COMMENTS AND FUTURE AGENDA ITEMS

No comments.

7. NEXT COMMITTEE MEETING

Tuesday, April 28, 2026, at 1:30 p.m. Rescheduled to April 28, 2026, at 1:00 p.m.

8. ADJOURNMENT

With no further business, the meeting was adjourned at 2:06 p.m.

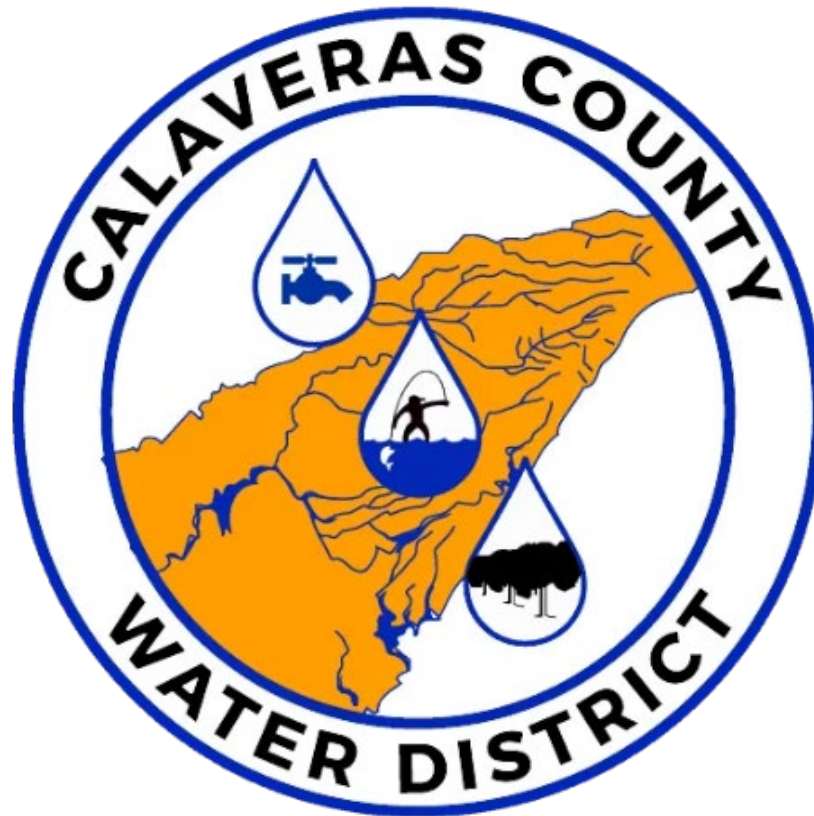
Respectfully Submitted,

Kylie Muetterties
Accountant II

3 a

A G E N D A
I T E M

3 a



Budget Status Report

For the Period July 1, 2025 to March 31, 2026

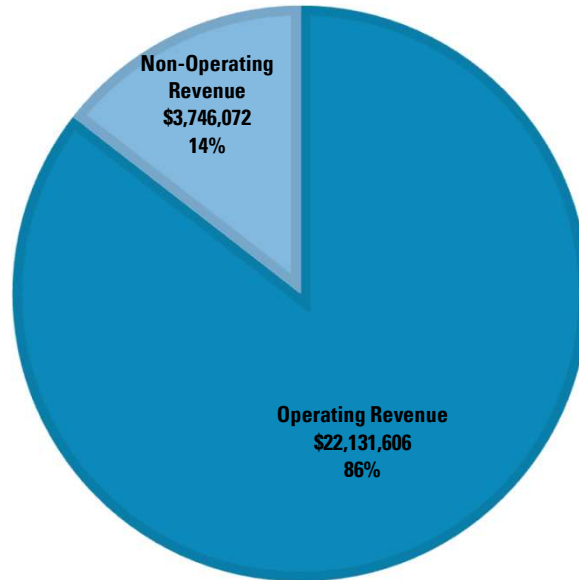
(Months 1-9)



**Calaveras County Water District
Budget Status Report (Unaudited)
For the Period July 1, 2025 - March 31, 2026**

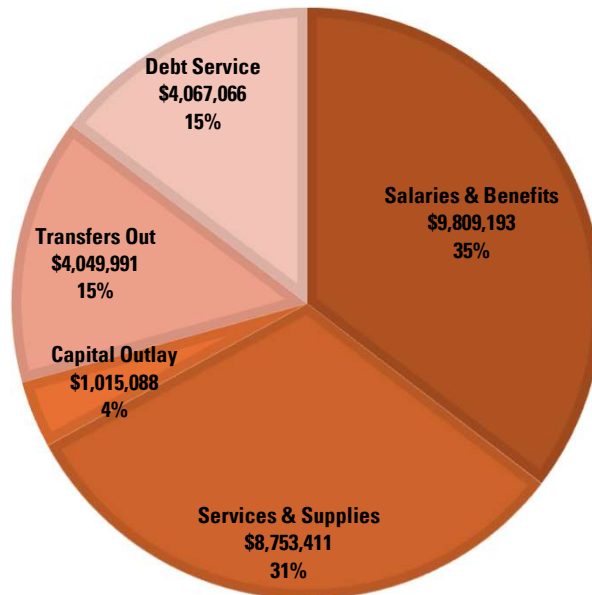
**REVENUE SUMMARY - FY 2025-26 YTD
(TOTAL: \$25,877,678)**

■ Operating Revenue ■ Non-Operating Revenue



**EXPENSE SUMMARY - FY 2025-26 YTD
(TOTAL: \$27,694,749)**

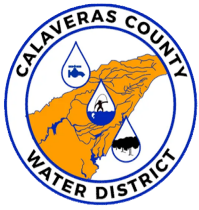
■ Salaries & Benefits ■ Services & Supplies ■ Capital Outlay ■ Transfers Out ■ Debt Service





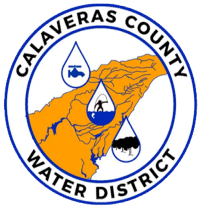
**Calaveras County Water District
Budget Status Report (Unaudited)
For the Period July 1, 2025 - March 31, 2026**

		A	B	C	D	E
Water, Sewer, Hydro Combined Detail		FY 2024-25 Months 1-9 Actual	FY 2025-26 Months 1-9 Actual	FY 2025-26 Adopted Budget	(Over) / Under Budget	FY 2025-26 YTD Target 75.0%
1	Revenues					
2	Operating Revenue					
3	41000 Water/Sewer Sales/Resid	\$ 15,082,090	\$ 21,328,804	\$ 28,431,800	\$ 7,102,996	75.0%
4	41100 Irrigation Water Sales	-	-	12,800	12,800	0.0%
5	41200 Water Sales - Fire Hydrant	136,554	219,328	319,254	99,926	68.7%
6	42000 Inspection Fees	1,298	4,307	4,000	(307)	107.7%
7	44100 Account Establishment Fees	29,100	30,530	37,900	7,370	80.6%
8	44110 Delinquent Account Charge	3,340	127,005	174,794	47,789	72.7%
9	44115 County Recording Fees	84	46			
10	44120 Termination of Services	2,188	1,416	-	(1,416)	0.0%
11	44200 Backflow Certification Testing	2,661	450	3,500	3,050	12.9%
12	44300 Install Water Meter	21,707	36,377	26,700	(9,677)	136.2%
13	44500 Repair Labor/Materials	5,473	1,078	5,000	3,922	21.6%
14	44510 Reimbursable Expense	108,506	170,735	230,080	59,345	74.2%
15	44900 Other Water/Sewer Charges	457	50	-	(50)	0.0%
16	48100 Concept Approval Fees	2,733	639	-	(639)	0.0%
17	48101 Cost to Serve	-	717	-	(717)	0.0%
18	48102 Commercial Account Review	-	330	-	(330)	0.0%
19	48190 Miscellaneous Operating Revenue	202,292	209,794	250,000	40,206	83.9%
20	Total Operating Revenue	15,598,482	22,131,606	29,495,828	7,364,268	75.0%
21	Non-Operating Revenue					
22	48130 Rental Revenue	16,191	9,888	83,000	73,112	11.9%
23	51100 Interest Income/CCWD Investments	14,248	81,411	80,365	(1,046)	101.3%
24	51350 Lease Interest Revenue	-	-	-	-	0.0%
25	52100 Property Taxes	2,105,882	2,199,995	3,904,660	1,704,665	56.3%
26	52420 Standby Fees	64,510	58,444	131,000	72,556	44.6%
27	53100 HOPTR	4,457	4,352	-	(4,352)	0.0%
28	54300 Power Sales - North Fork	627,857	590,694	828,700	238,006	71.3%
29	54400 Power Sales - New Hogan	70,170	155,156	153,000	(2,156)	101.4%
30	54510 Grant Revenue/Federal Agencies	30,313	204,342	283,206	78,864	72.2%
31	54520 Grant Revenue/State Agencies	80	22,640	-	(22,640)	0.0%
32	54600 Other Non-Operating Revenue	400,051	405,934	1,197,126	791,192	33.9%
33	54610 Miscellaneous Income	84,644	13,216	14,000	784	94.4%
34	Total Non-Operating Revenues	3,418,403	3,746,072	6,675,057	2,928,985	56.1%
35	Total Revenues	19,016,885	25,877,678	36,170,885	10,293,207	71.5%
36						
37	Transfer In					
38	59100 Transfer In	212,606	-	3,862,317	3,862,317	0%
39	Total Transfers In	212,606	-	3,862,317	(3,862,317)	-
40	Total Sources	19,229,491.30	25,877,678	40,033,202	14,155,524	64.6%



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41	O&M Expenses						
42	Salaries and Benefits						
43	60000	Salaries Wages	\$ 5,556,643	\$ 5,591,912	\$ 8,025,022	\$ 2,433,110	69.7%
44	60005	Payouts	171,122	153,923	207,004	53,081	74.4%
45	60010	On Call Pay	3,650	16,275	21,100	4,825	77.1%
46	60015	Standby Pay	16,100	16,330	24,500	8,170.00	66.7%
47	60030	Overtime	169,766	175,979	215,500	39,521	81.7%
48	60035	CTO Payouts	150,419	154,364	202,849	48,485	76.1%
49	60100	Benefits	2,230,012	2,384,170	3,604,834	1,220,664	66.1%
50	60110	Retirement Expense	595,865	575,459	864,711	289,252	66.5%
51	60115	CalPERS UAL	483,677	690,801	828,963	138,162	83.3%
52	60117	Retirement Health Savings	47,293	49,980	54,120	4,140	92.4%
53		Total Salaries and Benefits	9,424,546	9,809,193	14,048,603	(4,239,410)	69.8%
54	Services and Supplies						
55	60210	Power	895,002	1,331,911	2,072,216	740,305	64.3%
56	60220	Water	6,880	7,158	12,000	4,842	59.6%
57	60230	Sewage	29,518	29,518	45,000	15,482	65.6%
58	60250	Telephone	83,628	102,259	136,068	33,809	75.2%
59	60260	Refuse/Disposal	20,262	20,862	25,000	4,138	83.4%
60	60310	Materials & Supplies	185,661	196,406	284,502	88,096	69.0%
61	60311	Herbicide	520	-	1,500	1,500	0.0%
62	60312	Safety Equipment/Consumables	9,655	21,993	41,200	19,207	53.4%
63	60313	Tools	15,091	15,787	48,000	32,213	32.9%
64	60314	Uniforms - New	23,322	20,786	22,000	1,214	94.5%
65	60316	Materials and Supplies - CalFire	3,246	-	18,000	18,000	0.0%
66	60320	Safety Equipment	689	20,311	61,500	41,189	33.0%
67	60325	Lab Supplies, Consumables	41,031	37,339	50,000	12,661	74.7%
68	60327	Ozone System Parts	15,836	14,403	10,000	(4,403)	144.0%
69	60328	UV Bulb/MBR Replacement	23,871	-	110,000	110,000	0.0%
70	60331	Electrical Parts Replacement	40,692	40,377	70,000	29,623	57.7%
71	60332	Leak Repair Supplies	128,134	164,466	200,000	35,534	82.2%
72	60333	Road Repair Materials	23,490	8,208	31,251	23,043	26.3%
73	60334	SCADA, Radio Supplies	8,274	11,671	52,059	40,388	22.4%
74	60335	Septic Tanks, Repair & New	8,968	8,520	12,000	3,480	71.0%
75	60338	Meters, New & Replacement	4,295	14,975	31,000	16,025	48.3%
76	60350	Aerator/Compressor Repair	6,600	34,346	18,000	(16,346)	190.8%
77	60353	Computers/Peripherals	-	-	10,000	10,000	0.0%
78	60354	Controls Sys Pressure Transducer	-	-	9,000	9,000	0.0%
79	60355	Headworks/Solids Removal and Repair	11,042	20,029	22,000	1,971	91.0%



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80	60356	HVAC	7,978	17,536	15,500	(2,036)	113.1%
81	60357	Mixers/Valves/Repair Kits/ Actuators	6,547	24,103	25,000	897	96.4%
82	60358	Monitor Wells Repair	-	-	5,000	5,000	0.0%
83	60359	Pumps/Motors Repair	130,629	55,498	185,000	129,502	30.0%
84	60360	Solids Handling Eq Repair	-	-	5,000	5,000	0.0%
85	60390	Admin Technologies Comm	52,241	63,451	113,200	49,749	56.1%
86	60395	Chemicals	384,105	421,091	634,694	213,603	66.3%
87	60400	Outside Services/Repairs	62,994	56,861	135,838	78,977	41.9%
88	60401	Fire Ext. Testing Cust. Base	2,000	2,000	2,200	200	90.9%
89	60402	Spraying - Weeds & Insects	30,197	20,937	42,751	21,814	49.0%
90	60403	Snow Removal	-	-	7,200	7,200	0.0%
91	60404	Uniform Laundry	31,018	23,686	1,062	(22,624)	2230.4%
92	60405	Fire Hydrant Maintenance	25,601	33,878	56,625	22,747	59.8%
93	60410	Service Maintenance Contracts	91,504	18,447	128,558	110,111	14.3%
94	60412	Groundwater Monitoring	35,215	26,760	50,000	23,240	53.5%
95	60413	Instrumentation Tech	4,224	-	8,500	8,500	0.0%
96	60414	Ozone System PM	11,702	-	10,000	10,000	0.0%
97	60415	Backflow Device Testing	2,205	4,718	4,000	(718)	118.0%
98	60416	SCADA Consulting	5,732	6,475	10,000	3,525	64.7%
99	60417	Hauling /Dig/Crane/Excavator	1,580	-	5,000	5,000	0.0%
100	60419	Pave/Seal/Asphalt Repair	31,910	88,393	75,000	(13,393)	117.9%
101	60420	Drug & Alcohol Testing	4,672	2,820	5,000	2,180	56.4%
102	60424	Septic Hauling Bio-solids Hauling	16,531	27,260	50,000	22,740	54.5%
103	60425	Tank Cleaning	14,612	13,000	64,730	51,730	20.1%
104	60426	Building Repairs	20,710	3,455	80,000	76,545	4.3%
105	60427	UV System PM	479	4,499	10,000	5,501	45.0%
106	60429	Recruiting	13,725	11,595	29,751	18,156	39.0%
107	60430	Claims/Damages	7,503	14,325	5,000	(9,325)	286.5%
108	60431	Computer License/Maintenance Contracts	257,495	282,274	427,895	145,621	66.0%
109	60440	Janitorial Services	16,791	21,275	32,840	11,565	64.8%
110	60470	Laboratory Services	124,003	144,105	160,000	15,895	90.1%
111	60480	Rentals (Non Vehicles/Equip)	2,260	2,736	5,000	2,264	54.7%
112	60505	Outside Legal Fees	114,652	104,416	350,000	245,584	29.8%
113	60510	Accounting/Auditing	7,310	42,400	50,400	8,000	84.1%
114	60541	Advertising/Publicity	138	294	4,500	4,206	6.5%
115	60545	Public Outreach	-	816	-	(816)	0.0%
116	60590	Professional Services	563,200	1,100,024	1,752,931	652,907	62.8%
117	60610	Operating Exp/Fuel & Oil	240,393	294,347	385,000	90,653	76.5%
118	60620	Repairs and Parts	140,283	144,277	185,000	40,723	78.0%
119	60625	Repair - Generators	55,038	11,610	30,000	18,390	38.7%
120	60630	Repair - Generators	95	-	-	-	0.0%
121	60650	Rental Exp/Vehicle and Eq	11,881	-	11,500	11,500	0.0%
122	60660	Lease Expense/Vehicle Eq	11	-	36,000	36,000	0.0%
123	60700	Forms and Supplies	163	1,761	2,151	390	81.9%
124	60710	Permits and Licenses	13,181	19,792	42,551	22,759	46.5%
125	60715	Late Fees	2,039	1,004	-	(1,004)	0.0%



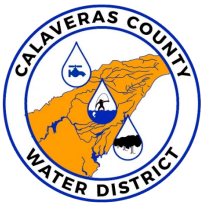
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126	60720	Postage	6,819	5,942	12,500	6,558	47.5%
127	60730	Publications/Subscriptions	2,190	1,492	13,051	11,559	11.4%
128	60732	Memberships/Dues	132,133	162,599	142,346	(20,253)	114.2%
129	60760	Recording/Title Reports	55	56	1,700	1,645	3.3%
130	60780	Printing	227	-	500	500	0.0%
131	60810	Training, Conf & Travel	84,673	89,455	149,951	60,496	59.7%
132	60820	Other Travel Costs	5,680	8,113	7,402	(711)	109.6%
133	61100	Purchased Water	-	14,317	20,000	5,683	71.6%
134	61150	New Hogan Op/Maint Expense	-	426,186	474,000	47,814	89.9%
135	61200	Retiree Health Costs	801,744	920,678	1,050,000	129,322	87.7%
136	61310	Bad Debt Expense	46,188	27,153	54,000	26,847	50.3%
137	61315	Rate Assistance Program	36,453	41,825	60,000	18,175	69.7%
138	61409	Unemployment Claims	6,427	5,400	36,000	30,600	15.0%
139	61410	Insurance	470,201	479,562	485,600	6,038	98.8%
140	61420	State Water/Sewer Fees	321,745	330,617	310,000	(20,617)	106.7%
141	61430	Federal Dam & Admin Fees	594,808	378,295	781,224	402,929	48.4%
142	61435	State Water Right Fees	63,679	121,128	155,663	34,535	77.8%
143	61450	Mandated Plans	-	27,115	284,080	256,965	9.5%
144	61455	Water Conservation	1,500	2,000	4,000	2,000	50.0%
145	61485	Third Party Payment Processing	307,862	466,295	522,743	56,448	89.2%
146	61490	Misc Operating Expense	10	61	-	(61)	0.0%
147	78200	Calaveras County Fees	2,155	-	5,000	5,000	0.0%
148	78210	LAFCO Contribution	11,874	11,874	13,100	1,226	90.6%
149	78100	Miscellaneous Non-Operating Costs	-	-	-	-	0.0%
150	78990	Misc Non-Operating Costs	10	-	-	-	0.0%
151		Total Services and Supplies	7,026,688	8,753,411	13,215,533	(4,462,122)	66.2%
152		Capital Outlay					
153	75100	Vehicles Purchased	-	-	-	-	0.0%
154	75110	Vehicles Capital Lease - Current	469,424	413,621	521,211	107,590	79.4%
155	75200	Equipment Purchased	343,977	548,132	753,598	205,466	72.7%
156	75300	Projects	41,023	53,335	928,880	875,545	5.7%
157		Total Capital Outlay	854,424	1,015,088	2,203,689	(1,188,601)	46.1%
158		Total O&M Expense	17,305,657.76	19,577,692	29,467,825	(9,890,133)	66.4%
159	79100	Transfers Out	990	4,049,991	5,752,882	4,049,001	70%
160		Debt Service					
161	72120	Interest Exp - PERS UAL Loan	131,422	120,201	120,201	0	100.0%
162	72220	Interest Exp - USDA AMI Loan	70,372	77,018	80,553	3,535	95.6%
163	72310	Interest Exp - VacCon Truck 2021	2,798	566	566	0	99.9%
164	72350	Interest Exp - USDA EP Reach 3A	51,234	50,099	50,099	0	100.0%
165	72360	Interest Exp - USDA Arnold Interim Loan	-	-	20,388	20,388	0.0%
166	72400	Interest Exp - Water Fund Loan	-	-	5,678	5,678	0.0%
167	72500	Interest Exp - New Hogan Loan	-	-	1,375	1,375	0.0%



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168	72700	Interest Exp - VacCon Truck 2020	230	-	-	-	0.0%
169	72850	Interest Exp - Water CIP Loan 2022	535,227	512,236	512,236	(0)	100.0%
170	72860	Interest Exp - Sewer CIP Loan 2022	325,920	494,405	312,256	(182,149)	158.3%
171	72900	Interest Exp - Water Rev Loan	-	-	-	-	0.0%
172	72870	Interest Exp - Water CIP Loan 2025	-	519,399	564,952	45,553	91.9%
173	73120	Principal Payment - PERS UAL Loan	338,000	338,000	338,000	-	100.0%
174	73210	Principal Payment - USDA AMI Loan	91,000	91,280	92,000	720	99.2%
175	73310	Principal Payment - VacCon Truck 2021	90,152	61,402	61,401	(1)	100.0%
176	73350	Principal Payment - USDA EP Reach 3A	49,900	51,000	51,000	-	100.0%
177	73400	Principal Payment - Water Fund Loan	-	-	283,900	283,900	0.0%
178	73500	Principal Payment - New Hogan	-	-	48,837	48,837	0.0%
179	73700	Principal Payment - VacCon Truck 2020	31,039	-	-	-	0.0%
180	73850	Principal Payment - Water CIP Loan 2022	782,000	805,000	805,000	-	100.0%
181	73860	Principal Payment - Sewer CIP Loan 2022	427,000	441,000	441,000	-	100.0%
182	73870	Principal Payment - Water CIP Loan 2025	-	505,461	460,796	(44,665)	109.7%
183		Total Debt Service	2,926,295	4,067,066	4,250,238	(183,172)	95.7%
184		Total Expenses	20,232,942.39	27,694,749	39,470,945	(11,776,196)	70.2%
185		Net Addition to/(Use of) Reserves	\$ (1,003,451)	\$ (1,817,070)	\$ 562,257	\$ (813,619)	



**Calaveras County Water District
Budget Status Report (Unaudited)
For the Period July 1, 2025 – March 31, 2026**

Schedule 1: Water/Sewer/Hydro Operations

Schedule 1 displays financial reporting information for Water/Sewer/Hydro Operations during fiscal year (FY) 26. Column (A) represents year-to-date (YTD) activity for the prior year, FY 25. Column (B) displays YTD activity for FY 26 as of the end of the reporting month. Column (C) displays the FY 26 adopted budget. Column (D) compares YTD activity to the adopted budget for FY 26 and column (E) represents the YTD activity as a percentage of the adopted budget.

Operating Revenue – Total operating revenue is at 75% of budget.

- **Line 6 Inspection Fees** are trending over budget due to a higher volume of sewer inspections.
- **Line 7 Account Establishment Fees** are customer driven and trending over budget.
- **Line 12 Install Water Meter** is trending over budget due to more installations than anticipated.
- **Line 19 Miscellaneous Operating Revenue** is trending over budget due to the convenience fees collected for billing that offsets the expense account on line 144 for Third Party Payment Processing.

Non-Operating Revenue – Total non-operating revenue is at 56.1% of budget.

- **Line 23 Interest Income/CCWD Investments** is trending over budget due to Argent investment income.
- **Line 29 Power Sales – New Hogan** is higher than budgeted and will continue to be monitored and analyzed for the FY 27 budget process.
- **Line 33 Miscellaneous Income** is trending over budget due to Cal Card rebates.

Transfer In – Total transfers in is at 0% of budget.

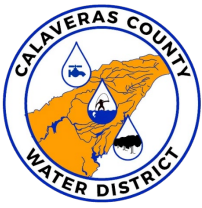
Operation & Maintenance Expense – Total operating & maintenance expense is at 66.4% of budget.

Salaries and Benefits– Total salaries and benefits is at 69.8% of budget.

- **Line 47 Overtime** is trending over budget and will continued to be monitored.
- **Line 51 CalPERS UAL** is trending over budget due to the timing of payments.
- **Line 52 Retirement Health Savings** is trending over budget due to the timing of payments.

Services and Supplies– Total services and supplies is at 66.2% of budget.

- **Line 59 Refuse/Disposal** is trending over budget due to increased Cal Waste costs.
- **Line 64 Uniforms – New** is trending over budget due to the timing of an annual shirt order early in the year.
- **Line 68 Ozone System Parts** are trending over budget due to the Ozone Residual Analyzer that was purchased over budget and other materials and maintenance.
- **Line 71 Leak Repair Supplies** is trending over budget due to high volume inventory purchases.
- **Line 76 Aerator/Compressor Repair** is trending over budget due to the purchase of a replacement air compressor and probe for Jenny Lind WTP.
- **Line 79 Headworks/Solids Removal and Repair** is trending over budget due to increased bio-solids disposal.
- **Line 80 HVAC** is trending over budget due to troubleshooting and repairs at OP HQ.
- **Line 81 Mixers/Valves/Repair Kits/Actuators** is trending over budget due to two mixer purchases.
- **Line 88 Fire Ext. Testing Cust. Bases** are trending over budget due to timing of services.
- **Line 91 Uniform Launder** is trending over budget due to a budgeting input error and will be corrected for FY 27.



**Calaveras County Water District
Budget Status Report (Unaudited)
For the Period July 1, 2025 – March 31, 2026**

- **Line 97 Backflow Device Testing** is trending over budget due to delinquent backflow testing.
- **Line 100 Pave/Seal/Asphalt Repair** is trending over budget due to emergency repair paving in October 2025.
- **Line 107 Claims/Damages** is over budget due to water mainline break in October 2025.
- **Line 110 Laboratory Services** is over budget due to timing of services related to the benchmark.
- **Line 113 Accounting/Auditing** is trending over budget due to the timing of the audit invoices.
- **Line 123 Forms and Supplies** is trending over budget due to timing of the tax form purchases.
- **Line 128 Membership/Dues** is trending over budget due to CalPELRA not being included in the original budget.
- **Line 132 Other Travel Costs** are trending over budget due to mileage and parking reimbursements for staff seminars.
- **Line 134 New Hogan Op/Main Expense** is trending high due to the timing of payments early in the fiscal year.
- **Line 135 Retiree Health Costs** are currently under-budgeted and will be adjusted for FY27 to account for new retirees.
- **Line 139 Insurance** is trending over budget due to the timing of payments early in the fiscal year.
- **Line 140 State Water/Sewer Fees** are trending over budget due to the timing of annual payments in December.
- **Line 145 Third Party Payment Processing** represents the Credit Card and Tyler Convenience Fees paid. This is offset by the revenue account Miscellaneous Operating Revenue on line 20. These costs should be coming down due to a new agreement recently signed with Global Payments. There are no customer fees collected through the lockbox payment service.
- **Line 148 LAFCO Contribution** is trending over budget due to the timing of the payment in January.

Capital Outlay – Total capital outlay is at 46.1% of budget.

Line 159 Transfers Out – Transfers out is currently at 70% of budget.

Debt Service Payments – Total debt service payments are at 95.7% of budget.

Total Expenses – Total expenses for water/sewer/hydro are at 70.2% of budget.

Net Addition to / (Use of) Reserves – As of March 2026, reserves are estimated to have decreased by \$1,817,070 through the reporting month.



**Calaveras County Water District
Budget Status Report (Unaudited)
For the Period July 1, 2025 - March 31, 2026**

All Other Funds Combined Detail		A	B
		FY 2024-25 Months 1-9 Actual	FY 2025-26 Months 1-9 Actual
1	Revenues		
2	Non-Operating Revenue		
3	41010 Capital R&R	\$ 4,079,731	\$ -
4	41300 Water Sales Slurry Line	964	799
5	44510 Reimbursable Expense	-	11,846
6	48130 Rental Revenue	-	15,885
7	51100 Interest Income/CCWD Invest	996,752	1,395,094
8	51200 Interest Income/Trusteed Funds	6,119	3,811
9	52100 Property Taxes	-	389,002
10	52200 Assessment Revenue	112,013	11,348
11	52220 Assessment Revenue-Foreclosure	-	30,000
12	52230 Prepaid Assessment Revenue	4,782	12,721
13	52300 Admin Fees Collected	-	3,800
14	52410 Expansion Fees	323,235	709,554
15	54510 Grant Revenue/Federal Agencies	86,616	104,698
16	54520 Grant Revenue/State Agencies	1,823,619	941,948
17	54610 Miscellaneous Income	77	-
18	59100 Transfer In From Funds	13,267,712	14,830,405
19	Total Non-Operating Revenue	\$ 20,701,621	\$ 18,460,913

Schedule 2: All Other Funds Revenue

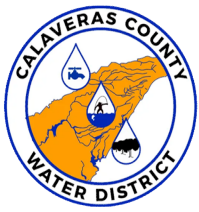
Schedule 2 displays financial reporting information for All Other Funds Revenue during fiscal year (FY) 26. Column (A) represents year-to-date (YTD) activity for the prior year, FY 25. Column (B) displays YTD activity for FY 26 as of the end of the reporting month.

Schedule 2 represents all District revenues received to date in the category of non-operating, such as Capital R&R, CIP, and Expansion Funds. These revenues are often restricted to specific purposes. The transfer of capital funding from the water and wastewater operating funds to the water and sewer Capital R&R will be trued up.

Capital R&R: The 2023 Rate Study eliminated the dedicated R&R portion of the water and sewer rates and combined them with the regular water and sewer operating rates. The Capital R&R program is now funded by transfers from the water and sewer operating funds to the Capital R&R Funds.

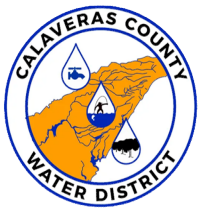
Line 9 Property Taxes is for special project funding, as specified in the District's reserve policy.

Non-Operating Revenue – Total non-operating revenue is at \$18,460,913 as of March 2026.



**Calaveras County Water District
Budget Status Report (Unaudited)
For the Period July 1, 2025 - March 31, 2026**

		A	B	C	D	E
Department 50 Non-Departmental		FY 2024-25 Months 1-9 Actual	FY 2025-26 Months 1-9 Actual	FY 2025-26 Adopted Budget	Over / (Under) Budget	FY 2025-26 YTD Target 75.0%
1	O&M Expenses					
2	Salaries and Benefits					
3	60115 CalPERS UAL	\$ 297,291	\$ 426,677	\$ 512,012	\$ 85,335	83.3%
4	Total Salaries and Benefits	297,291	426,677	512,012	85,335	83.3%
5	Utility Services					
6	60210 Power	9,387	13,307	23,500	10,193	56.6%
7	60220 Water	3,141	3,433	5,000	1,567	68.7%
8	60250 Telephone	3,757	8,458	19,000	10,542	44.5%
9	Total Utility Services	16,285	25,198	47,500	22,302	53.0%
10	Materials & Supplies					
11	60310 Materials and Supplies	23,986	22,251	35,300	13,049	63.0%
12	60313 Tools	-	-	500	500	0.0%
13	60356 HVAC	1,765	5,763	2,000	(3,763)	288.2%
14	60390 Admin. Technologies/Comm	1,956	18,402	11,100	(7,302)	165.8%
15	Total Materials & Supplies	27,707	46,416	48,900	2,484	94.9%
16	Outside Services					
17	60400 Outside Services	28,538	19,845	48,951	29,106	40.5%
18	60402 Spraying - Weeds & Insects	582	1,158	751	(407)	154.2%
19	60410 Service Maintenance Contracts	8,893	3,719	-	(3,719)	0.0%
20	60426 Building Repairs	13	-	5,000	5,000	0.0%
21	60430 Claims/Damages	7,503	14,325	5,000	(9,325)	286.5%
22	60431 Computer Lic Maint Contracts	24,014	62,348	179,115	116,767	34.8%
23	60440 Janitorial Services	14,791	17,675	29,480	11,805	60.0%
24	Total Outside Services	84,333	119,070	268,297	149,227	44.4%
25	Retired Employees					
26	61200 Retired Employees	801,744	920,678	1,050,000	129,322	87.7%
27	Total Retired Employees	801,744	920,678	1,050,000	129,322	87.7%
28	Insurance					
29	61410 Insurance	470,201	479,562	485,600	6,038	98.8%
30	Total Insurance	470,201	479,562	485,600	6,038	98.8%
31	Misc. Non-Operating					
32	78210 LAFCO Contribution	11,874	11,874	13,100	1,226	90.6%
33	Total Misc. Non-Operating	11,874	11,874	13,100	1,226	90.6%
34	Capital Equipment					
35	75200 Equipment Purchased	22,044	-	30,000	30,000	0.0%
36	Total Capital Equipment	22,044	-	30,000	30,000	0.0%



**Calaveras County Water District
Budget Status Report (Unaudited)
For the Period July 1, 2025 - March 31, 2026**

		A	B	C	D	E
Department 50 Non-Departmental		FY 2024-25 Months 1-9 Actual	FY 2025-26 Months 1-9 Actual	FY 2025-26 Adopted Budget	Over / (Under) Budget	FY 2025-26 YTD Target 75.0%
37	Debt Service					
38	72120 Interest Exp - PERS UAL Loan	131,422	120,201	120,201	0	100.0%
39	72220 Interest Exp - USDA AMI Loan	70,372	77,018	80,553	3,535	95.6%
40	72310 Interest Exp - VacCon Truck 2021	2,798	566	566	0	99.9%
41	72350 Interest Exp - USDA EP Reach 3A	51,234	50,099	50,099	0	100.0%
42	72360 Interest Exp - USDA Arnold Interim Loan	-	-	20,388	20,388	0.0%
43	72400 Interest Exp - Water Fund Loan	-	-	5,678	5,678	0.0%
44	72500 Interest Exp - New Hogan Loan	-	-	1,375	1,375	0.0%
45	72700 Interest Exp - VacCon Truck 2020	230	-	-	-	0.0%
46	72850 Interest Exp - Water CIP Loan 2022	535,227	512,236	512,236	(0)	100.0%
47	72860 Interest Exp - Sewer CIP Loan 2022	325,920	494,405	312,256	(182,149)	158.3%
48	72900 Interest Exp - Water Rev Loan	-	-	-	-	0.0%
49	72870 Interest Exp - Water CIP Loan 2025	-	519,399	564,952	45,553	91.9%
50	73120 Principal Payment - PERS UAL Loan	338,000	338,000	338,000	-	100.0%
51	73210 Principal Payment - USDA AMI Loan	91,000	91,280	92,000	720	99.2%
52	73310 Principal Payment - VacCon Truck 2021	90,152	61,402	61,401	(1)	100.0%
53	73350 Principal Payment - USDA EP Reach 3A	49,900	51,000	51,000	-	100.0%
54	73400 Principal Payment - Water Fund Loan	-	-	283,900	283,900	0.0%
55	73500 Principal Payment - New Hogan	-	-	48,837	48,837	0.0%
56	73700 Principal Payment - VacCon Truck 2020	31,039	-	-	-	0.0%
57	73850 Principal Payment - Water CIP Loan 2022	782,000	805,000	805,000	-	100.0%
58	73860 Principal Payment - Sewer CIP Loan 2022	427,000	441,000	441,000	-	100.0%
59	73870 Principal Payment - Water CIP Loan 2025	-	505,461	460,796	(44,665)	109.7%
60	Total Debt Service	2,926,295	4,067,066	4,250,238	183,172	95.7%
61	Total Non-Departmental Expenses	\$ 4,657,774	\$ 6,096,542	\$ 6,705,647	\$ 609,105	90.9%

Schedule 3: Department 50 – Non-Departmental

Schedule 3 displays financial reporting information for Non-Departmental during fiscal year (FY) 26. Column (A) represents year-to-date (YTD) activity for the prior year, FY 25. Column (B) displays YTD activity for FY 26 as of the end of the reporting month. Column (C) displays the FY 26 adopted budget. Column (D) compares YTD activity to the adopted budget for FY 26 and column (E) represents the YTD activity as a percentage of the adopted budget.

Non-Departmental Expenses – Total non-departmental expense is at 90.9% of budget.

- **Line 3 CalPERS UAL** is trending over budget due to the timing of payments.
- **Line 13 HVAC** is trending over budget due to troubleshooting and repairs at OP HQ.
- **Line 14 Admin. Technologies/Comm** is trending over budget due to File Backup and Endpoint Detection & Response. Endpoint Detection & Response costs will be evaluated for inclusion in next fiscal year's budget.
- **Line 18 Spraying – Weeds & Insects** is trending over budget due to routine pest control costs coming in higher due to new sites being added. The additions in locations will be considered for inclusion in next fiscal year's budget.
- **Line 21 Claims/Damages** is over budget due to water mainline break in October 2025.
- **Line 29 Insurance** is trending over budget due to the timing of payments
- **Line 32 Retired Employees** is trending over budget due to the increase of retirees which will be considered for FY 27 budget.
- **Lines 37-60 Debt Service** will trend under and over budget at various points of the year due to the timing of the required principal and interest payments. The 2nd installment payments were made in March. The 2022 Sewer CIP Loan is trending over budget due to an accrual adjustment for prior fiscal year.



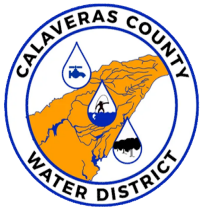
**Calaveras County Water District
Budget Status Report (Unaudited)
For the Period July 1, 2025 - March 31, 2026**

			A	B	C	D	E
Department 54 Utility Services			FY 2024-25 Months 1-9 Actual	FY 2025-26 Months 1-9 Actual	FY 2025-26 Adopted Budget	Over / (Under) Budget	FY 2025-26 YTD Target 75.0%
1	O&M Expenses						
2	Salaries and Benefits						
3	60000	Salaries/Wages	\$ 3,545,757	\$ 3,572,584	\$ 4,966,859	\$ 1,394,275	71.9%
4	60005	Payouts	92,937	93,028	124,901	31,873	74.5%
5	60010	On Call Pay	3,650	16,275	21,100	4,825	77.1%
6	60015	Standby Pay	15,800	16,330	23,500	7,170	69.5%
7	60030	Overtime	152,695	142,855	200,000	57,145	71.4%
8	60035	CTO Payout	130,690	149,789	174,249	24,460	86.0%
9	60100	Benefits	1,514,490	1,623,115	2,313,767	690,652	70.2%
10	60110	Retirement Expense	389,436	379,871	540,836	160,965	70.2%
11	60115	CalPERS UAL	120,056	165,374	200,126	34,752	82.6%
12	60117	Retiree Health Benefit	27,913	30,322	33,720	3,398	89.9%
13		Total Salaries and Benefits	5,993,425	6,189,544	8,599,058	2,409,514	72.0%
14	Utility Services						
15	60210	Power	885,616	1,318,604	2,048,716	730,112	64.4%
16	60220	Water	3,739	3,725	7,000	3,275	53.2%
17	60230	Sewage	29,518	29,518	45,000	15,482	65.6%
18	60250	Telephone	79,872	93,802	117,068	23,266	80.1%
19	60260	Refuse/Disposal	20,262	20,862	25,000	4,138	83.4%
20		Total Utility Services	1,019,006	1,466,510	2,242,784	776,274	65.4%
21	Materials & Supplies						
22	60310	Materials and Supplies	154,319	161,535	230,000	68,465	70.2%
23	60311	Herbicide	520	-	1,500	1,500	0.0%
24	60312	Safety Eq Repl Consumables	9,477	21,204	41,000	19,796	51.7%
25	60313	Tools	15,091	15,787	40,000	24,213	39.5%
26	60314	Uniforms - New	3,378	4,815	-	(4,815)	0.0%
27	60316	Materials and Supplies - CalFire	3,246	-	18,000	18,000	0.0%
28	60325	Lab Supplies Consumables	41,031	37,339	50,000	12,661	74.7%
29	60327	Ozone System Parts	15,836	14,403	10,000	(4,403)	144.0%
30	60328	UV Parts and Supplies	23,871	-	110,000	110,000	0.0%
31	60331	Electrical Parts Replacement	40,692	40,377	70,000	29,623	57.7%
32	60332	Leak Repair Supplies	128,134	164,466	200,000	35,534	82.2%
33	60333	Road Repair Materials	23,490	8,208	31,251	23,043	26.3%
34	60334	SCADA Radio Supplies	8,274	11,671	52,059	40,388	22.4%
35	60335	Septic Tanks - New and Repairs	8,968	8,520	12,000	3,480	71.0%
36	60338	Meters New Conn and Repl	4,295	14,975	31,000	16,025	48.3%
37	60350	Aerator/Compressor etc Repair	6,600	34,346	18,000	(16,346)	190.8%
38	60353	Computers/Peripherals	-	-	10,000	10,000	0.0%
39	60354	Control Sys/Pressure Transducer	-	-	9,000	9,000	0.0%
40	60355	Headworks/Solids Removal Rep	11,042	20,029	22,000	1,971	91.0%
41	60356	HVAC	6,212	11,773	13,500	1,727	87.2%
42	60357	Mixers	6,547	24,103	25,000	897	96.4%
43	60358	Monitor Wells Repair	-	-	5,000	5,000	0.0%
44	60359	Pumps/Motors Repair	130,629	55,498	185,000	129,502	30.0%



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			A	B	C	D	E
Department 54 Utility Services			FY 2024-25 Months 1-9 Actual	FY 2025-26 Months 1-9 Actual	FY 2025-26 Adopted Budget	Over / (Under) Budget	FY 2025-26 YTD Target 75.0%
45	60360	Solids Handling Equip Repair	-	-	5,000	5,000	0.0%
46	60390	Admin. Technologies/Comm	19,698	10,150	57,000	46,850	17.8%
47	60395	Chemicals	384,105	421,091	634,694	213,603	66.3%
48		Total Materials & Supplies	1,045,456	1,080,290	1,881,004	800,714	57.4%
49		Outside Services					
50	60400	Outside Services	34,456	37,016	86,887	49,871	42.6%
51	60401	Fire Ext. Testing Cust. Base	2,000	2,000	2,200	200	90.9%
52	60402	Spraying - Weeds & Insects	29,615	19,779	42,000	22,221	47.1%
53	60403	Snow Removal	-	-	7,200	7,200	0.0%
54	60404	Uniform Laundry	31,018	23,686	1,062	(22,624)	2230.4%
55	60405	Fire Hydrant Maintenance	25,601	33,878	56,625	22,747	59.8%
56	60410	Service Maintenance Contracts	-	-	-	-	0.0%
57	60412	Groundwater Monitoring	35,215	26,760	50,000	23,240	53.5%
58	60413	Instrumentation Tech	4,224	-	8,500	8,500	0.0%
59	60414	Ozone System PM	11,702	-	10,000	10,000	0.0%
60	60415	Backflow Device Testing	2,205	4,718	4,000	(718)	118.0%
61	60416	SCADA Consulting (A-Teem)	5,732	6,475	10,000	3,525	64.7%
62	60417	Hauling / Dig / Crane	1,580	-	5,000	5,000	0.0%
63	60419	Pave / Seal / Asphalt Repair	31,910	88,393	75,000	(13,393)	117.9%
64	60424	Septic Hauling	16,531	27,260	50,000	22,740	54.5%
65	60425	Tank Cleaning	14,612	13,000	64,730	51,730	20.1%
66	60426	Building Repairs	20,697	3,455	75,000	71,545	4.6%
67	60427	UV System PM	479	4,499	10,000	5,501	45.0%
68	60430	Claims/Damages	-	-	-	-	0.0%
69	60431	Computer Lic Maint Contracts	95,986	115,813	142,000	26,187	81.6%
70	60440	Janitorial Services	2,000	3,600	3,360	(240)	107.1%
71	60470	Laboratory Services	124,003	144,105	160,000	15,895	90.1%
72	60480	Rental (Non Vehicle and Equip)	2,010	2,736	5,000	2,264	54.7%
73		Total Outside Services	491,576	557,173	868,564	311,391	64.1%
74		Professional Services					
75	60590	Professional Services	38,536	43,003	84,551	41,548	50.9%
76		Total Professional Services	38,536	43,003	84,551	41,548	50.9%
77		Vehicles and Equipment					
78	60610	Operating Exp Gas and Oil	240,339	294,347	385,000	90,653	76.5%
79	60620	Repair Exp/Parts and Repairs	140,283	144,277	185,000	40,723	78.0%
80	60625	Generators - Repair	55,038	11,610	30,000	18,390	38.7%
81	60630	Generators - Repair	95	-	-	-	0.0%
82	60650	Rental Exp Vehicles and Equip	11,881	-	11,500	11,500	0.0%
83	60660	Vehicle Lease & Maintenance	11	-	36,000	36,000	0.0%
84		Total Vehicles and Equipment	447,647	450,235	647,500	197,265	69.5%
85		Office Expenses					
86	60710	Permits and Licenses	12,434	19,792	41,100	21,308	48.2%
87	60730	Publications/Subscriptions	780	204	11,500	11,296	1.8%
88	60732	Memberships and Dues	14,482	23,657	30,000	6,343	78.9%



**Calaveras County Water District
Budget Status Report (Unaudited)
For the Period July 1, 2025 - March 31, 2026**

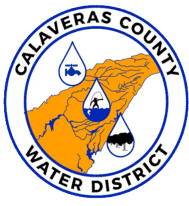
		A	B	C	D	E
Department 54 Utility Services		FY 2024-25 Months 1-9 Actual	FY 2025-26 Months 1-9 Actual	FY 2025-26 Adopted Budget	Over / (Under) Budget	FY 2025-26 YTD Target 75.0%
89	Total Office Expenses	27,697	43,653	82,600	38,947	52.8%
90	Travel and Training					
91	60810 Training Conference and Travel	35,449	25,783	43,000	17,217	60.0%
92	60820 Other Travel Costs	12	569	500	(69)	113.8%
93	Total Travel and Training	35,461	26,352	43,500	17,148	60.6%
94	Purchased Water					
95	61100 Purchased Water	-	14,317	20,000	5,683	71.6%
96	Total Purchased Water	-	14,317	20,000	5,683	71.6%
97	Operating Fees					
98	61420 State Water and Sewer Fees	321,745	330,617	310,000	(20,617)	106.7%
99	Total Operating Fees	321,745	330,617	310,000	(20,617)	106.7%
100	Capital Equipment					
101	75110 Vehicles Capital Lease	469,424	413,621	521,211	107,590	79.4%
102	75200 Equipment Purchased	318,583	526,123	723,598	197,475	72.7%
103	75300 Materials - Projects	41,023	52,285	868,880	816,595	6.0%
104	Total Capital Equipment	829,029	992,029	2,113,689	1,121,660	46.9%
105	Misc. Non-Operating					
106	60715 Late Fees and Other Penalties	39	255	-	(255)	0.0%
107	Total Misc. Non-Operating	39	255	-	(255)	0.0%
108	Total Utility Services Expenses	\$ 10,249,617	\$ 11,193,978	\$ 16,893,250	\$ 5,699,272	66.3%

Schedule 4: Department 54 – Utility Services

Schedule 4 displays financial reporting information for the Utility Services Department during fiscal year (FY) 26. Column (A) represents year-to-date (YTD) activity for the prior year, FY 25. Column (B) displays YTD activity for FY 26 as of the end of the reporting month. Column (C) displays the FY 26 adopted budget. Column (D) compares YTD activity to the adopted budget for FY 26 and column (E) represents the YTD activity as a percentage of the adopted budget.

Utility Services Expenses – Total utility services expense is at 66.3% of budget.

- **Line 8 CTO Payout** is trending over budget due to timing of payouts in December 2025.
- **Line 11 CalPERS UAL** is trending over budget due to the timing of payments.
- **Line 12 Retiree Health Benefit** is trending over budget due to an increase in retirements and will be accounted for in next year's budget.
- **Line 18 Telephone** is trending over budget. Finance will continue to monitor this item.
- **Line 19 Refuse/Disposal** is trending over budget due to increased Cal Waste costs.
- **Line 29 Ozone System Parts** is trending over budget due to the purchase of an Ozone Residual Analyzer purchased over budget and other materials and maintenance.
- **Line 32 Leak Repair Supplies** is trending over budget due to high volume inventory purchases.
- **Line 37 Aerator/Compressor etc Repair** is trending over budget due to the purchase of a replacement air compressor and probe for Jenny Lind WTP.
- **Line 40 Headworks/Solids Removal Rep** is trending over budget due to increased bio-solids disposal.
- **Line 41 HVAC** is trending over budget due to HVAC repairs, heater, and ESA renewal.
- **Line 42 Mixers** is trending over budget due to two mixer purchases.
- **Line 51 Fire Ext. Testing Cust. Base** are trending over budget due to timing of services.
- **Line 54 Uniform Launder** is trending over budget due to a budgeting input error and will be adjusted correctly for next fiscal year.
- **Line 60 Backflow Device Testing** is trending over budget due to delinquent backflow testing.
- **Line 63 Pave/Seal/Asphalt Repair** is trending over due to emergency repair paving in October 2025.
- **Line 69 Computer Lic Maint Contracts** is trending over budget due to increased costs for Sentryx
- **Line 70 Janitorial Services** is over budget due to staff coding error. Finance will make the corrections.
- **Line 71 Laboratory Services** are trending over budget. Finance will continue to monitor.
- **Line 92 Other Travel Costs** is trending over budget due to mileage and parking reimbursement for staff seminars.
- **Line 98 State Water and Sewer Fees** is trending over budget due to the timing of annual fees paid in December.



**Calaveras County Water District
Budget Status Report (Unaudited)
For the Period July 1, 2025 - March 31, 2026**

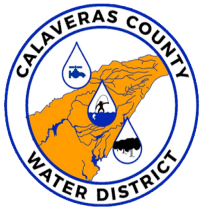
		A	B	C	D	E
Department 56 General Management		FY 2024-25 Months 1-9 Actual	FY 2025-26 Months 1-9 Actual	FY 2025-26 Adopted Budget	Over / (Under) Budget	FY 2025-26 YTD Target 75.0%
1	O&M Expenses					
2	Salaries and Benefits					
3	60000 Salaries/Wages	\$ 515,598	\$ 524,332	\$ 734,102	\$ 209,770	71.4%
4	60005 Payouts	43,078	45,874	43,001	(2,873)	106.7%
5	60010 On Call Pay	-	-	-	-	0.0%
6	60015 Standby Pay	-	-	-	-	0.0%
7	60030 Overtime	565	15	1,500	1,485	1.0%
8	60035 CTO Payout	-	-	3,800	3,800	0.0%
9	60100 Benefits	158,559	159,607	210,136	50,529	76.0%
10	60110 Retirement Expense	51,577	53,087	81,191	28,104	65.4%
11	60115 CalPERS UAL	18,320	35,653	32,908	(2,745)	108.3%
12	60117 Retiree Health Benefit	2,375	2,250	3,000	750	75.0%
13	Total Salaries and Benefits	790,073	820,818	1,109,638	288,820	74.0%
14	Materials & Supplies					
15	60310 Materials and Supplies	5,752	6,231	11,700	5,469	53.3%
16	60314 Uniforms - New	19,944	15,971	22,000	6,029	72.6%
17	60320 Safety Materials and Supples	689	20,311	61,500	41,189	33.0%
18	60390 Admin. Technologies/Comm	1,751	2,554	4,400	1,846	58.0%
19	Total Materials & Supplies	28,136	45,066	99,600	54,534	45.2%
20	Outside Services					
21	60420 Drug and Alcohol Testing	4,672	2,820	5,000	2,180	56.4%
22	60429 Recruiting	13,725	11,595	29,751	18,156	39.0%
23	60431 Computer Lic Maint Contracts	-	700	700	-	100.0%
24	60480 Rental (Non Vehicle and Equip)	250	-	-	-	0.0%
25	Total Outside Services	18,647	15,115	35,451	20,336	42.6%
26	Legal					
27	60505 Outside Legal Fees	46,580	76,081	120,000	43,919	63.4%
28	Total Legal	46,580	76,081	120,000	43,919	63.4%
29	Professional Services					
30	60541 Advertising/Publicity	-	247	1,500	1,253	16.5%
31	60590 Professional Services	86,317	68,019	124,800	56,781	54.5%
32	Total Professional Services	86,317	68,266	126,300	58,034	54.1%
33	Office Expenses					
34	60700 Forms and Supplies	21	964	1,400	436	68.8%
35	60730 Publications/Subscriptions	1,410	1,188	1,400	212	84.8%
36	60732 Memberships and Dues	50,576	57,365	48,176	(9,189)	119.1%
37	Total Office Expenses	52,007	59,516	50,976	(8,540)	116.8%
38	Travel and Training					
39	60810 Training Conf and Travel	16,561	22,884	30,700	7,816	74.5%
40	60820 Other Travel Costs	1,448	844	751	(93)	112.4%
41	Total Travel and Training	18,009	23,728	31,451	7,723	75.4%
42	Misc. Operating Expense					
43	61409 Unemployment Claims	6,427	5,400	36,000	30,600	15.0%
44	Total Misc. Operating Expense	6,427	5,400	36,000	30,600	15.0%
45	Misc. Non-Operating					
46	60715 Late Fees and Other Penalties	1,400	746	13,100	12,354	5.7%
47	Total Misc. Non-Operating	1,400	746	13,100	12,354	5.7%
48	Total General Management Expenses	\$ 1,047,596	\$ 1,114,736	\$ 1,622,516	\$ 507,780	68.7%

Schedule 5: Department 56 – General Management

Schedule 5 displays financial reporting information for the General Management Department during fiscal year (FY) 26. Column (A) represents year-to-date (YTD) activity for the prior year, FY 25. Column (B) displays YTD activity for FY 26 as of the end of the reporting month. Column (C) displays the FY 26 adopted budget. Column (D) compares YTD activity to the adopted budget for FY 26 and column (E) represents the YTD activity as a percentage of the adopted budget.

General Management Expenses – Total general management expense is at 68.7% of budget.

- **Line 4 Payouts** is trending over budget due to timing of payouts in December 2025.
- **Line 11 CalPERS UAL** is trending over budget due to the timing of payments.
- **Line 16 Uniforms - New** is trending over budget due to an annual shirt order early in the fiscal year.
- **Line 23 Computer Lic Maint Contracts** is trending over budget due to the timing of payments.
- **Line 35 Publications/Subscriptions** is trending over budget due to water code updates and leak adjustment notices.
- **Line 36 Memberships and Dues** is trending over budget due to CalPERLA not being budgeted originally.
- **Line 40 Other Travel Costs** is trending over budget due to mileage and parking reimbursements for staff seminars.



**Calaveras County Water District
Budget Status Report (Unaudited)
For the Period July 1, 2025 - March 31, 2026**

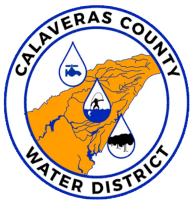
		A	B	C	D	E
Department 57 Board of Directors		FY 2024-25 Months 1-9 Actual	FY 2025-26 Months 1-9 Actual	FY 2025-26 Adopted Budget	Over / (Under) Budget	FY 2025-26 YTD Target 75.0%
1	Director Costs					
2	60000 Salaries/Wages	\$ 22,320	\$ 26,760	\$ 43,200	\$ 16,440	61.9%
3	60100 Benefits	61,916	123,702	176,503	52,801	70.1%
4	60310 Materials and Supplies	670	2,311	3,751	1,440	61.6%
5	60390 Admin. Technologies/Comm.	-	15	3,000	2,985	0.5%
6	60810 Training Conf and Travel	15,087	23,489	25,000	1,511	94.0%
7	60820 Other Travel Costs	4,096	6,328	4,900	(1,428)	129.2%
8	78200 Calaveras County Fees	2,155	-	5,000	5,000	0.0%
9	Total Board of Directors Expenses	\$ 106,243	\$ 182,605	\$ 261,354	\$ 78,749	69.9%

Schedule 6: Department 57 – Board of Directors

Schedule 6 displays financial reporting information for the Board of Directors during fiscal year (FY) 26. Column (A) represents year-to-date (YTD) activity for the prior year, FY 25. Column (B) displays YTD activity for FY 26 as of the end of the reporting month. Column (C) displays the FY 26 adopted budget. Column (D) compares YTD activity to the adopted budget for FY 26 and column (E) represents the YTD activity as a percentage of the adopted budget.

Board of Directors Expenses – Total Board of Directors expense is at 69.9% of budget.

- **Line 6 Training Conf and Travel** is trending over budget due to timing of staff conferences and seminars.
- **Line 7 Other Travel Costs** is trending over budget due to higher than anticipated reimbursements.



**Calaveras County Water District
Budget Status Report (Unaudited)
For the Period July 1, 2025 - March 31, 2026**

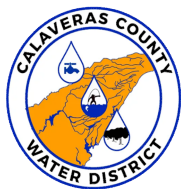
		A	B	C	D	E
	Department 58 Engineering	FY 2024-25 Months 1-9 Actual	FY 2025-26 Months 1-9 Actual	FY 2025-26 Adopted Budget	Over / (Under) Budget	FY 2025-26 YTD Target 75.0%
1	O&M Expenses					
2	Salaries and Benefits					
3	60000 Salaries/Wages	\$ 634,679	\$ 674,933	\$ 1,036,946	\$ 362,013	65.1%
4	60005 Payouts	26,283	15,021	26,301	11,280	57.1%
5	60010 On Call Pay	-	-	-	-	0.0%
6	60015 Standby Pay	300	-	1,000	1,000	0.0%
7	60030 Overtime	13,591	31,020	6,500	(24,520)	477.2%
8	60035 CTO Payout	18,220	3,632	24,300	20,668	14.9%
9	60100 Benefits	193,939	193,203	369,450	176,247	52.3%
10	60110 Retirement Expense	65,898	71,299	110,736	39,437	64.4%
11	60115 CalPERS UAL	23,242	34,352	40,441	6,089	84.9%
12	60117 Retiree Health Benefit	7,495	9,373	7,680	(1,693)	122.0%
13	Total Salaries and Benefits	983,648	1,032,834	1,623,354	590,520	63.6%
14	Materials & Supplies					
15	60310 Materials and Supplies	483	3,886	2,000	(1,886)	194.3%
16	60312 Safety Eq Repl Consumables	178	789	-	(789)	0.0%
17	60313 Tools	-	-	7,500	7,500	0.0%
18	60390 Admin. Technologies/Comm	1,439	5,494	8,400	2,906	65.4%
19	Total Materials & Supplies	2,099	10,170	17,900	7,730	56.8%
20	Outside Services					
21	60431 Computer Lic Maint Contracts	51,169	33,636	61,200	27,564	55.0%
22	Total Outside Services	51,169	33,636	61,200	27,564	55.0%
23	Professional Services					
24	60541 Advertising/Publicity	46	-	-	-	0.0%
25	60590 Professional Services	55,997	171,148	625,000	453,852	27.4%
26	Total Professional Services	55,997	171,148	625,000	453,852	27.4%
27	Vehicles and Equipment					
28	60610 Operating Exp Gas and Oil	54	-	-	-	0.0%
29	Total Vehicles and Equipment	54	-	-	-	0.0%
30	Office Expenses					
31	60710 Permits and Licenses	747	-	1,451	1,451	0.0%
32	60730 Publications/Subscriptions	-	100	151	51	66.2%
33	60732 Memberships and Dues	1,065	251	6,080	5,829	4.1%
34	60760 Recording/Title Reports	55	56	1,700	1,645	3.3%
35	Total Office Expenses	1,867	406	9,382	8,976	4.3%
36	Travel and Training					
37	60810 Training Conf and Travel	7,370	11,557	27,251	15,694	42.4%
38	60820 Other Travel Costs	28	-	500	500	0.0%
39	Total Travel and Training	7,398	11,557	27,751	16,194	41.6%
40	Capital Equipment					
41	75200 Equipment Purchased	3,350	-	-	-	0.0%
42	Total Capital Equipment	3,350	-	-	-	0.0%
43	Total Engineering Expenses	\$ 1,105,627	\$ 1,259,751	\$ 2,364,587	\$ 1,104,836	53.3%

Schedule 7: Department 58 - Engineering

Schedule 7 displays financial reporting information for the Engineering Department during fiscal year (FY) 26. Column (A) represents year-to-date (YTD) activity for the prior year, FY 25. Column (B) displays YTD activity for FY 26 as of the end of the reporting month. Column (C) displays the FY 26 adopted budget. Column (D) compares YTD activity to the adopted budget for FY 26 and column (E) represents the YTD activity as a percentage of the adopted budget.

Engineering Expenses – Total engineering expense is at 53.3% of budget.

- **Line 7 Overtime** is trending over budget due to inspectors working with contractors on the A-B Transmission project.
- **Line 11 CalPERS UAL** is trending over budget due to the timing of payments.
- **Line 12 Retiree Health Benefit** is trending over budget due to the timing of paying one month in advance.
- **Line 15 Materials and Supplies** is trending over budget due to coding error. Finance will make the corrections.



**Calaveras County Water District
Budget Status Report (Unaudited)
For the Period July 1, 2025 - March 31, 2026**

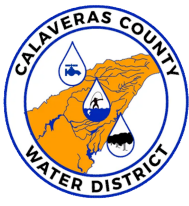
		A	B	C	D	E
Department 59 Administrative Services		FY 2024-25 Months 1-9 Actual	FY 2025-26 Months 1-9 Actual	FY 2025-26 Adopted Budget	Over / (Under) Budget	FY 2025-26 YTD Target 75.0%
1	O&M Expenses					
2	Salaries and Benefits					
3	60000 Salaries/Wages	\$ 716,979	\$ 621,205	\$ 1,003,048	\$ 381,843	61.9%
4	60005 Payouts	8,824	-	12,300	12,300	0.0%
5	60010 On Call Pay	-	-	-	-	0.0%
6	60015 Standby Pay	-	-	-	-	0.0%
7	60030 Overtime	2,346	2,089	6,000	3,911	34.8%
8	60035 CTO Payout	699	167	500	333	33.4%
9	60100 Benefits	266,632	226,481	447,251	220,770	50.6%
10	60110 Retirement Expense	79,822	57,503	112,819	55,316	51.0%
11	60115 CalPERS UAL	24,512	28,194	42,730	14,536	66.0%
12	60117 Retiree Health Benefit	8,350	6,595	7,800	1,205	84.6%
13	Total Salaries and Benefits	1,108,164	942,233	1,632,448	690,215	57.7%
14	Materials & Supplies					
15	60310 Materials and Supplies	425	142	251	109	56.4%
16	60390 Admin. Technologies/Comm	27,398	24,806	27,800	2,994	89.2%
17	Total Materials & Supplies	27,823	24,947	28,051	3,104	88.9%
18	Outside Services					
19	60410 Service Maintenance Contracts	82,611	14,728	128,558	113,830	11.5%
20	60431 Computer Lic Maint Contracts	86,326	68,128	44,180	(23,948)	154.2%
21	Total Outside Services	168,937	82,856	172,738	89,882	48.0%
22	Professional Services					
23	60510 Accounting/Auditing	7,310	42,400	50,400	8,000	84.1%
24	60590 Professional Services	164,731	198,196	308,580	110,384	64.2%
25	Total Professional Services	172,041	240,596	358,980	118,384	67.0%
26	Office Expenses					
27	60700 Forms and Supplies	142	798	751	(47)	106.2%
28	60720 Postage	6,819	5,942	12,500	6,558	47.5%
29	60732 Memberships and Dues	445	260	990	730	26.3%
30	60780 Printing	-	-	500	500	0.0%
31	Total Office Expenses	7,406	7,000	14,741	7,741	47.5%
32	Travel and Training					
33	60810 Training Conf and Travel	6,493	1,708	18,500	16,792	9.2%
34	60820 Other Travel Costs	-	90	251	161	36.0%
35	Total Travel and Training	6,493	1,798	18,751	16,953	9.6%
36	Operating Fees					
37	61485 Third Party Payment Processing	307,862	466,295	522,743	56,448	89.2%
38	60715 Late Fees and Other Penalties	600	4	-	(4)	0.0%
39	Total Operating Fees	308,462	466,299	522,743	56,445	89.2%
40	Bad Debt					
41	61310 Bad Debt Expense	46,188	27,153	54,000	26,847	50.3%
42	Total Bad Debt	46,188	27,153	54,000	26,847	50.3%
43	Misc. Operating Expenses					
44	61315 Rate Assistance Program	36,453	41,825	60,000	18,175	69.7%
45	61490 Misc. Operating Expense	10	61	-	(61)	0.0%
46	Total Misc. Operating Expenses	36,463	41,886	60,000	18,114	69.8%
47	Misc. Non-Operating Expenses					
48	78990 Misc Non-Operating Costs	10	-	-	-	0.0%
49	Total Misc. Non-Operating Expenses	10	-	-	-	0.0%
50	Capital Equipment					
51	75200 Equipment Purchased	-	22,009	-	(22,009)	0.0%
52	Total Capital Equipment	-	22,009	-	(22,009)	0.0%
53	Transfers Out					
54	79100 Transfers Out	990	4,049,991	5,752,882	1,702,891	70.4%
55	Total Transfers Out	990	4,049,991	5,752,882	1,702,891	70.4%
56	Total Administrative Services Expenses	\$ 1,882,977	\$ 5,906,767	\$ 8,615,334	\$ 2,708,567	68.6%

Schedule 8: Department 59 – Administrative Services

Schedule 8 displays financial reporting information for the Administrative Services Department during fiscal year (FY) 26. Column (A) represents year-to-date (YTD) activity for the prior year, FY 25. Column (B) displays YTD activity for FY 26 as of the end of the reporting month. Column (C) displays the FY 26 adopted budget. Column (D) compares YTD activity to the adopted budget for FY 26 and column (E) represents the YTD activity as a percentage of the adopted budget.

Administrative Services Expenses – Total administrative services expense is at 68.6% of budget.

- **Line 12 Retiree Health Benefit is** trending over budget due to the timing of paying one month in advance.
- **Line 16 Admin. Technologies/Comm** is trending over budget due to the purchase of Spare SSD Servers.
- **Line 20 Computer Lic Maint Contracts** is trending over budget due to the timing of contract payments early in the fiscal year and IT Security Software that was purchased and will need to be considered for FY 27's budget.
- **Line 23 Accounting/Auditing** is trending over budget due to the timing of the annual audit.
- **Line 27 Forms and Supplies** is trending over budget due to the purchase of door hangers.
- **Line 37 Third Party Payment Processing is** trending over budget due to the Credit Card and Tyler Convenience Fees paid. This is offset by the revenue account "Miscellaneous Operating Revenue". These costs should start slowing down due to the new fee agreement recently signed with Global Payments. There are no customer fees collected through the lockbox payment service.



**Calaveras County Water District
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		A	B	C	D	E
Department 60 Water Resources		FY 2024-25 Months 1-9 Actual	FY 2025-26 Months 1-9 Actual	FY 2025-26 Adopted Budget	Over / (Under) Budget	FY 2025-26 YTD Target 75.0%
1	O&M Expenses					
2	Salaries and Benefits					
3	60000 Salaries/Wages	\$ 121,310	\$ 172,098	\$ 240,867	\$ 68,769	71.4%
4	60005 Payouts	-	-	501	501	0.0%
5	60010 On Call Pay	-	-	-	-	0.0%
6	60015 Standby Pay	-	-	-	-	0.0%
7	60030 Overtime	568	-	1,500	1,500	0.0%
8	60035 CTO Payout	810	777	-	(777)	0.0%
9	60100 Benefits	34,475	58,062	87,727	29,665	66.2%
10	60110 Retirement Expense	9,132	13,699	19,129	5,430	71.6%
11	60115 CalPERS UAL	255	550	746	196	73.8%
12	60117 Retiree Health Benefit	1,160	1,440	1,920	480	75.0%
13	Total Salaries and Benefits	167,710	246,625	352,390	105,765	70.0%
14	Materials & Supplies					
15	60310 Materials and Supplies	27	51	1,500	1,449	3.4%
16	60312 Safety Eq Repl Consumables	-	-	200	200	0.0%
17	60390 Admin. Technologies/Comm	-	2,031	1,500	(531)	135.4%
18	Total Materials & Supplies	27	2,081	3,200	1,119	65.0%
19	Outside Services					
20	60431 Computer Lic Maint Contracts	-	1,650	700	(950)	235.7%
21	Total Outside Services	-	1,650	700	(950)	235.7%
22	Legal					
23	60505 Outside Legal Fees	68,072	28,335	230,000	201,665	12.3%
24	Total Legal	68,072	28,335	230,000	201,665	12.3%
25	Professional Services					
26	60541 Advertising/Publicity	93	47	3,000	2,953	1.6%
27	60545 Public Outreach	-	816	-	(816)	0.0%
28	60590 Professional Services	217,619	619,659	610,000	(9,659)	101.6%
29	Total Professional Services	217,712	620,522	613,000	(7,522)	101.2%
30	Office Expenses					
31	60732 Memberships and Dues	65,564	81,066	57,100	(23,966)	142.0%
32	60780 Printing	227	-	-	-	0.0%
33	Total Office Expenses	65,791	81,066	57,100	(23,966)	142.0%
34	Travel and Training					
35	60810 Training Conf and Travel	3,713	4,034	5,500	1,466	73.4%
36	60820 Other Travel Costs	96	281	500	219	56.2%
37	Total Travel and Training	3,809	4,315	6,000	1,685	71.9%
38	Purchased Water					
39	61100 Purchased Water	-	-	-	-	0.0%
40	Total Purchased Water	-	-	-	-	0.0%
41	Operating Fees					
42	61430 Federal Dam and Admin Fees	594,808	378,295	781,224	402,929	48.4%
43	61435 State/Federal/County Fees	63,679	121,128	155,663	34,535	77.8%
44	Total Operating Fees	658,487	499,423	936,887	437,464	53.3%
45	Misc. Operating Expenses					
46	61150 New Hogan Op/Maint Expense	-	426,186	474,000	47,814	89.9%
47	61450 Mandated Plans	-	27,115	284,080	256,965	9.5%
48	61455 Water Conservation	1,500	2,000	4,000	2,000	50.0%
49	Total Misc. Operating Expenses	1,500	455,301	762,080	306,779	59.7%
50	Capital Equipment					
51	75300 Materials - Projects	-	1,050	-	(1,050)	0.0%
52	Total Capital Equipment	-	1,050	-	(1,050)	0.0%
53	Total Water Resources Expenses	\$ 1,183,108	\$ 1,940,369	\$ 2,961,357	\$ 1,020,988	65.5%

Schedule 9: Department 60 – Water Resources

Schedule 9 displays financial reporting information for the Water Resources Department during fiscal year (FY) 26. Column (A) represents year-to-date (YTD) activity for the prior year, FY 25. Column (B) displays YTD activity for FY 26 as of the end of the reporting month. Column (C) displays the FY 26 adopted budget. Column (D) compares YTD activity to the adopted budget for FY 26 and column (E) represents the YTD activity as a percentage of the adopted budget.

Water Resources Expenses – Total water resource expense is at 65.5% of budget.

- **Line 17 Admin. Technologies/Comm** is trending over budget due to the purchase of a new computer.
- **Line 20 Computer Lic Maint Contracts** is trending over budget due to the Parcel Quest subscription and will be accounted for in FY 27's budget.
- **Line 28 Professional Services** is trending over budget due to project management costs for the 13020 Doud's Landing Fuel break, however, these costs are reimbursable.
- **Line 31 Memberships and Dues** are trending over budget due to the timing of the annual renewal of the ESJGWA Membership.
- **Line 46 New Hogan Op/Maint Expense** is trending over budget due to the timing of the payment early in the fiscal year.

CCWD - Fund Cash Balance Report
As of March 31, 2026

Fund	Description	Audited	Transactions	Unaudited
		6/30/2025	FY25-26	3/31/2026
300	Water Fund	4,600,586.08	(4,523,137.38)	77,448.70
302	Slurry Line	5,817.33	1,272.89	7,090.22
306	Water-Admin Replacement	25,053.32	11,719.75	36,773.07
308	Water - Interest Reserve	8,698,997.61	515,823.14	9,214,820.75
320	CIP - Water	(222,171.45)	200,097.77	(22,073.68)
321	CIP Loan II - Water	-	11,791,499.33	11,791,499.33
323	CIP Loan - Water	9,784,121.55	(4,260,166.46)	5,523,955.09
325	Capital R&R - Water	4,232,612.31	2,757,916.97	6,990,529.28
327	USDA RD AMI/AMR	122,783.40	(169,764.58)	(46,981.18)
344	Water Expansion Fund - West Point	331,387.86	7,333.70	338,721.56
354	Water Expansion Fund - Ebbetts Pass	931,168.40	39,480.13	970,648.53
356	Water Expansion Fund - Sheep Ranch	26,739.79	591.76	27,331.55
364	Water Expansion Fund - Jenny Lind	870,998.25	169,633.94	1,040,632.19
374	Water Expansion Fund - Copper Cove	3,682,902.53	393,331.18	4,076,233.71
394	Water Expansion Fund - Wallace	19,133.03	423.43	19,556.46
400	Hydro Fund	460,681.99	(144,442.18)	316,239.81
408	Hydropower - Interest Reserve	2,457,053.78	54,375.22	2,511,429.00
500	Sewer Fund	(613,190.16)	(383,821.34)	(997,011.50)
506	Sewer - Admin Replacement	8,897.52	2,850.04	11,747.56
508	Sewer - Interest Reserve	2,055,889.36	165,892.79	2,221,782.15
520	CIP - Sewer	1,679,804.35	(752,125.56)	927,678.79
523	CIP Loan - Sewer	2,688,973.59	(478,901.10)	2,210,072.49
525	Capital R&R - Sewer	3,686,826.95	1,216,671.76	4,903,498.71
527	USDA Loan Arnold WWTP Improvements	-	10,008,037.38	10,008,037.38
540	Sewer Expansion Fund - Forest Meadows	436,061.98	9,650.17	445,712.15
542	Sewer Expansion Fund - Big Trees Village	12,672.87	280.47	12,953.34
544	Sewer Expansion Fund - Arnold	845,498.94	10,842.33	856,341.27
546	Sewer Expansion Fund - Vallecito	1,244,695.94	27,545.45	1,272,241.39
548	Sewer Expansion Fund - Six Mile Village	27,493.64	608.46	28,102.10
554	Sewer Expansion Fund - West Point	907,482.72	20,082.82	927,565.54
564	Sewer Expansion Fund - La Contenta	498,439.34	(11,688.66)	486,750.68
565	Sewer Expansion Fund - Southworth	294,436.28	6,515.96	300,952.24
584	Sewer Expansion Fund - Copper Cove	2,928,887.97	295,832.37	3,224,720.34
594	Sewer Expansion Fund - Wallace	19,133.03	423.43	19,556.46
722	Assessment District - West Point Acres	16,061.04	355.44	16,416.48
732	Assessment District - Wilseyville	5.57	0.13	5.70
752	Assessment District - Arnold	38,202.14	849.71	39,051.85
812	Assessment District - La Contenta (604)	87,934.74	21,379.31	109,314.05
832	Assessment District - Saddle Creek	123,156.25	5,558.22	128,714.47
842	Assessment District - DaLee/Cassidy	-	(3,147.00)	(3,147.00)
852	Assessment District - Fly In Acres	-	8,537.53	8,537.53
862	Assessment District - Wallace	59,344.05	(47,054.70)	12,289.35
915	CCWD PFA - Water	-	-	-
920	Advance Grant Fund	4,819.64	106.66	4,926.30
	TOTAL	53,079,393.53	16,971,270.68	70,050,664.21

Fund Activity Report as of 03.31.26

	Water Fund	Hydro Fund	Sewer Fund
Revenue	16,964,571.20	949,357.82	7,964,339.11
Expenditure	(18,450,840.29)	(1,043,840.67)	(7,855,771.66)
Net Fund Activity	(1,486,269.09)	(94,482.85)	108,567.45

Capital Improvement Program
Schedule of Cash Flow - Water Projects
FY 2025-26 thru FY 2029-30

Project No	Fund	Water Projects Project Description	Project Budget	Expenses to Date	Projected Balance	FY 25-26 YTD Expenditures	FY 25-26 Remaining Balance	Cash Flow				
								FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
Copper Cove												
11083C	323	Copper Cove Tank B/Clearwell	8,600,000	7,906,251	693,749	815,832	184,168	1,000,000	-			
11104	321	Lake Tulloch Intertie Project	7,500,000	446,211	7,053,789	104,862	145,138	250,000	-	2,250,000	4,500,000	
11122	321	Copper C Tank Trans Pipeline	10,000,000	5,510,832	4,489,168	4,934,324	2,365,676	7,300,000	4,500,000			
11136	325	CC WTP Filter Rehabilitation Project	600,000	-	600,000	-	726,270	726,270				
Ebbetts Pass												
11083S	321	Ebbetts Pass Sawmill Tank	3,560,000	363,589	3,196,411	66,280	58,720	125,000	3,000,000			
11103	325/Grant	Hunters Raw Water Pumps (Hazard Mitigation)	3,600,000	213,787	3,386,213	488	3,249,512	3,250,000	-			
11108	354/325	Big Trees Pump Stations 4 & 5 Replacement	3,000,000	19,673	2,980,327	13,757	61,243	75,000	500,000	2,000,000	500,000	
11115		Ebbetts Pass Larkspur PS Rehab / Electrical	1,500,000	-	1,500,000	-	-		250,000	1,250,000		
11135	325/Grant	Timber Trails Redwood Water Storage Tank & P/S	3,500,000	2,664	3,497,336	-	500,000	500,000	1,500,000	1,500,000		
Jenny Lind / Wallace												
11088	323	Jenny Lind A-B Transmission Main	13,500,000	9,300,679	4,199,321	2,694,018	2,442,092	5,136,110	-			
11119		Jenny Lind Tanks A Replacement	3,000,000	-	3,000,000	-	-	-	500,000	2,500,000		
11083W	323	Wallace Tanks	1,700,000	273,669	1,500,000	45,770	(20,770)	25,000	1,350,000			
West Point / Wilseyville / Vallecito												
11106		West Point Backup Filter	3,000,000	2,960,566	39,434	97,813	(97,813)	-	-			
11134	325	West Point Regulator Repair/Tule Removal	200,000	-	200,000	-	200,000	200,000	-			
11129	325/Grant	West Point Drought Water Supply	4,700,000	430,605	4,269,395	116,344	2,383,656	2,500,000	5,000,000	900,000		
		Total Water Projects	\$ 67,960,000	\$ 27,428,526	\$ 40,605,143	\$ 8,889,488	\$ 12,197,892	\$ 21,087,380	\$ 16,600,000	\$ 10,400,000	\$ 5,000,000	\$ -

Capital Improvement Program
Schedule of Cash Flow - Wastewater Projects
FY 2025-26 thru FY 2029-30

Project No.	Fund	Wastewater Projects Project Description	Project Budget	Expenses to Date	Project Balance	FY 25-26 YTD Expenditures	FY 25-26 Remaining Balance	Cash Flow				
								FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
Arnold / Forest Meadows												
15095	527	Arnold Secondary Clarifier/WWTP Improvements	10,300,000	957,040	9,342,960	156,064	2,018,936	2,175,000	5,735,000	1,500,000		
Copper Cove												
15094T	523	CC SAF, Tertiary	2,247,410	2,300,414	(53,004)	520,688	766,722	1,287,410	-			
15112	584/525	CC Pond 6 Enlargement	4,543,810	179,032	4,364,779	36,732	1,801,364	1,838,096	1,838,096			
15116		CC Lower/Upper X-Country Gravity/Force Main	3,250,000	-	3,250,000	-	-		-	500,000	2,750,000	
La Contenta/Wallace												
15097	525	LC Biolac, Clarifier	15,000,000	778,339	14,221,661	210,081	85,419	295,500				
15092B	564/525	Huckleberry Lift Station Improvements	6,000,000	346,076	5,653,925	17,727	42,273	60,000	2,000,000	3,600,000		
TBD		Southworth Treatment Plant Improvements	180,000	-	180,000	-	-				180,000	
West Point / Wilseyville / Vallecito												
15091	Grant	West Point/Wilseyville Consolidation Project	10,000,000	9,406,561	593,439	944,534	(244,534)	700,000	-			
TBD		West Point Septic Tank Replacements	500,000	-	500,000	-	-	-			300,000	200,000
Other												
15109	525	Collections System Rehab and I&I Mitigation	900,000	212,074	687,926	732	149,268	150,000	150,000	150,000	150,000	150,000
Total Wastewater Projects			\$ 56,921,220	\$ 14,631,765	\$ 42,289,455	\$ 1,886,559	\$ 4,619,447	\$ 6,506,006	\$ 9,723,096	\$ 5,750,000	\$ 4,180,000	\$ 1,850,000
TOTAL WATER & WASTEWATER PROJECTS			\$ 124,881,220	\$ 42,060,291	\$ 82,894,598	\$ 10,776,047	\$ 16,817,339	\$ 27,593,386	\$ 26,323,096	\$ 16,150,000	\$ 9,180,000	\$ 1,850,000

3b

A G E N D A
I T E M

3b

Agenda Item

DATE: April 28th, 2026

TO: Michael Minkler, General Manager

FROM: Damon Wyckoff, Director of Operations

SUBJECT: Discussion Regarding CCWDs Adoption of an Updated Contract with Websoft Developers/Springbrook for the Use of Mobile MMS

RECOMMENDED ACTION:

Discussion to work to provide concurrence for the adoption of an updated contract with Websoft Developers for the continued use of Mobile MMS.

SUMMARY:

Websoft Developers, Inc. is the creator of our Asset Management Software, Mobile Maintenance Management Solutions (Mobile MMS). Mobile MMS is a user-friendly, GIS-based asset management software that allows staff to create work orders and service requests that are tied to CCWD infrastructure (assets). Staff can then analyze the information related to assets and work orders within Mobile MMS in a myriad of fashions.

For example, if you want to track the number of new service line installs in a certain service area, for a given period, you can. If you want to track the number of corrective work orders for a certain wastewater lift station, you can. You can then export this data to a spreadsheet to manipulate however you see fit.

Mobile MMS has become an integral part of field operations and plays a critical role in linking Ops and Customer Service centered around customer support. Over time, the Mobile MMS Team has provided additional support to CCWD for a myriad of other items across multiple departments. MMS developed a meter swap and new meter install protocol, corrected multiple map issues, developed construction hydrant meter deployment WO's, integrated BIT and vehicle inspections into the system, Completed the District's Lead Service Line Inventory (Regulatory Requirement), Incorporated the use of shop inventory into the system, and developed automated Heat Illness Safety Updates. Mobile MMS has become indispensable in providing accountability for Staff and a record of O, M, & R that can be used in perpetuity.

In the Summer of 2025, Springbrook acquired Websoft Developers. While the cost associated with utilizing the software, The Mobile MMS Team, its flexibility, and its functionality will not change, Springbrook is requesting Websoft updates its contracts with its clients Identifying Springbrook as the owner of Mobile MMS. As a result, Websoft has requested CCWD to enter into a new Professional Services Agreement with Springbrook for Mobile MMS-based services. The essential services associated with Mobile MMS will not change. The contract update, which is for three years, does add definitions and additional terms such as Cloud Service Terms and Conditions. The District's Counsel reviewed the contract with Staff and worked with Springbrook to craft amendments to the agreement that are acceptable for the District (see Attachments). Overall, the Agreement is acceptable to CCWD.

In conclusion, and in consideration of the key role Mobile MMS plays in CCWDs day-to-day field operation, Staff recommend the Board approve the adoption of an updated contract with Springbrook.

STRATEGIC PLAN INITIATIVES:

FR-06 Commit to responsible financial decisions during our day-to-day operations.

O1-01 Ensure our infrastructure is operated and maintained to fully realize its expected life span.

O1-0 Implement preventative, predictive, and corrective maintenance plans to ensure safe and reliable operations.

O1-03 Develop Standard Operating Procedures (SOPs) and improve technology that will create efficiencies, reduce costs and risks, and ensure consistency throughout the District.

O1-04 Rehabilitate or replace aging infrastructure to increase reliability, capacity, and efficiencies.

O1-07 Communicate on the District's operational efforts to effectively deliver water and wastewater services.

FINANCIAL CONSIDERATIONS:

None at this time. The agreement ends in September. The annual payment for service is \$40,232.00 year one, with a 7.25% increase for years two and three. Year three's cost would be \$46,277.11.

Attachments: Current Websoft Contract. Proposed Amended Springbrook Mobile MMS Contract.

Professional Services Agreement
with
Calaveras County Water District
PO Box 846 – 120 Toma Court
San Andreas, CA 95249
Telephone 209-754-3543 Fax 209-754-1120

The terms on subsequent pages are incorporated in this document and will constitute a part of the agreement between the parties when signed.

To:

Websoft Developers, Inc.
Attn: Manoj Desai, P.E.
2020 Research Park Drive, Suite 140
Davis, CA 95618

Phone: (916) 501-1590

e-mail: Manoj.Desai@websoftdev.com

Date: August 29, 2019

Agreement No. 2019-UTL-001
Purchase Order No.

The undersigned Consultant offers to furnish the following: Provide the District with licensing of the MobileMMS product, a Computerized Maintenance Management System, and professional technical services for the implementation of the MobileMMS for utilization within the day-to-day operational activities of the Calaveras County Water District in accordance with the Proposal dated August 8, 2019, attached hereto and incorporated herein as Attachment A.

Contract Price: Not to exceed \$ 130,000, at the rates specified in Attachment A.


Completion Date:  **October 1, 2022**


For Technical Direction by Calaveras County Water District: Damon Wyckoff, Director of Operations, or designee.

For Direction by Consultant: Manoj Desai, President

Accepted: Calaveras County Water District

Consultant: Websoft Developers, Inc.

By: 
Michael Minkler
General Manager

By: 
Manoj Desai, P.E.
President

Date: August 29, 2019

Date: 9/12/19, 2019

Consultant agrees with Calaveras County Water District that:

- a. Hold-Harmless. When the law establishes a professional standard of care for the Consultant's services, to the fullest extent permitted by law, Consultant will defend, indemnify and hold harmless Calaveras County Water District, its directors, officers, employees, and authorized volunteers from all claims and demands of all persons that arise out of, pertain to, or relate to the Consultant's negligence, recklessness, or willful misconduct in the performance (or actual or alleged non-performance) of the work under this agreement. Consultant shall defend itself against any and all liabilities, claims, losses, damages, and costs arising out of or alleged to arise out of Consultant's performance or non-performance of the work hereunder, and shall not tender such claims to Calaveras County Water District nor to its directors, officers, employees, or authorized volunteers, for defense or indemnity.
- b. Indemnification. Other than in the performance of professional services, to the fullest extent permitted by law, Consultant will defend, indemnify and hold harmless Calaveras County Water District, its directors, officers, employees and authorized volunteers from all claims and demands of all persons arising out the negligent or reckless performance of the work or furnishing of materials; including but not limited to, claims by the Consultant or Consultant's employees for damages to persons or property except for the sole negligence or willful misconduct or active negligence of Calaveras County Water District, its directors, officers, employees, or authorized volunteers.
- c. Workers Compensation. By his/her signature hereunder, Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and that Consultant will comply with such provisions before commencing the performance of the professional services under this agreement. Consultant and sub-Consultants will keep workers' compensation insurance for their employees in effect during all work covered by this agreement. A sole-proprietor exempt from the requirements to provide such coverage, with no employees or using no sub consultants, shall so certify on the form provided by the District.
- d. Professional Liability. Consultant will file with Calaveras County Water District, before beginning professional services, a certificate of insurance satisfactory to the Calaveras County Water District evidencing professional liability coverage of not less than \$1,000,000 per claim and annual aggregate, requiring 30 days notice of cancellation (10 days for non-payment of premium) to Calaveras County Water District. Coverage is to be placed with a carrier with an A.M. Best rating of no less than A-: VII, or equivalent, or as otherwise approved by Calaveras County Water District. The retroactive date (if any) is to be no later than the effective date of this agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the contract work. Consultant shall purchase a one-year extended reporting period i) if the retroactive date is advanced past the effective date of this Agreement; ii) if the policy is canceled or not renewed; or iii) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement. In the event that the Consultant employs other consultants (sub-consultants) as part of the work covered by this agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.

- e. General Liability. Consultant will file with Calaveras County Water District, before beginning professional services, certificates of insurance satisfactory to Calaveras County Water District evidencing general liability coverage of not less than \$1,000,000 per occurrence (\$2,000,000 general and products-completed operations aggregate (if used)) for bodily injury, personal injury and property damage; auto liability of at least \$1,000,000 for bodily injury and property damage each accident limit; workers' compensation (statutory limits) and employer's liability (\$1,000,000) (if applicable); requiring 30 days (10 days for non-payment of premium) notice of cancellation to Calaveras County Water District. The general liability coverage is to state or be endorsed to state "such insurance shall be primary and any insurance, self-insurance or other coverage maintained by Calaveras County Water District, its directors, officers, employees, or authorized volunteers shall not contribute to it". The general liability coverage shall give Calaveras County Water District, its directors, officers, employees, and authorized volunteers insured status using ISO endorsement CG2010, CG2033, or equivalent. Coverage is to be placed with a carrier with an A.M. Best rating of no less than A- :VII, or equivalent, or as otherwise approved by Calaveras County Water District. In the event that the Consultant employs other consultants (sub-consultants) as part of the work covered by this agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.
- f. Insurance Notification. If any of the required coverages expire during the term of this agreement, the Consultant shall deliver the renewal certificate(s) including the general liability additional insured endorsement to Calaveras County Water District at least ten (10) days prior to the expiration date.
- g. Direction/Orders. Consultant shall not accept direction or orders from any person other than the General Manager or the person(s) whose name(s) is (are) inserted on Page 1 as "other authorized representative(s)," subject to the limitations of paragraph "Changes", below. An Amendment to this Agreement will be issued in writing, incorporating Consultant's scope and mutually agreed-upon price and estimated schedule for completion. A fully executed Revised Purchase Order incorporating the additional/changed scope and price, shall also be issued, with a copy provided to Consultant.
- h. Invoices. Consultant shall submit to the District monthly invoices for time and expenses subject to the contract limitation. Invoices shall reference the Purchase Order and project number shown on the purchase order form. Each invoice shall also include the total invoiced and paid to date, and the remainder outstanding. Invoices received without this information shall be returned to Consultant unpaid, for revision and re-submittal. Invoices shall be submitted to:
- Calaveras County Water District
PO Box 846
San Andreas, CA 95249
- i. Payment. Payment, unless otherwise specified, is to be 30 days after receipt of an invoice deemed acceptable in accordance with paragraph h., above, by Calaveras County Water District and its acceptance in meeting the criteria of this Agreement.

- j. Permits. Permits required by governmental authorities will be obtained at Consultant's expense, and Consultant will comply with applicable local, state, and federal regulations and statutes including Cal/OSHA requirements.
- k. Changes. Any change in the scope of the professional services to be done, method of performance, nature of materials or price thereof, or to any other matter materially affecting the performance or nature of the professional services will not be paid for or accepted unless such change, addition or deletion is approved in advance, in writing by a Agreement Amendment executed by the General Manager of Calaveras County Water District.
- l. Assignment. Consultant shall not assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the express prior written consent of the Calaveras County Water District.
- m. Termination. Either party may terminate this Agreement with ten (10) days prior written notice to the other, and identifying the Consultant's final work date. In the case of such termination Consultant shall provide the Calaveras County Water District a final invoice for work performed and expenses incurred prior to termination within 30 calendar days following the final work date provided in the notice of termination. No additional invoices will be accepted nor charges paid by the Calaveras County Water District after this 30-day final invoicing period.

* * *

RESOLUTION NO. 2019 - 62

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CALAVERAS COUNTY WATER DISTRICT

AUTHORIZING PROFESSIONAL SERVICES AGREEMENT FOR COMPUTERIZED
MAINTENANCE MANAGEMENT SOFTWARE SERVICES

WHEREAS, the District desires to attain a comprehensive maintenance management system;

WHEREAS, funding for the implementation of a Computerized Maintenance Management System (CMMS) was budgeted in the Fiscal Year 2019-20 Budget in Capital Outlay Fund 101-54-7600, and software license and support will need to be allocated in Fiscal Years 2020-2021 and 2021-2022; and

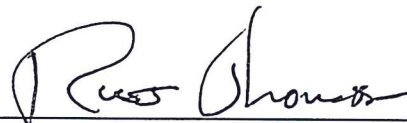
NOW, THEREFORE, BE IT RESOLVED, that the CALAVERAS COUNTY WATER DISTRICT hereby approve the proposal by Websoft Developers, Inc. for professional services to implement a CMMS, attached hereto and made a part hereof;

BE IT FURTHER RESOLVED, the Board of Directors hereby authorizes the General Manager to execute and Professional Services Agreement with Websoft Developers, Inc., for the scope and fee not-to-exceed the amount of \$130,000 over three years; and

PASSED AND ADOPTED this 28th day of August 2019, by the following vote:

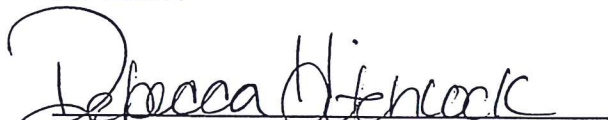
AYES: Directors Davidson, Secada, Ratterman, Underhill, and Thomas
NOES: None
ABSTAIN: None
ABSENT: None

CALAVERAS COUNTY WATER DISTRICT



Russ Thomas
President

ATTEST:



Rebecca Hitchcock, Clerk to the Board



Websoft Developers Inc.
CLOUD SERVICE MASTER AGREEMENT
TERMS AND CONDITIONS

These Terms and Conditions, together with each Order Form entered into by the Parties that references such Terms and Conditions, constitute a binding agreement (“**Agreement**”) by and between Websoft Developers Inc. (“**Websoft**”) and the Customer identified on the Order Form (“**Customer**”). These Terms and Conditions become effective as of the date of the related Order Form or use of the Websoft Services. Each of Websoft and Customer is referred to herein individually as a “**Party**” and collectively as the “**Parties**.”

Use of the Cloud Service, as defined below, is subject to the Agreement. If Customer is entering into the Agreement on behalf of a company, organization, or another legal entity (an “**Entity**”), Customer is agreeing to this Agreement for that Entity and representing to Websoft that it has the authority to bind such Entity to the Agreement.

Recitals

WHEREAS, Websoft has developed an ERP solution for local government agencies that is offered as a SaaS-based cloud service (the “**Cloud Service**”); and

WHEREAS, Customer is interested in obtaining the functionality provided by the Cloud Service;

NOW THEREFORE, in consideration of the mutual promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

Agreement

1. **Definitions.** Certain capitalized terms used in the Agreement shall have the definitions set forth below.
 - (a) **Affiliate:** means an entity that controls, is controlled by or is under common control with a Party to the Agreement, where control means the legal or beneficial ownership of more than fifty percent (50%) of the voting shares of an entity or the ability to direct or cause the direction of management and policies of such entity.
 - (b) **Authorized User:** means one individual natural person, authorized by Customer to use the Cloud Service. Authorized Users may include but are not limited to Customer’s employees, contractors and agents. Each Authorized User will be associated with a single unique email address and password for purposes of accessing (and being identified within) the Cloud Service.
 - (c) **Channel Partner:** means an authorized reseller, distributor, or other channel partner of Websoft from which Customer is able to procure some or all of the Websoft Services.

- (d) **Cloud Software:** means the Websoft proprietary software, in object code format, including Documentation, updates, patch releases, and upgrades with respect thereto, that Websoft makes available for download or otherwise provides for use in connection with the Cloud Service. Cloud Software excludes any OSS and other third-party's software. If and as designated in the Specifications, the Cloud Software may be inclusive of application programming interfaces ("APIs") developed by Websoft to enable interaction and integration with the Cloud Service.
- (e) **Cloud Specifications:** means the online specifications for the Cloud Service, as made available by Websoft at <https://sprbrk.box.com/v/websoft-software-specs> (which URL location and content may be updated from time to time by Websoft).
- (f) **Confidential Information:** means nonpublic, confidential, or proprietary information regarding either Party's business or any aspect of this Agreement, including, without limitation, technology, proprietary data compilations, computer source codes, compiled or object codes, scripted programming statements, byte codes or data codes, entity-relation or workflow diagrams, product plans, pricing, customer information and other technical, financial, marketing and business information. Information that is marked or identified as confidential or proprietary or that would reasonably be considered to be confidential based on the nature of such information and the circumstances under which it is disclosed shall be deemed to constitute Confidential Information. Confidential Information may include confidential or proprietary information of third parties that the Disclosing Party is permitted to disclose, and does disclose, to the Recipient hereunder. Confidential Information may be presented to Recipient in oral, written, graphic, and/or machine-readable formats. Regardless of presentation format, such information will be deemed and treated as Confidential Information. Notwithstanding the above, "Confidential Information" shall not include information that: (i) the Recipient can demonstrate was in its possession at the time of disclosure and was not acquired by the Recipient directly or indirectly from the Disclosing Party on a confidential basis; (ii) becomes available to the Recipient on a non-confidential basis from a source other than Disclosing Party (whether directly or indirectly) and which source to the best of Recipient's knowledge did not acquire the information on a confidential basis; (iii) is approved for release or use without restriction by written authorization of an officer of the Party owning the Confidential Information; (iv) is independently developed by or for the Recipient without use of the Disclosing Party's Confidential Information; (v) subject to mandatory disclosure pursuant to a state's public records laws, or (vi) has become generally available to the public without breach of this Agreement by the Recipient or an affiliate of the Recipient.
- (g) **Customer:** means the entity that purchases a Subscription to the Cloud Service directly from Websoft or through a Channel Partner.
- (h) **Customer Data:** means any and all content, eDocuments, materials, data and information that Customer or its Authorized Users, or others who input data into the Cloud Service, such as citizens of the jurisdiction to which Customer provides services, enter into the Cloud Service including but not limited to, personal information, information exchanged between Customer and an Authorized User or an Authorized User and a third party using the Cloud Service, information used to identify account names or numbers, routing information, usernames, passwords, access codes and prompts.

- (i) **Disclosing Party:** means a Party that discloses Confidential Information to a Recipient.
- (j) **Documentation:** means information describing the features, functionality, operating instructions and other aspects of the Cloud Service or Cloud Software. Information contained on Websoft publicly facing website does not constitute Documentation.
- (k) **Effective Date:** means the date of the first Order Form that is governed by these Terms and Conditions.
- (l) **Fees:** means amounts payable by Customer to Websoft as consideration for the Websoft Services.
- (m) **Intellectual Property Rights:** means any and all rights existing now or in the future under laws relating to patents, copyright, industrial design, moral rights, trade secrets, trademarks, publicity rights, and any and all similar proprietary rights, and any and all applications for registration, letters patent, renewals, extensions, divisions, continuations, reissues, and restorations thereof, now or hereafter in force and effect anywhere in the world.
- (n) **Maintenance and Support Services:** means Websoft obligations related to availability, error resolution, response to support requests, bug fixes, and the provision of updates and upgrades to the Cloud Software or Cloud Service as further described in Exhibit A hereto.
- (o) **Open Source Software or OSS:** means software components that are licensed under a license approved by the Open Source Initiative or similar open source or freeware license and may be embedded in the delivered Cloud Software.
- (p) **Optional Cloud Services:** mean the optional add-ons to the Cloud Service that may be available for purchase either directly from Websoft or through Channel Partner, as more particularly described or identified in the applicable Order.
- (q) **Order Form:** means a purchase document executed by Customer and Websoft in which Customer orders Websoft Services.
- (r) **Order Terms:** means the ordering information (such as order date, products, quantity and similar information) and terms and conditions specified on an Order Form.
- (s) **Personal Information:** means any data that can identify or locate an individual.
- (t) **Professional Services:** means services relating to the Cloud Service, such as implementation, customization, and training.
- (u) **Recipient:** means a Party that receives Confidential Information from a Disclosing Party.
- (v) **Websoft Services:** means the Cloud Service, Cloud Software, Maintenance and Support Services, and Professional Services.
- (w) **Subscription:** means a paid for right to access and use the Cloud Service.

- (x) **Subscription Period(s):** means the duration of a Customer's and its Authorized Users' active, paid Subscription to the Cloud Service, as designated in the Order Form(s).
- (y) **Supported Modification:** means a configuration of or modification to the Cloud Service requested by Customer that can be consistently supported by Websoft via APIs, does not require direct database changes and is capable of being tested and maintained by Websoft.
- (aa) **Term:** shall be the period of time for which this Agreement is in effect, as further set forth in Section 13. Term is different from a Subscription Period.
- (bb) **Third Party Services:** means products, services, technology, and methods other than proprietary Websoft Services.

2. Cloud Service Terms and Conditions.

- (a) Subject to compliance with the terms and conditions of the Agreement, including advance receipt of applicable Fees, Websoft will make the Cloud Service available to Authorized Users during the Subscription Period for use in connection with the internal business purposes of Customer.
- (b) Websoft hereby grants to Customer a limited, non-exclusive, non-transferrable right to access, implement, and configure the Cloud Software during the Subscription Period, solely for its internal business purposes in connection with use of the Cloud Service and in accordance with the Specifications.
- (c) Customer will ensure that all of its Authorized Users using the Cloud Services under its account comply with all of Customer's obligations under this Agreement. Customer is responsible for all activity (whether or not authorized by Customer) occurring under Customer's account, including acts and omissions of its Authorized Users and individuals using credentials of Authorized Users, as though they were those of Customer. Customer will notify Websoft promptly of any unauthorized access or use of the Websoft Services.
- (d) Customer will be responsible for meeting minimum system requirements for use of the Cloud Service accessible at <https://sprbrk.box.com/v/websoft-minimum-requirements> (which URL location and content may be updated from time to time by Websoft) for use of the Cloud Service;
- (e) Customer will use the Websoft Services only in accordance with the Agreement, the applicable Documentation, laws and government regulations, and any written instructions provided by Websoft to Customer.
- (f) The Cloud Service is provided with a limit of five hundred gigabytes (500GB) of data storage for all cloud environments. Additional storage can be purchased from Websoft by Customer in blocks of five hundred megabytes (500MB), with a price of one thousand dollars (\$1,000) per year. If a Subscription Period for the Cloud Service is nearing its expiration date or is otherwise terminated, Websoft will initiate its data retention processes, including the deletion of Customer Data from systems directly controlled by Websoft. Websoft Data Storage Policy can be accessed at <https://sprbrk.box.com/v/websoft-data-storage-policy> (which URL location and content may be updated from time to time by Websoft).

- 3. Restrictions on Use of the Cloud Service and Cloud Software.** Except as otherwise expressly provided in the Agreement (including any Exhibits), Customer shall not (and shall not permit any Authorized User or third party to):
- (a) make the Cloud Service available to anyone other than Authorized Users;
 - (b) use the Cloud Service, or allow access to it, in a manner that circumvents contractual usage restrictions or that exceeds Customer's authorized use or usage metrics as set forth in the Agreement, including the applicable Order Form(s);
 - (c) sublicense, sell, resell, transfer, assign, distribute, share, lease, make any external commercial use of, outsource, use on a timeshare or service bureau basis, or use in an application service provider or managed service provider environment, or otherwise generate income from, the Websoft Services;
 - (d) modify, obscure, alter, or remove any confidentiality or proprietary rights notices contained in the Websoft Services;
 - (e) decompile, disassemble, or reverse engineer any portion of the Cloud Software or Cloud Service, or attempt to discover any source code or other operational mechanisms of the Cloud Software or Cloud Service (except where such restriction is expressly prohibited by law without the possibility of waiver, and then only upon prior written notice to Websoft);
 - (f) use any third-party software provided with the Cloud Software or Cloud Service other than in connection with the Cloud Software or Cloud Service;
 - (g) use the Websoft Services in violation of any applicable laws and regulations;
 - (h) use the Websoft Services to (1) store, download or transmit infringing, libelous, or otherwise unlawful or tortious material, or malicious code or malware, or (2) engage in phishing, spamming, denial-of-service attacks, spreading viruses or other harmful code, or other fraudulent or criminal activity, (3) interfere with or disrupt the integrity or performance of third party systems, the Cloud Software, Cloud Service or data contained therein, (4) violate or infringe upon the rights of a third party, including those pertaining to contract, intellectual property, privacy, or publicity, or (5) attempt to gain unauthorized access to the Cloud Software or Cloud Service;
 - (i) access or use the Websoft Services (inclusive of any APIs) for the purpose of developing or operating products or services intended to be offered to third parties in competition with the Cloud Service or allow access by a direct competitor of Cloud Service;
 - (j) access the Websoft Services for purposes of monitoring availability, penetration, or security testing, or any benchmarking;
 - (k) obtain or attempt to obtain intellectual property rights to any component of the Websoft Services (inclusive of APIs) other than those expressly provided herein;
 - (l) create derivative works based on the Websoft Services;
 - (m) use or allow the use of, the Websoft Services by anyone located in, under the control of, or that is a national or resident of a U.S. embargoed country or territory or by a prohibited end user under

export control laws of the United States or any other applicable jurisdiction.

- 4. Customer Cooperation.** Customer is responsible for selecting Authorized Users and represents and warrants it shall select Authorized Users who are qualified to operate the Cloud Service and are familiar with the information, calculations, and reports that serve as input and output. Any data entry errors are the responsibility of Customer and Websoft does not assume the cost of any necessary servicing, repair or correction arising from such errors. Customer acknowledges that successful installation, implementation and use of the Websoft Services cannot be accomplished by Websoft’s efforts alone and requires substantial effort and cooperation by Customer. Both Websoft and Customer shall at all times use their best efforts to actively participate and cooperate in data conversion, system installation, implementation, training and use, shall provide each other accurate and timely information, and shall afford each other reasonable access to information and facilities. All substantive communication between Websoft and Customer will take place between Websoft and a project manager designated by Customer.
- 5. Third Party Services.** Customer may choose to obtain products and services that are provided or supported by third parties (“**Third-Party Services**”) for use in conjunction with the Websoft Services either directly from the third party providing the Third Party Services or indirectly through Websoft where Websoft acts as a reseller of the Third Party Services. Third Party Services may require Customer to enter into a license or other agreement with such third party for use of the Third-Party Services. Customer is solely responsible for obtaining any such license or other agreement for the Third-Party Services. CUSTOMER EXPRESSLY ACKNOWLEDGES AND AGREES THAT THIRD-PARTY SERVICES ARE PROVIDED PURSUANT TO THE TERMS OF THE APPLICABLE THIRD-PARTY LICENSE OR SEPARATE AGREEMENT (IF ANY) BETWEEN THE PROVIDER OF THE THIRD-PARTY SERVICES AND CUSTOMER, CUSTOMER MAY SEEK REDRESS FOR USE OF THE THIRD-PARTY SERVICES SOLELY FROM THE THIRD PARTY PROVIDING THE THIRD-PARTY SERVICES, AND WEBSOFT ASSUMES NO RESPONSIBILITY FOR, AND SPECIFICALLY DISCLAIMS ANY LIABILITY OR OBLIGATION WITH RESPECT TO, ANY THIRD-PARTY SERVICE.
- 6. Maintenance and Support Terms.**

 - (a) Support. Maintenance and Support Services, as described in Exhibit A, are included in the Cloud Service Subscription for no additional fees, except as provided otherwise in Exhibit A.
 - (b) Partner Support. Notwithstanding anything herein to the contrary, if Customer receives Maintenance and Support Services from an authorized Channel Partner, then the terms for such services agreed upon by Customer and such Channel Partner shall govern in lieu of those set forth in the Exhibit A attached hereto, and Websoft shall have no support obligations to Customer.
- 7. Ordering Process.**

 - (a) Order Forms. Customer may purchase the Websoft Services (Cloud Service Subscriptions, Cloud Software licenses or Professional Services) by executing and submitting an Order Form. Execution of an Order Form referencing these Terms and Conditions makes them binding upon Customer, as does any access or use of the Websoft Services. Upon execution of an Order Form by both Parties and subject to Customer’s payment of the corresponding Fees, Websoft will make the Cloud Service or Cloud Software, as applicable, available to Customer. Any terms and conditions contained in any quote, invoice, or purchase order that are inconsistent with or are in addition to the terms and conditions of the Agreement will be deemed stricken, unless expressly agreed to in writing by Websoft with explicit reference to the accepted terms and conditions. Upon acceptance of an Order

Form, it will become part of the Agreement and will supersede any conflicting terms herein.

- (b) No Requirement for Purchase Order. Customer acknowledges that a purchase order is not required and is for administrative convenience only, and that Websoft has the right to issue an invoice and collect payment without a corresponding purchase order, provided, however, that if a Customer's procurement procedure requires the issuance of a purchase order or a purchase order number on a pertinent Order Form or Statement of Work, the purchase order is required to be provided to Websoft. If the Customer issues a purchase order, then it shall be for the full amount set forth in the applicable Order Form or Statement of Work.

8. Payment Terms.

- (a) Pricing. Customer will be invoiced for those amounts and at those prices set forth in an Order Form. Fees do not include any customization of the Cloud Software or Cloud Service (nor support for any such customizations, unless otherwise agreed in writing). If Customer's usage of the Cloud Software or Cloud Service is in excess of those amounts set forth in the Order Form, Customer may be billed for those overages. Customer acknowledges that purchases under the Agreement are neither contingent on the delivery of any future functionality or features nor dependent on any oral or written public comments made by Websoft regarding future functionality or features of the Websoft Services. Except as otherwise specified herein or in an Order Form, (i) fees are based on the specified Websoft Services purchased, (ii) payment obligations are noncancelable and fees paid are non-refundable, except for amounts paid in error that are not actually due under the Agreement or as otherwise expressly provided herein, and (iii) quantities purchased cannot be decreased during the relevant Subscription Period.
- (b) Payments. Websoft will invoice Customer in advance for the Cloud Service. Customer shall pay Invoices within thirty (30) days of the invoice date. If Customer orders additional Subscription quantities or services part-way through an existing Subscription Period the initial Subscription Period for the additional quantity or services will be made coterminous with the existing Subscription Period and the Cloud Service Fee for such additional quantity will be prorated accordingly. Fees for Optional Cloud Service will be due at the same time as payment for the corresponding Cloud Service, or (if applicable) as otherwise specified in the applicable Order Form or governing terms. Customer is responsible for keeping Websoft accurately and fully informed of Customer's billing and contact information, including providing any purchase order numbers in advance of invoice issuance. Websoft shall have no responsibility for any invoices that are not received due to inaccurate or missing information provided by Customer. Customer shall pay interest on all payments not received by the invoice due date set forth above at a rate of one and a half percent (1.5%) per month or the maximum amount allowed by law, whichever is lower. All amounts due under this Agreement shall be paid by Customer in full without any set-off, counterclaim, deduction or withholding. Subscription Fees will be subject to an automatic annual increase in the amount set forth in the applicable Order Form. ("**Standard Annual Price Increase**"). Notwithstanding anything herein to the contrary, if Customer makes its payments pursuant to this Agreement to a Channel Partner, then the payment terms agreed by Customer and such Channel Partner shall govern to the extent anything in this Section 8 conflicts with such payment terms.

- (c) Taxes. Fees for Websoft Services do not include any taxes, levies, duties or similar governmental assessments of any nature, including but not limited to value-added, sales, use or withholding taxes, assessable by any local, state, provincial, federal or foreign jurisdiction (collectively, "**Taxes**"). Customer is responsible for paying all Taxes. If Websoft has the legal obligation to pay or collect Taxes for which Customer is responsible under this paragraph, the appropriate amount will be invoiced to and paid by Customer, unless Customer provides Websoft with a valid tax exemption certificate authorized by the appropriate taxing authority prior to invoice issuance. For clarity, Websoft is solely responsible for taxes assessable against it based on Websoft 's income, property and employees.
- (d) Suspension of Service. If any amount owing by the Customer for the Cloud Service is ninety (90) or more days delinquent, Websoft may, in its sole discretion and cumulative to its other remedies under this Section, temporarily cease providing to Customer the Cloud Service.

9. Ownership.

- (a) Ownership of Websoft Services. As between Websoft and Customer all right, title and interest to the Cloud Software, the Cloud Service, all technology underlying the foregoing, the Documentation, any improvements, design contributions, updates, or derivative works thereto, any knowledge or processes related thereto and/or provided hereunder, and all associated Intellectual Property Rights, belong solely to Websoft , and is protected under the laws of the United States and the individual states and by international treaty provisions. Websoft reserves all rights not granted herein.
- (b) Limited Rights. Customer shall only receive those rights in the Websoft Services that are expressly granted to it hereunder. Customer acknowledges that the rights granted under this Agreement, as they pertain to Maintenance and Support and to the Cloud Software and Cloud Service, do not provide Customer with title to or ownership of the Cloud Software or Cloud Service.

10. Feedback. Customer grants Websoft a royalty-free, fully-paid, worldwide, transferable, sub- licensable, irrevocable, perpetual license to use or incorporate into the Websoft Services (or Websoft's other software or services) any suggestions, enhancement requests, recommendations, or other feedback provided by Customer or Authorized Users relating to the operation or features of the Websoft Services.

11. Security.

- (a) Customer Responsibilities. Information or data generated by the Cloud Service, that is provided to, and stored by, the Customer, is the sole responsibility of the Customer. Websoft shall not be responsible for the theft, misappropriation, loss, or misuse of personal or entity related financial information, utility billing records, or any other financial information stored in Customer controlled electronic media or physical storage locations. Customer acknowledges that Customer is solely responsible for the Customer's security procedures, including but not limited to password security, encryption of sensitive information, proper handling of payroll

ACH files, physical custody of cash, internal audit procedures and processes, annual reporting, and proper training in security and backup procedures. In addition, the Customer and its related entities and affiliates agree to indemnify and hold harmless Websoft, its contractors and agents from all costs, damages, expense and attorney's fees incurred in the event of any security breach, theft, misappropriation, loss, misuse of personal or entity related financial information, or other related incident.

- (b) Security Breaches. Customer acknowledges that, notwithstanding the security features of the Cloud Service, no product, hardware, software or service can provide a completely secure mechanism of electronic transmission or communication and that there are persons and entities, including enterprises, governments and quasi-governmental actors, as well as technologies, that may attempt to breach any electronic security measure. Subject only to its limited warranty obligations set forth in Section 14, Websoft will have no liability for any security breach caused by any such persons, entities, or technologies.
- (c) Customer Data. Customer shall be responsible for Customer Data as entered in to, applied or used in the Cloud Service. Customer is responsible for ensuring the accuracy, quality, integrity and legality of Customer Data. Customer grants to Websoft the non-exclusive right to process Customer Data (including personal data) for the sole purpose of and only to the extent necessary for Websoft : (i) to provide the Websoft Services; (ii) to verify Customer's compliance with the restrictions set forth in Section 3 (Restrictions on Use of the Cloud Service and Cloud Software) if Websoft has a reasonable belief of Customer's non-compliance; and (iii) as otherwise set forth in this Agreement, including the Websoft Privacy Policy. Websoft may utilize the information concerning Customer's use of the Cloud Service (excluding any use of Customer's personal data or Customer's Confidential Information) to improve the Cloud Service, to provide Customer with reports on its use of the Cloud Services, and to compile aggregate statistics and usage patterns by customers using the Cloud Services. Customer represents and warrants that it owns or has full and unrestricted rights and authority to effectuate the grants set forth in this Section and there are no third parties who may claim rights or interests in the Customer Data or otherwise hinder such grants.
- (d) Use of Aggregate Data. Customer agrees that Websoft may collect, use, and disclose quantitative data derived from the use of the Cloud Service for industry analysis, benchmarking, analytics, marketing, and other business purposes. All disclosed data will be in aggregate form only and will not identify Customer, its Authorized Users, or any third parties utilizing the Cloud Service.

12. Confidentiality.

- (a) Confidentiality Term. The obligations described in this Section commence on the Effective Date and will continue until two (2) years following any termination or expiration of this Agreement ("**Confidentiality Term**").
- (b) Confidentiality Obligations. During the Confidentiality Term and subject to the other terms of this Agreement (including Websoft's Privacy Policy, accessible at <https://sprbrk.box.com/v/websoft-privacy-policy>, which URL and its content may be updated from time to time by Websoft), Recipient will protect the confidentiality of Confidential Information using the same degree of care that it uses to protect its own information of similar importance, but will in any case use no less than a reasonable degree of care to protect Confidential Information. Recipient will not directly or indirectly disclose Confidential Information or any part thereof to any third party without Disclosing Party's advance express written authorization to do so. Recipient may disclose Confidential Information only to its

employees, contractors or advisors on a need-to-know basis and who are bound by confidentiality and non-use restrictions at least as stringent as those contained herein. In responding to a request for Confidential Information, Recipient will cooperate with Disclosing Party, in a timely fashion and in a manner consistent with applicable laws, to protect the Confidential Information to the fullest extent possible.

- (c) Legally Compelled Information. In the event the Recipient becomes legally compelled (by deposition, interrogatory, requests for documents, subpoena, civil investigative demand or similar process) to disclose any of the Confidential Information, or the Recipient determines that it is obligated by law, rule, statute or governmental regulation to disclose any of the Confidential Information, the Recipient shall provide the Disclosing Party with prompt written notice of such requirement so that the Disclosing Party, if possible, may seek a protective order or other appropriate remedy and/or waive compliance with the terms of this Agreement. In the event that such protective order or other remedy is not obtained, the Recipient agrees to furnish only that portion of the Confidential Information that it is legally required to furnish and to exercise reasonable efforts to obtain assurance that confidential treatment will be accorded such Confidential Information. A Party's obligations hereunder with respect to legally compelled information shall continue to be applicable for all other purposes.
- (d) Publicity. During the term of this Agreement, including the term of any amendment hereto, Websoft may publicly disclose its ongoing business relationship with Customer. Such disclosures may indicate Customer's identity and the Websoft Services provided or contracted to be provided to Customer. These disclosures may include press releases or other communications to media, display on Websoft web sites, or use in other marketing activities, but will not include non-public information or indicate Customer's express endorsement of Websoft's products or services without Customer's prior written authorization.

13. Term and Termination.

- (a) Term. The term of this Agreement begins on the Effective Date and will remain in effect until all Cloud Service Subscriptions expire or until this Agreement is otherwise terminated in accordance with the terms hereof, whichever occurs first (the "Term"). Except as otherwise specified in the applicable Order Form, all Cloud Service Subscriptions will have an initial three (3) year term and then automatically renew for successive three (3) year terms unless otherwise stated in the applicable order form, provided that either party may terminate this Agreement effective upon the expiration of the Subscription Period, by notifying the other party in writing at least sixty (60) days prior to the expiration of the Subscription Period. Cancellation notices should be sent to operations@sprbrk.com. This Agreement may be renewed at any time by execution of an Order Form referencing this Agreement, and any such renewal will be deemed part of the "Term" hereunder. Subject to Section 8(b) (Payments), pricing increases will be effective upon renewal of the Subscription Period and annually thereafter.
- (b) Termination. Websoft or Customer may terminate the Agreement if the other party materially breaches a material provision thereof, including associated Order Form(s), and, after receiving a written notice describing the circumstances of the default, fails to correct the breach within thirty (30) calendar days. Websoft may immediately terminate this Agreement and/or Customer's Cloud Service Subscription or license to the Cloud Software upon Customer's breach of Section 3 (Restrictions on Use of the Cloud Service and Cloud Software). Either Party may also terminate the Agreement upon written notice if the other party suspends payment of its debts or experiences any

other insolvency or bankruptcy-type event.

- (c) Effect of Termination. Upon expiration or termination of this Agreement for any reason, (i) Customer shall immediately pay any amounts then owing to Websoft; (ii) the right to access the Cloud Service or Cloud Software will end; and (iv) each Recipient will return or destroy, at the Disclosing Party's option, the Disclosing Party's Confidential Information in the Recipient's possession or control.
- (d) Other Termination. Websoft may terminate this Agreement in the event the Cloud Software or Cloud Service, as applicable, is phased out across Websoft's customer base. In such event, Websoft will provide Customer sufficient advance notice and the parties will mutually agree to a migration plan for converting Customer to another Websoft generally-available offering with comparable functionality.
- (e) Survival. All fees that have accrued as of such expiration or termination, and Sections 1, 5, 8, 9-12, 13(c), 14(d), 15, 16 and 17 will survive any expiration or termination hereof.

14. Warranties.

- (a) Mutual Warranties. Each Party represents and warrants that: (a) this Agreement has been duly executed and delivered and constitutes a valid and binding agreement enforceable against it in accordance with the terms of the Agreement; (b) the Agreement does not conflict with any other agreement or arrangement to which a Party is bound, and (c) no authorization or approval from any third party is required in connection with its execution, delivery, or performance of this Agreement.
- (b) Limited Warranty. Subject to the limitations set forth below, Websoft warrants that during the Subscription Period, the Cloud Service will, in all material respects, operate in conformity with the then-current Cloud Specifications for the applicable Cloud Service version. Websoft's sole and exclusive obligation, and Customer's sole and exclusive remedy, for a breach of this warranty shall be that Websoft shall be required to use commercially reasonable efforts to modify the Cloud Service to conform in all material respects to the Specifications. Customer further acknowledges that the Cloud Service is not guaranteed to operate without interruptions, failures, or errors. Websoft will not be responsible to the extent failure of the Cloud Service to operate as warranted is caused by or results from: (i) any modification to the Cloud Service other than a Supported Modification; (ii) combination, operation or use of the Cloud Service with Customer's or Third Party Services, software or systems;
 - (iii) abuse, willful misconduct, or negligence by anyone other than Websoft or Websoft's designee;
 - (iv) installation, configuration and use of the Cloud Service other than in accordance with the terms of this Agreement and/or the applicable Specifications and Documentation or (v) any of the Exclusions (as defined in the Cloud Service Level Commitment).
- (c) Subscription Service Level Commitment. During the Subscription Period, Websoft warrants that the Subscription Service will meet the performance level specified in Exhibit A, which sets forth Customer's sole and exclusive remedy for Websoft's failure to achieve the stated Cloud Service performance level.
- (d) Warranty Disclaimer. EXCEPT AS EXPRESSLY PROVIDED IN THIS SECTION 14, ALL WEBSOFT SERVICES ARE PROVIDED "AS IS" AND WEBSOFT AND ITS SUPPLIERS EXPRESSLY DISCLAIM ANY AND ALL OTHER REPRESENTATIONS AND WARRANTIES, EITHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE

WITH RESPECT THERETO, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, OR THE CONTINUOUS, UNINTERRUPTED, ERROR-FREE, VIRUS-FREE, OR SECURE ACCESS TO OR OPERATION OF THE WEBSOFT SERVICES. WEBSOFT EXPRESSLY DISCLAIMS ANY WARRANTY AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION OR DATA ACCESSED OR USED IN CONNECTION WITH THE WEBSOFT SERVICES OR MAINTENANCE AND SUPPORT OR THAT THE WEBSOFT SERVICES WILL BE COMPATIBLE OR WORK WITH ANY CUSTOMER OR THIRD-PARTY SOFTWARE OR HARDWARE.

15. Mutual Indemnification.

- (a) Indemnification by Customer. Customer will defend (or settle), indemnify and hold harmless Websoft, its officers, directors, employees and subcontractors, from and against any liabilities, losses, damages and expenses, including court costs and reasonable attorneys' fees, arising out of or in connection with any third-party claim: (i) that a third party has suffered injury, damage or loss resulting from Customer's or any Authorized User's use of the Software or Cloud Service, or (ii) arising from allegations that Customer has used the Software or Cloud Service in a manner that violates this Agreement or applicable law, or (iii) in connection with the nature and content of Customer Data processed by the Software or Cloud Service.
- (b) Indemnification by Websoft.
- (i) Intellectual Property Indemnification. Subject to the terms and conditions of this Section 15, Websoft will (a) defend at its expense any filed lawsuit (a "**Claim**") brought against Customer by a third party (the "Claimant") to the extent such Claim alleges that the Cloud Service or Cloud Software provided by Websoft to Customer hereunder violates or infringes the Claimant's patents, trademarks or copyrights or misappropriates the Claimant's trade secrets (collectively, "**IP Rights**"), and (b) either (i) indemnify Customer with respect to any final, non-appealable judgments, costs, fines or penalties awarded, entered or assessed against Customer by a court of competent jurisdiction that directly result from a Claim, or (ii) pay the value of any settlement with the Claimant agreed to by Websoft.
- (ii) Websoft Options. If a temporary or permanent injunction is obtained against the use of any part of the Cloud Service or Cloud Software for the reason that they infringe or misappropriate any third party's IP Rights or there is a reasonable likelihood of such an injunction, Websoft may at its option (a) modify the Cloud Service or Cloud Software to avoid the allegation of infringement, (b) obtain for Customer the right to continue using the Cloud Service or Cloud Software, or (c) replace the allegedly infringing Cloud Service or Cloud Software with non-infringing and functionally equivalent technology. In the event that none of the foregoing is commercially reasonable, Websoft may terminate Customer's right to use the allegedly infringing portion of the Cloud Service or Cloud Software.
- (iii) Exclusions. Websoft will not be liable or have any obligations hereunder for any infringement of IP Rights resulting from (a) the combination, utilization or integration of the Cloud Service or Cloud Software with Customer's or any third party's products or technology, (b) compliance with Customer's designs, specifications or instructions; (c) unauthorized modification of the Cloud Service or Cloud Software by any entity other than Websoft, (d) use of the Cloud Service or Cloud Software other than as specified in Websoft's published specifications and documentation, (e) Customer's failure to incorporate updates or upgrades that would have avoided the alleged infringement; or (f) Customer's breach of the Agreement.

(iv) THIS SECTION 15 STATES THE ENTIRE OBLIGATION OF WEBSOFT, ITS AFFILIATES AND ITS LICENSORS WITH RESPECT TO ANY ALLEGED OR ACTUAL INFRINGEMENT OR MISAPPROPRIATION OF IP RIGHTS BY THE CLOUD SOFTWARE, CLOUD SERVICE OR ANY OTHER WEBSOFT SERVICES.

(c) Indemnification Requirements. In connection with any claim for indemnification under this Section 15, the indemnified party must: (i) provide the indemnifying party prompt written notice of such claim; (ii) reasonably cooperate with the indemnifying party, at indemnified party's expense, in defense and settlement of such claim; (iii) give sole authority to the indemnifying party to defend or settle such claim; and (iv) make no admission of liability with respect to the claim. The indemnified party may, at its sole expense, actively participate in any suit or proceeding, through its own counsel.

16. Limitation of Liability.

(a) Waiver of Consequential Damages. Neither Websoft nor any other person or entity involved in creating, producing, or delivering the Websoft Services will be liable for any indirect, incidental, special, punitive, exemplary or consequential damages, including lost profits, loss of data or loss of goodwill, loss of revenue, service interruption, computer damage or system failure or the cost of substitute products or services, or other commercial or economic loss of any kind whatsoever, or any liability of Customer to a third party, arising out of or in connection with this Agreement or from the use of or inability to use the Websoft Services, whether based on warranty, contract, tort (including negligence), product liability or any other legal theory, even if Websoft was advised of the possibility of such damages. Some jurisdictions do not allow the exclusion or limitation of incidental, consequential or special damages, so the above limitations may not apply to Customer.

(b) Maximum Liability. In no event will Websoft's aggregate liability hereunder to Customer or any third party arising out of or in connection with this Agreement or from the use of or inability to use the Websoft Services, whether in contract, tort or under any other theory of liability, exceed the total amount paid by Customer in the twelve (12) month period preceding the incident. These limitations shall apply notwithstanding any failure of essential purpose of any remedy.

(c) If Customer or Authorized Users use the Cloud Service in any application or environment where failure could cause personal injury, loss of life, or other substantial harm, Customer assumes any associated risks and will indemnify Websoft and hold it harmless against those risks.

17. Other Terms and Conditions.

(a) Dispute Resolution. This Agreement is governed by the laws of the State of Utah without regard for its conflict of laws principles. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, will be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, including the Emergency Interim Relief Procedures, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The number of arbitrators shall be one (1) unless the Parties mutually agree otherwise. The place of arbitration will be American Fork, Utah. Either party may apply to the arbitrator for injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either Party also may, without waiving any remedy hereunder, seek from any court having

jurisdiction any interim or provisional relief that is necessary to protect the rights or property of that party, pending the arbitrator's determination of the merits of the controversy. Each party will initially bear its own expenses and an equal share of the costs of the arbitration, but the prevailing party may be awarded its expenses, reasonable attorneys' fees, and costs.

- (b) Other Agencies. Each Party understands and agrees that this Agreement may be used by other governmental agencies under substantially the same terms and conditions, excluding pricing, duration, scope of services to be provided, and other terms unique to the Customer. Each governmental agency desiring to accept this Agreement, and make an award thereof, shall do so independently of the Customer and/or any other governmental agency. Each governmental agency shall be responsible for its own purchases, and each shall be liable only for materials and/or services ordered and received by it, and no governmental agency, other than Customer, assumes any liability by virtue of this Agreement. This Agreement in no way restricts or interferes with the right of the Customer or any governmental agency to competitively procure any or all items. The foregoing does not authorize either Party to disclose Confidential Information of the other Party.
- (c) Equitable Relief. The Recipient acknowledges that unauthorized disclosure of the Disclosing Party's Confidential Information or misappropriation or infringement of a Party's Intellectual Property Rights could cause substantial harm to the Disclosing Party or owner of such Intellectual Property Rights for which damages alone might not be a sufficient remedy and, therefore, that upon any such disclosure, misappropriation or infringement, the injured Party will be entitled to seek appropriate equitable relief in addition to whatever other remedies it might have at law or equity.
- (d) Assignment. Websoft may assign its rights and obligations hereunder for purposes of financing or pursuant to corporate transactions involving merger, acquisition, or the sale of all or substantially all of its stock or assets. Assignment by a Customer of its rights and obligations hereunder requires the advance written consent of Websoft. Any attempted assignment or transfer, without such consent, will be void. Subject to the foregoing, this Agreement will bind and inure to the benefit of the parties, their respective successors and permitted assigns.
- (e) Entire Agreement. This Agreement sets forth the entire agreement between the Parties and supersedes any and all prior agreements of the Parties with respect to the transactions set forth herein.
- (f) Severability and Amendment If any particular provision of this Agreement is determined to be invalid or unenforceable, that determination will not affect the other provisions of this Agreement, which will be construed in all respects as if the invalid or unenforceable provision were omitted. No extension, modification, or amendment of this Agreement will be effective unless it is described in writing and signed by all Parties.
- (g) Notice. Except as otherwise specified in this Agreement, all notices, permissions and approvals hereunder will be in writing and will be deemed to have been given upon: (i) personal delivery, (ii) the third business day after mailing by first class mail, or (iii) sending by confirmed email if sent during the recipient's normal business hours (or, if not, then on the next business day). Notices will be sent to the address specified by the recipient in writing when entering into this Agreement or establishing Customer's account for the Websoft Services (or such other address as the recipient may thereafter specify by notice given in accordance with this Section 17).



to its activities under this Agreement including, but not limited to, export laws and regulations of the United States and other applicable jurisdictions. Without limiting the foregoing, Customer will not permit Authorized Users to access or use the Cloud Service or Cloud Software in violation of any U.S. export embargo, prohibition or restriction. Further, in connection with the services performed under this Agreement and Customer's use of the Cloud Services or Cloud Software, the Parties agree to comply with all applicable anti-corruption and anti-bribery laws, statutes, and regulations.

- (i) Relationship of the Parties. This Agreement does not create a partnership, franchise, joint venture, agency, fiduciary or similar relationship between the parties.
- (j) Waiver and Cumulative Remedies. No failure or delay by either party in exercising any right under this Agreement will constitute a waiver of that right. Other than as expressly stated herein, the remedies provided herein are in addition to, and not exclusive of, any other remedies of a party at law or in equity.
- (k) Force Majeure. Websoft will not be liable for any delay or failure to perform under this Agreement to the extent such delay or failure results from circumstances or causes beyond the reasonable control of Websoft.

Exhibits Follow



EXHIBIT A MAINTENANCE AND SUPPORT AVAILABILITY

This Exhibit A is part of the Websoft Cloud Service Master Agreement Terms and Conditions. It may be updated from time to time by Websoft in its sole discretion.

I. SUPPORT POLICY

Updates

Updates may address security fixes, critical patches, general maintenance functionality, and documentation and shall be made available at Websoft's discretion. Websoft is under no obligation to develop any future functionality or enhancements unless otherwise specified in the Agreement. If an update for the Cloud Service is made available to Customer pursuant to this Support Policy, it will automatically replace the previous version of the applicable Cloud Service.

Support Commitment

In support of the Cloud Service, Websoft will provide Customer with the following first line support: Telephone Support. Websoft's Customer Resource Center (CRC), a live technical support facility, will be available to Customer from 5:00 a.m. until 5:00 p.m. Pacific time Monday through Friday, excluding Websoft's observed holidays.

Email Support. Websoft provides an electronic mail address (help@sprbrk.com) to which Customer may submit routine or non-critical support requests. Email Support Requests will be addressed by Websoft during its regular business hours of 5:00 a.m. until 5:00 p.m. Pacific time Monday through Friday.

Online Support Materials. Websoft will make available to Customer certain archived client-side software updates and other technical information in Websoft's online support databases. This Online Support will be continuously available to Customers.

Upgrade/Downgrade of Severity Level

If, during the Support Request process, the issue either warrants assignment of a higher severity level than currently assigned or no longer warrants the severity level currently assigned based on its current impact on the production database, then the severity level will be upgraded or downgraded accordingly to the severity level that most appropriately reflects its current impact.

Third Party Product Support

If any third-party software is supplied by Websoft, Websoft disclaims all support obligations for such third-party software, unless expressly specified by Websoft in Customer's Agreement.

Exclusions

The following Support Exclusions are not covered by this Support Policy: (a) Support required due to Customer's or any End User's or third party's misuse of the Services; (b) Support during times outside of Websoft's regular business hours stated above; (c) Support necessitated by external factors outside of Websoft's reasonable control, including any force majeure event or Internet access or related problems.

Response and Resolution Goals

Websoft will respond to Customer's Support Requests in a manner appropriate for the severity of the reported issue and will use good faith efforts to achieve the goals listed below.

A. Critical Severity Level

Definition. System or application is non-functional or seriously affected and there is no reasonable workaround available (e.g., business is halted).

Response goal. Confirmation of receipt within 1 business hour. Update as information arrives or at the interval agreed with the Customer.

Resolution goal. Upon confirmation of receipt, Websoft begins continuous work on the case. Websoft will put forth the effort to provide a workaround, fix, or estimated completion date within 72 hours after the problem has been diagnosed and/or replicated, provided there is an agency representative available to assist with issue diagnosis and testing during the resolution process.

B. High Severity Level

Definition. System or application is affected and there is no workaround available, or the workaround is impractical (e.g., system response is very slow, day to day operations continue but are impacted by the work around).

Response goal. Confirmation of receipt within 4 business hours.

Resolution goal. Websoft will put forth the effort to provide a workaround or fix or estimated completion date within 14 business days after the problem has been diagnosed and/or replicated.

C. Medium Severity Level

Definition. System or application feature is non-functional, and a convenient workaround exists (e.g., non-critical feature is unavailable or requires additional user intervention).

Response goal. Confirmation of receipt within 8 business hours.

Resolution goal. Websoft will put forth the effort to provide a workaround or fix or estimated completion date within 21 business days after the problem has been diagnosed and/or replicated.

D. Low Severity Level

Definition. System or application feature works, but there is a minor problem (e.g., incorrect label, or cosmetic defect).

Response goal. Confirmation of receipt within 24 business hours

Resolution goal. Resolution for the issue may be released as a patch set or be incorporated into a future release of the product.

II. AVAILABILITY

Service Availability:

Websoft will use commercially reasonable efforts to (a) provide bandwidth sufficient for Customer's use of the Cloud Service provided hereunder and in an applicable Order Form and (b) operate and manage the Cloud Service with a ninety-nine and one-half percent (99.5%) uptime goal (the "**Availability SLA**"), excluding situations identified as "Exclusions" below.

"Exclusions" means any outage that results from any of the following:

- (a) Any maintenance performed by Websoft during Websoft's standard maintenance windows. Websoft will notify Customer within forty-eight (48) hours of any standard maintenance and within twenty-four (24) hours for other non-standard emergency maintenance (collectively referred to herein as "**Scheduled Maintenance**").
- (b) Customer's information content or application programming, or the acts or omissions of Customer or its agents, including, without limitation, the following:
 1. Customer's failure to provide Websoft with reasonable advance prior notice of any pending unusual large deployments of new nodes (e.g., adding over ten (10) percent total nodes in less than twenty-four (24) hours);
 2. Customer's implementation of any significant configuration changes, including changes that lead to a greater than thirty percent (30%) change in a one week period or greater than fifty percent (50%) change in a one month period in the number of key objects in the system including but not limited to metrics, snapshots, nodes, events and business transactions;
 3. Any misconfiguration by Customer (as determined in Websoft's sole discretion), including, without limitation, configuration errors and bad or unintended usage of the Cloud Service; and
 4. Force majeure or other circumstances beyond Websoft's reasonable control that could not be avoided by its exercise of due care.
- (c) Failures of the Internet backbone, telecommunications systems, ISP failures, or the network by which Customer connects to the Internet backbone or any other network unavailability.
- (d) Any window of time when Customer agrees that Cloud Service availability/unavailability will not be monitored or counted.
- (e) Any problems resulting from Customer combining or merging the Cloud Service with any hardware or software not supplied by Websoft or not identified by Websoft in the Specifications as being compatible with the Cloud Service.

- (f) Interruptions or delays in providing the Cloud Service resulting from telecommunication or Internet service provider failures. Customer’s or any third party’s use of the Cloud Service in an unauthorized or unlawful manner.

Remedies for Excessive Downtime:

In the event the Availability of the Cloud Service falls below the Availability SLA in a given calendar month, Websoft will pay Customer a service credit (“**Service Credit**”) equal to the percentage of the fees set forth in the table below corresponding to the actual Availability of the Cloud Service during the applicable calendar month. Websoft will apply any Service Credits only against future Cloud Service payments otherwise due from Customer. Service Credits will not entitle Customer to any refund or other payment from Websoft. Service Credits may not be transferred or applied to any other account. Unless otherwise provided in this Agreement, Customer’s sole and exclusive remedy for any unavailability, non-performance, or other failure by Websoft to provide the Cloud Service is the receipt of a Service Credit (if eligible) in accordance with the terms of this Exhibit A.

System availability is measured by the following formula: $x = (n - y) * 100 / n$

Notes:

- (1) "x" is the uptime percentage; "n" is the total number of hours in the given calendar month minus Exclusions; and "y" is the total number of downtime hours in the given calendar month not caused by an Exclusion.

Service Availability	Percentage of Monthly Service Fees Credited
>99.5%	0%
95.0% - < 99.5%	5% (max of \$280)
90.0% - < 95.0%	10% (max of \$560)
80.0% - < 90.0%	20% (max \$840)
70.0% - < 80.0%	30% (max of \$1,120)
60.0% - < 70.0%	40% (max of \$1,400)
< 50%	50% (max of \$2,800)

Customer Account Login:

For Websoft user interface access, Websoft uses TLS 1.2 with AES 256 bit or similar encryption for protection of data in transit, which is supported by most modern browsers. Websoft will also restrict applicable administrative user interface access to Customer corporate networks for additional security on written request by Customer.

Hosting:

Websoft’s SaaS platform (servers, infrastructure, and storage) for the Cloud Service is and will remain hosted in one of the largest data centers in North America, specifically designed and constructed to deliver world- class physical security, power availability, infrastructure flexibility and growth capacity. Websoft’s data center provider is and will remain SSAE 18 SOC2 compliant, meaning it has been fully independently audited to verify the validity and functionality of its control activities and processes. Every Server for the Services is and will remain operated in a fully redundant fail-over pair to ensure high availability. Data is and will remain backed up nightly, stored redundantly and will be restored rapidly in case of failure.

Security Patching and updates are actively evaluated by engineers and will be deployed based upon

the impact and risk and stability benefits they offer to Websoft's SaaS platform and Customers.

Websoft will attempt to provide customers reasonable prior notice to security changes, updates, and patches, unless the delay will lead to a significant risk of impact to customer data.

Fees:

Maintenance and Support Services, as described herein, are included in the Cloud Service Subscription for no additional fees, except as follows:

Websoft will bill Customer on an hourly basis for the following services that are beyond the scope of standard Maintenance and Support Services;

- (a) Maintenance or Support in cases where repeated operator-produced error by the same user continues to occur despite notification to Customer;
- (b) Maintenance and Support associated with applications not purchased by Customer from Websoft, as documented in an appropriate Order Form or Statement of Work;
- (c) Maintenance and Support outside the scope of this Agreement;
- (d) Maintenance and Support necessitated by Customer's failure to provide adequate internal controls to ensure the accuracy and appropriate use of the Cloud Software or Cloud Service and compliance with local, state and federal regulations and auditors requirements;
- (e) Costs associated with Customer's creation or modification of data in Websoft's database except through the appropriate use of the Cloud Software or Cloud Service;
- (f) Costs associated with Customer's own actions to integrate the Cloud Software or Cloud Service with applications or services not purchased from Websoft;
- (g) Costs associated with Customer's failure to meet the terms and conditions of this Agreement;
- (h) Costs associated with additional labor or out of pocket expenses incurred while providing support to Customer in cases where Websoft has requested but Customer has denied remote access into a user workstation or the server housing the Cloud Software; and
- (i) Labor and travel costs associated with providing on-site for services covered by this Agreement.



WEBSOFT DEVELOPERS, INC
PROFESSIONAL SERVICES AGREEMENT
TERMS AND CONDITIONS

These Terms and Conditions, together with each Order Form entered into by the Parties that references such Terms and Conditions, constitute a binding agreement (“**Agreement**”) by and between Websoft Developers, Inc. (“**Websoft**”) and the Customer identified on the Order Form (“**Customer**”). These Terms and Conditions become effective as of the date of the related Order Form. Each of Websoft and Customer is referred to herein individually as a “**Party**” and collectively as the “**Parties.**”

The Agreement governs the provision by Websoft, and the receipt by Customer, of the Professional Services (defined below) that Websoft provides to Customer.

1. SCOPE OF SERVICES.

- (a) Subject to compliance with the terms and conditions of the Agreement, Websoft will provide Customer with certain skilled services, such as software implementation, configuration, conversion, customization, upgrade, data extraction, diagnostic, training and/or other services (collectively “**Professional Services**”) as specified in the applicable order form executed by Websoft and Customer (each an “**Order Form**”). Any such Order Form must reference these Terms and Conditions.
- (b) Each Order Form, or will include, at a minimum: (i) a description of the Professional Services and any deliverables and/or materials to be provided to Customer (each, a “**Deliverable**”); (ii) applicable fees and payment terms for such Professional Services, if not elsewhere specified, and (iii) other details regarding the Professional Services. All Order Forms will be subject to these Terms and Conditions.
- (c) For certain types of Professional Services, Websoft will prepare and make available to Customer a scope of work or cloud migration project packet before commencing such services.
- (d) Customer acknowledges that data conversion services are limited to three (3) years of data.

2. CHANGE ORDERS.

If the Customer or Websoft requests a change in any of the specifications, requirements, Deliverables, or scope (including drawings and designs) of the Professional Services described in any Order Form, the Party seeking the change will propose the applicable changes by written notice.

Within a reasonable amount of time (not to exceed four (4) business days in the case of implementation services) after receipt of written notice, each Party’s designated personnel will meet, either in person or via telephone conference, to discuss and agree upon any proposed changes. Thereafter, Websoft will prepare a change order describing the proposed changes and any associated changes in the Deliverables, Deliverable schedule, fees and/or expenses, or other aspects of the change (each, a “**Change Order**”).

Change Orders will not be binding until they are executed by both parties. Executed Change Orders will be deemed part of, and subject to, the Agreement. If the parties disagree about the proposed changes, they will promptly escalate the change request to their respective senior management for resolution.

In the event the Customer requires significant changes (either individually or cumulatively across Change Order(s)) which Websoft reasonably determines are (i) a material modification of the nature or scope of Professional Services being purchased and/or (ii) significantly outside any Supported Configuration (as defined below), Websoft may, upon no less than thirty (30) days' notice to the Customer, suspend or terminate the applicable Order Form and/or Change Order(s). In the event of any such termination or suspension, the parties will work together in finalizing agreed-upon Deliverables. Unless otherwise expressly agreed to by the Parties at the time of any such material change, Websoft will not be deemed to have waived any of the Customer's payment obligations in respect of completed Deliverables. A "Supported Configuration" means a software configuration that can be consistently supported by Websoft via APIs, does not require direct database changes and is capable of being tested and maintained by Websoft.

3. ACCEPTANCE.

- (a) Acceptance. Unless indicated to the contrary in the Order Form, the Professional Services and accompanying Deliverables will be deemed accepted upon delivery.
- (b) Review. Review and testing of Deliverables, if so indicated in the Order Form, shall be conducted pursuant to the acceptance criteria or test plans mutually agreed upon in writing by the Parties and shall take place within the mutually agreed timeframes established in the project plan or schedule. Absent mutual agreement to the contrary, Customer will provide Websoft with written notification of acceptance or rejection for each Deliverable within five (5) business days of delivery (the "**Acceptance Period**"). Failure to reject a Deliverable within the Acceptance Period will be deemed acceptance. If Customer, in its reasonable and good faith judgment, determines that any submitted Deliverable does not satisfy mutually agreed-upon acceptance criteria, Customer must so notify Websoft in writing before the end of the Acceptance Period, specifying the deficiencies in detail. Websoft will use commercially reasonable efforts to correct such deficiencies and resubmit the Deliverable to Customer as soon as practicable.

4. OWNERSHIP RIGHTS AND LICENSES.

- (a) License for Deliverables. Subject to these Terms and Conditions and upon payment of fees due under an applicable Order Form, Websoft grants Customer a limited, non-exclusive, worldwide, nontransferable, terminable license to use the Deliverables solely for Customer's internal operations in connection with authorized use of the applicable Websoft services. Notwithstanding any other provision of these terms and conditions, nothing herein is intended to assign or transfer any intellectual property rights in the proprietary tools, libraries, know-how, techniques, and expertise ("**Tools**") used by Websoft to develop the Deliverables and/or provide the Professional Services.
- (b) Proprietary Rights. As between the parties, Websoft shall solely and exclusively own all right, title, and interest in the Professional Services, Deliverables, and any software provided by Websoft, including all modifications, enhancements, and derivative works thereof and any other of

Websoft's products or services, whether created by Websoft or Customer, together with all intellectual property and other proprietary rights therein. Customer hereby makes all assignments necessary to accomplish the foregoing ownership. None of the Professional Services or Deliverables will be deemed to constitute work product or work-for-hire inuring to the benefit of Customer.

- (c) No Reverse Engineering. Deliverables constitute Websoft Confidential Information and Customer may not reverse engineer, decompile, disassemble, translate, copy, reproduce, display, publish, create derivative works of, assign, sell, lease, rent, license or grant any interest in the Deliverables to any party except as expressly permitted by Websoft.
- (d) Conflicting Language. In the event any language conflicting with this Section 4 is added to any Order Form or Change Order, the parties expressly agree that such statement will have no effect on Websoft's rights as set out herein.

5. COOPERATION.

- (a) Customer Cooperation. Websoft's ability to successfully perform the Professional Services is dependent upon Customer's reasonable and good faith cooperation by, without limitation:
- (i) allocating sufficient resources and timely performing any tasks reasonably necessary to enable Websoft to perform its obligations under each Order Form;
 - (ii) timely delivering any materials and other obligations required under each Order Form;
 - (iii) providing Websoft with access to Customer's sites and facilities during Customer's normal business hours and as otherwise reasonably required by Websoft to perform the Professional Services;
 - (iv) timely responding to Websoft's inquiries related to the Professional Services;
 - (v) assigning a project manager as a primary point of contact for Websoft;
 - (vi) actively participating in scheduled project meetings; and
 - (vii) providing, in a timely manner and at no charge to Websoft, office workspace, telephone and other facilities, suitably configured computer equipment, access to Customer's appropriate and knowledgeable employees and continuous administrative access to Customer's accounts, and coordination of onsite and telephonic meetings all as reasonably required by Websoft.
- (b) Customer Delays. Delays in Websoft's provision of the Professional Services caused by Customer (each, a "Delay"), during any implementation period may have adverse collateral effects on Websoft's overall work schedule. If Websoft's performance of any of its obligations in respect of the Professional Services is prevented or delayed by any act or omission by Customer, or failure by Customer to perform any of its obligations hereunder the Agreement, such as those identified in subsection (a) above:
- Websoft shall, without limiting its other rights or remedies, have the right to suspend performance of the Professional Services and relieve it from the performance of any of its obligations until Customer remedies the Delay.
 - Although Websoft will use its commercially reasonable efforts to promptly resume work following a Delay, Customer acknowledges that schedules for the Professional Services may be delayed by more than the number of days delayed by Customer.

- Customer agrees that if additional time is required to complete the Professional Services as the result of Customer Delays, such time will be charged to Customer at Websoft's then-current time-and-materials rates.
- (c) Customer Postponements. If Customer wishes to postpone or fails to be available for a scheduled meeting, training session or other activity, it shall provide Websoft with no less than two (2) business days' written notice of such postponement or non-availability. If Customer fails to provide such notice in the required time period, Websoft's shall invoice the Customer for lost or delayed scheduled time, with a minimum charge of two (2) hours. Additional charges may apply based on the resources and preparation required for the meeting. Such liability will be in addition to the charge for the services at the time they are performed.

6. PAYMENT TERMS.

- (a) Invoicing and Payment. Customer will be invoiced for the amounts and at the times set forth in the Order Form. Professional Services fees are due and payable within thirty (30) days of the invoice date.
- (b) Billing Info & Overdue Charges. Customer is responsible for keeping Websoft accurately and fully informed of Customer's billing and contact information, including providing any purchase order numbers in advance of invoice issuance. If any Professional Service fees are not received from Customer by the due date, they will accrue interest at the rate of one and a half percent (1.5%) of the outstanding balance per month, or the maximum rate permitted by law, whichever is lower.
- (c) Overdue Payments. If any amount owing by Customer hereunder for any of the Professional Services is thirty (30) or more days overdue, Websoft may, without limiting its other rights and remedies, accelerate Customer's other unpaid fee obligations, if any, hereunder (including any Order Form) so that all such obligations become immediately due and payable, suspend the Professional Services and/or stop performance of the Professional Services until such amounts are paid in full.
- (d) Taxes. Professional Services fees do not include any taxes, levies, duties, or similar governmental assessments of any nature, including but not limited to value-added, sales, use or withholding taxes, assessable by any local, state, provincial, federal, or foreign jurisdiction (collectively, "Taxes"). Customer is responsible for paying all Taxes. If Websoft has the legal obligation to pay or collect Taxes for which Customer is responsible under this paragraph, the appropriate amount will be invoiced to and paid by Customer, unless Customer provides Websoft with a valid tax exemption certificate authorized by the appropriate taxing authority prior to invoice issuance. For clarity, Websoft is solely responsible for taxes assessable against it based on Websoft's income, property, and employees.

7. WARRANTY.

Websoft warrants that the Professional Services will be performed for and delivered to Customer in a good, diligent, workmanlike manner, consistent with the practices and standards of care generally accepted within and expected of Websoft's industry. For any breach of the above warranty, Customer's sole remedy will be the re-performance of the applicable Professional Services by Websoft. This warranty will be in effect for a period of ninety (90) days from acceptance of any Professional Services.

8. DISCLAIMER.

Section 7 sets forth the sole and exclusive warranties and remedies related to the Professional Services, Deliverables and Tools performed or provided hereunder. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EXCEPT AS EXPRESSLY PROVIDED HEREIN, WEBSOFT DOES NOT MAKE ANY WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND WEBSOFT SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE, OR ANY WARRANTIES ARISING OUT OF COURSE OF DEALING OR USAGE OF TRADE. EXCEPT AS PROVIDED HEREIN, THE PROFESSIONAL SERVICES AND DELIVERABLES PROVIDED TO CUSTOMER ARE ON AN "AS IS" AND "AS AVAILABLE" BASIS.

9. TERM AND TERMINATION.

- (a) Term. The Agreement commences on the date of last signature on the first Order Form issued hereunder ("**Effective Date**") and will remain in effect until terminated in accordance with this section (the "**Term**"). Each Order Form will commence on the date it is last signed and will expire upon completion of the project set forth in the applicable Order Form.
- (b) Cancellation. Once signed by both parties, an Order Form will be non-cancellable, except as otherwise explicitly stated in such Order Form.
- (c) Termination. This Agreement will terminate automatically when any agreement for Cloud Services to which this Agreement is related and/or all Order Forms referencing this Agreement are terminated or expired. Either Party may terminate this Agreement for cause: (i) upon thirty (30) days' notice to the other party of a material breach if such breach remains uncured at the expiration of such period, or (ii) if the other Party becomes the subject of a petition in bankruptcy or any other proceeding relating to insolvency, receivership, liquidation or assignment for the benefit of creditors.
- (d) Effect of Termination. For the avoidance of doubt, termination under any of the foregoing subsections will not affect Customer's outstanding payment obligations to Websoft in respect of Professional Services and Deliverables provided prior to such termination. Upon any termination of this Agreement, Customer will have no rights to continue receipt of any on-going or additional Professional Services, whether or not such Professional Services are completed prior to such termination.
- (e) Survival. All fees that have accrued as of such expiration or termination, and Sections 1, 5, 8, 9-12, 13(c), 14(d), 15, 16 and 17 will survive any expiration or termination hereof.

10. CONFIDENTIALITY.

- (a) Confidentiality Term. The obligations described in this Section commence on the Effective Date and will continue until two (2) years following any termination or expiration of this Agreement (“**Confidentiality Term**”).
- (b) Definitions. “**Disclosing Party**” and “**Recipient**” refer respectively to the party which discloses information and the party to which information is disclosed in a given exchange. “**Confidential Information**” means all disclosed information relating in whole or in part to non-public data, proprietary data compilations, computer source codes, compiled or object codes, scripted programming statements, byte codes or data codes, entity-relation or workflow diagrams, financial records or information, client records or information, organizational or personnel information, business plans, or works-in-progress, even where such works, when completed, would not necessarily comprise Confidential Information. The foregoing listing is not intended by the Parties to be comprehensive, and any information which Disclosing Party marks or otherwise designates as “Confidential” or “Proprietary” will be deemed and treated as Confidential Information, as will information that would reasonably be considered to be confidential given its nature and the circumstances under which it is disclosed. Information which qualifies as Confidential Information may be presented to Recipient in oral, written, graphic, and/or machine-readable formats. Regardless of presentation format, such information will be deemed and treated as Confidential Information.
- (c) Confidentiality Obligations. During the Confidentiality Term (as defined below) and subject to the other terms of this Agreement (including Websoft’s Privacy Policy, accessible at <https://sprbrk.box.com/v/sprbrk-privacy-policy>, which URL and its content may be updated from time to time by Websoft), Recipient will protect the confidentiality of Confidential Information using the same degree of care that it uses to protect its own information of similar importance, but will in any case use no less than a reasonable degree of care to protect Confidential Information. Recipient will not directly or indirectly disclose Confidential Information or any part thereof to any third party without Disclosing Party’s advance express written authorization to do so. Recipient may disclose Confidential Information only to its employees, contractors, or advisors on a need-to-know basis and who are bound by confidentiality and non-use restrictions at least as stringent as those contained herein. In responding to a request for Confidential Information, Recipient will cooperate with Disclosing Party, in a timely fashion and in a manner consistent with applicable laws, to protect the Confidential Information to the fullest extent possible.
- (d) Legally Compelled Information. In the event the Recipient becomes legally compelled (by deposition, interrogatory, requests for documents, subpoena, civil investigative demand or similar process) to disclose any Confidential Information, or the Recipient determines that it is obligated by law, rule, statute or governmental regulation to disclose any of the Confidential Information, the Recipient shall provide the Disclosing Party with prompt written notice of such requirement so that the Disclosing Party, if possible, may seek a protective order or other appropriate remedy and/or waive compliance with the terms of this Agreement. In the event that such protective order or other remedy is not obtained, the Recipient agrees to furnish only that portion of the Confidential Information that it is legally required to furnish and to exercise reasonable efforts to obtain assurance that confidential treatment will be accorded such

Confidential Information. A Party's obligations hereunder with respect to legally compelled information shall continue to be applicable for all other purposes.

- (e) Publicity. During the Term of this Agreement, including the term of any amendment hereto, Websoft may publicly disclose its ongoing business relationship with Customer. Such disclosures may indicate Customer's identity and the Websoft Services provided or contracted to be provided to Customer. These disclosures may include press releases or other communications to media, display on Websoft web sites, or use in other marketing activities, but will not include non-public information or indicate Customer's express endorsement of Websoft's products or services without Customer's prior written authorization.
- (f) Customer's Confidential Information. Websoft will have the right to use any Customer Confidential Information solely for providing the Professional Services to Customer hereunder. Notwithstanding the foregoing, Websoft may use aggregate Customer Confidential Information for Websoft development, internal training, and other reasonable business purposes not specific to Customer or its End Users.

11. LIMITATION OF LIABILITY.

- (a) Waiver of Consequential Damages. Neither Websoft nor any other person or entity involved in creating, producing, or delivering the Professional Services, including any Deliverables, will be liable for any indirect, incidental, special, punitive, exemplary or consequential damages, including lost profits, loss of data or loss of goodwill, loss of revenue, service interruption, computer damage or system failure or the cost of substitute products or services, or other commercial or economic loss of any kind whatsoever, or any liability of Customer to a third party, arising out of or in connection with this Agreement or from the use of or inability to use the Professional Services, whether based on warranty, contract, tort (including negligence), product liability or any other legal theory, even if Websoft was advised of the possibility of such damages. Some jurisdictions do not allow the exclusion or limitation of incidental, consequential or special damages, so the above limitations may not apply to Customer.
- (b) In no event will Websoft's aggregate liability hereunder to Customer or any third party arising out of or in connection with this Agreement or from the use of or inability to use the Professional Services, whether in contract, tort or under any other theory of liability, exceed the total amount paid by Customer in the twelve (12) month period preceding the incident. These limitations shall apply notwithstanding any failure of essential purpose of any remedy.

12. GENERAL.

- (a) Notice. Except as otherwise specified in this Agreement, all notices, permissions and approvals hereunder must be in writing and will be deemed to have been given upon: (i) personal delivery, (ii) the third business day after mailing by first class mail, or (iii) sending by confirmed email if sent during the recipient's normal business hours (or, if not, then on the next business day). Notices will be sent to the address specified by the recipient in writing when entering into this Agreement or establishing Customer's account for the Professional Services (or such other address as the recipient may thereafter specify by notice given in accordance with this Section 12(a)). Customer's email address for communication and notice purposes relating to this

Agreement will be set forth on the Order Form (or subsequent email addresses as advised by Customer). Customer agrees to accept emails from Websoft at the e-mail address specified in the Order Form.

- (b) Compliance with Laws. Each party will comply with all applicable laws and regulations with respect to its activities under this Agreement including, but not limited to, the export laws and regulations of the United States and other applicable jurisdictions.
- (c) Relationship of Parties. Websoft's relationship with Customer pursuant to this Agreement will be that of an independent contractor. Neither party will have any authority to bind the other, to assume or create any obligation, to enter into any agreements, or to make any warranties or representations on behalf of the other. Nothing in this Agreement will be deemed to create any agency, partnership, or joint venture relationship between the parties.
- (d) Use of Contractors. Websoft reserves the right to use third parties (who are under a covenant of confidentiality with Websoft), including, but not limited to, offshore subcontractors to assist with the Professional Services, including, without limitation, any data migration, configuration, implementation, and custom code development processes.
- (e) Waiver and Cumulative Remedies. No failure or delay by either party in exercising any right under this Agreement will constitute a waiver of that right. Other than as expressly stated herein, the remedies provided herein are in addition to, and not exclusive of, any other remedies of a party at law or in equity.
- (f) Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, the provision will be modified by the court and interpreted so as best to accomplish the objectives of the original provision to the fullest extent permitted by law, and the remaining provisions of this Agreement will remain in effect.
- (g) Assignment. Customer may not assign or transfer this Agreement or any Order Form hereunder, whether by operation of law or otherwise, without the prior written consent of Websoft. Any attempted assignment or transfer, without such consent, will be void. Subject to the foregoing, this Agreement will bind and inure to the benefit of the parties, their respective successors and permitted assigns.
- (h) Force Majeure. Websoft will not be liable for any delay or failure to perform under this Agreement to the extent such delay or failure results from circumstances or causes beyond the reasonable control of Websoft.
- (i) Dispute Resolution. This Agreement is governed by the laws of the State of Utah without regard for its conflict of laws principles. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, will be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, including the Emergency Interim Relief Procedures, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The number of arbitrators shall be one (1) unless the Parties mutually agree otherwise. The place of arbitration will be the State of Utah. Either party may



apply to the arbitrator for injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either Party also may, without waiving any remedy hereunder, seek from any court having jurisdiction any interim or provisional relief that is necessary to protect the rights or property of that party, pending the arbitrator's determination of the merits of the controversy. Each party will initially bear its own expenses and an equal share of the costs of the arbitration, but the prevailing party may be awarded its expenses, reasonable attorneys' fees, and costs.

- (j) Entire Agreement. This Agreement constitutes the entire agreement between the Parties concerning its subject matter and supersedes all prior communications, agreements, proposals, or representations, written or oral, concerning its subject matter. Notwithstanding any language to the contrary therein, no additional or conflicting terms or conditions stated in any master agreement to which this Agreement is incorporated, any Customer Order Form or other order documentation, will be incorporated into or form any part of this Agreement unless expressly agreed to by both parties in a mutually signed writing, and all such terms or conditions will be null. Under no circumstances will the terms, conditions or provisions of any RFP, purchase order, invoice or administrative document issued by Customer in connection with this Agreement be deemed to modify, alter, or expand this Agreement, regardless of any failure of Websoft to object to such terms, provisions, or conditions. No other act, document, usage, custom or waiver will be deemed to amend or modify this Agreement unless agreed to in writing signed by a duly authorized representative of both parties.