

# Shallcross & Associates

Accounting and Tax Services

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250 Sneden Street ~ Bishop, California 93514  
(760) 873-7360 Phone ~ (760) 873-8589 Fax

June 23, 2016

Rene Landeros  
Alpine Water Company  
Route 1, 100 Nutcracker Road  
Bishop CA 93514

Board of Directors:

Thank you for the opportunity to provide this proposal for billing services. We will bill you a fixed rate, plus expenses as needed for postage, check printing, etc. Our firm ordinarily works on a fixed price basis – we find that our customers prefer to know in advance exactly what the price for our services will be. The person assigned to your account will be Cyndi Nelson. However, in her absence, the rest of the team would fill in to ensure that you have no interruption in service.

## Services:

- ◆ Set up bookkeeping/accounts receivable system using QuickBooks.
- ◆ Annual invoices (approximately 50) to property owners for water, with additional statements issued quarterly to past due accounts.
- ◆ Receive and record all payments from property owners and deposit at bank.
- ◆ Report deposit activity as it occurs to treasurer.
- ◆ Periodically, but not less than annually at your fiscal year end, post disbursement activity and reconcile all bank accounts.

In order to facilitate this, you would provide to my office as soon as possible the following items:

- ◆ Current, up-to-date copy of the QuickBooks file you use currently for billing.
- ◆ Rate sheet for water services.
- ◆ Disbursement activity (checks written) and bank statement for June 1, 2016 and forward.

Your investment for the above level of services on a flat fee basis will be:

- ◆ \$150 for one-time modification of QuickBooks system to add general ledger.
- ◆ \$400 per annual period for billing, collection, and deposits.
- ◆ \$150 per every quarter (not including annual billing quarter) for posting of checks received and creation of past due notices.
- ◆ Postage and supplies will be billed to you at our cost.

This works out to \$1,000 for the first year, \$850 per year after that. Payment terms may be monthly, quarterly, or semi-annually, as you prefer. Alternatively, if you would prefer to pay on a time and materials basis, the rate for Cyndi Nelson is \$100 per hour.

Service Guarantee

Our work is guaranteed to the complete satisfaction of the customer. If you are not completely satisfied with the services performed by Shallcross & Associates, we will, at the option of Alpine Water Company, either refund the price, or accept a portion of the price that reflects your level of satisfaction. Upon final payment of our invoice, we will assume you have been satisfied.

Payment Terms

Either party may terminate the agreement at any time, for any reason, within 10 days of written notice to the other party. It is understood that any unpaid services that are outstanding at the date of termination are to be paid in full within 10 days from the date of termination.

Please call if you have any questions. We would like to take this opportunity to express our appreciation for the opportunity to serve you.

Very truly yours,  
Shallcross & Associates

A handwritten signature in cursive script that reads "Andrea R. Shallcross". The signature is written in black ink and is positioned above the printed name.

Andrea R. Shallcross, E.A.