

LAS VIRGENES MUNICIPAL WATER DISTRICT
4232 Las Virgenes Road, Calabasas, CA 91302

AGENDA
REGULAR MEETING
June 7, 2022, 9:00 AM

Public Participation for Meetings of Las Virgenes Municipal Water District Board of Directors in Response to COVID-19

Pursuant to AB-361 (Government Code Section 54953(e)), the Las Virgenes Municipal Water District Board of Directors finds health concerns dictate offering the public and directors the opportunity to attend board meetings via teleconferencing.

PUBLIC PARTICIPATION: Pursuant to AB-361 and given the current health concerns, this meeting is being conducted via Zoom Webinar and all attendees are muted by default. To join via computer, please use the following Zoom Webinar ID:

Webinar ID: <https://us06web.zoom.us/j/84186866458>

To join by telephone, please dial (669) 900-6833 or (346) 248-7799 and enter Webinar ID: 841 8686 6458

For members of the public wishing to address the Board during Public Comment or during a specific agenda item, please press "Raise Hand" if you are joining via computer, or press *9 if you are joining via phone.

Members of the public can also access and request to speak at meetings live on-line, with audio and limited video, at www.LVMWD.com/LiveStream. In addition, members of the public can submit written comments electronically for consideration at www.LVMWD.com/LiveStream. To ensure distribution to the members of the Las Virgenes Municipal Water District Board of Directors prior to consideration of the agenda, please submit comments 24 hours prior to the day of the meeting. Those comments, as well as any comments received during the meeting, will be distributed to the members of the Board of Directors and will be made part of the official public record of the meeting. Contact Josie Guzman, Executive Assistant/Clerk of the Board, at (818) 251-2123 or jguzman@lvmwd.com with any questions.

ACCESSIBILITY: If requested, the agenda and backup materials will be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Any person who requires a disability-related modification or accommodation, in order to observe and/or other public comment may request such reasonable modification, accommodation, aid, or service by contacting the Executive Assistant/Clerk of the Board by telephone at (818) 251-2123 or via email to jguzman@lvmwd.com no later than 9:00 AM on the day before the scheduled meeting.

Members of the public wishing to address the Board of Directors are advised that a statement of Public Comment Protocols is available from the Clerk of the Board. Prior to speaking, each speaker is asked to review these protocols, complete a speakers' card, and hand it to the Clerk of the Board. Speakers will be recognized in the order the cards are received. A live webcast of the meeting will be available at LVMWD.com. Also, a web-based version of the speaker card is available for those who would like to submit written comments electronically or request to make public comment by telephone during the meeting.

The Public Comments agenda item is presented to allow the public to address the Board on matters not on the agenda. The public may also present comments on matters on the agenda; speakers for agendized items will be recognized at the time the item is called up for discussion.

Materials prepared by the District in connection with the subject matter on the agenda are available for public inspection at 4232 Las Virgenes Road, Calabasas, CA 91302. Materials prepared by the District and distributed to the Board during this meeting are available for public inspection at the meeting or as soon thereafter as possible. Materials presented to the Board by the public will be maintained as part of the records of these proceedings and are available upon request to the Clerk of the Board.

PLEDGE OF ALLEGIANCE

1 CALL TO ORDER AND ROLL CALL

2 APPROVAL OF AGENDA AND APPROVAL OF FINDINGS OF RESOLUTION NO. 2609 (AB 361)

3 PUBLIC COMMENTS

Members of the public may now address the Board of Directors **ON MATTERS NOT APPEARING ON THE AGENDA**, but within the jurisdiction of the Board. No action shall be taken on any matter not appearing on the agenda unless authorized by Subdivision (b) of Government Code Section 54954.2

4 CONSENT CALENDAR

Matters listed under the Consent Calendar are considered to be routine, non-controversial and normally approved with one motion. If discussion is requested by a member of the Board on any Consent Calendar item, or if a member of the public wishes to comment on an item, that item will be removed from the Consent Calendar for separate action.

A List of Demands: June 07, 2022 (Pg. 5)

Receive and File

B Minutes: Regular Meeting of May 17, 2022 and Special Meeting May 18,

2022 (Pg. 49)

Approve

C Continuation of Local State of Emergency Due to Water Shortage from Statewide Drought (Pg. 64)

Approve the continuation of a local emergency declaration due to water shortage from the statewide drought.

D Statement of Revenues, Expenses and Changes in Net Position: April 2022 (Pg. 66)

Receive and file the Statement of Revenues, Expenses and Changes in Net Position for the period ending on April 30, 2022.

E Monthly Cash and Investment Report: April 2022 (Pg. 70)

Receive and file the monthly cash and investment report for April 2022.

F Re-Adoption of 401(a) Deferred Compensation Plan Agreements (Pg. 86)

Authorize the General Manager or his designee to execute the necessary documents for continuation of the existing 401(a) Deferred Compensation Program.

G Meter Reading Services Contract: Change Order (Pg. 181)

Authorize the General Manager to approve a change order with Alexander's Contract Services, Inc., in the amount of \$60,000, for continuation of meter reading services.

5 ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Legislative and Regulatory Updates

B Drought and Water Supply Conditions Update (Pg. 183)

6 TREASURER

7 BOARD OF DIRECTORS

A Board Member Use of Electronic Communication Devices Policy (Pg. 185)

Approve the proposed Board Member Use of Electronic Communication Devices Policy.

8 FACILITIES AND OPERATIONS

A 2022 Report on Water Quality Relative to Public Health Goals: Public Hearing (Pg. 191)

Conduct a public hearing, and receive and file the 2022 Report on Water Quality Relative to Public Health Goals.

9 NON-ACTION ITEMS

A Organization Reports

B Director's Reports on Outside Meetings

C General Manager Reports

(1) General Business

(2) Follow-Up Items

D Director's Comments

10 **FUTURE AGENDA ITEMS**

11 **PUBLIC COMMENTS**

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12 **CLOSED SESSION**

A **Conference with Legal Counsel – Anticipated Litigation (Government Code Section 54956.9(b), Significant Exposure to Litigation): Two cases**

13 **OPEN SESSION AND ADJOURNMENT**

Pursuant to Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and applicable federal rules and regulations, requests for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting, should be made to the Executive Assistant/Clerk of the Board in advance of the meeting to ensure availability of the requested service or accommodation. Notices, agendas, and public documents related to the Board meetings can be made available in appropriate alternative format upon request.

LAS VIRGENES MUNICIPAL WATER DISTRICT

To: LYNDA LO-HILL, TREASURER

Payments for Board Meeting of : June 7, 2022

Deputy Treasurer has verified that all checks and wire transfers were issued in conformance with LVMWD Administrative Code Section 2-6.203.

Wells Fargo Bank A/C No. 4806-994448

Checks Nos. 103973 through 104104 were issued in the total amount of \$ 1,705,278.86

Payments through wire transfers as follows:

Sub-Total Wires	<u>\$ -</u>
Total Payments	<u><u>\$ 1,705,278.86</u></u>

(Reference is hereby to these demands on file in the District's Check Register and by this reference the same is incorporated herein and made a part hereof.)

**CHECK LISTING FOR BOARD MEETING
06/07/22**

Company Name	Company No.	Check No. 103973 thru 104030 05/17/22	Check No. 104031 thru 104104 05/24/22	Total
		Amount	Amount	
Potable Water Operations	101	58,766.18	15,706.84	74,473.02
Recycled Water Operations	102	1,995.75		1,995.75
Sanitation Operations	130	3,065.00		3,065.00
Potable Water Construction	201	1,031.25	1,634.50	2,665.75
Water Conservation Construction	203			-
Sani- Construction	230			-
Potable Water Replacement	301	6,145.75	103,285.16	109,430.91
Reclaimed Water Replace	302			-
Sanitation Replacement	330			-
Internal Service	701	80,854.88	83,206.15	164,061.03
JPA Operations	751	163,919.01	149,441.13	313,360.14
JPA Construction	752			-
JPA Replacement	754		1,044,968.23	1,044,968.23
Total Printed		315,777.82	1,398,242.01	1,714,019.83
Voided Checks/payment stopped:				
Check #103910	101	(885.00)		(885.00)
Check #103910	130	(471.00)		(471.00)
Check #103910	701	(3,987.43)		(3,987.43)
Check #103910	751	(3,397.54)		(3,397.54)
Total Voids		(8,740.97)		(8,740.97)
Net Total		307,036.85	1,398,242.01	1,705,278.86

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
103973	05/17/2022	PRTD	18645 ACCURATE MEASUREMENT SYSTEMS, INC	V042522DP1	04/25/2022		051722	1,500.00
			Invoice: V042522DP1					
				1,500.00 751830 551500				
							FIELD SRV-CENTRATE TANKS Outside Services	
							CHECK 103973 TOTAL:	1,500.00
103974	05/17/2022	PRTD	2317 ACORN NEWSPAPER	182444	04/23/2022		051722	830.40
			Invoice: 182444					
				830.40 701230 660400				
							AD- ADVANCED METER PROJECT Public Education Programs	
							CHECK 103974 TOTAL:	830.40
103975	05/17/2022	PRTD	8680 ADS, LLC	22085.22-0422	04/23/2022		051722	3,060.00
			Invoice: 22085.22-0422					
				765.00 130100 551500				
				2,295.00 751800 551500				
							APR'22 FLOW MONITORING Outside Services	
							CHECK 103975 TOTAL:	3,060.00
103976	05/17/2022	PRTD	20389 AIRGAS SPECIALTY PRODUCTS	9125139957	04/25/2022		051722	3,088.56
			Invoice: 9125139957					
				3,088.56 751810 541013				
							31,340 LBS AMMONIA HYDROXIDE Aqua Ammonia	
							CHECK 103976 TOTAL:	3,088.56
103977	05/17/2022	PRTD	2372 ALLIED ELECTRONICS, INC.	9016103604	04/20/2022		051722	45.60
			Invoice: 9016103604					
				45.60 101100 551000				
							OHM RESISTORS Supplies/Material	
							CHECK 103977 TOTAL:	45.60
103978	05/17/2022	PRTD	30119 ATS COMMUNICATIONS	3-2022	04/24/2022		051722	1,456.25
			Invoice: 3-2022					
				1,456.25 701310 552500				
							MAR'22 PRO SRVS-CELL SITE MGMT Consulting Services	
							CHECK 103978 TOTAL:	1,456.25
103979	05/17/2022	PRTD	9067 AUSTIN-MAC, INC.	31907	04/27/2022	22200178	051722	6,100.00
			Invoice: 31907					
				6,100.00 751820 551500				
							AMNDMT BIN START UP & TESTING Outside Services	
							CHECK 103979 TOTAL:	6,100.00

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CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
103980	05/17/2022	PRTD	5625 ASSOC. OF WATER AGENCIES OF VENTU	06-14102	04/21/2022		051722	150.00
			Invoice: 06-14102					
				120.00 701112 601000				
				30.00 701121 683000				
					5 REG-WATERWISE MTG-4/21			
					Directors' Conference Exp			
					Training & Professional Devel			
					CHECK		103980 TOTAL:	150.00
103981	05/17/2022	PRTD	30324 C & W CONSTRUCTION SPECIALTIES, I	21239-1	04/22/2022		051722	2,804.00
			Invoice: 21239-1					
				2,804.00 751200 541500				
					RESERVOIR 3 FENCE REPAIR			
					Outside Services			
					CHECK		103981 TOTAL:	2,804.00
103982	05/17/2022	PRTD	2964 CA ST TREAS. BOE	97-877885/043022	04/30/2022		051722	4,450.00
			Invoice: 97-877885/043022					
				4,450.43 751 206000				
				-.43 701999 862500				
					USE TAX APR'22			
					Use Tax Liability			
					Other Non-Operating Expense			
					CHECK		103982 TOTAL:	4,450.00
103983	05/17/2022	PRTD	20655 CANNON CORPORATION	79829	04/06/2022		051722	1,658.61
			Invoice: 79829					
				1,658.61 301440 900000				
					P/E 3/31-KMBRLY REDUCE STATION			
					Capital Asset Expenses			
					CHECK		103983 TOTAL:	1,658.61
103984	05/17/2022	PRTD	7992 CARB/PERP	P-047040-042522	04/25/2022		051722	1,470.00
			Invoice: P-047040-042522					
				1,470.00 101100 551000				
					REG-GEN #933 & 934			
					Supplies/Material			
					CHECK		103984 TOTAL:	1,470.00
103985	05/17/2022	PRTD	18992 CDW GOVERNMENT	W244034	04/21/2022	22200115	051722	636.23
			Invoice: W244034					
				636.23 701420 543000				
					TAPIA SCADA PRINTER			
					Capital Outlay			
					CHECK		103985 TOTAL:	636.23
103986	05/17/2022	PRTD	2786 CEDAR VALLEY PLUMBING SUPPLY	178164	04/29/2022		051722	197.37
			Invoice: 178164					
				197.37 751750 551000				
					ABS PIPE AND FITTINGS			
					Supplies/Material			
					CHECK		103986 TOTAL:	197.37

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CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
103987	05/17/2022	PRTD	19270 COMMUNICATIONS RELAY, LLC	59593	05/01/2022		051722	1,074.96
			Invoice: 59593					
				1,074.96 701420 540520			CASTRO PEAK RENT-MAY'22 Telephone	
							CHECK 103987 TOTAL:	1,074.96
103988	05/17/2022	PRTD	2601 DELL COMPUTER CORP.	10578544517	04/21/2022	22200150	051722	2,454.40
			Invoice: 10578544517					
				2,454.40 701420 543000			DELL LATITUDE 7420 Capital Outlay	
							CHECK 103988 TOTAL:	2,454.40
103989	05/17/2022	PRTD	3690 DEPARTMENT OF WATER RESOURCES	1800149036	03/16/2022		051722	52,755.00
			Invoice: 1800149036					
				52,755.00 101 135500			DAM FEE/FY22~23-WLK RES Prepaid Services	
							CHECK 103989 TOTAL:	52,755.00
103990	05/17/2022	PRTD	4943 ENVICOM CORPORATION	0017230	02/28/2022		051722	303.85
			Invoice: 0017230					
				303.85 301440 900000			P/E 2/25-TWIN LKS TANK REPLC Capital Asset Expenses	
			Invoice: 0017313					
			ENVICOM CORPORATION	0017313	03/31/2022		051722	2,210.79
				2,210.79 301440 900000			P/E 3/25-TWIN LKS TANK REPLC Capital Asset Expenses	
							CHECK 103990 TOTAL:	2,514.64
103991	05/17/2022	PRTD	2651 FAIRFIELD SERVICE COMPANY	80-40490-A	05/02/2022	22200175	051722	25,264.42
			Invoice: 80-40490-A					
				25,264.42 751810 551000			SS ROLLERS & BUSHINGS-TAPIA Supplies/Material	
							CHECK 103991 TOTAL:	25,264.42
103992	05/17/2022	PRTD	2654 FAMCON PIPE	S100075014.001	04/20/2022	22200146	051722	717.23
			Invoice: S100075014.001					
				290.18 101900 572500			VALVE STACKS Genl Supplies/Small Tools	
				427.05 701 132000			Storeroom & Truck Inventory	
			Invoice: S100072322.002					
			FAMCON PIPE	S100072322.002	04/20/2022	22200116	051722	2,483.46
				2,483.46 701 132000			HYDRANT SPOOLS Storeroom & Truck Inventory	
			Invoice: S100073392.002					
			FAMCON PIPE	S100073392.002	04/20/2022	22200131	051722	49.28
				49.28 101900 572500			STEEL PLUGS Genl Supplies/Small Tools	

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 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
INVOICE DTL DESC								
Invoice: S100071661.003			FAMCON PIPE	S100071661.003	04/25/2022	22200113	051722	3,189.18
		3,189.18	701	132000	HYDRANT PARTS			
					Storeroom & Truck Inventory			
					CHECK	103992	TOTAL:	6,439.15
103993	05/17/2022	PRTD	2655 FERGUSON ENTERPRISES	0789047	04/13/2022	22200111	051722	3,646.12
Invoice: 0789047					AIRVAC ENCLOSURES			
		3,646.12	701	132000	Storeroom & Truck Inventory			
Invoice: 0796826			FERGUSON ENTERPRISES	0796826	04/19/2022	22200158	051722	219.79
		219.79	701	132000	REPAIR CLAMPS			
					Storeroom & Truck Inventory			
					CHECK	103993	TOTAL:	3,865.91
103994	05/17/2022	PRTD	2660 FISHER SCIENTIFIC	2250036	04/27/2022		051722	424.84
Invoice: 2250036					VORTEX			
		424.84	701341	551000	Supplies/Material			
Invoice: 2021266			FISHER SCIENTIFIC	2021266	04/20/2022		051722	-11.78
		-11.78	701341	551000	CR-INV#0606405			
					Supplies/Material			
					CHECK	103994	TOTAL:	413.06
103995	05/17/2022	PRTD	6770 G.I. INDUSTRIES	2535705-0283-6	05/01/2022		051722	553.50
Invoice: 2535705-0283-6					5/22 DISP-TAPIA GRIT			
		553.50	751810	541500	Outside Services			
Invoice: 3030263-0283-4			G.I. INDUSTRIES	3030263-0283-4	05/02/2022		051722	889.40
		889.40	701002	551500	SHOP BLDG 4/16-4/30/22			
					Outside Services			
					CHECK	103995	TOTAL:	1,442.90
103996	05/17/2022	PRTD	16858 GENERAL PUMP COMPANY	29267-A	03/28/2022	22100137	051722	6,224.71
Invoice: 29267-A					REPLACE 25HP SUBMERSIBLE PUMP AT WESTLAKE WELLS			
		6,224.71	751200	541500	Outside Services			
Invoice: 29267-B			GENERAL PUMP COMPANY	29267-B	03/28/2022		051722	61,794.49
		61,794.49	751200	541500	REPLACE 25HP SUBMERSIBLE PUMP AT WESTLAKE WELLS			
					Outside Services			
					CHECK	103996	TOTAL:	68,019.20

A/P CASH DISBURSEMENTS JOURNAL

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 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
103997	05/17/2022	PRTD	2701 GRAINGER	9284030369	04/19/2022	22200163	051722	1,830.02
					RESPIRATOR Storeroom & Truck Inventory			
				1,830.02 701	132000			
Invoice: 9269661063			GRAINGER	9269661063	04/05/2022		051722	1,092.18
					WAREHOUSE PRE EXPENSED Genl Supplies/Small Tools			
				1,092.18 101900	572500			
Invoice: 9271351810			GRAINGER	9271351810	04/07/2022		051722	84.03
					SILICONE Genl Supplies/Small Tools			
				84.03 101900	572500			
Invoice: 9268935443			GRAINGER	9268935443	04/05/2022		051722	11.63
					CLEANING TISSUES Forms, Supplies And Postage			
				11.63 701410	620000			
							CHECK 103997 TOTAL:	3,017.86
103998	05/17/2022	PRTD	19548 GRM INFORMATION MANAGEMENT SERVIC	0452928	04/30/2022		051722	443.96
					APR'22 RECORDS STORAGE Records Management			
				443.96 701121	623500			
							CHECK 103998 TOTAL:	443.96
103999	05/17/2022	PRTD	2705 HACH COMPANY	12999835	04/25/2022		051722	1,269.36
					REPLACEMENT CAPS-BNR PROBES Supplies/Material			
				1,269.36 751810	541000			
Invoice: 13003089			HACH COMPANY	13003089	04/26/2022		051722	410.65
					CONTROLLER KEYPADS Supplies/Material			
				410.65 751810	541000			
Invoice: 13002625			HACH COMPANY	13002625	04/25/2022		051722	90.92
					TUBIDOMETER FUSE Supplies/Material			
				90.92 701341	551000			
							CHECK 103999 TOTAL:	1,770.93
104000	05/17/2022	PRTD	7421 HAMNER, JEWELL AND ASSOCIATES	201594	04/18/2022		051722	1,031.25
					P/E 3/21-TWIN LAKES P/S Capital Asset Expenses			
				1,031.25 201440	900000			
Invoice: 201595			HAMNER, JEWELL AND ASSOCIATES	201595	04/18/2022		051722	966.25
					P/E 3/31-EMGCY GENERATORS Capital Asset Expenses			
				966.25 301440	900000			

A/P CASH DISBURSEMENTS JOURNAL

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CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
								1,997.50
								1,006.25
104001	05/17/2022	PRTD	4409 HARRIS & ASSOCIATES, INC.	52261	04/15/2022		051722	1,006.25
				1,006.25	301001	713100		
								1,006.25
104002	05/17/2022	PRTD	2997 J G TUCKER & SONS	17624	04/27/2022		051722	242.84
				242.84	701326	572500		
								242.84
104003	05/17/2022	PRTD	2547 LOS ANGELES COUNTY SANITATION DIS	48892/043022	04/30/2022		051722	543.07
				543.07	751810	541500		
								543.07
104004	05/17/2022	PRTD	3038 LARRY WALKER & ASSOC	00532.04-1	04/13/2022		051722	1,995.75
				1,995.75	102100	551500		
								1,995.75
104005	05/17/2022	PRTD	3352 LAS VIRGENES MUNICIPAL WATER DIST	0896/050422	05/04/2022		051722	376.99
				376.99	101201	540540		
								376.99
Invoice: 0909/050422			LAS VIRGENES MUNICIPAL WATER DIST	0909/050422	05/04/2022		051722	349.36
				349.36	101600	540540		
								349.36
Invoice: 0907/050422			LAS VIRGENES MUNICIPAL WATER DIST	0907/050422	05/04/2022		051722	387.10
				387.10	101600	540540		
								387.10
Invoice: 2655/050422			LAS VIRGENES MUNICIPAL WATER DIST	2655/050422	05/11/2022		051722	236.44
				236.44	701002	540540		
								236.44
Invoice: 0331/050422			LAS VIRGENES MUNICIPAL WATER DIST	0331/050422	05/11/2022		051722	31.10
				31.10	751125	540540		
								31.10
					05/11/2022		051722	31.10

Las Virgenes Municipal Water District



A/P CASH DISBURSEMENTS JOURNAL

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CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET	
				INVOICE DTL DESC					
Invoice: 0558/050422				31.10 751223 540540	IND HILLS 3/24-4/28/22				
					Water				
Invoice: 2652/050422			LAS VIRGENES MUNICIPAL WATER DIST	2652/050422	05/11/2022		051722	195.81	
				195.81 701001 540540	BD#8/RW 3/23-4/27/22				
					Water				
Invoice: 2646/050422			LAS VIRGENES MUNICIPAL WATER DIST	2646/050422	05/11/2022		051722	226.68	
				226.68 701001 540540	BD#8/RECL 3/23-4/27/22				
					Water				
Invoice: 2645/050422			LAS VIRGENES MUNICIPAL WATER DIST	2645/050422	05/11/2022		051722	204.16	
				204.16 701001 540540	RWPS - 3/25-4/29/22				
					Water				
							CHECK	104005 TOTAL:	2,038.74
104006	05/17/2022	PRTD	8484 LINDE GAS AND EQUIPMENT, INC	70198623	04/22/2022		051722	133.17	
	Invoice: 70198623			133.17 101100 541000	CYLINDER RENT 3/20~4/20				
					Supplies/Material				
							CHECK	104006 TOTAL:	133.17
104007	05/17/2022	PRTD	2814 MCMaster-CARR SUPPLY CO	76906566	04/22/2022		051722	146.97	
	Invoice: 76906566			146.97 751810 572500	HEX KEYS				
					Genl Supplies/Small Tools				
Invoice: 77137903			MCMaster-CARR SUPPLY CO	77137903	04/27/2022		051722	100.17	
				100.17 751810 572500	CORE SAW & ARBOR				
					Genl Supplies/Small Tools				
Invoice: 77051885			MCMaster-CARR SUPPLY CO	77051885	04/26/2022		051722	35.41	
				35.41 101600 541000	PIPE FITTINGS				
					Supplies/Material				
							CHECK	104007 TOTAL:	282.55
104008	05/17/2022	PRTD	20973 MERRIMAC ENERGY GROUP	2218600	04/27/2022		051722	42,761.55	
	Invoice: 2218600			42,761.55 701325 551010	8,741 GAL UNLEADED				
					Fuel				
							CHECK	104008 TOTAL:	42,761.55
104009	05/17/2022	PRTD	14322 MILES CHEMICAL COMPANY, INC	655613	04/27/2022		051722	816.98	
	Invoice: 655613			816.98 751750 541000	750 LBS SULFURIC ACID				
					Supplies				

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
INVOICE DTL DESC								
							CHECK 104009 TOTAL:	816.98
104010	05/17/2022	PRTD	2846 NATIONAL PLANT SERVICES INC	17183	09/24/2021		051722	2,700.00
				2,700.00 751810 551500	CLEAN GRIT TANKS HOPPERS Outside Services			
			Invoice: 17148		09/13/2021		051722	3,490.00
				3,490.00 751820 551500	CLEAR DRAIN LINE-RLV Outside Services			
			Invoice: 17376		01/17/2022		051722	2,300.00
				2,300.00 130100 551500	CLEAN WET WELL L/S 2 Outside Services			
							CHECK 104010 TOTAL:	8,490.00
104011	05/17/2022	PRTD	19299 NORTH AMERICAN SAFETY, INC.	INV64438	04/15/2022	22200103	051722	196.46
			Invoice: INV64438	196.46 701 132000	RAIN GEAR Storeroom & Truck Inventory			
							CHECK 104011 TOTAL:	196.46
104012	05/17/2022	PRTD	2302 OFFICE DEPOT	237146035001	04/07/2022		051722	84.59
			Invoice: 237146035001	84.59 701410 620000	TAPE, CERTS & MARKERS Forms, Supplies And Postage			
			Invoice: 239944798001		04/15/2022		051722	45.95
				45.95 701410 620000	LABELS Forms, Supplies And Postage			
			Invoice: 239949504001		04/15/2022		051722	30.79
				30.79 701410 620000	PENS Forms, Supplies And Postage			
							CHECK 104012 TOTAL:	161.33
104013	05/17/2022	PRTD	18157 PARAMOUNT GASKET & MFG, INC.	621244	04/28/2022		051722	673.79
			Invoice: 621244	673.79 101200 541000	MANWAY GASKET FOR SEMINOLE Supplies/Material			
							CHECK 104013 TOTAL:	673.79
104014	05/17/2022	PRTD	30153 DONALD PATTERSON	050722	05/07/2022		051722	82.14
			Invoice: 050722	82.14 701410 711000	ACWA FIN COMM MTG-5/3-D.P. Travel / Misc Staff Exp			
			DONALD PATTERSON	050922	05/07/2022		051722	1,067.91

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
Invoice: 050922				1,067.91	701410	683000		
							CHECK 104014 TOTAL:	1,150.05
104015	05/17/2022	PRTD	20334	PRUDENTIAL OVERALL SUPPLY	172130440			
Invoice: 172130440				51.79	751810	551000	04/07/2022 051722	125.49
				73.70	701999	731600	APR'22 UNIFORMS/MATS/TOWELS Supplies/Material Uniforms	
Invoice: 172131814				51.79	751810	551000	04/14/2022 051722	124.79
				73.00	701999	731600	APR'22 UNIFORMS/MATS/TOWELS Supplies/Material Uniforms	
Invoice: 172133190				51.79	751810	551000	04/21/2022 051722	125.49
				73.70	701999	731600	APR'22 UNIFORMS/MATS/TOWELS Supplies/Material Uniforms	
Invoice: 172134563				51.79	751810	551000	04/28/2022 051722	125.19
				73.40	701999	731600	APR'22 UNIFORMS/MATS/TOWELS Supplies/Material Uniforms	
Invoice: 172129566				21.44	101600	551000	04/04/2022 051722	35.04
				13.60	701999	731600	APR'22 UNIFORMS/MATS/TOWELS Supplies/Material Uniforms	
Invoice: 172130945				21.44	101600	551000	04/11/2022 051722	35.04
				13.60	701999	731600	APR'22 UNIFORMS/MATS/TOWELS Supplies/Material Uniforms	
Invoice: 172132317				21.44	101600	551000	04/18/2022 051722	35.04
				13.60	701999	731600	APR'22 UNIFORMS/MATS/TOWELS Supplies/Material Uniforms	
Invoice: 172133691				21.44	101600	551000	04/25/2022 051722	35.04
				13.60	701999	731600	APR'22 UNIFORMS/MATS/TOWELS Supplies/Material Uniforms	
Invoice: 172130442				63.28	701002	551000	04/07/2022 051722	339.95
				276.67	701999	731600	APR'22 UNIFORMS/MATS/TOWELS Supplies/Material Uniforms	
							04/14/2022 051722	338.75

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
Invoice: 172131816								
				63.28 701002 551000	APR'22 UNIFORMS/MATS/TOWELS			
				275.47 701999 731600	Supplies/Material			
					Uniforms			
Invoice: 172133192		PRUDENTIAL OVERALL SUPPLY		172133192	04/21/2022		051722	338.75
				63.28 701002 551000	APR'22 UNIFORMS/MATS/TOWELS			
				275.47 701999 731600	Supplies/Material			
					Uniforms			
Invoice: 172134565		PRUDENTIAL OVERALL SUPPLY		172134565	04/28/2022		051722	338.75
				63.28 701002 551000	APR'22 UNIFORMS/MATS/TOWELS			
				275.47 701999 731600	Supplies/Material			
					Uniforms			
Invoice: 172130441		PRUDENTIAL OVERALL SUPPLY		172130441	04/07/2022		051722	64.03
				30.83 751820 551000	APR'22 UNIFORMS/MATS/TOWELS			
				33.20 701999 731600	Supplies/Material			
					Uniforms			
Invoice: 172131815		PRUDENTIAL OVERALL SUPPLY		172131815	04/14/2022		051722	64.03
				30.83 751820 551000	APR'22 UNIFORMS/MATS/TOWELS			
				33.20 701999 731600	Supplies/Material			
					Uniforms			
Invoice: 172133191		PRUDENTIAL OVERALL SUPPLY		172133191	04/21/2022		051722	64.03
				30.83 751820 551000	APR'22 UNIFORMS/MATS/TOWELS			
				33.20 701999 731600	Supplies/Material			
					Uniforms			
Invoice: 172134564		PRUDENTIAL OVERALL SUPPLY		172134564	04/28/2022		051722	63.83
				30.83 751820 551000	APR'22 UNIFORMS/MATS/TOWELS			
				33.00 701999 731600	Supplies/Material			
					Uniforms			
					CHECK		104015 TOTAL:	2,253.24
104016	05/17/2022	PRTD	21594	RECYCLED WOOD PRODUCTS	224930			
				Invoice: 224930				
				1,924.00 751820 541080	130 YDS WOODCHIPS		051722	1,924.00
					Amendment			
Invoice: 225143		RECYCLED WOOD PRODUCTS		225143	05/04/2022		051722	1,924.00
				1,924.00 751820 541080	130 YDS WOODCHIPS			
					Amendment			
Invoice: 225098		RECYCLED WOOD PRODUCTS		225098	05/03/2022		051722	1,924.00
				1,924.00 751820 541080	130 YDS WOODCHIPS			
					Amendment			
Invoice: FC 20755		RECYCLED WOOD PRODUCTS		FC 20755	05/01/2022		051722	507.62
				507.62 751820 541080	FINANCE CHGS			
					Amendment			

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
CHECK 104016 TOTAL: 6,279.62								
104017	05/17/2022	PRTD	20124 RON'S PORTABLE WELDING	5846	04/18/2022		051722	120.00
	Invoice: 5846			120.00 101700 551500	REVIEW RPRS FOR FASTWATER CT Outside Services			
CHECK 104017 TOTAL: 120.00								
104018	05/17/2022	PRTD	6766 SAWYER PETROLEUM	V178630	04/19/2022		051722	13,800.59
	Invoice: V178630			13,800.59 751810 541010	2,500 GAL DIESEL-GENERATORS Fuel			
CHECK 104018 TOTAL: 13,800.59								
104019	05/17/2022	PRTD	2958 SOUTHERN CALIFORNIA GAS CO (M-bil 1200/050622		05/06/2022		051722	14.30
	Invoice: 1200/050622			14.30 101109 540530	JBR P/S 04/05/-05/04/22 Gas			
			SOUTHERN CALIFORNIA GAS CO (M-bil 142-143-9400 7/0506		05/06/2022		051722	14.79
	Invoice: 142-143-9400 7/0506			14.79 101600 540530	WLK P/A 04/01-05/01/22 0 THERMS Gas			
CHECK 104019 TOTAL: 29.09								
104020	05/17/2022	PRTD	20412 STERICYCLE, INC.	8001520599	04/30/2022		051722	223.26
	Invoice: 8001520599			223.26 701121 623500	APR'22 DOC SHRREDDING Records Management			
CHECK 104020 TOTAL: 223.26								
104021	05/17/2022	PRTD	21662 SUEZ WTS ANALYTICAL INSTRUMENTS,	901139993	09/15/2021		051722	593.83
	Invoice: 901139993			593.83 751750 541000	ACID CARTRIDGE TOC METER Supplies			
CHECK 104021 TOTAL: 593.83								
104022	05/17/2022	PRTD	30349 SUSAN BROWN	051122	05/11/2022		051722	1,001.18
	Invoice: 051122			1,001.18 701310 711000	TRAINING-TECH CLERKS 3/14~3/18-S.B. Travel / Misc Staff Exp			
CHECK 104022 TOTAL: 1,001.18								

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
INVOICE DTL DESC								
104023	05/17/2022	PRTD	3789 T & T TRUCK & CRANE SERVICE	0156827-IN	04/25/2022		051722	1,470.00
			Invoice: 0156827-IN					
				1,470.00 751810 551500				
							CRANE SRV-SET BAL POND PUMP #2 Outside Services	
							CHECK 104023 TOTAL:	1,470.00
104024	05/17/2022	PRTD	20950 TERRAVERDE ENERGY LLC	1184	04/30/2022		051722	4,646.00
			Invoice: 1184					
				4,646.00 751840 651600				
							EXPAND SOLAR FACILITY Other Professional Serv	
							CHECK 104024 TOTAL:	4,646.00
104025	05/17/2022	PRTD	12149 THATCHER CO. OF CALIFORNIA	2022400103564	03/16/2022		051722	8,860.00
			Invoice: 2022400103564					
				8,860.00 751820 541000				
							274 GAL TOTE-CITRIC ACID Supplies/Material	
							CHECK 104025 TOTAL:	8,860.00
104026	05/17/2022	PRTD	3006 UNDERGROUND SERVICE ALERT	420220418	05/01/2022		051722	673.30
			Invoice: 420220418					
				673.30 101700 551500				
							402 TICKETS-APR'22 Outside Services	
			Invoice: DSB20211094					
				115.94 101700 551500			05/01/2022 DIG SAFE PERMIT FEE-APR-22 Outside Services	115.94
							CHECK 104026 TOTAL:	789.24
104027	05/17/2022	PRTD	7370 VALIN CORPORATION	3546671	04/20/2022	22200123	051722	1,154.75
			Invoice: 3546671					
				1,154.75 751820 551000				
							SLUDGE GAS AIR FILTERS Supplies/Material	
							CHECK 104027 TOTAL:	1,154.75
104028	05/17/2022	PRTD	30056 VERIZON WIRELESS	9905120342	04/26/2022		051722	456.12
			Invoice: 9905120342					
				456.12 701224 540520				
							WIRELESS SVC 3/27-4/26/22 Telephone	
							CHECK 104028 TOTAL:	456.12
104029	05/17/2022	PRTD	3034 VORTEX INDUSTRIES, LLC	01-1576185	03/07/2022		051722	447.50
			Invoice: 01-1576185					
				447.50 701002 551500				
							REPAIR BLDG 2 ROLL UP Outside Services	
			VORTEX INDUSTRIES, LLC	01-1570517	03/31/2022		051722	2,971.86

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
Invoice: 01-1570517								
				2,971.86 751820 551500				
							INVOICE DTL DESC	
							REPAIRS-REACTOR ROLL UP	
							Outside Services	
							CHECK 104029 TOTAL:	3,419.36
104030	05/17/2022	PRTD	21474 ZONES, LLC					
			Invoice: K19068450101					
				11,268.10 701420 621500				
							K19068450101 04/22/2022 22200161 051722	11,268.10
							FALCON ENDPOINT PROTECTION ENTERPRISE	
							Equip Maintenance	
							CHECK 104030 TOTAL:	11,268.10
				NUMBER OF CHECKS	58	*** CASH ACCOUNT TOTAL ***		315,777.82
				TOTAL PRINTED CHECKS		COUNT	AMOUNT	
						58	315,777.82	
						*** GRAND TOTAL ***		315,777.82

A/P CASH DISBURSEMENTS JOURNAL

JOURNAL ENTRIES TO BE CREATED

CLERK: 3296tchau

YEAR PER	JNL	SRC ACCOUNT	JNL DESC	REF 1	REF 2	REF 3	ACCOUNT DESC LINE DESC	T OB	DEBIT	CREDIT
2022 11	175									
APP 751-200000		05/17/2022	051722	051722			Accounts Payable		163,919.01	
							AP CASH DISBURSEMENTS JOURNAL			
APP 999-100100		05/17/2022	051722	051722			Cash-General			315,777.82
							AP CASH DISBURSEMENTS JOURNAL			
APP 701-200000		05/17/2022	051722	051722			Accounts Payable		80,854.88	
							AP CASH DISBURSEMENTS JOURNAL			
APP 130-200000		05/17/2022	051722	051722			Accounts Payable		3,065.00	
							AP CASH DISBURSEMENTS JOURNAL			
APP 101-200000		05/17/2022	051722	051722			Accounts Payable		58,766.18	
							AP CASH DISBURSEMENTS JOURNAL			
APP 301-200000		05/17/2022	051722	051722			Accounts Payable		6,145.75	
							AP CASH DISBURSEMENTS JOURNAL			
APP 201-200000		05/17/2022	051722	051722			Accounts Payable		1,031.25	
							AP CASH DISBURSEMENTS JOURNAL			
APP 102-200000		05/17/2022	051722	051722			Accounts Payable		1,995.75	
							AP CASH DISBURSEMENTS JOURNAL			
GENERAL LEDGER TOTAL									315,777.82	315,777.82
APP 999-207510		05/17/2022	051722	051722			Due to/Due FromJPA Operations		163,919.01	
APP 751-100100		05/17/2022	051722	051722			Cash-General			163,919.01
APP 999-207010		05/17/2022	051722	051722			Due to/Due FromInternal Svcs		80,854.88	
APP 701-100100		05/17/2022	051722	051722			Cash-General			80,854.88
APP 999-201300		05/17/2022	051722	051722			Due to/Due FrmSanitation Ops		3,065.00	
APP 130-100100		05/17/2022	051722	051722			Cash-General			3,065.00
APP 999-201010		05/17/2022	051722	051722			Due to/Due Frm Potable Wtr Ops		58,766.18	
APP 101-100100		05/17/2022	051722	051722			Cash-General			58,766.18
APP 999-203010		05/17/2022	051722	051722			Due to/Due FrmPotable wtr Repl		6,145.75	
APP 301-100100		05/17/2022	051722	051722			Cash-General			6,145.75
APP 999-202010		05/17/2022	051722	051722			Due to/Due FrmPotable wtr Cnst		1,031.25	
APP 201-150100		05/17/2022	051722	051722			Cash In Bank			1,031.25
APP 999-201020		05/17/2022	051722	051722			Due to/Due Frm Rec1 Wtr Ops		1,995.75	
APP 102-100100							Cash-General			1,995.75

A/P CASH DISBURSEMENTS JOURNAL

JOURNAL ENTRIES TO BE CREATED

YEAR PER	JNL				ACCOUNT DESC	T	OB	DEBIT	CREDIT
SRC ACCOUNT	EFF DATE	JNL DESC	REF 1	REF 2	REF 3	LINE DESC			
	05/17/2022	051722	051722						
						SYSTEM GENERATED ENTRIES TOTAL		315,777.82	315,777.82
						JOURNAL 2022/11/175 TOTAL		631,555.64	631,555.64

A/P CASH DISBURSEMENTS JOURNAL
JOURNAL ENTRIES TO BE CREATED

FUND ACCOUNT	YEAR PER	JNL	EFF DATE	ACCOUNT DESCRIPTION	DEBIT	CREDIT
101 Potable Water Operations 101-100100 101-200000	2022 11	175	05/17/2022	Cash-General Accounts Payable	58,766.18	58,766.18
FUND TOTAL					58,766.18	58,766.18
102 Reclaimed Water Operations 102-100100 102-200000	2022 11	175	05/17/2022	Cash-General Accounts Payable	1,995.75	1,995.75
FUND TOTAL					1,995.75	1,995.75
130 Sanitation Operations 130-100100 130-200000	2022 11	175	05/17/2022	Cash-General Accounts Payable	3,065.00	3,065.00
FUND TOTAL					3,065.00	3,065.00
201 Potable Water Construction 201-150100 201-200000	2022 11	175	05/17/2022	Cash In Bank Accounts Payable	1,031.25	1,031.25
FUND TOTAL					1,031.25	1,031.25
301 Potable Wtr Replacement Fund 301-100100 301-200000	2022 11	175	05/17/2022	Cash-General Accounts Payable	6,145.75	6,145.75
FUND TOTAL					6,145.75	6,145.75
701 Internal Service Fund 701-100100 701-200000	2022 11	175	05/17/2022	Cash-General Accounts Payable	80,854.88	80,854.88
FUND TOTAL					80,854.88	80,854.88
751 JPA Operations 751-100100 751-200000	2022 11	175	05/17/2022	Cash-General Accounts Payable	163,919.01	163,919.01
FUND TOTAL					163,919.01	163,919.01
999 Pooled Cash 999-100100 999-201010 999-201020 999-201300 999-202010 999-203010	2022 11	175	05/17/2022	Cash-General Due to/Due Frm Potable Wtr Ops Due to/Due Frm Recl Wtr Ops Due to/Due Frm Sanitation Ops Due to/Due Frm Potable Wtr Cnst Due to/Due Frm Potable Wtr Repl	58,766.18 1,995.75 3,065.00 1,031.25 6,145.75	315,777.82

A/P CASH DISBURSEMENTS JOURNAL

JOURNAL ENTRIES TO BE CREATED

FUND	YEAR PER	JNL	EFF DATE	ACCOUNT DESCRIPTION	DEBIT	CREDIT
ACCOUNT						
999-207010				Due to/Due FromInternal Sys	80,854.88	
999-207510				Due to/Due FromJPA Operations	163,919.01	
				FUND TOTAL	315,777.82	315,777.82

A/P CASH DISBURSEMENTS JOURNAL
 JOURNAL ENTRIES TO BE CREATED

FUND		DUE TO	DUE FR
101	Potable Water Operations		58,766.18
102	Reclaimed Water Operations		1,995.75
130	Sanitation Operations		3,065.00
201	Potable Water Construction		1,031.25
301	Potable Wtr Replacement Fund		6,145.75
701	Internal Service Fund		80,854.88
751	JPA Operations		163,919.01
999	Pooled Cash		
		315,777.82	
TOTAL		315,777.82	315,777.82

** END OF REPORT - Generated by Thieu Chau **

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
104031	05/24/2022	PRTD	17361 ACCURATE FIRST AID SERVICES	B-42731	04/11/2022		052422	412.84
			Invoice: B-42731	412.84 701430 680000	FIRST AID SITE SRV-WLK Safety			
			Invoice: B-42733	212.32 701430 680000	FIRST AID SITE SRV-OPS Safety		052422	212.32
			Invoice: B-42794	397.71 701430 680000	FIRST AID SITE SRV-TAPIA Safety		052422	397.71
			Invoice: B-42795	607.70 701430 680000	FIRST AID SITE SRV-RLV Safety		052422	607.70
					CHECK	104031 TOTAL:		1,630.57
104032	05/24/2022	PRTD	2317 ACORN NEWSPAPER	183171	05/07/2022		052422	830.40
			Invoice: 183171	830.40 701230 660400	AD-DROUGHT Public Education Programs			
					CHECK	104032 TOTAL:		830.40
104033	05/24/2022	PRTD	3077 AIRGAS USA, LLC	9988391608	04/30/2022		052422	307.30
			Invoice: 9988391608	307.30 701002 551500	CYLINDER RENT-APR'22 Outside Services			
					CHECK	104033 TOTAL:		307.30
104034	05/24/2022	PRTD	2387 AMERRAY HYDRAULICS CORP	54197	05/03/2022	22200165	052422	3,434.77
			Invoice: 54197	3,434.77 701 132000	HYDRAULIC FITTINGS Storeroom & Truck Inventory			
					CHECK	104034 TOTAL:		3,434.77
104035	05/24/2022	PRTD	2869 AT&T	332 841 0124/050722	05/07/2022		052422	33.97
			Invoice: 332 841 0124/050722	33.97 101201 540540	SVCS 5/7-6/6/22 Water			
			Invoice: 332 840 0123/050722	68.96 101300 540520	SVCS 5/7-6/6/22 Telephone		052422	68.96
			Invoice: 331 266 2045/050722	206.49 101100 540520	SVCS 05/07-06/06/22 Telephone		052422	206.49

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CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
INVOICE DTL DESC								
Invoice: 331 266	2043/050722		AT&T	331 266 2043/050722	05/07/2022		052422	417.12
		417.12	101100	540520	svcs 05/07-06/06/22			
					Telephone			
Invoice: 818 773	9054/050722		AT&T	818 773 9054/050722	05/07/2022		052422	56.41
		56.41	101122	540520	svcs 05/07-06/06/22			
					Telephone			
							CHECK 104035 TOTAL:	782.95
104036	05/24/2022	PRTD	9631 AT&T LONG DISTANCE	806368136/050422	05/04/2022		052422	27.85
Invoice: 806368136	050422				LONG DIST SRV 4/1-4/30/22			
		4.20	701002	540520	Telephone			
		.13	701420	540520	Telephone			
		22.11	751810	540520	Telephone			
		1.41	101600	540520	Telephone			
							CHECK 104036 TOTAL:	27.85
104037	05/24/2022	PRTD	16253 AT&T MOBILITY	992789332x05112022	05/03/2022		052422	4,880.59
Invoice: 992789332x05112022					WIRELESS SRV 4/4-5/3/22			
		43.23	101300	540520	Telephone			
		162.45	701122	540520	Telephone			
		49.16	701220	540520	Telephone			
		357.50	701221	540520	Telephone			
		482.85	701222	540520	Telephone			
		823.57	701224	540520	Telephone			
		43.23	701230	540520	Telephone			
		342.44	701321	540520	Telephone			
		120.70	701322	540520	Telephone			
		36.70	701325	540520	Telephone			
		151.34	701326	540520	Telephone			
		43.23	701330	540520	Telephone			
		1,044.69	701331	540520	Telephone			
		32.79	701340	540520	Telephone			
		62.66	701410	540520	Telephone			
		36.48	701350	540520	Telephone			
		710.33	701420	540520	Telephone			
		43.23	751750	540520	Telephone			
		152.53	751810	540520	Telephone			
		108.69	751820	540520	Telephone			
		32.79	701320	540520	Telephone			
							CHECK 104037 TOTAL:	4,880.59
104038	05/24/2022	PRTD	18071 BLUE DIAMOND MATERIALS	2661054	04/30/2022		052422	278.68
Invoice: 2661054					3.55 TONS A/C 3/8 FINE			
		278.68	101700	551000	Supplies/Material			

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CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
Invoice: 425653		DIAL SECURITY		425653	05/01/2022		052422	35.00
				35.00 751820 551800	MAY'22 SEC SRV-RLV Building Maintenance			
Invoice: 425654		DIAL SECURITY		425654	05/01/2022		052422	35.00
				35.00 751830 551500	MAY'22 SEC SRV-RLV FARM Outside Services			
Invoice: 425655		DIAL SECURITY		425655	05/01/2022		052422	125.00
				125.00 101600 551800	MAY'22 SEC SRV-WLK Building Maintenance			
Invoice: 425656		DIAL SECURITY		425656	05/01/2022		052422	35.00
				35.00 101600 551800	MAY'22 SEC SRV-WLK P/S Building Maintenance			
Invoice: 425657		DIAL SECURITY		425657	05/01/2022		052422	147.00
				147.00 701001 551500	MAY'22 SEC SRV-IT ROOM Outside Services			
Invoice: 425658		DIAL SECURITY		425658	05/01/2022		052422	15.00
				15.00 751820 551800	MAY'22 CELL PLAN-RLV Building Maintenance			
Invoice: 425659		DIAL SECURITY		425659	05/01/2022		052422	114.00
				114.00 701002 551500	MAY'22 SEC SRV-OPS Outside Services			
Invoice: 425660		DIAL SECURITY		425660	05/01/2022		052422	55.00
				55.00 751750 551500	MAY'22 FIRE MONITORING-BD 1 Outside Services			
					CHECK	104044	TOTAL:	1,187.00
104045	05/24/2022	PRTD	14591 EMISSION COMPLIANT CONTROLS CORP.	PS05383	05/04/2022	22200148	052422	10,353.95
			Invoice: PS05383					
				10,353.95 101100 551000	CATALYSTS FOR CORNELL PUMP STATION GAS ENGINE Supplies/Material			
					CHECK	104045	TOTAL:	10,353.95
104046	05/24/2022	PRTD	18441 EMPLOYEE RELATIONS NETWORK	92738	04/30/2022		052422	91.75
			Invoice: 92738					
				91.75 701430 681000	EE BACKGROUND CHECKS Recruitment Expense			
					CHECK	104046	TOTAL:	91.75
104047	05/24/2022	PRTD	4943 ENVICOM CORPORATION	0017161	01/31/2022		052422	13,094.53
			Invoice: 0017161					
				13,094.53 301440 900000	P/E 1/25-TWIN LKS TANK REPLC Capital Asset Expenses			

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CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
INVOICE DTL DESC								
							CHECK 104047 TOTAL:	13,094.53
104048	05/24/2022	PRTD	21573 EVERBRIDGE, INC	M69703	04/29/2022		052422	13,021.16
			Invoice: M69703				MASS NOTIFICATION 5/26/22~5/25/23 Public Education Programs	
			13,021.16	701230 660400			CHECK 104048 TOTAL:	13,021.16
104049	05/24/2022	PRTD	2654 FAMCON PIPE	S100078066.001	05/11/2022	22200177	052422	2,214.36
			Invoice: S100078066.001				FLANGES Storeroom & Truck Inventory	
			2,214.36	701 132000			CHECK 104049 TOTAL:	6,475.95
			Invoice: S100072857.001				FAMCON PIPE METER PARTS Storeroom & Truck Inventory	4,261.59
			4,261.59	701 132000			CHECK 104049 TOTAL:	6,475.95
104050	05/24/2022	PRTD	18815 FASTENAL COMPANY	CAGOV4862	04/29/2022		052422	1,012.42
			Invoice: CAGOV4862				DRILL BITS Supplies/Material	
			1,012.42	751810 551000			CHECK 104050 TOTAL:	1,012.42
104051	05/24/2022	PRTD	2658 FEDERAL EXPRESS CORP	7-747-70263	05/06/2022		052422	102.92
			Invoice: 7-747-70263				PKG DELIVERED 5/4 LABORATORY SERVICES	
			102.92	751820 571500			CHECK 104051 TOTAL:	102.92
104052	05/24/2022	PRTD	19397 FIRST CHOICE SERVICES (DAIOHS USA 435191		05/02/2022		052422	222.68
			Invoice: 435191				MAY'22 COFFEE SRV-HQ Forms, Supplies And Postage	
			222.68	701410 620000			CHECK 104052 TOTAL:	164.46
			Invoice: 435192				FIRST CHOICE SERVICES (DAIOHS USA 435192	164.46
			164.46	701410 620000			MAY'22 COFFEE SRV-OPS Forms, Supplies And Postage	
			Invoice: 435193				FIRST CHOICE SERVICES (DAIOHS USA 435193	126.10
			126.10	701410 620000			MAY'22 COFFEE SRV-RLV Forms, Supplies And Postage	
			Invoice: 435194				FIRST CHOICE SERVICES (DAIOHS USA 435194	128.61
			128.61	701410 620000			MAY'22 COFFEE SRV-TAPIA Forms, Supplies And Postage	

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CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
INVOICE DTL DESC								
							CHECK 104052 TOTAL:	641.85
104053	05/24/2022	PRTD	20970 GARDA CL WEST, INC.	20526538	04/30/2022		052422	253.41
				253.41 701410 622000	ESCESS TIME & LIAB-APR'22 Outside Services			
			Invoice: 20526538					
			20970 GARDA CL WEST, INC.	10691157	05/01/2022		052422	381.72
				381.72 701410 622000	ARMORED TRANSPORT-MAY'22 Outside Services			
			Invoice: 10691157					
							CHECK 104053 TOTAL:	635.13
104054	05/24/2022	PRTD	2690 GIBBS INTERNATIONAL TRUCKS	441472V	04/21/2022		052422	54.91
				54.91 701325 551000	O-RINGS, CAP COUPLINGS Supplies/Material			
			Invoice: 441472V					
			2690 GIBBS INTERNATIONAL TRUCKS	441362V	04/15/2022		052422	656.84
				656.84 701325 551000	RADIATOR TANK OVERFLOW Supplies/Material			
			Invoice: 441362V					
							CHECK 104054 TOTAL:	711.75
104055	05/24/2022	PRTD	2701 GRAINGER	9294974325	04/28/2022		052422	180.61
				180.61 701001 551000	TOILET PARTS Supplies/Material			
			Invoice: 9294974325					
			2701 GRAINGER	9291965060	04/26/2022		052422	721.06
				721.06 701321 572500	TOOLS Genl Supplies/Small Tools			
			Invoice: 9291965060					
			2701 GRAINGER	9292822765	04/26/2022		052422	410.89
				410.89 701002 551000	AIR HOSE FITTINGS Supplies/Material			
			Invoice: 9292822765					
			2701 GRAINGER	9292563344	04/26/2022		052422	172.93
				172.93 751700 551000	1/8 HP MOTOR Supplies/Material			
			Invoice: 9292563344					
			2701 GRAINGER	9292563336	04/26/2022		052422	289.27
				289.27 701222 572500	MEASURING WHEEL Genl Supplies/Small Tools			
			Invoice: 9292563336					
			2701 GRAINGER	9294773271	04/28/2022		052422	90.42
				90.42 101600 541000	HEAT GUN, ADAPTERS & COUPLINGS Supplies/Material			
			Invoice: 9294773271					
			2701 GRAINGER	9279476767	04/14/2022		052422	128.81
				128.81 751810 551000	RELAYS Supplies/Material			
			Invoice: 9279476767					

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CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

INVOICE	INV DATE	PO	CHECK RUN	NET			
INVOICE DTL DESC							
Invoice: 9278812772	GRAINGER	9278812772	04/13/2022	052422	284.00		
284.00	701326	572500	LABEL CARTRIDGES Genl Supplies/Small Tools				
				CHECK	104055 TOTAL:	2,277.99	
104056	05/24/2022 PRTD	21133 H2O INNOVATION USA, INC.	CD124646	04/28/2022 22200005	052422	1,000.00	
Invoice: CD124646				MEMBRANE MONITORING & MAINT Outside Services			
1,000.00	751750	541500			CHECK	104056 TOTAL:	1,000.00
104057	05/24/2022 PRTD	2705 HACH COMPANY	13016041	05/02/2022	052422	4,422.79	
Invoice: 13016041				CONTROLLER & KEYBOARD Supplies/Material			
4,422.79	751810	541000			CHECK	104057 TOTAL:	4,422.79
104058	05/24/2022 PRTD	4525 HARRINGTON INDUSTRIAL PLASTICS IN	005D6089	05/06/2022 22200137	052422	12,252.22	
Invoice: 005D6089				PVC PART FOR PURE WATER PROJECT Capital Asset Expenses			
12,252.22	754440	900000			CHECK	104058 TOTAL:	12,252.22
104059	05/24/2022 PRTD	2727 IDEXX LABORATORIES	3105004778	04/20/2022	052422	2,615.58	
Invoice: 3105004778				COLILERT MEDIA Supplies/Material			
2,615.58	701341	551000			CHECK	104059 TOTAL:	2,615.58
104060	05/24/2022 PRTD	8304 IFM EFECTOR INC.	41003278	05/05/2022	052422	413.50	
Invoice: 41003278				FLOW SWITCH Supplies/Material			
413.50	751820	551000			CHECK	104060 TOTAL:	413.50
104061	05/24/2022 PRTD	2732 INDUSTRIAL METAL SUPPLY	1580272	04/29/2022	052422	238.16	
Invoice: 1580272				FABRICATION SUPPLIES Supplies/Material			
238.16	751810	551000			CHECK	104061 TOTAL:	238.16

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 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
104062	05/24/2022	PRTD	20856 INTERNATIONAL PRINTING & TYPESETT	22787	04/25/2022		052422	1,242.83
			Invoice: 22787					
				1,242.83 751840 660400		'22 PWP BROCHURES		
						Public Education Programs		
			Invoice: 22800					
				INTERNATIONAL PRINTING & TYPESETT 22800	04/29/2022		052422	142.35
				142.35 751840 660400		PWP COFFEE TASTING POSTCARDS		
						Public Education Programs		
			Invoice: 22805					
				INTERNATIONAL PRINTING & TYPESETT 22805	05/02/2022		052422	257.33
				257.33 701230 660400		ACWA CONF-DROUGHT MATERIAL		
						Public Education Programs		
			Invoice: 22808					
				INTERNATIONAL PRINTING & TYPESETT 22808	05/02/2022		052422	1,461.83
				1,461.83 701230 660400		WATER EMERGENCY BANNERS		
						Public Education Programs		
			Invoice: 22810					
				INTERNATIONAL PRINTING & TYPESETT 22810	05/02/2022		052422	120.45
				120.45 701230 660400		KIMBERLY P/S JOB BANNER		
						Public Education Programs		
			Invoice: 22794					
				INTERNATIONAL PRINTING & TYPESETT 22794	05/04/2022		052422	2,698.24
				2,698.24 701230 660400		CURRENT FLOW #2		
						Public Education Programs		
						CHECK	104062 TOTAL:	5,923.03
104063	05/24/2022	PRTD	21197 JACOBS ENGINEERING GROUP INC.	W9Y31200-016	04/29/2022		052422	398,153.23
			Invoice: W9Y31200-016					
				398,153.23 754440 900000		P/E 4/1-PWP ADVISOR/MGR SRV		
						Capital Asset Expenses		
						CHECK	104063 TOTAL:	398,153.23
104064	05/24/2022	PRTD	30156 JAY LEWITT	051122	05/11/2022		052422	962.96
			Invoice: 051122					
				962.96 701112 601000		ACWA CONF-5/3~5-J.L.		
						Directors' Conference Exp		
						CHECK	104064 TOTAL:	962.96
104065	05/24/2022	PRTD	30351 LAS VIRGENES UNIFIED SCHOOL DISTR	ESMNT-YERBABUENASCH	05/18/2022		052422	1.00
			Invoice: ESMNT-YERBABUENASCH					
				1.00 101 160000		EASEMENT-6098 REYES ADOBE RD		
						F/A-Land & Land Rights		
						CHECK	104065 TOTAL:	1.00
104066	05/24/2022	PRTD	30343 MARIA SONGER	051322	05/13/2022		052422	351.63
			Invoice: 051322					
				351.63 701430 683000		IPMA-HR TRAINING CONF 5/1~4-MS.S		
						Training & Professional Devel		

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CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
INVOICE DTL DESC								
							CHECK 104066 TOTAL:	351.63
104067	05/24/2022	PRTD	2814 MCMaster-CARR SUPPLY CO	77229500	04/28/2022		052422	34.18
			Invoice: 77229500	34.18 751810 551000	LOW VOLTAGE FAN			
					Supplies/Material			
							CHECK 104067 TOTAL:	34.18
104068	05/24/2022	PRTD	14322 MILES CHEMICAL COMPANY, INC	649648	02/16/2022		052422	263.01
			Invoice: 649648	263.01 751750 541000	53 GAL HYPOCHLORITE			
					Supplies			
							CHECK 104068 TOTAL:	263.01
104069	05/24/2022	PRTD	21558 MKN-MICHAEL K NUNLEY & ASSOCIATES	100699	05/03/2022		052422	100.94
			Invoice: 100699	100.94 754440 900000	P/E 4/30 TAPIA OUTFALL REHAB			
					Capital Asset Expenses			
							CHECK 104069 TOTAL:	100.94
104070	05/24/2022	PRTD	2839 MOTION INDUSTRIES, INC.	CA22-00722661	04/28/2022		052422	297.84
			Invoice: CA22-00722661	297.84 751820 551000	HYDRAULIC FITTINGS			
					Supplies/Material			
			Invoice: CA22-00722754	150.17 751820 551000	MOTION INDUSTRIES, INC.		052422	150.17
					HYDRAULIC FITTINGS			
					Supplies/Material			
			Invoice: CA22-00722841	1,412.98 751810 551000	MOTION INDUSTRIES, INC.		052422	1,412.98
					CONTROL VALVES			
					Supplies/Material			
							CHECK 104070 TOTAL:	1,860.99
104071	05/24/2022	PRTD	16754 NATURAL SURROUNDINGS	7789	05/01/2022		052422	235.00
			Invoice: 7789	235.00 701001 551500	MAY'22 FLORAL MAINT			
					Outside Services			
							CHECK 104071 TOTAL:	235.00
104072	05/24/2022	PRTD	2302 OFFICE DEPOT	238374275001	04/21/2022		052422	65.65
			Invoice: 238374275001	65.65 701410 620000	DIPLOMA FRAME			
					Forms, Supplies And Postage			
			OFFICE DEPOT	238322369001	04/21/2022		052422	71.26

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CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
Invoice: 238322369001				71.26 701410	620000			
							INVOICE DTL DESC	
							LEGAL POCKET FILES	
							Forms, Supplies And Postage	
							CHECK 104072 TOTAL:	136.91
104073	05/24/2022	PRTD	16372 OLIN CORPORATION	3000105118	05/07/2022		052422	4,653.92
Invoice: 3000105118				4,653.92 751810	541014			
							4,844 GAL HYPOCHLORITE	
							Sodium Hypochlorite	
							CHECK 104073 TOTAL:	4,653.92
104074	05/24/2022	PRTD	18874 PACIFIC HYDROTECH CORPORATION	10619/PMT#3	03/31/2022		052422	564,894.56
Invoice: 10619/PMT#3				564,894.56 754440	900000			
							PMT #3 - TAPIA WRF COMP/MTR P/E 3/31/22	
							Capital Asset Expenses	
							CHECK 104074 TOTAL:	564,894.56
104075	05/24/2022	PRTD	8506 PADRE ASSOCIATES, INC.	2022-681	04/07/2022		052422	23,150.00
Invoice: 2022-681				23,150.00 754440	900000			
							P/E 3/31-TAPIA WRF FLOW AUGMTN	
							Capital Asset Expenses	
							CHECK 104075 TOTAL:	23,150.00
104076	05/24/2022	PRTD	30165 DAVID PEDERSEN	051722	05/17/2022		052422	97.81
Invoice: 051722				97.81 701121	683000			
							ACWA CONF 5/3~5-D.P.	
							Training & Professional Devel	
							CHECK 104076 TOTAL:	97.81
104077	05/24/2022	PRTD	30336 PIPE TEC, INC.	10072	04/19/2022		052422	3,395.00
Invoice: 10072				3,395.00 751800	551500			
							SEWER CAMERA INSPCTN-C & F LINES	
							Outside Services	
Invoice: 9044			PIPE TEC, INC.	9044	04/20/2022		052422	3,425.50
				3,425.50 751800	551500			
							LINE CLEANING-C LINE	
							Outside Services	
							CHECK 104077 TOTAL:	6,820.50
104078	05/24/2022	PRTD	2585 PURETEC	1976325	04/30/2022		052422	93.15
Invoice: 1976325				93.15 101600	541000			
							DI RENTAL 5/1~7/31	
							Supplies/Material	
Invoice: 1978175			PURETEC	1978175	04/30/2022		052422	1.40
				1.40 101600	541000			
							LATE CHG #1953019	
							Supplies/Material	

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 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
INVOICE DTL DESC								
Invoice: 1976130			PURETEC	1976130	04/30/2022		052422	273.74
				273.74 701341 551500	DI RENTAL 5/1~7/31 Outside Services			
Invoice: 1978144			PURETEC	1978144	04/30/2022		052422	4.67
				4.67 701341 551500	LATE CHG #1964205 Outside Services			
					CHECK	104078	TOTAL:	372.96
104079	05/24/2022	PRTD	20124 RON'S PORTABLE WELDING	6853	04/02/2022		052422	1,380.00
	Invoice: 6853			1,380.00 101100 541500	EMGCY WELD REPAIRS-FASTWATER CT. Outside Services			
					CHECK	104079	TOTAL:	1,380.00
104080	05/24/2022	PRTD	6766 SAWYER PETROLEUM	V178800/CMV178800C	04/28/2022	22200160	052422	2,551.84
	Invoice: V178800/CMV178800C			2,551.84 751820 551000	(3) 55 GAL DRUMS-HYDRAULIC OIL Supplies/Material			
					CHECK	104080	TOTAL:	2,551.84
104081	05/24/2022	PRTD	30120 SBS CORPORATION	RLSRTN/10690	03/30/2022		052422	66,092.16
	Invoice: RLSRTN/10690			7,350.20 301 201000	RLS RETENTION - WLK PLNT BLDG Contract Retainage			
				3,309.00 301 201000	Contract Retainage			
				10,151.94 301 201000	Contract Retainage			
				14,130.55 301 201000	Contract Retainage			
				9,770.90 301 201000	Contract Retainage			
				16,522.68 301 201000	Contract Retainage			
				4,856.89 301 201000	Contract Retainage			
					CHECK	104081	TOTAL:	66,092.16
104082	05/24/2022	PRTD	30117 SOUTHERN CALIFORNIA NEWS GROUP	0000540862	04/30/2022		052422	3,000.00
	Invoice: 0000540862			3,000.00 701230 660400	DIGITAL AD-APR'22 Public Education Programs			
Invoice: 5021926			SOUTHERN CALIFORNIA NEWS GROUP	5021926	04/30/2022		052422	875.00
				875.00 701230 660400	ADS-DROUGHT-4/11, 14, 18, 21 & 25 Public Education Programs			
					CHECK	104082	TOTAL:	3,875.00

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET	
INVOICE DTL DESC									
104083	05/24/2022	PRTD	2958 SOUTHERN CALIFORNIA GAS CO (M-bil	511 4000 1/051022	05/10/2022		052422	1,001.27	
				Invoice: 511 4000 1/051022	1,001.27 751810 540530	TAPIA 4/7-5/6/22 652 THERMS			
						Gas			
			SOUTHERN CALIFORNIA GAS CO (M-bil	011 3600 5/051022	05/10/2022		052422	1,992.60	
				Invoice: 011 3600 5/051022	1,992.60 701001 540530	HQ & OPS 4/7-5/6/22 1392 THERMS			
						Gas			
			SOUTHERN CALIFORNIA GAS CO (M-bil	211 0400 7/051022	05/10/2022		052422	21.47	
				Invoice: 211 0400 7/051022	21.47 101100 540530	CORNELL 4/7-5/6/22 4 THERMS			
						Gas			
			SOUTHERN CALIFORNIA GAS CO (M-bil	211 4200 6/051022	05/10/2022		052422	359.69	
				Invoice: 211 4200 6/051022	359.69 751820 540530	RANCHO 4/7-5/6/22 183 THERMS			
						Gas			
							CHECK	104083 TOTAL:	3,375.03
104084	05/24/2022	PRTD	16271 SPOK, INC.	F0143084Q	05/10/2022		052422	65.54	
				Invoice: F0143084Q	71.41 701331 540520	PAGER SRV 5/10-6/10/22			
					-5.87 751820 540520	Telephone			
						Telephone			
							CHECK	104084 TOTAL:	65.54
104085	05/24/2022	PRTD	14479 STEPHEN'S VIDEO PRODUCTIONS	4-27-22	04/27/2022		052422	1,800.00	
				Invoice: 4-27-22	1,800.00 701112 651600	VIDEO SRV-LV MTGS-APR'22			
						Other Professional Serv			
			STEPHEN'S VIDEO PRODUCTIONS	4-28-22	04/28/2022		052422	600.00	
				Invoice: 4-28-22	600.00 751840 651600	VIDEO SRV-JPA MTG-APR'22			
						Other Professional Serv			
							CHECK	104085 TOTAL:	2,400.00
104086	05/24/2022	PRTD	21625 SYLVIR CONSULTING, INC.	656	04/20/2022		052422	8,880.50	
				Invoice: 656	8,880.50 701210 651600	GRANT WRITING SERVICES AMR/AMI			
						Other Professional Serv			
							CHECK	104086 TOTAL:	8,880.50
104087	05/24/2022	PRTD	12149 THATCHER CO. OF CALIFORNIA	2022100113034	05/04/2022		052422	6,628.22	
				Invoice: 2022100113034	6,628.22 751810 541011	45,000 LBS SODIUM BISULFITE			
						Sodium Bisulfite			

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
INVOICE DTL DESC								
							CHECK 104087 TOTAL:	6,628.22
104088	05/24/2022	PRTD	21599 THE ROVISYS COMPANY	75925	05/09/2022		052422	4,405.00
				4,405.00 301440 900000	P/E 4/30 L/S & BACKUP GEN SUPPORT		Capital Asset Expenses	
			THE ROVISYS COMPANY	75629	05/05/2022		052422	40,967.28
				40,967.28 754440 900000	P/E 4/30 TAPIA SCADA UPGRADE		Capital Asset Expenses	
							CHECK 104088 TOTAL:	45,372.28
104089	05/24/2022	PRTD	20971 THOUSAND OAKS PLUMBING INC.	117429889	05/03/2022		052422	159.50
				159.50 701002 551500	CLEAR DRAIN - BLDG 7		Outside Services	
							CHECK 104089 TOTAL:	159.50
104090	05/24/2022	PRTD	17645 TORO ENTERPRISES INC.	15540	04/30/2022		052422	773.20
				773.20 101700 551500	RPRS-MAIN BREAK 5535 JED SMITH		Outside Services	
			TORO ENTERPRISES INC.	15563	04/30/2022		052422	1,221.00
				1,221.00 101700 551500	SWEEPER RENTAL-LONG VALLEY		Outside Services	
							CHECK 104090 TOTAL:	1,994.20
104091	05/24/2022	PRTD	19135 TRANSUNION RISK AND ALTERNATIVE D	974571/APR'22	05/01/2022		052422	160.00
				160.00 701221 622000	APR'22 BAD DEBT SRV		Outside Services	
							CHECK 104091 TOTAL:	160.00
104092	05/24/2022	PRTD	30159 TRILLIUM HOLDCO LLC	37055	03/25/2022		052422	30,982.05
				30,982.05 751101 540510	ELECT CHARGES FEB'22		Energy	
							CHECK 104092 TOTAL:	30,982.05
104093	05/24/2022	PRTD	30159 TRILLIUM HOLDCO LLC	38063	04/25/2022		052422	40,225.76
				40,225.76 751101 540510	ELECT CHARGES MARCH'22		Energy	

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
INVOICE DTL DESC								
							CHECK 104093 TOTAL:	40,225.76
104094	05/24/2022	PRTD	21511 URBAN WATER GROUP, INC.	1560	04/28/2022		052422	2,100.00
			Invoice: 1560				SIGNAGE, MAINT CONSULT SRV	
				2,100.00	751750	551500	Outside Services	
							CHECK 104094 TOTAL:	2,100.00
104095	05/24/2022	PRTD	20935 US METRO GROUP, INC.	105762	04/30/2022		052422	14,054.43
			Invoice: 105762				JANTRL SRV-APR'22	
				6,498.13	701001	551500	Outside Services	
				2,807.04	701002	551500	Outside Services	
				1,052.46	751820	551800	Building Maintenance	
				1,566.18	751810	551800	Building Maintenance	
				214.77	101600	551800	Building Maintenance	
				1,915.85	751750	551800	Building Maintenance	
			US METRO GROUP, INC.	105763	04/30/2022		052422	5,703.60
			Invoice: 105763				DISINFECT SRV-APR'22	
				2,138.85	701001	551500	Outside Services	
				712.95	701002	551500	Outside Services	
				712.95	751820	551800	Building Maintenance	
				2,138.85	751810	551800	Building Maintenance	
							CHECK 104095 TOTAL:	19,758.03
104096	05/24/2022	PRTD	18604 VENTURA PEST CONTROL	815101	05/03/2022		052422	590.00
			Invoice: 815101				PEST CONTROL-APR'22	
				165.00	101600	551500	Outside Services	
				40.00	701002	551500	Outside Services	
				105.00	751820	551500	Outside Services	
				78.00	701001	551500	Outside Services	
				34.00	751200	551500	Outside Services	
				46.00	751810	551500	Outside Services	
				43.00	101200	551500	Outside Services	
				39.00	751100	551500	Outside Services	
				40.00	751830	551500	Outside Services	
			VENTURA PEST CONTROL	815234	05/03/2022		052422	55.00
			Invoice: 815234				GOPHER SRV-WLK	
				55.00	101600	551500	Outside Services	
							CHECK 104096 TOTAL:	645.00
104097	05/24/2022	PRTD	21295 VERTICAL ELEVATOR SOLUTIONS, INC.	10803	05/01/2022		052422	290.00
			Invoice: 10803				APR'22 ELEVATOR SRV	
				145.00	701001	551500	Outside Services	
				145.00	701002	551500	Outside Services	

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
CHECK 104097 TOTAL: 290.00								
104098	05/24/2022	PRTD	2436 VINCE BARNES AUTOMOTIVE	025805	04/19/2022		052422	187.52
			Invoice: 025805	187.52 701325 551500	OIL & FILTERS-#935 Outside Services			
			Invoice: 025810	574.28 701325 551500	04/22/2022		052422	574.28
			VINCE BARNES AUTOMOTIVE	025810	SERP BELT, SRV TRANS, TUNE UP-#324 Outside Services			
			Invoice: 025818	498.59 701325 551500	04/27/2022		052422	498.59
			VINCE BARNES AUTOMOTIVE	025818	SERP BELTS, SRV TRANS, OIL & FILTERS-#899 Outside Services			
			Invoice: 025826	373.48 701325 551500	04/28/2022		052422	373.48
			VINCE BARNES AUTOMOTIVE	025826	SRV TRAN-OIL & FILTERS-#905 Outside Services			
			Invoice: 025827	375.59 701325 551500	05/03/2022		052422	375.59
			VINCE BARNES AUTOMOTIVE	025827	SEALS, HOSES, OIL & FILTERS-#901 Outside Services			
CHECK 104098 TOTAL: 2,009.46								
104099	05/24/2022	PRTD	3034 VORTEX INDUSTRIES, LLC	01-1583477	04/28/2022		052422	1,520.00
			Invoice: 01-1583477	1,520.00 751820 551500	REPAIRS-REACTOR DOOR Outside Services			
CHECK 104099 TOTAL: 1,520.00								
104100	05/24/2022	PRTD	19685 W. LITTEN INC.	22016	04/18/2022		052422	8,099.80
			Invoice: 22016	8,099.80 751810 678800	SPRAYFIELD 4/11~4/15 District Sprayfield			
			Invoice: 22017	9,811.25 751810 678800	04/25/2022		052422	9,811.25
			W. LITTEN INC.	22017	SPRAYFIELD 4/18~4/23 District Sprayfield			
			Invoice: 22019	7,389.82 751810 678800	05/10/2022		052422	7,389.82
			W. LITTEN INC.	22019	SPRAYFIELDS 5/1~5/6 District Sprayfield			
CHECK 104100 TOTAL: 25,300.87								
104101	05/24/2022	PRTD	18914 WECK LABORATORIES, INC.	W2E0184-LV	05/03/2022		052422	752.60
			Invoice: W2E0184-LV	752.60 751750 571520	PWP SAMPLING-2C16098 Other Laboratory Serv			

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

				INVOICE	INV DATE	PO	CHECK RUN	NET
				INVOICE DTL DESC				
Invoice: W2E0165-LV		WECK LABORATORIES, INC.		W2E0165-LV	05/03/2022		052422	450.50
			450.50 751810 571520	TAPIA INFLNT-2D05130				
				Other Laboratory Serv				
Invoice: W2D2057-LV		WECK LABORATORIES, INC.		W2D2057-LV	04/28/2022		052422	2,133.78
			2,133.78 751750 571520	PWP SAMPLING-2C09068				
				Other Laboratory Serv				
Invoice: W2D2125-LV		WECK LABORATORIES, INC.		W2D2125-LV	04/28/2022		052422	324.36
			324.36 751810 571520	TAPIA EFFLNT-2D05133				
				Other Laboratory Serv				
Invoice: W2D2126-LV		WECK LABORATORIES, INC.		W2D2126-LV	04/28/2022		052422	26.50
			26.50 701341 551500	DIONIZED WATER-2D05136				
				Outside Services				
Invoice: W2D2062-LV		WECK LABORATORIES, INC.		W2D2062-LV	04/28/2022		052422	683.70
			683.70 751750 571520	PWP SAMPLING-2C30102				
				Other Laboratory Serv				
						CHECK	104101 TOTAL:	4,371.44
104102 05/24/2022 PRTD		3047 WESCO DISTRIBUTION, INC.		805204	04/29/2022		052422	2,935.20
Invoice: 805204			2,935.20 751810 551000	MODBUS CABLE				
				Supplies/Material				
						CHECK	104102 TOTAL:	2,935.20
104103 05/24/2022 PRTD		8510 WORK BOOT WAREHOUSE		2-2-1011553	03/03/2022		052422	225.00
Invoice: 2-2-1011553			225.00 701321 623000	SAFETY FOOTWEAR-J.M.				
				Safety Equip				
Invoice: 2-2-1013169		WORK BOOT WAREHOUSE		2-2-1013169	05/07/2022		052422	225.00
			225.00 701342 623000	SAFETY FOOTWEAR-M.S.				
				Safety Equip				
						CHECK	104103 TOTAL:	450.00
104104 05/24/2022 PRTD		21108 ZIP'S AW DIRECT		998165	05/03/2022		052422	1,631.53
Invoice: 998165			1,631.53 701325 551000	LIGHT BAR				
				Supplies/Material				
						CHECK	104104 TOTAL:	1,631.53

A/P CASH DISBURSEMENTS JOURNAL

NUMBER OF CHECKS 74 *** CASH ACCOUNT TOTAL *** 1,398,242.01

	COUNT	AMOUNT
TOTAL PRINTED CHECKS	74	1,398,242.01

*** GRAND TOTAL *** 1,398,242.01

A/P CASH DISBURSEMENTS JOURNAL

JOURNAL ENTRIES TO BE CREATED

CLERK: 3296jcortez

YEAR PER	JNL	SRC ACCOUNT	JNL DESC	REF 1	REF 2	REF 3	ACCOUNT DESC LINE DESC	T OB	DEBIT	CREDIT
2022 11	283									
APP 701-200000		05/24/2022	052422	052422			Accounts Payable AP CASH DISBURSEMENTS JOURNAL		83,206.15	
APP 999-100100		05/24/2022	052422	052422			Cash-General			1,398,242.01
APP 101-200000		05/24/2022	052422	052422			Accounts Payable AP CASH DISBURSEMENTS JOURNAL		15,706.84	
APP 751-200000		05/24/2022	052422	052422			Accounts Payable AP CASH DISBURSEMENTS JOURNAL		149,441.13	
APP 301-200000		05/24/2022	052422	052422			Accounts Payable AP CASH DISBURSEMENTS JOURNAL		103,285.16	
APP 201-200000		05/24/2022	052422	052422			Accounts Payable AP CASH DISBURSEMENTS JOURNAL		1,634.50	
APP 754-200000		05/24/2022	052422	052422			Accounts Payable AP CASH DISBURSEMENTS JOURNAL		1,044,968.23	
GENERAL LEDGER TOTAL									1,398,242.01	1,398,242.01
APP 999-207010		05/24/2022	052422	052422			Due to/Due FromInternal Svcs		83,206.15	
APP 701-100100		05/24/2022	052422	052422			Cash-General			83,206.15
APP 999-201010		05/24/2022	052422	052422			Due to/Due Frm Potable Wtr Ops		15,706.84	
APP 101-100100		05/24/2022	052422	052422			Cash-General			15,706.84
APP 999-207510		05/24/2022	052422	052422			Due to/Due FromJPA Operations		149,441.13	
APP 751-100100		05/24/2022	052422	052422			Cash-General			149,441.13
APP 999-203010		05/24/2022	052422	052422			Due to/Due FrmPotable Wtr Repl		103,285.16	
APP 301-100100		05/24/2022	052422	052422			Cash-General			103,285.16
APP 999-202010		05/24/2022	052422	052422			Due to/Due FrmPotable Wtr Cnst		1,634.50	
APP 201-150100		05/24/2022	052422	052422			Cash In Bank			1,634.50
APP 999-207540		05/24/2022	052422	052422			Due to/Due FromJPA Replacement		1,044,968.23	
APP 754-100100		05/24/2022	052422	052422			Cash-General			1,044,968.23
SYSTEM GENERATED ENTRIES TOTAL									1,398,242.01	1,398,242.01
JOURNAL 2022/11/283 TOTAL									2,796,484.02	2,796,484.02

A/P CASH DISBURSEMENTS JOURNAL
 JOURNAL ENTRIES TO BE CREATED

FUND ACCOUNT	YEAR PER	JNL	EFF DATE	ACCOUNT DESCRIPTION	DEBIT	CREDIT
101 Potable Water Operations 101-100100 101-200000	2022 11	283	05/24/2022	Cash-General Accounts Payable	15,706.84	15,706.84
FUND TOTAL					15,706.84	15,706.84
201 Potable Water Construction 201-150100 201-200000	2022 11	283	05/24/2022	Cash In Bank Accounts Payable	1,634.50	1,634.50
FUND TOTAL					1,634.50	1,634.50
301 Potable wtr Replacement Fund 301-100100 301-200000	2022 11	283	05/24/2022	Cash-General Accounts Payable	103,285.16	103,285.16
FUND TOTAL					103,285.16	103,285.16
701 Internal Service Fund 701-100100 701-200000	2022 11	283	05/24/2022	Cash-General Accounts Payable	83,206.15	83,206.15
FUND TOTAL					83,206.15	83,206.15
751 JPA Operations 751-100100 751-200000	2022 11	283	05/24/2022	Cash-General Accounts Payable	149,441.13	149,441.13
FUND TOTAL					149,441.13	149,441.13
754 JPA Replacement 754-100100 754-200000	2022 11	283	05/24/2022	Cash-General Accounts Payable	1,044,968.23	1,044,968.23
FUND TOTAL					1,044,968.23	1,044,968.23
999 Pooled Cash 999-100100 999-201010 999-202010 999-203010 999-207010 999-207510 999-207540	2022 11	283	05/24/2022	Cash-General Due to/Due Frm Potable Wtr Ops Due to/Due FrmPotable wtr Cnst Due to/Due FrmPotable wtr Repl Due to/Due FromInternal Svs Due to/Due FromJPA Operations Due to/Due FromJPA Replacement	15,706.84 1,634.50 103,285.16 83,206.15 149,441.13 1,044,968.23	1,398,242.01
FUND TOTAL					1,398,242.01	1,398,242.01

A/P CASH DISBURSEMENTS JOURNAL
 JOURNAL ENTRIES TO BE CREATED

FUND		DUE TO	DUE FR
101	Potable Water Operations		15,706.84
201	Potable Water Construction		1,634.50
301	Potable Wtr Replacement Fund		103,285.16
701	Internal Service Fund		83,206.15
751	JPA Operations		149,441.13
754	JPA Replacement		1,044,968.23
999	Pooled Cash		
		1,398,242.01	
	TOTAL	1,398,242.01	1,398,242.01

** END OF REPORT - Generated by Jessica Cortez **

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCOUNT: 999 100100 Cash-General
 CHECK NO CHK DATE TYPE VENDOR NAME

CHECK NO	CHK DATE	TYPE	VENDOR NAME	INVOICE	INV DATE	PO	CHECK RUN	NET
INVOICE DTL DESC								
103910	05/03/2022	VOID	21659 ONTARIO REFRIGERATION SERVICE, IN	GW22519M	03/01/2022			-635.00
			Invoice: GW22519M		MAINT 3/1~5/31-TAPIA			
				-635.00 751810 551500	Outside Services			
			Invoice: GW22506M	21659 ONTARIO REFRIGERATION SERVICE, IN	03/01/2022			-471.00
				GW22506M	MAINT 3/1~5/31-L/S #1			
				-471.00 130100 551500	Outside Services			
			Invoice: GW22518M	21659 ONTARIO REFRIGERATION SERVICE, IN	03/01/2022			-524.00
				GW22518M	MAINT 3/1~5/31 LV 2			
				-524.00 101100 551500	Outside Services			
			Invoice: GW22107	21659 ONTARIO REFRIGERATION SERVICE, IN	02/25/2022			-2,240.54
				GW22107	REPAIR REACTOR BLDG FANS			
				-2,240.54 751820 551500	Outside Services			
			Invoice: GW22515M	21659 ONTARIO REFRIGERATION SERVICE, IN	03/01/2022			-361.00
				GW22515M	MAINT 3/1~5/31-CORNELL P/S			
				-361.00 101100 551500	Outside Services			
			Invoice: GW22503M	21659 ONTARIO REFRIGERATION SERVICE, IN	03/01/2022			-2,972.00
				GW22503M	MAINT 3/1~5/31-HQ			
				-2,972.00 701001 551500	Outside Services			
			Invoice: GW22431	21659 ONTARIO REFRIGERATION SERVICE, IN	03/31/2022			-1,015.43
				GW22431	REPAIR HAV BOILER & VAC			
				-1,015.43 701001 551500	Outside Services			
			Invoice: GW22502M	21659 ONTARIO REFRIGERATION SERVICE, IN	03/01/2022			-522.00
				GW22502M	MAINT 3/1~5/31-RANCHO			
				-522.00 751820 551500	Outside Services			
					CHECK	103910	TOTAL:	-8,740.97
				NUMBER OF CHECKS	1		*** CASH ACCOUNT TOTAL ***	-8,740.97
				TOTAL VOIDED CHECKS	COUNT	AMOUNT		
					1	8,740.97		
							*** GRAND TOTAL ***	-8,740.97

A/P CASH DISBURSEMENTS JOURNAL

JOURNAL ENTRIES TO BE CREATED

CLERK: 3296jcortez

YEAR PER	JNL	SRC ACCOUNT	JNL DESC	REF 1	REF 2	REF 3	ACCOUNT DESC LINE DESC	T OB	DEBIT	CREDIT
2022 11	313									
APP 751-200000		05/24/2022	103910	052422			Accounts Payable			3,397.54
							AP CASH DISBURSEMENTS JOURNAL			
APP 999-100100		05/24/2022	103910	052422			Cash-General		3,397.54	
							AP CASH DISBURSEMENTS JOURNAL			
APP 130-200000		05/24/2022	103910	052422			Accounts Payable			471.00
							AP CASH DISBURSEMENTS JOURNAL			
APP 999-100100		05/24/2022	103910	052422			Cash-General		471.00	
							AP CASH DISBURSEMENTS JOURNAL			
APP 101-200000		05/24/2022	103910	052422			Accounts Payable			885.00
							AP CASH DISBURSEMENTS JOURNAL			
APP 999-100100		05/24/2022	103910	052422			Cash-General		885.00	
							AP CASH DISBURSEMENTS JOURNAL			
APP 701-200000		05/24/2022	103910	052422			Accounts Payable			3,987.43
							AP CASH DISBURSEMENTS JOURNAL			
APP 999-100100		05/24/2022	103910	052422			Cash-General		3,987.43	
							AP CASH DISBURSEMENTS JOURNAL			
GENERAL LEDGER TOTAL									8,740.97	8,740.97
APP 999-207510		05/24/2022	050322	052422			Due to/Due FromJPA Operations			3,397.54
APP 751-100100		05/24/2022	050322	052422			Cash-General		3,397.54	
APP 999-201300		05/24/2022	050322	052422			Due to/Due FrmSanitation Ops			471.00
APP 130-100100		05/24/2022	050322	052422			Cash-General		471.00	
APP 999-201010		05/24/2022	050322	052422			Due to/Due Frm Potable Wtr Ops			885.00
APP 101-100100		05/24/2022	050322	052422			Cash-General		885.00	
APP 999-207010		05/24/2022	050322	052422			Due to/Due FromInternal Svs			3,987.43
APP 701-100100		05/24/2022	050322	052422			Cash-General		3,987.43	
SYSTEM GENERATED ENTRIES TOTAL									8,740.97	8,740.97
JOURNAL 2022/11/313 TOTAL									17,481.94	17,481.94

A/P CASH DISBURSEMENTS JOURNAL
JOURNAL ENTRIES TO BE CREATED

FUND ACCOUNT	YEAR PER	JNL	EFF DATE	ACCOUNT DESCRIPTION	DEBIT	CREDIT
101 Potable Water Operations 101-100100 101-200000	2022 11	313	05/24/2022	Cash-General	885.00	
				Accounts Payable		885.00
				FUND TOTAL	885.00	885.00
130 Sanitation Operations 130-100100 130-200000	2022 11	313	05/24/2022	Cash-General	471.00	
				Accounts Payable		471.00
				FUND TOTAL	471.00	471.00
701 Internal Service Fund 701-100100 701-200000	2022 11	313	05/24/2022	Cash-General	3,987.43	
				Accounts Payable		3,987.43
				FUND TOTAL	3,987.43	3,987.43
751 JPA Operations 751-100100 751-200000	2022 11	313	05/24/2022	Cash-General	3,397.54	
				Accounts Payable		3,397.54
				FUND TOTAL	3,397.54	3,397.54
999 Pooled Cash 999-100100 999-201010 999-201300 999-207010 999-207510	2022 11	313	05/24/2022	Cash-General	8,740.97	
				Due to/Due Frm Potable Wtr Ops		885.00
				Due to/Due Frm Sanitation Ops		471.00
				Due to/Due From Internal Svs		3,987.43
				Due to/Due From JPA Operations		3,397.54
				FUND TOTAL	8,740.97	8,740.97

A/P CASH DISBURSEMENTS JOURNAL

JOURNAL ENTRIES TO BE CREATED

FUND		DUE TO	DUE FR
101	Potable Water Operations		885.00
130	Sanitation Operations		471.00
701	Internal Service Fund		3,987.43
751	JPA Operations		3,397.54
999	Pooled Cash		
		8,740.97	
	TOTAL	8,740.97	8,740.97

** END OF REPORT - Generated by Jessica Cortez **



LAS VIRGENES MUNICIPAL WATER DISTRICT
 4232 Las Virgenes Road, Calabasas CA 91302

MINUTES
REGULAR MEETING

9:00 AM

May 17, 2022

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Sophia Crocker.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **9:00 a.m.** by Board President Lewitt in the Board Room at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road, Calabasas, CA 91302. The meeting was conducted via teleconference pursuant to the provisions of Assembly Bill 361, which suspended certain requirements of the Ralph M. Brown Act to support social distancing guidelines associated with response to the coronavirus (COVID-19) outbreak. Susan Brown, Administrative Assistant, conducted the roll call.

Present: Directors Charles Caspary, Jay Lewitt, Lynda Lo-Hill, Len Polan (via teleconference), and Lee Renger

Absent: None

Staff Present: David Pedersen, General Manager
 Joe McDermott, Director of Engineering and External Affairs
 Don Patterson, Director of Finance and Administration
 John Zhao, Director of Facilities and Operations
 Susan Brown, Administrative Assistant
 Josie Guzman, Clerk of the Board
 Keith Lemieux, District Counsel

2. APPROVAL OF AGENDA AND ADOPTION OF RESOLUTION NO. 2609 (AB 361)

A Approval of Agenda and Reauthorization of Revised Use of Teleconferencing for Public Meetings.

Approve the agenda, and pass, approve, and adopt proposed Resolution No. 2609, reauthorizing the revised use of teleconferencing for public meetings pursuant to the Brown Act provisions enacted by Assembly Bill 361

RESOLUTION NO. 2609

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT REAUTHORIZING THE REVISED USE OF TELECONFERENCING FOR PUBLIC MEETINGS

(Reference is hereby made to Resolution No. 2609 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

General Manager David Pedersen asked to move Item 8B to follow the Consent Calendar in order to hear public comment. He also asked the Board to consider adding an item to the agenda, as the need arose after the agenda was posted, for Closed Session, Conference with District Counsel – Anticipated Litigation, pursuant to Government Code Section 54956.9(b), significant exposure to litigation, one case.

Director Renger moved to approve the agenda as amended by moving Item 8B to follow the Consent Calendar; the addition of a Closed Session for Conference with District Counsel – Anticipated Litigation, pursuant to Government Code Section 54956.9(b), significant exposure to litigation, one case; and pass, approve, and adopt Resolution No. 2609 (AB 361). Motion seconded by Director Caspary. Motion carried unanimously by roll call vote.

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

Director Caspary pulled Item 4B, Minutes Special Meeting of April 12, 2022, and Regular Meeting of April 19, 2022 for discussion.

A List of Demands: May 17, 2022: Receive and file

C Directors' Per Diem – April 2022: Ratify

D Ultimate (Roth) Staffing Services: Amendment

Authorize the General Manager to increase the annual amount of the contract with Ultimate (Roth) Staffing Services by \$45,000 for Fiscal Year 2021-22, and authorize a not-to-exceed amount of \$100,000 for temporary staffing for Fiscal Year 2022-23.

E Advanced Utility Systems Customer Information System: Change Order

Authorize the General Manager to approve a change order to Advanced Utility Systems, in the amount of \$20,000, for additional programming services associated with the Customer Information System.

Director Lo-Hill moved to approve the Consent Calendar Items 4A, 4C, 4D, and 4E. Motion seconded by Director Renger. Motion carried unanimously.

4. CONSENT CALENDAR – SEPARATE ACTION ITEM

B Minutes: Special Meeting of April 12, 2022, and Regular Meeting of April 19, 2022: Approve

Director Caspary noted a correction to the Minutes from the Regular Meeting of April 19, 2022, Item 11A, Organization Reports, in that the Governing Board of the Santa Monica Bay Restoration Commission would meet in the LVMWD Board Room on June 16th.

Director Caspary moved to approve Consent Calendar Item 4B, Special Meeting of April 12, 2022, and Regular Meeting of April 19, 2022 as corrected. Motion seconded by Director Renger. Motion carried unanimously by roll call vote.

8. GENERAL MANAGER

B Continuation of State of Emergency and Stage 3 – Water Shortage Emergency and Implementation of New Water Use Restrictions with Enforcement Measures

Conduct a public hearing, and pass, approve, and adopt proposed Resolution No. 2608, declaring a continuing state of emergency due to water shortage from drought conditions in the State of California, continuing the Water Shortage Contingency Plan at Stage 3 – Water Shortage Emergency, and implementing new water use restrictions with associated enforcement measures.

RESOLUTION NO. 2608

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT DECLARING A CONTINUING STATE OF EMERGENCY DUE TO WATER SHORTAGE FROM DROUGHT IN THE STATE OF CALIFORNIA, CONTINUING THE WATER SHORTAGE CONTINGENCY PLAN AT STAGE 3 – WATER SHORTAGE EMERGENCY AND IMPLEMENTING NEW WATER USE RESTRICTIONS AND ASSOCIATED ENFORCEMENT MEASURES

(Reference is hereby made to Resolution No. 2608 on file in the District’s Resolution Book and by this reference the same is incorporated herein.)

Board President Lewitt provided introductory remarks.

Josie Guzman, Clerk of the Board, presented an affidavit certifying that a notice of the public hearing was published in the *Los Angeles Daily News* on May 10, 2022.

Board President Lewitt opened the public hearing at **9:06 a.m.**

Laura Beth Heisen asked that all customers be treated fairly regarding water use restrictions. She shared the measures she had taken to convert her landscaping to reduce water usage. She expressed concern that water use restrictions would impact trees and property values, and create fire risks. She suggested that the District assist customers by increasing rebates, visiting their properties to recommend water conservation measures, and providing education on the use of rain barrels.

Director Renger suggested that Ms. Heisen visit the Sustainability Garden to view different types of native and drought tolerant plants.

A discussion ensued regarding water use restrictions applying to the outdoor water budget only, availability of a *Frequently Asked Questions* on water conservation posted on the District's website, water budget versus historical usage, water budget based on total irrigated area and evapotranspiration rate, and focusing on irrigating trees to protect their health.

General Manager David Pedersen provided an overview from the Town Hall Meeting, which was held on May 12th.

Joe McDermott, Director of Engineering and External Affairs, presented the report and a PowerPoint Presentation.

There were no additional public comments.

Ms. Guzman confirmed the District did not receive any further written or verbal comments.

Board President Lewitt closed the public hearing at **9:48 a.m.**

A discussion ensued regarding fire resistant landscaping being subject to drying out and being susceptible to fire, warming climate change, low-fuel landscaping options, availability of wildland fire risk rating, and sharing the link to the wildland fire risk factor on the District's website to help customers make changes to their landscaping.

General Manager David Pedersen responded to a question regarding the ability for customers to bank their water conservation if they are below their water budget by stating that staff would advise against banking as it would be difficult to administer such a program; however, this could be a topic for discussion.

A discussion ensued regarding educating customers regarding the eight minutes maximum total irrigation per day per station; the use of high-efficiency nozzles or micro-sprayers that are allowed to run for 15 minutes per day per station; the difference between volumetric limit options versus one day per week outdoor watering; including neighboring agencies' watering restrictions in the *Frequently Asked Questions* document; continuing

to seek water sources for fire suppression before a fire occurs; and the ability for customers to hand water and use drip systems to irrigate their landscaping on any day.

General Manager David Pedersen responded to questions regarding reduction of irrigation with recycled water by 25 percent in order to conserve this resource to meet the high demand in the summer, and minimizing the need to supplement the recycled water system with potable water in the summer.

A discussion ensued regarding the requirement to supplement Malibu Creek with potable water during the summer as part of the National Pollutant Discharge Elimination System (NPDES) permit, and requesting an exemption to this requirement due to the state of emergency.

General Manager David Pedersen stated that staff would provide updates to the Board at each Board meeting regarding drought response and potable water supplement to Malibu Creek.

Director Caspary moved to approve Item 8B. Motion seconded by Director Renger. Motion carried unanimously by roll call vote.

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Proclamation Recognizing Robert Robins for 33 Years of Service

Board President Lewitt read a proclamation recognizing Robert Robins upon his retirement following 33 years of service. Mr. Robins was not present to receive the proclamation, and the proclamation would be mailed to his address.

B MWD Representative Report

Glen Peterson, MWD Representative, reported that the MWD Board adopted a resolution to continue its Water Standby Charge for Fiscal Year 2022-23; adopted the Climate Action Plan; awarded a contract to Blois Construction for electrical upgrades at three Sepulveda Feeder underground structures; awarded a contract to J.F. Shea Construction for Weymouth Water Treatment Plant improvements; awarded a contract to J.F. Shea Construction to procure materials and perform construction for the rehabilitation of portions of the Second Lower Feeder; expressed support for developing the Voluntary Agreement approach as an alternative in the State Water Quality Control Board's Bay-Delta Water Quality Control Plan Update; approved entering into a successor Memorandum of Understanding with the American Federation of State, County, and Municipal Employees Local 1902 with a 3.5 percent increase over the next three to five years; and appointed an Interim General Auditor. He noted that one of the Directors from the San Diego County Water Authority asked for a review of MWD's General Counsel and review of issues brought to the Board regarding the state audit; however, he noted that it was the Executive Committee's task to place items on the agenda. He also reported that he would be hosting the MWD Inspection Trip of Existing and Planned Enhancements to MWD's Infrastructure on May 18th.

B Legislative and Regulatory Updates

Joe McDermott, Director of Engineering and External Affairs, noted that a copy of a letter to Senator Dianne Feinstein was provided to the Board in support for funding opportunities from the Support to Rehydrate the Environment, Agriculture, and Municipalities (STREAM) Act. He provided an update on the May revise to Governor Gavin Newsom's state budget, and noted that Governor Newsom originally proposed \$750 million for water infrastructure projects; however, the Senate had proposed \$7.5 billion. He noted that the May revise only included \$100 million for water infrastructure projects.

C Drought and Water Supply Conditions Update: Receive and file

Joe McDermott, Director of Engineering and External Affairs, presented the Northern Sierra Precipitation 8-Station Index, and noted that the cumulative precipitation had increased slightly; however, precipitation was still below average and reservoirs remained low in capacity.

D Coronavirus (COVID-19) Pandemic: Customer-Related Impacts

Ursula Bosson, Customer Service Manager, presented the COVID-19 customer-related impacts. She responded to a question regarding the total unpaid balances compared to prior to the COVID-19 pandemic by stating that the total unpaid balances were \$394,972.74 and unpaid balances prior to the pandemic ranged from \$100,000 to \$200,000. She noted that unpaid balances could increase due to restrictions imposed by SB 998 (Dodd), Discontinuation of residential water service: urban and community water systems.

6. TREASURER

Director Lo-Hill stated that she would include the Treasurer's Report under Item 10A, Fiscal Years 2022-24 Two-Year Draft Budget.

7. BOARD OF DIRECTORS

A General District Election on November 8, 2022: Resolution No. 2607

Pass, approve, and adopt Proposed Resolution No. 2607, pertaining to a General District Election to be held in the District on Tuesday, November 8, 2022, and authorize the Board Secretary to submit certified copies of said resolution, completed Roster of Officeholders for Local Jurisdictions, and the District Boundary and Divisions Map to the Board of Supervisors and the Registrar-Recorder/County Clerk of the County of Los Angeles.

RESOLUTION NO. 2607

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES TO PERMIT THE REGISTRAR-RECORDER/COUNTY CLERK TO RENDER ELECTION SERVICES FOR A GENERAL DISTRICT ELECTION TO BE HELD ON NOVEMBER 8, 2022

(Reference is hereby made to Resolution No. 2607 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

Josie Guzman, Clerk of the Board, presented the report.

Director Renger moved to approve Item 7A. Motion seconded by Director Caspary. Motion carried unanimously by roll call vote.

8. GENERAL MANAGER

A Emergency Recycled Water Distribution Program: Authorization

Authorize the General Manager to develop and implement an Emergency Recycled Water Distribution Program.

General Manager David Pedersen provided the report.

John Zhao, Director of Facilities and Operations, discussed the expansion of the recycled water filling station and identifying opportunities to offset potable water use with 2,000 to 3,000 gallons of recycled water per day for the horse riding arena in Hidden Hills and for hand watering trees. He stated that an existing 10,000 gallon water tank would be used to store recycled water on city property beginning in June, and staff would seek drought emergency funding from the U. S. Bureau of Reclamation. He also stated that this program would be expanded to each city if successful, and staff was also looking into providing recycled water fill stations on Saturdays at parks that have existing recycled water infrastructure. He noted that all recycled water users and haulers must receive training in accordance with state regulations, and staff was developing an online training program to expedite training.

Director Caspary moved to approve Item 8A. Motion seconded by Director Lo-Hill.

A discussion ensued regarding the implementation of the emergency temporary program as a tool to help customers irrigate their trees to keep them alive during the driest months, and promoting that recycled water is not safe for drinking.

Motion carried unanimously by roll call vote.

9. FACILITIES AND OPERATIONS

A Stunt Road Pump Station Pump Can Replacement: Award

Authorize the General Manager to execute an agreement with R-Help Construction Company, Inc., in the amount of \$161,250, for replacement of the pump can at the Stunt Road Pump Station.

Darrell Johnson, Water Systems Manager, presented the report.

Director Lo-Hill moved to approve Item 9A. Motion seconded by Director Renger.

Mr. Johnson responded to questions regarding the operation of the pump can, breaking concrete and installing slurry, and looking into 3-D modeling for future plans.

Motion carried unanimously by roll call vote.

B JBR Pump Station Fire Pump Replacement: Award

Authorize the General Manager to issue a purchase order to Power Flo Products, Inc. in the amount of \$78,950, plus freight and tax, for a replacement fire pump at JBR Pump Station.

Shawn Triplett, Facilities Maintenance Supervisor, presented the report.

Director Renger moved to approve Item 9B. Motion seconded by Director Caspary.

Mr. Triplett responded to question regarding the operation of the fire pump to keep pressure in the fire hydrants.

Motion carried unanimously by roll call vote.

10. FINANCE AND ADMINISTRATION

A Fiscal Years 2022-24 Two-Year Draft Budget: Review

Review and provide feedback on the Fiscal Years 2022-24 Two-Year Draft Budget, and authorize the assignment of \$15 million from the Potable Water Enterprise and \$5 million from the Recycled Water Enterprise for the Pure Water Project Las Virgenes-Triunfo.

Debbie Rosales, Financial Analyst II, presented the report and a PowerPoint presentation.

Director Lo-Hill moved to approve Item 10A. Motion seconded by Director Renger.

Director Polan expressed concern with budget impacts and requested receiving copies of presentations prior to the Board Meeting.

Director Lo-Hill commented that she was impressed with the proposed budget and planning ahead for the drought. She noted that some agencies increase rates during a drought; however, the District had a rate stabilization fund and cost structure to prevent

rates from increasing during a drought.

A discussion ensued regarding preparing for impacts due to the reduction in outdoor water use during the mid-year budget review.

Motion carried by the following roll call vote:

AYES: Caspary, Lewitt, Lo-Hill, Renger

NOES: None

ABSTAIN: Polan

ABSENT: None

11. NON-ACTION ITEMS

A Organization Reports

Director Caspary reported that he attended the Association of California Agencies Joint Powers Insurance Authority (ACWA/JPIA) meeting on May 2nd, where they received a financial update and an update on investing in the California Water Insurance Fund.

B Director's Reports on Outside Meetings

None.

C General Manager Reports

(1) General Business

General Manager David Pedersen acknowledged District customers and Board Members for participating in the Town Hall Meeting. He stated that District customers were working hard to assist the District in achieving water conservation. He noted that the MWD Inspection Trip of Existing and Planned Enhancements to MWD's Infrastructure would occur the following day, which would include visiting key infrastructure facilities that move water from MWD's system to the region and potential improvements that could be implemented to provide the District a more reliable water supply. He reported that the flow in Malibu Creek measured 8.3 cubic feet per second (CFS). He noted that the County of Los Angeles had recalibrated the gauging station, which was having a favorable effect on the flow volume. He also reported that a significant electrical outage occurred the night of the Town Hall Meeting in the underground vault under the District's parking lot, which affected District Headquarters and the recycled water pump station. He noted that backup power was available to support District operations, and Southern California Edison worked around the clock to restore power in time for the Pure Water Coffee Brew Event. He noted that Governor Gavin Newsom was in Southern California visiting MWD/Los Angeles County Sanitation District's Recycled Water Demonstration Facility. He stated that the District would take the opportunity of Governor Newsom's visit to encourage more investment in water recycling.

(2) Follow-Up Items

General Manager David Pedersen stated that Greg Swartz from Piper Sandler would provide an update on interest rates and inflation at the next JPA Board Meeting, including financing impacts to the Pure Water Project Las Virgenes-Triunfo. He also stated that an update regarding Treasury Inflation-Protected Security (TIPS) would be presented at a future Board meeting.

Joe McDermott noted that approximately 100 people attended the Pure Water Coffee Brew Event on May 14th. He also noted that Riki Clark, Public Affairs Associate II, conducted six tours of the Pure Water Demonstration Facility. He stated that a gelato event would be held in the summer, and a craft beer event would be held in the fall at an offsite venue.

D Directors' Comments

Board Member Lewitt stated that he attended the Pure Water Coffee Brew Event and the coffee tasted great. He noted that John Zhao, Director of Facilities and Operations, turned off the machines to lessen the noise level in the Pure Water Demonstration Facility, and he suggested that the machines be turned off during future tours. He stated that everyone enjoyed the event, and the District had earned the trust from many people.

12. FUTURE AGENDA ITEMS

None.

13. PUBLIC COMMENTS

Col. John Moriarity addressed his tort claim under Item 14B, and asked the Board to consider approving his claim for \$1,000.

14. CLOSED SESSION

A Conference with Real Property Negotiators (Government Code Section 54956.8):

Property: 4232 Las Virgenes Road, Building No. 1

District Negotiators: David W. Pedersen, General Manager; Don Patterson, Director of Finance and Administration, and Keith Lemieux, Legal Counsel

Negotiating Parties: Las Virgenes Municipal Water District and the Resource Conservation District of the Santa Monica Mountains

Under Negotiation: Price and terms of potential lease

B Conference with District Counsel – Anticipated Litigation (Government Code Section 54956.9(d)(2)):

Tort Claims by Justin Bruening, Scott McAboy, John Moriarity, and Dr. Sanford and Joan Weitzbuch

- C Conference with District Counsel – Anticipated Litigation (Government Code Section 54956.9(b), Significant Exposure to Litigation): One case (This item was added to the agenda.)**

The Board recessed to Closed Session at **11:30 a.m.**, and reconvened to Open Session at **12:58 p.m.**

Keith Lemieux, District Counsel, reported that the Board received a report for Closed Session Item 14A, and there was no reportable action. He also reported that the Board received reports for Closed Session Item 14B, and the Board denied by claim by Justin Bruening and gave instruction to staff to notify the claimant; denied the claim by Col. John Moriarity and gave instruction to staff to reach out to Col. Moriarity with a potential way to resolve the claim; and received reports on the claims by Scott McAboy and Dr. Sanford and Joan Weitzbuch, and there were no reportable actions taken on those two claims. He also reported that the Board received a report for Closed Session Item 14C, and there was no reportable action.

15. OPEN SESSION AND ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **12:59 p.m.**

Jay Lewitt, President
Board of Directors
Las Virgenes Municipal Water District

ATTEST:

Lee Renger, Secretary
Board of Directors
Las Virgenes Municipal Water District

(SEAL)



LAS VIRGENES MUNICIPAL WATER DISTRICT
4232 Las Virgenes Road, Calabasas CA 91302

MINUTES
SPECIAL MEETING

7:30 AM

May 18, 2022

1. CALL TO ORDER AND ROLL CALL

The Board and District staff assembled at **7:35 a.m.** at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road in Calabasas, CA 91302.

Present: Directors Charles Caspary, Jay Lewitt, and Lynda Lo-Hill
Absent: Directors Len Polan and Lee Renger
Staff present: David Pedersen, General Manager
Don Patterson, Director of Finance and Administration
John Zhao, Director of Facilities and Operations
Josie Guzman, Clerk of the Board

2. PUBLIC COMMENTS

None.

3. TRAVEL BY BUS FOR THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA INSPECTION TRIP OF EXISTING AND PLANNED ENHANCEMENTS TO MWD'S INFRASTRUCTURE

The Board, District staff, and guests traveled by bus for the Metropolitan Water District of Southern California (MWD) Inspection Trip of Existing and Planned Enhancements to MWD's Infrastructure to the following locations:

- Sepulveda Canyon Pressure Control Structure, 1751 Sepulveda Boulevard, Los Angeles, California 90025

- Greg Avenue Pressure Control Structure and Pump Back, 7554 Greg Avenue, Sun Valley, California, 91352
- Antelope Valley – East Kern Intertie to State Water Project Canal and site of the future Antelope Valley – East Kern Water District spreading grounds
- Return to Las Virgenes Municipal Water District headquarters, 4232 Las Virgenes Road, Calabasas, California 91302

No actions were taken by the Board.

4. ADJOURNMENT

The special meeting was adjourned at **3:13 p.m.** at Las Virgenes Municipal Water District headquarters, 4232 Las Virgenes Road in Calabasas, CA 91302

Jay Lewitt, President
Board of Directors
Las Virgenes Municipal Water District

ATTEST:

Lee Renger, Secretary
Board of Directors
Las Virgenes Municipal Water District

(SEAL)



June 7, 2022 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: General Manager

Subject : Continuation of Local State of Emergency Due to Water Shortage from Statewide Drought

SUMMARY:

On November 2, 2021, the Board adopted Resolution No. 2599, declaring a local state of emergency due to water shortage from drought conditions in the State of California; activating the District's Water Shortage Contingency Plan at Stage 3 – Water Shortage Emergency; and authorizing the continued implementation of a Strategic Communication Plan for Drought Messaging. The action also expanded enforcement of water conservation measures and applied a drought factor of 0.75 to the outdoor component of residential water budgets, irrigation only accounts and recycled water accounts, beginning with the first billing period after November 30, 2021.

On November 16, 2021, the Board adopted Resolution No. 2601, revising the District's Code related to water conservation penalty and enforcement measures, encouraging customers to conserve and use water more efficiently during times of water shortage emergency. The action included authorization to use flow restriction devices on water service accounts with repeat and continued excessive usage.

On May 17, 2022, the Board adopted Resolution No. 2608, declaring a continued state of local emergency due to water shortage from drought conditions in the State of California, continuing the activation of the District's Water Shortage Contingency Plan at Stage 3 – Water Shortage Emergency and implementing new water use restrictions with associated enforcement measures.

Section 2-6.402 of the Las Virgenes Municipal Water District Code requires that once the Board has declared an emergency, it must determine by a four-fifths vote at each subsequent regular Board meeting whether to continue or terminate the authorization for emergency. Staff recommends that the emergency declaration be continued.

RECOMMENDATION(S):

Approve the continuation of a local emergency declaration due to water shortage from the statewide drought.

FISCAL IMPACT:

No

ITEM BUDGETED:

No

GOALS:

Provide Safe and Quality Water with Reliable Services

Prepared by: David W. Pedersen, General Manager



□ June 7, 2022 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

Subject : Statement of Revenues, Expenses and Changes in Net Position: April 2022

SUMMARY:

To ensure effective utilization of the public's assets and money, a monthly Statement of Revenues, Expenses and Changes in Net Position (Statement) is provided to the Board for review. The report is a high-level overview that summarizes the District's financial status through the end of the referenced month and can be used as a supplement to the additional detailed analysis provided in the quarterly financial reports. The data is formatted to mirror the presentation in the Annual Comprehensive Financial Report, which consists of an operating financial section, a non-operating financial section and year-to-date changes in net position. The report is unaudited and preliminary due to the timing of its preparation versus month-end closing for the reported month.

RECOMMENDATION(S):

Receive and file the Statement of Revenues, Expenses and Changes in Net Position for the period ending on April 30, 2022.

FISCAL IMPACT:

No

ITEM BUDGETED:

No

FINANCIAL IMPACT:

There is no financial impact associated with the report.

DISCUSSION:

Districtwide operating revenues through April 30, 2022 of Fiscal Year 2021-22 were \$60.4 million, which were \$0.7 million (or 1.2%) above the prior year's revenues of \$59.7 million and on pace to exceed the \$70.7 million budget for the fiscal year. The increase in revenues as compared to the prior year was driven mainly by an increase in Sanitation Enterprise operating revenues of \$0.8 million (or 5.0%), along with an increase in the Potable Water Enterprise operating revenues of \$0.3 million (or 0.8%), offset by a decrease in the Recycled Water Enterprise operating revenues of \$0.5 million (or 10.8%).

Potable water deliveries through April 30, 2022 were 15,711 acre-feet, which was down 9.9% versus potable water deliveries of 17,432 acre-feet during the same period of the prior year. Though water deliveries are down versus prior year, potable water revenues are higher in the current year due to a 5% increase in potable water rates versus prior year.

The decrease in recycled water revenues in the current year versus prior year is somewhat expected as the District began to impose wasteful water use penalties for recycled water in January 2021 in an effort to drive conservation and more efficient water use by customers. Though there has been a subsequent decrease in recycled water revenues year-over-year, revenues are trending materially in line with budgeted expectations. Approximately 81% of the annual budgeted revenues have been collected through April 30, 2022.

Operating revenues for the Sanitation Enterprise were \$16.3 million through April 30, 2022 of the fiscal year, up \$0.8 million compared to revenues generated through April 30th of the prior year. The increase versus the prior year was consistent with expectations as a 3.75% rate increase was implemented in March 2021, resulting in additional revenues generated for the current fiscal year.

Districtwide operating expenses year-to-date through April 30, 2022 were \$45.6 million, which was \$0.7 million (or 1.6%) below the prior year's \$46.3 million and encompassed 78.0% of the \$58.4 million budget for the fiscal year, trending favorably versus expectations 83% through the fiscal year. Operating expense savings have been realized primarily from lower Sanitation Enterprise expenses versus prior year.

During the month of March 2022, the Las Virgenes-Triunfo Joint Powers Authority (JPA) received a one-time "indifference payment" from Southern California Edison of \$2.8 million. The indifference payment compensates the JPA for the effects of "peak hours shift" costs that were approved by the California Public Utilities Commission. The JPA provides sanitation services to the District and correspondingly invoices the District its monthly share of net expenses. The one-time revenue received by the JPA reduced the net expenses invoiced to the District for sanitation services; resulting in lower operating expenses year-over-year.

The District generated net operating income available for capital projects of \$14.9 million through April 30, 2022, which was \$1.5 million above the prior year's net operating income of \$13.4 million and surpassed the annual budgeted net operating income of \$12.2 million for the fiscal year.

Within the attached report, the "Current Budget" column pertains to the current fiscal year budget that was adopted and/or amended by the Board. The "Actual Year-to-Date" columns presents the cumulative year-to-date revenues and expenses for both the current fiscal year and prior fiscal year. Lastly, the "Variance with Prior Year" column calculates the net difference

between the current fiscal year-to-date balance and the prior fiscal year-to-date balance.

GOALS:

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Brian Richie, Finance Manager

ATTACHMENTS:

Statement of Revenues, Expenses, and Changes in Net Position - April 2022

LAS VIRGENES MUNICIPAL WATER DISTRICT
Statement of Revenues, Expenses, and Changes in Net Position
For the Month ended April 30, 2022 (Preliminary) and 2021
(dollars in thousands)



	Current Budget	<i>Through 83% of fiscal year</i>		Variance with Prior Year Positive (Negative)
		Actual Year-to-Date		
	<u>2021/22</u>	<u>2021/22</u>	<u>2020/21</u>	<u>2021/22 to 2020/21</u>
OPERATING REVENUES:				
Potable water sales and service fees	\$ 44,559	\$ 36,809	\$ 36,511	\$ 298
Recycled water sales and service fees	5,307	4,291	4,811	(520)
Sanitation service fees	19,577	16,303	15,528	775
Rental income	-	65	69	(4)
Other income	1,211	2,973	2,795	178
Total operating revenues	70,654	60,441	59,714	727
OPERATING EXPENSES:				
Water expenses:				
Source of supply	28,499	22,966	22,529	437
Pumping	2,622	1,963	2,260	(297)
Transmission and distribution	3,625	2,527	2,326	201
Meter	1,001	824	826	(2)
Water conservation	76	3	25	(22)
Rental	268	200	197	3
General and administrative	8,948	6,529	4,930	1,599
Total water expenses	45,039	35,012	33,093	1,919
Sanitation expenses:				
Share of Joint Powers Authority (expense)	10,655	8,108	11,009	(2,901)
Other sewage treatment	531	444	434	10
Lift stations	243	145	224	(79)
General and administrative	1,942	1,853	1,525	328
Total sanitation expenses	13,371	10,550	13,192	(2,642)
Total operating expenses	58,410	45,562	46,285	(723)
NET OPERATING INCOME (LOSS)	12,244	14,879	13,429	1,450
NONOPERATING REVENUES (EXPENSES):				
Taxes and penalties	-	914	420	494
Interest income (expense)	-	628	775	(147)
Facilities charge	-	513	511	2
Gain (Loss) on disposal of capital assets	-	48	9	39
Other revenues/(expenses)	-	906	1,103	(197)
Nonoperating revenues (expenses)	-	3,009	2,818	191
Capital contributions	-	1,707	5,372	(3,665)
Change in Net Position	12,244	19,595	21,619	(2,024)
NET POSITION:				
Beginning of fiscal year	269,224	269,224	252,211	17,013
Prior period adjustments	-	-	-	-
Beginning of year, as restated	269,224	269,224	252,211	17,013
Ending Net Position	\$ 281,468	\$ 288,819	\$ 273,830	\$ 14,989



June 7, 2022 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

Subject : Monthly Cash and Investment Report: April 2022

SUMMARY:

During the month of April 2022, the value of the District's total cash and investments decreased from \$114,288,883, held on March 31st, to \$113,520,711, including \$4,458,242 in loan proceeds for the Automatic Meter Reading/Advanced Metering Infrastructure (AMR/AMI) Project. The total held in the District's investment portfolio increased from \$112,183,796 to \$112,873,387 at book value. The total cash the District held was \$647,324 due to pending payments from the District's Wells Fargo account. No investments matured, and four investments were purchased, increasing the book value of the District-managed investment portfolio to \$66,982,584. The value of the District's Local Agency Investment Fund (LAIF) account decreased to \$34,766,329, and the District's CAMP account increased to \$11,123,616.

RECOMMENDATION(S):

Receive and file the monthly cash and investment report for April 2022.

FISCAL IMPACT:

No

ITEM BUDGETED:

No

DISCUSSION:

As of April 30, 2022, the District held \$113,520,711 in its cash and investment accounts, down 0.07% month-over-month. The majority of the funds were held in the District's self-managed

investment account, which had an April 30th book value of \$66,982,584. LAIF held the majority of the remaining funds, in the amount of \$34,766,329. CAMP held \$11,123,616, and the remaining portion was held in the District's checking and money market accounts. The annualized yield of the District's investment portfolio was 1.49% in April, up nine basis points from March. The annualized yield on the District's LAIF funds was 0.52% in April, up from 0.28% in March and unchanged from February. The annualized yield on the District's CAMP funds was 0.5%, up from 0.06 in March. The combined total yield on the District's accounts was 1.09%, up from 0.88% in March.

The following investments were purchased during April 2022:

- 04/21/22 – FHLB agency callable bond, in the amount of \$1,000,000, with a maturity of 04/21/27; YTM 3.00%.
- 04/21/22 – City of San Jose Municipal Bond, in the amount of \$1,000,000, with a maturity of 04/26/22; YTM 3.594%.
- 04/26/22 – FHLB agency callable bond, in the amount of \$1,000,000, with a maturity of 04/26/24; YTM 2.50%.
- 4/29/22 – Upper Santa Clara Valley Water District revenue bond, in the amount of \$475,000, with a maturity of 08/01/26; YTM 3.35%.

No investments matured or were called during April 2022.

The following transactions were posted in the District's LAIF account:

- 04/14/22 – Interest received in the amount of \$26,735.48.
- 04/20/22 – Withdraw in the amount of \$2,000,000.
- 04/25/22 – Withdraw in the amount of \$410,000.
- 04/28/22 – Deposit in the amount of \$600,000.
- 04/29/22 – Withdraw in the amount of \$916,000.

The District's investments are in compliance with the adopted Investment Policy, and the District has sufficient funds to meet expenditures during the next six months from funds held in LAIF.

Treasury Inflation Protected Securities (TIPS):

TIPS are securities issued by the United States Treasury where the principal amount is adjusted by the rate of inflation every six months. The amount of interest paid on TIPS is based on the adjusted principal amount. At maturity, the purchaser receives either the adjusted principal amount or the original principal amount, whichever is higher. Over time, the returns on TIPS are generally not significantly different than other treasury investments.

TIPS are most popular during times of high inflation; however, the real returns on TIPS have often underperformed traditional treasury securities over time. This result stems from the fact that all treasury securities have an anticipated inflation rate built into the yield. TIPS can also be volatile because the value of the underlying security is adjusted semi-annually based on a changing rate of inflation. The volatility is mitigated if the TIPS are held to maturity. Five-year TIPS are priced at the rate of the five-year bond minus the expected rate of inflation. Over the past several auctions, this has resulted in TIPS issued with negative yields of between -0.34% to -1.685%. The positive return on TIPS is currently generated by the inflation adjustment for the underlying principal amount, which would be realized at maturity.

Although technically an allowable investment under the California Government Code and the District's Investment Policy, TIPS are generally not recommended as an investment for local agencies due to volatility and structure.

Cash Analysis:

Another important aspect of the Monthly Cash and Investment Report is to monitor the District's performance as compared to its adopted Financial Policies. Attachment B shows the District's total cash and investments as of April 30, 2022 and compares the balances to the adopted Financial Policies. As shown for April, the Potable Water Enterprise had \$18.8 million available for capital projects, the Sanitation Enterprise had \$7.0 million available for capital and the Recycled Water Enterprise had \$16.1 million available for capital.

GOALS:

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Donald Patterson, Director of Finance and Administration

ATTACHMENTS:

April Investment Report

April Cash Report



**LAS VIRGENES MUNICIPAL WATER DISTRICT
MONTHLY CASH AND INVESTMENT REPORT
April 30, 2022**

District investments are included in this report and all investments, except those relating to debt issues and deferred compensation programs funds, conform to District investment policy. All investment transactions within the period covered by this report, except for the exceptions noted above, conform to District Investment policy. Deferred compensation program funds are not included in this report; their investment is directed by individual employees participating in the deferred compensation program and not by the District. Debt issue funds are included in this report; their investment is controlled by specific provisions of the issuance documents and not by the District."

"The deposits and investments of the District safeguard the principal and maintain the liquidity needs of the District, providing the District with the ability to meet expenditure requirements for the next six months. The maturity dates are compatible with foreseeable cash flow requirements. The deposits and investments can be easily and rapidly converted into cash without substantial loss of value."

Fund Name	Face Amount/Shares	Market Value	Book Value	% of Portfolio	YTM @ Cost	Days To Maturity
1 Investments	67,073,000.00	64,313,189.43	66,982,583.62	59.00	1.49	968
2 LAIF	34,766,328.59	34,766,328.59	34,766,328.59	30.63	0.52	1
3 CAMP	11,123,616.06	11,123,616.06	11,123,616.06	9.80	0.50	1
4 US Bank Blackrock	858.52	858.52	858.52	0.00	0.25	1
5 Wells Fargo Operating	647,324.16	647,324.16	647,324.16	0.57	0.23	1
Total / Average	113,611,127.33	110,851,316.76	113,520,710.95	100.00	1.09	571

David W. Pedersen, General Manager

Date

Lynda Lo-Hill, Treasurer

Date



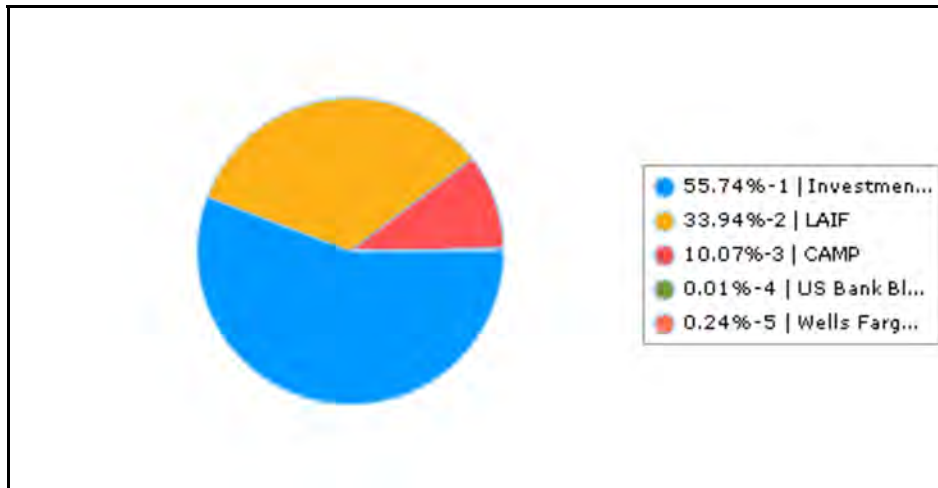
Las Virgenes Municipal Water District CA Distribution by Main Fund - Market Value Report Group | Investment Portfolio

Begin Date: 3/31/2022, End Date: 4/30/2022

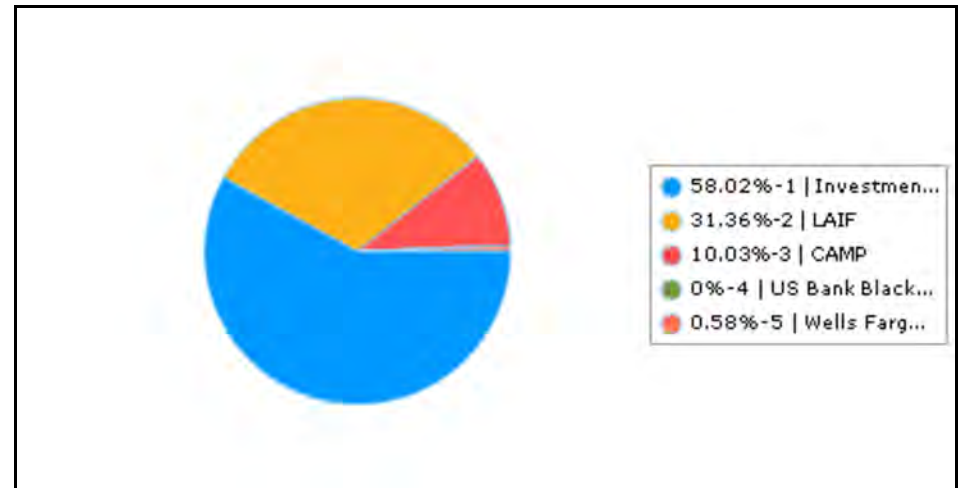
Main Fund Allocation

Main Fund	Market Value 3/31/2022	% of Portfolio 3/31/2022	Market Value 4/30/2022	% of Portfolio 4/30/2022
1 Investments	61,542,696.75	55.74	64,313,189.43	58.02
2 LAIF	37,465,593.11	33.94	34,766,328.59	31.36
3 CAMP	11,119,055.11	10.07	11,123,616.06	10.03
4 US Bank Blackrock	8,363.02	0.01	858.52	0.00
5 Wells Fargo Operating	265,291.70	0.24	647,324.16	0.58
Total / Average	110,400,999.69	100.00	110,851,316.76	100.00

Portfolio Holdings as of 3/31/2022



Portfolio Holdings as of 4/30/2022





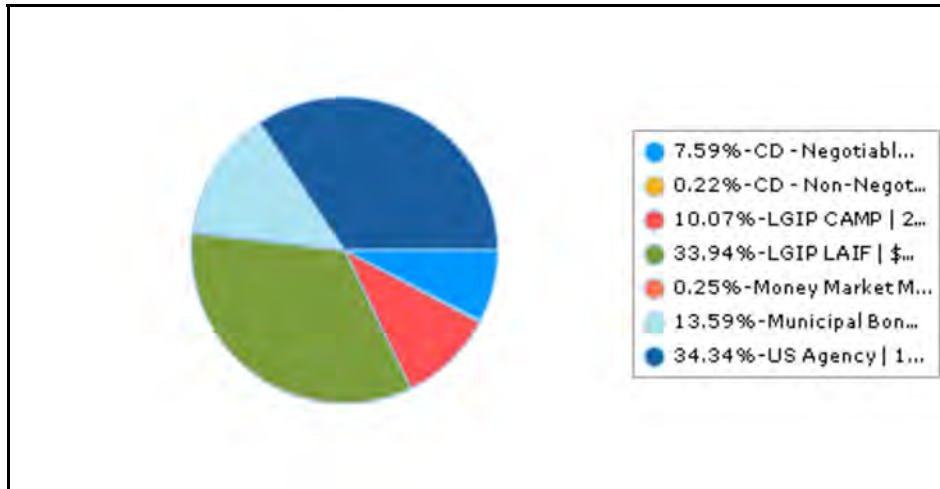
Las Virgenes Municipal Water District CA Distribution by Asset Category - Market Value Report Group | Investment Portfolio

Begin Date: 3/31/2022, End Date: 4/30/2022

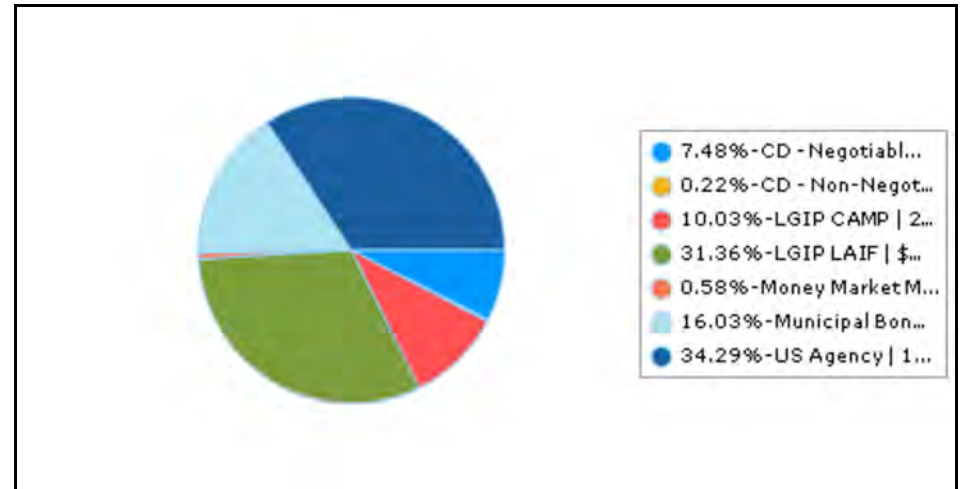
Asset Category Allocation

Asset Category	Market Value 3/31/2022	% of Portfolio 3/31/2022	Market Value 4/30/2022	% of Portfolio 4/30/2022
CD - Negotiable 25 %	8,379,380.55	7.59	8,289,077.68	7.48
CD - Non-Negotiable 25 %	246,070.65	0.22	245,629.65	0.22
LGIP CAMP 25 %	11,119,055.11	10.07	11,123,616.06	10.03
LGIP LAIF \$ 65M	37,465,593.11	33.94	34,766,328.59	31.36
Money Market Mutual Funds 20 %	273,654.72	0.25	648,182.68	0.58
Municipal Bonds 100 %	15,005,308.20	13.59	17,767,307.50	16.03
US Agency 100 %	37,911,937.35	34.34	38,011,174.60	34.29
Total / Average	110,400,999.69	100.00	110,851,316.76	100.00

Portfolio Holdings as of 3/31/2022



Portfolio Holdings as of 4/30/2022



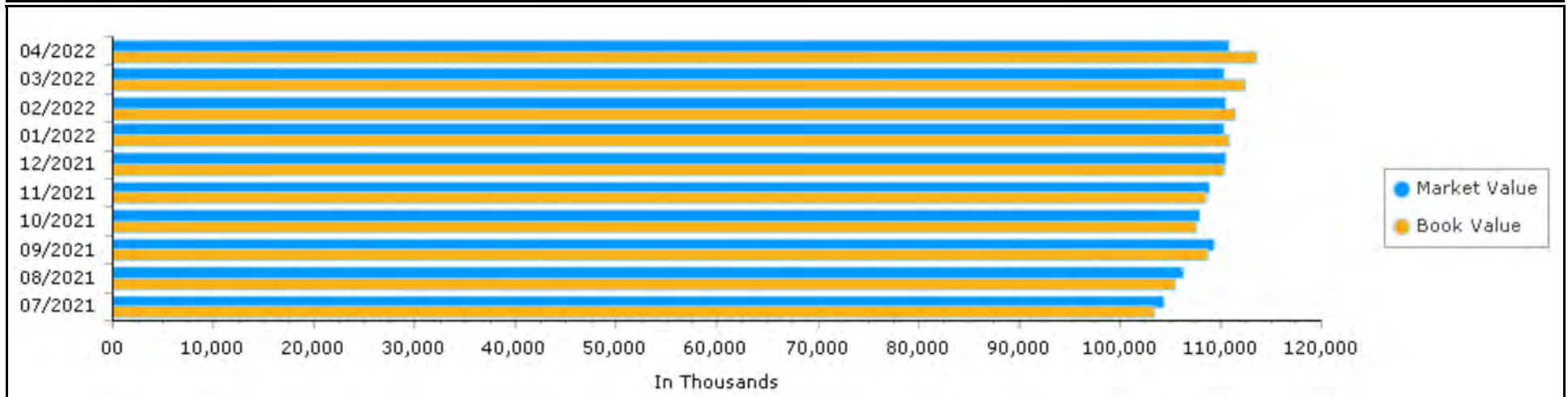


Las Virgenes Municipal Water District CA Portfolio Summary by Month Report Group | Investment Portfolio

Begin Date: 7/31/2021, End Date: 4/30/2022

Month	Market Value	Book Value	Unrealized Gain/Loss	YTM @ Cost	YTM @ Market	Duration	Days To Maturity
7/31/2021	104,452,979.08	103,460,826.62	992,152.46	0.91	0.36	1.62	602
8/31/2021	106,357,565.28	105,474,973.50	882,591.78	0.88	0.37	1.54	575
9/30/2021	109,403,864.11	108,689,323.51	714,540.60	0.83	0.38	1.48	548
10/31/2021	107,985,564.95	107,565,777.17	419,787.78	0.85	0.47	1.50	558
11/30/2021	108,860,433.74	108,605,724.49	254,709.25	0.86	0.51	1.47	545
12/31/2021	110,521,761.53	110,398,264.80	123,496.73	0.87	0.58	1.49	552
1/31/2022	110,413,689.21	110,868,377.10	-454,687.89	0.87	0.78	1.50	558
2/28/2022	110,574,842.10	111,466,544.82	-891,702.72	0.89	0.95	1.49	553
3/31/2022	110,400,999.69	112,451,475.20	-2,050,475.51	0.94	1.40	1.47	546
4/30/2022	110,851,316.76	113,520,710.95	-2,669,394.19	1.09	1.78	1.53	573
Total / Average	108,982,301.65	109,250,199.82	-267,898.17	0.90	0.76	1.51	561

Market Value / Book Value Comparison





Las Virgenes Municipal Water District CA
Total Rate of Return - Book Value by Month
Report Group | Investment Portfolio

Begin Date: 7/31/2021, End Date: 4/30/2022

Month	Beginning BV + Accrued Interest	Interest Earned During Period-BV	Realized Gain/Loss-BV	Investment Income-BV	Average Capital Base-BV	TRR-BV	Annualized TRR-BV	Treasury 3 Year
7/31/2021	106,417,181.00	105,024.99	0.00	105,024.99	105,861,353.82	0.10	1.20	0.41
8/31/2021	103,669,465.99	71,587.38	0.00	71,587.38	101,089,986.77	0.07	0.85	0.42
9/30/2021	105,699,875.47	68,264.40	0.00	68,264.40	104,858,957.61	0.07	0.78	0.47
10/31/2021	108,891,419.61	92,189.21	0.00	92,189.21	109,544,779.82	0.08	1.01	0.67
11/30/2021	107,783,504.30	69,607.65	0.00	69,607.65	107,667,649.86	0.06	0.78	0.82
12/31/2021	108,824,469.33	74,874.17	0.00	74,874.17	111,342,566.46	0.07	0.81	0.95
1/31/2022	110,595,101.08	92,120.33	0.00	92,120.33	112,319,717.01	0.08	0.99	1.25
2/28/2022	111,073,733.61	66,791.36	0.00	66,791.36	111,431,173.38	0.06	0.72	1.65
3/31/2022	111,690,726.46	83,251.62	0.00	83,251.62	111,913,192.57	0.07	0.90	2.09
4/30/2022	112,676,004.12	104,594.22	0.00	104,594.22	112,321,369.72	0.09	1.12	2.72
Total/Average	106,417,181.00	828,305.33	0.00	828,305.33	108,770,908.10	0.76	0.91	1.15



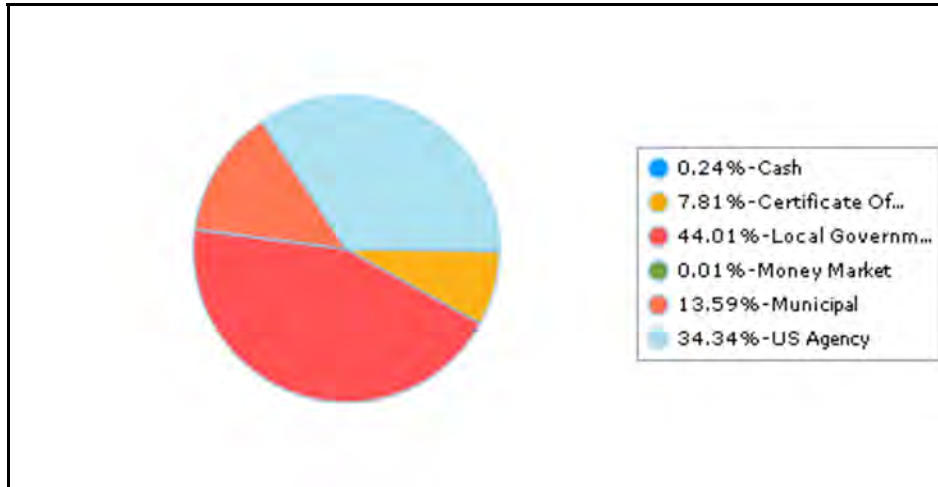
Las Virgenes Municipal Water District CA Distribution by Security Sector - Market Value Report Group | Investment Portfolio

Begin Date: 3/31/2022, End Date: 4/30/2022

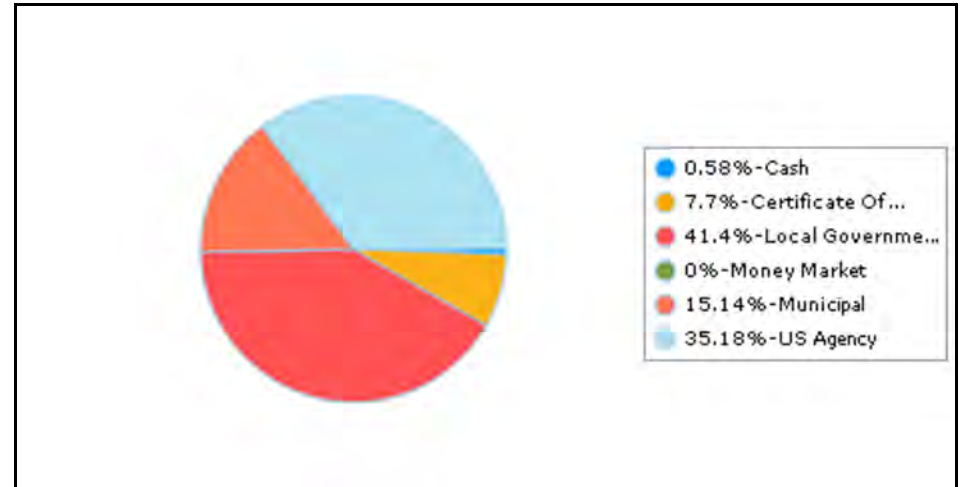
Security Sector Allocation

Security Sector	Market Value 3/31/2022	% of Portfolio 3/31/2022	Market Value 4/30/2022	% of Portfolio 4/30/2022
Cash	265,291.70	0.24	647,324.16	0.58
Certificate Of Deposit	8,625,451.20	7.81	8,534,707.33	7.70
Local Government Investment Pool	48,584,648.22	44.01	45,889,944.65	41.40
Money Market	8,363.02	0.01	858.52	0.00
Municipal	15,005,308.20	13.59	16,779,887.50	15.14
US Agency	37,911,937.35	34.34	38,998,594.60	35.18
Total / Average	110,400,999.69	100.00	110,851,316.76	100.00

Portfolio Holdings as of 3/31/2022



Portfolio Holdings as of 4/30/2022





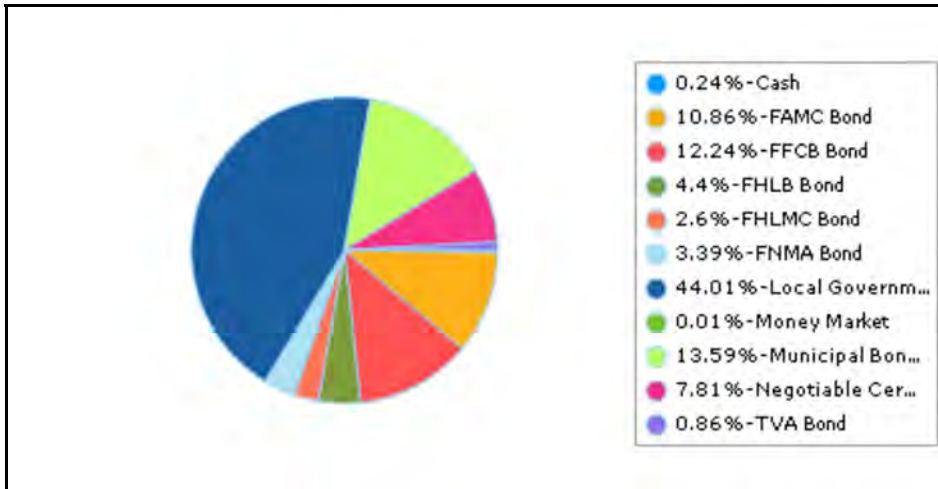
Las Virgenes Municipal Water District CA Distribution by Security Type - Market Value Report Group | Investment Portfolio

Begin Date: 3/31/2022, End Date: 4/30/2022

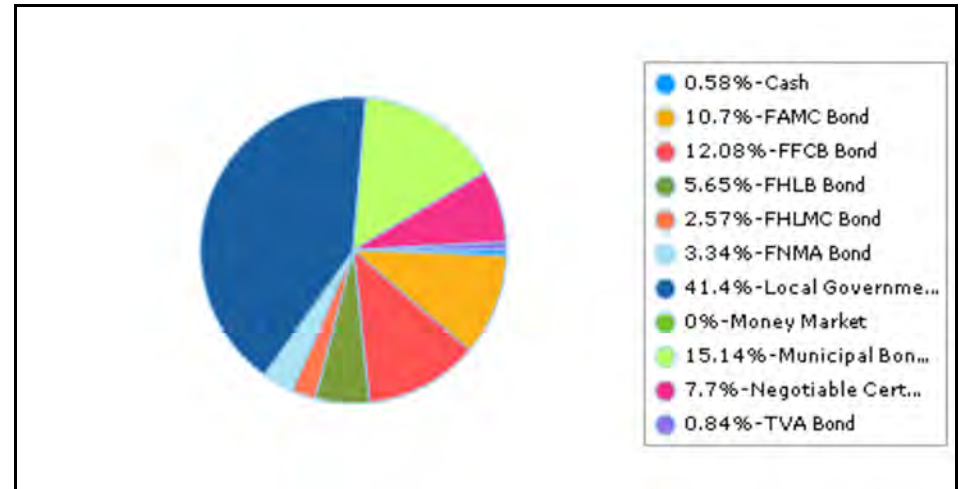
Security Type Allocation

Security Type	Market Value 3/31/2022	% of Portfolio 3/31/2022	Market Value 4/30/2022	% of Portfolio 4/30/2022
Cash	265,291.70	0.24	647,324.16	0.58
FAMC Bond	11,986,037.35	10.86	11,858,048.85	10.70
FFCB Bond	13,510,900.00	12.24	13,386,070.00	12.08
FHLB Bond	4,854,820.00	4.40	6,264,335.75	5.65
FHLMC Bond	2,871,970.00	2.60	2,852,830.00	2.57
FNMA Bond	3,743,160.00	3.39	3,701,300.00	3.34
Local Government Investment Pool	48,584,648.22	44.01	45,889,944.65	41.40
Money Market	8,363.02	0.01	858.52	0.00
Municipal Bond	15,005,308.20	13.59	16,779,887.50	15.14
Negotiable Certificate Of Deposit	8,625,451.20	7.81	8,534,707.33	7.70
TVA Bond	945,050.00	0.86	936,010.00	0.84
Total / Average	110,400,999.69	100.00	110,851,316.76	100.00

Portfolio Holdings as of 3/31/2022



Portfolio Holdings as of 4/30/2022





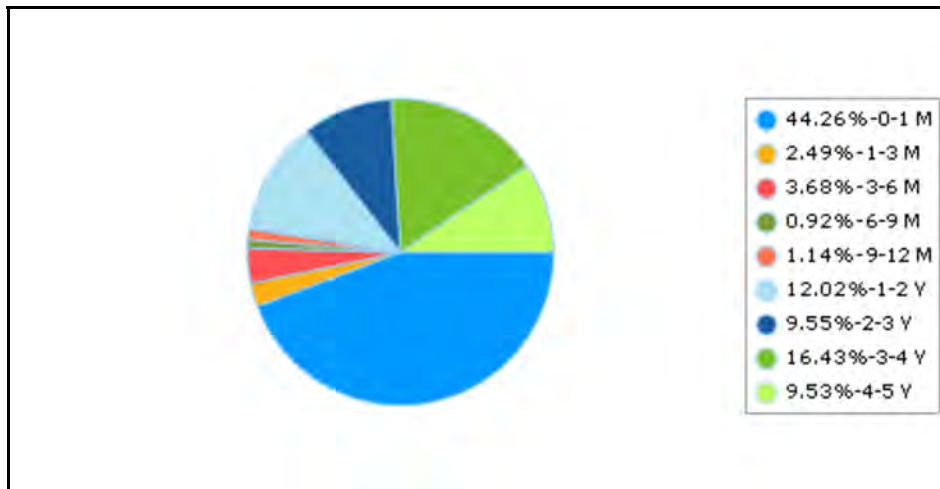
Las Virgenes Municipal Water District CA Distribution by Maturity Range - Market Value Report Group | Investment Portfolio

Begin Date: 3/31/2022, End Date: 4/30/2022

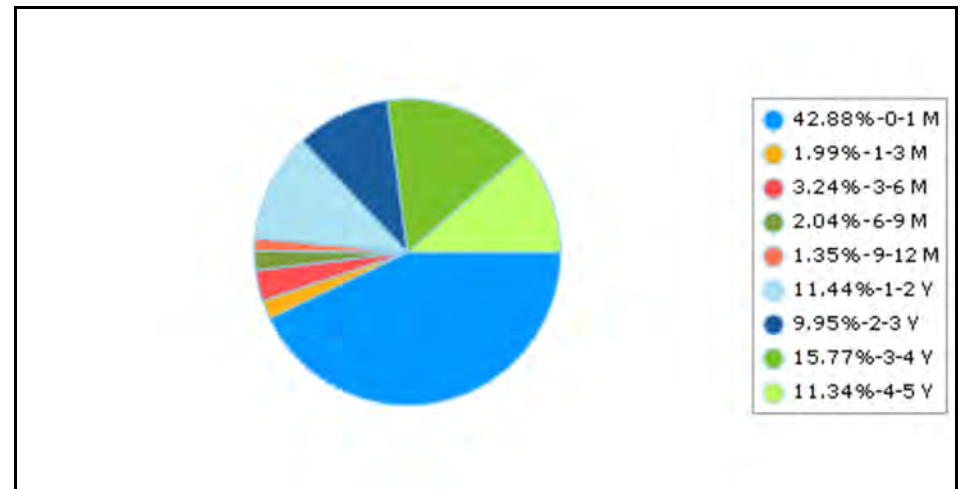
Maturity Range Allocation

Maturity Range	Market Value 3/31/2022	% of Portfolio 3/31/2022	Market Value 4/30/2022	% of Portfolio 4/30/2022
0-1 Month	48,858,302.94	44.26	47,538,127.33	42.88
1-3 Months	2,746,153.80	2.49	2,209,158.15	1.99
3-6 Months	4,058,371.55	3.68	3,586,866.75	3.24
6-9 Months	1,012,544.75	0.92	2,260,476.75	2.04
9-12 Months	1,253,508.45	1.14	1,495,810.00	1.35
1-2 Years	13,273,819.50	12.02	12,681,292.25	11.44
2-3 Years	10,544,406.25	9.55	11,027,868.90	9.95
3-4 Years	18,137,008.50	16.43	17,477,440.85	15.77
4-5 Years	10,516,883.95	9.53	12,574,275.78	11.34
Total / Average	110,400,999.69	100.00	110,851,316.76	100.00

Portfolio Holdings as of 3/31/2022



Portfolio Holdings as of 4/30/2022



Las Virgenes Municipal Water District CA
Portfolio Holdings
Investment Portfolio | by Maturity Range - Monthly Report
Report Format: By Transaction
Group By: Maturity Range
Average By: Cost Value
Portfolio / Report Group: Report Group | Investment Portfolio
As of 4/30/2022

Description	CUSIP/Ticker	YTM @ Cost	Security Sector	Bullet/Callable	Maturity Date	Book Value	Market Value	% of Portfolio
0-1 Month								
California State 2 5/1/2022	13066YTZ2	3.063	Municipal	Bullet	5/1/2022	999,972.61	1,000,000.00	1.44
Total / Average 0-1 Month		3.063				999,972.61	1,000,000.00	1.44
1-3 Months								
Beverly Hills CA 0.373 6/1/2022	088006JW2	0.373	Municipal	Bullet	6/1/2022	250,000.00	249,860.00	0.37
Goldman Sachs Bank NY 2.35 6/21/2022	38148PKX4	2.350	Certificate Of Deposit	Bullet	6/21/2022	245,000.00	245,629.65	0.37
Sallie Mae Bank UT 2.35 6/21/2022	795450A70	2.350	Certificate Of Deposit	Bullet	6/21/2022	245,000.00	245,629.65	0.37
FHLMC Step 6/29/2022	3134GBUZ3	2.104	US Agency	Bullet	6/29/2022	1,000,010.12	1,002,160.00	1.49
FAMC 1.98 6/30/2022	3132X0UH2	2.810	US Agency	Bullet	6/30/2022	464,388.05	465,878.85	0.68
Total / Average 1-3 Months		2.107				2,204,398.17	2,209,158.15	3.27
3-6 Months								
Maryland State 1.59 8/1/2022	574193RY6	1.590	Municipal	Bullet	8/1/2022	1,000,000.00	1,001,590.00	1.49
Rowland ISD CA 0.445 8/1/2022-22	779631JV3	0.445	Municipal	Callable	8/1/2022	100,000.00	99,861.00	0.15
Texas Capital Bank 0.25 8/8/2022	88224PLZ0	0.250	Certificate Of Deposit	Bullet	8/8/2022	245,000.00	244,710.90	0.37
Bank Hapoalim NY 0.25 8/26/2022	06251A2D1	0.250	Certificate Of Deposit	Bullet	8/26/2022	245,000.00	244,610.45	0.37
American Express 2.4 8/29/2022	02587CFU9	2.400	Certificate Of Deposit	Bullet	8/29/2022	245,000.00	246,362.20	0.37
Capital One VA 2.4 8/30/2022	14042RHS3	2.400	Certificate Of Deposit	Bullet	8/30/2022	245,000.00	246,362.20	0.37
San Francisco California 2.5 9/1/2022-22	79772EAX7	2.605	Municipal	Callable	9/1/2022	499,834.15	501,500.00	0.74
FFCB 1.75 9/13/2022	3133EHYR8	1.766	US Agency	Bullet	9/13/2022	999,944.14	1,001,870.00	1.49
Total / Average 3-6 Months		1.676				3,579,778.29	3,586,866.75	5.34
6-9 Months								
California State 0.349 11/1/2022	13077DMH2	0.349	Municipal	Bullet	11/1/2022	500,000.00	496,645.00	0.75
Martinez Financing Authority CA 0.405 12/1/2022	57339JAN0	0.405	Municipal	Bullet	12/1/2022	270,000.00	267,894.00	0.40
Wells Fargo Bank 2.5 12/8/2022	949763LR5	2.500	Certificate Of Deposit	Bullet	12/8/2022	245,000.00	247,040.85	0.37
Morgan Stanley Bank 2.65 1/11/2023	61747MF63	2.650	Certificate Of Deposit	Bullet	1/11/2023	245,000.00	247,356.90	0.37
FAMC 2.13 1/24/2023	31315PZS1	2.338	US Agency	Bullet	1/24/2023	998,562.19	1,001,540.00	1.48
Total / Average 6-9 Months		1.716				2,258,562.19	2,260,476.75	3.36
9-12 Months								
FFCB 2.7 4/11/2023	3133EJKN8	2.700	US Agency	Bullet	4/11/2023	1,000,000.00	1,006,550.00	1.49

Description	CUSIP/Ticker	YTM @ Cost	Security Sector	Bullet/Callable	Maturity Date	Book Value	Market Value	% of Portfolio
Redondo Beach CA 0.415 5/1/2023-23	757696AP4	0.415	Municipal	Callable	5/1/2023	500,000.00	489,260.00	0.75
Total / Average 9-12 Months		1.938				1,500,000.00	1,495,810.00	2.24
1-2 Years								
Citibank National Association 3.15 5/11/2023	17312QL23	3.150	Certificate Of Deposit	Bullet	5/11/2023	245,000.00	248,336.90	0.37
University California 3.297 5/15/2023-23	91412HBK8	3.297	Municipal	Callable	5/15/2023	930,000.00	937,923.60	1.39
Ontario California 2.216 6/1/2023	68304FAC0	1.420	Municipal	Bullet	6/1/2023	1,099,194.53	1,082,718.80	1.67
FHLB 3.25 6/9/2023	313383QR5	2.536	US Agency	Bullet	6/9/2023	1,007,455.62	1,010,370.00	1.54
FAMC 2.9 7/24/2023	3132X03V1	2.981	US Agency	Bullet	7/24/2023	999,075.00	1,006,990.00	1.49
Rowland ISD CA 0.541 8/1/2023	779631JW1	0.541	Municipal	Bullet	8/1/2023	400,000.00	390,400.00	0.60
First Missouri State Bank 2.85 8/14/2023	32100LB00	2.850	Certificate Of Deposit	Bullet	8/14/2023	245,000.00	247,486.75	0.37
FFCB 0.3 9/1/2023-21	3133EL5J9	0.300	US Agency	Callable	9/1/2023	1,000,000.00	971,500.00	1.49
FHLB 3.375 9/8/2023	313383YJ4	2.227	US Agency	Bullet	9/8/2023	1,014,751.80	1,012,040.00	1.57
Oklahoma Water Resources OK 0.432 10/1/2023-23	67920QWY0	0.432	Municipal	Callable	10/1/2023	100,000.00	96,998.00	0.15
California State 2.25 10/1/2023	13063DDG0	3.092	Municipal	Bullet	10/1/2023	988,975.58	994,040.00	1.44
FFCB 0.27 10/5/2023-21	3133EMBQ4	0.282	US Agency	Callable	10/5/2023	999,832.83	973,540.00	1.49
Medallion Bank UT 1.7 12/22/2023	58404DFX4	1.700	Certificate Of Deposit	Bullet	12/22/2023	245,000.00	242,317.25	0.37
Morgan Stanley Bank 3.35 1/10/2024	61760ATZ2	3.350	Certificate Of Deposit	Bullet	1/10/2024	245,000.00	248,741.15	0.37
FFCB 2.37 2/5/2024	3133EH5S8	2.524	US Agency	Bullet	2/5/2024	997,457.12	998,060.00	1.48
TIAA FSB FL 3 2/22/2024	87270LBU6	3.000	Certificate Of Deposit	Bullet	2/22/2024	245,000.00	247,011.45	0.37
California State 3 4/1/2024	13063DLZ9	2.500	Municipal	Bullet	4/1/2024	1,008,977.16	1,000,610.00	1.53
FHLB 2.5 4/26/2024-23	3130ARLS8	2.500	US Agency	Callable	4/26/2024	475,000.00	473,085.75	0.71
Comenity Capital Bank UT 2.75 4/30/2024	20033AU95	2.750	Certificate Of Deposit	Bullet	4/30/2024	245,000.00	245,235.20	0.37
Pasadena Pension CA 1.8 5/1/2024	70227RBK5	1.800	Municipal	Bullet	5/1/2024	260,000.00	253,887.40	0.39
Total / Average 1-2 Years		2.126				12,750,719.64	12,681,292.25	19.11
2-3 Years								
Bank New England NH 2.65 5/23/2024	06426KBE7	2.650	Certificate Of Deposit	Bullet	5/23/2024	245,000.00	244,661.90	0.37
University Northern CO 2.147 6/1/2024	914733DV9	2.147	Municipal	Bullet	6/1/2024	1,000,000.00	979,790.00	1.49
FFCB 2.16 6/3/2024	3133EKNX0	1.865	US Agency	Bullet	6/3/2024	1,005,866.98	990,710.00	1.51
Enerbank UT 2.15 8/7/2024	29278TKJ8	2.150	Certificate Of Deposit	Bullet	8/7/2024	245,000.00	241,626.35	0.37
First Farmers Bank & Trust 1.75 9/4/2024	320165JK0	1.750	Certificate Of Deposit	Bullet	9/4/2024	245,000.00	239,169.00	0.37
FAMC 1.74 9/26/2024	31422BMD9	1.664	US Agency	Bullet	9/26/2024	1,001,747.45	975,970.00	1.50
South Gate Utility CA 2.224 10/1/2024-24	83789TBQ1	2.224	Municipal	Callable	10/1/2024	500,000.00	488,085.00	0.75
California State University 0.563 11/1/2024	13077DQC9	0.563	Municipal	Bullet	11/1/2024	400,000.00	373,980.00	0.60
FAMC 1.79 11/1/2024	31422BPG9	1.804	US Agency	Bullet	11/1/2024	999,666.54	975,650.00	1.49
California State 1.646 11/1/2024-24	13077DKC5	1.646	Municipal	Callable	11/1/2024	400,000.00	384,272.00	0.60
California State 0.56 12/1/2024-24	13067WRB0	0.560	Municipal	Callable	12/1/2024	250,000.00	234,025.00	0.37
FFCB 1.08 1/6/2025	31422XRD6	1.080	US Agency	Bullet	1/6/2025	1,000,000.00	954,620.00	1.49
KEMBA Financial Credit Union 1.8 1/8/2025	48836LAJ1	1.800	Certificate Of Deposit	Bullet	1/8/2025	245,000.00	238,051.80	0.37

Description	CUSIP/Ticker	YTM @ Cost	Security Sector	Bullet/Callable	Maturity Date	Book Value	Market Value	% of Portfolio
FAMC 1.2 1/14/2025	31422XSU7	1.195	US Agency	Bullet	1/14/2025	1,000,135.49	957,230.00	1.49
Knoxville TVA TN 1.95 1/16/2025	499724AL6	1.950	Certificate Of Deposit	Bullet	1/16/2025	245,000.00	238,916.65	0.37
FFCB 1.67 2/14/2025-24	3133ENNX4	1.670	US Agency	Callable	2/14/2025	1,000,000.00	965,620.00	1.49
Somerset Trust Company 1 3/19/2025	835104BZ2	1.000	Certificate Of Deposit	Bullet	3/19/2025	245,000.00	231,777.35	0.37
Iberia Bank LA 1 3/20/2025	45083ANS7	1.000	Certificate Of Deposit	Bullet	3/20/2025	245,000.00	231,799.40	0.37
Pacific Western Bank CA 1.35 4/16/2025	69506YRG6	1.350	Certificate Of Deposit	Bullet	4/16/2025	245,000.00	233,766.75	0.37
Celtic Bank UT 1.5 4/17/2025	15118RUX3	1.500	Certificate Of Deposit	Bullet	4/17/2025	245,000.00	234,759.00	0.37
First National Bank TX 1.35 4/28/2025	32112UDR9	1.350	Certificate Of Deposit	Bullet	4/28/2025	245,000.00	233,548.70	0.37
Alexandria Utilities LA 1.498 5/1/2025-25	015086NJ6	1.498	Municipal	Callable	5/1/2025	400,000.00	379,840.00	0.60
Total / Average 2-3 Years		1.597				11,407,416.46	11,027,868.90	17.04
3-4 Years								
TVA 0.75 5/15/2025	880591EW8	0.625	US Agency	Bullet	5/15/2025	1,003,740.37	936,010.00	1.50
Beverly Hills CA 0.719 6/1/2025	088013FG7	0.719	Municipal	Bullet	6/1/2025	500,000.00	465,755.00	0.75
State Bank India NY 1.05 6/10/2025	856285TR2	1.050	Certificate Of Deposit	Bullet	6/10/2025	245,000.00	231,015.40	0.37
San Francisco California 0.728 6/15/2025-25	79773KDC5	0.728	Municipal	Callable	6/15/2025	500,000.00	460,525.00	0.75
FAMC 0.48 6/19/2025	31422BD98	0.531	US Agency	Bullet	6/19/2025	998,437.27	927,520.00	1.49
FHLMC 0.65 6/30/2025-22	3134GVT99	0.650	US Agency	Callable	6/30/2025	1,000,000.00	931,530.00	1.49
Minnwest Bank South MN 0.5 7/15/2025	60425SHY8	0.500	Certificate Of Deposit	Bullet	7/15/2025	245,000.00	226,419.20	0.37
Preferred Bank CA 0.5 7/17/2025	740367MA2	0.500	Certificate Of Deposit	Bullet	7/17/2025	245,000.00	226,387.35	0.37
FNMA 0.625 7/21/2025-22	3136G4ZJ5	0.625	US Agency	Callable	7/21/2025	1,000,000.00	929,940.00	1.49
Bank Baroda NY 0.6 7/22/2025	06063HMR1	0.600	Certificate Of Deposit	Bullet	7/22/2025	245,000.00	227,156.65	0.37
Flagstar Bank MI 0.6 7/22/2025	33847E3W5	0.600	Certificate Of Deposit	Bullet	7/22/2025	245,000.00	227,156.65	0.37
FNMA 0.65 8/14/2025-22	3136G4C43	0.650	US Agency	Callable	8/14/2025	1,000,000.00	929,420.00	1.49
City of Santa Rosa 0.977 9/1/2025-25	802649TJ2	0.977	Municipal	Callable	9/1/2025	500,000.00	467,420.00	0.75
FHLMC 0.5 9/30/2025-22	3134GWWQ5	0.500	US Agency	Callable	9/30/2025	1,000,000.00	919,140.00	1.49
FNMA 0.54 10/27/2025-22	3136G45C3	0.540	US Agency	Callable	10/27/2025	1,000,000.00	921,110.00	1.49
FFCB 0.46 11/3/2025	3133EMFS6	0.493	US Agency	Bullet	11/3/2025	998,854.09	918,600.00	1.49
FNMA 0.57 11/17/2025-22	3135GA3X7	0.570	US Agency	Callable	11/17/2025	1,000,000.00	920,830.00	1.49
California State 0.751 12/1/2025-25	13067WSV5	0.751	Municipal	Callable	12/1/2025	250,000.00	228,970.00	0.37
FFCB 0.47 12/22/2025-22	3133EMLC4	0.470	US Agency	Callable	12/22/2025	1,000,000.00	919,890.00	1.49
JPMorgan Chase 0.5 1/6/2026	48128UVT3	0.500	Certificate Of Deposit	Bullet	1/6/2026	245,000.00	223,991.25	0.37
FAMC 0.48 1/15/2026	31422B6K1	0.489	US Agency	Bullet	1/15/2026	999,634.12	914,360.00	1.49
FFCB 0.45 2/2/2026-23	3133EMPD8	0.450	US Agency	Callable	2/2/2026	1,000,000.00	913,230.00	1.49
FFCB 0.8 3/9/2026-23	3133EMSU7	0.800	US Agency	Callable	3/9/2026	1,000,000.00	927,470.00	1.49
FHLB 0.65 3/10/2026-22	3130ALDS0	0.650	US Agency	Callable	3/10/2026	1,000,000.00	916,070.00	1.49
FAMC 0.83 3/27/2026	31422XDX7	0.828	US Agency	Bullet	3/27/2026	1,000,079.15	922,390.00	1.49
Nelnet Bank UT 0.75 4/15/2026	64034KAF8	0.750	Certificate Of Deposit	Bullet	4/15/2026	245,000.00	224,794.85	0.37
Greenstate Credit Union 0.95 4/16/2026	39573LBC1	0.950	Certificate Of Deposit	Bullet	4/16/2026	245,000.00	226,536.80	0.37
Oceanside Water CA 1.103 5/1/2026	675413DL9	1.103	Municipal	Bullet	5/1/2026	210,000.00	193,802.70	0.31

Description	CUSIP/Ticker	YTM @ Cost	Security Sector	Bullet/Callable	Maturity Date	Book Value	Market Value	% of Portfolio
Total / Average 3-4 Years		0.626				18,920,745.00	17,477,440.85	28.25
4-5 Years								
FAMC 0.95 5/4/2026-23	31422XFP2	0.950	US Agency	Callable	5/4/2026	1,000,000.00	929,720.00	1.49
FAMC 0.925 6/10/2026-22	31422XHF2	0.925	US Agency	Callable	6/10/2026	1,000,000.00	927,060.00	1.49
Toyota Financial Savings NV 0.95 7/29/2026	89235MLE9	0.950	Certificate Of Deposit	Bullet	7/29/2026	245,000.00	225,199.10	0.37
Upper Santa Clara Valley Water District 1.175 8/1/	916544EV7	3.350	Municipal	Bullet	8/1/2026	914,435.06	909,010.00	1.37
FFCB 0.71 8/10/2026-23	3133EM2C5	0.710	US Agency	Callable	8/10/2026	1,000,000.00	913,830.00	1.49
UBS Bank UT 0.95 8/11/2026	90348JR93	0.950	Certificate Of Deposit	Bullet	8/11/2026	245,000.00	224,922.25	0.37
FHLB 0.75 9/28/2026-21	3130ANY38	0.750	US Agency	Callable	9/28/2026	1,000,000.00	922,340.00	1.49
FAMC 0.9 10/2/2026-22	31422XNH1	0.900	US Agency	Callable	10/2/2026	1,000,000.00	920,490.00	1.49
Synchrony Bank 1 10/22/2026	87164YE34	1.000	Certificate Of Deposit	Bullet	10/22/2026	248,000.00	227,244.88	0.37
City of Palm Springs 1.402 11/1/2026	69666JHX9	1.402	Municipal	Bullet	11/1/2026	500,000.00	458,785.00	0.75
FFCB 1.34 11/30/2026	3133ENFV7	1.291	US Agency	Bullet	11/30/2026	1,002,166.35	930,580.00	1.50
California State 1.051 12/1/2026-26	13067WSW3	1.918	Municipal	Callable	12/1/2026	962,164.49	904,100.00	1.43
FHLB Step 12/22/2026-22	3130AQ2B8	1.869	US Agency	Callable	12/22/2026	1,000,000.00	943,010.00	1.49
FAMC 1.5 1/19/2027	31422XSV5	1.517	US Agency	Bullet	1/19/2027	999,225.36	933,250.00	1.49
Beal Bank (Texas) 1.55 2/3/2027	07371AWQ2	1.550	Certificate Of Deposit	Bullet	2/3/2027	245,000.00	228,974.55	0.37
FHLB 3 4/21/2027-22	3130ARGE5	3.000	US Agency	Callable	4/21/2027	1,000,000.00	987,420.00	1.49
San Jose California 3.594 5/1/2027	798153PY2	3.594	Municipal	Bullet	5/1/2027	1,000,000.00	988,340.00	1.49
Total / Average 4-5 Years		1.662				13,360,991.26	12,574,275.78	19.94
Total / Average		1.490				66,982,583.62	64,313,189.43	100

LVMWD CASH ANALYSIS - April 31, 2022

	Restricted Cash	Cash Held by Policy	Policy Requirement	Funds Available for Capital
101 - Potable Water Operations		30,315,669	9,997,207	
201 - Potable Water Construction	329,974			
301 - Potable Water Replacement		5,158,231	11,177,935	
603 - Rate Stabilization Fund		8,000,000	8,000,000	
AMR/AMI Loan		<u>4,458,242</u>		
Total Potable Water		47,932,142	29,175,142	18,757,000
102 - Recycled Water Operations		16,479,022	1,100,143	
203 - Recycled Water Construction	595,262			
302 - Recycled Water Replacement		2,678,823	2,539,440	
Recycled Water Assigned Funds		5,000,000		
Total Recycled Water	595,262	24,157,845	3,639,582	16,113,525
130 - Sanitation Operations		7,908,924	3,291,214	
230 - Sanitation Construction	4,960,491			
330 - Sanitation Replacement		10,010,432	12,573,074	
Sanitation Assigned Funds		10,000,000		
Total Sanitation	4,960,491	27,919,356	15,864,287	7,015,559
701 - Vested Sick Leave Reserve	1,311,672			
720 - Insurance Reserve		8,111,252	7,871,864	239,389
JPA	1,259,233			
701 - Internal Services Fund	(3,057,374)			
<i>Subtotal</i>	<u>5,399,257</u>	<u>108,120,595</u>		
TOTAL		113,519,852		

Financial Policy - Cash required to comply with District's adopted Financial Policy.

Restricted Cash - Revenue restricted to a particular purpose.



June 7, 2022 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

Subject : Re-Adoption of 401(a) Deferred Compensation Plan Agreements

SUMMARY:

The District provides its employees with the opportunity to participate in a 401(a) Deferred Compensation Program managed by Nationwide pursuant to the terms of Board-approved Memorandums of Understanding and a Management Handbook. Nationwide and IRS regulations require that the 401(a) plan agreement be re-adopted every six years. Staff recommends authorization for the General Manager and Director of Finance and Administration to execute necessary documents for continuation of the existing 401(a) Deferred Compensation Program.

RECOMMENDATION(S):

Authorize the General Manager or his designee to execute the necessary documents for continuation of the existing 401(a) Deferred Compensation Program.

FISCAL IMPACT:

No

ITEM BUDGETED:

No

DISCUSSION:

The District provides its employees with the opportunity to participate in a 401(a) Deferred Compensation Program pursuant to Board-approved Memorandums of Understanding and a Management Handbook. The attached documents restate and readopt the terms of the District's 401(a) program, which is managed by Nationwide. There are no substantive changes

to the plan's provisions, and the documents do not modify any benefits currently provided to employees.

GOALS:

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Donald Patterson, Director of Finance and Administration

ATTACHMENTS:

Resolution

401(a) Adoption Agreement

Summary of Plan Provisions

Plan Documents

RESOLUTION NO. 2610

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
LAS VIRGENES MUNICIPAL WATER DISTRICT
APPROVING AND ADOPTING THE PROVISIONS OF
NATIONWIDE FINANCIAL SERVICES, INC. 401(a) PLAN**

The undersigned authorized representative of Las Virgenes Municipal Water District (the Employer) hereby certifies that the following resolution was duly adopted by the Employer on June 7, 2022, and that such resolution has not been modified or rescinded as of the date hereof:

RESOLVED, that the form of amended Plan and Trust effective January 1, 2021, presented to this meeting is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

The undersigned further certifies that attached hereto are true copies of Las Virgenes Municipal Water District 401(a) Plan as amended and restated, and the Summary of Plan Provisions, which are hereby approved and adopted.

PASSED, APPROVED, AND ADOPTED this 7th day of June, 2022.

Jay Lewitt, President

ATTEST:

Lee Renger, Secretary

(SEAL)

APPROVED AS TO FORM:

W. Keith Lemieux, District Counsel

**ADOPTION AGREEMENT FOR
NATIONWIDE FINANCIAL SERVICES, INC
NON-STANDARDIZED
GOVERNMENTAL 401(a) PRE-APPROVED PLAN**

CAUTION: Failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.

EMPLOYER INFORMATION

(An amendment to the Adoption Agreement is not needed solely to reflect a change in this Employer Information Section.)

1. EMPLOYER'S NAME, ADDRESS, TELEPHONE NUMBER, TIN AND FISCAL YEAR

Name: Las Virgenes Municipal Water District

Address: 4232 Las Virgenes Rd
Street

Calabasas City California State 91302 Zip

Telephone: 818-251-2100

Taxpayer Identification Number (TIN): 95-2222398

Employer's Fiscal Year ends: June 30

2. TYPE OF GOVERNMENTAL ENTITY. This Plan may only be adopted a state or local governmental entity, or agency thereof, including an Indian tribal government and may not be adopted by any other entity, including a federal government and any agency or instrumentality thereof.

- a. State government or state agency
- b. County or county agency
- c. Municipality or municipal agency
- d. Indian tribal government (see Note below)

NOTE: An Indian tribal government may only adopt this Plan if such entity is defined under Code §7701(a)(40), is a subdivision of an Indian tribal government as determined in accordance with Code §7871(d), or is an agency or instrumentality of either, and all of the Participants under this Plan employed by such entity substantially perform services as an Employee in essential governmental functions and not in the performance of commercial activities (whether or not an essential government function).

3. PARTICIPATING EMPLOYERS (Plan Section 1.39). Will any other Employers adopt this Plan as Participating Employers?

- a. No
- b. Yes

MULTIPLE EMPLOYER PLAN (Plan Article XI). Will any Employers who are not Affiliated Employers adopt this Plan as part of a multiple employer plan (MEP) arrangement?

- c. No
- d. Yes (Complete a Participation Agreement for each Participating Employer.)

PLAN INFORMATION

(An amendment to the Adoption Agreement is not needed solely to reflect a change in the information in Question 9.)

4. PLAN NAME:

Las Virgenes Municipal Water District 401(a) Plan

5. PLAN STATUS

- a. New Plan
- b. Amendment and restatement of existing Plan
CYCLE 3 RESTATEMENT (leave blank if not applicable)

- 1. This is an amendment and restatement to bring a plan into compliance with the legislative and regulatory changes set forth in IRS Notice 2017-37 (i.e., the 6-year pre-approved plan restatement cycle).

6. EFFECTIVE DATE (Plan Section 1.16) (complete a. if new plan; complete a. AND b. if an amendment and restatement)

Initial Effective Date of Plan (except for restatements, cannot be earlier than the first day of the current Plan Year)

- a. January 1, 2016 (enter month day, year) (hereinafter called the "Effective Date" unless 6.b. is entered below)

Restatement Effective Date. If this is an amendment and restatement, the effective date of the restatement (hereinafter called the "Effective Date") is:

- b. January 1, 2021 (enter month day, year; NOTE: The restatement date may not be prior to the first day of the current Plan Year. Plan contains appropriate retroactive effective dates with respect to provisions for appropriate laws.)

7. PLAN YEAR (Plan Section 1.43) means, except as otherwise provided in d. below:

- a. the calendar year
- b. the twelve-month period ending on _____ (e.g., June 30th)

SHORT PLAN YEAR (Plan Section 1.47). This is a Short Plan Year (if the effective date of participation is based on a Plan Year, then coordinate with Question 14):

- c. N/A
- d. beginning on _____ (enter month day, year; e.g., July 1, 2020) and ending on _____ (enter month day, year).

8. VALUATION DATE (Plan Section 1.53) means:

- a. every day that the Trustee (or Insurer), any transfer agent appointed by the Trustee (or Insurer) or the Employer, and any stock exchange used by such agent are open for business (daily valuation)
- b. the last day of each Plan Year
- c. the last day of each Plan Year quarter
- d. other (specify day or days): _____ (must be at least once each Plan Year)

NOTE: The Plan always permits interim valuations.

9. ADMINISTRATOR'S NAME, ADDRESS AND TELEPHONE NUMBER

(If none is named, the Employer will be the Administrator (Plan Section 1.2).)

- a. Employer (use Employer address and telephone number)
- b. The Committee appointed by the Employer (use Employer address and telephone number)
- c. Other:

Name: _____

Address: _____

Street

City State Zip

Telephone: _____

10. TYPE OF PLAN (select one)

- a. Profit Sharing Plan.
- b. Money Purchase Pension Plan.

11. CONTRIBUTION TYPES

The selections made below must correspond with the selections made under the Contributions and Allocations Section of this Adoption Agreement.

FROZEN PLAN OR CONTRIBUTIONS HAVE BEEN SUSPENDED (Plan Section 4.1(c)) (optional)

- a. This is a frozen Plan (i.e., all contributions cease) (if this is a temporary suspension, select a.2):
 - 1. All contributions ceased as of, or prior to, the effective date of this amendment and restatement and the prior Plan provisions are not reflected in this Adoption Agreement (may enter effective date at 3. below and/or select prior contributions at g. - j. (optional), skip questions 12-18 and 22-30)
 - 2. All contributions ceased or were suspended and the prior Plan provisions are reflected in this Adoption Agreement (must enter effective date at 3. below and select contributions at b. - f.)

Effective date

- 3. as of _____ (effective date is optional unless a.2. has been selected above or this is the amendment or restatement to freeze the Plan).

CURRENT CONTRIBUTIONS

The Plan permits the following contributions (select one or more):

- b. **Employer contributions other than matching** (Questions 24-25)
 - 1. This Plan qualifies as a Social Security Replacement Plan (Question 24.e. must be selected)
- c. **Employer matching contributions** (Questions 26-28)
- d. **Mandatory Employee contributions** (Question 30)

- e. **After-tax voluntary Employee contributions**
- f. **Rollover contributions** (Question 36)

PRIOR CONTRIBUTIONS

The Plan used to permit, but no longer does, the following contributions (choose all that apply, if any):

- g. **Employer matching contributions**
- h. **Employer contributions other than matching contributions**
- i. **Rollover contributions**
- j. **After-tax voluntary Employee contributions**

ELIGIBILITY REQUIREMENTS

12. **ELIGIBLE EMPLOYEES** (Plan Section 1.17) means all Employees (including Leased Employees) EXCEPT those Employees who are excluded below or elsewhere in the Plan: (select a. or b.)
- a. **No excluded Employees.** There are no additional excluded Employees under the Plan (skip to Question 13).
 - b. **Exclusions.** The following Employees are not Eligible Employees for Plan purposes (select one or more):
 - 1. Union Employees (as defined in Plan Section 1.17)
 - 2. Nonresident aliens (as defined in Plan Section 1.17)
 - 3. Leased Employees (Plan Section 1.29)
 - 4. Part-time Employees. A part-time Employee is an Employee whose regularly scheduled service is less than _
_ Hours of Service in the relevant eligibility computation period (as defined in Plan Section 1.55).
 - 5. Temporary Employees. A temporary Employee is an Employee who is categorized as a temporary Employee on the Employer's payroll records.
 - 6. Seasonal Employees. A seasonal Employee is an Employee who is categorized as a seasonal Employee on the Employer's payroll records.
 - 7. Other: _____ (must be definitely determinable under Regulation §1.401-1(b).
Exclusions may be employment title specific but may not be by individual name)

NOTE: If option 4. - 6. (part-time, temporary and/or seasonal exclusions) is selected, when any such excluded Employee actually completes 1 Year of Service, then such Employee will no longer be part of this excluded class. For this purpose, the Hours of Service method will be used for the 1 Year of Service override regardless of any contrary selection at Question 16.

13. **CONDITIONS OF ELIGIBILITY** (Plan Section 3.1)
- a. **No age and service required.** No age and service required for all Contribution Types (skip to Question 14).
 - b. **Eligibility.** An Eligible Employee will be eligible to participate in the Plan upon satisfaction of the following (complete c. and d., select e. and f. if applicable):

Eligibility Requirements

- c. **Age Requirement**
 - 1. No age requirement
 - 2. Age 20 1/2
 - 3. Age 21
 - 4. Age _____ (may not exceed 26)
- d. **Service Requirement**
 - 1. No service requirement
 - 2. _____ (not to exceed 60) months of service (elapsed time)
 - 3. 1 Year of Service
 - 4. _____ (not to exceed 5) Years of Service
 - 5. _____ consecutive month period from the Eligible Employee's employment commencement date and during which at least _____ Hours of Service are completed.
 - 6. _____ consecutive months of employment.
 - 7. Other: _____ (e.g., date on which 1,000 Hours of Service is completed within the computation period) (must satisfy the Notes below)

NOTE: If c.4. or d.7. is selected, the condition must be an age or service requirement that is definitely determinable and may not exceed age 26 and may not exceed 5 Years of Service.

NOTE: Year of Service means Period of Service if the elapsed time method is chosen.

Waiver of conditions. The service and/or age requirements specified above will be waived in accordance with the following (leave blank if there are no waivers of conditions):

- e. If employed on _____ the following requirements, and the entry date requirement, will be waived. The waiver applies to any Eligible Employee unless 3. selected below. Such Employees will enter the Plan as of such date (select 1. and/or 2. AND 3. if applicable):
 - 1. service requirement (may let part-time Eligible Employees into the Plan)
 - 2. age requirement
 - 3. waiver is for: _____

Amendment or restatement to change eligibility requirements

- f. This amendment or restatement (or a prior amendment and restatement) modified the eligibility requirements and the prior eligibility conditions continue to apply to the Eligible Employees specified below. If this option is NOT selected, then all Eligible Employees must satisfy the eligibility conditions set forth above.
 - 1. The eligibility conditions above only apply to Eligible Employees who were not Participants as of the effective date of the modification.
 - 2. The eligibility conditions above only apply to individuals who were hired on or after the effective date of the modification.

14. **EFFECTIVE DATE OF PARTICIPATION (ENTRY DATE) (Plan Section 3.2)**

An Eligible Employee who has satisfied the eligibility requirements will become a Participant in the Plan as of the:

- a. date such requirements are met
- b. first day of the month coinciding with or next following the date on which such requirements are met
- c. first day of the Plan Year quarter coinciding with or next following the date on which such requirements are met
- d. earlier of the first day of the Plan Year or the first day of the seventh month of the Plan Year coinciding with or next following the date on which such requirements are met
- e. first day of the Plan Year coinciding with or next following the date on which such requirements are met
- f. first day of the Plan Year in which such requirements are met
- g. first day of the Plan Year in which such requirements are met, if such requirements are met in the first 6 months of the Plan Year, or as of the first day of the next succeeding Plan Year if such requirements are met in the last 6 months of the Plan Year.
- h. other: _____ (must be definitely determinable)

SERVICE

15. **RECOGNITION OF SERVICE WITH OTHER EMPLOYERS (Plan Sections 1.40 and 1.55)**

- a. No service with other employers is recognized except as otherwise required by law (e.g., the Plan already provides for the recognition of service with Employers who have adopted this Plan as well as service with Affiliated Employers and predecessor Employers who maintained this Plan; skip to Question 16).
- b. Service with the designated employers is recognized as follows (select c. – e. and one or more of columns 1. - 3.; chose other options as applicable) (if more than 3 employers, attach an addendum to the Adoption Agreement or complete option h. under Section B of Appendix A):

	1.	2.	3.
Other Employer	Eligibility	Vesting	Contribution Allocation
c. <input type="checkbox"/> Employer name: _____	[]	[]	[]
d. <input type="checkbox"/> Employer name: _____	[]	[]	[]
e. <input type="checkbox"/> Employer name: _____	[]	[]	[]

Limitations

- f. The following provisions or limitations apply with respect to the recognition of prior service: _____ (e.g., credit service with X only on/following 1/1/19)
- g. The following provisions or limitations apply with respect to the recognition of service with other employers: _____ (e.g., credit service with X only on/following 1/1/19 or credit all service with entities the Employer acquires after 12/31/18)

NOTE: If the other Employer(s) maintained this qualified Plan, then Years (and/or Periods) of Service with such Employer(s) must be recognized pursuant to Plan Sections 1.40 and 1.55 regardless of any selections above.

16. **SERVICE CREDITING METHOD (Plan Sections 1.40 and 1.55)**

- NOTE:** If any Plan provision is based on a Year of Service, then the provisions set forth in the definition of Year of Service in Plan Section 1.55 will apply, including the following defaults, except as otherwise elected below:
- 1. A Year of Service means completion of at least 1,000 Hours of Service during the applicable computation period.
 - 2. Hours of Service (Plan Section 1.24) will be based on actual Hours of Service except that for Employees for whom records of actual Hours of Service are not maintained or available (e.g., salaried Employees), the monthly equivalency will be used.

3. For eligibility purposes, the computation period will be as defined in Plan Section 1.55 (i.e., shift to the Plan Year if the eligibility condition is one (1) Year of Service or less).
 4. For vesting, allocation, and distribution purposes, the computation period will be the Plan Year.
 5. Upon an Employee's rehire, all prior service with the Employer is taken into account for all purposes.
- a. **Elapsed time method.** (Period of Service applies instead of Year of Service) Instead of Hours of Service, elapsed time will be used for:
1. all purposes (skip to Question 17)
 2. the following purposes (select one or more):
 - a. eligibility to participate
 - b. vesting
 - c. allocations, distributions and contributions
- b. **Alternative definitions for the Hours of Service method.** Instead of the defaults, the following alternatives will apply for the Hours of Service method (select one or more):
1. **Eligibility computation period.** Instead of shifting to the Plan Year, the eligibility computation period after the initial eligibility computation period will be based on each anniversary of the date the Employee first completes an Hour of Service
 2. **Vesting computation period.** Instead of the Plan Year, the vesting computation period will be the date an Employee first performs an Hour of Service and each anniversary thereof.
 3. **Equivalency method.** Instead of using actual Hours of Service, an equivalency method will be used to determine Hours of Service for:
 - a. all purposes
 - b. the following purposes (select one or more):
 1. eligibility to participate
 2. vesting
 3. allocations, distribution and contributions

Such method will apply to:

 - c. all Employees
 - d. Employees for whom records of actual Hours of Service are not maintained or available (e.g., salaried Employees)
 - e. other: _____ (e.g., per-diem Employees only)

Hours of Service will be determined on the basis of:

 - f. days worked (10 hours per day)
 - g. weeks worked (45 hours per week)
 - h. semi-monthly payroll periods worked (95 hours per semi-monthly pay period)
 - i. months worked (190 hours per month)
 - j. bi-weekly payroll periods worked (90 hours per bi-weekly pay period)
 - k. other: _____ (e.g., option f. is used for per-diem Employees and option g. is used for on-call Employees).
 4. **Number of Hours of Service required.** Instead of 1,000 Hours of Service, Year of Service means the applicable computation period during which an Employee has completed at least _____ (not to exceed 1,000) Hours of Service for:
 - a. all purposes
 - b. the following purposes (select one or more):
 1. eligibility to participate
 2. vesting
 3. allocations, distributions and contributions
- c. **Alternative for counting all prior service.** Instead of the default which recognizes all prior service for rehired Employees, the Plan will not recognize prior service and rehired Employee are treated as new hires for the following purposes: (select one)
1. all purposes
 2. the following purposes (select one or more):
 - a. eligibility to participate
 - b. vesting
 - c. sharing in allocations or contributions

- d. **Other service crediting provisions:** _____ (must be definitely determinable; e.g., for vesting a Year of Service is based on 1,000 Hours of Service but for eligibility a Year of Service is based on 900 Hours of Service.)

NOTE: Must not list more than 1,000 hours in this Section. This servicing credit provision will be used for:

1. All purposes
2. The following purposes (select one or more):
 - a. eligibility to participate
 - b. vesting
 - c. allocations, distributions and contributions

VESTING

17. VESTING OF PARTICIPANT'S INTEREST – EMPLOYER CONTRIBUTIONS (Plan Section 6.4(b))

- a. N/A (no Employer contributions; skip to Question 19)
- b. The vesting provisions selected below apply. Section B of Appendix A can be used to specify any exceptions to the provisions below.

NOTE: The Plan provides that contributions for converted sick leave and/or vacation leave are fully Vested.

Vesting for Employer contributions other than matching contributions

- c. N/A (no Employer contributions (other than matching contributions); skip to f.)
- d. 100% vesting. Participants are 100% Vested in Employer contributions (other than matching contributions) upon entering Plan.
- e. The following vesting schedule, based on a Participant's Years of Service (or Periods of Service if the elapsed time method is selected), applies to Employer contributions (other than matching contributions):
 1. 6 Year Graded: 0-1 year-0%; 2 years-20%; 3 years-40%; 4 years-60%; 5 years-80%; 6 years-100%
 2. 4 Year Graded: 1 year-25%; 2 years-50%; 3 years-75%; 4 years-100%
 3. 5 Year Graded: 1 year-20%; 2 years-40%; 3 years-60%; 4 years-80%; 5 years-100%
 4. Cliff: 100% vesting after _____ (not to exceed 15) years
 5. Other graded vesting schedule (must provide for full vesting no later than 15 years of service; add additional lines as necessary)

Years (or Periods) of Service	Percentage
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %

Vesting for Employer matching contributions

- f. N/A (no Employer matching contributions)
- g. The schedule above will also apply to Employer matching contributions.
- h. 100% vesting. Participants are 100% Vested in Employer matching contributions upon entering Plan.
- i. The following vesting schedule, based on a Participant's Years of Service (or Periods of Service if the elapsed time method is selected), applies to Employer matching contributions:
 1. 6 Year Graded: 0-1 year-0%; 2 years-20%; 3 years-40%; 4 years-60%; 5 years-80%; 6 years-100%
 2. 4 Year Graded: 1 year-25%; 2 years-50%; 3 years-75%; 4 years-100%
 3. 5 Year Graded: 1 year-20%; 2 years-40%; 3 years-60%; 4 years-80%; 5 years-100%
 4. Cliff: 100% vesting after _____ (not to exceed 15) years
 5. Other graded vesting schedule (must provide for full vesting no later than 15 years of service; add additional lines as necessary)

Years (or Periods) of Service	Percentage
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %

NOTE: If any Part-time/Seasonal/Temporary Employees who are not covered under Social Security are participating in this Plan as a Social Security Replacement Plan, any contributions used to satisfy the minimum contribution requirements of Question 24.e. will be 100% vested.

18. VESTING OPTIONS

Excluded vesting service. The following Years of Service will be disregarded for vesting purposes (select all that apply; leave blank if none apply):

- a. Service prior to the initial Effective Date of the Plan or a predecessor plan (as defined in Regulations §1.411(a)-5(b)(3))
- b. Service prior to the computation period in which an Employee has attained age _____.
- c. Service during a period for which an Employee did not make mandatory Employee contributions.

Vesting for death, Total And Permanent Disability and Early/Normal Retirement. Regardless of the vesting schedule, a Participant will become fully Vested upon (select all that apply; leave blank if none apply):

- d. Death
- e. Total and Permanent Disability
- f. Early Retirement Date
- g. Normal Retirement Age

RETIREMENT AGES

19. NORMAL RETIREMENT AGE ("NRA") (Plan Section 1.33) means:

This Question 19 and Question 20 may be skipped if the Plan does not base any benefits, distributions or other features on Normal Retirement Age.

- a. **Specific age.** The date a Participant attains age 62 with a maximum benefit at Age 67
- b. **Age/participation.** The later of the date a Participant attains age _____ or the _____ anniversary of the first day of the Plan Year in which participation in the Plan commenced
- c. Other: _____ (must be definitely determinable)

NOTE: If this is a Money Purchase Pension Plan and in-service distributions at Normal Retirement Age are permitted, then the Normal Retirement Age cannot be less than age 62, or age 50 if substantially all Participants are qualified public safety employees (as defined in Code §72(t)(1)). The "substantially all" requirement for qualified public safety employees will no longer be a requirement as of the effective date of the final regulations once they are issued & effective. If an age less than 62 is inserted (unless the age 50 safe harbor is applicable for a qualified public safety employee), no reliance will be afforded on the Opinion Letter issued to the Plan that such age is reasonably representative of the typical retirement age for the industry in which the Participants works. Effective for Employees hired during Plan Years beginning on or after the later of (1) January 1, 2015, or (2) the close of the first legislative session of the legislative body with the authority to amend the plan that begins on or after the date that is three (3) months after the final regulations are published in the Federal Register, an NRA of less than age 62 must comply with the final regulations under §401(a).

Qualified public safety employees. Normal Retirement Age for public safety employees (as defined in Code §72(t)(1)) (leave blank if not applicable)

- d. Age 50 with a maximum benefit at Age 57 (may not be less than 50 for a Money Purchase Pension Plan or 40 for a Profit Sharing Plan)

20. NORMAL RETIREMENT DATE (Plan Section 1.34) means, with respect to any Participant, the:

- a. date on which the Participant attains "NRA"
- b. first day of the month coinciding with or next following the Participant's "NRA"
- c. first day of the month nearest the Participant's "NRA"
- d. Anniversary Date coinciding with or next following the Participant's "NRA"
- e. Anniversary Date nearest the Participant's "NRA"
- f. Other: _____ (e.g., first day of the month following the Participant's "NRA").

21. EARLY RETIREMENT DATE (Plan Section 1.15)
- a. N/A (no early retirement provision provided)
 - b. Early Retirement Date means the:
 - 1. date on which a Participant satisfies the early retirement requirements
 - 2. first day of the month coinciding with or next following the date on which a Participant satisfies the early retirement requirements
 - 3. Anniversary Date coinciding with or next following the date on which a Participant satisfies the early retirement requirements
- Early retirement requirements**
- 4. Participant attains age 52 for non-safety members
AND, completes.... (leave blank if not applicable)
 - a. at least _____ Years (or Periods) of Service for vesting purposes
 - b. at least _____ Years (or Periods) of Service for eligibility purposes
- c. Early Retirement Date means: _____ (must be definitely determinable)

COMPENSATION

22. COMPENSATION with respect to any Participant is defined as follows (Plan Sections 1.10 and 1.23).

Base definition

- a. Wages, tips and other compensation on Form W-2
- b. Code §3401(a) wages (wages for withholding purposes)
- c. 415 safe harbor compensation

NOTE: Plan Section 1.10(c) provides that the base definition of Compensation includes deferrals that are not included in income due to Code §§401(k), 125, 132(f)(4), 403(b), 402(h)(1)(B)(SEP), 414(h)(2), & 457.

Determination period. Compensation will be based on the following "determination period" (this will also be the Limitation Year unless otherwise elected at option f. under Section B of Appendix A):

- d. the Plan Year
- e. the Fiscal Year coinciding with or ending within the Plan Year
- f. the calendar year coinciding with or ending within the Plan Year

Adjustments to Compensation (for Plan Section 1.10). Compensation will be adjusted by:

- g. **No adjustments** (skip to Question 23. below)
- h. **Adjustments.** Compensation will be adjusted by (select all that apply):
 - 1. excluding salary reductions (401(k), 125, 132(f)(4), 403(b), SEP, 414(h)(2) pickup, & 457)
 - 2. excluding reimbursements or other expense allowances, fringe benefits (cash or non-cash), moving expenses, deferred compensation (other than deferrals specified in 1. above) and welfare benefits.
 - 3. excluding Compensation paid during the "determination period" while not a Participant in the Plan.
 - 4. excluding Military Differential Pay
 - 5. excluding overtime
 - 6. excluding bonuses
 - 7. other: _____ (e.g., describe Compensation from the elections available above or a combination thereof as to a Participant group (e.g., no exclusions as to Division A Employees and exclude bonuses as to Division B Employees); and/or describe another exclusion (e.g., exclude shift differential pay)).

23. POST-SEVERANCE COMPENSATION (415 REGULATIONS)

415 Compensation (post-severance compensation adjustments) (select all that apply at a.; leave blank if none apply)

NOTE: Unless otherwise elected under a. below, the following defaults apply: 415 Compensation will **include** (to the extent provided in Plan Section 1.23), post-severance regular pay, leave cash-outs and payments from nonqualified unfunded deferred compensation plans.

- a. The defaults listed above apply except for the following (select one or more):
 - 1. Leave cash-outs will be **excluded**
 - 2. Nonqualified unfunded deferred compensation will be **excluded**
 - 3. Disability continuation payments will be **included** for all Participants and the salary continuation will continue for the following fixed or determinable period: _____
 - 4. Other: _____ (must be definitely determinable)

Plan Compensation (post-severance compensation adjustments)

- b. **Defaults apply.** Compensation will **include** (to the extent provided in Plan Section 1.10 and to the extent such amounts would be included in Compensation if paid prior to severance of employment) post-severance regular pay, leave cash-outs, and payments from nonqualified unfunded deferred compensation plans. (skip to Question 24)
- c. **Exclude all post-severance compensation.** Exclude all post-severance compensation for allocation purposes.
- d. **Post-severance adjustments.** The defaults listed at b. apply except for the following (select one or more):
 - 1. Exclude all post-severance compensation

- 2. Regular pay will be **excluded**
- 3. Leave cash-outs will be **excluded**
- 4. Nonqualified unfunded deferred compensation will be **excluded**
- 5. Military Differential Pay will be **included**
- 6. Disability continuation payments will be **included** for all Participants and the salary continuation will continue for the following fixed or determinable period: _____
- e. Other: _____ (must be definitely determinable)

CONTRIBUTIONS AND ALLOCATIONS

24. EMPLOYER CONTRIBUTIONS (OTHER THAN MATCHING CONTRIBUTIONS) (Plan Section 4.1(b)(3)) (skip to Question 26 if Employer contributions are NOT selected at Question 11.b.)

CONTRIBUTION FORMULA (select one or more of the following contribution formulas:)

- a. **Discretionary contribution (no groups).** (may not be elected if this Plan is a Money Purchase Pension Plan) The Employer may make a discretionary contribution, to be determined by the Employer. Any such contribution will be allocated to each Participant eligible to share in allocations in the same ratio as each Participant's Compensation bears to the total of such Compensation of all Participants.
- b. **Discretionary contribution (Grouping method).** (may not be elected if this Plan is a Money Purchase Pension Plan) The Employer may designate a discretionary contribution to be made on behalf of each Participant group selected below (only select 1. or 2.). The groups must be clearly defined in a manner that will not violate the definite predetermined allocation formula requirement of Regulation §1.401-1(b)(1)(ii). The Employer must notify the Trustee in writing of the amount of the Employer Contribution being given to each group.
 - 1. Each Participant constitutes a separate classification.
 - 2. Participants will be divided into the following classifications with the allocation methods indicated under each classification.

Definition of classifications. Define each classification and specify the method of allocating the contribution among members of each classification. Classifications specified below must be clearly defined in a manner that will not violate the definitely determinable allocation requirement of Regulation §1.401-1(b)(1)(ii).

Classification A will consist of _____

The allocation method will be: pro rata based on Compensation
 equal dollar amounts (per capita)

Classification B will consist of _____

The allocation method will be: pro rata based on Compensation
 equal dollar amounts (per capita)

Classification C will consist of _____

The allocation method will be: pro rata based on Compensation
 equal dollar amounts (per capita)

Classification D will consist of _____

The allocation method will be: pro rata based on Compensation
 equal dollar amounts (per capita)

Additional Classifications: _____ (specify the classifications and which of the above allocation methods (pro rata or per capita) will be used for each classification).

NOTE: If more than four (4) classifications, the additional classifications and allocation methods may be attached as an addendum to the Adoption Agreement or may be entered under Additional Classifications above.

Determination of applicable group. If a Participant shifts from one classification to another during a Plan Year, then unless selected below, the Participant is in a classification based on the Participant's status as of the last day of the Plan Year, or if earlier, the date of termination of employment. If selected below, the Administrator will apportion the Participant's allocation during a Plan Year based on the following:

- a. Beginning of Plan Year. The classification will be based on the Participant's status as of the beginning of the Plan Year.
 - b. Months in each classification. Pro rata based on the number of months the Participant spent in each classification.
 - c. Days in each classification. Pro rata based on the number of days the Participant spent in each classification.
 - d. One classification only. The Employer will direct the Administrator to place the Participant in only one classification for the entire Plan Year during which the shift occurs.
- c. **Fixed contribution** equal to (only select one):
- 1. _____% of each Participant's Compensation for each:
 - a. Plan Year
 - b. calendar quarter
 - c. month

- d. pay period
 - e. week
 - 2. \$ 20 per pay period per Participant.
 - 3. \$ _____ per Hour of Service worked while an Eligible Employee
 - a. up to _____ hours (leave blank if no limit)
 - 4. other: _____ (the formula described must satisfy the definitely determinable requirement under Regulation §1.401-1(b)) **NOTE:** Under Question 24.c.4., the Employer may only describe the allocation of Nonelective Contributions from the elections available under Question 24.c of this Adoption Agreement and/or a combination thereof as to a Participant group (e.g., a monthly contribution applies to Group A).
- d. **Sick leave/vacation leave conversion.** The Employer will contribute an amount equal to an Employee's current hourly rate of pay multiplied by the Participant's number of unused accumulated sick leave and/or vacation days (as selected below). Only unpaid sick and vacation leave for which the Employee has no right to receive in cash may be included. In no event will the Employer's contribution for the Plan Year exceed the maximum contribution permitted under Code §415(c).

The following may be converted under the Plan: (select one or both):

- 1. Sick leave
- 2. Vacation leave

Eligible Employees. Only the following Participants shall receive the Employer contribution for sick leave and/or vacation leave (select 3. and/or 4; leave blank if no limitations provided, however, that this Plan may not be used to only provide benefits for terminated Employees)

- 3. **Former Employees.** All Employees terminating service with the Employer during the Plan Year and who have satisfied the eligibility requirements based on the terms of the Employer's accumulated benefits plans checked below (select all that apply; leave blank if no exclusions):
 - a. The Former Employee must be at least age _____ (e.g., 55)
 - b. The value of the sick and/or vacation leave must be at least \$ _____ (e.g., \$2,000)
 - c. A contribution will only be made if the total hours is over _____ (e.g., 10) hours
 - d. A contribution will not be made for hours in excess of _____ (e.g., 40) hours
 - 4. **Active Employees.** Active Employees who have not terminated service during the Plan Year and who meet the following requirements (select all that apply; leave blank if no exclusions):
 - a. The Employee must be at least age _____ (e.g., 55)
 - b. The value of the sick and/or vacation leave must be at least \$ _____ (e.g., \$2,000)
 - c. A contribution will only be made if the total hours is over _____ (e.g., 10) hours
 - d. A contribution will not be made for hours in excess of _____ (e.g., 40) hours
- e. **Social Security Replacement Plan.** Except as provided below, the Employer will contribute an amount equal to 7.5% of each eligible Participant's Compensation for the entire Plan Year, reduced by mandatory Employee contributions that are picked-up under Code §414(h) and Employer contributions to this Plan actually contributed to the Participant's Account during such Plan Year. (may only be selected if Question 11.b.1. has also been selected)
- AND,** only the following Employees will NOT be eligible for the Social Security Replacement Plan contribution: (select all that apply)
- 1. Part-time Employees who are not otherwise covered by another qualifying public retirement system as defined for purposes of Regulation §31.3121(b)(7)-2. A part-time Employee is an Employee whose regularly scheduled service is less than _____ Hours of Service in the relevant eligibility computation period (as defined in Plan Section 1.55).
 - 2. Seasonal Employees who are not otherwise covered by another qualifying public retirement system as defined for purposes of Regulation §31.3121(b)(7)-2. A seasonal Employee is an Employee who is categorized as a seasonal Employee on the Employer's payroll records.
 - 3. Temporary Employees who are not otherwise covered by another qualifying public retirement system as defined for purposes of Regulation §31.3121(b)(7)-2. A temporary Employee is an Employee who is categorized as a temporary Employee on the Employer's payroll records.
 - 4. Employees in elective positions (filled by an election, which may be by legislative body, board or committee, or by a jurisdiction's qualified electorate)
 - 5. Other: _____ (any other group of Employees that is definitely determinable and not eligible for the Social Security Replacement Plan contribution).

The minimum contribution of 7.5% stated above will be satisfied by:

- a. the Employee only (specify the contribution at the mandatory Employee contributions Question 30)
- b. the Employer only
- c. both the Employee and the Employer. The Employee shall contribute the amount specified in Question 30 for mandatory Employee contributions) and the Employer shall contribute _____% of each eligible Participant's Compensation.

NOTE: If a. or c. above is selected, then the mandatory Employee contribution must be picked-up by the Employer at Question 30. Also, if b. or c. above is selected, then the allocation conditions in Question 25

below do not apply to the Employer contribution made pursuant to this provision.

- f. Other: _____ (the formula described must satisfy the definitely determinable requirement under Regulation §1.401-1(b) and if this is a Money Purchase Pension, it must not be a discretionary contribution formula). **NOTE:** Under Question 24.f., the Employer may only describe the allocation of Nonelective Contributions from the elections available under Question 24 and/or a combination thereof as to a Participant group or contribution type (e.g., pro rata allocation applies to Group A; contributions to other Employees will be allocated in accordance with the classifications allocation provisions of Plan Section 4.3 with each Participant constituting a separate classification).

25. ALLOCATION CONDITIONS (Plan Section 4.3). If 24.a., b., c., or f. is selected above, indicate requirements to share in allocations of Employer contributions (select a. OR b. and all that apply at c. - e.)

- a. **No conditions.** All Participants share in the allocations regardless of service completed during the Plan Year or employment status on the last day of the Plan Year (skip to Question 26).

- b. **Allocation conditions apply** (select one of 1. - 5. AND one of 6. - 9. below)

Conditions for Participants NOT employed on the last day of the Plan Year

1. A Participant must complete at least _____ (not to exceed 500) Hours of Service if the actual hours/equivalency method is selected (or at least _____ (not to exceed 3) months of service if the elapsed time method is selected).
2. A Participant must complete a Year of Service (or Period of Service if the elapsed time method is selected).
3. Participants will NOT share in the allocations, regardless of service.
4. Participants will share in the allocations, regardless of service.
5. Other: Only Employees classified as SEIU Unit and SEIU Office Unit Employees are eligible for an allocation of Employer Contributions under the Plan (must be definitely determinable and not subject to Employer discretion)

Conditions for Participants employed on the last day of the Plan Year

6. No service requirement.
7. A Participant must complete a Year of Service (or Period of Service if the elapsed time method is selected).
8. A Participant must complete at least _____ Hours of Service during the Plan Year.
9. Other: Only Employees classified as SEIU Unit and SEIU Office Unit Employees are eligible for an allocation of Employer Contributions under the Plan (must be definitely determinable and not subject to Employer discretion)

Waiver of conditions for Participants NOT employed on the last day of the Plan Year. If b.1., 2., 3., or 5. above is selected, Participants who are not employed on the last day of the Plan Year in which one of the following events occur will be eligible to share in the allocations regardless of the above conditions (select all that apply; leave blank if none apply):

- c. Death
- d. Total and Permanent Disability
- e. Termination of employment on or after Normal Retirement Age
 1. or Early Retirement Date

26. EMPLOYER MATCHING CONTRIBUTIONS (Plan Section 4.1(b)(2) and Plan Section 4.12). (skip to Question 29 if matching contributions are NOT selected at Question 11.c.) The Employer will (or may with respect to any discretionary contribution) make the following matching contributions:

- A. **Employee contributions taken into account.** For purposes of applying the matching contribution provisions below, the following amounts are being matched (hereafter referred to as "matched Employee contributions" (select one or more):

- a. Elective deferrals to a **457 plan**. Enter Plan name(s): Las Virgenes Municipal Water District
- b. Elective deferrals to a **403(b) plan**. Enter Plan name(s): _____
- c. Voluntary Employee Contributions
- d. Other: _____ (specify amounts that are matched under this Plan and are provided for within this Adoption Agreement)

- B. **Matching Formula.** (select one)

- e. **Fixed - uniform rate/amount.** The Employer will make matching contributions equal to _____% (e.g., 50) of the Participant's "matched Employee contributions"
 1. that do not exceed _____% of a Participant's Compensation (leave blank if no limit)
Additional matching contribution (choose 2. if applicable):
 2. plus an additional matching contribution of a discretionary percentage determined by the Employer,
 - a. but not to exceed _____% of Compensation. Such contribution is subject to the Instructions and Notice requirement of Section 4.12.

- f. **Fixed - tiered.** The Employer will make matching contributions equal to a uniform percentage of each tier of each Participant's "matched Employee contributions", determined as follows:

NOTE: Fill in only percentages or dollar amounts, but not both. If percentages are used, each tier represents the amount of the Participant's applicable contributions that equals the specified percentage of the Participant's Compensation (add additional tiers if necessary):

Tiers of Contributions (indicate \$ or %)	Matching Percentage
First _____	_____ %
Next _____	_____ %
Next _____	_____ %
Next _____	_____ %

- g. **Fixed - Years of Service.** The Employer will make matching contributions equal to a uniform percentage of each Participant's "matched Employee contributions" based on the Participant's Years of Service (or Periods of Service if the elapsed time method is selected), determined as follows (add additional tiers if necessary):

Years (or Periods) of Service	Matching Percentage
_____	_____ %
_____	_____ %
_____	_____ %

For purposes of the above matching contribution formula, a Year (or Period) of Service means a Year (or Period) of Service for:

1. vesting purposes
2. eligibility purposes

- h. **Flexible Discretionary Match.** (may not be elected if this Plan is a Money Purchase Pension Plan) "Flexible Discretionary Match" means a Matching Contribution which the Employer in its sole discretion elects to make to the Plan. Except as specified below, the Employer retains discretion over the formula or formulas for allocating the Flexible Discretionary Match, including the Discretionary Matching Contribution rate or amount, the limit(s) on Elective Deferrals or Employee Contributions subject to match, the per Participant match allocation limit(s), the Participants or categories of Participants who will receive the allocation, and the time period applicable to any matching formula(s) (collectively, the "Flexible Discretionary Matching Formula"), except as the Employer otherwise elects in its Adoption Agreement. Such contributions will be subject to the Instructions and Notice requirement of Section 4.12, reproduced below, unless the Employer elects to use a "Rigid Discretionary Match" in Election 26.B.h.1. below.

The discretionary matching contribution under this Question 26.B.h. is a "Flexible Discretionary Match" unless the Employer elects to use a "Rigid Discretionary Match." (Choose 1. if applicable.)

1. **Rigid Discretionary Match.** A "Rigid Discretionary Match" means a Matching Contribution which the Employer in its sole discretion elects to make to the Plan. Such discretion will only pertain to the amount of the annual contribution. The Employer must select the allocation method for this Contribution by selecting among those Adoption Agreement options which confer no Employer Discretion regarding the allocation of such discretionary amount, for example, the limit(s) on Elective Deferrals or Employee Contributions subject to match, the per Participant match allocation limit(s), the Participants who will receive the allocation, and the time period applicable to any matching formula(s). This "Rigid Discretionary Match" is not subject to the Instructions and Notice requirement of Section 4.12.

Section 4.12 provides: INSTRUCTIONS TO ADMINISTRATOR AND NOTIFICATION TO PARTICIPANTS. For Plan Years beginning after the end of the Plan Year in which this document is first adopted, if a "Flexible Discretionary Match" contribution formula applies (i.e., a formula that provides an Employer with discretion regarding how to *allocate* a matching contribution to Participants) and the Employer makes a "Flexible Discretionary Match" to the Plan, the Employer must provide the Plan Administrator or Trustee written instructions describing (1) how the "Flexible Discretionary Match" formula will be allocated to Participants (e.g., a uniform percentage of Elective Deferrals or a flat dollar amount), (2) the computation period(s) to which the "Flexible Discretionary Match" formula applies, and (3) if applicable, a description of each business location or business classification subject to separate "Flexible Discretionary Match" allocation formulas. Such instructions must be provided no later than the date on which the "Flexible Discretionary Match" is made to the Plan. A summary of these instructions must be communicated to Participants who receive an allocation of the "Flexible Discretionary Match" no later than 60 days following the date on which the last "Flexible Discretionary Match" contribution is made to the Plan for the Plan Year.

- i. **Discretionary - tiered.** (may not be elected if this Plan is a Money Purchase Pension Plan) The Employer may make matching contributions equal to a discretionary percentage of a Participant's "matched Employee contributions," to be determined by the Employer, of each tier, to be determined by the Employer. Such discretion will only pertain to the

amount of the contribution. The tiers may be based on the rate of a Participant's "matched Employee contributions" or Years of Service. Such contribution is subject to the Instructions and Notice requirement of Section 4.12.
NOTE: Fill in only percentages or dollar amounts, but not both. If percentages are used, each tier represents the amount of the Participant's applicable contributions that equals the specified percentage of the Participant's Compensation (add additional tiers if necessary):

Tiers of Contributions (indicate \$ or %)	Matching Percentage
First _____	_____ %
Next _____	_____ %
Next _____	_____ %
Next _____	_____ %

- j. Other: 100% of the first 3% deferred for employees classified as Unrepresented Employees, Management Unit Employees and employees classified as Supervisory, Professional and Confidential (the formula described must satisfy the definitely determinable requirement under Regulation §1.401-1(b) and if this is a Money Purchase Pension Plan, it must not be a discretionary contribution formula. **NOTE:** Under Question 26.B.j., the Employer may only describe the allocation of Matching Contributions from the elections available under Question 26 and/or a combination thereof as to a Participant group or contribution type (e.g., fixed – uniform rate applies to Group A; contributions to other Employees will be allocated as a tiered contribution.)

27. MATCHING CONTRIBUTION PROVISIONS

- A. **Maximum matching contribution.** The total matching contribution made on behalf of any Participant for any Plan Year will not exceed:
- a. N/A (no Plan specific limit on the amount of matching contribution)
 - b. \$_____.
 - c. 3 % of Compensation.
- B. **Period of determination.** Any matching contribution other than a "Flexible Discretionary Match" will be applied on the following basis (and "matched Employee contributions" and any Compensation or dollar limitation used in determining the matching contribution will be based on the applicable period. Skip if the only Matching Contribution is a Flexible Discretionary Match.):
- d. the Plan Year (potential annual true-up required)
 - e. each payroll period (no true-up)
 - f. each month (potential monthly true-up required)
 - g. each Plan Year quarter (potential quarterly true-up required)
 - h. each payroll unit (e.g., hour) (no true-up)
 - i. Other (specify): _____ The time period described must be definitely determinable under Treas. Reg. §1.401-1(b). This line may be used to apply different options to different matching contributions (e.g., Discretionary matching contributions will be allocated on a Plan Year period while fixed matching contributions will be allocated on each payroll period.) Such contribution period is subject to the Instructions and Notice requirement of Section 4.12.

28. ALLOCATION CONDITIONS (Plan Section 4.3) Select a. OR b. and all that apply of c. - h.

- a. **No conditions.** All Participants share in the allocations regardless of service completed during the Plan Year or employment status on the last day of the Plan Year (skip to Question 29).
- b. **Allocation conditions apply** (select one of 1. - 5. AND one of 6. - 9. below)
Conditions for Participants NOT employed on the last day of the Plan Year.
 - 1. A Participant must complete more than _____ Hours of Service (or _____ months of service if the elapsed time method is selected).
 - 2. A Participant must complete a Year of Service (or Period of Service if the elapsed time method is selected).
 - 3. Participants will NOT share in the allocations, regardless of service.
 - 4. Participants will share in the allocations, regardless of service.
 - 5. Other: _____ (must be definitely determinable)**Conditions for Participants employed on the last day of the Plan Year**
 - 6. No service requirement.
 - 7. A Participant must complete a Year of Service (or Period of Service if the elapsed time method is selected).
 - 8. A Participant must complete at least _____ Hours of Service during the Plan Year.
 - 9. Other: _____ (must be definitely determinable and not subject to Employer discretion)

Waiver of conditions for Participants NOT employed on the last day of the Plan Year. If b.1., 2., 3., or 5. is selected, Participants who are not employed on the last day of the Plan Year in which one of the following events occur will be eligible to share in the allocations regardless of the above conditions (select all that apply; leave blank if none apply):

- c. Death
- d. Total and Permanent Disability
- e. Termination of employment on or after Normal Retirement Age
 - 1. or Early Retirement Date

Conditions based on period other than Plan Year. The allocation conditions above will be applied based on the Plan Year unless otherwise selected below. If selected, the above provisions will be applied by substituting the term Plan Year with the specified period (e.g., if Plan Year quarter is selected below and the allocation condition is 250 Hours of Service per quarter, enter 250 hours (not 1000) at b.8. above).

- f. The Plan Year quarter.
- g. Payroll period.
- h. Other: _____ (must be definitely determinable and not subject to Employer discretion and may not be longer than a twelve month period).

29. FORFEITURES (Plan Sections 1.21 and 4.3(e))

Timing of Forfeitures. Except as provided in Plan Section 1.21, a Forfeiture will occur:

- a. N/A (may only be selected if all contributions are fully Vested (default provisions at Plan Section 4.3(e) apply))
- b. As of the earlier of (1) the last day of the Plan Year in which the former Participant incurs five (5) consecutive 1-Year Breaks in Service, or (2) the distribution of the entire Vested portion of the Participant's Account.
- c. As of the last day of the Plan Year in which the former Participant incurs five (5) consecutive 1-Year Breaks in Service.
- d. As soon as reasonably practical after the date the Participant severs employment.

Use of Forfeitures. (skip if this is NOT a Money Purchase Pension Plan; for Profit Sharing Plans, Forfeitures are disposed of in accordance with Employer direction that is consistent with Section 4.3(e)).

Forfeitures will be (select one):

- e. added to the Employer contribution and allocated in the same manner
- f. used to reduce any Employer contribution
- g. allocated to all Participants eligible to share in the allocations of Employer contributions or Forfeitures in the same proportion that each Participant's Compensation for the Plan Year bears to the Compensation of all Participants for such year
- h. other: _____ (describe the treatment of Forfeitures in a manner that is definitely determinable and that is not subject to Employer discretion)

30. MANDATORY EMPLOYEE CONTRIBUTIONS (Plan Section 4.8) (skip if mandatory Employee contributions NOT selected at Question 11.d.)

Type of mandatory Employee Contribution. The mandatory Employee contribution is being made in accordance with the following: (select one)

- a. The mandatory Employee contribution is a condition of employment.
- b. The Employee must make, on or before first being eligible to participate under any Plan of the Employer, an irrevocable election to contribute the mandatory Employee contribution to the Plan. No Eligible Employee will become a Participant unless the Employee makes such an irrevocable election.

Amount of mandatory Employee Contribution (select one)

- c. An Eligible Employee must contribute to the Plan _____% (not to exceed 25%) of Compensation.
- d. An Eligible Employee must, prior to his or her first Entry Date, make a one-time irrevocable election to contribute to the Plan from _____% (not less than 1%) to _____% (not to exceed 25%) of Compensation.

Conditions of Mandatory Employee Contributions

- e. **Additional provisions and conditions:** _____ (must be definitely determinable; e.g., Only full-time Employees must make mandatory Employee contributions)

Employer pick-up contribution. The mandatory Employee contribution is "picked-up" by the Employer under Code §414(h)(2) unless elected below. (select if applicable)

- f. The mandatory Employee contribution is not "picked-up" by the Employer.

DISTRIBUTIONS

31. FORM OF DISTRIBUTIONS (Plan Sections 6.5 and 6.6)

Distributions under the Plan may be made in (select all that apply; must select at least one):

- a. lump-sums
- b. substantially equal installments

Non-Standardized Governmental 401(a)

- c. partial withdrawals, provided the minimum withdrawal is \$_____ (leave blank if no minimum)
- d. partial withdrawals or installments are only permitted for Participants or Beneficiaries who must receive required minimum distributions under Code §401(a)(9) except for the following (leave blank if no exceptions):
1. Only Participants (and not Beneficiaries) may elect partial withdrawals or installments
 2. Other: _____ (e.g., partial is not permitted for death benefits. Must be definitely determinable and not subject to Employer discretion.)
- e. annuity: Annuity Purchase (describe the form of annuity or annuities)
- f. other: _____ (must be definitely determinable and not subject to Employer discretion)

NOTE: Regardless of the above, a Participant is not required to request a withdrawal of his or her total Account for an in-service distribution, a hardship distribution, or a distribution from the Participant's Rollover Account.

Cash or property. Distributions may be made in:

- g. cash only, except for (select all that apply; leave blank if none apply):
1. insurance Contracts
 2. annuity Contracts
 3. Participant loans
 4. all investments in an open brokerage window or similar arrangement
- h. cash or property, except that the following limitation(s) apply: (leave blank if there are no limitations on property distributions):
1. _____ (must be definitely determinable and not subject to Employer discretion)

Joint and Survivor Annuity provisions. (Plan Sections 6.5(e) and 6.6(e) (select one) The Joint and Survivor Annuity provisions do not apply to the Plan unless selected below (choose if applicable)

- i. **Joint and Survivor Annuity applicable as normal form of distribution.** The Joint and Survivor annuity rules set forth in Plan Sections 6.5(e) and 6.5(f) apply to all Participants (if selected, then annuities are a form of distribution under the Plan even if e. above is not selected)
- j. **Joint and Survivor Annuity rules apply based on Participant election.** Plan Section 6.5(f) will apply and the joint and survivor rules of Code §§401(a)(11) and 417 (as set forth in Plan Sections 6.5(e) and 6.6(e) will apply only if an annuity form of distribution is selected by a Participant.

AND, if i. or j. is selected above, the one-year marriage rule does not apply unless selected below (choose if applicable).

1. The one-year marriage rule applies.

Spousal consent requirements. Spousal consent is not required for any Plan provisions (except as otherwise elected in i. above for the joint and survivor annuity rules) unless selected below (choose if applicable)

- k. **Required for all distributions.** A Spouse must consent to all distributions (other than required minimum distributions).
- l. **Beneficiary designations.** A married Participant's Spouse will be the Beneficiary of the entire death benefit unless the Spouse consents to an alternate Beneficiary.

AND, if k. or l. is selected, the one-year marriage rule does not apply unless selected below (choose if applicable).

1. The one-year marriage rule applies.

32. **CONDITIONS FOR DISTRIBUTIONS UPON SEVERANCE OF EMPLOYMENT.** Distributions upon severance of employment pursuant to Plan Section 6.4(a) will not be made unless the following conditions have been satisfied:

A. Accounts in excess of \$5,000

- a. Distributions may be made as soon as administratively feasible following severance of employment.
- b. Distributions may be made as soon as administratively feasible after the last day of the Plan Year coincident with or next following severance of employment.
- c. Distributions may be made as soon as administratively feasible after the last day of the Plan Year quarter coincident with or next following severance of employment.
- d. Distributions may be made as soon as administratively feasible after the Valuation Date coincident with or next following severance of employment.
- e. Distributions may be made as soon as administratively feasible after _____ months have elapsed following severance of employment.
- f. No distributions may be made until a Participant has reached Early or Normal Retirement Date.
- g. Other: _____ (must be objective conditions which are ascertainable and may not exceed the limits of Code §401(a)(14) as set forth in Plan Section 6.7)

B. Accounts of \$5,000 or less

- h. Same as above
- i. Distributions may be made as soon as administratively feasible following severance of employment.

- j. Distributions may be made as soon as administratively feasible after the last day of the Plan Year coincident with or next following severance of employment.
- k. Other: _____ (must be objective conditions which are ascertainable and may not exceed the limits of Code §401(a)(14) as set forth in Plan Section 6.7)

C. **Timing after initial distributable event.** If a distribution is not made in accordance with the above provisions upon the occurrence of the distributable event, then a Participant may elect a subsequent distribution at any time after the time the amount was first distributable (assuming the amount is still distributable), unless otherwise selected below (may not be selected with 32.f. and 32.h.):

- l. Other: _____ (e.g., a subsequent distribution request may only be made in accordance with l. above (i.e., the last day of another Plan Year); must be objective conditions which are ascertainable and may not exceed the limits of Code §401(a)(14) as set forth in Plan Section 6.7)

D. **Participant consent (i.e., involuntary cash-outs).** Should Vested Account balances less than a certain dollar threshold be automatically distributed without Participant consent (mandatory distributions)?

NOTE: The Plan provides that distributions of amounts of \$5,000 or less are only paid as lump-sums.

- m. No, Participant consent is required for all distributions.
- n. Yes, Participant consent is required only if the distribution is over:
 - 1. \$5,000
 - 2. \$1,000
 - 3. \$_____ (less than \$1,000)

NOTE: If 2. or 3. is selected, rollovers will be included in determining the threshold for Participant consent.

Automatic IRA rollover. With respect to mandatory distributions of amounts that are \$1,000 or less, if a Participant makes no election, the amount will be distributed as a lump-sum unless selected below.

- 4. If a Participant makes no election, then the amount will be automatically rolled over to an IRA provided the amount is at least \$_____ (e.g., \$200).

E. **Rollovers in determination of \$5,000 threshold.** Unless otherwise elected below, amounts attributable to rollover contributions (if any) will be **included** in determining the \$5,000 threshold for timing of distributions, form of distributions, or consent rules.

- o. Exclude rollovers (rollover contributions will be **excluded** in determining the \$5,000 threshold)

NOTE: Regardless of the above election, if the Participant consent threshold is \$1,000 or less, then the Administrator must include amounts attributable to rollovers for such purpose. In such case, an election to exclude rollovers above will apply for purposes of the timing and form of distributions.

33. DISTRIBUTIONS UPON DEATH (Plan Section 6.8(b)(2))

Distributions upon the death of a Participant prior to the "required beginning date" will:

- a. be made pursuant to the election of the Participant or "designated Beneficiary"
- b. begin within 1 year of death for a "designated Beneficiary" and be payable over the life (or over a period not exceeding the "life expectancy") of such Beneficiary, except that if the "designated Beneficiary" is the Participant's Spouse, begin prior to December 31st of the year in which the Participant would have attained age 70 1/2
- c. be made within 5 (or if lesser _____) years of death for all Beneficiaries
- d. be made within 5 (or if lesser _____) years of death for all Beneficiaries, except that if the "designated Beneficiary" is the Participant's Spouse, begin prior to December 31st of the year in which the Participant would have attained age 70 1/2 and be payable over the life (or over a period not exceeding the "life expectancy") of such "surviving Spouse"

NOTE: The elections above must be coordinated with the Form of distributions (e.g., if the Plan only permits lump-sum distributions, then options a., b. and d. would not be applicable).

34. OTHER PERMITTED DISTRIBUTIONS (select all that apply; leave blank if none apply)

A. IN-SERVICE DISTRIBUTIONS (Plan Section 6.11)

In-service distributions will NOT be allowed (except as otherwise permitted under the Plan without regard to this provision) unless selected below (if applicable, answer a. - e.; leave blank if not applicable):

- a. In-service distributions may be made to a Participant who has not separated from service provided the following has been satisfied (select one or more) (options 2. - 5. may only be selected with Profit Sharing Plans):
 - 1. Age. The Participant has reached: (select one)
 - a. Normal Retirement Age
 - b. age 62
 - c. age 59 1/2 (may not be selected if a Money Purchase Pension Plan)
 - d. age 70 1/2 (may not be less than age 62 for Money Purchase Pension Plans)
 - 2. the participant has been a Participant in the Plan for at least _____ years (may not be less than five (5))
 - 3. the amounts being distributed have accumulated in the Plan for at least 2 years
 - 4. other: _____ (must satisfy the definitely determinable requirement under Regulations §401-1(b); may not be subject to Employer discretion; and must be limited to a combination of items a.1. – a.3. or a Participant's disability.)

More than one condition. If more than one condition is selected above, then a Participant only needs to satisfy one of the conditions, unless selected below:

5. A Participant must satisfy each condition

NOTE: Distributions from a Transfer Account attributable to a Money Purchase Pension Plan are not permitted prior to age 62.

Account restrictions. In-service distributions are permitted from the following Participant Accounts:

- b. all Accounts

- c. only from the following Accounts (select one or more):

1. Account attributable to Employer matching contributions
2. Account attributable to Employer contributions other than matching contributions
3. Rollover Account
4. Transfer Account

Permitted from the following assets attributable to (select one or both):

- a. non-pension assets
 - b. pension assets (e.g., from a Money Purchase Pension Plan)
5. Mandatory Employee Contribution Account
6. Other: _____ (specify Account(s) and conditions in a manner that satisfies the definitely determinable requirement under Regulation §1.401-1(b) and is not subject to Employer discretion)

Limitations. The following limitations apply to in-service distributions:

- d. N/A (no additional limitations)

- e. Additional limitations (select one or more):

1. The minimum amount of a distribution is \$_____.
2. No more than _____ distribution(s) may be made to a Participant during a Plan Year.
3. Distributions may only be made from Accounts which are fully Vested.
4. In-service distributions may be made subject to the following provisions: _____ (must satisfy the definitely determinable requirement under Regulation §1.401-1(b) and not be subject to Employer discretion).

B. HARDSHIP DISTRIBUTIONS (Plan Sections 6.12) (may not be selected if this is a Money Purchase Pension Plan)

Hardship distributions will NOT be allowed (except as otherwise permitted under the Plan without regard to this provision) unless selected below (leave blank if not applicable):

- f. Hardship distributions are permitted from the following Participant Accounts:

1. all Accounts

2. only from the following Accounts (select one or more):

- a. Account attributable to Employer matching contributions
- b. Account attributable to Employer contributions other than matching contributions
- c. Rollover Account (if not available at any time under Question 36)
- d. Transfer Account (other than amounts attributable to a money purchase pension plan)
- e. Mandatory Employee Contribution Account

- f. Other: _____ (specify Account(s) and conditions in a manner that is definitely determinable and not subject to Employer discretion)

NOTE: Hardship distributions are NOT permitted from a Transfer Account attributable to pension assets (e.g., from a Money Purchase Pension Plan).

Additional limitations. The following limitations apply to hardship distributions:

3. N/A (no additional limitations)

4. Additional limitations (select one or more):

- a. The minimum amount of a distribution is \$_____.
- b. No more than _____ distribution(s) may be made to a Participant during a Plan Year.
- c. Distributions may only be made from Accounts which are fully Vested.
- d. A Participant does not include a Former Employee at the time of the hardship distribution.
- e. Hardship distributions may be made subject to the following provisions: _____ (must satisfy the definitely determinable requirement under Regulation §1.401-1(b) and not be subject to Employer discretion).

Beneficiary Hardship. Hardship distributions for Beneficiary expenses are NOT allowed unless otherwise selected below.

5. Hardship distributions for expenses of Beneficiaries are allowed

Special effective date (may be left blank if effective date is same as the Plan or Restatement Effective Date; select a. and, if applicable, b.)

- a. effective as of _____
- b. eliminated effective as of _____.

MISCELLANEOUS

35. **LOANS TO PARTICIPANTS** (Plan Section 7.4)

- a. New loans are NOT permitted.
- b. New loans are permitted.

NOTE: Regardless of whether new loans are permitted, if the Plan permits rollovers and/or plan-to-plan transfers, then the Administrator may, in a uniform manner, accept rollovers and/or plan-to-plan transfers of loans into this Plan.

36. **ROLLOVERS** (Plan Section 4.6) (skip if rollover contributions are NOT selected at 11.f.)

Eligibility. Rollovers may be accepted from all Participants who are Employees as well as the following (select all that apply; leave blank if not applicable):

- a. Any Eligible Employee, even prior to meeting eligibility conditions to be a Participant
- b. Participants who are Former Employees

Distributions. When may distributions be made from a Participant's Rollover Account?

- c. At any time
- d. Only when the Participant is otherwise entitled to any distribution under the Plan

37. **HEART ACT** (Plan Section 4.11) (select one or more)

- a. **HEART ACT Continued benefit accruals.** Continued benefit accruals will apply
- b. **Distributions for deemed severance of employment.** The Plan permits distributions for deemed severance of employment.

Reliance on Provider Opinion Letter. The Provider has obtained from the IRS an Opinion Letter specifying the form of this document satisfies Code §401 as of the date of the Opinion Letter. An adopting Employer may rely on the Provider’s IRS Opinion Letter *only* to the extent provided in Rev. Proc. 2017-41 or subsequent guidance. The Employer may not rely on the Opinion Letter in certain other circumstances or with respect to certain qualification requirements, which are specified in the Opinion Letter and in Rev. Proc. 2017-41 or subsequent guidance. In order to have reliance in such circumstances or with respect to such qualification requirements, the Employer must apply for a determination letter to Employee Plans Determinations of the IRS.

An Employer who has ever maintained or who later adopts an individual medical account, as defined in Code §415(l)(2)) in addition to this Plan may not rely on the opinion letter issued by the Internal Revenue Service with respect to the requirements of Code§415.

This Adoption Agreement may be used only in conjunction with the basic Plan document #03. This Adoption Agreement and the basic Plan document will together be known as Nationwide Financial Services, Inc Non-Standardized Governmental 401(a) Pre-Approved Plan #001.

The adoption of this Plan, its qualification by the IRS, and the related tax consequences are the responsibility of the Employer and its independent tax and legal advisors.

Execution for Page Substitution Amendment Only. If this paragraph is completed, this Execution Page documents an amendment to Adoption Agreement Election(s) _____ effective _____, by substitute Adoption Agreement page number(s) _____. The Employer should retain all Adoption Agreement Execution Pages and amended pages. (*Note: The Effective Date may be retroactive or may be prospective.*)

The Provider, Nationwide Financial Services, Inc will notify the Employer of any amendment to this Pre-approved Plan or of any abandonment or discontinuance by the Provider of its maintenance of this Pre-approved Plan. In addition, this Plan is provided to the Employer either in connection with investment in a product or pursuant to a contract or other arrangement for products and/or services. Upon cessation of such investment in a product or cessation of such contract or arrangement, as applicable, the Employer is no longer considered to be an adopter of this Plan and Nationwide Financial Services, Inc no longer has any obligations to the Employer that relate to the adoption of this Plan. For inquiries regarding the adoption of the Pre-approved Plan, the Provider's intended meaning of any Plan provisions or the effect of the Opinion Letter issued to the Provider, please contact the Provider or the Provider’s representative.

Provider Name: Nationwide Retirement Solutions

Address: PO Box 182797

Columbus Ohio 43218

Telephone Number: 877-496-1630

Email address (optional): _____

The Employer, by executing below, hereby adopts this Plan (add additional signature lines as needed). NOTE: If more than one Plan type is adopted, the Plan Provider must provide multiple plan documents for Employer signature.

EMPLOYER: Las Virgenes Municipal Water District

By: _____

DATE SIGNED

APPENDIX A
SPECIAL EFFECTIVE DATES AND OTHER PERMITTED ELECTIONS

A. Special effective dates (leave blank if not applicable):

- a. **Special effective date(s):** _____ . For periods prior to the specified special effective date(s), the Plan terms in effect prior to its restatement under this Adoption Agreement will control for purposes of the designated provisions. A special effective date may not result in the delay of a Plan provision beyond the permissible effective date under any applicable law. (The Employer has reliance on the IRS Opinion Letter only if the features described in the preceding sentence constitute protected benefits within the meaning of Code Section 411(d)(6) and the regulations thereunder, and only if such features are permissible in a "Cycle 3" preapproved plan, i.e., the features are not specifically prohibited by Revenue Procedure 2017-41 (or any superseding guidance))

B. Other permitted elections (the following elections are optional):

- a. **No other permitted elections**

The following elections apply (select one or more):

- b. **Deemed 125 compensation** (Plan Section 1.23). Deemed 125 compensation will be included in Compensation and 415 Compensation.
- c. **Break-in-Service Rules.** The following Break-in-Service rules apply to the Plan.(select 1. or 2.)
1. **Reemployed after five (5) 1-Year Breaks in Service ("rule of parity" provisions)** (Plan Section 3.5(e)). The "rule of parity" provisions in Plan Section 3.5(d) will apply for (select one or both):
- a. eligibility purposes
- b. vesting purposes
2. **Break-in-Service rules for rehired Employees.** The following Break-in-Service rules set forth in Plan Sections 3.2 and 3.5 apply: (select one or both)
- a. all Break-in-Service rules set forth in such Sections.
- b. only the following: _____ (specify which provisions apply to the Plan)
- d. **Beneficiary if no beneficiary elected by Participant** (Plan Section 6.2(f)). In the event no valid designation of Beneficiary exists, then in lieu of the order set forth in Plan Section 6.2(f), the following order of priority will be used: _____ (specify an order of beneficiaries; e.g., children per stirpes, parents, and then step-children).
- e. **Joint and Survivor Annuity/Pre-Retirement Survivor Annuity.** If the Plan applies the Joint and Survivor Annuity rules, then the normal form of annuity will be a joint and 50% survivor annuity (i.e., if 31.i. or 31.j. is selected) and the Pre-Retirement Survivor Annuity will be equal to 50% of a Participant's interest in the Plan unless selected below (select 1. and/or 2.)
1. **Normal form of annuity.** Instead of a joint and 50% survivor annuity, the normal form of the qualified Joint and Survivor Annuity will be: (select one)
- a. joint and 100% survivor annuity
- b. joint and 75% survivor annuity
- c. joint and 66 2/3% survivor annuity
2. **Pre-Retirement Survivor Annuity.** The Pre-Retirement Survivor Annuity (minimum Spouse's death benefit) will be equal to 50% of a Participant's interest in the Plan unless a different percentage is selected below: (select one)
- a. 100% of a Participant's interest in the Plan.
- b. _____% (may not be less than 50%) of a Participant's interest in the Plan.
- f. **Limitation Year** (Plan Section 1.30). The Limitation Year for Code §415 purposes will be _____ (must be a consecutive twelve month period) instead of the "determination period" for Compensation.
- g. **415 Limits when 2 defined contribution plans are maintained** (Plan Section 4.4). If any Participant is covered under another qualified defined contribution plan maintained by the Employer or an Affiliated Employer, or if the Employer or an Affiliated Employer maintains a welfare benefit fund, as defined in Code §419(e), or an individual medical account, as defined in Code §415(1)(2), under which amounts are treated as "annual additions" with respect to any Participant in this Plan, then the provisions of Plan Section 4.4(b) will apply unless otherwise specified below:
1. Specify, in a manner that precludes Employer discretion, the method under which the plans will limit total "annual additions" to the "maximum permissible amount" and will properly reduce any "excess amounts": _____
- h. **Recognition of Service with other employers** (Plan Sections 1.40 and 1.55). Service with the following employers (in addition to those specified at Question 15) will be recognized as follows (select one or more):

	Eligibility	Vesting	Contribution Allocation
1. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>
2. <input type="checkbox"/> Employer name: _____	a. <input type="checkbox"/>	b. <input type="checkbox"/>	c. <input type="checkbox"/>

3. Employer name: _____ a. b. c.
4. Employer name: _____ a. b. c.
5. Employer name: _____ a. b. c.
6. Employer name: _____ a. b. c.

Limitations

7. The following provisions or limitations apply with respect to the recognition of prior service: _____ a. b. c.
(e.g., credit service with X only on/following 1/1/19)
- i. **Other vesting provisions.** The following vesting provisions apply to the Plan (select one or more):
1. **Special vesting provisions.** The following special provisions apply to the vesting provisions of the Plan: _____ (must be definitely determinable and satisfy the parameters set forth at Question 17)
 2. **Pre-amendment vesting schedule.** (Plan Section 6.4(b)). If the vesting schedule has been amended and a different vesting schedule other than the schedule at Question 17 applies to any Participants, then the following provisions apply (must select one of a. – d.):

Applicable Participants. The vesting schedules in Question 17 only apply to:

 - a. Participants who are Employees as of _____ (enter date).
 - b. Participants in the Plan who have an Hour of Service on or after _____ (enter date).
 - c. Participants (even if not an Employee) in the Plan on or after _____ (enter date).
 - d. Other: _____ (e.g., Participants in division A. Must be definitely determinable.)
- j. **Minimum distribution transitional rules** (Plan Section 6.8(e)(5))
- NOTE:** This Section does not apply to (1) a new Plan, (2) an amendment or restatement of an existing Plan that never contained the provisions of Code §401(a)(9) as in effect prior to the amendments made by the Small Business Job Protection Act of 1996 (SBJPA), or (3) a Plan where the transition rules below do not affect any current Participants.
- The "required beginning date" for a Participant is:
1. April 1st of the calendar year following the year in which the Participant attains age 70 1/2. (pre-SBJPA rules continue to apply)
 2. April 1st of the calendar year following the later of the year in which the Participant attains age 70 1/2 or retires (the post-SBJPA rules), with the following exceptions (select one or both; leave blank if both applied effective as of January 1, 1996):
 - a. A Participant who was already receiving required minimum distributions under the pre-SBJPA rules as of _____ (may not be earlier than January 1, 1996) was allowed to stop receiving distributions and have them recommence in accordance with the post-SBJPA rules. Upon the recommencement of distributions, if the Plan permits annuities as a form of distribution then the following apply:
 1. N/A (annuity distributions are not permitted)
 2. Upon the recommencement of distributions, the original Annuity Starting Date will be retained.
 3. Upon the recommencement of distributions, a new Annuity Starting Date is created.
 - b. A Participant who had not begun receiving required minimum distributions as of _____ (may not be earlier than January 1, 1996) may elect to defer commencement of distributions until retirement. The option to defer the commencement of distributions (i.e., to elect to receive in-service distributions upon attainment of age 70 1/2) applies to all such Participants unless selected below:
 1. The in-service distribution option was eliminated with respect to Participants who attained age 70 1/2 in or after the calendar year that began after the later of (1) December 31, 1998, or (2) the adoption date of the restatement to bring the Plan into compliance with the SBJPA.
- k. **Other spousal provisions** (select one or more)
1. **Definition of Spouse.** The term Spouse includes a spouse under federal law as well as the following: _____
 2. **Automatic revocation of spousal designation** (Plan Section 6.2(g)). The automatic revocation of a spousal Beneficiary designation in the case of divorce does not apply.
 3. **Timing of QDRO payment.** A distribution to an Alternate Payee shall not be permitted prior to the time a Participant would be entitled to a distribution.
- l. **Applicable law.** Instead of using the applicable laws set forth in Plan Section 9.4(a), the Plan will be governed by the laws of: _____

- m. **Total and Permanent Disability.** Instead of the definition at Plan Section 1.50, Total and Permanent Disability means: _____ (must be definitely determinable).
- n. **Inclusion of Reclassified Employees** (Plan Section 1.17(a)). The Employer does not exclude Reclassified Employees subject to the following provisions: (leave blank if not applicable): _____
- o. **Claims procedures** (Plan Section 2.10). The claims procedures forth in Plan Section 2.10(a) – (b) apply unless otherwise elected below or unless the Administrator has operationally adopted alternative procedures.
1. The claims procedures set forth in Plan Section 2.10(c) – (g) apply instead of Plan Section 2.10(a).
2. The claims procedures set forth in Plan Section 2.10(c)-(g) apply as follows: _____
(specify which provisions apply and/or modified)
- p. **Age 62 In-Service Distributions For Transferred Money Purchase Assets** (Plan Section 6.11)
In-service distributions will be allowed for Participants at age 62. (applies only for Transfer Accounts from a Money Purchase Pension Plan) (skip this question if the Plan is a Money Purchase Pension Plan or if in-service distributions are already permitted for Transferred Accounts at Question 34)
- Limitations.** The following limitations apply to these in-service distributions:
1. The Plan already provides for in-service distributions and the restrictions set forth in the Plan (e.g., minimum amount of distributions or frequency of distributions) are applicable to in-service distributions at age 62.
2. N/A (no limitations)
3. The following elections apply to in-service distributions at age 62 (select one or more):
- a. The minimum amount of a distribution is \$ _____ (may not exceed \$1,000).
- b. No more than _____ distribution(s) may be made to a Participant during a Plan Year.
- c. Distributions may only be made from Accounts which are fully Vested.
- d. In-service distributions may be made subject to the following provisions: _____ (must be definitely determinable and not subject to discretion).
- q. **QLACs.** (Plan Section 6.8(e)(4)) A Participant may elect a QLAC (as defined in Plan Section 6.8(e)(4)) or any alternative form of annuity permitted pursuant to a QLAC in which the Participant's Account has been invested.

ADMINISTRATIVE PROCEDURES

The following are optional administrative provisions. The Administrator may implement procedures that override any elections in this Section without a formal Plan amendment. In addition, modifications to these procedures will not affect an Employer's reliance on the Plan.

- A. **Loan Limitations.** (complete only if loans to Participants are permitted; leave blank if none apply)
- a. Limitations (select one or more):
 1. Loans will be treated as Participant directed investments.
 2. Loans will only be made for hardship or financial necessity as specified below (select a. or b.)
 - a. hardship reasons specified in Plan Section 6.12
 - b. financial necessity (as defined in the loan program).
 3. The minimum loan will be \$ 1000 .
 4. A Participant may only have 1 (e.g., one (1)) loan(s) outstanding at any time.
 5. All outstanding loan balances will become due and payable in their entirety upon the occurrence of a distributable event (other than satisfaction of the conditions for an in-service distribution (including a hardship distribution), if applicable).
 6. The home loan term will be _____ years. (if not selected, the Administrator establishes the term for repayment of a home loan)
 7. **Account restrictions.** Loans will only be permitted from the following Participant Accounts (select all that apply or leave blank if no limitations apply):
 - a. Account(s) attributable to Employer matching contributions
 - b. Account attributable to Employer contributions other than matching contributions
 - c. Rollover Account
 - d. Transfer Account
 - e. Other: _____
- AND**, if loans are restricted to certain accounts, the limitations of Code §72(p) will be applied:
- f. by determining the limits by only considering the restricted accounts.
 - g. by determining the limits taking into account a Participant's entire interest in the Plan.

Additional Loan Provisions (select all that apply; leave blank if none apply)

- b. **Loan payments.** Loans are repaid by (if left blank, then payroll deduction applies unless Participant is not subject to payroll (e.g., partner who only has a draw)):
 1. payroll deduction
 2. ACH (Automated Clearing House)
 3. check
 - a. Only for prepayment
 - c. **Interest rate.** Loans will be granted at the following interest rate (if left blank, then 3. below applies):
 1. _____ percentage points over the prime interest rate
 2. _____%
 3. the Administrator establishes the rate at the time the loan is made
 - d. **Refinancing.** Loan refinancing is allowed.
- B. **Life Insurance.** (Plan Section 7.5)
- a. Life insurance may not be purchased.
 - b. Life insurance may be purchased..
 1. at the option of the Administrator
 2. at the option of the Participant

Limitations

3. N/A (no limitations)
 4. The purchase of initial or additional life insurance will be subject to the following limitations (select one or more):
 - a. Each initial Contract will have a minimum face amount of \$____.
 - b. Each additional Contract will have a minimum face amount of \$____.
 - c. The Participant has completed _____ Years (or Periods) of Service.
 - d. The Participant has completed _____ Years (or Periods) of Service while a Participant in the Plan.
 - e. The Participant is under age _____ on the Contract issue date.
 - f. The maximum amount of all Contracts on behalf of a Participant may not exceed \$____.
 - g. The maximum face amount of any life insurance Contract will be \$____.
- C. **Plan Expenses.** Will the Plan assess against an individual Participant's Account certain Plan expenses that are incurred by, or are attributable to, a particular Participant based on use of a particular Plan service?
- a. No
 - b. Yes

Use of Forfeitures

Forfeitures of Employer contributions other than matching contributions will be:

- c. added to the Employer contribution and allocated in the same manner
- d. used to reduce any Employer contribution
- e. allocated to all Participants eligible to share in the allocations of Employer contributions or Forfeitures in the same proportion that each Participant's Compensation for the Plan Year bears to the Compensation of all Participants for such year
- f. other: _____ (describe the treatment of Forfeitures in a manner that is definitely determinable and not subject to Employer discretion)

Forfeitures of Employer matching contributions will be:

- g. N/A. Same as above or no Employer matching contributions.
- h. used to reduce the Employer matching contribution.
- i. used to reduce any Employer contribution.
- j. other: _____ (describe the treatment of Forfeitures in a manner that is definitely determinable and not subject to Employer discretion)

D. Directed investments

- a. Participant directed investments are NOT permitted.
- b. Participant directed investments are permitted from the following Participant Accounts:
 - 1. all Accounts
 - 2. only from the following Accounts (select one or more):
 - a. Account attributable to Employer contributions
 - b. Rollover Account
 - c. Transfer Account
 - d. Other: _____ (specify Account(s) and conditions in a manner that is definitely determinable and not subject to Employer discretion)

E. Rollover Limitations. Will the Plan accept rollover contributions and/or direct rollovers from the sources specified below?

- a. No, Administrator determines in operation which sources will be accepted.
- b. Yes

Rollover sources. Indicate the sources of rollovers that will be accepted (select one or more)

- 1. **Direct Rollovers.** The Plan will accept a direct rollover of an eligible rollover distribution from (select one or more):
 - a. a qualified plan described in Code §401(a) (including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan and money purchase plan), excluding after-tax employee contributions
 - b. a qualified plan described in Code §401(a) (including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan and money purchase plan), including after-tax employee contributions
 - c. a plan described in Code §403(a) (an annuity plan), excluding after-tax employee contributions
 - d. a plan described in Code §403(a) (an annuity plan), including after-tax employee contributions
 - e. a plan described in Code §403(b) (a tax-sheltered annuity), excluding after-tax employee contributions
 - f. a plan described in Code §403(b) (a tax-sheltered annuity), including after-tax employee contributions
 - g. a plan described in Code §457(b) (eligible deferred compensation plan)

Direct Rollovers of Participant Loan. The Plan will NOT accept a direct rollover of a Participant loan from another plan unless selected below (leave blank if default applies)

- h. The Plan will accept a direct rollover of a Participant loan
- i. The Plan will only accept a direct rollover of a Participant loan only in the following situation(s):
_____ (e.g., only from Participants who were employees of an acquired organization).

- 2. **Participant Rollover Contributions from Other Plans (i.e., not via a direct plan-to-plan transfer).** The Plan will accept a contribution of an eligible rollover distribution (select one or more):
 - a. a qualified plan described in Code §401(a) (including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan and money purchase plan)
 - b. a plan described in Code §403(a) (an annuity plan)
 - c. a plan described in Code §403(b) (a tax-sheltered annuity)
 - d. a governmental plan described in Code §457(b) (eligible deferred compensation plan)
- 3. **Participant Rollover Contributions from IRAs:** The Plan will accept a rollover contribution of the portion of a distribution from a traditional IRA that is eligible to be rolled over and would otherwise be includible in gross income. Rollovers from Roth IRAs or a Coverdell Education Savings Account (formerly known as an Education IRA) are not permitted because they are not traditional IRAs. A rollover from a SIMPLE IRA is allowed if the amounts are rolled over after the individual has been in the SIMPLE IRA for at least two years.

F. Trustee(s) or Insurer(s). Information regarding Trustee(s)/Insurer(s) (required for the Summary Plan Description and, if requested, the Trust Agreement)

(Note: Select a. if not using provided trust. MUST select b and following questions as applicable):

- a. Do not produce the trust agreement
- b. Complete the following UNLESS not selecting supporting forms:

Trustee/Insurer (select a. OR one or more of d. - e.)

c. **Insurer.** This Plan is funded exclusively with Contracts (select one or more of 1. - 4)

Name of Insurer(s)

1. _____
2. _____
3. Use Employer address/telephone number/email
4. Use following address/telephone number/email
 - a. Street: _____
 - b. City: _____
 - c. State: _____
 - d. Zip: _____
 - e. Telephone: _____
 - f. Email: _____

d. Individual Trustee(s)

e. Corporate Trustee

Name of Trust

f. Specify name of Trust (required for FIS trust): Las Virgenes Municipal Water District 401(a) Plan

Individual Trustees (if d. selected above, complete g. - j.)

Directed/Discretionary Trustees. The individual Trustee(s) executing this Adoption Agreement are (select g. or h.)

g. Select for each individual Trustee (skip to next question)

h. The following selections apply to all individual Trustee(s) (select 1. - 4. as applicable)

1. A discretionary Trustee over all plan assets (may not be selected with 2. - 4.)
2. A nondiscretionary (directed) Trustee over all plan assets (may not be selected with 1., 3. or 4.)
3. The individual Trustee(s) will serve as a discretionary Trustee over the following assets: _____
(may not be selected with 1. or 2.)
4. The individual Trustee(s) will serve as a nondiscretionary (directed) Trustee over the following assets:
_____ (may not be selected with 1. or 2.)

Individual Trustee(s) (complete if d. selected above)

i. Individual Trustee(s) are (select one or more of a. - j.; enter address at j. below)

a. **Name** _____

Title/Email:

1. Title _____
2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. - 6. as applicable)

3. Discretionary Trustee over all plan assets (may not be selected with 4. - 6.)
4. A discretionary Trustee over the following plan assets: _____ (may not be select with 3. or 5.)
5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

b. **Name** _____

Title/Email:

1. Title _____
2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. - 6. as applicable)

3. Discretionary Trustee over all plan assets (may not be selected with 4. - 6.)
4. A discretionary Trustee over the following plan assets: _____ (may not be select with 3. or 5.)
5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

c. **Name** _____

Title/Email:

1. Title _____
2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. - 6. as applicable)

3. Discretionary Trustee over all plan assets (may not be selected with 4. - 6.)
4. A discretionary Trustee over the following plan assets: _____ (may not be select with 3. or 5.)
5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

d. **Name** _____

Title/Email:

1. Title _____
2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)
4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)
5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

e. **Name** _____

Title/Email:

1. Title _____
2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)
4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)
5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

f. **Name** _____

Title/Email:

1. Title _____
2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)
4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)
5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

g. **Name** _____

Title/Email:

1. Title _____
2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)
4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)
5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

h. **Name** _____

Title/Email:

1. Title _____
2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)
4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)
5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

i. **Name** _____

Title/Email:

1. Title _____
2. Email _____ (optional)

Trustee is: (complete if g. selected above; select 3. – 6. as applicable)

3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)
4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)
5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

- j. **Name** _____
Title/Email:
 1. Title _____
 2. Email _____ (optional)
Trustee is: (complete if g. selected above; select 3. – 6. as applicable)
 3. Discretionary Trustee over all plan assets (may not be selected with 4. or 6.)
 4. A discretionary Trustee over the following plan assets: _____ (may not be selected with 3. or 5.)
 5. Nondiscretionary Trustee over all plan assets (may not be selected with 3., 4. or 6.)
 6. A nondiscretionary (directed) Trustee or Custodian over the following plan assets _____ (may not be selected with 3. or 5.)

j. **Individual Trustee Address** (complete if d. selected above)

1. Use Employer address/telephone number/email
 2. Use following address/telephone number/email
 a. Street: _____
 b. City: _____
 c. State: _____
 d. Zip: _____
 e. Telephone: _____
 f. Email: _____

Corporate Trustee Name/Type/Address (complete if e. selected above)

k. Name Nationwide Trust Company, FSB

Address/telephone number/email

1. Use Employer address/telephone number/email
 2. Use following address/telephone number/email
 a. Street: 10 W Nationwide Blvd
 b. City: Columbus
 c. State: Ohio
 d. Zip: 43215
 e. Telephone: (614) 435-6830
 f. Email: _____

Directed/Discretionary. The Corporate Trustee is (select 3. - 6. as applicable)

3. A discretionary Trustee over all plan assets (may not be selected with 4. – 6.)
 4. A nondiscretionary (directed) Trustee over all plan assets (may not be selected with 3., 5. or 6.)
 5. A discretionary Trustee over the following plan assets over the following assets: _____ (may not be selected with 3. – 4.)
 6. A nondiscretionary (directed) Trustee over the following plan assets _____ (may not be selected with 3. – 4.)

Signee (optional):

7. Name of person signing on behalf of the corporate Trustee _____
 8. Email address of person signing on behalf of the corporate Trustee _____

Special Trustee for collection of contributions. The Employer appoints the following Special Trustee with the responsibility to collect delinquent contributions (*optional*)

l. **Name** Brian Richie, CPA

Title:

1. Finance Manager

Address/telephone number/email

2. Use Employer address/telephone number/email
 3. Use following address/telephone number/email
 a. Street: 4232 Las Virgenes Rd
 b. City: Calabasas
 c. State: California
 d. Zip: 91302
 e. Telephone: 818-251-2100
 f. Email: brichie@lvmwd.com

Custodian(s) Name/Address . The Custodian(s) are (*optional*)

m. **Name(s)** _____

Address/telephone number/email

1. Use Employer address/telephone number/email

2. Use following address/telephone number/email

- a. Street: _____
- b. City: _____
- c. State: _____
- d. Zip: _____
- e. Telephone: _____
- f. Email: _____

Investment in common, collective or pooled trust funds. The nondiscretionary Trustee, as directed or the discretionary Trustee acting without direction (and in addition to the discretionary Trustee's authority to invest in its own funds), may invest in any of the following trust funds: *(optional)*

n. _____ (Specify the names of one or more trust funds in which the Plan can invest)

Choice of law

o. This trust will be governed by the laws of the state of:

- 1. State in which the Employer's principal office is located
- 2. State in which the corporate trustee or insurer is located
- 3. Other _____

LAS VIRGENES MUNICIPAL WATER DISTRICT 401(A) PLAN
SUMMARY OF PLAN PROVISIONS

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LAS VIRGENES MUNICIPAL WATER DISTRICT 401(A) PLAN

SUMMARY OF PLAN PROVISIONS

INTRODUCTION TO YOUR PLAN

What kind of Plan is this?

Las Virgenes Municipal Water District 401(a) Plan ("Plan") has been adopted to provide you with the opportunity to save for retirement on a tax-advantaged basis. This Plan is a type of qualified retirement plan. Generally you are not taxed on the amounts we contribute to the Plan until you withdraw these amounts from the Plan.

What information does this Summary provide?

This Summary of Plan Provisions contains information regarding your Plan benefits, your distribution options, and many other features of the Plan. You should take the time to read this summary to get a better understanding of your rights and obligations under the Plan.

If you have any questions about the Plan, please contact the Administrator or other plan representative. The Administrator is responsible for responding to questions and making determinations related to the administration, interpretation, and application of the Plan. The name and address of the Administrator can be found at the end of this summary in the Article entitled "General Information About the Plan."

This summary describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language and is designed to comply with applicable legal requirements. If the non-technical language in this summary conflicts with the language of the Plan document, then the Plan document always governs.

The Plan and your rights under the Plan are subject to various laws, including the Internal Revenue Code. The provisions of the Plan are subject to revision due to a change in laws. Your Employer may also amend or terminate this Plan.

Types of Contributions. The Plan includes provisions for the following types of contributions:

- Employer nonelective contributions
- Employer matching contributions

ARTICLE I PARTICIPATION IN THE PLAN

How do I participate in the Plan?

You may begin participating under the Plan once you have satisfied the eligibility requirements and reached your "Entry Date." The following describes the eligibility requirements and Entry Dates that apply. You should contact the Administrator if you have questions about the timing of your Plan participation.

Excluded Employees. There are no Excluded Employees for purposes of the Plan.

Eligibility Conditions. You will be eligible to participate in the Plan on your date of hire. However, you will actually become a Participant in the Plan once you reach the Entry Date as described below.

Entry Date. Your Entry Date will be the date on which you satisfy the eligibility requirements.

What happens if I'm a participant, terminate employment and then I'm rehired?

If you are no longer a participant because you terminated employment, and you are rehired, then you will be able to participate in the Plan on your date of rehire provided you are otherwise eligible to participate in the Plan.

ARTICLE II EMPLOYER CONTRIBUTIONS

This Article describes Employer contributions that will be made to the Plan.

What is the Employer matching contribution and how is it allocated?

Matching Contribution. Matching contributions are Employer contributions that are based on contributions you make to Las Virgenes Municipal Water District. All of these contributions that you make are collectively referred to as "salary deferrals" for purposes of the applying the matching contribution described below.

Matching Contribution. 100% of the first 3% deferred for employees classified as Unrepresented Employees, Management Unit Employees and employees classified as Supervisory, Professional and Confidential.

Period of determining matching contribution. The matching contribution above is applied on a payroll period basis. This means that the matching contribution is applied to your salary deferrals for that period.

Limit on matching contribution. Regardless of the preceding, your matching contribution in any Plan Year will not exceed 3% of your compensation.

Allocation conditions. You will always share in the matching contribution regardless of the amount of service you complete during the Plan Year.

What is the Employer nonelective contribution and how is it allocated?

Nonelective contribution. Each Plan Year your Employer will make a nonelective contribution to your account equal to \$20 per pay period.

Allocation conditions. In order to share in the nonelective contribution for a Plan Year, you must satisfy the following conditions:

- If you are employed on the last day of the Plan Year, you will share Only Employees classified as SEIU Unit and SEIU Office Unit Employees are eligible for an allocation of Employer Contributions under the Plan.
- If you terminate employment (not employed on the last day of the Plan Year), you will receive a nonelective contribution Only Employees classified as SEIU Unit and SEIU Office Unit Employees are eligible for an allocation of Employer Contributions under the Plan.

ARTICLE III COMPENSATION AND ACCOUNT BALANCE

What compensation is used to determine my Plan benefits?

Definition of compensation. For the purposes of the Plan, compensation has a special meaning. Compensation is generally defined as your total compensation that is subject to income tax and paid to you by your Employer during the Plan Year.

Adjustments to compensation. The following adjustments to compensation will be made:

- reimbursements or other expense allowances, fringe benefits, moving expenses, deferred compensation, and welfare benefits will be excluded.
- compensation paid while not a participant in the Plan will be excluded.
- overtime will be excluded.
- bonuses will be excluded.
- compensation paid after you terminate is generally excluded for Plan purposes. However, the following amounts will be included in compensation even though they are paid after you terminate employment, provided these amounts would otherwise have been considered compensation as described above and provided they are paid within 2 1/2 months after you terminate employment, or if later, the last day of the Plan Year in which you terminate employment:
 - compensation for services performed during your regular working hours, or for services outside your regular working hours (such as overtime or shift differential) or other similar payments that would have been made to you had you continued employment
 - compensation paid for unused accrued bona fide sick, vacation or other leave, if such amounts would have been included in compensation if paid prior to your termination of employment and you would have been able to use the leave if employment had continued
 - nonqualified unfunded deferred compensation if the payment is includible in gross income and would have been paid to you had you continued employment

Is there a limit on the amount of compensation which can be considered?

The Plan, by law, cannot recognize annual compensation in excess of a certain dollar limit. The limit for the Plan Year beginning in 2021 is \$290,000. After 2021, the dollar limit may increase for cost-of-living adjustments.

Is there a limit on how much can be contributed to my account each year?

Generally, the law imposes a maximum limit on the amount of contributions that may be made to your account and any other amounts allocated to any of your accounts during the Plan Year, excluding earnings. Beginning in 2021, this total cannot exceed the lesser of \$58,000 or 100% of your annual compensation. After 2021, the dollar limit may increase for cost-of-living adjustments.

How is the money in the Plan invested?

The Trustee of the Plan has been designated to hold the assets of the Plan for the benefit of Plan participants and their beneficiaries in accordance with the terms of this Plan. The trust fund established by the Plan's Trustee will be the funding medium used for the accumulation of assets from which Plan benefits will be distributed.

Participant directed investments. You will be able to direct the investment of your entire interest in the Plan. The Administrator will provide you with information on the investment choices available to you, the procedures for making investment elections, the frequency with which you can change your investment choices and other important information. You need to follow the procedures for making investment elections and you should carefully review the information provided to you before you give investment directions. If you do not direct the investment of your applicable Plan accounts, then your accounts will be invested in accordance with the default investment alternatives established under the Plan.

Earnings or losses. When you direct investments, your accounts are segregated for purposes of determining the earnings or losses on these investments. Your account does not share in the investment performance of other participants who have directed their own investments. You should remember that the amount of your benefits under the Plan will depend in part upon your choice of investments. Gains as well as losses can occur and your Employer, the Administrator, and the Trustee will not provide investment advice or guarantee the performance of any investment you choose.

Will Plan expenses be deducted from my account balance?

Expenses allocated to all accounts. The Plan permits the payment of Plan expenses to be made from the Plan's assets. The method of allocating the expenses depends on the nature of the expense itself. For example, certain administrative (or recordkeeping) expenses would typically be allocated proportionately to each participant. If the Plan pays \$1,000 in expenses and there are 100 participants, your account balance would be charged \$10 (\$1,000/100) of the expense.

Terminated employee. After you terminate employment, your Employer reserves the right to charge your account for your pro rata share of the Plan's administration expenses, regardless of whether your Employer pays some of these expenses on behalf of current employees.

Expenses allocated to individual accounts. There are certain other expenses that may be paid just from your account. These are expenses that are specifically incurred by, or attributable to, you. For example, if you are married and get divorced, the Plan may incur additional expenses if a court mandates that a portion of your account be paid to your ex-spouse. These additional expenses may be paid directly from your account (and not the accounts of other participants) because they are directly attributable to you under the Plan. The Administrator can inform you when there will be a charge (or charges) directly to your account.

Your Employer may, from time to time, change the manner in which expenses are allocated.

**ARTICLE IV
VESTING**

What is my vested interest in my account?

In order to reward employees who remain employed with the Employer for a long period of time, the law permits a "vesting schedule" to be applied to certain contributions that your Employer makes to the Plan. This means that you will not be entitled ("vested") in all of the contributions until you have been employed with the Employer for a specified period of time.

100% vested contributions. You are always 100% vested (which means that you are entitled to all of the amounts) in your accounts attributable to the following contributions:

- matching contributions
- nonelective contributions

**ARTICLE V
DISTRIBUTIONS PRIOR TO TERMINATION AND HARDSHIP DISTRIBUTIONS**

Can I withdraw money from my account while working?

In-service distributions. You may be entitled to receive an in-service distribution. However, this distribution is not in addition to your other benefits and will therefore reduce the value of the benefits you will receive at retirement. This distribution is made at your election and will be made in accordance with the forms of distributions available under the Plan.

Conditions and Limitations. Generally you may receive a distribution from the Plan from certain accounts prior to your termination of employment provided you satisfy the condition described below:

- you have attained age 70 1/2

The following limitations apply to in-service distributions from certain accounts:

- In-service distributions can only be made from accounts which are 100% vested.

Can I withdraw money from my account in the event of financial hardship?

Hardship distributions. You may withdraw money for financial hardship if you satisfy certain conditions. This hardship distribution is not in addition to your other benefits and will therefore reduce the value of the benefits you will receive at retirement.

Qualifying expenses. A hardship distribution may be made to satisfy certain immediate and heavy financial needs that you have. A hardship distribution may only be made for payment of the following:

- Expenses for medical care (described in Section 213(d) of the Internal Revenue Code) previously incurred by you, your spouse or your dependents or necessary for you, your spouse or your dependents to obtain medical care.
- Costs directly related to the purchase of your principal residence (excluding mortgage payments).
- Tuition, related educational fees, and room and board expenses for the next twelve (12) months of post-secondary education for yourself, your spouse or your dependents.
- Amounts necessary to prevent your eviction from your principal residence or foreclosure on the mortgage of your principal residence.
- Payments for burial or funeral expenses for your deceased parent, spouse, children or other dependents.
- Expenses for the repair of damage to your principal residence that would qualify for the casualty deduction under the Internal Revenue Code without regard to the limit on casualty losses that are deductible for income tax purposes under IRC 165(h).
- Expenses for disasters arising from federally declared disasters, such as your expenses and losses (including loss of income) attributable to that disaster, provided your principal residence or place of employment was in an area FEMA designates as qualifying for individual assistance.

Conditions. If you have any of the above expenses, a hardship distribution can only be made if you certify and agree that all of the following conditions are satisfied:

- (a) The distribution is not in excess of the amount of your immediate and heavy financial need. The amount of your immediate and heavy financial need may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution.
- (b) You have obtained all distributions, other than hardship distributions, and nontaxable loans available under all retirement plans maintained by the Employer.
- (c) You certify (via a form for that purpose) that you have insufficient cash or other liquid assets reasonably available to satisfy the need.

ARTICLE VI BENEFITS AND DISTRIBUTIONS UPON TERMINATION OF EMPLOYMENT

When can I get money out of the Plan?

You may receive a distribution of the vested portion of some or all of your accounts in the Plan for the following reasons:

- termination of employment for reasons other than death, disability or retirement
- early retirement
- normal retirement

- disability
- death

This Plan is designed to provide you with retirement benefits. However, distributions are permitted if you die or become disabled. In addition, certain payments are permitted when you terminate employment for any other reason. The rules under which you can receive a distribution are described in this Article. The rules regarding the payment of death benefits to your beneficiary are described in "Benefits and Distributions Upon Death."

You may also receive distributions while you are still employed with the Employer. (See the Article entitled "Distributions Prior to Termination and Hardship Distributions" for a further explanation.)

Military Service. If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with the Employer. There may also be benefits for employees who die or become disabled while on active duty. Employees who receive wage continuation payments while in the military may benefit from various changes in the law. If you think you may be affected by these rules, ask the Administrator for further details.

What happens if I terminate employment before death, disability or retirement?

If your employment terminates for reasons other than , you will be entitled to receive only the "vested percentage" of your account balance.

You may elect to have your vested account balance distributed to you as soon as administratively feasible following your termination of employment. (See the question entitled "How will my benefits be paid to me?" for additional information.)

What happens if I terminate employment at Normal Retirement Date?

Normal Retirement Date. You will attain your Normal Retirement Age when you reach age 62 with a maximum benefit at Age 67. However, if you are a public safety employee (as defined in the Internal Revenue Code) then your Normal Retirement Age is 50 with a maximum benefit at Age 57. Your Normal Retirement Date is the date on which you attain your Normal Retirement Age.

Normal Retirement Date. You will attain your Normal Retirement Age when 50 with a maximum benefit at Age 57. Your Normal Retirement Date is the date on which you attain your Normal Retirement Age.

Payment of benefits. You will become 100% vested in all of your accounts under the Plan if you retire on or after your Normal Retirement Age. However, the actual payment of benefits generally will not begin until you have terminated employment and reached your Normal Retirement Date. In such event, a distribution will be made, at your election, as soon as administratively feasible. If you remain employed past your Normal Retirement Date, you may generally defer the receipt of benefits until you actually terminate employment. (See the question entitled "How will my benefits be paid to me?" for an explanation of how these benefits will be paid.)

What happens if I terminate employment at Early Retirement Date?

Early Retirement Date. Your Early Retirement Date is the date you have attained age 52 for non-safety members. You may elect to retire when you reach your Early Retirement Date.

Payment of benefits. If you are employed on the date you attain your early retirement age, you will be entitled to your vested account balance under the Plan. However, the payment of benefits generally will not begin until you actually retire after reaching your Early Retirement Date. In such event, a distribution will be made, at your election, as soon as administratively feasible. (See the question entitled "How will my benefits be paid to me?" for an explanation of how these benefits will be paid.)

What happens if I terminate employment due to disability?

Definition of disability. Under the Plan, disability is defined as a physical or mental condition resulting from bodily injury, disease, or mental disorder which renders you incapable of continuing any gainful occupation and which has lasted or can be expected to last for a continuous period of at least twelve (12) months. Your disability must be determined by a licensed physician. However, if your condition constitutes total disability under the federal Social Security Act, then the Administrator may deem that you are disabled for purposes of the Plan.

Payment of benefits. If you become disabled while an employee, you will be entitled to your vested account balance under the Plan. Payment of your disability benefits will be made to you as if you had retired. (See the question entitled "How will my benefits be paid to me?" for an explanation of how these benefits will be paid.)

How will my benefits be paid to me?

Forms of distribution. If your vested account balance does not exceed \$5,000, then your vested account balance may only be distributed to you in a single lump-sum payment.

In addition, you must consent to receive any distribution of your vested account balance before it may be made. If your vested account balance exceeds \$5,000, you may elect to receive a distribution of your vested account balance in:

- a single lump-sum payment
- installments over a period of not more than your assumed life expectancy (or the assumed life expectancies of you and your beneficiary)
- partial withdrawals
- partial withdrawals or installments but only with respect to Participants or beneficiaries who receive minimum required distributions, over a period of not more than your assumed life expectancy (or the assumed life expectancies of you and your beneficiary). (See below "Delaying distributions." for an explanation of minimum required distributions.)
- the following type of annuity: Annuity Purchase

Delaying distributions. You may delay the distribution of your vested account balance. However, if you elect to delay the distribution of your vested account balance, there are rules that require that certain minimum distributions be made from the Plan. Distributions are required to begin not later than the April 1st following the later of the end of the year in which you reach age 70 1/2 or retire.

Medium of payment. Benefits under the Plan will generally be paid to you in cash only.

ARTICLE VII BENEFITS AND DISTRIBUTIONS UPON DEATH

What happens if I die while working for the Employer?

If you die while still employed by the Employer, then your vested account balance will be used to provide your beneficiary with a death benefit.

Who is the beneficiary of my death benefit?

Beneficiary designation. You may designate a beneficiary for your death benefit. The designation must be made in accordance with the procedures set forth by the Administrator. You should periodically review your designation to ensure it continues to meet your goals.

Divorce. If you have designated your spouse as your beneficiary for all or a part of your death benefit, then upon your divorce, the designation is no longer valid. This means that if you do not select a new beneficiary after your divorce, then you are treated as not having a beneficiary for that portion of the death benefit (unless you have remarried).

No beneficiary designation. At the time of your death, if you have not designated a beneficiary or your beneficiary is also not alive, the death benefit will be paid in the following order of priority to:

- (a) your surviving spouse
- (b) your children, including adopted children in equal shares (and if a child is not living, that child's share will be distributed to that child's heirs)
- (c) your surviving parents, in equal shares
- (d) your estate

How will the death benefit be paid to my beneficiary?

Form of distribution. If the death benefit payable to a beneficiary does not exceed \$5,000, then the benefit may only be paid as a lump-sum. If the death benefit exceeds \$5,000, your beneficiary may elect to have the death benefit paid in:

- a single lump-sum payment
- installments over a period of not more than the assumed life expectancy of your beneficiary
- partial withdrawals
- partial withdrawals or installments that do not exceed the limitations on when the entire death benefit must be paid. (See below "When must the last payment be made to my beneficiary?")

- Annuity Purchase

When must the last payment be made to my beneficiary?

The law generally restricts the ability of a retirement plan to be used as a method of retaining money for purposes of your death estate. Thus, there are rules that are designed to ensure that death benefits are distributable to beneficiaries within certain time periods.

Regardless of the method of distribution selected, if your designated beneficiary is a person (rather than your estate or some trusts) then minimum distributions of your death benefit will begin by the end of the year following the year of your death ("1-year rule") and must be paid over a period not extending beyond your beneficiary's life expectancy. If your spouse is the beneficiary, then under the "1-year rule," the start of payments will be delayed until the year in which you would have attained age 70 1/2 unless your spouse elects to begin distributions over his or her life expectancy before then. However, instead of the "1-year rule" your beneficiary may elect to have the entire death benefit paid by the end of the fifth year following the year of your death (the "5-year rule"). Generally, if your beneficiary is not a person, your entire death benefit must be paid under the "5-year rule."

What happens if I'm a participant, terminate employment and die before receiving all my benefits?

If you terminate employment with the Employer and subsequently die, your beneficiary will be entitled to your remaining interest in the Plan at the time of your death.

ARTICLE VIII TAX TREATMENT OF DISTRIBUTIONS

What are my tax consequences when I receive a distribution from the Plan?

Generally, you must include any Plan distribution in your taxable income in the year in which you receive the distribution. The tax treatment may also depend on your age when you receive the distribution. Certain distributions made to you when you are under age 59 1/2 could be subject to an additional 10% tax.

Can I elect a rollover to reduce or defer tax on my distribution?

Rollover or Direct Transfer. You may reduce, or defer entirely, the tax due on your distribution through use of one of the following methods:

- 60-day rollover.** The rollover of all or a portion of the distribution to an Individual Retirement Account or Annuity (IRA) or another employer retirement plan willing to accept the rollover. This will result in no tax being due until you begin withdrawing funds from the IRA or other qualified employer plan. The rollover of the distribution, however, **MUST** be made within strict time frames (normally, within 60 days after you receive your distribution). Under certain circumstances, all or a portion of a distribution (such as a hardship distribution) may not qualify for this rollover treatment. In addition, most distributions will be subject to mandatory federal income tax withholding at a rate of 20%. This will reduce the amount you actually receive. For this reason, if you wish to roll over all or a portion of your distribution amount, then the direct transfer option described in paragraph (b) below would be the better choice.
- Direct rollover.** For most distributions, you may request that a direct transfer (sometimes referred to as a direct rollover) of all or a portion of a distribution be made to either an Individual Retirement Account or Annuity (IRA) or another employer retirement plan willing to accept the transfer. A direct transfer will result in no tax being due until you withdraw funds from the IRA or other employer plan. Like the rollover, under certain circumstances all or a portion of the amount to be distributed may not qualify for this direct transfer. If you elect to actually receive the distribution rather than request a direct transfer, then in most cases 20% of the distribution amount will be withheld for federal income tax purposes.

Tax Notice. WHENEVER YOU RECEIVE A DISTRIBUTION THAT IS AN ELIGIBLE ROLLOVER DISTRIBUTION, THE ADMINISTRATOR WILL DELIVER TO YOU A MORE DETAILED EXPLANATION OF THESE OPTIONS. HOWEVER, THE RULES WHICH DETERMINE WHETHER YOU QUALIFY FOR FAVORABLE TAX TREATMENT ARE VERY COMPLEX. YOU SHOULD CONSULT WITH QUALIFIED TAX COUNSEL BEFORE MAKING A CHOICE.

ARTICLE IX LOANS

Is it possible to borrow money from the Plan?

Yes, you may request a participant loan from all your accounts using an application form provided by the Administrator. Your ability to obtain a participant loan depends on several factors. The Administrator will determine whether you satisfy these factors.

What are the loan rules and requirements?

There are various rules and requirements that apply to any loan, which are outlined in this question. In addition, your Employer has established a written loan program which explains these requirements in more detail. You can request a copy of the loan program from the Administrator. Generally, the rules for loans include the following:

- Loans are available to participants on a reasonably equivalent basis. Loans will be made to participants who are creditworthy. The Administrator may request that you provide additional information, such as financial statements, tax returns and credit reports to make this determination.
- All loans must be adequately secured. You must sign a promissory note along with a loan pledge. Generally, you must use your vested interest in the Plan as security for the loan, provided the outstanding balance of all your loans does not exceed 50% of your vested interest in the Plan. In certain cases, the Administrator may require you to provide additional collateral to receive a loan.
- You will be charged a commercially reasonable rate of interest. The Administrator will determine a reasonable rate of interest by reviewing the interest rates charged for similar types of loans by other lenders. The interest rate will be fixed for the duration of the loan.
- If approved, your loan will provide for level amortization with payments to be made not less frequently than quarterly. Generally, the term of your loan may not exceed five (5) years. However, if the loan is for the purchase of your principal residence, the Administrator may permit a longer repayment term. Generally, the Administrator will require that you repay your loan by agreeing to payment by ACH (automated clearing house system for electronic funds transfer) or payment by check (for prepayments only). If you have an unpaid leave of absence or go on military leave while you have an outstanding loan, please contact the Administrator to find out your repayment options.
- All loans will be considered a directed investment of your account under the Plan. All payments of principal and interest by you on a loan will be credited to your account.
- The amount the Plan may loan to you is limited by rules under the Internal Revenue Code. Any new loans, when added to the outstanding balance of all other loans from the Plan, will be limited to the lesser of:
 - (a) \$50,000 reduced by the excess, if any, of your highest outstanding balance of loans from the Plan during the one-year period ending on the day before the date of the new loan over your current outstanding balance of loans as of the date of the new loan; or
 - (b) 1/2 of your vested interest in the Plan.
- No loan in an amount less than \$1000 will be made.
- The maximum number of Plan loans that you may have outstanding at any one time is 1.
- If you fail to make payments when they are due under the terms of the loan, you will be considered to be "in default." The Administrator will consider your loan to be in default if any scheduled loan repayment is not made by the end of the calendar quarter following the calendar quarter in which the missed payment was due. The Plan would then have authority to take all reasonable actions to collect the balance owed on the loan. This could include filing a lawsuit or foreclosing on the security for the loan. Under certain circumstances, a loan that is in default may be considered a distribution from the Plan and could be considered taxable income to you. In any event, your failure to repay a loan will reduce the benefit you would otherwise be entitled to from the Plan.
- If you become entitled to a distribution from the Plan (except in the case of a hardship distribution, or an in-service distribution), or if you terminate employment, your loan generally becomes due and payable in full immediately. You may repay the entire outstanding balance of the loan (including any accrued interest). If you do not repay the entire outstanding loan balance, your vested account balance will be reduced by the remaining outstanding balance of the loan.

The Administrator may periodically revise the Plan's loan policy. If you have any questions on participant loans or the current loan policy, please contact the Administrator.

ARTICLE X PROTECTED BENEFITS AND CLAIMS PROCEDURES

Are my benefits protected?

As a general rule, your interest in your account, including your "vested interest," may not be alienated. This means that your interest may not be sold, used as collateral for a loan (other than for a Plan loan), given away or otherwise transferred. In addition, your creditors (other than the IRS) may not attach, garnish or otherwise interfere with your benefits under the Plan.

Are there any exceptions to the general rule?

There are three exceptions to this general rule. The Administrator must honor a "qualified domestic relations order." A "qualified domestic relations order" is defined as a decree or order issued by a court that obligates you to pay child support or alimony, or otherwise allocates a

portion of your assets in the Plan to your spouse, former spouse, children or other dependents. If a qualified domestic relations order is received by the Administrator, all or a portion of your benefits may be used to satisfy that obligation. The Administrator will determine the validity of any domestic relations order received. You and your beneficiaries can obtain from the Administrator, without charge, a copy of the procedure used by the Administrator to determine whether a qualified domestic relations order is valid.

The second exception applies if you are involved with the Plan's operation. If you are found liable for any action that adversely affects the Plan, the Administrator can offset your benefits by the amount that you are ordered or required by a court to pay the Plan. All or a portion of your benefits may be used to satisfy any such obligation to the Plan.

The last exception applies to Federal tax levies and judgments. The Federal government is able to use your interest in the Plan to enforce a Federal tax levy and to collect a judgment resulting from an unpaid tax assessment.

Can the Plan be amended?

Your Employer has the right to amend the Plan at any time. In no event, however, will any amendment authorize or permit any part of the Plan assets to be used for purposes other than the exclusive benefit of participants or their beneficiaries. Additionally, no amendment will cause any reduction in the amount credited to your account.

What happens if the Plan is discontinued or terminated?

Although your Employer intends to maintain the Plan indefinitely, your Employer reserves the right to terminate the Plan at any time. Upon termination, no further contributions will be made to the Plan and all amounts credited to your accounts will continue to be 100% vested. Your Employer will direct the distribution of your accounts in a manner permitted by the Plan as soon as practicable. (See the question entitled "How will my benefits be paid to me?" for a further explanation.) You will be notified if the Plan is terminated.

How do I submit a claim for Plan benefits?

Benefits will generally be paid to you and your beneficiaries without the necessity for formal claims. Contact the Administrator if you are entitled to benefits or if you think an error has been made in determining your benefits. Any such request should be in writing.

If the Administrator determines the claim is valid, then you will receive a statement describing the amount of benefit, the method or methods of payment, the timing of distributions and other information relevant to the payment of the benefit.

What if my benefits are denied?

Your request for Plan benefits will be considered a claim for Plan benefits, and it will be subject to a full and fair review. If your claim is wholly or partially denied, the Administrator will provide you with notification of the Plan's adverse determination. This written or electronic notification will be provided to you within a reasonable period of time.

ARTICLE XI GENERAL INFORMATION ABOUT THE PLAN

There is certain general information which you may need to know about the Plan. This information has been summarized for you in this Article.

Plan Name

The full name of the Plan is Las Virgenes Municipal Water District 401(a) Plan.

Plan Effective Dates

This Plan was originally effective on January 1, 2016. The amended and restated provisions of the Plan become effective on January 1, 2021. However, this restatement was made to conform the Plan to new tax laws and some provisions may be retroactively effective.

Other Plan Information

Valuations of the Plan assets are generally made every business day. Certain distributions are based on the Anniversary Date of the Plan. This date is the last day of the Plan Year.

The Plan's records are maintained on a twelve-month period of time. This is known as the Plan Year. The Plan Year begins on January 1st and ends on December 31st.

Employer Information

Your Employer's name, address and identification number are:

Las Virgenes Municipal Water District
4232 Las Virgenes Rd
Calabasas, California 91302

95-2222398

Administrator Information

The Administrator is responsible for the day-to-day administration and operation of the Plan. For example, the Administrator maintains the Plan records, including your account information, provides you with the forms you need to complete for Plan participation, and directs the payment of your account at the appropriate time. The Administrator will also allow you to review the formal Plan document and certain other materials related to the Plan. If you have any questions about the Plan or your participation, you should contact the Administrator. The Administrator may designate other parties to perform some duties of the Administrator.

The Administrator has the complete power, in its sole discretion, to determine all questions arising in connection with the administration, interpretation, and application of the Plan (and any related documents and underlying policies). Any such determination by the Administrator is conclusive and binding upon all persons.

Your Administrator's name and contact information are:

Las Virgenes Municipal Water District
4232 Las Virgenes Rd
Calabasas, California 91302

818-251-2100

Plan Trustee Information and Plan Funding Medium

All money that is contributed to the Plan is held in a trust fund. The Trustee is responsible for the safekeeping of the trust fund and must hold and invest Plan assets in a prudent manner and in the best interest of you and your beneficiaries. The trust fund established by the Plan's Trustee(s) will be the funding medium used for the accumulation of assets from which benefits will be distributed. While all the Plan assets are held in a trust fund, the Administrator separately accounts for each Participant's interest in the Plan.

The Plan's Trustee is:

Nationwide Trust Company, FSB

10 W Nationwide Blvd
Columbus, Ohio 43215

Telephone: (614) 435-6830

NATIONWIDE FINANCIAL SERVICES, INC
NON-STANDARDIZED GOVERNMENTAL 401(a) PRE-APPROVED PLAN

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**ARTICLE I
DEFINITIONS**

As used in this Plan, the following words and phrases shall have the meanings set forth herein unless a different meaning is clearly required by the context:

1.1 "Account" means any separate notational account established and maintained by the Administrator for each Participant under the Plan. To the extent applicable, a Participant may have any (or all) of the following notational Accounts:

- (a) "Combined Account" means the account representing the Participant's total interest under the Plan resulting from Employer contributions. In addition, Forfeitures are part of the Combined Account to the extent they are reallocated.
- (b) "Mandatory Contribution Account" means the account established hereunder to which mandatory Employee contributions made pursuant to Section 4.8 are allocated, to the extent such contributions are not picked-up by the Employer pursuant to Code §414(h). A Participant's Mandatory Contribution Account shall be fully Vested at all times.
- (c) "Rollover Account" means the account established hereunder to which amounts transferred from a qualified plan or individual retirement account in accordance with Section 4.6 are allocated.
- (d) "Transfer Account" means the account established hereunder to which amounts transferred to this Plan from a direct plan-to-plan transfer in accordance with Section 4.7 are allocated.
- (e) "Voluntary Contribution Account" means the account established hereunder to which after-tax voluntary Employee contributions made pursuant to Section 4.9 are allocated.

1.2 "Administrator" means the Employer unless another person, entity or committee has been designated by the Employer pursuant to Section 2.2 to administer the Plan on behalf of the Employer.

1.3 "Adoption Agreement" means the separate agreement which is executed by the Employer and sets forth the elective provisions of this Plan as specified by the Employer.

1.4 "Affiliated Employer" means any entity required to be aggregated with the Employer pursuant to Code §414.

1.5 "Alternate Payee" means an alternate payee pursuant to a qualified domestic relations order that meets the requirements of Code §414(p).

1.6 "Anniversary Date" means the last day of the Plan Year.

1.7 "Annuity Starting Date" means, with respect to any Participant, the first day of the first period for which an amount is paid as an annuity, or, in the case of a benefit not payable in the form of an annuity, the first day on which all events have occurred which entitles the Participant to such benefit.

1.8 "Beneficiary" means the person (or entity) to whom all or a portion of a deceased Participant's interest in the Plan is, or may become, payable upon the Participant's death as identified in records maintained by the Plan, subject to the restrictions of Sections 6.2 and 6.6.

1.9 "Code" means the Internal Revenue Code of 1986, as it may be amended from time to time and includes applicable Internal Revenue Service (IRS) guidance.

1.10 "Compensation" means, with respect to any Participant, the amount determined in accordance with the following provisions, except as otherwise provided in the Adoption Agreement.

- (a) **Base definition.** One of the following, as elected in the Adoption Agreement:
 - (1) Information required to be reported under Code §§6041, 6051 and 6052 (Wages, tips and other compensation as reported on Form W-2). Compensation means wages, within the meaning of Code §3401(a), and all other payments of compensation to an Employee by the Employer (in the course of the Employer's trade or business) for which the Employer is required to furnish the Employee a written statement under Code §§6041(d), 6051(a)(3) and 6052. Compensation must be determined without regard to any rules under Code §3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code §3401(a)(2)).
 - (2) Code §3401(a) Wages. Compensation means an Employee's wages within the meaning of Code §3401(a) for the purposes of income tax withholding at the source but determined without regard to any rules that limit the remuneration included in

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wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code §3401(a)(2)).

(3) 415 safe harbor compensation. Compensation means wages, salaries, Military Differential Pay, and fees for professional services and other amounts received (without regard to whether or not an amount is paid in cash) for personal services actually rendered in the course of employment with the Employer maintaining the Plan to the extent that the amounts are includible in gross income (including, but not limited to, commissions paid salespersons, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, bonuses, fringe benefits, and reimbursements, or other expense allowances under a nonaccountable plan (as described in Regulation §1.62-2(c))), and excluding the following:

- (i) Employer contributions to a plan of deferred compensation which are not includible in the Employee's gross income for the taxable year in which contributed, or Employer contributions under a simplified employee pension plan to the extent such contributions are excludable from the Employee's gross income, or any distributions from a plan of deferred compensation;
- (ii) Amounts realized from the exercise of a nonqualified stock option, or when restricted stock (or property) held by the Employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture;
- (iii) Amounts realized from the sale, exchange or other disposition of stock acquired under a qualified stock option; and
- (iv) Other amounts which receive special tax benefits, such as premiums for group term life insurance (but only to the extent that the premiums are not includible in the gross income of the Employee and are not salary reduction amounts under Code §125), whether or not the contributions are actually excludable from the gross income of the Employee.

(b) **Paid during "determination period."** Compensation shall include only that Compensation which is actually paid to the Participant during the "determination period". Except as otherwise provided in this Plan, the "determination period" is the period elected by the Employer in the Adoption Agreement. If the Employer makes no election, the "determination period" shall be the Plan Year.

(c) **Inclusion of deferrals.** Notwithstanding the above, unless otherwise elected in the Adoption Agreement, Compensation shall include all of the following types of elective contributions and all of the following types of deferred compensation:

(1) Elective contributions that are made by the Employer on behalf of a Participant that are not includible in gross income under Code §§125, 132(f)(4), 402(e)(3), 402(h)(1)(B), 402(k) and 403(b). If specified in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections), amounts under Code §125 shall be deemed to include any amounts not available to a Participant in cash in lieu of group health coverage because the Participant is unable to certify that he or she has other health coverage. An amount will be treated as an amount under Code §125 pursuant to the preceding sentence only if the Employer does not request or collect information regarding the Participant's other health coverage as part of the enrollment process for the health plan.

(2) Compensation deferred under an eligible deferred compensation plan within the meaning of Code §457(b).

(3) Employee contributions described in Code §414(h)(2) that are picked-up by the employing unit and thus are treated as Employer contributions.

(d) **Post-severance compensation – Code §415 Regulations.** The Administrator shall adjust Compensation for amounts that would otherwise be included in the definition of Compensation but are paid by the later of 2 1/2 months after a Participant's severance from employment with the Employer or the end of the Plan Year that includes the date of the Participant's severance from employment with the Employer, in accordance with the following, as elected in the Compensation Section of the Adoption Agreement. The preceding time period, however, does not apply with respect to payments described in Subsections (4) and (5) below. Any other payment of compensation paid after severance of employment that is not described in the following types of compensation is not considered Compensation, even if payment is made within the time period specified above.

(1) **Regular pay.** Compensation shall include regular pay after severance of employment (to the extent otherwise included in the definition of Compensation) if:

- (i) The payment is regular compensation for services during the Participant's regular working hours, or compensation for services outside the Participant's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments; and
- (ii) The payment would have been paid to the Participant prior to a severance from employment if the Participant had continued in employment with the Employer.

(2) **Leave cash-outs.** Compensation shall include leave cash-outs if those amounts would have been included in the definition of Compensation if they were paid prior to the Participant's severance from employment with the Employer, and the amounts are for unused accrued bona fide sick, vacation, or other leave, but only if the Participant would have been able to use the leave if employment had continued.

(3) **Deferred compensation.** Compensation shall include deferred compensation if those amounts would have been included in the definition of Compensation if they were paid prior to the Participant's severance from employment with the Employer, and the amounts are received pursuant to a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid at the same time if the Participant had continued in employment with the Employer and only to the extent the payment is includible in the Participant's gross income.

(4) **Military Differential Pay.** Compensation shall include payments to an individual who does not currently perform services for the Employer by reason of qualified military service (as that term is used in Code §414(u)(1)) to the extent those payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the Employer rather than entering qualified military service.

(5) **Disability pay.** Compensation shall include compensation paid to a Participant who is permanently and totally disabled, as defined in Code §22(e)(3), provided, as elected by the Employer in the Compensation Section of the Adoption Agreement, salary continuation applies to all Participants who are permanently and totally disabled.

(e) **Compensation Dollar limitation.** For any Plan Year (or other applicable determination period) Compensation in excess of \$290,000 shall be disregarded for all. The dollar amount shall be adjusted by the Commissioner for increases in the cost-of-living in accordance with Code §401(a)(17)(B). The cost-of-living adjustment in effect for a calendar year applies to any "determination period" beginning with or within such calendar year. If a "determination period" consists of fewer than twelve (12) months, the \$290,000 annual Compensation limit will be multiplied by a fraction, the numerator of which is the number of months in the "determination period," and the denominator of which is twelve (12). In applying any Plan limitation on the amount of matching contributions, where such limits are expressed as a percentage of Compensation, the Administrator may apply the Compensation limit under this Section annually, even if the matching contribution formula is applied on any time interval which is less than the full Plan Year or the Administrator may pro rate the Compensation limit.

In the case of an "eligible Participant," the dollar limitation under Code §401(a)(17) shall not apply to the extent the amount under the Plan would be reduced below the amount which was allowed to be taken into account under the Plan as in effect on July 1, 1993. For purposes of this provision, an "eligible Participant" is an individual who first became a Participant before the first Plan Year beginning after the earlier of (i) the Plan Year in which the Plan was amended to reflect Code §401(a)(17), or (ii) December 31, 1995.

(f) **Non-eligible Employee.** If, in the Adoption Agreement, the Employer elects to exclude a class of Employees from the Plan, then Compensation for any Employee who becomes eligible or ceases to be eligible to participate during a "determination period" shall only include Compensation while the Employee is an Eligible Employee.

(g) **Amendment.** If, in connection with the adoption of any amendment, the definition of Compensation has been modified, then, except as otherwise provided herein, for Plan Years prior to the Plan Year which includes the adoption date of such amendment, Compensation means compensation determined pursuant to the terms of the Plan then in effect.

(h) **Affiliated Employers.** Affiliated Employers are treated as one Employer for purposes of Compensation. If, however, one or more Affiliated Employers are Participating Employers and the Plan (including the Adoption Agreement or a participation agreement) allocate Employer Contributions separately among the Employees directly employed by a Participating Employer, then, in computing such allocations, Compensation paid by other Participating Employers is excluded Compensation.

1.11 "Contract" or "Policy" means any life insurance policy, retirement income policy, or annuity contract (group or individual) issued by the Insurer. In the event of any conflict between the terms of this Plan and the terms of any contract purchased hereunder, the Plan provisions shall control.

1.12 "Custodian" means a person or entity that has custody of all or any portion of the Plan assets.

1.13 "Directed Trustee" means a Trustee who, with respect to the investment of Plan assets, is subject to the direction of the Administrator, the Employer, a properly appointed Investment Manager, or Plan Participant.

1.14 "Discretionary Trustee" means a Trustee who has the authority and discretion to invest, manage or control any portion of the Plan assets.

1.15 "Early Retirement Date" means the date specified in the Adoption Agreement on which a Participant has satisfied the requirements specified in the Adoption Agreement (Early Retirement Age). If elected in the Adoption Agreement, a Participant shall become fully Vested upon satisfying such requirements if the Participant is still employed at the Early Retirement Age.

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A Participant who severs from employment after satisfying any service requirement but before satisfying the age requirement for Early Retirement Age and who thereafter reaches the age requirement contained herein shall be entitled to receive benefits under this Plan (other than any accelerated vesting and allocations of Employer contributions) as though the requirements for Early Retirement Age had been satisfied.

1.16 "Effective Date" means the date this Plan, including any restatement or amendment of this Plan, is effective. Where the Plan is restated or amended, a reference to Effective Date is the effective date of the restatement or amendment, except where the context indicates a reference to an earlier Effective Date. If any provision of this Plan is retroactively effective, the provisions of this Plan generally control. However, if the provision of this Plan is different from the provision of the Employer's prior plan document and, after the retroactive Effective Date of this Plan, the Employer operated in compliance with the provisions of the prior plan, then the provision of such prior plan is incorporated into this Plan for purposes of determining whether the Employer operated the Plan in compliance with its terms, provided operation in compliance with the terms of the prior plan do not violate any qualification requirements under the Code, Regulations, or other IRS guidance.

The Employer may designate special effective dates for individual provisions under the Plan where provided in the Adoption Agreement or under Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections). If one or more qualified retirement plans have been merged into this Plan, the provisions of the merging plan(s) will remain in full force and effect until the effective date of the plan merger(s).

1.17 "Eligible Employee" means any Eligible Employee as elected in the Adoption Agreement and as provided herein.

(a) **"Reclassified Employees."** An individual shall not be an Eligible Employee (unless otherwise elected in Appendix A to the Adoption Agreement) if such individual is a "Reclassified Employee." A "Reclassified Employee" is any person the Employer does not treat as a common law employee or as a self-employed individual (including, but not limited to, independent contractors, persons the Employer pays outside of its payroll system and out-sourced workers) for federal income tax withholding purposes under Code §3401(a), irrespective of whether there is a binding determination that the individual is an Employee or a Leased Employee of the Employer. Self-Employed Individuals are not "Reclassified Employees."

(b) **Affiliated Employers.** Employees of an Affiliated Employer will not be treated as Eligible Employees prior to the date the Affiliated Employer adopts the Plan as a Participating Employer.

(c) **Union Employees.** If, in the Adoption Agreement, the Employer elects to exclude union employees, then Employees whose employment is governed by a collective bargaining agreement between the Employer and "employee representatives" under which retirement benefits were the subject of good faith bargaining, shall not be eligible to participate in this Plan to the extent of employment covered by such agreement, unless the agreement provides for coverage in the Plan (see Section 4.1(d)). For this purpose, the term "employee representatives" does not include any organization more than half of whose members are employees who are owners, officers, or executives of the Employer. If a Participant performs services both as a collectively bargained Employee and as a non-collectively bargained Employee, then the Participant's Hours of Service in each respective category are treated separately.

(d) **Nonresident Employees.** If, in the Adoption Agreement, the Employer elects to exclude nonresident aliens, then Employees who are nonresident aliens (within the meaning of Code §7701(b)(1)(B)) who received no earned income (within the meaning of Code §911(d)(2)) from the Employer which constitutes income from sources within the United States (within the meaning of Code §861(a)(3)) shall not be eligible to participate in this Plan. In addition, this paragraph shall also apply to exclude from participation in the Plan an Employee who is a nonresident alien (within the meaning of Code §7701(b)(1)(B)) but who receives earned income (within the meaning of Code §911(d)(2)) from the Employer that constitutes income from sources within the United States (within the meaning of Code §861(a)(3)), if all of the Employee's earned income from the Employer from sources within the United States is exempt from United States income tax under an applicable income tax convention. The preceding sentence will apply only if all Employees described in the preceding sentence are excluded from the Plan.

1.18 "Employee" means any person who is employed by the Employer. The term "Employee" shall also include any person who is an employee of an Affiliated Employer and any Leased Employee deemed to be an Employee as provided in Code §414(n) or (o).

1.19 "Employer" means the governmental entity specified in the Adoption Agreement, any successor which shall maintain this Plan and any predecessor which has maintained this Plan. In addition, unless the context means otherwise, the term "Employer" shall include any Participating Employer which shall adopt this Plan. This plan may only be adopted a state or local governmental entity, or agency thereof, including an Indian tribal government, and may not be adopted by any other entity, including a federal government and any agency or instrumentality thereof.

1.20 "Fiscal Year" means the Employer's accounting year.

1.21 "Forfeiture" means that portion of a Participant's Account that is not Vested and is disposed of in accordance with the provisions of the Plan.

A Forfeiture will occur on the following, as elected by the Employer in the Adoption Agreement:

- (a) The last day of the Plan Year in which a Participant incurs five (5) consecutive 1-Year Breaks in Service, or
- (b) The distribution of the entire Vested portion of the Participant's Account of a Participant who has severed employment with the Employer. For purposes of this provision, if the Participant has a Vested benefit of zero, then such Participant shall be deemed to have received a distribution of such Vested benefit as of the year in which the severance of employment occurs. For this purpose, a Participant's Vested benefit shall not include: (i) qualified voluntary employee contributions within the meaning of Code §72(o)(5)(B), and (ii) the Participant's Rollover Account.
- (c) As soon as reasonably practical after the date a Participant severs employment.

Regardless of the preceding, if a Participant is eligible to share in the allocation of Forfeitures in the year in which the Forfeiture would otherwise occur, then the Forfeiture will not occur until the end of the first Plan Year for which the Participant is not eligible to share in the allocation of Forfeitures. Furthermore, the term "Forfeiture" shall also include amounts deemed to be Forfeitures pursuant to any other provision of this Plan.

1.22 "Former Employee" means an individual who has severed employment with the Employer or an Affiliated Employer.

1.23 "415 Compensation" means, with respect to any Participant, such Participant's (a) Wages, tips and other compensation on Form W-2, (b) Code §3401(a) wages or (c) 415 safe harbor compensation as elected in the Adoption Agreement for purposes of Compensation (and as defined in Subsections 1.10(a)(1)-3 respectively). 415 Compensation shall be based on the full Limitation Year regardless of when participation in the Plan commences. Furthermore, regardless of any election made in the Adoption Agreement, 415 Compensation shall include any elective deferral (as defined in Code §§402(e)(3), 402(k) and 402(h)(1)(B)) and any amount which is contributed or deferred by the Employer at the election of the Participant and which is not includible in the gross income of the Participant by reason of Code §§125, 457, and 132(f)(4). If the Plan contains pick-up provisions (certain contributions designated as employee contributions, that are then "picked-up" by the Employer), then those pick-up contributions are not includible as Compensation for purposes of IRC §415 & Reg. §1.415-2(d)(2)(i). In addition, Military Differential Pay is treated as 415 Compensation.

(a) **Deemed 125 compensation.** If elected in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections), 415 Compensation shall also include deemed §125 compensation. Deemed §125 compensation is an amount that is excludable under §106 that is not available to a participant in cash in lieu of group health coverage under a §125 arrangement solely because the participant is unable to certify that he or she has other health coverage. An amount will be treated as an amount under Code §125 pursuant to the preceding sentence only if the Employer does not request or collect information regarding the Participant's other health coverage as part of the enrollment process for the health plan.

(b) **Post-severance compensation.** The Administrator shall adjust 415 Compensation for amounts that would otherwise be included in the definition of 415 Compensation but are paid by the later of 2 1/2 months after a Participant's severance from employment with the Employer or the end of the Limitation Year that includes the date of the Participant's severance from employment with the Employer, in accordance with the following, as elected in the Compensation Section of the Adoption Agreement. The preceding time period, however, does not apply with respect to payments described in Subsections (4) and (5) below. Any other payment of compensation paid after severance of employment that is not described in the following types of compensation is not considered 415 Compensation, even if payment is made within the time period specified above.

(1) **Regular pay.** 415 Compensation shall include regular pay after severance of employment (to the extent otherwise included in the definition of 415 Compensation) if:

- (i) The payment is regular compensation for services during the Participant's regular working hours, or compensation for services outside the Participant's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments; and
- (ii) The payment would have been paid to the Participant prior to a severance from employment if the Participant had continued in employment with the Employer.

(2) **Leave cash-outs.** 415 Compensation shall include leave cash-outs if those amounts would have been included in the definition of 415 Compensation if they were paid prior to the Participant's severance from employment with the Employer, and the amounts are for unused accrued bona fide sick, vacation, or other leave, but only if the Participant would have been able to use the leave if employment had continued.

(3) **Deferred compensation.** 415 Compensation shall include deferred compensation if those amounts would have been included in the definition of 415 Compensation if they were paid prior to the Participant's severance from employment with the Employer, and the amounts are received pursuant to a nonqualified unfunded deferred compensation plan, but only if the

payment would have been paid if the Participant had continued in employment with the Employer and only to the extent the payment is includible in the Participant's gross income.

(4) **Military Differential Pay.** 415 Compensation shall include payments to an individual who does not currently perform services for the Employer by reason of qualified military service (as that term is used in Code §414(u)(1)) to the extent those payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the Employer rather than entering qualified military service.

(5) **Disability pay.** 415 Compensation shall include compensation paid to a Participant who is permanently and totally disabled, as defined in Code §22(e)(3), provided, as elected by the Employer in the Compensation Section of the Adoption Agreement, salary continuation applies to all Participants who are permanently and totally disabled for a fixed or determinable period, or the Participant was not a highly compensated employee (within the meaning of Code §414(q)) immediately before becoming disabled.

(c) **Back pay.** Back pay, within the meaning of Regulations §1.415(c)-2(g)(8), shall be treated as Compensation for the Limitation Year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included under this definition.

(d) **Dollar limitation.** 415 Compensation will be limited to the same dollar limitations set forth in Section 1.10(e) adjusted in such manner as permitted under Code §415(d).

(e) **Amendment.** Except as otherwise provided herein, if, in connection with the adoption of any amendment, the definition of 415 Compensation has been modified, then for Plan Years prior to the Plan Year which includes the adoption date of such amendment, 415 Compensation means compensation determined pursuant to the terms of the Plan then in effect.

1.24 "Hour of Service" means (a) each hour for which an Employee is directly or indirectly compensated or entitled to compensation by the Employer for the performance of duties during the applicable computation period (these hours will be credited to the Employee for the computation period in which the duties are performed); (b) each hour for which an Employee is directly or indirectly compensated or entitled to Compensation by the Employer (irrespective of whether the employment relationship has terminated) for reasons other than performance of duties (such as vacation, holidays, sickness, incapacity (including disability), jury duty, lay-off, military duty or leave of absence) during the applicable computation period; (c) each hour for which back pay is awarded or agreed to by the Employer without regard to mitigation of damages (these hours will be credited to the Employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement or payment is made). The same Hours of Service shall not be credited both under (a) or (b), as the case may be, and under (c).

Notwithstanding (b) above, (1) no more than 501 Hours of Service will be credited to an Employee on account of any single continuous period during which the Employee performs no duties (whether or not such period occurs in a single computation period); (2) an hour for which an Employee is directly or indirectly paid, or entitled to payment, on account of a period during which no duties are performed is not required to be credited to the Employee if such payment is made or due under a plan maintained solely for the purpose of complying with applicable workers' compensation, or unemployment compensation or disability insurance laws; and (3) Hours of Service are not required to be credited for a payment which solely reimburses an Employee for medical or medically related expenses incurred by the Employee. Furthermore, for purposes of (b) above, a payment shall be deemed to be made by or due from the Employer regardless of whether such payment is made by or due from the Employer directly, or indirectly through, among others, a trust fund, or insurer, to which the Employer contributes or pays premiums and regardless of whether contributions made or due to the trust fund, insurer, or other entity are for the benefit of particular Employees or are on behalf of a group of Employees in the aggregate.

Hours of Service will be credited for employment with all Affiliated Employers and for any individual considered to be a Leased Employee pursuant to Code §414(n) or 414(o) and the Regulations thereunder.

Hours of Service will be determined using the actual hours method unless one of the methods below is elected in the Adoption Agreement. If the **actual hours** method is used to determine Hours of Service, an Employee is credited with the actual Hours of Service the Employee completes with the Employer or the number of Hours of Service for which the Employee is paid (or entitled to payment).

If the **days worked** method is elected, an Employee will be credited with ten (10) Hours of Service if under the Plan such Employee would be credited with at least one (1) Hour of Service during the day.

If the **weeks worked** method is elected, an Employee will be credited with forty-five (45) Hours of Service if under the Plan such Employee would be credited with at least one (1) Hour of Service during the week.

If the **semi-monthly payroll periods worked** method is elected, an Employee will be credited with ninety-five (95) Hours of Service if under the Plan such Employee would be credited with at least one (1) Hour of Service during the semi-monthly payroll period.

If the **months worked** method is elected, an Employee will be credited with one hundred ninety (190) Hours of Service if under the Plan such Employee would be credited with at least one (1) Hour of Service during the month.

If the **bi-weekly payroll periods worked** method is elected, an Employee will be credited with ninety (90) Hours of Service if under the Plan such Employee would be credited with at least one (1) Hour of Service during the bi-weekly payroll period.

1.25 "Insurer" means any legal reserve insurance company which has issued or shall issue one or more Contracts or Policies under the Plan.

1.26 "Investment Manager" means a person or entity which renders investment advice for a fee or other compensation, direct or indirect, with respect to any monies or property of the Plan and which is appointed in accordance with Section 2.1(b).

1.27 "Joint and Survivor Annuity" means an immediate annuity for the life of a Participant with a survivor annuity for the life of the Participant's Spouse which is not less than fifty percent (50%), nor more than one hundred percent (100%) of the amount of the annuity payable during the joint lives of the Participant and the Participant's Spouse which can be purchased with the Participant's Vested interest in the Plan reduced by any outstanding loan balances pursuant to Section 7.4.

1.28 "Late Retirement Date" means the date of, or the first day of the month or the Anniversary Date coinciding with or next following, whichever corresponds to the election in the Adoption Agreement for the Normal Retirement Date, a Participant's actual retirement after having reached the Normal Retirement Date.

1.29 "Leased Employee" means any person (other than an Employee of the recipient Employer) who, pursuant to an agreement between the recipient Employer and any other person or entity ("leasing organization"), has performed services for the recipient (or for the recipient and related persons determined in accordance with Code §414(n)(6)) on a substantially full time basis for a period of at least one year, and such services are performed under primary direction or control by the recipient Employer. Contributions or benefits provided a Leased Employee by the leasing organization which are attributable to services performed for the recipient Employer shall be treated as provided by the recipient Employer. Furthermore, Compensation for a Leased Employee shall only include compensation from the leasing organization that is attributable to services performed for the recipient Employer.

A Leased Employee shall not be considered an employee of the recipient Employer if: (a) such employee is covered by a money purchase pension plan providing: (1) a non-integrated employer contribution rate of at least ten percent (10%) of compensation, as defined in Code §415(c)(3), (2) immediate participation, and (3) full and immediate vesting; and (b) leased employees do not constitute more than twenty percent (20%) of the recipient Employer's nonhighly compensated workforce.

1.30 "Limitation Year" means the "determination period" used to determine Compensation. However, the Employer may elect a different Limitation Year in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections). All qualified plans maintained by the Employer must use the same Limitation Year. Furthermore, unless there is a change to a new Limitation Year, the Limitation Year will be a twelve (12) consecutive month period. In the case of an initial Limitation Year, the Limitation Year will be the twelve (12) consecutive month period ending on the last day of the period specified in the Adoption Agreement. If the Limitation Year is amended to a different twelve (12) consecutive month period, the new "Limitation Year" must begin on a date within the "Limitation Year" in which the amendment is made. The Limitation Year may only be changed by a Plan amendment. Furthermore, if the Plan is terminated effective as of a date other than the last day of the Plan's Limitation Year, then the Plan is treated as if the Plan had been amended to change its Limitation Year.

1.31 "Military Differential Pay" means any differential wage payments made to an individual that represents an amount which, when added to the individual's military pay, approximates the amount of Compensation that was paid to the individual while working for the Employer. An individual receiving a differential wage payment, as defined by Code §3401(h)(2), is treated as an Employee of the Employer making the payment.

1.32 "Nonelective Contribution" means the Employer's contributions to the Plan.

1.33 "Normal Retirement Age" means the age elected in the Adoption Agreement at which time a Participant's Account shall be nonforfeitable (if elected in the Adoption Agreement and if the Participant is employed by the Employer on or after that date). For money purchase pension plans, if the employer enforces a mandatory retirement age, then the Normal Retirement Age is the lesser of that mandatory age or the age specified in the Adoption Agreement. Upon attaining Normal Retirement Age or the stated age and completion of the required years of service and any other reasonable requirements set forth in the Plan, the Plan will provide for full vesting of an Employee's interest.

1.34 "Normal Retirement Date" means the date elected in the Adoption Agreement.

1.35 "1-Year Break in Service" means, if the Hour of Service method is used, the applicable computation period that is used to determine a Year of Service during which an Employee or Former Employee has not completed more than 500 Hours of Service. However, if the Employer selected, in the Service Crediting Method Section of the Adoption Agreement, to define a Year of Service as less than 1,000 Hours of Service, then the 500 Hours of Service in this definition of 1-Year Break in Service shall be proportionately reduced. Further, solely for the purpose of determining whether an Employee has incurred a 1-Year Break in Service, Hours of Service shall be

recognized for "authorized leaves of absence" and "maternity and paternity leaves of absence." For this purpose, Hours of Service shall be credited for the computation period in which the absence from work begins, only if credit therefore is necessary to prevent the Employee from incurring a 1-Year Break in Service, or, in any other case, in the immediately following computation period. The Hours of Service credited for a "maternity or paternity leave of absence" shall be those which would normally have been credited but for such absence, or, in any case in which the Administrator is unable to determine such hours normally credited, eight (8) Hours of Service per day. The total Hours of Service required to be credited for a "maternity or paternity leave of absence" shall not exceed the number of Hours of Service needed to prevent the Employee from incurring a 1-Year Break in Service.

"Authorized leave of absence" means an unpaid, temporary cessation from active employment with the Employer pursuant to an established policy, whether occasioned by illness, military service, or any other reason.

A "maternity or paternity leave of absence" means an absence from work for any period by reason of the Employee's pregnancy, birth of the Employee's child, placement of a child with the Employee in connection with the adoption of such child, or any absence for the purpose of caring for such child for a period immediately following such birth or placement.

If the elapsed time method is elected in the Service Crediting Method Section of the Adoption Agreement, then a "1-Year Break in Service" means a twelve (12) consecutive month period beginning on the severance from service date or any anniversary thereof and ending on the next succeeding anniversary of such date; provided, however, that the Employee or Former Employee does not perform an Hour of Service for the Employer during such twelve (12) consecutive month period.

1.36 "Participant" means any Employee or Former Employee who has satisfied the requirements of Sections 3.1 and 3.2 and entered the Plan and is eligible to accrue benefits under the Plan. In addition, the term "Participant" also includes any individual who was a Participant (as defined in the preceding sentence) and who must continue to be taken into account under a particular provision of the Plan (e.g., because the individual has an Account balance in the Plan).

1.37 "Participant Directed Account" means that portion of a Participant's interest in the Plan with respect to which the Participant has directed the investment in accordance with the Participant Direction Procedures.

1.38 "Participant Direction Procedures" means such instructions, guidelines or policies, the terms of which are incorporated herein, as shall be established pursuant to Section 4.10 and observed by the Administrator and applied and provided to Participants who have Participant Directed Accounts.

1.39 "Participating Employer" means an Employer which, with the consent of the "lead Employer" adopts the Plan pursuant to Section 10.1 or Article XI. In addition, unless the context means otherwise, the term "Employer" shall include any Participating Employer which shall adopt this Plan.

1.40 "Period of Service" means the aggregate of all periods of service commencing with an Employee's first day of employment or reemployment with the Employer or an Affiliated Employer and ending on the first day of a Period of Severance, or for benefit accrual purposes, ending on the severance from service date. The first day of employment or reemployment is the first day the Employee performs an Hour of Service. An Employee who incurs a Period of Severance of twelve (12) months or less will also receive service-spanning credit by treating any such period as a Period of Service for purposes of eligibility and vesting (but not benefit accrual). For purposes of benefit accrual, a Participant's whole year Periods of Service is equal to the sum of all full and partial periods of service, whether or not such service is continuous or contiguous, expressed in the number of whole years represented by such sum. For this purpose, fractional periods of a year will be expressed in terms of days.

Periods of Service with any Affiliated Employer shall be recognized. Furthermore, Periods of Service with any predecessor employer that maintained this Plan shall be recognized. Periods of Service with any other predecessor employer shall be recognized as elected in the Adoption Agreement.

In determining Periods of Service for purposes of vesting under the Plan, Periods of Service will be excluded as elected in the Adoption Agreement and as specified in Section 3.5.

In the event the method of crediting service is amended from the Hour of Service method to the elapsed time method, an Employee will receive credit for a Period of Service consisting of:

- (a) A number of years equal to the number of Years of Service credited to the Employee before the computation period during which the amendment occurs; and
- (b) The greater of (1) the Periods of Service that would be credited to the Employee under the elapsed time method for service during the entire computation period in which the transfer occurs or (2) the service taken into account under the Hour of Service method as of the date of the amendment.

In addition, the Employee will receive credit for service subsequent to the amendment commencing on the day after the last day of the computation period in which the transfer occurs.

1.41 "Period of Severance" means a continuous period of time during which an Employee is not employed by the Employer. Such period begins on the date the Employee retires, quits or is discharged, or if earlier, the twelve (12) month anniversary of the date on which the Employee was otherwise first absent from service.

In the case of an individual who is absent from work for "maternity or paternity" reasons, the twelve (12) consecutive month period beginning on the first anniversary of the first day of such absence shall not constitute a one year Period of Severance. For purposes of this paragraph, an absence from work for "maternity or paternity" reasons means an absence (a) by reason of the pregnancy of the individual, (b) by reason of the birth of a child of the individual, (c) by reason of the placement of a child with the individual in connection with the adoption of such child by such individual, or (d) for purposes of caring for such child for a period beginning immediately following such birth or placement.

1.42 "Plan" means this instrument (hereinafter referred to as Nationwide Financial Services, Inc Non-Standardized Governmental 401(a) Pre-Approved Plan (Basic Plan Document #03 and the Adoption Agreement) as adopted by the Employer, including all amendments thereto and any appendix which is specifically permitted pursuant to the terms of the Plan.

1.43 "Plan Year" means the Plan's accounting year as specified in the Adoption Agreement. Unless there is a Short Plan Year, the Plan Year will be a twelve-consecutive month period.

1.44 "Pre-Retirement Survivor Annuity" means an immediate annuity for the life of a Participant's Spouse, the payments under which must be equal to the benefit which can be provided with the percentage, as specified in the Adoption Agreement, of the Participant's Vested interest in the Plan as of the date of death. If no election is made in the Adoption Agreement, the percentage shall be equal to fifty percent (50%). Furthermore, if less than one hundred percent (100%) of the Participant's Vested interest in the Plan is used to provide the Pre-Retirement Survivor Annuity, a proportionate share of each of the Participant's Accounts subject to the Pre-Retirement Survivor Annuity shall be used to provide the Pre-Retirement Survivor Annuity.

1.45 "Regulation" means the Income Tax Regulations as promulgated by the Secretary of the Treasury or a delegate of the Secretary of the Treasury, and as amended from time to time.

1.46 "Retirement Date" means the date as of which a Participant retires for reasons other than Total and Permanent Disability, regardless of whether such retirement occurs on a Participant's Normal Retirement Date, Early Retirement Date or Late Retirement Date (see Section 6.1).

1.47 "Short Plan Year" means, if specified in the Adoption Agreement or as the result of an amendment, a Plan Year of less than a twelve (12) month period. If there is a Short Plan Year, the following rules shall apply in the administration of this Plan. In determining whether an Employee has completed a Year of Service (or Period of Service if the elapsed time method is used) for benefit accrual purposes in the Short Plan Year, the number of the Hours of Service (or months of service if the elapsed time method is used) required shall be proportionately reduced based on the number of days (or months) in the Short Plan Year.

1.48 "Spouse" means, a spouse as determined under federal tax law. In addition, with respect to benefits or rights not mandated by law, Spouse also includes a spouse as elected in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections).

1.49 "Terminated Participant" means a person who has been a Participant, but whose employment has been terminated with the Employer (including an Affiliated Employer) or applicable Participating Employer, other than by death, Total and Permanent Disability or retirement.

1.50 "Total and Permanent Disability" means, unless otherwise specified in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections), the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months. The disability of a Participant shall be determined by a licensed physician. However, if the condition constitutes total disability under the federal Social Security Acts, the Administrator may rely upon such determination that the Participant is Totally and Permanently Disabled for the purposes of this Plan. The determination shall be applied uniformly to all Participants.

1.51 "Trustee" means any person or entity that has agreed to serve as Trustee pursuant to the terms of the Trust agreement, or any successors thereto. The Employer may designate Trustees by business position or title. In addition, unless the context means, or the Plan provides, otherwise, the term "Trustee" shall mean the Insurer if the Plan is fully insured. The Employer has no reliance on the IRS opinion letter with respect to the separate Trust agreement.

1.52 "Trust Fund" means, if the Plan is funded with a trust, the assets of the Plan and Trust as the same shall exist from time to time.

1.53 "Valuation Date" means the date or dates specified in the Adoption Agreement. Regardless of any election to the contrary, for purposes of the determination and allocation of earnings and losses, the Valuation Date shall include the Anniversary Date and may include any other date or dates deemed necessary or appropriate by the Administrator for the valuation of Participants' Accounts during the Plan

Year, which may include any day that the Trustee (or Insurer), any transfer agent appointed by the Trustee (or Insurer) or the Employer, or any stock exchange used by such agent, are open for business.

1.54 "Vested" means the nonforfeitable portion of any Account maintained on behalf of a Participant.

1.55 "Year of Service" means the computation period of twelve (12) consecutive months, herein set forth, and during which an Employee has completed at least 1,000 Hours of Service (unless a different number of Hours of Service is specified in the Adoption Agreement).

For purposes of eligibility for participation, the initial computation period shall begin with the date on which the Employee first performs an Hour of Service (employment commencement date). Unless otherwise elected in the Service Crediting Method Section of the Adoption Agreement, the succeeding computation periods shall begin on the anniversary of the Employee's employment commencement date. However, unless otherwise elected in the Adoption Agreement, if one (1) Year of Service or less is required as a condition of eligibility, then the computation period after the initial computation period shall shift to the current Plan Year which includes the anniversary of the date on which the Employee first performed an Hour of Service, and subsequent computation periods shall be the Plan Year. If there is a shift to the Plan Year, an Employee who is credited with the number of Hours of Service to be credited with a Year of Service in both the initial eligibility computation period and the first Plan Year which commences prior to the first anniversary of the Employee's initial eligibility computation period will be credited with two (2) Years of Service for purposes of eligibility to participate.

If two (2) (or more) Years of Service are required as a condition of eligibility, a Participant will only have completed two (2) (or more) Years of Service for eligibility purposes upon completing two (2) or more consecutive Years of Service without an intervening 1-Year Break in Service.

For vesting purposes, and all other purposes not specifically addressed in this Section, the computation period shall be the period elected in the Service Crediting Method Section of the Adoption Agreement. If no election is made in the Service Crediting Method Section of the Adoption Agreement, then the computation period shall be the Plan Year.

In determining Years of Service for purposes of vesting under the Plan, Years of Service will be excluded as elected in the Adoption Agreement and as specified in Section 3.5.

Years of Service and 1-Year Breaks in Service for eligibility purposes will be measured on the same eligibility computation period. Years of Service and 1-Year Breaks in Service for vesting purposes will be measured on the same vesting computation period.

Years of Service with any Affiliated Employer shall be recognized. Furthermore, Years of Service with any predecessor employer that maintained this Plan shall be recognized. Years of Service with any other employer shall be recognized as elected in the Adoption Agreement.

In the event the method of crediting service is amended from the elapsed time method to the Hour of Service method, an Employee will receive credit for Years of Service equal to:

- (a) The number of Years of Service equal to the number of 1-year Periods of Service credited to the Employee as of the date of the amendment; and
- (b) In the computation period which includes the date of the amendment, a number of Hours of Service (using the Hours of Service equivalency method, if any, elected in the Adoption Agreement) to any fractional part of a year credited to the Employee under this Section as of the date of the amendment.

ARTICLE II ADMINISTRATION

2.1 POWERS AND RESPONSIBILITIES OF THE EMPLOYER

(a) **Appointment of Trustee (or Insurer) and Administrator.** In addition to the general powers and responsibilities otherwise provided for in this Plan, the Employer shall be empowered to appoint and remove one or more Trustees (or Insurers) and Administrators from time to time as it deems necessary for the proper administration of the Plan to ensure that the Plan is being operated for the exclusive benefit of the Participants and their Beneficiaries in accordance with the terms of the Plan and the Code. The Employer may appoint counsel, specialists, advisers, agents (including any nonfiduciary agent) and other persons as the Employer deems necessary or desirable in connection with the exercise of its fiduciary duties under this Plan. The Employer may compensate such agents or advisers from the assets of the Plan as fiduciary expenses (but not including any business (settlor) expenses of the Employer), to the extent not paid by the Employer.

(b) **Appointment of Investment Manager.** Unless prohibited by the terms of the Trust agreement, the Employer may appoint, at its option, one or more Investment Managers, investment advisers, or other agents to provide investment direction to the Trustee (or Insurer) with respect to any or all of the Plan assets. Such appointment shall be given by the Employer in writing in a form

acceptable to the Trustee (or Insurer) and shall specifically identify the Plan assets with respect to which the Investment Manager or other agent shall have the authority to direct the investment.

(c) **Indemnity.** To the extent permitted by the Code, and unless otherwise specified in a separate agreement, the Employer will indemnify and hold harmless the Administrator, officers, directors, shareholders, employees, and agents of the Employer; the Plan; the Trustees, Fiduciaries, Participants and Beneficiaries of the Plan, as well as their respective successors and assigns, against any cause of action, loss, liability, damage, cost, or expense of any nature whatsoever (including, but not limited to, attorney's fees and costs, whether or not suit is brought, as well as IRS plan disqualifications, and other sanctions or compliance fees) arising out of or relating to the Employer's noncompliance with any of the Plan's terms or requirements; any intentional or negligent act or omission the Employer commits with regard to the Plan; and any omission or provision of incorrect information with regard to the Plan which causes the Plan to fail to satisfy the requirements of a tax-qualified plan. This indemnity provision shall continue to apply to the Employer with respect to the period the entity was maintaining this Plan, even if the Employer ceases to maintain the Plan.

2.2 DESIGNATION OF ADMINISTRATIVE AUTHORITY

The Employer may appoint one or more Administrators. If the Employer does not appoint an Administrator, the Employer will be the Administrator. Any person, including, but not limited to, the Employees of the Employer, shall be eligible to serve as an Administrator. Any person so appointed shall signify acceptance by filing written or electronic acceptance with the Employer. An Administrator may resign by delivering a written resignation to the Employer or be removed by the Employer by delivery of written notice of removal, to take effect at a date specified therein, or upon delivery to the Administrator if no date is specified. Upon the resignation or removal of an Administrator, the Employer may designate in writing a successor to this position.

2.3 ALLOCATION AND DELEGATION OF RESPONSIBILITIES

If more than one person is appointed as Administrator, then the responsibilities of each Administrator may be specified by the Employer and accepted in writing by each Administrator. If no such delegation is made by the Employer, then the Administrators may allocate the responsibilities among themselves, in which event the Administrators shall notify the Employer and the Trustee (or Insurer) in writing of such action and specify the responsibilities of each Administrator. The Trustee (or Insurer) thereafter shall accept and rely upon any documents executed by the appropriate Administrator until such time as the Employer or the Administrators file with the Trustee (or Insurer) a written revocation of such designation.

2.4 POWERS AND DUTIES OF THE ADMINISTRATOR

The primary responsibility of the Administrator is to administer the Plan for the exclusive benefit of the Participants and their Beneficiaries, subject to the specific terms of the Plan. The Administrator shall administer the Plan in accordance with its terms and shall have the power and discretion to construe the terms of the Plan and determine all questions arising in connection with the administration, interpretation, and application of the Plan. Benefits under this Plan will be paid only if the Administrator decides in its discretion that the applicant is entitled to them. Any such determination by the Administrator shall be conclusive and binding upon all persons. The Administrator may establish procedures, correct any defect, supply any information, or reconcile any inconsistency in such manner and to such extent as shall be deemed necessary or advisable to carry out the purpose of the Plan; provided, however, that any procedure, discretionary act, interpretation or construction shall be done based upon uniform principles consistently applied and shall be consistent with the intent that the Plan continue to be deemed a qualified plan under the terms of Code §401(a). The Administrator shall have all powers necessary or appropriate to accomplish its duties under this Plan.

The Administrator shall be charged with the duties of the general administration of the Plan and the powers necessary to carry out such duties as set forth under the terms of the Plan, including, but not limited to, the following:

- (a) the discretion to determine all questions relating to the eligibility of an Employee to participate or remain a Participant hereunder and to receive benefits under the Plan;
- (b) the authority to review and settle all claims against the Plan, including claims where the settlement amount cannot be calculated or is not calculated in accordance with the Plan's benefit formula. This authority specifically permits the Administrator to settle disputed claims for benefits and any other disputed claims made against the Plan;
- (c) to compute, certify, and direct agents of the Plan respect to the amount and the kind of benefits to which any Participant shall be entitled hereunder;
- (d) to authorize and direct the Trustee (or Insurer) with respect to all discretionary or otherwise directed disbursements from the Trust Fund;
- (e) to maintain all necessary records for the administration of the Plan;
- (f) to interpret the provisions of the Plan and to make and publish such rules for regulation of the Plan that are consistent with the terms hereof;

- (g) to determine the size and type of any Contract to be purchased from any Insurer, and to designate the Insurer from which such Contract shall be purchased;
- (h) to compute and certify to the Employer and to the Trustee (or Insurer) from time to time the sums of money necessary or desirable to be contributed to the Plan;
- (i) to consult with the Employer and agents of the Plan regarding the short and long-term liquidity needs of the Plan;
- (j) to assist Participants regarding their rights, benefits, or elections available under the Plan; and
- (k) to determine the validity of, and take appropriate action with respect to, any "qualified domestic relations order" received by it.

2.5 RECORDS AND REPORTS

The Administrator shall keep a record of all actions taken and shall keep all other books of account, records, and other data that may be necessary for proper administration of the Plan and shall be responsible for supplying all information and reports to the Internal Revenue Service, Participants, Beneficiaries and others as required by applicable law.

2.6 APPOINTMENT OF ADVISERS

The Administrator may appoint counsel, specialists, advisers, agents (including nonfiduciary agents such as third party administrative services providers and recordkeepers) and other persons as the Administrator deems necessary or desirable in connection with the administration of this Plan, including but not limited to agents and advisers to assist with the administration and management of the Plan, and thereby to provide, among such other duties as the Administrator may appoint, assistance with maintaining Plan records and the providing of investment information to the Plan's investment fiduciaries and, if applicable, to Plan Participants.

2.7 INFORMATION FROM EMPLOYER

The Employer shall supply full and timely information to the Administrator on all pertinent facts as the Administrator may require in order to perform its functions hereunder and the Administrator shall advise appropriate agents of the Plan of such of the foregoing facts as may be pertinent to the agent's duties with respect to the Plan. The Administrator may rely upon such information as is supplied by the Employer and shall have no duty or responsibility to verify such information.

2.8 PAYMENT OF EXPENSES

All reasonable expenses of administration may be paid out of the Plan assets unless paid by the Employer. Such expenses shall include any expenses incident to the functioning of the Administrator, or any person or persons retained or appointed by any named fiduciary incident to the exercise of their duties under the Plan, including, but not limited to, fees of accountants, counsel, Investment Managers, agents (including nonfiduciary agents such as third party administrative services providers and recordkeepers) appointed for the purpose of assisting the Administrator or Trustee (or Insurer) in carrying out the instructions of Participants as to the directed investment of their Accounts (if permitted) and other specialists and their agents and other costs of administering the Plan. If liquid assets of the Plan are insufficient to cover the fees of the Trustee (or Insurer) or the Administrator, then Plan assets shall be liquidated to the extent necessary for such fees. In the event any part of the Plan assets becomes subject to tax, all taxes incurred will be paid from the Plan assets. Until paid, the expenses shall constitute a liability of the Trust Fund.

Expenses may be charged to Account. Unless specifically prohibited under statute, regulation or other guidance of general applicability, the Administrator may charge to the Account of an individual Participant a reasonable charge to offset the cost of making a distribution to the Participant, Beneficiary, or Alternate Payee.

2.9 MAJORITY ACTIONS

Except where there has been an allocation and delegation of administrative authority pursuant to Section 2.3, if there is more than one Administrator, then they shall act by a majority of their number, but may authorize one or more of them to sign all papers on their behalf.

2.10 CLAIMS PROCEDURES

(a) Non-ERISA provisions. Sections 2.10(a) and (b) apply unless (1) the Administrator has adopted other Plan provisions or other claims procedures that override all or a portion of the provisions set forth in this Plan Section 2.10, or (2) the Employer has elected in the Adoption Agreement to apply all or some of Subsections (c) – (g) below (which are based on provisions of the Employee Retirement Security Act even though ERISA does not apply to this Plan).

Any person who believes that he or she is entitled to a benefit under the Plan shall file with the Administrator a written notice of claim for such benefit within 45 days of such right accruing or shall forever waive entitlement to such benefit. Within 120 days after its receipt of such written notice of claim, the Administrator shall either grant or deny such claim provided, however, any delay on the part of the

Administrator is arriving at a decision shall not adversely affect benefits payable under a granted claim. The Administrator may, however, implement claims procedures in addition to those provided in this Plan. The implementation of such procedures shall not be considered a Plan amendment that affects an Employer's reliance on this pre-approved plan.

The Administrator and all persons determining or reviewing claims have full discretion to determine benefit claims under the Plan. Any interpretation, determination or other action of such persons shall be subject to review only if it is arbitrary or capricious or otherwise an abuse of discretion. Any review of a final decision or action of the persons reviewing a claim shall be based only on such evidence presented to or considered by such persons at the time they made the decision that is the subject of review.

(b) Plan Administrator discretion; court review. The Administrator and all persons determining or reviewing claims have full discretion to determine benefit claims under the Plan. Any interpretation, determination or other action of such persons shall be subject to review only if it is arbitrary or capricious or otherwise an abuse of discretion. Any review of a final decision or action of the persons reviewing a claim shall be based only on such evidence presented to or considered by such persons at the time they made the decision that is the subject of review.

(c) Initial Claim. Claims for benefits under the Plan may be filed in writing with the Administrator. Written or electronic notice of the disposition of a claim shall be furnished to the claimant within ninety (90) days (45 days if the claim involves disability benefits and disability is not based on the Social Security Acts) after the application is filed, or such period as is required by applicable law or Department of Labor regulation. Any electronic notification shall comply with the standards imposed by Department of Labor Regulation §2520.104b 1(c)(1)(i), (iii) and (iv) or any subsequent guidance. In the event the claim is denied, the reasons for the denial shall be specifically set forth in the notice in language calculated to be understood by the claimant, pertinent provisions of the Plan shall be cited, and, where appropriate, an explanation as to how the claimant can perfect the claim will be provided. In addition, the claimant shall be furnished with an explanation of the Plan's claims review procedure.

(d) Claims review. Any Employee, Former Employee, or Beneficiary of either, who has been denied a benefit by a decision of the Administrator pursuant to Section 2.10 shall be entitled to request the Administrator to give further consideration to the claim by filing with the Administrator a written request. Such request, together with a written statement of the reasons why the claimant believes such claim should be allowed, shall be filed with the Administrator no later than sixty (60) days after receipt of the written notification provided for in this Section 2.10(c). A final decision as to the allowance of the claim shall be made by the Administrator within sixty (60) days (45 days if the claim involves disability benefits and disability is not based on the Social Security Acts) of receipt of the appeal (unless there has been an extension of sixty (60) days (45 days if the claim involves disability benefits and disability is not based on the Social Security Acts) due to special circumstances, provided the delay and the special circumstances occasioning it are communicated to the claimant within the sixty (60) day period (45 days if the claim involves disability benefits and disability is not based on the Social Security Acts)). Such communication shall be written in a manner calculated to be understood by the claimant and shall include specific reasons for the decision and specific references to the pertinent Plan provisions on which the decision is based. The communication may be written or electronic (provided the electronic communication complies with the standards imposed by Department of Labor Regulation §2520.104b 1(c)(1)(i), (iii) and (iv) or any subsequent guidance). Notwithstanding the preceding, to the extent any of the time periods specified in this Section are amended by law or Department of Labor regulation, then the time frames specified herein shall automatically be changed in accordance with such law or regulation.

(e) Deadline to file claim. To be considered timely under the Plan's claims procedures, a claim must be filed under Sections 2.10(c) or (d) above within one year after the claimant knew or reasonably should have known of the principal facts upon which the claim is based. Knowledge of all facts that the Participant knew or reasonably should have known shall be imputed to the claimant for the purpose of applying this deadline.

(f) Exhaustion of administrative remedies. The exhaustion of the claims procedures is mandatory for resolving every claim and dispute arising under this Plan. As to such claims and disputes: (1) no claimant shall be permitted to commence any legal action to recover Plan benefits or to enforce or clarify rights under the Plan or under any other provision of law, whether or not statutory, until the claims procedures set forth in Subsections (a) and (b) above have been exhausted in their entirety; and (2) in any such legal action all explicit and all implicit determinations by the Administrator (including, but not limited to, determinations as to whether the claim, or a request for a review of a denied claim, was timely filed) shall be afforded the maximum deference permitted by law.

(g) Deadline to file action. No legal action to recover Plan benefits or to enforce or clarify rights under the Plan or under any other provision of law, whether or not statutory, may be brought by any claimant on any matter pertaining to this Plan unless the legal action is commenced in the proper forum before the earlier of: (1) thirty (30) months after the claimant knew or reasonably should have known of the principal facts on which the claim is based, or (2) six (6) months after the claimant has exhausted the claims procedure under this Plan. Knowledge of all facts that the Participant knew or reasonably should have known shall be imputed to every claimant who is or claims to be a Beneficiary of the Participant or otherwise claims to derive an entitlement by reference to the Participant for purposes of applying the previously specified periods.

**ARTICLE III
ELIGIBILITY**

3.1 CONDITIONS OF ELIGIBILITY

An Eligible Employee shall be eligible to participate hereunder on the date such Employee has satisfied the conditions of eligibility, if any, elected in the Adoption Agreement.

3.2 EFFECTIVE DATE OF PARTICIPATION

(a) **General rule.** An Eligible Employee who has satisfied the conditions of eligibility pursuant to Section 3.1 shall become a Participant effective as of the date elected in the Adoption Agreement.

(b) **Rehired Employee.** This Subsection only applies to the extent the Employer elects to apply the Break-in-Service rules in Appendix A to the Adoption Agreement. If the Break-in-Service rules do not apply, then a rehired Employee is treated as a new hire. If the Break-in-Service rules do apply, then if an Eligible Employee is not employed on the date determined pursuant to (a) above, but is reemployed before a 1-Year Break in Service has occurred, then such Eligible Employee shall become a Participant on the date of reemployment or, if later, the date that the Employee would have otherwise entered the Plan had the Employee not terminated employment. If such Employee incurs a 1-Year Break in Service, then eligibility will be determined under the 1-Year Break in Service rules set forth in Section 3.5.

(c) **Recognition of predecessor service.** Unless specifically provided otherwise in the Adoption Agreement, an Eligible Employee who satisfies the Plan's eligibility requirement conditions by reason of recognition of service with a predecessor employer will become a Participant as of the day the Plan credits service with a predecessor employer or, if later, the date the Employee would have otherwise entered the Plan had the service with the predecessor employer been service with the Employer.

(d) **Noneligible to eligible class.** If an Employee, who has satisfied the Plan's eligibility requirements and would otherwise have become a Participant, shall go from a classification of a noneligible Employee to an Eligible Employee, such Employee shall become a Participant on the date such Employee becomes an Eligible Employee or, if later, the date that the Employee would have otherwise entered the Plan had the Employee always been an Eligible Employee.

(e) **Eligible to noneligible class.** If an Employee, who has satisfied the Plan's eligibility requirements and would otherwise become a Participant, shall go from a classification of an Eligible Employee to a noneligible class of Employees, such Employee shall become a Participant in the Plan on the date such Employee again becomes an Eligible Employee, or, if later, the date that the Employee would have otherwise entered the Plan had the Employee always been an Eligible Employee. However, if such Employee incurs a 1-Year Break in Service, eligibility will be determined under the 1-Year Break in Service rules set forth in Section 3.5 (if applicable to the Plan).

3.3 DETERMINATION OF ELIGIBILITY

The Administrator shall determine the eligibility of each Employee for participation in the Plan based upon information furnished by the Employer. Such determination shall be conclusive and binding upon all persons, as long as the same is made pursuant to the Plan.

3.4 TERMINATION OF ELIGIBILITY

In the event a Participant shall go from a classification of an Eligible Employee to an ineligible Employee, such Participant shall continue to vest in the Plan for each Year of Service (or Period of Service, if the elapsed time method is used) completed while an ineligible Employee, until such time as the Participant's Account is forfeited or distributed pursuant to the terms of the Plan. Additionally, the Participant's interest in the Plan shall continue to share in the earnings of the Trust Fund in the same manner as Participants.

3.5 REHIRED EMPLOYEES AND 1-YEAR BREAKS IN SERVICE

(a) **Application of Break-in Service rules.** The Break-in-Service rules set forth in this Section only apply if the Employer elects to apply the Break-in-Service rules in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections). If the Employer does not elect to apply the Break-in-Service rules, then rehired Employees are treated as new hires.

(b) **Rehired Participant/immediate re-entry.** If any Former Employee who had been a Participant is reemployed by the Employer, then the Employee shall become a Participant as of the reemployment date, unless the Employee is not an Eligible Employee or unless the Employee does not satisfy the eligibility conditions taking into account prior service to the extent such prior service is not disregarded pursuant to Section 3.5(e) below. If such prior service is disregarded, then the rehired Eligible Employee shall be treated as a new hire.

(c) **Rehired Eligible Employee who satisfied eligibility.** If any Eligible Employee had satisfied the Plan's eligibility requirements but, due to a severance of employment, did not become a Participant, then such Eligible Employee shall become a Participant as of the later of (1) the entry date on which he or she would have entered the Plan had there been no severance of

employment, or (2) the date of his or her re-employment. Notwithstanding the preceding, if the rehired Eligible Employee's prior service is disregarded pursuant to Section 3.5(e) below, then the rehired Eligible Employee shall be treated as a new hire.

(d) **Rehired Eligible Employee who had not satisfied eligibility.** If any Eligible Employee who had not satisfied the Plan's eligibility requirements is rehired after severance from employment, then such Eligible Employee shall become a Participant in the Plan in accordance with the eligibility requirements set forth in the Adoption Agreement and the Plan. However, in applying any shift in an eligibility computation period, the Eligible Employee is not treated as a new hire unless prior service is disregarded in accordance with Section 3.5(e) below.

(e) **Reemployed after five (5) 1-Year Breaks in Service ("rule of parity" provisions).** If the Employer elects in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections) to apply the "rule of parity" provisions, then if any Employee is reemployed after five (5) 1-Year Breaks in Service has occurred, Years of Service (or Periods of Service if the elapsed time method is being used) shall include Years of Service (or Periods of Service if the elapsed time method is being used) prior to the 5-Year Break in Service subject to the rules set forth below. The Employer may elect in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections) to make the provisions of this paragraph applicable for purposes of eligibility and/or vesting.

(1) In the case of a Former Employee who under the Plan does not have a nonforfeitable right to any interest in the Plan resulting from Employer contributions, Years of Service (or Periods of Service) before a period of 1-Year Breaks in Service will not be taken into account if the number of consecutive 1-Year Breaks in Service equals or exceeds the greater of (i) five (5) or (ii) the aggregate number of pre-break Years of Service (or Periods of Service). Such aggregate number of Years of Service (or Periods of Service) will not include any Years of Service (or Periods of Service) disregarded under the preceding sentence by reason of prior 1-Year Breaks in Service;

(2) A Former Employee who has not had Years of Service (or Periods of Service) before a 1-Year Break in Service disregarded pursuant to (1) above, shall participate in the Plan as of the date of reemployment, or if later, as of the date the Former Employee would otherwise enter the Plan pursuant to Sections 3.1 and 3.2 taking into account all service not disregarded.

(f) **Vesting after five (5) 1-Year Breaks in Service.** If the Employer elects in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections) to apply the Break-in-Service rules, then if f. a Participant incurs five (5) consecutive 1-Year Breaks in Service, the Vested portion of such Participant's Account attributable to pre-break service shall not be increased as a result of post-break service. In such case, separate accounts will be maintained as follows:

(1) one account for nonforfeitable benefits attributable to pre-break service; and

(2) one account representing the Participant's Employer-derived Account balance in the Plan attributable to post-break service.

(g) **Waiver of allocation or contribution conditions.** If the Employer elects in the Adoption Agreement to waive allocations or contributions due to retirement (early or normal retirement), then a Participant shall only be entitled to one such waiver. Accordingly, if a Participant retires and allocation or contribution conditions are waived, then the Plan will not waive the allocation or contribution conditions if the Participant is rehired and then retires again.

3.6 ELECTION NOT TO PARTICIPATE

An Employee may, subject to the approval of the Employer, elect voluntarily not to participate in any component of the Plan before the Employee first becomes eligible to participate in any qualified plan (subject to Code §401(a)), or any other plan or arrangement of the employer that is described in Code section 219(g)(5)(A) (whether or not terminated) maintained by the Employer. Such election must be made upon inception of the Plan or such other plan or arrangement or at any time prior to the time the Employee first becomes eligible to participate under any such plan maintained by the Employer. The election not to participate must be irrevocable and communicated to the Employer, in writing, within a reasonable period of time before the date the Employee would have otherwise entered the Plan. Notwithstanding anything in this Section to the contrary, if any prior Plan document of this Plan contained a provision permitting an Employee to make a revocable election not to participate and an Employee made such revocable election not to participate while that prior Plan document was in effect, then such Employee's waiver shall continue to be in effect.

3.7 OMISSION OF ELIGIBLE EMPLOYEE; INCLUSION OF INELIGIBLE EMPLOYEE

If, in any Plan Year, any Employee who should be included as a Participant in the Plan is erroneously omitted and discovery of such omission is not made until after a contribution by the Employer for the year has been made and allocated, or any person who should not have been included as a Participant in the Plan is erroneously included, then the Employer may take corrective actions consistent with the IRS Employee Plans Compliance Resolution System (i.e., Rev. Proc. 2018-52, Rev. Proc. 2019-19, or any subsequent guidance).

ARTICLE IV
CONTRIBUTION AND ALLOCATION

4.1 FORMULA FOR DETERMINING EMPLOYER'S CONTRIBUTION

(a) **For a Money Purchase Plan.** All contributions made by the Employer will be made in cash. For each Plan Year, the Employer will contribute to the Plan the following:

- (1) The amount of any mandatory Employee contributions and after-tax voluntary Employee contributions made by Participants; plus
- (2) On behalf of each Participant eligible to share in allocations, for each year of such Participant's participation in this Plan, the Employer will contribute the amount specified in the Adoption Agreement; plus
- (3) If elected in the Adoption Agreement, a matching contribution equal to the amount specified in the Adoption Agreement of each Participant eligible to share in the allocations of the matching contribution, which amount shall be deemed an Employer matching contribution.

(b) **For a 401(a) Plan.** For each Plan Year, the Employer will (or may with respect to any discretionary contributions) contribute to the Plan:

- (1) The amount of any mandatory Employee contributions and after-tax voluntary Employee contributions; plus
- (2) If elected in the Adoption Agreement, a matching contribution equal to the amount specified in the Adoption Agreement of each Participant eligible to share in the allocations of the matching contribution, which amount shall be deemed an Employer matching contribution; plus
- (3) If elected in the Adoption Agreement, an Employer contribution equal to a specified contribution or a discretionary amount determined each year by the Employer.

(c) **Frozen Plans.** The Employer may designate that the Plan is a frozen Plan at the Contribution Types Section of the Adoption Agreement. As a frozen Plan, the Employer will not make any Employer contributions with respect to Compensation earned after the date the Plan is frozen. In addition, once a Plan is frozen, no additional Employees shall become Participants.

(d) **Union Employees.** Regardless of any provision in this Plan to the contrary, Employees whose employment is governed by a collective bargaining agreement between the Employer and "employee representatives" under which retirement benefits were the subject of good faith bargaining shall be eligible to participate in this Plan to the extent of employment covered by such agreement provided the agreement provides for coverage in the Plan. The benefits, including but not limited to, contributions, allocations and vesting, under this Plan shall be those set forth in the Adoption Agreement. For this purpose, the term "employee representatives" does not include any organization more than half of whose members are employees who are owners, officers, or executives of the Employer. If a Participant performs services both as a collectively bargained Employee and as a non-collectively bargained Employee, then the Participant's Hours of Service and Compensation in each respective category are treated separately for purposes of the Plan.

(e) **Social Security Replacement Plan.** The Employer may elect under the Adoption Agreement to indicate its intention to qualify this Plan as a Social Security Replacement Plan under Code §3121(b)(7)(F). If the Employer makes the election to qualify the Plan as a Social Security Replacement Plan, the Plan will allocate a minimum contribution amount (Employer and Employee Contributions) of seven and one-half percent (7.5%) of Compensation. The Plan will consider each Participant a member of a retirement system that provides benefits comparable to the benefits he or she would have received under Social Security. In the case of part-time, seasonal and temporary Employees, the benefit will be nonforfeitable.

4.2 TIME OF PAYMENT OF EMPLOYER'S CONTRIBUTION

Unless otherwise provided by contract or law, the Employer may make its contribution to the Plan for a particular Plan Year at such time as the Employer, in its sole discretion, determines. If the Employer makes a contribution for a particular Plan Year after the close of that Plan Year, the Employer will designate to the Administrator the Plan Year for which the Employer is making its contribution.

4.3 ALLOCATION OF CONTRIBUTION, FORFEITURES AND EARNINGS

(a) **Separate accounting.** The Administrator shall establish and maintain an Account in the name of each Participant to which the Administrator shall credit as of each Anniversary Date, or other Valuation Date, all amounts allocated to each such Participant as set forth herein.

(b) **Allocation of contributions.** The Employer shall provide the Administrator with all information required by the Administrator to make a proper allocation of the Employer's contribution, if any, for each Plan Year. Within a reasonable period of time after the date of receipt by the Administrator of such information, the Administrator shall allocate any contributions as follows:

(1) **Money Purchase Pension Plan.** For a Money Purchase Plan:

(i) The Employer's contribution shall be allocated to each Participant's Account in the manner set forth in Section 4.1 herein and as specified in the Adoption Agreement.

(ii) Notwithstanding the preceding provisions, a Participant shall only be eligible to share in the allocations of the Employer's contribution for the year if the Participant is an Eligible Employee at any time during the year and the conditions set forth in the Adoption Agreement are satisfied.

(2) **401(a) Plan.** For a 401(a) Plan (which is a profit sharing plan within the meaning of Code §401(a)):

(i) The Employer's contribution shall be allocated to each Participant's Account in accordance with the allocation method that corresponds with the elections in the Adoption Agreement. The Employer shall provide the Administrator with all information required by the Administrator to make a proper allocation of the Employer's contribution for each Plan Year. Within a reasonable period of time after the date of receipt by the Administrator of such information, the allocation shall be made in accordance with the elections in the Adoption Agreement.

(ii) Notwithstanding the preceding provision, a Participant shall only be eligible to share in the allocations of the Employer's contribution for the year if the Participant is an Eligible Employee at any time during the year and the conditions set forth in the Adoption Agreement are satisfied.

(c) **Gains or losses.** Except as otherwise provided in Section 4.10 with respect to Participant Directed Accounts, as of each Valuation Date, before allocation of any Employer contributions and Forfeitures, any earnings or losses (net appreciation or net depreciation) of the Trust Fund (exclusive of assets segregated for distribution) shall be allocated in accordance with such rules and procedures that are established by the Administrator and that are applied in a uniform and nondiscriminatory manner based upon the investments of the Trust Fund and the Participants' accounts to which the net income is allocated. For purposes of this Section, the term "net income" means the net of any interest, dividends, unrealized appreciation and depreciation, capital gains and losses, and investment expenses of the Trust Fund determined on each Valuation Date. However, Participants' accounts which have been segregated for investment purposes (including any Participant Directed Accounts) will only have the net income earned thereon allocated thereto. Policy dividends or credits will be allocated to the Participant's Account for whose benefit the Policy is held.

Recapture account. The Administrator in its discretion may use a "Recapture Account" to pay non settlor Plan expenses and may allocate funds in the "Recapture Account" (or excess funds therein after payment of Plan expenses) as earnings or as otherwise permitted by applicable law. The Administrator will exercise its discretion in a reasonable, uniform and nondiscriminatory manner. A "Recapture Account" is an account designated to receive amounts which a Plan service provider receives in the form of 12b 1 fees, sub transfer agency fees, shareholder servicing fees or similar amounts (also known as "revenue sharing"), which are received by the service provider from a source other than the Plan and which the service provider may remit to the Plan.

Late trading and market timing settlement. In the event the Plan becomes entitled to a settlement from a mutual fund or other investment relating to late trading, market timing or other activities, the Administrator will allocate the settlement proceeds to Participants and Beneficiaries in accordance with Department of Labor Field Assistance Bulletin 2006-01 or other applicable law.

(d) **Contracts.** Participants' Accounts shall be debited for any insurance or annuity premiums paid, if any, and credited with any dividends or interest received on Contracts.

(e) **Forfeitures.** Forfeitures must be disposed of no later than the last day of the Plan Year following the Plan Year in which the Forfeiture occurs. The Employer may direct the Administrator to use Forfeitures to satisfy any contribution that may be required pursuant to Section 6.10 or to pay any Plan expenses. With respect to a Money Purchase Plan, any remaining Forfeitures will be disposed of in accordance with the elections in the Adoption Agreement. With respect to all other plans, the Employer must direct the Administrator to use any remaining Forfeitures in accordance with any combination of the following methods, including a different method based on the source of such Forfeitures. Forfeitures may be:

- (1) Added to any Employer discretionary contribution and allocated in the same manner
- (2) Used to reduce any Employer contribution
- (3) Added to any Employer matching contribution and allocated as an additional matching contribution
- (4) Allocated to all Participants in the same proportion that each Participant's Compensation for the Plan Year bears to the Compensation of all Participants for such year

If Forfeitures are allocated to Participants (rather than used to reduce Employer contributions) then the Employer must also direct the Administrator as to which Participants are eligible to share in such allocation.

(f) **Delay in processing transactions.** Notwithstanding anything in this Section to the contrary, all information necessary to properly reflect a given transaction may not be available until after the date specified herein for processing such transaction, in which case the transaction will be reflected when such information is received and processed. Subject to express limits that may be imposed under the Code, the processing of any contribution, distribution or other transaction may be delayed for any legitimate business reason (including, but not limited to, failure of systems or computer programs, failure of the means of the transmission of data, force majeure, the failure of a service provider to timely receive values or prices, and correction for errors or omissions or the errors or omissions of any service provider). The processing date of a transaction will be binding for all purposes of the Plan.

4.4 MAXIMUM ANNUAL ADDITIONS

(a) **Calculation of "annual additions."**

(1) If a Participant does not participate in, and has never participated in another qualified plan maintained by the "employer," or a welfare benefit fund (as defined in Code §419(e)) maintained by the "employer," or an individual medical benefit account (as defined in Code §415(l)(2)) maintained by the "employer," or a simplified employee pension (as defined in Code §408(k)) maintained by the "employer" which provides "annual additions," the amount of "annual additions" which may be credited to the Participant's Accounts for any Limitation Year shall not exceed the lesser of the "maximum permissible amount" or any other limitation contained in this Plan. If the "employer" contribution that would otherwise be contributed or allocated to the Participant's Accounts would cause the "annual additions" for the Limitation Year to exceed the "maximum permissible amount," the amount contributed or allocated will be reduced so that the "annual additions" for the Limitation Year will equal the "maximum permissible amount," and any amount in excess of the "maximum permissible amount" which would have been allocated to such Participant may be allocated to other Participants.

(2) Prior to determining the Participant's actual 415 Compensation for the Limitation Year, the "employer" may determine the "maximum permissible amount" for a Participant on the basis of a reasonable estimation of the Participant's 415 Compensation for the Limitation Year, uniformly determined for all Participants similarly situated.

(3) As soon as is administratively feasible after the end of the Limitation Year, the Administrator shall determine the "maximum permissible amount" for each Participant for such Limitation Year on the basis of the Participant's actual 415 Compensation for such Limitation Year.

(b) **"Annual additions" if a Participant is in more than one plan.**

(1) Except as provided in Subsection (c) below, this Subsection applies if, in addition to this Plan, a Participant is covered under another "employer" maintained qualified defined contribution plan, welfare benefit fund (as defined in Code §419(e)), individual medical benefit account (as defined in Code §415(l)(2)), or simplified employee pension (as defined in Code §408(k)), which provides "annual additions," during any Limitation Year. The "annual additions" which may be credited to a Participant's Accounts under this Plan for any such Limitation Year shall not exceed the "maximum permissible amount" reduced by the "annual additions" credited to a Participant's Accounts under the other plans and welfare benefit funds, individual medical benefit accounts, and simplified employee pensions for the same Limitation Year. If the "annual additions" with respect to the Participant under other defined contribution plans and welfare benefit funds maintained by the "employer" are less than the "maximum permissible amount" and the "employer" contribution that would otherwise be contributed or allocated to the Participant's Accounts under this Plan would cause the "annual additions" for the Limitation Year to exceed this limitation, the amount contributed or allocated will be reduced so that the "annual additions" under all such plans and welfare benefit funds for the Limitation Year will equal the "maximum permissible amount," and any amount in excess of the "maximum permissible amount" which would have been allocated to such Participant may be allocated to other Participants. If the "annual additions" with respect to the Participant under such other defined contribution plans, welfare benefit funds, individual medical benefit accounts and simplified employee pensions in the aggregate are equal to or greater than the "maximum permissible amount," no amount will be contributed or allocated to the Participant's Account under this Plan for the Limitation Year.

(2) Prior to determining the Participant's actual 415 Compensation for the Limitation Year, the "employer" may determine the "maximum permissible amount" for a Participant on the basis of a reasonable estimation of the Participant's 415 Compensation for the Limitation Year, uniformly determined for all Participants similarly situated.

(3) As soon as is administratively feasible after the end of the Limitation Year, the Administrator shall determine the "maximum permissible amount" for each Participant for such Limitation Year on the basis of the Participant's actual 415 Compensation for the Limitation Year.

(4) If, pursuant to Section 4.4(b)(2), a Participant's "annual additions" under this Plan and such other plans would result in an "excess amount" for a Limitation Year, the "excess amount" will be deemed to consist of the "annual additions" last allocated, except that "annual additions" attributable to a simplified employee pension will be deemed to have been allocated first,

followed by "annual additions" to a welfare benefit fund or individual medical benefit account, and then by "annual additions" to a plan subject to Code §412, regardless of the actual allocation date.

(5) If an "excess amount" was allocated to a Participant on an allocation date of this Plan which coincides with an allocation date of another plan, the "excess amount" attributed to this Plan will be the product of:

- (i) the total "excess amount" allocated as of such date, times
- (ii) the ratio of (A) the "annual additions" allocated to the Participant for the Limitation Year as of such date under this Plan to (B) the total "annual additions" allocated to the Participant for the Limitation Year as of such date under this and all the other qualified defined contribution plans.

(c) **Coverage under another plan.** If the Participant is covered under another qualified defined contribution plan maintained by the "employer," "annual additions" which may be credited to the Participant's Accounts under this Plan for any Limitation Year will be limited in accordance with Section 4.4(b), unless the "employer" provides other limitations in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections).

(d) **Time when "annual additions" credited.** An "annual addition" is credited to the Account of a Participant for a particular Limitation Year if it is allocated to the Participant's Account under the Plan as of any date within that Limitation Year. However, an amount is not deemed allocated as of any date within a Limitation Year if such allocation is dependent upon participation in the Plan as of any date subsequent to such date.

For purposes of this subparagraph, "employer" contributions are treated as credited to a Participant's Account for a particular Limitation Year only if the contributions are actually made to the Plan no later than the 15th day of the tenth calendar month following the end of the calendar year or Fiscal Year (as applicable, depending on the basis on which the Employer keeps its books) with or within which the particular Limitation Year ends.

(e) **Definitions.** For purposes of this Section, the following terms shall be defined as follows:

(1) **"Annual additions"** means the sum credited to a Participant's Accounts for any Limitation Year of (a) "employer" contributions, (b) Employee contributions (except as provided below), (c) Forfeitures, (d) amounts allocated to an individual medical benefit account, as defined in Code §415(l)(2), which is part of a pension or annuity plan maintained by the "employer," (e) amounts derived from contributions paid or accrued which are attributable to post-retirement medical benefits allocated to the separate account of a key employee (as defined in Code §419A(d)(3)) under a welfare benefit fund (as defined in Code §419(e)) maintained by the "employer" and (f) allocations under a simplified employee pension. Except, however, the Compensation percentage limitation referred to in paragraph (e)(5)(ii) below shall not apply to: (1) any contribution for medical benefits (within the meaning of Code §419A(f)(2)) after separation from service which is otherwise treated as an "annual addition," or (2) any amount otherwise treated as an "annual addition" under Code §415(l)(1).

(i) **Restorative payments.** "Annual additions" for purposes of Code §415 and this Section shall not include restorative payments. A restorative payment is a payment made to restore losses to a Plan resulting from actions by a fiduciary for which there is reasonable risk of liability for breach of a fiduciary duty under applicable federal or state law, where Participants who are similarly situated are treated similarly with respect to the payments. Generally, payments are restorative payments only if the payments are made in order to restore some or all of the Plan's losses due to an action (or a failure to act) that creates a reasonable risk of liability for such a breach of fiduciary duty (other than a breach of fiduciary duty arising from failure to remit contributions to the Plan). Payments made to the Plan to make up for losses due merely to market fluctuations and other payments that are not made on account of a reasonable risk of liability for breach of a fiduciary duty are not restorative payments and generally constitute contributions that are considered "annual additions."

(ii) **Other amounts.** "Annual additions" for purposes of Code §415 and this Section shall not include: (A) The direct transfer of a benefit or employee contributions from a qualified plan to this Plan; (B) Rollover contributions (as described in Code §§401(a)(31), 402(c)(1), 403(a)(4), 403(b)(8), 408(d)(3), and 457(e)(16)); (C) Repayments of loans made to a Participant from the Plan; and (D) Repayments of amounts described in Code §411(a)(7)(B) (in accordance with Code §411(a)(7)(C)) and Code §411(a)(3)(D) or repayment of contributions to a governmental plan (as defined in Code §414(d)) as described in Code §415(k)(3), as well as Employer restorations of benefits that are required pursuant to such repayments.

(2) **"Defined contribution dollar limitation"** means \$56,000 (or the amount as adjusted under Code §415(d)).

(3) **"Employer"** means, for purposes of this Section, the Employer that adopts this Plan and all Affiliated Employers.

(4) **"Excess amount"** means the excess of the Participant's "annual additions" for the Limitation Year over the "maximum permissible amount."

(5) "**Maximum permissible amount**" means, except to the extent permitted under this Plan and Code §414(v), the maximum "annual addition" that may be contributed or allocated to a Participant's Accounts under the Plan for any Limitation Year, which shall not exceed the lesser of:

- (i) the "defined contribution dollar limitation," or
- (ii) one hundred percent (100%) of the Participant's 415 Compensation for the Limitation Year.

The 415 Compensation Limitation referred to in (ii) shall not apply to any contribution for medical benefits after separation from service (within the meaning of Code §§401(h) or 419A(f)(2)) which is otherwise treated as an "annual addition."

If a short Limitation Year is created because of an amendment changing the Limitation Year to a different twelve (12) consecutive month period, the "maximum permissible amount" will not exceed the "defined contribution dollar limitation" multiplied by a fraction, the numerator of which is the number of months in the short Limitation Year and the denominator of which is twelve (12).

(f) **Special rules.**

(1) **Aggregation of plans.** For purposes of applying the limitations of Code §415, all defined contribution plans (without regard to whether a plan has been terminated) ever maintained by the "employer" (or a "predecessor employer") under which the Participant receives "annual additions" (including voluntary employee contribution accounts in a defined benefit plan, mandatory contributions to a defined benefit plan, individual medical benefit accounts under §401(h), key employee accounts under a welfare benefit plan described in §419, and simplified employee pensions under §408(k)) of the employer or a predecessor employer, whether or not terminated, will be treated as one defined contribution plan for purposes of the limitations under § 415(c). Where the employer is a member of a controlled group of corporations or commonly controlled trades or businesses, or a member of an affiliated service group, within the meaning of §§414(b), (c) or (m) and §415(g) and (h), the plan must provide that all such employers are treated as a single employer for purposes of the Plan's application of the §415 limitations. Notwithstanding the preceding, multiemployer plans are not aggregated with other multiemployer plans for purposes of §415. For purposes of this Section:

- (i) A former "employer" is a "predecessor employer" with respect to a participant in a plan maintained by an "employer" if the "employer" maintains a plan under which the participant had accrued a benefit while performing services for the former "employer", but only if that benefit is provided under the plan maintained by the "employer". For this purpose, the "formerly affiliated plan" rules in Regulation §1.415(f)-1(b)(2) apply as if the "employer" and "predecessor employer" constituted a single employer under the rules described in Regulation §1.415(a)-1(f)(1) and (2) immediately prior to the "cessation of affiliation" (and as if they constituted two, unrelated employers under the rules described in Regulation §1.415(a)-1(f)(1) and (2) immediately after the "cessation of affiliation") and "cessation of affiliation" was the event that gives rise to the "predecessor employer" relationship, such as a transfer of benefits or plan sponsorship.
- (ii) With respect to an "employer" of a Participant, a former entity that antedates the "employer" is a "predecessor employer" with respect to the Participant if, under the facts and circumstances, the "employer" constitutes a continuation of all or a portion of the trade or business of the former entity.

(2) **Break-up of an affiliated employer or an affiliated service group.** For purposes of aggregating plans for Code §415, a "formerly affiliated plan" of an "employer" is taken into account for purposes of applying the Code §415 limitations to the "employer," but the "formerly affiliated plan" is treated as if it had terminated immediately prior to the "cessation of affiliation." For purposes of this paragraph, a "formerly affiliated plan" of an "employer" is a plan that, immediately prior to the "cessation of affiliation," was actually maintained by one or more of the entities that constitute the "employer" (as determined under the employer affiliation rules described in Regulation §1.415(a)-1(f)(1) and (2)), and immediately after the "cessation of affiliation," is not actually maintained by any of the entities that constitute the "employer" (as determined under the employer affiliation rules described in Regulation §1.415(a)-1(f)(1) and (2)). For purposes of this paragraph, a "cessation of affiliation" means the event that causes an entity to no longer be aggregated with one or more other entities as a single "employer" under the employer affiliation rules described in Regulation §1.415(a)-1(f)(1) and (2) (such as the sale of a subsidiary outside a controlled group), or that causes a plan to not actually be maintained by any of the entities that constitute the "employer" under the employer affiliation rules of Regulation §1.415(a)-1(f)(1) and (2) (such as a transfer of plan sponsorship outside of a controlled group).

(3) **Mid-year aggregation.** Two or more defined contribution plans that are not required to be aggregated pursuant to Code §415(f) and the Regulations thereunder as of the first day of a Limitation Year do not fail to satisfy the requirements of Code §415 with respect to a Participant for the Limitation Year merely because they are aggregated later in that Limitation Year, provided that no "annual additions" are credited to the Participant's Account after the date on which the plans are required to be aggregated.

4.5 ADJUSTMENT FOR EXCESS ANNUAL ADDITIONS

Notwithstanding any provision of the Plan to the contrary, if the "annual additions" (as defined in Section 4.4) are exceeded for any Participant, then the Plan may only correct such excess in accordance with the Employee Plans Compliance Resolution System (EPCRS) as set forth in Rev. Proc. 2018-52, Rev. Proc. 2019-19, or any superseding guidance.

4.6 ROLLOVERS

(a) **Acceptance of "rollovers" into the Plan.** If elected in the Adoption Agreement and with the consent of the Administrator, the Plan may accept a "rollover," provided the "rollover" will not jeopardize the tax-exempt status of the Plan or create adverse tax consequences for the Employer. The amounts rolled over shall be separately accounted for in a "Participant's Rollover Account." A Participant's Rollover Account shall be fully Vested at all times and shall not be subject to Forfeiture for any reason. For purposes of this Section, the term Participant shall include any Eligible Employee who is not yet a Participant, if, pursuant to the Adoption Agreement, "rollovers" are permitted to be accepted from Eligible Employees. In addition, for purposes of this Section the term Participant shall also include Former Employees elected in the Adoption Agreement. Regardless of whether new loans are permitted, if the Plan permits rollovers, the Administrator may, in a uniform and nondiscriminatory manner, accept rollovers of loans into this Plan if the terms of such loans meet the requirements of being definite, have a reasonable rate of interest, and/or have a definite repayment period (e.g., an asset purchase acquisition whereby the Employer may choose to accept the rollover of Participant loans from a prior employer in a uniform and nondiscriminatory manner).

(b) **Treatment of "rollovers" under the Plan.** Amounts in a Participant's Rollover Account shall be held by the Trustee (or Insurer) pursuant to the provisions of this Plan and may not be withdrawn by, or distributed to the Participant, in whole or in part, except as elected in the Adoption Agreement and Subsection (c) below. The Trustee (or Insurer) shall have no duty or responsibility to inquire as to the propriety of the amount, value or type of assets transferred, nor to conduct any due diligence with respect to such assets; provided, however, that such assets are otherwise eligible to be held by the Trustee (or Insurer) under the terms of this Plan.

(c) **Distribution of "rollovers."** At such time as the conditions set forth in the Adoption Agreement have been satisfied, the Administrator, at the election of the Participant, shall direct the distribution of up to the entire amount credited to the Rollover Account maintained on behalf of such Participant. Any distribution of amounts held in a Participant's Rollover Account shall be made in a manner which is consistent with and satisfies the provisions of Sections 6.5 and 6.6. Furthermore, unless otherwise elected in the Adoption Agreement, such amounts shall be considered to be part of a Participant's benefit in determining whether an involuntary cash-out of benefits may be made without Participant consent.

(d) **"Rollovers" maintained in a separate account.** The Administrator may direct that "rollovers" made after a Valuation Date be segregated into a separate account for each Participant until such time as the allocations pursuant to this Plan have been made, at which time they may remain segregated, invested as part of the general Trust Fund or, if elected in the Adoption Agreement, directed by the Participant.

(e) **Limits on accepting "rollovers."** Prior to accepting any "rollovers" to which this Section applies, the Administrator may require the Employee to establish (by providing opinion of counsel or otherwise) that the amounts to be rolled over to this Plan meet the requirements of this Section. The Employer may instruct the Administrator, operationally, to limit the source of "rollover" contributions that may be accepted by the Plan.

(f) **Definitions.** For purposes of this Section, the following definitions shall apply:

(1) A "rollover" means: (i) amounts transferred to this Plan directly from another "eligible retirement plan;" (ii) distributions received by an Employee from other "eligible retirement plans" which are eligible for tax-free rollover to an "eligible retirement plan" and which are transferred by the Employee to this Plan within sixty (60) days following receipt thereof; and (iii) any other amounts which are eligible to be rolled over to this Plan pursuant to the Code or any other federally enacted legislation.

(2) An "eligible retirement plan" means an individual retirement account described in Code §408(a), an individual retirement annuity described in Code §408(b) (other than an endowment contract), a qualified trust (an employees' trust described in Code §401(a) which is exempt from tax under Code §501(a)), an annuity plan described in Code §403(a), an eligible deferred compensation plan described in Code §457(b) which is maintained by an eligible employer described in Code §457(e)(1)(A), and an annuity contract described in Code §403(b).

(g) **Pre-Participation Rollovers.** If an Eligible Employee makes a Rollover Contribution to the Plan prior to satisfying the Plan's eligibility conditions or prior to reaching his or her Entry Date, then the Administrator will treat the Employee as a limited Participant (as described in Rev. Rul. 96 48). A limited Participant does not share in the Plan's allocation of Employer Contributions nor Forfeitures until the Employee actually becomes a Participant in the Plan.

4.7 PLAN-TO-PLAN TRANSFERS FROM QUALIFIED PLANS

- (a) **Transfers into this Plan.** With the consent of the Administrator, amounts may be transferred (within the meaning of Code §414(l)) to this Plan from other tax qualified plans under Code §401(a), provided the plan from which such funds are transferred permits the transfer to be made and the transfer will not jeopardize the tax-exempt status of the Plan or Trust or create adverse tax consequences for the Employer. Prior to accepting any transfers to which this Section applies, the Administrator may require an opinion of counsel that the amounts to be transferred meet the requirements of this Section. The amounts transferred shall be set up in a separate account herein referred to as a "Participant's Transfer Account." Furthermore, for vesting purposes, the Participant's Transfer Account may be treated as a separate "Participant's Account."
- (b) **Accounting of transfers.** Amounts in a Participant's Transfer Account shall be held by the Trustee (or Insurer) pursuant to the provisions of this Plan and may not be withdrawn by, or distributed to the Participant, in whole or in part, except as elected in the Adoption Agreement and Subsection (d) below, provided the restrictions of Subsection (c) below and Section 6.16 are satisfied. The Trustee (or Insurer) shall have no duty or responsibility to inquire as to the propriety of the amount, value or type of assets transferred, nor to conduct any due diligence with respect to such assets; provided, however, that such assets are otherwise eligible to be held by the Trustee (or Insurer) under the terms of this Plan. Notwithstanding anything in this Section to the contrary, transferred amounts are not required to be separately accounted for and may be combined with the corresponding Account maintained in this Plan provided all rights, benefits and features and other attributes are identical with respect to each account, or are identical after the combination.
- (c) **Distribution of plan-to-plan transfer amounts.** At Normal Retirement Date, or such other date when the Participant or the Participant's Beneficiary shall be entitled to receive benefits, the Participant's Transfer Account shall be used to provide additional benefits to the Participant or the Participant's Beneficiary. Any distribution of amounts held in a Participant's Transfer Account shall be made in a manner which is consistent with and satisfies the provisions of Sections 6.5 and 6.6. Furthermore, such amounts shall be considered to be part of a Participant's benefit in determining whether an involuntary cash-out of benefits may be made without Participant consent.
- (d) **Segregation.** The Administrator may direct that Employee transfers made after a Valuation Date be segregated into a separate account for each Participant until such time as the allocations pursuant to this Plan have been made, at which time they may remain segregated, invested as part of the general Trust Fund or, if elected in the Adoption Agreement, directed by the Participant.
- (e) **Pre-Participation Transfers.** The Administrator has the discretion to accept a Transfer of plan assets on behalf of an Employee prior to the date the Employee satisfies the Plan's eligibility conditions or prior to reaching the Entry Date in a uniform and nondiscretionary manner. If the Plan accepts such a direct transfer of plan assets, then the Administrator will treat the Employee as a limited Participant pursuant to Section 4.6(g).

4.8 MANDATORY EMPLOYEE CONTRIBUTIONS

- (a) **Mandatory Employee contributions.** An Employer may elect in the Adoption Agreement to provide for mandatory Employee contributions. If the Employer elects to provide for such contributions, each Participant, will make a mandatory Employee contribution in the amount elected in the Adoption Agreement. Alternatively, the Employer may elect to provide a range of mandatory Employee contribution percentages from which the Participant may choose to contribute. Under this option, the Employee, if required as a condition of employment, must make an irrevocable election to contribute a percentage of his or her Compensation no later than his or her effective date of participation. If not required as a condition of employment, such mandatory Employee contribution election shall be made prior to participation in the Plan. During the period of the Participant's participation in the Plan, the Participant may not revoke the election and receive cash in lieu of the contribution, nor may the Participant change the amount of the mandatory Employee contribution. Amounts attributable to mandatory Employee contributions shall be fully Vested.
- (b) **Employer pick-up contribution.** Unless otherwise elected in the Adoption Agreement, the Employer will "pick-up" the mandatory Employee contributions and will pay the mandatory Employee contributions to the Plan as an Employer contribution. This provision is effective only after the Employer provides for the treatment of the mandatory Employee contributions as described in this paragraph, through a person authorized to take such action, and evidenced in writing by minutes of a meeting, resolution, ordinance, or other formal action by the Employer, which will effectuate the "pick-up" provision. Furthermore, as of the date of the "pick-up," Participants are not permitted to opt-out of the "pick-up" or to receive the mandatory Employee contributions directly instead of having them paid to the Plan. Mandatory Employee contributions that are "picked-up" by the Employer are excludible from the Employee's gross income.

4.9 AFTER-TAX VOLUNTARY EMPLOYEE CONTRIBUTIONS

- (a) **After-tax voluntary Employee contributions.** If elected in the Adoption Agreement, each Participant may, in accordance with procedures established by the Administrator, elect to make after-tax voluntary Employee contributions to this Plan. Such contributions must generally be paid to the Trustee (or Insurer) within a reasonable period of time after being received by the Employer. An after-tax voluntary Employee contribution is any contribution made to the Plan by or on behalf of a Participant that is included in the Participant's gross income in the year in which made and that is separately accounted for under the Plan.

(b) **Full vesting.** The balance in each Participant's Voluntary Contribution Account shall be fully Vested at all times and shall not be subject to Forfeiture for any reason.

(c) **Distribution at any time.** A Participant may elect at any time to withdraw after-tax voluntary Employee contributions from such Participant's Voluntary Contribution Account and the actual earnings thereon in a manner which is consistent with and satisfies the provisions of Section 6.5. If the Administrator maintains sub-accounts with respect to after-tax voluntary Employee contributions (and earnings thereon) which were made on or before a specified date, a Participant shall be permitted to designate which sub-account shall be the source for the withdrawal. Forfeitures of Employer contributions shall not occur solely as a result of an Employee's withdrawal of after-tax voluntary Employee contributions.

(d) **Used to provide benefits.** At Normal Retirement Date, or such other date when the Participant or the Participant's Beneficiary is entitled to receive benefits, the Participant's Voluntary Contribution Account shall be used to provide additional benefits to the Participant or the Participant's Beneficiary.

4.10 PARTICIPANT DIRECTED INVESTMENTS

(a) **Directed investment options allowed.** If permitted by the Administrator and the terms of the Trust, Participants may direct the Trustee (or Insurer) as to the investment of all or a portion of their individual Account balances in accordance with the Plan's procedures. Participants may direct the Trustee (or Insurer), in writing (or in such other form which is acceptable to the Trustee (or Insurer)), to invest their accounts in specific assets, specific funds or other investments permitted under the Plan and the Participant Direction Procedures. That portion of the Account of any Participant that is subject to investment direction of such Participant will be considered a Participant Directed Account.

(b) **Establishment of Participant Direction Procedures.** The Administrator will establish Participant Direction Procedures, to be applied in a uniform manner, setting forth the permissible investment options under this Section, how often changes between investments may be made, and any other limitations and provisions that the Administrator may impose on a Participant's right to direct investments.

(c) **Administrative discretion.** The Administrator may, in its discretion, include or exclude by amendment or other action from the Participant Direction Procedures such instructions, guidelines or policies as it deems necessary or appropriate to ensure proper administration of the Plan, and may interpret the same accordingly.

(d) **Allocation of gains or losses.** As of each Valuation Date, all Participant Directed Accounts shall be charged or credited with the net earnings, gains, losses and expenses as well as any appreciation or depreciation in the market value using publicly listed fair market values when available or appropriate as follows:

- (1) to the extent the assets in a Participant Directed Account are accounted for as pooled assets or investments, the allocation of earnings, gains and losses of each Participant's Account shall be based upon the total amount of funds so invested in a manner proportionate to the Participant's share of such pooled investment; and
- (2) to the extent the assets in a Participant Directed Account are accounted for as segregated assets, the allocation of earnings, gains on and losses from such assets shall be made on a separate and distinct basis.

(e) **Plan will follow investment directions.** Investment directions will be processed as soon as administratively practicable after proper investment directions are received from the Participant. No guarantee is made by the Plan, Employer, Administrator or Trustee (or Insurer) that investment directions will be processed on a daily basis, and no guarantee is made in any respect regarding the processing time of an investment direction. Notwithstanding any other provision of the Plan, the Employer, Administrator or Discretionary Trustee (or Insurer) reserves the right to not value an investment option on any given Valuation Date for any reason deemed appropriate by the Employer, Administrator or Discretionary Trustee (or Insurer). Furthermore, the processing of any investment transaction may be delayed for any legitimate business reason (including, but not limited to, failure of systems or computer programs, failure of the means of the transmission of data, the failure of a service provider to timely receive values or prices, and correction for errors or omissions or the errors or omissions of any service provider) or force majeure. The processing date of a transaction will be binding for all purposes of the Plan and considered the applicable Valuation Date for an investment transaction.

(f) **Other documents required by directed investments.** Any information regarding investments available under the Plan, to the extent not required to be described in the Participant Direction Procedures, may be provided to Participants in one or more documents (or in any other form, including, but not limited to, electronic media) which are separate from the Participant Direction Procedures and are not thereby incorporated by reference into this Plan.

4.11 QUALIFIED MILITARY SERVICE

(a) **USERRA.** Notwithstanding any provisions of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code §414(u). Furthermore, loan repayments may be suspended under this Plan as permitted under Code §414(u)(4).

(b) **Benefit accrual.** If the Employer elects in the Adoption Agreement to apply this Subsection, then effective as of the date specified in the Adoption Agreement, for benefit accrual purposes, the Plan treats an individual who becomes Totally and Permanently disabled while performing "qualified military service" (as defined in Code §414(u)) with respect to the Employer as if the individual had resumed employment in accordance with the individual's reemployment rights under Uniformed Services Employment and Reemployment Rights Act of 1994, as amended (USERRA), on the day preceding Total and Permanent Disability and terminated employment on the actual date of death or Total and Permanent Disability.

The Plan will determine the amount of after-tax voluntary Employee contributions of an individual treated as reemployed under this Section for purposes of applying paragraph Code §414(u)(8)(C) on the basis of the individual's average actual after-tax voluntary Employee contributions for the lesser of: (1) the 12-month period of service with the Employer immediately prior to "qualified military service" (as defined in Code §414(u)); or (2) the actual length of continuous service with the Employer.

(c) **Death benefits.** If a Participant dies while performing "qualified military service" (as defined in Code §414(u)), the Participant's Beneficiary is entitled to any additional benefits (other than benefit accruals relating to the period of "qualified military service" but including vesting credit for such period and any other ancillary life insurance or other survivor benefits) provided under the Plan as if the Participant had resumed employment and then terminated employment on account of death. Moreover, the Plan will credit the Participant's "qualified military service" as service for vesting purposes, as though the Participant had resumed employment under Uniformed Services Employment and Reemployment Rights Act of 1994, as amended (USERRA) immediately prior to the Participant's death.

(d) **Military Differential Pay.** The following applies with respect to Military Differential Pay: (1) an individual receiving Military Differential Pay is treated as an Employee of the Employer making the payment; (2) the Military Differential Pay is treated as 415 Compensation (and Compensation unless otherwise elected in the Adoption Agreement); and (3) the Plan is not treated as failing to meet the requirements of any provision described in Code §414(u)(1)(C) (or corresponding Plan provisions) by reason of any contribution or benefit which is based on the Military Differential Pay. The Administrator operationally may determine, for purposes of the provisions described in Code §414(u)(1)(C), whether to take into account any matching contributions, attributable to Military Differential Pay.

(e) **Deemed Severance.** Notwithstanding Subsection (b)(1) above, if elected in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections), a Participant who performs service in the uniformed services (as defined in Code §414(u)(12)(B)) on active duty for a period of more than thirty (30) days, the Participant will be deemed to have a severance from employment solely for purposes of eligibility for distribution of amounts not attributable to Employer contributions to a money purchase pension plan. However, the Plan will not distribute such a Participant's Account on account of this deemed severance unless the Participant specifically elects to receive a benefit distribution hereunder. If a Participant elects to receive a distribution on account of this deemed severance, then the individual may not make an after-tax voluntary Employee contribution during the six (6) month period beginning on the date of the distribution. If a Participant would be entitled to a distribution on account of a deemed severance, and a distribution on account of another Plan provision, then the other Plan provision will control and the six (6) month suspension will not apply.

4.12 INSTRUCTIONS TO ADMINISTRATOR AND NOTIFICATION TO PARTICIPANTS

For Plan Years beginning after the end of the Plan Year in which this document is first adopted, if a "Flexible Discretionary Match" contribution formula applies (i.e., a formula that provides an Employer with discretion regarding how to *allocate* a matching contribution to Participants) and the Employer makes a "Flexible Discretionary Match" to the Plan, the Employer must provide the Plan Administrator or Trustee written instructions describing (1) how the "Flexible Discretionary Match" formula will be allocated to Participants (e.g., a uniform percentage of Elective Deferrals or a flat dollar amount), (2) the computation period(s) to which the "Flexible Discretionary Match" formula applies, and (3) if applicable, a description of each business location or business classification subject to separate "Flexible Discretionary Match" allocation formulas. Such instructions must be provided no later than the date on which the "Flexible Discretionary Match" is made to the Plan. A summary of these instructions must be communicated to Participants who receive an allocation of the "Flexible Discretionary Match" no later than 60 days following the date on which the last "Flexible Discretionary Match" contribution is made to the Plan for the Plan Year.

Solely for purposes of this Section, a matching contribution is to be considered as being a "Flexible Discretionary Match" contribution unless the Employer has provided a definitely determinable allocation formula for the matching contribution on the Adoption Agreement. In order to be definitely determinable, then the components of the allocation formula described in the preceding sentence must be specified on the Adoption Agreement and cannot themselves be discretionary. Thus, regardless of whether the contribution formula for the matching contribution is fixed or discretionary, the provisions of the preceding paragraph apply unless the amount to be allocated to the Participant for the Plan Year can be determined without any discretion on the part of the Employer.

**ARTICLE V
VALUATIONS**

5.1 VALUATION OF THE TRUST FUND

The Administrator shall direct the Trustee (or Insurer), as of each Valuation Date, to determine the net worth of the assets comprising the Trust Fund as it exists on the Valuation Date. In determining such net worth, the Trustee (or Insurer) shall value the assets comprising the Trust Fund at their fair market value as of the Valuation Date and may deduct all expenses for which the Trustee (or Insurer) has not yet been paid by the Employer or the Trust Fund. The Trustee (or Insurer), when determining the net worth of the assets, may update the value of any shares held in a Participant Directed Account by reference to the number of shares held on behalf of the Participant, priced at the market value as of the Valuation Date.

5.2 METHOD OF VALUATION

Except as otherwise provided in the Trust agreement, in determining the fair market value of securities held in the Trust Fund which are listed on a registered stock exchange, the Administrator shall direct the Trustee (or Insurer) to value the same at the prices they were last traded on such exchange preceding the close of business on the Valuation Date. If such securities were not traded on the Valuation Date, or if the exchange on which they are traded was not open for business on the Valuation Date, then the securities shall be valued at the prices at which they were last traded prior to the Valuation Date. Any unlisted security held in the Trust Fund shall be valued at its bid price next preceding the close of business on the Valuation Date, which bid price shall be obtained from a registered broker or an investment banker. In determining the fair market value of assets other than securities for which trading or bid prices can be obtained, the Trustee, the Administrator (if the Trustee is a directed Trustee), or Insurer may appraise such assets itself (assuming it has the appropriate expertise), or in its discretion, employ one or more appraisers for that purpose and rely on the values established by such appraiser or appraisers.

**ARTICLE VI
DETERMINATION AND DISTRIBUTION OF BENEFITS**

6.1 DETERMINATION OF BENEFITS UPON RETIREMENT

Every Participant may terminate employment with the Employer and retire for purposes hereof on the Participant's Normal Retirement Date or Early Retirement Date. However, a Participant may postpone the severance of employment with the Employer to a later date, in which event the participation of such Participant in the Plan, including the right to receive allocations pursuant to Section 4.3, shall continue until such Participant's Retirement Date. Upon a Participant's Retirement Date, or if elected in the Adoption Agreement, the attainment of Normal Retirement Date without severance of employment with the Employer (subject to Section 6.11), or as soon thereafter as is practicable, the Administrator shall direct the distribution, at the election of the Participant (unless a distribution is mandatory under the other terms of the Plan), of the Participant's entire Vested interest in the Plan in accordance with Section 6.5.

6.2 DETERMINATION OF BENEFITS UPON DEATH

- (a) **100% vesting on death.** Upon the death of a Participant before the Participant's Retirement Date or other severance of employment, all amounts credited to such Participant's Combined Account shall, if elected in the Adoption Agreement, become fully Vested. The Administrator shall direct, in accordance with the provisions of Sections 6.6 and 6.7, the distribution of the deceased Participant's Vested accounts to the Participant's Beneficiary.
- (b) **Distribution upon death.** Upon the death of a Participant, the Administrator shall direct, in accordance with the provisions of Sections 6.6 and 6.7, the distribution of any remaining Vested amounts credited to the accounts of such deceased Participant to such Participant's Beneficiary.
- (c) **Determination of death benefit by Administrator.** The Administrator may require such proper proof of death and such evidence of the right of any person to receive payment of the value of the account of a deceased Participant as the Administrator may deem desirable. The Administrator's determination of death and of the right of any person to receive payment shall be conclusive.
- (d) **Beneficiary designation.** Each Participant must designate a Beneficiary on a form and in such manner as provided by the Administrator.
- (e) **Spousal consent to alternative Beneficiary.** This Subsection applies if the Employer has elected in the Adoption Agreement either to apply the Joint and Survivor Annuity rules or to provide that a Participant's Spouse is the Beneficiary unless the Spouse consents to an alternative Beneficiary. Unless otherwise elected in the manner prescribed in Section 6.6, the Beneficiary of the Pre-Retirement Survivor Annuity (or if applicable, the entire death benefit) shall be the Participant's surviving Spouse. Except, however, the Participant may designate a Beneficiary other than the Spouse if:

- (1) the Participant and the Participant's Spouse have validly waived the Pre-Retirement Survivor Annuity in the manner prescribed in Section 6.6, and the Spouse has waived the right to be the Participant's Beneficiary,

- (2) the Participant is legally separated or has been abandoned (within the meaning of local law) and the Participant has a court order to such effect (and there is no "qualified domestic relations order" as defined in Code §414(p) which provides otherwise),
- (3) the Participant has no Spouse, or
- (4) the Spouse cannot be located.

In such event, the designation of a Beneficiary shall be made on a form satisfactory to the Administrator. A Participant may at any time revoke a designation of a Beneficiary or change a Beneficiary by filing written (or in such other form as permitted by the IRS) notice of such revocation or change with the Administrator. However, the Participant's Spouse must again consent in writing (or in such other form as permitted by the IRS) to any change in Beneficiary unless the original consent acknowledged that the Spouse had the right to limit consent only to a specific Beneficiary and that the Spouse voluntarily elected to relinquish such right.

(f) **Beneficiary if no Beneficiary elected by Participant.** In the event no valid designation of Beneficiary exists, or if the Beneficiary with respect to a portion of a Participant's death benefit is not alive at the time of the Participant's death and no contingent Beneficiary has been designated, then such portion of the death benefit will be paid in the following order of priority, unless the Employer specifies a different order of priority in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections), to:

- (1) The Participant's surviving Spouse;
- (2) The Participant's issue, per stirpes;
- (3) The Participant's surviving parents, in equal shares; or
- (4) The Participant's estate.

If the Beneficiary does not predecease the Participant, but dies prior to distribution of the death benefit, the death benefit will be paid to the Beneficiary's "designated Beneficiary" (or if there is no "designated Beneficiary," to the Beneficiary's estate). For purposes of these provisions, and with respect to any Beneficiary designations, adopted children shall be treated as children.

(g) **Divorce revokes spousal Beneficiary designation.** Notwithstanding anything in this Section to the contrary, unless otherwise elected in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections) or prohibited by applicable State law, if a Participant has designated the Spouse as a Beneficiary, then a divorce decree that relates to such Spouse shall revoke the Participant's designation of the Spouse as a Beneficiary unless the decree or a "qualified domestic relations order" (within the meaning of Code §414(p)) provides otherwise or a subsequent Beneficiary designation is made.

(h) **Insured death benefit.** If the Plan provides an insured death benefit and a Participant dies before any insurance coverage to which the Participant is entitled under the Plan is effected, the death benefit from such insurance coverage shall be limited to the premium which was or otherwise would have been used for such purpose.

(i) **Plan terms control.** In the event of any conflict between the terms of this Plan and the terms of any Contract issued hereunder, the Plan provisions shall control.

6.3 DETERMINATION OF BENEFITS IN EVENT OF DISABILITY

In the event of a Participant's Total and Permanent Disability prior to the Participant's Retirement Date or other severance of employment, all amounts credited to such Participant's Combined Account shall, if elected in the Adoption Agreement, become fully Vested. In the event of a Participant's Total and Permanent Disability, the Participant's entire Vested interest in the Plan will be distributable and may be distributed in accordance with the provisions of Sections 6.5 and 6.7.

6.4 DETERMINATION OF BENEFITS UPON TERMINATION

(a) **Payment on severance of employment.** If a Participant's employment with the Employer and any Affiliated Employer is severed for any reason other than death, Total and Permanent Disability, or attainment of the Participant's Retirement Date, then such Participant shall be entitled to such benefits as are provided herein.

Distribution of the funds due to a Terminated Participant shall be made on the occurrence of an event which would result in the distribution had the Terminated Participant remained in the employ of the Employer (upon the Participant's death, Total and Permanent Disability, Early or Normal Retirement). However, at the election of the Participant, the Administrator shall direct that the entire Vested portion of the Terminated Participant's Combined Account be payable to such Terminated Participant provided the

conditions, if any, set forth in the Adoption Agreement have been satisfied. Any distribution under this paragraph shall be made in a manner which is consistent with and satisfies the provisions of Section 6.5.

Regardless of whether distributions in kind are permitted, in the event the amount of the Vested portion of the Terminated Participant's Combined Account equals or exceeds the fair market value of any insurance Contracts, the Administrator may direct the Trustee (or Insurer), when agreed to by the Terminated Participant, to assign, transfer, and set over to such Terminated Participant all Contracts on such Terminated Participant's life in such form or with such endorsements, so that the settlement options and forms of payment are consistent with the provisions of Section 6.5. In the event that the Terminated Participant's Vested portion does not at least equal the fair market value of the Contracts, if any, the Terminated Participant may pay over to the Trustee (or Insurer) the sum needed to make the distribution equal to the value of the Contracts being assigned or transferred, or the Trustee (or Insurer), pursuant to the Participant's election, may borrow the cash value of the Contracts from the Insurer so that the value of the Contracts is equal to the Vested portion of the Terminated Participant's Combined Account and then assign the Contracts to the Terminated Participant.

Notwithstanding the above, unless otherwise elected in the Adoption Agreement, if the value of a Terminated Participant's Vested benefit derived from Employer and Employee contributions does not exceed \$5,000 (or such lower amount as elected in the Adoption Agreement), the Administrator shall direct that the entire Vested benefit be paid to such Participant in a single lump-sum as soon as practical without regard to the consent of the Participant, provided the conditions, if any, set forth in the Adoption Agreement have been satisfied. A Participant's Vested benefit shall not include (1) qualified voluntary employee contributions within the meaning of Code §72(o)(5)(B) and (2) if selected in the Conditions for Distributions Upon Severance of Employment Section of the Adoption Agreement, the Participant's Rollover Account. If a mandatory distribution is made pursuant to this paragraph and such distribution is greater than \$1,000 and the Participant does not elect to have such distribution paid directly to an "eligible retirement plan" specified by the Participant in a "direct rollover" in accordance with Section 6.14 or to receive the distribution directly, then the Administrator shall transfer such amount to an individual retirement account described in Code §408(a) or an individual retirement annuity described in Code §408(b) designated by the Administrator. However, if the Participant elects to receive or make a "direct rollover" of such amount, then the Administrator shall direct the Trustee (or Insurer) to cause the entire Vested benefit to be paid to such Participant in a single lump sum, or make a "direct rollover" pursuant to Section 6.14, provided the conditions, if any, set forth in the Adoption Agreement have been satisfied. The Administrator may establish a procedure as to whether a Participant who fails to make an affirmative election with respect to a mandatory distribution of \$1,000 or less is treated as having made or not made a "direct rollover" election. For purposes of determining whether the \$1,000 threshold set forth in this paragraph is met, the mandatory distribution includes amounts in a Participant's Rollover Account. For purposes of determining whether the \$5,000 threshold in this paragraph is met, a Participant's Rollover Account is taken into account unless otherwise elected in the Adoption Agreement.

(b) **Vesting schedule.** The Vested portion of any Participant's Account shall be a percentage of such Participant's Account determined on the basis of the Participant's number of Years of Service (or Periods of Service if the elapsed time method is elected) according to the vesting schedule specified in the Adoption Agreement. However, a Participant's entire interest in the Plan shall be non-forfeitable upon the Participant's Normal Retirement Age (if the Participant is employed by the Employer on or after such date). In addition, Employee contributions (voluntary and mandatory) and contributions for sick leave/vacation leave conversions shall be fully Vested.

6.5 DISTRIBUTION OF BENEFITS

(a) **Forms of distributions.** Subject to the Joint and Survivor Annuity requirements in Subsection (c) below (if the Employer elects to apply such provisions), the Administrator, pursuant to the election of the Participant, shall direct the distribution to a Participant or Beneficiary any amount to which the Participant or Beneficiary is entitled under the Plan in one or more of the following methods which are permitted pursuant to the Adoption Agreement.

- (1) One lump-sum payment in cash or in property, provided that if a distribution of property is permitted, it shall be limited to property that is specifically allocated and identifiable with respect to such Participant.
- (2) Partial withdrawals.
- (3) Payments over a period certain in monthly, quarterly, semi-annual, or annual cash installments. The period over which such payment is to be made shall not extend beyond the earlier of the Participant's life expectancy (or the joint life expectancy of the Participant and the Participant's designated Beneficiary). Once payments have begun, a Participant may elect to accelerate the payments (reduce the term and increase payments).
- (4) Purchase of or providing an annuity. However, such annuity may not be in any form that will provide for payments over a period extending beyond either the life of the Participant (or the lives of the Participant and the Participant's designated Beneficiary) or the life expectancy of the Participant (or the life expectancy of the Participant and the Participant's designated Beneficiary).

(b) **Consent to distributions.** Benefits may not be paid without a Participant's consent if the value of the Participant's Accounts exceed the dollar threshold specified in the Adoption Agreement. If the value of the Participant's Accounts does not exceed such

threshold, then the Administrator may only distribute such benefit in a lump-sum. For purposes of this Subsection, the Participant's Accounts shall not include, if selected in the Conditions for Distributions Upon Severance of Employment Section of the Adoption Agreement, the Participant's Rollover Account.

(c) **Required minimum distributions (Code §401(a)(9)).** Notwithstanding any provision in the Plan to the contrary, the distribution of a Participant's benefits, whether under the Plan or through the purchase of an annuity Contract, shall be made in accordance with the requirements of Section 6.8.

(d) **Annuity Contracts.** All annuity Contracts under this Plan shall be non-transferable when distributed. Furthermore, the terms of any annuity Contract purchased and distributed to a Participant or Spouse shall comply with all of the requirements of this Plan.

(e) **Qualified Joint and Survivor Annuity.**

(1) The provisions of this Subsection (e) apply if the Employer elects to apply the Joint and Survivor Annuity rules in the Adoption Agreement. A Participant who is married on the Annuity Starting Date and who does not die before the Annuity Starting Date shall receive the value of all Plan benefits in the form of a Joint and Survivor Annuity. The Joint and Survivor Annuity is an annuity that commences immediately and shall be equal in value to a single life annuity. Such joint and survivor benefits following the Participant's death shall continue to the Spouse during the Spouse's lifetime at a rate equal to either fifty percent (50%), seventy-five percent (75%) (or, sixty-six and two-thirds percent (66 2/3%) if the Insurer used to provide the annuity does not offer a joint and seventy-five percent (75%) survivor annuity), or one hundred percent (100%) of the rate at which such benefits were payable to the Participant. Unless otherwise elected in the Adoption Agreement, a joint and fifty percent (50%) survivor annuity shall be considered the designated qualified Joint and Survivor Annuity and the normal form of payment for the purposes of this Plan. However, the Participant may, without spousal consent, elect an alternative Joint and Survivor Annuity, which alternative shall be equal in value to the designated qualified Joint and Survivor Annuity. An unmarried Participant shall receive the value of such Participant's benefit in the form of a life annuity. Such unmarried Participant, however, may elect to waive the life annuity. The election must comply with the provisions of this Section as if it were an election to waive the Joint and Survivor Annuity by a married Participant, but without fulfilling the spousal consent requirement. The Participant may elect to have any annuity provided for in this Section distributed upon the attainment of the "earliest retirement age" under the Plan. The "earliest retirement age" is the earliest date on which, under the Plan, the Participant could elect to receive retirement benefits.

(2) Any election to waive the Joint and Survivor Annuity must be made by the Participant in writing (or in such other form as permitted by the IRS) during the election period and be consented to in writing (or in such other form as permitted by the IRS) by the Participant's Spouse. If the Spouse is legally incompetent to give consent, the Spouse's legal guardian, even if such guardian is the Participant, may give consent. Such election shall designate a Beneficiary (or a form of benefits) that may not be changed without spousal consent (unless the consent of the Spouse expressly permits designations by the Participant without the requirement of further consent by the Spouse). Such Spouse's consent shall be irrevocable and must acknowledge the effect of such election and be witnessed by a Plan representative or a notary public. Such consent shall not be required if it is established to the satisfaction of the Administrator that the required consent cannot be obtained because there is no Spouse, the Spouse cannot be located, or other circumstances that may be prescribed by Regulations. The election made by the Participant and consented to by such Participant's Spouse may be revoked by the Participant in writing (or in such other form as permitted by the IRS) without the consent of the Spouse at any time during the election period. A revocation of a prior election shall cause the Participant's benefits to be distributed as a Joint and Survivor Annuity. The number of revocations shall not be limited. Any new election must comply with the requirements of this paragraph. A former Spouse's waiver shall not be binding on a new Spouse.

(3) The election period to waive the Joint and Survivor Annuity shall be the one-hundred eighty (180) day period ending on the Annuity Starting Date.

(4) For purposes of this Section and Section 6.6, Spouse or surviving Spouse means the Spouse or surviving Spouse of the Participant, provided that a former Spouse will be treated as the Spouse or surviving Spouse and a current Spouse will not be treated as the Spouse or surviving Spouse to the extent provided under a "qualified domestic relations order" as described in Code §414(p).

(5) With regard to the election, except as otherwise provided herein, the Administrator shall, in accordance with Regulation §1.417(a)(3)-1, provide to the Participant no less than thirty (30) days and no more than one-hundred eighty (180) days before the Annuity Starting Date a written (or such other form as permitted by the IRS) explanation of:

- (i) the terms and conditions of the qualified Joint and Survivor Annuity and the "qualified optional survivor annuity" that is payable in lieu of the qualified Joint and Survivor Annuity,
- (ii) the Participant's right to make and the effect of an election to waive the Joint and Survivor Annuity,

- (iii) the right of the Participant's Spouse to consent to any election to waive the Joint and Survivor Annuity, and
 - (iv) the right of the Participant to revoke such election, and the effect of such revocation.
- (6) Any distribution provided for in this Section may commence less than thirty (30) days after the notice required by Code §417(a)(3) is given provided the following requirements are satisfied:
- (i) the Administrator clearly informs the Participant that the Participant has a right to a period of thirty (30) days after receiving the notice to consider whether to waive the Joint and Survivor Annuity and to elect (with spousal consent) a form of distribution other than a Joint and Survivor Annuity;
 - (ii) the Participant is permitted to revoke any affirmative distribution election at least until the Annuity Starting Date or, if later, at any time prior to the expiration of the seven (7) day period that begins the day after the explanation of the Joint and Survivor Annuity is provided to the Participant;
 - (iii) the Annuity Starting Date is after the time that the explanation of the Joint and Survivor Annuity is provided to the Participant. However, the Annuity Starting Date may be before the date that any affirmative distribution election is made by the Participant and before the date that the distribution is permitted to commence under (iv) below; and
 - (iv) distribution in accordance with the affirmative distribution election does not commence before the expiration of the seven (7) day period that begins the day after the explanation of the Joint and Survivor Annuity is provided to the Participant.
- (f) **Qualified Joint and Survivor Annuity but not the normal form.** The provisions of this Section apply if the Employer has elected in the Adoption Agreement to apply the Joint and Survivor Annuity requirement to a Participant, but the Qualified Joint and Survivor Annuity is not the normal form of distribution.
- (1) The Joint and Survivor Annuity provisions of Section 6.5(e) shall not apply if a Participant does not elect an annuity form of distribution. Furthermore, Subsection (3) below shall not apply if a Participant elects an annuity form of distribution.
 - (2) Notwithstanding anything in Sections 6.2 and 6.6 to the contrary, upon the death of a Participant, the automatic form of distribution will be a lump-sum rather than a Qualified Pre-Retirement Survivor Annuity. Furthermore, the Participant's Spouse will be the Beneficiary of the Participant's entire Vested interest in the Plan unless an election is made to waive the Spouse as Beneficiary. The other provisions in Section 6.2 shall be applied by treating the death benefit in this Subsection as though it is a Qualified Pre-Retirement Survivor Annuity.
 - (3) Except to the extent otherwise provided in this Section, the provisions of Sections 6.2 and 6.5 regarding spousal consent shall be inoperative with respect to this Plan.
 - (4) The distribution may commence less than thirty (30) days after the notice required under Regulation §1.411(a)-11(c) is given, provided:
 - (1) the Administrator clearly informs the Participant that the Participant has a right to a period of at least thirty (30) days after the notice to consider the decision of whether or not to elect a distribution (and, if applicable, a particular distribution option), and
 - (2) the Participant, after receiving the notice, affirmatively elects a distribution.

6.6 DISTRIBUTION OF BENEFITS UPON DEATH

- (a) **Consent.** If the value of the death benefit derived from Employer and Employee contributions does not exceed \$5,000, the Administrator shall direct the distribution of such amount to the Participant's Beneficiary in a single lump-sum as soon as practicable. If the value exceeds \$5,000, an immediate distribution of the entire amount may be made to the Beneficiary, provided such Beneficiary consents to the distribution.
- (b) **Forms of distribution.** Death benefits may be paid to a Participant's Beneficiary in one of the following optional forms of benefits subject to the rules specified in Section 6.8 and the elections made in the Adoption Agreement. Such optional forms of distributions may be elected by the Participant. However, if no optional form of distribution was elected by the Participant prior to death, then the Participant's Beneficiary may elect the form of distribution.
- (1) One lump-sum payment in cash or in property that is allocated to the Accounts of the Participant at the time of the distribution.

- (2) Partial withdrawals.
- (3) Payment in monthly, quarterly, semi-annual, or annual cash installments over a period to be determined by the Participant or the Participant's Beneficiary. In order to provide such installment payments, the Administrator may (A) segregate the aggregate amount thereof in a separate, federally insured savings account, certificate of deposit in a bank or savings and loan association, money market certificate or other liquid short-term security or (B) purchase a nontransferable annuity Contract for a term certain (with no life contingencies) providing for such payment. After periodic installments commence, the Beneficiary shall have the right to reduce the period over which such periodic installments shall be made, and the cash amount of such periodic installments shall be adjusted accordingly.
- (4) In the form of an annuity over the life expectancy of the Beneficiary.
- (c) **Required minimum distributions (Code §401(a)(9)).** Notwithstanding any provision in the Plan to the contrary, distributions upon the death of a Participant shall comply with the requirements of Section 6.8.
- (d) **Payment to a child.** For purposes of this Section, any amount paid to a child of the Participant will be treated as if it had been paid to the surviving Spouse if the amount becomes payable to the surviving Spouse when the child reaches the age of majority.
- (e) **Voluntary Contribution Account.** In the event that less than one hundred percent (100%) of a Participant's interest in the Plan is distributed to such Participant's Spouse, the portion of the distribution attributable to the Participant's Voluntary Contribution Account shall be in the same proportion that the Participant's Voluntary Contribution Account bears to the Participant's total interest in the Plan.
- (f) **TEFRA 242(b)(2) election.** The provisions of this Section shall not apply to distributions made in accordance with Section 6.8(a)(4).

6.7 TIME OF DISTRIBUTION

Except as limited by Section 6.8, whenever a distribution is to be made, or a series of payments are to commence, the distribution or series of payments may be made or begun as soon as practicable. Notwithstanding anything in the Plan to the contrary, unless a Participant otherwise elects, payments of benefits under the Plan will be begin not later than the later of the sixtieth (60th) day after the close of the Plan Year in which the latest of the following events occurs: (a) the date on which the Participant attains the earlier of age 65 or the Normal Retirement Age specified herein; (b) the tenth (10th) anniversary of the year in which the Participant commenced participation in the Plan; or (c) the date the Participant terminates service with the Employer. The failure of a Participant to request a distribution shall be deemed to be an election to defer the commencement of payment of any benefit until the time otherwise permitted under the Plan.

6.8 REQUIRED MINIMUM DISTRIBUTIONS

(a) General rules

- (1) **Effective Date.** Subject to the good faith interpretation standard, the requirements of this Section shall apply to any distribution of a Participant's interest in the Plan and will take precedence over any inconsistent provisions of this Plan.
- (2) **Requirements of Treasury Regulations incorporated.** All distributions required under this Section will be determined and made in accordance with the Regulations under Code §401(a)(9) and the minimum distribution incidental benefit requirement of Code §401(a)(9)(G).
- (3) **Limits on distribution periods.** As of the first "distribution calendar year," distributions to a Participant may only be made in accordance with the selections made in the Form of Distributions Section of the Adoption Agreement. If such distributions are not made in a single-sum, then they may only be made over one of the following periods: (i) the life of the Participant, (ii) the joint lives of the Participant and a "designated Beneficiary," (iii) a period certain not extending beyond the "life expectancy" of the Participant, or (iv) a period certain not extending beyond the joint life and last survivor expectancy of the Participant and a "designated Beneficiary."
- (4) **TEFRA Section 242(b)(2) elections.**
 - (i) Notwithstanding the other provisions of this Section, other than the Spouse's right of consent afforded under the Plan, distributions may be made on behalf of any Participant, including a five percent (5%) owner, who has made a designation in accordance with Section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and in accordance with all of the following requirements (regardless of when such distribution commences):

- (A) The distribution by the Plan is one which would not have disqualified such Plan under Code §401(a)(9) as in effect prior to amendment by the Deficit Reduction Act of 1984.

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(B) The distribution is in accordance with a method of distribution designated by the Participant whose interest in the Plan is being distributed or, if the Participant is deceased, by a Beneficiary of such Participant.

(C) Such designation was in writing, was signed by the Participant or the Beneficiary, and was made before January 1, 1984.

(D) The Participant had accrued a benefit under the Plan as of December 31, 1983.

(E) The method of distribution designated by the Participant or the Beneficiary specifies the time at which distribution will commence, the period over which distributions will be made, and in the case of any distribution upon the Participant's death, the Beneficiaries of the Participant listed in order of priority.

(ii) A distribution upon death will not be covered by the transitional rule of this Subsection unless the information in the designation contains the required information described above with respect to the distributions to be made upon the death of the Participant.

(iii) For any distribution which commences before January 1, 1984, but continues after December 31, 1983, the Participant, or the Beneficiary, to whom such distribution is being made, will be presumed to have designated the method of distribution under which the distribution is being made if the method of distribution was specified in writing and the distribution satisfies the requirements in (i)(A) and (i)(E) of this Subsection.

(iv) If a designation is revoked, any subsequent distribution must satisfy the requirements of Code §401(a)(9) and the Regulations thereunder. If a designation is revoked subsequent to the date distributions are required to begin, the Plan must distribute by the end of the calendar year following the calendar year in which the revocation occurs the total amount not yet distributed which would have been required to have been distributed to satisfy Code §401(a)(9) and the Regulations thereunder, but for the Section 242(b)(2) election. For calendar years beginning after December 31, 1988, such distributions must meet the minimum distribution incidental benefit requirements. Any changes in the designation will be considered to be a revocation of the designation. However, the mere substitution or addition of another Beneficiary (one not named in the designation) under the designation will not be considered to be a revocation of the designation, so long as such substitution or addition does not alter the period over which distributions are to be made under the designation, directly or indirectly (for example, by altering the relevant measuring life).

(v) In the case in which an amount is transferred or rolled over from one plan to another plan, the rules in Regulation §1.401(a)(9)-8, Q&A-14 and Q&A-15, shall apply.

(5) **Good faith interpretation standard.** In applying any provision of this section, the Plan will apply a reasonable good faith interpretation of Code §401(a)(9).

(b) Time and manner of distribution

(1) **Required beginning date.** The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's "required beginning date."

(2) **Death of Participant before distributions begin.** If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows as elected in the Distributions Upon Death Section of the Adoption Agreement (or if no election is made, then the Beneficiary may elect either the lifetime method or the five-year method and if the Beneficiary makes no election, the five-year method shall apply):

(i) **Lifetime method (Spouse).** If the Participant's surviving Spouse is the Participant's sole "designated Beneficiary," then, except as otherwise provided herein, distributions to the surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70 1/2, if later.

(ii) **Lifetime method (non-Spouse).** If the Participant's surviving Spouse is not the Participant's sole "designated Beneficiary," then, except as provided in Section 6.8(b)(3) below, distributions to the "designated Beneficiary" will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

(iii) **Five-year method.** If there is no "designated Beneficiary" as of September 30 of the year following the year of the Participant's death or if otherwise elected pursuant to the Adoption Agreement with respect to a "designated Beneficiary," the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(iv) **Death of Spouse.** If the Participant's surviving Spouse is the Participant's sole "designated Beneficiary" and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, this Section 6.8(b)(2), other than Section 6.8(b)(2)(i), will apply as if the surviving Spouse were the Participant.

For purposes of this Section 6.8(b)(2) and Section 6.8(b)(3), unless Section 6.8(b)(2)(iv) applies, distributions are considered to begin on the Participant's "required beginning date." If Section 6.8(b)(2)(iv) applies, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 6.8(b)(2)(i). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's "required beginning date" (or to the Participant's surviving Spouse before the date distributions are required to begin to the surviving Spouse under Section 6.8(b)(2)(i)), the date distributions are considered to begin is the date distributions actually commence.

(3) **Forms of distribution.** Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the "required beginning date," as of the first "distribution calendar year" distributions will be made in accordance with Sections 6.8(c) and 6.8(d) and only in a form of distribution provided in Section 6.5 or 6.6, as applicable. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code §401(a)(9) and the Regulations thereunder.

(c) **Required minimum distributions during Participant's lifetime**

(1) **Amount of required minimum distribution for each "distribution calendar year."** During the Participant's lifetime, the minimum amount that will be distributed for each "distribution calendar year" is the lesser of the following:

- (i) the quotient obtained by dividing the "Participant's account balance" by the distribution period in the Uniform Lifetime Table set forth in Regulation §1.401(a)(9)-9, using the Participant's age as of the Participant's birthday in the "distribution calendar year"; or
- (ii) if the Participant's sole "designated Beneficiary" for the "distribution calendar year" is the Participant's Spouse, the quotient obtained by dividing the "Participant's account balance" by the number in the Joint and Last Survivor Table set forth in Regulation §1.401(a)(9)-9, using the Participant's and Spouse's attained ages as of the Participant's and Spouse's birthdays in the "distribution calendar year."

(2) **Lifetime required minimum distributions continue through year of Participant's death.** Required minimum distributions will be determined under this Section 6.8(c) beginning with the first "distribution calendar year" and up to and including the "distribution calendar year" that includes the Participant's date of death.

(d) **Required minimum distributions after Participant's death**

(1) **Death on or after date distributions begin.**

(i) **Participant survived by "designated Beneficiary."** If the Participant dies on or after the date distributions begin and there is a "designated Beneficiary," the minimum amount that will be distributed for each "distribution calendar year" after the year of the Participant's death is the quotient obtained by dividing the "Participant's account balance" by the longer of the remaining "life expectancy" of the Participant or the remaining "life expectancy" of the Participant's "designated Beneficiary," determined as follows:

(A) The Participant's remaining "life expectancy" is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(B) If the Participant's surviving Spouse is the Participant's sole "designated Beneficiary," the remaining "life expectancy" of the surviving Spouse is calculated for each "distribution calendar year" after the year of the Participant's death using the surviving Spouse's age as of the Spouse's birthday in that year. For "distribution calendar years" after the year of the surviving Spouse's death, the remaining "life expectancy" of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

(C) If the Participant's surviving Spouse is not the Participant's sole "designated Beneficiary," the "designated Beneficiary's" remaining "life expectancy" is calculated using the age of the Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(ii) **No "designated Beneficiary."** If the Participant dies on or after the date distributions begin and there is no "designated Beneficiary" as of September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each "distribution calendar year" after the year of the Participant's death is the quotient obtained by dividing the "Participant's account balance" by the Participant's remaining "life expectancy" calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(2) **Death before date distributions begin.**

(i) **Participant survived by "designated Beneficiary."** Except as provided in Section 6.8(b)(3), if the Participant dies before the date distributions begin and there is a "designated Beneficiary," the minimum amount that will be distributed for each "distribution calendar year" after the year of the Participant's death is the quotient obtained by dividing the "Participant's account balance" by the remaining "life expectancy" of the Participant's "designated Beneficiary," determined as provided in Section 6.8(d)(1).

(ii) **No "designated Beneficiary."** If the Participant dies before the date distributions begin and there is no "designated Beneficiary" as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(iii) **Death of surviving Spouse before distributions to surviving Spouse are required to begin.** If the Participant dies before the date distributions begin, the Participant's surviving Spouse is the Participant's sole "designated Beneficiary," and the surviving Spouse dies before distributions are required to begin to the surviving Spouse under Section 6.8(b)(2)(i), this Section 6.8(d)(2) will apply as if the surviving Spouse were the Participant.

(e) **Definitions.** For purposes of this Section, the following definitions apply:

(1) "Designated Beneficiary" means the individual who is designated as the Beneficiary under the Plan and is the "designated Beneficiary" under Code §401(a)(9) and Regulation §1.401(a)(9)-4.

(2) "Distribution calendar year" means a calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first "distribution calendar year" is the calendar year immediately preceding the calendar year which contains the Participant's "required beginning date." For distributions beginning after the Participant's death, the first "distribution calendar year" is the calendar year in which distributions are required to begin under Section 6.8(b). The required minimum distribution for the Participant's first "distribution calendar year" will be made on or before the Participant's "required beginning date." The required minimum distribution for other "distribution calendar years," including the required minimum distribution for the "distribution calendar year" in which the Participant's "required beginning date" occurs, will be made on or before December 31 of that "distribution calendar year."

(3) "Life expectancy" means the life expectancy as computed by use of the Single Life Table in Regulation §1.401(a)(9)-9.

(4) "Participant's account balance" means the Participant's account balance as of the last Valuation Date in the calendar year immediately preceding the "distribution calendar year" (valuation calendar year) increased by the amount of any contributions made and allocated or Forfeitures allocated to the account balance as of the dates in the valuation calendar year after the Valuation Date and decreased by distributions made in the valuation calendar year after the Valuation Date. For this purpose, the Administrator may exclude contributions that are allocated to the account balance as of dates in the valuation calendar year after the Valuation Date, but that are not actually made during the valuation calendar year. The account balance for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the "distribution calendar year" if distributed or transferred in the valuation calendar year.

(a) **Reduction for QLACs.** A Participant's account balance is reduced by any QLACs (as defined below). This paragraph applies only to QLACs purchased on or after July 2, 2014.

(b) **Definition of QLAC.** A QLAC is qualifying longevity annuity contract as defined in A-17 of Regulation §1.401(a)(9)-6. Pursuant to such Regulation, a QLAC is an annuity contract that is purchased from an insurance company for a Participant and that, in accordance with the rules of application of paragraph (c) below, satisfies each of the following requirements:

(1) The premiums paid with respect to the contract on a date do not exceed the lesser of the following amounts, determined in accordance with the provisions of paragraph (b) of A-17 of Regulation §1.401(a)(9)-6.

(a) An amount equal to the excess of \$125,000 (as adjusted under paragraph (d)(2) of A-17 of Regulation §1.401(a)(9)-6), over the sum of the premiums paid before that date with respect to the contract, and the premiums paid on or before that date with respect to any other contract that is intended to be a QLAC and that is purchased for the Participant under the Plan, or any other plan, annuity, or account described in Code §401(a), 403(a), 403(b), or 408 or eligible governmental plan under §457(b).

(b) An amount equal to the excess of 25% of the Participant's account balance under the Plan (including the value of any QLAC held under the Plan for the Participant) as of that date, over the sum of the premiums paid before that date with respect to the contract, and the premiums paid on

or before that date with respect to any other contract that is intended to be a QLAC and that is held or was purchased for the Participant under the Plan.

- (2) The contract provides that distributions under the contract must commence not later than a specified annuity starting date that is no later than the first day of the month next following the eighty-fifth (85th) anniversary of the Employee's birth;
- (3) The contract provides that, after distributions under the contract commence, those distributions must satisfy the requirements of paragraph (c) of A-17 of Regulation §1.401(a)(9)-6 (other than the requirement that annuity payments commence on or before the required beginning date (RBD));
- (4) The contract does not make available any commutation benefit, cash surrender right, or other similar feature except as otherwise permitted under A-17 of Regulation §1.401(a)(9)-6;
- (5) No benefits are provided under the contract after the death of the employee other than the benefits described in paragraph (c) of A-17 of Regulation §1.401(a)(9)-6;
- (6) Except as otherwise permitted under A-17 of Regulation §1.401(a)(9)-6, when the contract is issued, the contract (or a rider or endorsement with respect to that contract) states that the contract is intended to be a QLAC; and
- (7) The contract is not a variable contract under Code §817, an indexed contract, or a similar contract, except to the extent provided by the Commissioner in revenue rulings, notices, or other guidance published in the Internal Revenue Bulletin.

(c) Rules of application relating to premiums.

(1) Reliance on representations. For purposes of the limitation on premiums described in paragraphs (b)(1) and (2) above, unless the Administrator has actual knowledge to the contrary, the Administrator may rely on an Employee's representation (made in writing or such other form as may be prescribed by the Commissioner) of the amount of the premiums described in such paragraphs, but only with respect to premiums that are not paid under a plan, annuity, or contract that is maintained by the Employer or an entity that is treated as a single employer with the Employer under Code §414(b), (c), (m), or (o).

(2) Consequences of excess premiums. If an annuity contract fails to be a QLAC solely because a premium for the contract exceeds the limits under paragraph (b)(1)(a) above, then the contract is not a QLAC beginning on the date that premium payment is made unless the excess premium is returned to the non-QLAC portion of the Participant's account in accordance with paragraph (d)(1)(ii)(B) of A-17 of Regulation §1.401(a)(9)-6. If the contract fails to be a QLAC, then the value of the contract may not be disregarded under paragraph (a) above as of the date on which the contract ceases to be a QLAC.

If the excess premium is returned (either in cash or in the form of a contract that is not intended to be a QLAC) to the non-QLAC portion of the Participant's account by the end of the calendar year following the calendar year in which the excess premium was originally paid, then the contract will not be treated as exceeding the limits under paragraph (b)(1)(a) above at any time, and the value of the contract will not be included in the employee's account balance under paragraph (a) above. If the excess premium (including the fair market value of an annuity contract that is not intended to be a QLAC, if applicable) is returned to the non-QLAC portion of the Participant's account after the last valuation date for the calendar year in which the excess premium was originally paid, then the Participant's account balance for that calendar year must be increased to reflect that excess premium in the same manner as a Participant's account balance is increased under Regulation §1.401(a)(9)-7, A-2 to reflect a rollover received after the last valuation date.

(3) Application of 25-percent limit. For purposes of the 25% limit under paragraph (b)(1)(b) above, a Participant's account balance on the date on which premiums for a contract are paid is the account balance as of the last valuation date preceding the date of the premium payment, adjusted as follows. The account balance is increased for contributions allocated to the account during the period that begins after the valuation date and ends before the date the premium is paid and decreased for distributions made from the account during that period.

(d) Dollar and age limitations subject to adjustments. In the case of calendar years beginning on or after January 1, 2015, the \$125,000 amount under paragraph (b)(1)(a) will be adjusted at the same time and in the same manner as the limits are adjusted under Code §415(d), except that the base period shall be the calendar quarter beginning July 1, 2013, and any increase under this paragraph that is not a multiple of \$10,000 will be rounded to the next lowest multiple of \$10,000. The maximum age set forth in paragraph (b)(2) may be adjusted to reflect changes in mortality, with any such adjusted age to be prescribed by the Commissioner in revenue rulings, notices, or other guidance published in the Internal Revenue Bulletin and made available by the Superintendent of Documents.

If a contract fails to be a QLAC because it does not satisfy the dollar limitation in paragraph (b)(1)(a) or the age limitation in paragraph (b)(2), any subsequent adjustment that is made pursuant to this paragraph (d) will not cause the contract to become a QLAC.

(5) "Required beginning date" means, except as otherwise elected in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections), with respect to any Participant, April 1 of the calendar year following the later of the calendar year in which the Participant attains age 70 1/2 or the calendar year in which the Participant retires.

6.9 DISTRIBUTION FOR MINOR OR INCOMPETENT INDIVIDUAL

If, in the opinion of the Administrator, a Participant or Beneficiary entitled to a distribution is not able to care for his her affairs because of a mental condition, a physical condition, or by reason of age in the case of a minor, Administrator shall direct the distribution to the Participant's or Beneficiary's valid power of attorney, court appointed guardian, or any other person authorized under state law to receive the benefit (including a custodian under a Uniform Transfers or Gifts to Minors Act), upon furnishing evidence of such status satisfactory to the Administrator. The Administrator and the Trustee (or Insurer) do not have any liability with respect to payments so made and neither the Administrator nor the Trustee (or Insurer) has any duty to make inquiry as to the competence of any person entitled to receive payments under the Plan.

6.10 LOCATION OF PARTICIPANT OR BENEFICIARY UNKNOWN

In the event that all, or any portion, of the distribution payable to a Participant or Beneficiary hereunder shall, at the later of the Participant's attainment of age 62 or Normal Retirement Age, remain unpaid solely by reason of the inability of the Administrator to ascertain the whereabouts of such Participant or Beneficiary, the amount so distributable may, in the sole discretion of the Administrator, either be treated as a Forfeiture or be paid directly to an individual retirement account described in Code §408(a) or an individual retirement annuity described in Code §408(b). Before treating any Participant as being missing, the Administrator must conduct a reasonable and diligent search for the Participant, using one or more of search methods the Plan Administrator determines are appropriate under the circumstances, such as the methods suggested by DOL Field Assistance Bulletin 2014-01. Such search methods include:

- (1) provide a distribution notice to the lost Participant at the Participant's last known address by certified or registered mail;
- (2) check with the administrator of other employee benefit plans of the Employer that may have more up-to-date information regarding the Participant's whereabouts;
- (3) identify and contact the Participant's Designated Beneficiary;
- (4) use one or more free internet search tools;
- (5) attempt contact via email or telephone, or
- (6) use proprietary internet search tools, commercial locator services, credit reporting agencies, information brokers, or other search methods. Regarding search methods (2) and (3) above, if the Plan Administrator encounters privacy concerns, the Plan Administrator may request that the Employer or other plan fiduciary (under (2)), or the Designated Beneficiary (under (3)), contact the Participant or forward a letter requesting that the Participant contact the Plan Administrator.

In addition, if the Plan provides for mandatory distributions and the amount to be distributed to a Participant or Beneficiary does not exceed \$1,000, then the amount distributable may, in the sole discretion of the Administrator, either be treated as a Forfeiture, be paid directly to an individual retirement account described in Code §408(a) or an individual retirement annuity described in Code §408(b) or use the PBGC Missing Participant Program, or any successor program, at the time it is determined that the whereabouts of the Participant or the Participant's Beneficiary cannot be ascertained. In the event a Participant or Beneficiary is located subsequent to the Forfeiture and prior to the time the Plan has been terminated, such benefit shall be restored, first from Forfeitures, if any, and then from an additional Employer contribution if necessary. Upon Plan termination, the portion of the distributable amount that is an "eligible rollover distribution" as defined in Section 6.14(b)(1) may be paid directly to an individual retirement account described in Code §408(a) or an individual retirement annuity described in Code §408(b). However, regardless of the preceding, a benefit that is lost by reason of escheat under applicable state law is not treated as a Forfeiture for purposes of this Section nor as an impermissible forfeiture under the Code.

6.11 IN-SERVICE DISTRIBUTION

If elected in the Adoption Agreement, at such time as the conditions set forth in the Adoption Agreement have been satisfied, then the Administrator, at the election of a Participant who has not severed employment with the Employer, shall direct the distribution of up to the entire Vested amount then credited to the Accounts as elected in the Adoption Agreement maintained on behalf of such Participant. For purposes of this Section, a Participant shall include an Employee who has an Account balance in the Plan. In the event that the Administrator makes such a distribution, the Participant shall continue to be eligible to participate in the Plan on the same basis as any other Employee. Any distribution made pursuant to this Section shall be made in a manner consistent with Section 6.5. Furthermore, if an in-service distribution is permitted from more than one account type, the Administrator may determine any ordering of a Participant's in-service distribution from such accounts. The Administrator may adopt a policy imposing frequency limitations or other reasonable administrative conditions on in-service distributions made pursuant to this Section.

6.12 DISTRIBUTION FOR HARDSHIP

(a) **Hardship events.** If elected in the Adoption Agreement, the Administrator, at the election of the Participant, shall direct the distribution to any Participant in any one Plan Year to an amount necessary to satisfy the Participant's immediate and heavy financial need, determined in accordance with the remaining provisions of this Section. A hardship distribution may only be made on account of an immediate and heavy financial need of the Participant and where the distribution is necessary to satisfy the immediate and heavy financial need. Such distributions may also be made from those Accounts from which such distribution are authorized by the remaining provisions of this Section. For purposes of this Section, a Participant shall include an Employee who has an Account balance in the Plan. Any distribution made pursuant to this Section shall be deemed to be made as of the first day of the Plan Year or, if later, the Valuation Date immediately preceding the date of distribution, and the Account from which the distribution is made shall be reduced accordingly. Withdrawal under this Section shall be authorized only if the distribution is for an immediate and heavy financial need. The Administrator will determine whether there is an immediate and heavy financial need based on the facts and circumstances. An immediate and heavy financial need includes, but is not limited to, a distribution for one of the following:

- (1) Expenses for (or necessary to obtain) medical care (as defined in Code §213(d));
- (2) Costs directly related to the purchase (excluding mortgage payments) of a principal residence for the Participant;
- (3) Payments for burial or funeral expenses for the Participant's deceased parent, Spouse, children or dependents (as defined in Code §152, and without regard to Code §152(d)(1)(B));
- (4) Payment of tuition, related educational fees, and room and board expenses, for up to the next twelve (12) months of post-secondary education for the Participant, the Participant's Spouse, children, or dependents (as defined in Code §152, and without regard to Code §§152(b)(1), (b)(2), and (d)(1)(B));
- (5) Payments necessary to prevent the eviction of the Participant from the Participant's principal residence or foreclosure on the mortgage on that residence; or
- (6) Expenses for the repair of damage to the Participant's principal residence that would qualify for the casualty deduction under Code §165 (determined without regard to whether the loss exceeds 10% of adjusted gross income).

(b) **Beneficiary-based distribution.** If elected in the Adoption Agreement, then effective as of the date specified in the Adoption Agreement, a Participant's hardship event includes an immediate and heavy financial need of the Participant's "primary Beneficiary under the Plan," that would constitute a hardship event if it occurred with respect to the Participant's Spouse or dependent as defined under Code §152 (such hardship events being limited to educational expenses, funeral expenses and certain medical expenses). For purposes of this Section, a Participant's "primary Beneficiary under the Plan" is an individual who is named as a Beneficiary under the Plan (by the Participant or pursuant to Section 6.2(d)) and has an unconditional right to all or a portion of the Participant's Account balance under the Plan upon the Participant's death.

(c) **Other limits and conditions.** If elected in the Adoption Agreement, no distribution shall be made pursuant to this Section from the Participant's Account until such Account has become fully Vested. Furthermore, if a hardship distribution is permitted from more than one Account, the Administrator may determine any ordering of a Participant's hardship distribution from such Accounts.

(d) **Distribution rules apply.** Any distribution made pursuant to this Section shall be made in a manner which is consistent with and satisfies the provisions of Section 6.5.

6.13 QUALIFIED DOMESTIC RELATIONS ORDER DISTRIBUTION

All benefits provided to a Participant in this Plan shall be subject to the rights afforded to any Alternate Payee under a "qualified domestic relations order." Furthermore, unless otherwise elected in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections) a distribution to an Alternate Payee shall be permitted if such distribution is authorized by a "qualified domestic relations order," even if the affected Participant has not reached the "earliest retirement age." For the purposes of this Section, "qualified domestic relations order" and "earliest retirement age" shall have the meanings set forth under Code §414(p). For purposes of this Section, however, a distribution that is made pursuant to a domestic relations order which meets the requirements of Code §414(p)(1)(A)(i) will be treated as being made pursuant to a "qualified domestic relations order."

A domestic relations order that otherwise satisfies the requirements for a "qualified domestic relations order" will not fail to be a "qualified domestic relations order": (i) solely because the order is issued after, or revises, another domestic relations order or "qualified domestic relations order"; or (ii) solely because of the time at which the order is issued, including issuance after the Annuity Starting Date or after the Participant's death.

6.14 DIRECT ROLLOVERS

(a) **Right to direct rollover.** Notwithstanding any provision of the Plan to the contrary that would otherwise limit a "distributee's" election under this Section, a "distributee" may elect, at the time and in the manner prescribed by the Administrator, to have an "eligible rollover distribution" paid directly to an "eligible retirement plan" specified by the "distributee" in a "direct rollover." However, if less than the entire amount of the "eligible rollover distribution" is being paid directly to an "eligible retirement plan," then the Administrator may require that the amount paid directly to such plan be at least \$500.

(b) **Definitions.** For purposes of this Section, the following definitions shall apply:

(1) **Eligible rollover distribution.** An "eligible rollover distribution" means any distribution described in Code §402(c)(4) and generally includes any distribution of all or any portion of the balance to the credit of the "distributee," except that an "eligible rollover distribution" does not include: (a) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the "distributee" or the joint lives (or joint life expectancies) of the "distributee" and the "distributee's" "designated Beneficiary," or for a specified period of ten (10) years or more; (b) any distribution to the extent such distribution is required under Code §401(a)(9); (c) any hardship distribution; (d) the portion of any other distribution(s) that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities); (e) any loans that are treated as deemed distributions under Code §72(p) which are not also an offset distribution; (f) the costs of life insurance coverage (P.S. 58 costs); (g) any other distributions described in Regulation §1.402(c)-2; and any other distribution reasonably expected to total less than \$200 during a year.

Notwithstanding the above, a portion of a distribution shall not fail to be an "eligible rollover distribution" merely because the portion consists of after-tax voluntary Employee contributions which are not includible in gross income. However, such portion may be transferred only to:

- (i) a traditional individual retirement account or annuity described in Code §408(a) or (b) (a "traditional IRA")
- (ii) for taxable years beginning after December 31, 2006, a Roth individual account or annuity described in Code §408A (a "Roth IRA"), or
- (iii) a qualified defined contribution plan or an annuity contract described in Code §401(a) or Code §403(b), respectively, that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

(2) **Eligible retirement plan.** An "eligible retirement plan" is a "traditional IRA," a "Roth IRA," a qualified trust (an employees' trust) described in Code §401(a) which is exempt from tax under Code §501(a), an annuity plan described in Code §403(a), an eligible plan under Code §457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision and which agrees to separately account for amounts transferred into such plan from this Plan, and an annuity contract described in Code §403(b), and for distributions made after December 18, 2015, a SIMPLE IRA to the extent permitted under Code §408(p)(1)(B), that accepts the "distributee's" "eligible rollover distribution." The definition of "eligible retirement plan" shall also apply in the case of a distribution to a surviving Spouse, or to a Spouse or former Spouse who is an Alternate Payee. If any portion of an "eligible rollover distribution" is attributable to payments or distributions from a designated Roth account, an "eligible retirement plan" with respect to such portion shall include only another designated Roth account of the individual from whose account the payments or distributions were made, or a Roth IRA of such individual. In the case of a "distributee" who is a non-Spouse designated Beneficiary, (i) the "direct rollover" may be made only to a traditional or Roth individual retirement account or an annuity described in Code §408(b) ("IRA") that is established on behalf of the designated non-Spouse Beneficiary and that will be treated as an inherited IRA pursuant to the provisions of Code §402(c)(11), and (ii) the determination of any required minimum distribution required under Code §401(a)(9) that is ineligible for rollover shall be made in accordance with IRS Notice 2007-7, Q&A 17 and 18.

(3) **Distributee.** A "distributee" includes an Employee or Former Employee. In addition, the Employee's or Former Employee's surviving Spouse and the Employee's or Former Employee's Spouse or former Spouse who is the Alternate Payee, are "distributees" with regard to the interest of the Spouse or former Spouse.

(4) **Direct rollover.** A "direct rollover" is a payment by the Plan to the "eligible retirement plan" specified by the "distributee."

(c) **Participant notice.** A Participant entitled to an "eligible rollover distribution" must receive a written explanation of the right to a "direct rollover," the tax consequences of not making a "direct rollover," and, if applicable, any available special income tax elections. The notice must be provided no less than thirty (30) days and no more than one-hundred eighty (180) days before the Annuity Starting Date. The "direct rollover" notice must be provided to all Participants, unless the total amount the Participant will receive as a distribution during the calendar year is expected to be less than \$200.

(d) **Non-Spouse Beneficiary rollover right.** A non-Spouse Beneficiary who is a "designated Beneficiary" under Code §401(a)(9)(E) and the Regulations thereunder, by a direct trustee-to-trustee transfer ("direct rollover"), may roll over all or any portion an "eligible rollover distribution" to an IRA the Beneficiary establishes for purposes of receiving the distribution. If the Participant's named Beneficiary is a trust, the Plan may make a direct rollover to an IRA on behalf of the trust, provided the trust satisfies the requirements to be a "designated Beneficiary."

6.15 RESTRICTIONS ON DISTRIBUTION OF ASSETS TRANSFERRED FROM A MONEY PURCHASE PLAN

Notwithstanding any provision of this Plan to the contrary, to the extent that any optional form of benefit under this Plan permits a distribution prior to the Employee's retirement, death, Total and Permanent Disability, or severance from employment, and prior to Plan termination, the optional form of benefit is not available with respect to benefits attributable to assets (including the post-transfer earnings thereon) and liabilities that are transferred, within the meaning of Code §414(l), to this Plan from a money purchase pension plan qualified under Code §401(a) (other than any portion of those assets and liabilities attributable to after-tax voluntary Employee contributions or to a direct or indirect rollover contribution). A Participant may not obtain an in-service distribution with respect to such transferred amounts prior to the earlier of the Participant's Normal Retirement Age or attainment of age 62.

6.16 CORRECTIVE DISTRIBUTIONS

Nothing in this Article shall preclude the Administrator from making a distribution to a Participant, to the extent such distribution is made to correct a qualification defect in accordance with the corrective procedures under the IRS' Employee Plans Compliance Resolution System or any other voluntary compliance programs established by the IRS.

6.17 SERVICE CREDIT PURCHASES

The Administrator, upon Participant request, may direct the transfer of all or a portion of the Participant's Account to a governmental defined benefit plan (as defined in Code §414(d)) in which he or she participates for the purchase of permissive service credit (as defined in Code §415(n)(3)(A)).

6.18 UNCASHED CHECKS

Subject to the provisions of Section 6.10, the Plan Administrator operationally may dispose of an uncashed distribution from the Plan to a lost Participant at the time and in the manner described in this Section). Prior to doing so, the Plan Administrator must make reasonable and diligent efforts to contact the lost Participant, including using such search methods the Plan Administrator determines are appropriate under the circumstances. At the discretion of the Administrator, Plan distributions that remain uncashed, and which the Administrator chooses not to reinvest in the Plan may be: (1) voluntarily remitted to a State unclaimed property department, but no sooner than the appropriate state dormancy period has expired; or (2) deposited for the benefit of the lost Participant either to a: (a) bank account, or (b) individual retirement account if the original distribution was an eligible rollover distribution.

For purposes of this Section 6.18, a distribution is "uncashed" if it remains uncashed by the "cash-by" date on the check or in an accompanying notice, e.g., a date prescribed by the bank or the Plan. This "cash-by" date must be at least forty-five (45) days after the check is issued. If there is no prescribed "cash-by" date, then the amount is considered uncashed if it is not cashed by the check's stale date.

6.19 HEALTH INSURANCE PAYMENTS FOR PUBLIC SAFETY OFFICERS

An "eligible retired public safety officer" may elect annually for that taxable year to have the Plan deduct an amount from a distribution which the "eligible retired public safety officer" otherwise would receive and include in income. The Plan will pay such deducted amounts directly to pay "qualified health insurance premiums" as defined in Code §402(l). Any election made under this Plan must conform to the requirements of Code §402(l). A "qualified retired public safety officer" is a public safety officer (as defined in §1204(9)(A) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C 3796b(9)(A)) who, by reason of disability or attainment of Normal Retirement Age, is separated from service as a public safety officer with the Employer. "Qualified health insurance premiums" means the premiums for coverage for the "eligible retired public safety officer," his or her Spouse, and dependents (as defined in Code §152), by an accident or health plan or qualified long-term care insurance contract (as defined in Code §7702B(b)).

ARTICLE VII TRUSTEE AND CUSTODIAN

7.1 CONFLICT WITH PLAN

In the event of any conflicts between the provisions of this Plan and the Trust agreement, the provisions of this Plan control.

7.2 POWERS AND DUTIES OF CUSTODIAN

Subject to the terms of the Trust agreement, the Employer may appoint a Custodian of the Plan assets. The duties of the Custodian are those set forth in the agreement with the Custodian. Any reference in the Plan to a Trustee also is a reference to a Custodian unless the Employer has appointed a Custodian separate from the Trustee or the context of the Plan indicates otherwise.

7.3 LIFE INSURANCE

(a) **Permitted insurance.** To the extent not prohibited under the terms of the Trust agreement, the Trustee (or Insurer), in accordance with operational procedures of the Administrator, shall ratably apply for, own, and pay all premiums on Contracts on the lives of the Participants or, in the case of a 401(a) Plan, on the life of a member of the Participant's family or on the joint lives of a Participant and a member of the Participant's family. Furthermore, if a Contract is purchased on the joint lives of the Participant and another person and such other person predeceases the Participant, then the Contract may not be maintained under this Plan. Any initial or additional Contract purchased on behalf of a Participant shall have a face amount of not less than \$1,000, an amount set forth in the Administrator's procedures, or the limitation of the Insurer, whichever is greater. If a life insurance Contract is to be purchased for a Participant, then the aggregate premium for ordinary life insurance for each Participant must be less than 50% of the aggregate contributions and Forfeitures allocated to the Participant's Combined Account. For purposes of this limitation, ordinary life insurance Contracts are Contracts with both non-decreasing death benefits and non-increasing premiums. If term insurance or universal life insurance is purchased, then the aggregate premium must be 25% or less of the aggregate contributions and Forfeitures allocated to the Participant's Combined Account. If both term insurance and ordinary life insurance are purchased, then the premium for term insurance plus one-half of the premium for ordinary life insurance may not in the aggregate exceed 25% of the aggregate Employer contributions and Forfeitures allocated to the Participant's Combined Account. Notwithstanding the preceding, the limitations imposed herein with respect to the purchase of life insurance shall not apply, in the case of a 401(a) Plan, to the portion of the Participant's Account that has accumulated for at least two (2) Plan Years or to the entire Participant's Account if the Participant has been a Participant in the Plan for at least five (5) years. In addition, amounts transferred to this Plan in accordance with Section 4.6(f)(1)(ii) or (iii) and a Participant's Voluntary Contribution Account may be used to purchase Contracts without limitation. Thus, amounts that are not subject to the limitations contained herein may be used to purchase life insurance on any person in whom a Participant has an insurable interest or on the joint lives of a Participant and any person in whom the Participant has an insurable interest, and without regard to the amount of premiums paid to purchase any life insurance hereunder.

(b) **Contract conversion at retirement.** The Administrator must direct the Trustee (or Insurer) to distribute any Contracts to the Participant or convert the entire value of the Contracts at or before retirement into cash or provide for a periodic income so that no portion of such value may be used to continue life insurance protection beyond the Participant's actual retirement date.

(c) **Limitations on purchase.** No life insurance Contracts shall be required to be obtained on an individual's life if, for any reason (other than the nonpayment of premiums) the Insurer will not issue a Contract on such individual's life.

(d) **Proceeds payable to plan.** The Trustee (or Insurer) must be the owner of any life insurance Contract purchased under the terms of this Plan. The Contract must provide that the proceeds will be payable to the Trustee (or Insurer); however, the Trustee (or Insurer) shall be required to pay over all proceeds of the Contract to the Participant's "designated Beneficiary" in accordance with the distribution provisions of Article VI as directed by the Administrator. A Participant's Spouse will be the "designated Beneficiary" pursuant to Section 6.2, unless a qualified election has been made in accordance with Sections 6.5 and 6.6 of the Plan, if applicable. Under no circumstances shall the Trust retain any part of the proceeds that are in excess of the cash surrender value immediately prior to death. However, the Trustee (or Insurer) shall not pay the proceeds in a method that would violate the requirements of the Retirement Equity Act of 1984, as stated in Article VI of the Plan, or Code §401(a)(9) and the Regulations thereunder. In the event of any conflict between the terms of this Plan and the terms of any insurance Contract purchased hereunder, the Plan provisions shall control.

(e) **No responsibility for act of Insurer.** The Employer, the Administrator and the Trustee shall not be responsible for the validity of the provisions under a Contract issued hereunder or for the failure or refusal by the Insurer to provide benefits under such Contract. The Employer, Administrator and the Trustee are also not responsible for any action or failure to act by the Insurer or any other person which results in the delay of a payment under the Contract or which renders the Contract invalid or unenforceable in whole or in part.

7.4 LOANS TO PARTICIPANTS

(a) **Permitted Loans.** To the extent not prohibited under the terms of the Trust agreement, the Administrator may, in the Administrator's sole discretion, make loans to Participants. If loans are permitted, then the following shall apply: (1) loans shall be made available to all Participants on a reasonably equivalent basis; (2) loans shall bear a reasonable rate of interest; (3) loans shall be adequately secured; and (4) loans shall provide for periodic repayment over a reasonable period of time. Furthermore, no Participant loan shall exceed the Participant's Vested interest in the Plan. For purposes of this Section, the term Participant shall include any Eligible Employee who is not yet a Participant, if, pursuant to the Adoption Agreement, "rollovers" are permitted to be accepted from Eligible Employees.

(b) **Loan program.** The Administrator shall be authorized to establish a Participant loan program to provide for loans under the Plan. In order for the Administrator to implement such loan program, a separate written document forming a part of this Plan must be adopted, which document shall specifically include, but need not be limited to, the following:

- (1) the identity of the person or positions authorized to administer the Participant loan program;
- (2) a procedure for applying for loans;
- (3) the basis on which loans will be approved or denied;
- (4) limitations, if any, on the types and amounts of loans offered;
- (5) the procedure under the program for determining a reasonable rate of interest;
- (6) the types of collateral which may secure a Participant loan; and
- (7) the events constituting default and the steps that will be taken to preserve Plan assets in the event such default.

(c) **Loan default.** Notwithstanding anything in this Plan to the contrary, if a Participant or Beneficiary defaults on a loan made pursuant to this Section that is secured by the Participant's interest in the Plan, then a Participant's interest may be offset by the amount subject to the security to the extent there is a distributable event permitted by the Code or Regulations. Notwithstanding anything in the Plan's loan policy to the contrary, if a loan is accelerated due to a Participant's termination of employment, then the Plan may direct that the loan note be transferred or directly rolled over to another plan that will accept the transfer or rollover of the note.

(d) **Loans subject to Plan terms.** Notwithstanding anything in this Section to the contrary, if this is an amendment and restatement of an existing Plan, any loans made prior to the date this amendment and restatement is adopted shall be subject to the terms of the Plan in effect at the time such loan was made.

7.5 PLAN TO PLAN TRANSFERS

Notwithstanding any other provision contained in this Plan and to the extent not prohibited under the terms of the Trust agreement, the Administrator may direct the Trustee to transfer the interest, if any, of a Participant to another trust forming part of a pension, profit sharing, or stock bonus plan that meets the requirements of Code §401(a), provided that the trust to which such transfers are made permits the transfer to be made and further provided that the terms of the transferee plan properly allocates the funds in each account to a transferee account that preserves all the required features and restrictions applicable to such account under this Plan. However, the transfer of amounts from this Plan to a nonqualified foreign trust is treated as a distribution and the transfer of assets and liabilities from this Plan to a plan that satisfies Section 1165 of the Puerto Rico Code is also treated as distribution from the transferor plan.

ARTICLE VIII AMENDMENT, TERMINATION AND MERGERS

8.1 AMENDMENT

(a) **General rule on Employer amendment.** The Employer shall have the right at any time to amend this Plan subject to the limitations of this Section. However, any amendment that affects the rights, duties or responsibilities of the Trustee (or Insurer) or Administrator may only be made with the Trustee's (or Insurer's) or Administrator's written consent. Any such amendment shall become effective as provided therein upon its execution. The Trustee (or Insurer) shall not be required to execute any such amendment unless the amendment affects the duties of the Trustee (or Insurer) hereunder.

(b) **Permissible amendments.** The Employer amend the Plan to accomplish any of the following items without affecting reliance on the opinion letter: (1) change the choice of options in the Adoption Agreement or Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections), (2) add certain sample or model amendments published by the Internal Revenue Service or other required good-faith amendments where the IRS has provided that their adoption will not cause the Plan to be treated as an individually designed plan, (3) add a list of any protected benefits" which must be preserved, (4) adjust the limitations under Code §§415, 402(g), 401(a)(17) and 414(q)(1)(B) to reflect annual cost-of-living increases, and (5) change the pre-approved plan Provider's name. "Provider" pursuant to this Section 8 means the entity that contracts with the mass submitter to provide the Basic Plan Document and Adoption Agreement for use by the Employer or, in the alternative, the mass submitter that provides such documents directly to its clients. An Employer that amends the Plan for any other reason, including a waiver of the minimum funding requirement under Code §412(c), will no longer participate in this pre-approved plan and this Plan will be considered to be an individually designed plan for purposes of reliance. A Plan amendment does not include an amendment or substitution of the Trust.

(c) **Provider amendments.** The Employer (and every Participating Employer) expressly delegates authority to the Provider, the right to amend the Plan by submitting a copy of the amendment to each Employer (and Participating Employer) who has adopted

this pre-approved plan, after first having received a ruling or favorable determination from the Internal Revenue Service that the pre-approved Plan as amended qualifies under Code §401(a) (unless a ruling or determination is not required by the IRS). The Provider will amend the Plan Documents from time to time in accordance with this Section 8.1(c). For purposes of this Section, the mass submitter shall be recognized as the agent of the Provider. If the Provider does not adopt any amendment made by the mass submitter, it will no longer be identical to, or a minor modifier of, the mass submitter plan.

(d) **Impermissible amendments.** No amendment to the Plan shall be effective if it authorizes or permits any part of the Trust Fund (other than such part as is required to pay taxes and administration expenses) to be used for or diverted to any purpose other than for the exclusive benefit of the Participants or their Beneficiaries or estates; or causes any reduction in the amount credited to the account of any Participant; or causes or permits any portion of the Trust Fund to revert to or become property of the Employer.

8.2 TERMINATION

(a) **Termination of Plan.** The Employer shall have the right at any time to terminate the Plan by delivering to the Trustee (or Insurer) and Administrator written notice of such termination. The Employer has no obligation or liability whatsoever to maintain the Plan for any specific length of time and may terminate the Plan or discontinue contributions under the Plan at any time without liability hereunder for any such discontinuance. Upon any full or partial termination or upon the complete discontinuance of the Employer's Contributions to the Plan (in the case of a Profit Sharing Plan), all amounts credited to the affected Participants' Combined Accounts shall become 100% Vested and shall not thereafter be subject to Forfeiture.

(b) **Distribution of assets.** Upon the full termination of the Plan, the Employer shall direct the distribution of the assets to Participants in a manner that is consistent with and satisfies the provisions of Section 6.5. Distributions to a Participant shall be made in cash (or in property if permitted in the Adoption Agreement) or through the purchase of irrevocable nontransferable deferred commitments from the Insurer.

8.3 MERGER, CONSOLIDATION OR TRANSFER OF ASSETS

This Plan may be merged or consolidated with, or its assets and/or liabilities may be transferred to any other plan provided the benefits which would be received by a Participant of this Plan, in the event of a termination of the plan immediately after such transfer, merger or consolidation, are at least equal to the benefits the Participant would have received if the Plan had terminated immediately before the transfer, merger or consolidation.

ARTICLE IX MISCELLANEOUS

9.1 EMPLOYER ADOPTIONS

(a) **Method of adoption.** Any organization may become the Employer hereunder by executing the Adoption Agreement.

(b) **Separate affiliation.** Except as otherwise provided in this Plan, the affiliation of the Employer and the participation of its Participants shall be separate and apart from that of any other employer and its participants hereunder.

9.2 PARTICIPANT'S RIGHTS

This Plan shall not be deemed to constitute a contract between the Employer and any Participant or to be a consideration or an inducement for the employment of any Participant or Employee. Nothing contained in this Plan shall be deemed to give any Participant or Employee the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or Employee at any time regardless of the effect which such discharge shall have upon the Employee as a Participant of this Plan.

9.3 ALIENATION

(a) **General rule.** Subject to the exceptions provided below and as otherwise permitted by the Code, no benefit which shall be payable to any person (including a Participant or the Participant's Beneficiary) shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge, and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, or charge the same shall be void; and no such benefit shall in any manner be liable for, or subject to, the debts, contracts, liabilities, engagements, or torts of any such person, nor shall it be subject to attachment or legal process for or against such person, and the same shall not be recognized except to such extent as may be required by law.

(b) **Exception for loans.** Subsection (a) shall not apply to the extent a Participant or Beneficiary is indebted to the Plan by reason of a loan made pursuant to Section 7.4. At the time a distribution is to be made to or for a Participant's or Beneficiary's benefit, such portion of the amount to be distributed as shall equal such indebtedness shall be paid to the Plan, to apply against or discharge such indebtedness. Prior to making a payment, however, the Participant or Beneficiary must be given notice by the Administrator that such indebtedness is to be so paid in whole or part from the Participant's interest in the Plan. If the Participant or Beneficiary does not agree that the indebtedness is a valid claim against the Participant's interest in the Plan, the Participant or Beneficiary shall be entitled to a review of the validity of the claim in accordance with procedures provided in Section 2.10.

(c) **Exception for QDRO.** Subsection (a) shall not apply to a "qualified domestic relations order" defined in Code §414(p), and those other domestic relations orders permitted to be so treated by the Administrator under the provisions of the Retirement Equity Act of 1984.

9.4 PLAN COMMUNICATIONS, INTERPRETATION AND CONSTRUCTION

(a) **Applicable law.** This Plan shall be construed and enforced according to the Code, and the laws of the state or commonwealth in which the Employer's principal office is located (unless otherwise designated in Appendix A to the Adoption Agreement (Special Effective Dates and Other Permitted Elections), other than its laws respecting choice of law, to the extent not pre-empted by federal law.

(b) **Administrator's discretion.** The Administrator has total and complete discretion to interpret and construe the Plan and to determine all questions arising in the administration, interpretation and application of the Plan. Any determination the Administrator makes under the Plan is final and binding upon any affected person. The Administrator must exercise all of its Plan powers and discretion, and perform all of its duties, in a uniform manner.

(c) **Communications.** All Participant or Beneficiary notices, designations, elections, consents or waivers must be made in a form the Administrator (or, as applicable, the Trustee or Insurer) specifies or otherwise approves. Any person entitled to notice under the Plan may waive the notice or shorten the notice period unless such actions are contrary to applicable law.

(d) **Evidence.** Anyone, including the Employer, required to give data, statements or other information relevant under the terms of the Plan ("evidence") may do so by certificate, affidavit, document or other form which the person to act in reliance may consider pertinent, reliable and genuine, and to have been signed, made or presented by the proper party or parties. The Administrator, Trustee and Insurer are protected fully in acting and relying upon any evidence described under the immediately preceding sentence.

(e) **Plan terms binding.** The Plan is binding upon all parties, including but not limited to, the Employer, Trustee, Insurer, Administrator, Participants and Beneficiaries.

(f) **Parties to litigation.** Except as otherwise provided by applicable law, a Participant or a Beneficiary is not a necessary party or required to receive notice of process in any court proceeding involving the Plan, the Trust or any fiduciary. Any final judgment (not subject to further appeal) entered in any such proceeding will be binding upon all parties, including the Employer, the Administrator, Trustee, Insurer, Participants and Beneficiaries.

(g) **Fiduciaries not insurers.** The Trustee, Administrator and the Employer in no way guarantee the Plan assets from loss or depreciation. The Employer does not guarantee the payment of any money which may be or becomes due to any person from the Plan. The liability of the Employer, the Administrator and the Trustee to make any distribution from the Trust at any time and all times is limited to the then available assets of the Trust.

(h) **Construction/severability.** The Plan, the Adoption Agreement, the Trust and all other documents to which they refer, will be interpreted consistent with and to preserve tax qualification of the Plan under Code §401(a) and tax exemption of the Trust under Code §501(a) and also consistent with other applicable law. To the extent permissible under applicable law, any provision which a court (or other entity with binding authority to interpret the Plan) determines to be inconsistent with such construction and interpretation, is deemed severed and is of no force or effect, and the remaining Plan terms will remain in full force and effect.

(i) **Uniformity.** All provisions of this Plan shall be interpreted and applied in a uniform manner.

(j) **Headings.** The headings and subheadings of this Plan have been inserted for convenience of reference and are to be ignored in any construction of the provisions hereof.

9.5 GENDER, NUMBER AND TENSE

Wherever any words are used herein in the masculine, feminine or neuter gender, they shall be construed as though they were also used in another gender in all cases where they would so apply; whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply; and whenever any words are used herein in the past or present tense, they shall be construed as though they were also used in the other form in all cases where they would so apply.

9.6 LEGAL ACTION

In the event any claim, suit, or proceeding is brought regarding the Trust and/or Plan established hereunder to which the Trustee (or Insurer), the Employer or the Administrator may be a party, and such claim, suit, or proceeding is resolved in favor of the Trustee (or Insurer), the Employer or the Administrator, they shall be entitled to be reimbursed from the Trust Fund for any and all costs, attorney's fees, and other expenses pertaining thereto incurred by them for which they shall have become liable.

9.7 PROHIBITION AGAINST DIVERSION OF FUNDS

(a) **General rule.** Except as provided below and otherwise specifically permitted by law, it shall be impossible by operation of the Plan or of the Trust, by termination of either, by power of revocation or amendment, by the happening of any contingency, by collateral arrangement or by any other means, for any part of the corpus or income of any Trust Fund maintained pursuant to the Plan or any funds contributed thereto to be used for, or diverted to, purposes other than the exclusive benefit of Participants or their Beneficiaries.

(b) **Mistake of fact.** In the event the Employer shall make a contribution under a mistake of fact, the Employer may demand repayment of such contribution at any time within one (1) year following the time of payment and the Trustee (or Insurer) shall return such amount to the Employer within the one (1) year period. Earnings of the Plan attributable to the contributions may not be returned to the Employer but any losses attributable thereto must reduce the amount so returned.

9.8 EMPLOYER'S AND TRUSTEE'S PROTECTIVE CLAUSE

The Employer, Administrator and Trustee, and their successors, shall not be responsible for the validity of any Contract issued hereunder or for the failure on the part of the Insurer to make payments provided by any such Contract, or for the action of any person which may delay payment or render a Contract null and void or unenforceable in whole or in part.

9.9 INSURER'S PROTECTIVE CLAUSE

Except as otherwise agreed upon in writing between the Employer and the Insurer, an Insurer which issues any Contracts hereunder shall not have any responsibility for the validity of this Plan or for the tax or legal aspects of this Plan. The Insurer shall be protected and held harmless in acting in accordance with any written direction of the Administrator or Trustee and shall have no duty to see to the application of any funds paid to the Trustee, nor be required to question any actions directed by the Administrator or Trustee. Regardless of any provision of this Plan, the Insurer shall not be required to take or permit any action or allow any benefit or privilege contrary to the terms of any Contract which it issues hereunder, or the rules of the Insurer.

9.10 RECEIPT AND RELEASE FOR PAYMENTS

Any payment to any Participant, the Participant's legal representative, Beneficiary, or to any guardian or committee appointed for such Participant or Beneficiary in accordance with the provisions of this Plan, including those referenced in Section 6.9, shall, to the extent thereof, be in full satisfaction of all claims hereunder against the Trustee (or Insurer) and the Employer.

9.11 ACTION BY THE EMPLOYER

Whenever the Employer under the terms of the Plan is permitted or required to do or perform any act or matter or thing, it shall be done and performed by a person duly authorized by its legally constituted authority.

9.12 APPROVAL BY INTERNAL REVENUE SERVICE

Notwithstanding anything herein to the contrary, if, pursuant to an application for qualification is made by the time prescribed by law or such later date as the Secretary of Treasury may prescribe, the Commissioner of the Internal Revenue Service or the Commissioner's delegate should determine that the Plan does not initially qualify as a tax-exempt plan under Code §§401 and 501, and such determination is not contested, or if contested, is finally upheld, then if the Plan is a new plan, it shall be void ab initio and all amounts contributed to the Plan, by the Employer, less expenses paid, shall be returned within one (1) year and the Plan shall terminate, and the Trustee (or Insurer) shall be discharged from all further obligations. If the disqualification relates to a Plan amendment, then the Plan shall operate as if it had not been amended. If the Employer's Plan fails to attain or retain qualification, such Plan will no longer participate in this pre-approved plan and will be considered an individually designed plan.

9.13 PAYMENT OF BENEFITS

Except as otherwise provided in the Plan, benefits under this Plan shall be paid, subject to Sections 6.11 and 6.12, only upon death, Total and Permanent Disability, normal or early retirement, severance of employment, or termination of the Plan.

9.14 ELECTRONIC MEDIA

The Administrator may use any electronic medium to give or receive any Plan notice, communicate any Plan policy, conduct any written Plan communication, satisfy any Plan filing or other compliance requirement and conduct any other Plan transaction to the extent permissible under applicable law. A Participant or a Participant's Spouse, to the extent authorized by the Administrator, may use any electronic medium to make or provide any Beneficiary designation, election, notice, consent or waiver under the Plan, to the extent permissible under applicable law. Any reference in this Plan to a "form," a "notice," an "election," a "consent," a "waiver," a "designation," a "policy" or to any other Plan-related communication includes an electronic version thereof as permitted under applicable law.

Notwithstanding the foregoing, any Participant or Beneficiary notices and consent that are required pursuant to the Code must satisfy Regulation §1.401(a)-21.

9.15 PLAN CORRECTION

The Administrator in conjunction with the Employer may undertake such correction of Plan errors as the Administrator deems necessary, including correction to preserve tax qualification of the Plan under Code §401(a) or to correct a fiduciary breach under state or local law. Without limiting the Administrator's authority under the prior sentence, the Administrator, as it determines to be reasonable and appropriate, may undertake correction of Plan document, operational, demographic and Employer eligibility failures under a method described in the Plan or under the IRS Employee Plans Compliance Resolution System ("EPCRS") or any successor program to EPCRS. Furthermore, the Employer may make corrective contributions pursuant to this Section regardless of whether the Plan otherwise permits such contribution source. In addition, the Plan is authorized to recover benefits from Participants or Beneficiaries that have been improperly distributed.

9.16 NONTRUSTEED PLANS

If the Plan is funded solely with Contracts, then notwithstanding Sections 9.7 and 9.12, no Contract will be purchased under the Plan unless such Contract or a separate definite written agreement between the Employer and the Insurer provides that no value under Contracts providing benefits under the Plan or credits determined by the Insurer (on account of dividends, earnings, or other experience rating credits, or surrender or cancellation credits) with respect to such Contracts may be paid or returned to the Employer or diverted to or used for other than the exclusive benefit of the Participants or their Beneficiaries. However, any contribution made by the Employer because of a mistake of fact must be returned to the Employer within one year of the contribution.

If this Plan is funded by individual Contracts that provide a Participant's benefit under the Plan, such individual Contracts shall constitute the Participant's Account balance. If this Plan is funded by group Contracts, under the group annuity or group insurance Contract, premiums or other consideration received by the Insurer must be allocated to Participants' Accounts under the Plan.

ARTICLE X PARTICIPATING EMPLOYERS

10.1 ELECTION TO BECOME A PARTICIPATING EMPLOYER

Notwithstanding anything herein to the contrary, with the consent of the Employer, any Employer may adopt the Employer's Plan and all of the provisions hereof, and participate herein and be known as a Participating Employer, by a properly executed document evidencing said intent and will of such Participating Employer (a participation agreement). In the event a Participating Employer is not an Affiliated Employer, then the provisions of Article XI shall apply rather than the provision of this Article XI.

10.2 REQUIREMENTS OF PARTICIPATING EMPLOYERS

- (a) **Permissible variations of participation agreement.** The participation agreement must identify the Participating Employer and the covered Employees and provide for the Participating Employer's signature. In addition, in the participation agreement, the Employer shall specify which elections, if any, the Participating Employer can modify, and any restrictions on the modifications. Any such modification shall apply only to the Employees of that Participating Employer. The Participating Employer shall make any such modification by selecting the appropriate option on its participation agreement to the Employer's Adoption Agreement. To the extent that the participation agreement does not permit modification of an election, any attempt by a Participating Employer to modify the election shall have no effect on the Plan and the Participating Employer is bound by the Plan terms as selected by the Employer. If a Participating Employer does not make any permissible participation agreement election modifications, then with regard to any election, the Participating Employer is bound by the Adoption Agreement terms as completed by the "lead Employer."
- (b) **Holding and investing assets.** The Trustee (or Insurer) may, but shall not be required to, commingle, hold and invest as one Trust Fund all contributions made by Participating Employers, as well as all increments thereof. However, the assets of the Plan shall, on an ongoing basis, be available to pay benefits to all Participants and Beneficiaries under the Plan without regard to the Employer or Participating Employer who contributed such assets.
- (c) **Payment of expenses.** Unless the Employer otherwise directs, any expenses of the Plan which are to be paid by the Employer or borne by the Trust Fund shall be paid by each Participating Employer in the same proportion that the total amount standing to the credit of all Participants employed by such Employer bears to the total standing to the credit of all Participants.

10.3 DESIGNATION OF AGENT

Each Participating Employer shall be deemed to be a part of this Plan; provided, however, that with respect to all of its relations with the Trustee (or Insurer) and Administrator for purposes of this Plan, each Participating Employer shall be deemed to have designated irrevocably the Employer as its agent. Unless the context of the Plan clearly indicates otherwise, the word "Employer" shall be deemed to include each Participating Employer as related to its adoption of the Plan.

10.4 EMPLOYEE TRANSFERS

In the event an Employee is transferred between Participating Employers, accumulated service and eligibility shall be carried with the Employee involved. No such transfer shall effect a severance of employment hereunder, and the Participating Employer to which the Employee is transferred shall thereupon become obligated hereunder with respect to such Employee in the same manner as was the Participating Employer from whom the Employee was transferred.

10.5 PARTICIPATING EMPLOYER'S CONTRIBUTION AND FORFEITURES

Any contribution and/or Forfeiture subject to allocation during each Plan Year shall be determined and allocated separately by each Participating Employer and shall be allocated only among the Participants eligible to share in the contribution and Forfeiture allocation of the Employer or Participating Employer making the contribution or by which the forfeiting Participant was employed.

On the basis of the information furnished by the Administrator, the Trustee (or Insurer) shall keep separate books and records concerning the affairs of each Participating Employer hereunder and as to the accounts and credits of the Employees of each Participating Employer. The Trustee (or Insurer) may, but need not, register Contracts so as to evidence that a particular Participating Employer is the interested Employer hereunder, but in the event of an Employee transfer from one Participating Employer to another, the employing Employer shall immediately notify the Trustee (or Insurer) thereof.

10.6 AMENDMENT

Any Participating Employer hereby authorizes the Employer to make amendments on its behalf, unless otherwise agreed among all affected parties. Any such amendment is effective and binding upon existing Participating Employers.

10.7 DISCONTINUANCE OF PARTICIPATION

Any Participating Employer that is an Affiliated Employer shall be permitted to discontinue or revoke its participation in the Plan at any time. At the time of any such discontinuance or revocation, satisfactory evidence thereof and of any applicable conditions imposed shall be delivered to the Trustee (or Insurer). The Trustee (or Insurer) shall thereafter transfer, deliver and assign Contracts and other Trust Fund assets allocable to the Participants of such Participating Employer to such new trustee (or insurer) or custodian as shall have been designated by such Participating Employer, in the event that it has established a separate qualified retirement plan for its employees. If no successor is designated, the Trustee (or Insurer) shall retain such assets for the Employees of said Participating Employer pursuant to the provisions of Article VII hereof. In no such event shall any part of the corpus or income of the Trust Fund as it relates to such Participating Employer be used for or diverted to purposes other than for the exclusive benefit of the Employees of such Participating Employer.

10.8 ADMINISTRATOR'S AUTHORITY

The Administrator shall have authority to make any and all necessary rules or regulations, binding upon all Participating Employers and all Participants, to effectuate the purpose of this Article.

ARTICLE XI MULTIPLE EMPLOYER PROVISIONS

11.1 ELECTION AND OVERRIDING EFFECT

If a Participating Employer that is not an Affiliated Employer adopts this Plan, then the provisions of this Article XI shall apply to each Participating Employer as of the Effective Date specified in its participation agreement and supersede any contrary provisions in the basic Plan document or the Adoption Agreement. If this Article XI applies, then the Plan shall be a multiple employer plan as described in Code §413(c). In this case, the Employer and each Participating Employer acknowledge that the Plan is a multiple employer plan subject to the rules of Code §413(c) and the Regulations thereunder, and specific annual reporting requirements.

11.2 DEFINITIONS

The following definitions shall apply to this Article XI and shall supersede any conflicting definitions in the Plan:

- (a) **Employee.** "Employee" means any common law employee, Leased Employee or other person the Code treats as an employee of a Participating Employer for purposes of the Participating Employer's qualified plan. Either the Adoption Agreement or a participation agreement to the Adoption Agreement may designate any Employee, or class of Employees, as not eligible to participate in the Plan.
- (b) **Lead Employer.** "Lead Employer" means the signatory Employer to the Adoption Agreement execution page, and does not include any Affiliated Employer or Participating Employer. The "lead Employer" has the same meaning as the Employer for purposes of making Plan amendments and other purposes regardless of whether the "lead Employer" is also a Participating Employer under this Article XI. The "lead Employer" may execute a Participation Agreement setting forth elections which are specific to the "lead Employer".

11.3 PARTICIPATING EMPLOYER ELECTIONS

The participation agreement must identify the Participating Employer and the covered Employees and provide for the Participating Employer's signature. In addition, in the participation agreement, the "lead Employer" shall specify which elections, if any, the Participating Employer can modify, and any restrictions on the modifications. Any such modification shall apply only to the employees of that Participating Employer. The Participating Employer shall make any such modification by selecting the appropriate option on its participation agreement to the "lead Employer's" Adoption Agreement. To the extent that the Adoption Agreement does not permit modification of an election, any attempt by a Participating Employer to modify the election shall have no effect on the Plan and the Participating Employer is bound by the Plan terms as selected by the "lead Employer." If a Participating Employer does not make any permissible participation agreement election modifications, then with regard to any election, the Participating Employer is bound by the Adoption Agreement terms as completed by the "lead Employer."

11.4 TESTING

The Administrator shall apply the Code §415 limitation in Section 4.4 for the Plan as a whole.

11.5 COMPENSATION

(a) **Separate determination.** A Participant's Compensation shall be determined separately for each Participating Employer for purposes of allocations under Article IV.

(b) **Joint status.** For all Plan purposes, including but not limited to determining the Code §415 limits in Section 4.4, Compensation includes all Compensation paid by or for any Participating Employer.

11.6 SERVICE

An Employee's service includes all Hours of Service and Years of Service with any and all Participating Employers. An Employee who terminates employment with one Participating Employer and immediately commences employment with another Participating Employer has not separated from service or had a severance from employment.

11.7 COOPERATION AND INDEMNIFICATION

(a) **Cooperation.** Each Participating Employer agrees to timely provide all information the Administrator deems necessary to insure the Plan is operated in accordance with the requirements of the Code and will cooperate fully with the "lead Employer," the Plan, the Plan fiduciaries and other proper representatives in maintaining the qualified status of the Plan. Such cooperation will include payment of such amounts into the Plan, to be allocated to employees of the Participating Employer, which are reasonably required to maintain the tax-qualified status of the Plan.

(b) **Indemnity.** Each Participating Employer will indemnify and hold harmless the Administrator, the "lead Employer" and its subsidiaries; officers, directors, shareholders, employees, and agents of the "lead Employer"; the Plan; the Trustees, Participants and Beneficiaries of the Plan, as well as their respective successors and assigns, against any cause of action, loss, liability, damage, cost, or expense of any nature whatsoever (including, but not limited to, attorney's fees and costs, whether or not suit is brought, as well as IRS plan disqualifications, other sanctions or compliance fees and penalties) arising out of or relating to the Participating Employer's noncompliance with any of the Plan's terms or requirements; any intentional or negligent act or omission the Participating Employer commits with regard to the Plan; and any omission or provision of incorrect information with regard to the Plan which causes the Plan to fail to satisfy the requirements of a tax-qualified plan. This indemnity provision shall continue to apply to a Participating Employer with respect to the period such entity was a Participating Employer, even if the Participating Employer withdraws or is removed pursuant to Sections 11.8 or 11.9.

11.8 INVOLUNTARY TERMINATION

Unless the "lead Employer" provides otherwise in an addendum hereto, the "lead Employer" shall have the power to terminate the participation of any Participating Employer (hereafter "Terminated Employer") in this Plan. If and when the "lead Employer" wishes to exercise this power, the following shall occur:

(a) **Notice.** The "lead Employer" shall give the "Terminated Employer" a notice of the "lead Employer's" intent to terminate the "Terminated Employer's" status as a Participating Employer of the Plan. The "lead Employer" will provide such notice not less than thirty (30) days prior to the date of termination unless the "lead Employer" determines that the interest of Plan Participants requires earlier termination.

(b) **Spin-off.** The "lead Employer" shall establish a new defined contribution plan, using the provisions of this Plan with any modifications contained in the "Terminated Employer's" participation agreement, as a guide to establish a new defined contribution plan (the "spin-off plan"). The "lead Employer" will direct the Trustee to transfer (in accordance with the rules of Code §414(l) and the provisions of Section 8.3) the Accounts of the Employees of the "Terminated Employer" to the "spin-off plan." The "Terminated

Non-Standardized Governmental 401(a) Pre-Approved Plan

Employer" shall be the Employer, Administrator, and sponsor of the "spin-off plan." The Trustee of the "spin-off plan" shall be the person or entity designated by the "Terminated Employer." However, the "lead Employer" shall have the option to designate an appropriate financial institution as Trustee instead if necessary to protect the interest of the Participants. The "lead Employer" shall have the authority to charge the "Terminated Employer" or the Accounts of the Employees of the "Terminated Employer" a reasonable fee to pay the expenses of establishing the "spin-off plan."

(c) **Alternatives.** The "Terminated Employer," in lieu of creation of the "spin-off plan" under (b) above, has the option to elect a transfer alternative in accordance with this Subsection (c).

(1) **Election.** To exercise the option described in this Subsection, the "Terminated Employer" must inform the "lead Employer" of its choice and must supply any reasonably required documentation as soon as practical. If the "lead Employer" has not received notice of a "Terminated Employer's" exercise of this option within ten (10) days prior to the stated date of termination, the "lead Employer" can choose to disregard the exercise and proceed with the Spin-off.

(2) **Transfer.** If the "Terminated Employer" selects this option, the Administrator shall transfer (in accordance with the rules of Code §414(l) and the provisions of Section 8.3) the Accounts of the Employees of the "Terminated Employer" to a qualified plan the "Terminated Employer" maintains. To exercise this option, the "Terminated Employer" must deliver to the "lead Employer" or Administrator in writing the name and other relevant information of the transferee plan and must provide such assurances that the Administrator shall reasonably require to demonstrate that the transferee plan is a qualified plan.

(d) **Participants.** The Employees of the "Terminated Employer" shall cease to be eligible to accrue additional benefits under the Plan with respect to Compensation paid by the "Terminated Employer," effective as of the date of termination. To the extent that these Employees have accrued but unpaid contributions as of the date of termination, the "Terminated Employer" shall pay such amounts to the Plan or the "spin-off plan" no later than thirty (30) days after the date of termination, unless the "Terminated Employer" effectively selects the Transfer option under Subsection (c)(2) above.

(e) **Consent.** By its signature on the participation agreement, the "Terminated Employer" specifically consents to the provisions of this Article and agrees to perform its responsibilities with regard to the "spin-off plan," if necessary.

11.9 VOLUNTARY TERMINATION

A Participating Employer (hereafter "withdrawing employer") may voluntarily withdraw from participation in this Plan at any time. If and when a "withdrawing employer" wishes to withdraw, the following shall occur:

(a) **Notice.** The "withdrawing employer" shall inform the "lead Employer" and the Administrator of its intention to withdraw from the Plan. The "withdrawing employer" must give the notice not less than thirty (30) days prior to the effective date of its withdrawal.

(b) **Procedure.** The "withdrawing employer" and the "lead Employer" shall agree upon procedures for the orderly withdrawal of the "withdrawing employer" from the plan. Such procedures may include any of the optional spin-off or transfer options described in Section 11.8.

(c) **Costs.** The "withdrawing employer" shall bear all reasonable costs associated with withdrawal and transfer under this Section.

(d) **Participants.** The Employees of the "withdrawing employer" shall cease to be eligible to accrue additional benefits under the Plan as to Compensation paid by the "withdrawing employer," effective as of the effective date of withdrawal. To the extent that such Employees have accrued but unpaid contributions as of the effective date of withdrawal, the "withdrawing employer" shall contribute such amounts to the Plan or the "spin-off plan" promptly after the effective date of withdrawal, unless the accounts are transferred to a qualified plan the "withdrawing employer" maintains.

11.10 DESIGNATION OF AGENT

Each Participating Employer shall be deemed to be a part of this Plan; provided, however, that with respect to all its relations with the Trustee (or Insurer) and Administrator for purposes of this Plan, each Participating Employer shall be deemed to have designated irrevocably the Employer as its agent. Unless the context of the Plan clearly indicates otherwise, the word "Employer" shall be deemed to include each Participating Employer as related to its adoption of the Plan.



June 7, 2022 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Engineering and External Affairs

Subject : Meter Reading Services Contract: Change Order

SUMMARY:

For several years, the District has been utilizing Alexander's Contract Services, Inc. (Alexander) to provide meter reading services. Over the years, staff has recommended and the Board has authorized continued use of their services. On October 5, 2021, the Board authorized the General Manager to extend the current contract with Alexander an additional year and also approved a budget augmentation, in the amount of \$120,000, so that meters could be manually read until the District completed its Automated Meter Reading/Advanced Metering Infrastructure (AMR/AMI) Project. With global supply chain issues, the project has been delayed. As a result, staff recommends authorization of a change order, in the amount of \$60,000, for Alexander's contract to provide sufficient funding for meter reading services until the new advanced meters are fully deployed.

RECOMMENDATION(S):

Authorize the General Manager to approve a change order with Alexander's Contract Services, Inc., in the amount of \$60,000, for continuation of meter reading services.

FISCAL IMPACT:

Yes

ITEM BUDGETED:

No

FINANCIAL IMPACT:

The total annual cost of the meter reading services for Fiscal Year 2021-22 was estimated to

be \$120,000, which is included in the current budget. The requested funding for an additional \$60,000 will cover the cost of meter reading services for the first several months of Fiscal Year 2022-23. Sufficient funds are available for the service in the proposed Fiscal Year 2022-23 Budget.

DISCUSSION:

Since implementing a budget-based water rate structure and transitioning to the more frequent monthly water account billings in 2015, the District has been utilizing Alexander to provide meter reading services. The additional workload could not be absorbed by existing staff, and outside services were necessary. The quality of services provided by Alexander for the past seven years has been exemplary in terms of both timeliness and accuracy. During this time, staff has recommended and the Board has authorized the continued use of Alexander to provide meter reading services. On October 28, 2019, the Board authorized the General Manager to execute a new one-year contract with Alexander, including a one-year renewal option.

On October 5, 2021, the Board authorized the General Manager to extend the contract with Alexander for an additional year and approved a budget augmentation, in the amount of \$120,000, so the meters could be manually read until the District completed deployment of its Automated Meter Reading/Advanced Metering Infrastructure (AMR/AMI) Project. At the time, the AMR/AMI Project was scheduled to be completed in the Spring 2022. However, with global supply chain issues that are beyond the control of the District or its installer, Ferguson Enterprises, the project schedule has been extended with completion anticipated in Fall 2022. Therefore, Alexander's contract needs to be augmented with \$60,000 in additional funding to continue the services until the new advanced meters are fully deployed.

Upon authorization, the General Manager would approve a change order for Alexander's contract, increasing the total amount from \$120,000 to \$180,000. The previous annual contract with Alexander was for \$220,000 because there were more meters to read at the time. The \$60,000 change order is relatively conservative to ensure that services can be performed until the AMR/AMI Project is fully deployed. As proposed, Alexander would continue to bill the District \$1.06 per meter read, which is the same quoted rate in the current contract.

To-date, Ferguson Enterprises has replaced approximately 15,000 of 21,000 total meters with AMR/AMI units. Once the new meters are fully deployed, utilization of Alexander for meter reading services will no longer be necessary.

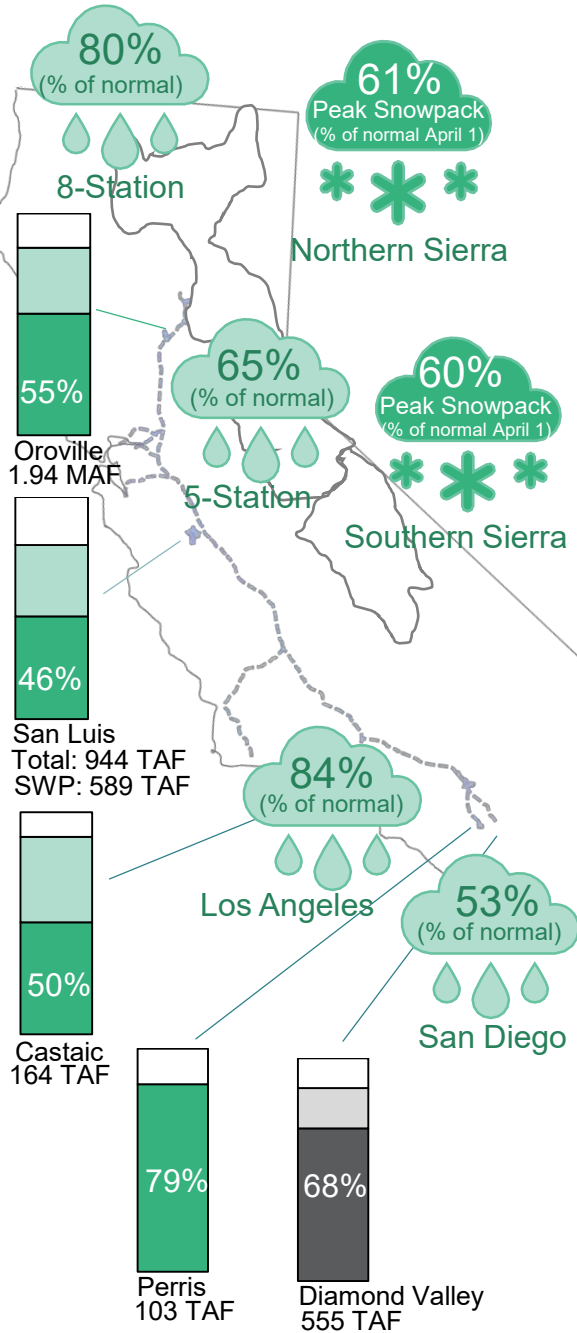
GOALS:

Ensure Effective Utilization of the Public's Assets and Money

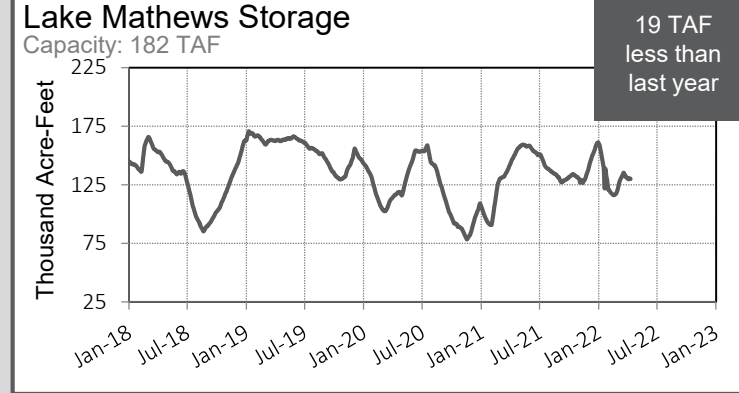
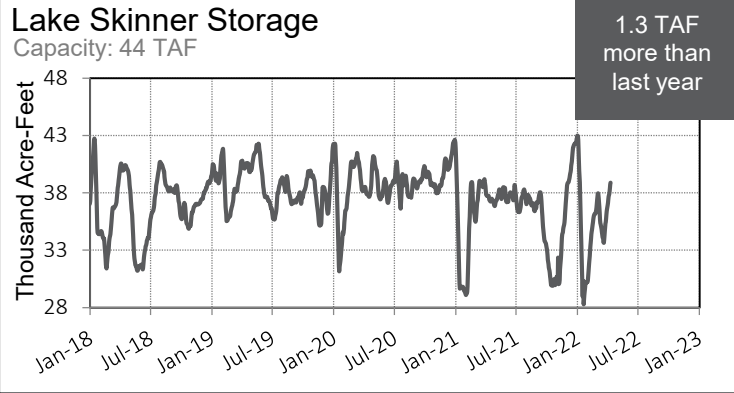
Prepared by: Ursula Bosson, Customer Service Manager



SWP Table A – 5% - 95,575 AF

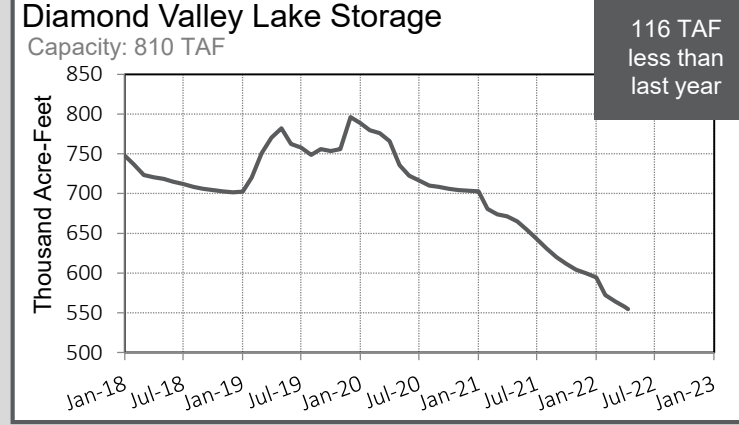


Metropolitan Resources

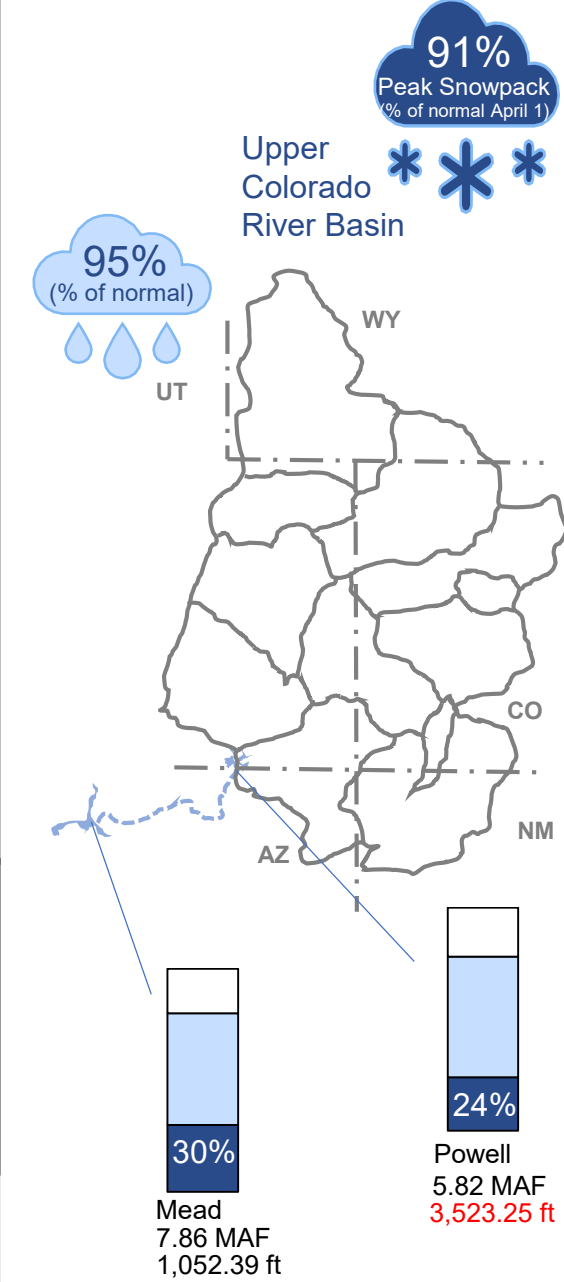


MWD WSDM Storage Calendar Year 2022

	Take Capacity
Colorado River Aqueduct Delivery System	351 TAF
State Water Project System	185 TAF
In-Region Supplies and WSDM Actions	426 TAF
Other Programs	10 TAF
Total WSDM Storage Take Capacity	972 TAF



Projected CRA Diversions – 1,135,000 AF



Highlights

- Sacramento river runoff forecast increased to 60% of normal
- Powell unregulated inflow forecast decreased to 62% due to below normal precipitation in April
- For more information on the current drought:
 - <https://www.mwdh2o.com/planning-for-tomorrow/how-we-plan/drought/>



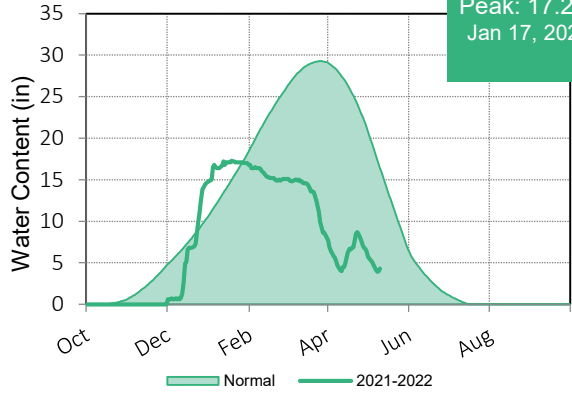
This report is produced by the Water Resource Management Group and contains information from various federal, state, and local agencies. The Metropolitan Water District of Southern California cannot guarantee the accuracy or completeness of this information. Readers should refer to the relevant state, federal, and local agencies for additional or for the most up to date water supply information. Reservoirs, lakes, aqueducts, maps, watersheds, and all other visual representations on this report are not drawn to scale. Questions? Email mferreira@mwdh2o.com

State Water Project Resources

As of: 05/10/2022

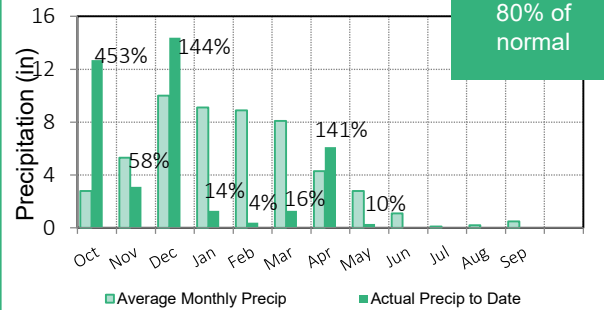
Northern Sierra Snowpack

Peak: 17.2 in
Jan 17, 2022



8 Station Index Precipitation

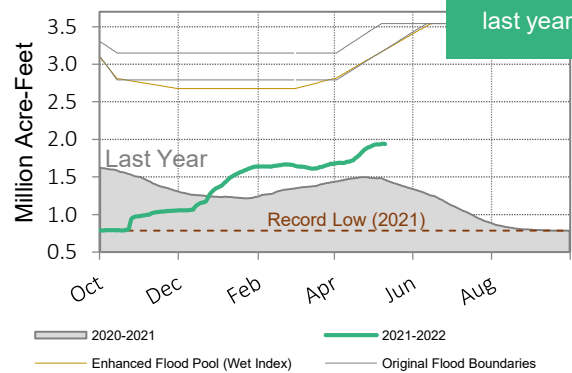
39.6 in
80% of normal



Oroville Reservoir Storage

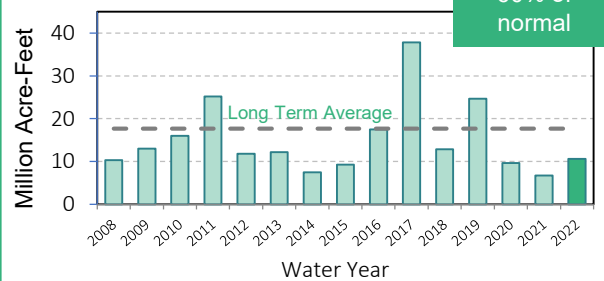
Capacity: 3.54 MAF

477 TAF
more than last year



Sacramento River Runoff

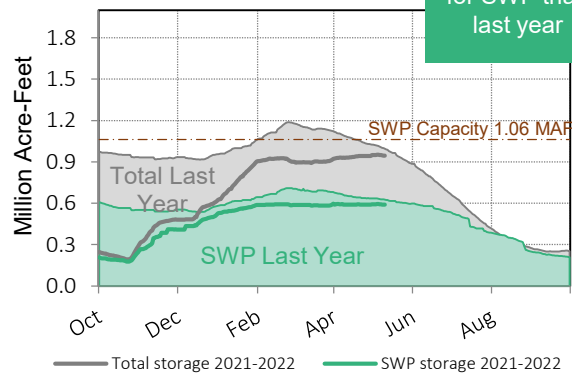
Forecast:
60% of normal



San Luis Reservoir Storage

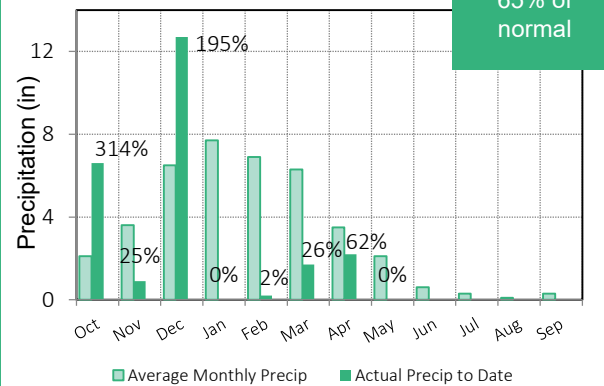
Capacity: 2.04 MAF

36 TAF less
for SWP than last year



5 Station Index Precipitation

24.3 in
65% of normal

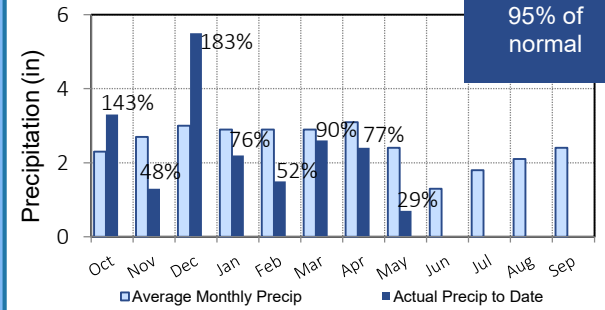


Colorado River Resources

As of: 05/10/2022

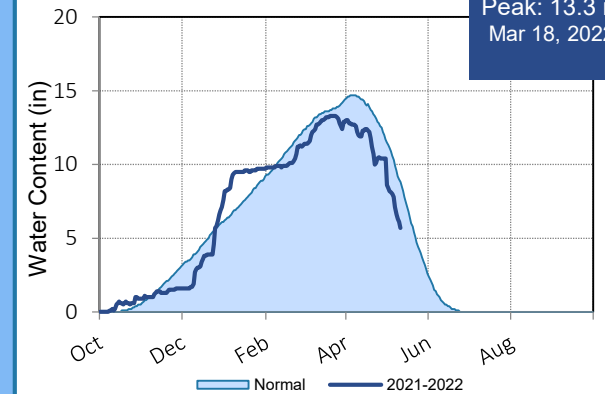
Upper Colorado Precipitation

19.5 in
95% of normal



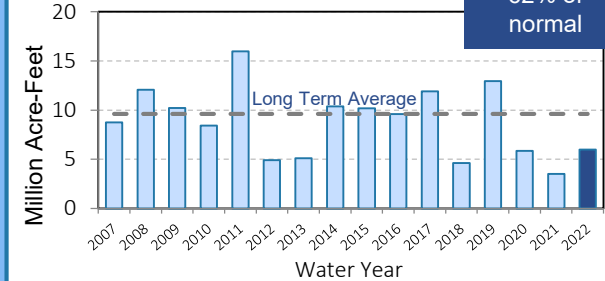
Upper Colorado Snowpack

Peak: 13.3 in
Mar 18, 2022



Powell Unregulated Inflow

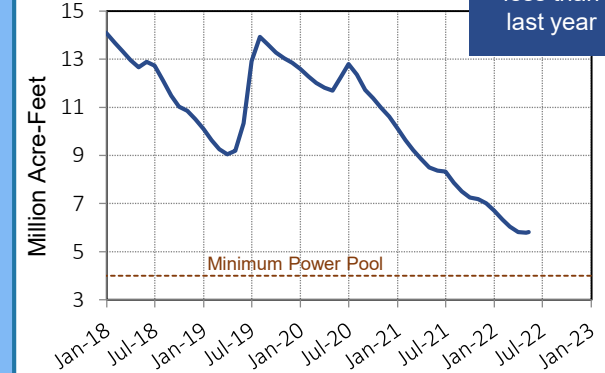
Forecast:
62% of normal



Lake Powell Storage

Capacity: 24.3 MAF

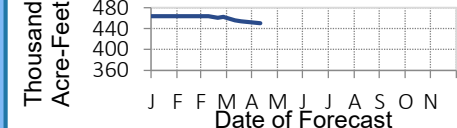
2.59 MAF
less than last year



PVID/Yuma Agricultural Use

Annual Forecasted for 2022

Current Annual Forecast:
450 TAF



Projected Lake Mead ICS

Calendar Year 2022

Put (+) / Take (-)
-120,000 AF

Lake Mead Surplus/Shortage Outlook

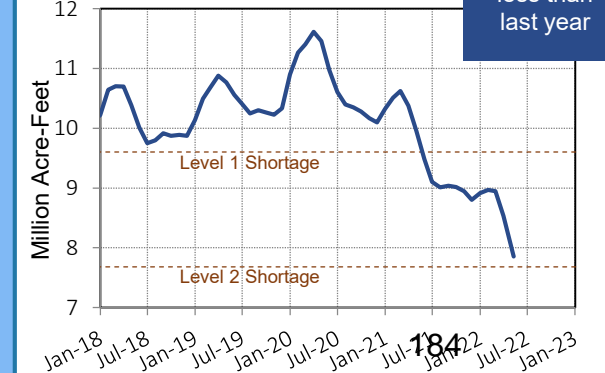
	2022	2023	2024	2025	2026
Surplus	0%	0%	0%	0%	0%
Shortage	100%	100%	93%	93%	93%
Metropolitan DCP*			60% 245 TAF	63% 287 TAF	60% 295 TAF

Likelihood based on results from the corrected February 2022 CRMMS in Ensemble Mode/CRSS model run. Includes DCP Contributions. Only includes 500+ Plan items implemented to date.
* Chance of required DCP contribution by Metropolitan. Volume is average contribution when needed.

Lake Mead Storage

Capacity: 26.1 MAF

1.93 MAF
less than last year





□ June 7, 2022 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

Subject : Board Member Use of Electronic Communication Devices Policy

SUMMARY:

The District provides tablets to Board Members to be used in conducting official business. Staff has received several requests to utilize personal electronic devices for official business in lieu of a District-owned device. The proposed policy provides for an annual stipend to Board Members for business use of their personal devices.

RECOMMENDATION(S):

Approve the proposed Board Member Use of Electronic Communication Devices Policy.

FISCAL IMPACT:

Yes

ITEM BUDGETED:

No

FINANCIAL IMPACT:

The potential maximum cost of the proposed policy would be \$1,000 annually, assuming all Board Members opt for the \$200 annual stipend and request a District-provided tablet.

DISCUSSION:

Recently, the District has procured and provided tablets, specifically iPads, to Board Members for official business purposes. The cost of each tablet is approximately \$1,200, and the devices are replaced on average once every three years. Staff has received a request for the

District to consider an annual amount or reimbursement for the business use of personal devices.

As proposed, Board Members could elect to receive an annual stipend of \$400 to use their personal devices for business in lieu of receiving a District-owned device. Those who continue to utilize a District-provided device would be eligible to receive a \$200 annual stipend. Staff consulted with the District's tax attorney and confirmed that the proposed policy would not subject the recipients to income tax withholding. However, a greater stipend amount could necessitate Board Members to provide additional documentation prior to receipt of payment. Although the stipend amount could be used for any communication device, the amount proposed is based on the current cost of District-provided iPads and their expected useful life of three years. A stipend would allow Board Members who participate in the program with the opportunity to procure a device that best meets their needs and provide for reimbursement of a portion of the cost.

GOALS:

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Ivo Nkwenji, Information Systems Manager

ATTACHMENTS:

Proposed Board Member Communication Device Policy
Draft Stipend Request Form



BOARD MEMBER COMMUNICATION DEVICE REIMBURSEMENT POLICY

Effective: July 1, 2022
Revised:
Adopted by Board:TBD

Page 1 of 4

POLICY

Board members utilize a District-provided tablet or their own communication devices (i.e. cellphone, tablet, and/or computer) to conduct District business. Board members have the option of receiving a \$200 per year technology stipend if also using a District-provided tablet or \$400 per year technology stipend to utilize their own devices.

District devices will be assigned by the Information Systems Division.

DEFINITION

As used in this policy, a “communication device” is a cell phone, tablet, or computer used in conducting District business to include data communication, meetings, file transfers, and presentations.

PROCEDURES FOR DISTRICT USE OF PERSONAL DEVICES

Request for Stipend

A Board member may request a stipend for business use of his/her personal device(s). To request a stipend, a Communications Device Stipend Board Member Annual Certification form must be completed, approved, and submitted to the Finance & Administration Department.

Stipend Amounts

Option 1:

A stipend amount of \$200 per fiscal year. This amount is intended to provide for a portion of the board member's projected business-related expenses for communication devices when the Board member has also received a District-provided tablet.

Option 2:

A stipend amount of \$400 per fiscal year. This amount is intended to provide for a portion of the projected business-related expenses for communication devices when the Board member solely utilizes their own devices without a District-provided tablet.

These amounts are not intended to offset the full cost of service, recognizing that the device is also for personal use. Payment shall be made within the month of July. Any enrollment after July 31 of each fiscal year shall be paid a prorated amount.

For Board Members electing to receive a stipend for business use of their personal device, support for the device will be provided by the manufacturer or other support services linked to the device. However, Information Systems Division will provide technical support related to accessing the District's e-mail system.

Board Member's Responsibilities

Board Members that receive a stipend for business use of their personal device are responsible for:

- A. Maintaining the device in good working condition. Support and service issues are the sole responsibility of the Board Member.
- B. Complying with all laws and District policies regarding the use of such devices.
- C. Providing all accessories (headset, case, battery, car charger, etc.).
- D. Notifying Information Systems Division if the device is lost or stolen, so it can be remotely wiped of District data (if applicable).
- E. Complying with the terms and conditions of the Device Enrollment Form and Reimbursement Agreement

The District is responsible for:

- A. Assisting Board Members in connecting to the District's e-mail system.
- B. Ensuring compliance with all applicable laws and regulations related to the production of subpoenaed data or responding to public records requests.
- C. Ensuring compliance with all applicable Internal Revenue Code requirements.

PROCEDURES FOR USE OF DISTRICT-OWNED DEVICES

Board Member's Responsibilities

Board Members that received reimbursement for business use of their personal device are responsible for:

- A. Maintaining the device in good working condition. Support and service issues are the sole responsibility of the Board Member.
- B. Complying with all laws and District policies regarding the use of such devices.

- C. Notifying Information Systems Division if the device is lost or stolen, so it can be remotely wiped of District data (if applicable).

The District is responsible for:

- A. Assisting Board Members in connecting to the District's systems, as required.
- B. Providing all accessories (headset, case, battery, car charger, etc.).
- C. Ensuring compliance with all applicable laws and regulations related to the production of subpoenaed data or responding to public records requests.
- D. Ensuring compliance with all applicable Internal Revenue Code requirements.

Approved

David W. Pedersen



Communications Device Stipend Board Member Annual Certification

Name: _____

By completing this form, I request that the District enroll me or continue my enrollment in its Technology Stipend program, which allows me to be reimbursed for specific District-related expenses up to \$400 per year.

Further, I certify the following:

I understand that the stipend can only be used to cover:

- wireless data service for mobile communications device such as a cell phone, iPad or a wireless broadband data card;
- home internet service that is necessary for the performance of my District duties; and/or
- costs associated with maintenance and repairs of the computer equipment required and used primarily for my work duties,

provided that these services be used as my primary source for communications related to District business. No part of the stipend can be used to cover any other expenses.

ANNUAL CERTIFICATION: I intend to use my stipend to cover my recurring expenses for:

Personal device and technology services totaling \$400 per year OR

Technology services accessed using District issued device totaling \$200 per year.

I will maintain the reimbursed services for no less than the above amounts for each of the next 12 months.

I agree to immediately notify the Director of Finance and Administration at DPatterson@lvmwd.com to have my stipend amount adjusted if my stipend is expected to exceed my actual expenses or my actual expenses fall below the stipend amount. I agree to keep copies of my service bills for at least 3 years in the event the copies are needed to substantiate the expense.

My participation will end upon conclusion of my service on the Board of Directors for Las Virgenes Municipal Water District or upon failure to submit an annual recertification of this expense as requested by the District.

Signature: _____

Date: _____

APPROVED: _____

Date: _____



June 7, 2022 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Facilities & Operations

Subject : 2022 Report on Water Quality Relative to Public Health Goals: Public Hearing

SUMMARY:

Attached is the required tri-annual report on Public Health Goals required by the California EPA Office of Environmental Health Hazard Assessment (OEHHA). The report was prepared by staff after analyzing constituents found in the District's drinking water. The particular constituents addressed in the report exceed Public Health Goals (PHGs) or Maximum Contaminant Level Goals (MCLGs) that are established by the OEHHA and the U.S. Environmental Protection Agency (USEPA), respectively. PHGs and MCLGs are not enforceable drinking water standards and require no action at this time other than reporting. The District's potable water system complies with all health-based drinking water standards and all maximum contaminant levels (MCLs) required by the State Water Resources Control Board, Division of Drinking Water and USEPA.

RECOMMENDATION(S):

Conduct a public hearing, and receive and file the 2022 Report on Water Quality Relative to Public Health Goals.

FISCAL IMPACT:

No

ITEM BUDGETED:

No

FINANCIAL IMPACT:

There is no financial impact associated with this action.

DISCUSSION:

Senate Bill 1307 requires a water quality report on Public Health Goals be prepared by July 1st of every third year. The report is intended to provide tri-annual PHG information in addition to the annual Consumer Confidence Report provided to each customer. The report must give information in plain language on detection of any PHG constituents in concentrations above the PHGs or MCLGs. Public Health Goals are based solely on public health risk considerations. None of the practical risk management factors are considered by the USEPA or State Water Resources Control Board, Division of Drinking Water in setting drinking water standards, nor are Maximum Contaminant Levels (MCLs) considered in setting PHGs or MCLGs. MCLs are the regulatory definition of what is “safe.” The PHGs are not enforceable and are not required to be met by any public water system. Maximum Contaminant Level Goals (MCLGs) are the federal equivalent to California’s PHGs. Senate Bill 1307 provides the public with an opportunity to respond to the report in during a public hearing.

GOALS:

Provide Safe and Quality Water with Reliable Services

The Public Health Goals Report provides information to customers on the quality of their water.

Prepared by: Darrell Johnson, Water Systems Manager

ATTACHMENTS:

2022 Report on Water Quality Relative to Public Health Goals

LAS VIRGENES MUNICIPAL WATER DISTRICT
2022 REPORT ON WATER QUALITY
RELATIVE TO PUBLIC HEALTH GOALS
LVMWD Report No. 2818.00

Background

Provisions of the California Health and Safety Code specify that larger (>10,000 service connections) water utilities prepare a special report by July 1, 2022 if their water quality measurements have exceeded any Public Health Goals (PHGs). PHGs are non-enforceable goals established by the Cal-EPA's office of Environmental Health Hazard Assessment (OEHHA). The law also requires that where OEHHA has not adopted a PHG for a constituent, the water suppliers are to use the Maximum Containment Level Goals (MCLGs) adopted by the US EPA. Only constituents which have a Primary Drinking Water Standard, and, for which, either a PHG or MCLG has been set are to be addressed.

There are a few constituents that are routinely detected in water systems at levels usually well below the drinking water standards for which no PHG nor MCLG has yet been adopted by OEHHA or US EPA including Total Trihalomethanes. These will be addressed in a future report after a PHG has been adopted.

The law specifies what information is to be provided in the report.

If a constituent was detected in LVMWD's water supply between 2019 and 2021 at a level exceeding an applicable PHG or MCLG, this report provides the information required by law. Included is:

- a. the numerical public health risk associated with MCL and the PHG or MCLG,
- b. the category or type of risk to health that could be associated with each constituent,
- c. the best treatment technology available that could be used to reduce the constituent level, and
- d. an estimate of the cost to install that treatment if it is appropriate and feasible.

What are PHGs?

PHGs are set by the California Office of Environmental Health Hazard Assessment (OEHHA) which is a part of Cal-EPA and are based solely on public health risk considerations. None of the practical risk-management factors that are considered by the US EPA or the California Division of Drinking Water (DDW) in setting drinking water standards (MCLs) are considered in setting the PHGs. These factors include analytical detection capability, treatment technology

available, benefits and costs. The PHGs are not enforceable and are not required to be met by any public water system. MCLGs are the federal equivalent PHGs.

Water Quality Data Considered

All of the water quality data collected in the water system between 2019 and 2021 for purposes of determining compliance with drinking water standards were considered. This data was summarized in the LVMWD's 2019, 2020 and 2021 Consumer Confidence Reports which have previously been sent to customers.

For each regulated contaminant, the DDW establishes Detection Limits for Purposes of Reporting (DLR). DLRs are the minimum levels at which any analytical result must be reported to DDW. Analytical results below the DLRs cannot be quantified with any certainty. In some cases, PHGs are set below the DLRs.

In addition to information from LVMWD's distribution system, information for Metropolitan Water District of Southern California (MWD) is also provided. MWD is the wholesaler from whom LVMWD purchases the source water distributed to customers.

Guidelines Followed

The Association of California Water Agencies (ACWA) formed a workgroup which prepared guidelines for water utilities to use in preparing these PHG reports. The ACWA guidelines were used in preparation of this report. Guidance was also available from state regulatory agencies.

Best Available Treatment Technology and Cost Estimates

Both the USEPA and CDPH adopt what are known as BATs or Best Available Technologies which are the best known methods of reducing contaminant levels to the MCL. Costs can be estimated for such technologies. However, since many PHGs and all MCLGs are set much lower than the MCL, it is not always possible or feasible to determine what treatment is needed to further reduce a constituent downward to or near the PHG or the MCLG, many of which are set at zero. Estimating the costs to reduce a constituent to zero is difficult, if not impossible, because it is not possible to verify by analytical means that the level has been lowered to zero. In some cases, installing treatment to try and further reduce very low levels of one constituent may have adverse effects on other aspects of water quality.

Constituents Detected That Exceed a PHGs or MCLGs

The following is a discussion of constituents that were detected in the drinking water at levels above the PHG, or if no PHG, above the MCLG.

Arsenic

The PHG is 0.004 ppb. The California MCL for arsenic is 10 ppb. Arsenic is a metallic element and is a result of erosion of rocks and minerals containing arsenic. Other sources of arsenic in water include the use of agricultural pesticides and chemicals for timber preservation.

The category of health risk associated with arsenic is that people who drink water containing arsenic above the MCL for many years may experience an increased risk of cancer. The numerical health risk of ingesting drinking water with arsenic at the PHG is 1×10^{-6} , or one-in-one million excess cancer risk cases for a lifetime of exposure.

Based on sampling of the distribution system, arsenic was detected at levels between ND and 1.9 ppb. Significantly less than the MCL of 10 ppb, but higher than the PHG.

The BATs for arsenic removal is either ion exchange and/or reverse osmosis. Ion exchange is the more cost-effective of these two technologies. The estimated cost to install, lease and operate an ion exchange system that reduces arsenic levels is estimated at \$16.3 million, or \$801 annually per customer.

Gross Alpha Particle Activity

Although there is no PHG for gross alpha, the MCLG for gross alpha is 0 pCi/L, and the MCL is 15 pCi/L. Gross alpha is a radiological compound that is naturally occurring in the environment.

Gross alpha has been shown to cause cancer in laboratory animals such as rats and mice when the animals are exposed to high levels over their lifetimes. Constituents that cause cancer in laboratory animals may also increase the risk of cancer in humans who are exposed over long periods of time. The DDW has set the drinking water standard for gross alpha at 15 pCi/L to reduce the risk of cancer or other adverse health effects that have been observed in laboratory animals.

Gross alpha particle activity was detected at levels between ND and 3 pCi/L in the source water supplied to LVMWD. Gross alpha particle activity was detected at 0.1 pCi/L during routine sampling within the LVMWD distribution system.

The BAT identified to treat radiological contaminants is reverse osmosis (RO). The most effective and economical treatment system is to use the RO treatment at select reservoir and surface water connection sites. LVMWD has determined that the cost to install and operate an RO removal system to meet the reservoir and surface water connections in the system in order to meet the PHG levels

would be approximately \$17.3 million which includes construction and annual operational costs. This would be an annual cost to each customer of \$848.

Uranium

The PHG for uranium is 0.43 pCi/L and the MCL is 20 pCi/L. Uranium is a metallic element which is weakly radioactive and naturally occurring in the environment.

OEHHA determined that the numerical cancer risk for uranium at the PHG level is 1×10^{-6} . Exposure to uranium and drinking water may result in toxic effects to the kidney. This constituent has also been shown to cause cancer in laboratory animals such as rats and mice when the animals are exposed at high levels over their lifetime. Constituents that cause cancer in laboratory animals may also increase the risk of cancer in humans who are exposed over long periods of time.

During the monitoring period, Uranium was detected at levels between ND and 3 pCi/L in the water supplied to LVMWD's system by MWD. Uranium was detected at 1.2 pCi/L during routine sampling within the LVMWD distribution system.

As described above for gross alpha, the best available technology for uranium removal is reverse osmosis and is estimated at the annual cost of \$975 per customer.

Bromate

The PHG for bromate is 0.1 ppb. The California MCL is 10 ppb. Bromate is a chemical that is formed when ozone is used to disinfect drinking water and reacts with naturally occurring bromide found in source water.

The category of health risk associated with bromate is that people who drink water containing bromate in excess of the PHG over many years may have an increased risk of cancer. The numerical health risk of ingesting drinking water with bromate at the PHG is 1×10^{-6} , or one-in-one million excess cancer risk cases for a lifetime of exposure.

During the monitoring period, bromate was detected at levels between 1.2 and 9.8 ppb in the water supplied to LVMWD's system by MWD.

The BAT for bromate is control of the ozone treatment process to reduce production of bromate. MWD continues to strive to minimize bromate production during their ozonation treatment process.

Lead and Copper

There is no MCL for lead and copper. Instead the 90th percentile value of all samples collected by LVMWD from household taps cannot exceed an Action Level of 15 ppb for lead or 1.3 ppm for copper. The PHG for lead is 0.2 ppb and the PHG for copper is 0.3 ppm. Lead and copper may leach into drinking water through the LVMWD's and residents' plumbing systems.

The category of health risk for lead is damage to the kidneys or nervous system of humans. The numerical health risk of ingesting drinking water with lead at the PHG is $<1 \times 10^{-6}$, or less than one-in-one million excess cancer risk cases for a lifetime of exposure. The cancer risk for copper cannot be calculated.

All of the MWD water samples for lead and copper were less than the PHG. Based on required sampling (samples taken by customers at their household tap), LVMWD's value for the 90th percentile for lead was between 4.4 and 4.8 ppb while the 90th percentile for copper was 0.3 ppb.

LVMWD's water system is in full compliance with the Federal and State Lead and Copper Rule. It has been determined, according to the State regulatory requirements that LVMWD is significantly below the Action Levels for lead and copper. Therefore, the system is deemed by CDPH to have "optimized corrosion control" for the system.

In general, optimizing corrosion control is considered to be the BAT to deal with corrosion issues and with any lead and copper findings. LVMWD continues to monitor the water quality parameters that relate to corrosivity such as the pH, hardness, alkalinity, and total dissolved solids.

Since LVMWD is meeting the "optimized corrosion control" requirement, it is not necessary or prudent to initiate additional corrosion control treatment as it involves the addition of other chemicals and additional water quality issues could occur. Therefore, no estimate of cost has been included.

RECOMMENDATIONS FOR FURTHER ACTION

The drinking water quality of Las Virgenes Municipal Water District meets all State of California, Department of Public Health and US EPA drinking water standards set to protect public health. To further reduce the levels of the constituents identified in this report that are already significantly below the health-based Maximum Contaminant Levels established to provide "safe drinking water", additional costly treatment processes would be required. The effectiveness of the treatment processes to provide any significant reductions in constituent levels at these already low values is uncertain. The health protection benefits of these further hypothetical reductions are not at all clear, and may not

be quantifiable. The costs associated with incorporating additional treatment processes may be better utilized to provide greater public health protection benefits if spent in other aspects, such as operation, maintenance, and water quality monitoring programs.