

Shallcross & Associates

Accounting and Tax Services

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

July 30, 2013

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 bookkeeping services. Please accept my apologies for the delay in responding to your request for a quote. We will bill you a fixed monthly 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.

Billing Services:

- ◆ Set up bookkeeping/accounts receivable system using QuickBooks.
- ◆ Semi-annual invoices (approximately 50) to property owners for water, with additional statements issued to past due accounts. You will be billed for postage.
- ◆ Receive and record all payments from property owners and deposit at bank.
- ◆ Report deposit activity as it occurs to treasurer.

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

- ◆ Listing of property owners with current addresses.
- ◆ Rates for water services.
- ◆ A current aging so we can transition the billing.
- ◆ Bank account information so that deposit slips can be ordered, if needed.

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

- ◆ \$250 for one-time set-up of QuickBooks accounts receivable system.
- ◆ \$475 per semi-annual period for billing, collection, and deposits.
- ◆ Postage and supplies will be billed to you at our cost.

This works out to \$1,200 for the first year, \$950 per year after that. Payment terms may be monthly, quarterly, or semi-annually, as you prefer. If you would prefer a time and materials basis, the rate for Cyndi Nelson is \$90 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, reading "Andrea R. Shallcross".

Andrea R. Shallcross, E.A.