

**AGREEMENT BETWEEN THE CITY OF ANGELS
AND THE
LOCAL AGENCY FORMATION COMMISSION (LAFCO) OF CALAVERAS COUNTY
FOR CITY FINANCIAL SERVICES**

This agreement is made and entered into on this 1st day of July 2025 by and between the City of Angels, hereinafter referred to as CITY, and the Local Agency Formation Commission of Calaveras County, hereinafter referred to as interchangeably as CALAVERAS LAFCo or the COMMISSION.

WITNESSETH

WHEREAS, Local Agency Formation Commissions have been created under the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Sections 56000 et. seq. of the Government Code, as independent agencies, with the power to adopt expenditure and travel policies, as necessary, to carry out their functions; and

WHEREAS, the conduct of the CALAVERAS LAFCo / COMMISSION is governed by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, sections 56000 et. seq.; and

WHEREAS, the COMMISSION adopts and manages an annual budget including revenues and expenditures; and

WHEREAS, the CALAVERAS LAFCo Executive Officer is responsible for managing the day-to-day business of the COMMISSION and for directing expenditures for that purpose within the guidelines established by the adopted budget; and

WHEREAS, the COMMISSION has adopted written expenditure and travel policies distinct from those of the CITY and the County of Calaveras (the COUNTY); and

WHEREAS, CALAVERAS LAFCo needs accounting, financial review, and general financial services; and

WHEREAS, CALAVERAS LAFCo has determined it is in its best interest to contract with the CITY for said services; and

WHEREAS, the CITY uses its Employee Identification Number (EIN) for the purposes of reporting stipends, reimbursements, and other similar information for COMMISSION members; and

WHEREAS, the CITY and CALAVERAS LAFCo respectively clarify that the CITY's usage of its EIN does not establish that all recipients of stipend, reimbursements, and other similar information from CALAVERAS LAFCo are employees of the CITY.

NOW, THEREFORE, the parties hereto agree as follows:

SECTION 1
CALAVERAS LAFCo's RESPONSIBILITIES

1.1 For Fiscal Year (FY) 2025-2026, CALAVERAS LAFCo agrees to pay a monthly sum not to exceed Three Hundred Dollars (\$300.00) per month for accounting, payroll and budgeting services within 30 days of receipt of a quarterly invoice for those services from the CITY.

1.2 Starting FY 2026-2027, CALAVERAS LAFCo agrees to pay a monthly sum not to exceed Four Hundred Twenty (\$420.00) per month for accounting, payroll and budgeting services within 30 days of receipt of a quarterly invoice for those services from the CITY.

1.3 CALAVERAS LAFCo and the CITY agree that any changes in stipulations appearing on this Agreement will be formalized via an Amendment.

1.4 CALAVERAS LAFCo will provide warrant processing information as required as part of the CITY's normal operating procedures, except to the extent modified by CALAVERAS LAFCo's own policies.

1.5 CALAVERAS LAFCo understands that the CITY can request revisiting the MOU terms once every three years with CALAVERAS LAFCo, which can include revisiting the scope of duties of either or both parties and/or monthly payment due to the CITY.

SECTION 2
CITY'S RESPONSIBILITIES

In consideration of CALAVERAS LAFCo's payment specified hereinabove, CITY shall provide the following:

2.1 CITY Finance Office

- a. Assist the Executive Officer in managing CALAVERAS LAFCo's day-to-day accounting and financial functions.
- b. Process expenditure and travel expense requests in accordance with CALAVERAS LAFCo's adopted finance, expenditure and travel policies. The CALAVERAS LAFCo Executive Officer or his designee will approve all invoices to be paid by the CITY in advance of their processing.
- c. Maintain all CALAVERAS LAFCo funds in separate fund accounts and invest them in the Local Area Investment Fund (LAIF) on behalf of CALAVERAS LAFCo.

- d. Timely process all warrant requests within eight business days of submittal and provide CALAVERAS LAFCo with a monthly financial statement detailing all expenditures and income and fund balances not later than 15 days after the end of each month.
- e. CITY shall hold funds for CALAVERAS LAFCo under this agreement as a fiduciary and title to those funds shall not shift to the CITY while they are held for CALAVERAS LAFCo and CITY shall release all CALAVERAS LAFCo funds upon request, without right of set-off.
- f. CITY and CALAVERAS LAFCo agree that any changes in stipulation appearing on this Agreement will be formalized via an Amendment.
- g. CITY understands that CALAVERAS LAFCo can request revisiting the MOU terms once every three years with the CITY, which can include revisiting the scope of duties of either or both parties and/or monthly payment due to the CITY.

SECTION 3

TERM

This agreement shall commence on July 1, 2025 and continue until terminated upon sixty (60) days written notice by either party. It is agreed that an annual review and adjustment of the fees for the services provided for in this agreement will be conducted prior to budget adoption each fiscal year.

SECTION 4

STANDARD OF SERVICES

CITY represents that it is specially trained, licensed, experienced and competent to perform all the services, responsibilities and duties specified herein and that such services, responsibilities and duties shall be performed in a manner according to generally accepted practices.

SECTION 5

INDEMNIFICATION

Subject to all immunities and privileges, each party shall be responsible to third parties for its own acts and omissions and any and all claims, liabilities, injuries, suits and demands and expenses of all kinds that may arise out of any alleged negligence and/or intentional acts caused or alleged to have been caused by said party, its employees agents or subcontractors, in the performance or omission of any act or responsibility of said party under this agreement. Subject to all immunities and privileges, the CITY will be liable to LAFCo only for acts of gross negligence, willful misconduct or criminal activity on the part of the CITY's employees engaged in fulfilling the terms of this contract.

SECTION 6
EMPLOYEES OF THE CITY

- a. It is specifically understood and agreed that in the performance of this Agreement, CITY's employees providing services herein are and shall remain employees of the CITY, and shall not be deemed to be an employee, agent, or servant of CALAVERAS LAFCo or the County of Calaveras. CITY shall continue to provide workers compensation coverage for the CITY employees providing services herein.
- b. CITY is, and shall at all times remain as to CALAVERAS LAFCo, a wholly independent contractor. Neither CALAVERAS LAFCo nor any of its agents shall have control over the conduct of CITY or any of CITY's employees, except as set forth in this Agreement. CITY shall not represent that it is, or that any of its agents or employees are, in any manner employees of CALAVERAS LAFCo. However, the CITY will be acting as a limited agent on behalf of the CALAVERAS LAFCo to perform this Agreement.

SECTION 7
MODIFICATION

This Agreement may only be modified by a written amendment hereto, executed by all parties.

SECTION 8
NON-DISCRIMINATION IN EMPLOYMENT

In the performance of the work authorized under this Agreement, CITY shall not unlawfully discriminate against any qualified worker because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40) or any other unlawful basis.

SECTION 9
ATTORNEY'S FEES AND COSTS

If any action at law or inequity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable and actual attorney's fees, costs in addition to any other relief to which such party may be entitled.

SECTION 10
SEVERABILITY

If any provision of this Agreement is held to be unenforceable, the remainder of this Agreement shall be severable and not affected thereby.

SECTION 11
NOTICES

All notices that are required to be given by one party to the other under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or enclosed in a properly addressed envelope and deposited with a United States Post Office for delivery by registered or certified mail addressed to the parties at the following addresses, unless such addresses are changed by notice, in writing, to the other party:

CALAVERAS LAFCo : LAFCo of Calaveras County
Attn: Executive Officer
P.O. Box 2694
Granite Bay, CA 95746

CITY : City of Angels
Attn: City Administrator
P.O. Box 667
Angels Camp, CA 95222

SECTION 12
ADDITIONAL PROVISIONS

- a. Governing Law; Integration. This Agreement shall be governed by the laws of the State of California. This also constitutes the entire agreement between the parties regarding its subject matter. This Agreement supersedes all proposals, oral and written and all negotiations, conversations or discussions heretofore and between the parties related to the subject matter of this Agreement.
- b. Records and Inspections. CITY shall maintain full and accurate records with respect to all matters covered under this Agreement in the same manner and for the same duration as it maintains records of its own financial activities. CALAVERAS LAFCo shall have the right to access and examine such records, without charge, during normal business hours. CALAVERAS LAFCo shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

Executed at the City of Angels, County of CALAVERAS California, on the day
and year first written above.

**Isabel Moncada, Chair
LAFCo OF CALAVERAS
COUNTY**

**Michael Chimente, Mayor
CITY OF ANGELS**

ATTEST:

ATTEST:

**John Benoit, Executive Officer
LAFCo OF CALAVERAS
COUNTY**

**Rose Beristianos, City Clerk
CITY OF ANGELS**

APPROVED AS TO FORM:



**William Creger, City Attorney
CITY OF ANGELS /
WHITE & BRENNER**