P.O. Box 755
Big Bear City, CA 92314
(909) 585-3219
(909) 585-2900 fax
FlyBigBear.com

"The Big Bear Airport District provides Big Bear Valley with a safe, efficient and exceptional venue for aviation operations."

REGULAR BOARD OF DIRECTORS MEETING

Big Bear Airport District
Wednesday, November 11, 2026
4:00 P.M.

Temporary Terminal Building – Board Room (501 Valley Blvd, Big Bear City, CA 92314)

BOARD MEMBERS:

Kam Lawrence, President
Marikay Lindstrom, Vice President
Steve Castillo
Darrell Gardner
Wesley Krause

Unless you are a public safety official, please turn off your cell phone or place it on vibrate mode during the Meeting.

This Agenda is prepared and posted pursuant to the requirements of the California Government Code Section 54954.2, which is a portion of California's Open Meeting Law called the "Brown Act." The agenda contains a brief, general description of each item of business that is to be discussed and/or transacted. Prior to acting on any Agenda item, the Board will consider public comments.

1. **CALL TO ORDER**

2. **FLAG SALUTE**

   MISSION STATEMENT: The Big Bear Airport District serves the Big Bear Valley by providing a safe, efficient, and exceptional venue for aviation operations.

3. **ROLL CALL AND INTRODUCTIONS**

4. **APPROVAL OF AGENDA**

5. **PUBLIC COMMENTS:** A person wishing to comment on a non-Agenda item should approach the podium and wait for the Presiding Officer to recognize him/her. Unless otherwise provided for a specific item, all comments are limited to 3 minutes each with an overall total of 15 minutes. A speaker cannot allot their time to others.

Comments on Agenda items: Comments concerning matters on the agenda will be heard at the time the matter is considered.
Comments on non-Agenda Items: Comments concerning matters not on the agenda will be heard during the Public Comment section on the agenda. A speaker's comments should be within the subject matter jurisdiction of the Big Bear Airport District Board.

Please note that if you wish to address the Board on items not listed on the posted Agenda, the Brown Act does not allow Board discussion of such items because they are not on the agenda and thus were not publicly noticed. Therefore, the Board may only do the following: refer the matter to staff, ask for additional information or request a report back, or give a limited factual response. Your comments may be placed on the agenda for future discussion.

6. BIG BEAR AIRPORT'S PILOTS ASSOCIATION

7. CONSENT AGENDA

7.1. APPROVAL OF MEETING MINUTES – OCTOBER 14, 2026, REGULAR MEETING

7.2. YTD FINANCIAL REPORTS – SEPTEMBER 2026

8. PULLED CONSENT AGENDA ITEMS

9. BUSINESS MATTERS

9.1. FISCAL YEAR 2025-26 FINANCIAL AUDIT REPORT PRESENTED BY THE DISTRICT'S AUDITING FIRM, NIGRO & NIGRO, PC

9.2. DISCUSSION OF THE REQUEST FOR PROPOSALS (RFP) FOR THE RESTAURANT IN THE NEW TERMINAL BUILDING FROM REALFOOD HOSPITALITY; POSSIBLE APPROVAL TO EXTEND THE RFP RELEASE DATE AND SCHEDULE A SPECIAL WORKSHOP MEETING FOR FURTHER CONSIDERATION OF THE RFP

9.3. REVIEW AND POSSIBLE APPROVAL OF GM BUSINESS INTERIORS QUOTE FOR FURNISHING THE NEW TERMINAL BUILDING

9.4. DISCUSSION AND POSSIBLE ADOPTION OF RESOLUTION NO. 2026-06: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BIG BEAR AIRPORT DISTRICT FIXING THE CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS

9.5. DISCUSSION AND POSSIBLE APPROVAL OF THE AUTOMATIC TRANSFER SWITCH (ATS) CONTROLLER UPGRADES QUOTE

9.6. DISCUSSION AND POSSIBLE DIRECTION REGARDING BIG BEAR AIRPORT'S POTENTIAL PARTICIPATION IN THE CALIFORNIA AIRCRAFT OF

HISTORICAL SIGNIFICANCE PROPERTY TAX EXEMPTION AND PROPOSED WEEKLY AIRCRAFT DISPLAY PROGRAM

10. MANAGER'S REPORT

11. DIRECTOR'S COMMENTS

12. ADJOURN TO CLOSED SESSION

12.1. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION** pursuant to Gov. Code Section 54957
Title of Position: General Manager

13. RESUME OPEN SESSION

14. REPORT FROM CLOSED SESSION

15. NEXT MEETING DATE:

Wednesday, December 9, 2026, at 4:00 p.m. – Regular Board of Directors Meeting
Location: Temporary Terminal Building

16. ADJOURNMENT

CERTIFICATION: I, Rebecca Cannon, Board Secretary of the Big Bear Airport District, do hereby certify that I posted a copy of the foregoing Agenda on November 7, 2026, at least 72 hours in advance of the Regular Board of Directors Meeting (Government Code Section 54954.2).

Rebecca Cannon
Board Secretary

The Big Bear Airport District ("District") Board Meeting area is handicapped accessible. Persons with disabilities can receive this Agenda in an alternative format and should call the Airport Office at (909) 585-3219. Notification of 48 hours prior to the Meeting will enable the District to make arrangements to assure accessibility to the Meeting. The Agenda is posted on the District's Website at www.flybigbear.com. If access to the Website is not available, copies may be obtained by calling the Airport Office.

MINUTES

REGULAR BOARD OF DIRECTORS MEETING

Wednesday, October 14, 2026
4:00 p.m.

"The Big Bear Airport District serves the Big Bear Valley by providing a safe, efficient, and exceptional venue for aviation operations"

BOARD OF DIRECTORS
Kam Lawrence, President | Marikay Lindstrom, Vice President
Director Steve Castillo | Director Darrell Gardner | Director Wesley Krause

MEETING LOCATION

Temporary Terminal Building – 501 Valley Blvd, Big Bear City, CA 92314

1. **CALL TO ORDER:** Vice President Lindstrom called the Regular Meeting of the Big Bear Airport Board of Directors to order on Wednesday, October 14, 2026, at 4:00 p.m.
2. **FLAG SALUTE:** Vice President Lindstrom invited Director Krause to lead the flag salute, and the salute followed.
3. **ROLL CALL AND INTRODUCTIONS:** Board Secretary, Rebecca Cannon, recorded the following:

   DIRECTORS PRESENT: Vice President Lindstrom, Director Gardner, and Director Krause.

   DIRECTORS ABSENT: President Lawrence and Director Castillo.

   OTHERS PRESENT: General Manager Ryan Goss, Administration Manager Abby Darling, Administrative Assistant Ariel Valenzuela and Board Secretary Rebecca Cannon.

4. **APPROVAL OF AGENDA:** No changes. Approved by Consensus.
5. **PUBLIC COMMENTS:** None.
6. **BIG BEAR AIRPORTS PILOTS ASSOCIATION:** Jack Williams, President of BBAPA, contributed.
7. **CONSENT AGENDA**

   7.1. APPROVAL OF MEETING MINUTES – SEPTEMBER 9, 2026, REGULAR MEETING

DRAFT

7.2. YTD FINANCIAL REPORTS – AUGUST 2026

Director Krause moved to approve the minutes of the Regular Board of Directors Meeting held on September 9, 2026, and to accept, for filing, the Year-to-Date Financial Reports for August 2026 as presented.

Director Gardner seconded the motion.

Said motion passed, with all present board members voting AYE.

8. PULLED CONSENT AGENDA ITEMS: None.

9. BUSINESS MATTERS

9.1. KRISTEN KELLY, PROJECT MANAGER OF STRATEGY AND OPERATIONS FOR REALFOOD HOSPITALITY, PROVIDED THE BOARD OF DIRECTORS WITH A BRIEF PRESENTATION AND OVERVIEW OF THE STRATEGIC PLANNING PROCESS, ANTICIPATED SCHEDULE AND KEY DELIVERABLES.

No formal action was taken; receive and file only.

10. MANAGERS' REPORT

In addition to reviewing the August operations report, General Manager Ryan Goss updated the Board on the status of the FAA Grant Funding for the acquisition of Snow Removal Equipment stating the District's contribution has been reduced to only $4,098, representing a total reduction and savings of $168,909; informed the Board that staff has been working with GM Business Interiors to furnish the new Terminal Building and a cost estimate will likely be presented to the Board at an upcoming meeting for review and possible approval; discussed a meeting with the FAA regarding the District's Annual Airport Capital Improvement Plan (ACIP); provided an update on the construction of the New Terminal Building; recognized former Big Bear Airport General Manager, Dick Lightner, who recently passed away, acknowledging his years of service and contributions to the District; and informed the Board and public of the tenant Christmas party that is scheduled for December 11th.

11. DIRECTOR'S COMMENTS: All present Directors contributed.

12. ADJOURN TO CLOSED SESSION: The meeting adjourned to Closed Session at 4:49 p.m.

12.1. CONFERENCE WITH LABOR NEGOTIATORS pursuant to Gov. Code Section 54957.6 regarding fringe benefits
Agency Designated Representatives: General Manager Ryan Goss and Administration Manager Abby Darling
Unrepresented Employees: All District Employees

13. RESUME OPEN SESSION: The Board reconvened back for Open Session at 5:53 p.m.

14. REPORT FROM CLOSED SESSION: No reportable action.

15. NEXT MEETING DATE:

Wednesday, November 11, 2026, at 4:00 p.m. – Regular Board of Directors Meeting
Location: Temporary Terminal Building

DRAFT

16. ADJOURNMENT: The October 14, 2026, Regular Meeting of the Big Bear Airport District Board of Directors adjourned at 5:53 p.m.

_____
Kam Lawrence, President
Board Of Directors

Attest: _____
Rebecca Cannon
Board Secretary

DRAFT

Big Bear Airport District
Profit & Loss Budget Performance
September 2026

	September	Jul - Sep 26	Total Budget	$ Over/(Under) Budget	% of Budget Target: 25%
Income					
4054 · State Subsidy	$ -	$ -	$ 10,000.00	$ (10,000.00)	0%
4055 · Tax Revenues	-	-	2,381,200	(2,381,200)	0%
4110 · Sales-Aircraft Fuel	68,591	183,107	666,100	(482,993)	27%
4200 · Auto Parking	905	2,910	7,900	(4,990)	37%
4206 · Events Revenue	-	-	1,000	(1,000)	0%
4210 · Commercial Leases	4,447	13,340	39,000	(25,660)	34%
4220 · Ground Lease	7,808	23,665	92,300	(68,635)	26%
4230 · Hangar Rentals	32,408	112,715	427,700	(314,985)	26%
4254 · Gate Access Remote/Key Repl.	-	40	100	(60)	40%
4255 · Aircraft Oil Sales	458	1,332	2,600	(1,268)	51%
4256 · Aircraft Stores Sales	126	126			
4260 · Souvenir Sales	271	624	7,000	(6,376)	9%
4270 · Storage Units	645	1,935	5,900	(3,965)	33%
4280 · Tiedown Rents	838	2,515	6,100	(3,585)	41%
4290 · Tiedown Transient	172	1,144	3,400	(2,256)	34%
4300 · RV/Camper Storage	1,500	4,750	16,600	(11,850)	29%
4305 · Reimbursed Expense	71,488	71,701	1,701,400	(1,629,699)	4%
4320 · Late Fees-Tenant Rentals	24	283			
4325 · Sales Adjustment	-	-			
4350 · Credit Card Processing Fee	324	2,148			
Total Income	190,005	422,335	5,368,300	(4,945,965)	8%
Cost of Goods Sold					
5000 · COGS- Aircraft Fuel	57,294	145,319	598,300	(452,981)	24%
5005 · COGS-Souvenirs	-	-	6,000	(6,000)	0%
5010 · COGS - Oil	-	-	2,100	(2,100)	0%
5015 · COGS - Aircraft Stores	-	-	1,000	(1,000)	0%
Total COGS	57,294	145,319	607,400	(462,081)	24%
Gross Profit	132,711	277,016	4,760,900	(4,483,884)	6%
Expense					
5040 · Marketing	92	323	75,300	(74,977)	0%
5061 · Bank Charges/Credit Card Fees	2,281	7,923	26,200	(18,277)	30%
5070 · Board Election Costs	-	-	12,000	(12,000)	0%
5090 · Contract Services	5,756	35,054	94,900	(59,846)	37%
5110 · Motorized Vehicle Fuel	14,918	16,806	20,000	(3,194)	84%
5125 · Directors' Expenses	500	3,900	14,900	(11,000)	26%
5140 · Dues & Subscriptions	213	2,280	14,500	(12,220)	16%
5150 · Staff Expenses	492	1,882	16,500	(14,618)	11%
5160 · Fees/Permits/Licenses	4,139	6,342	13,900	(7,558)	46%
5170 · Hazardous Waste Pickup	-	-	1,000	(1,000)	0%
5180 · Insurance-Liability Expense	-	87,389	123,000	(35,611)	71%
5182 · Insurance-Worker's comp	2,909	27,477	27,800	(323)	99%
5210 · Janitorial Supplies	220	271	5,000	(4,729)	5%
5215 · Manager's Expenses	-	1,263	1,100	163	115%
5230 · Office Operational Expense	699	1,356	5,200	(3,844)	26%
5250 · Professional Services	1,744	15,955	86,500	(70,545)	18%
5260 · Repair & Maintenance-AWOS	-	570	13,000	(12,430)	4%
5275 · R & M - Aircraft Fuel Farm	-	-	10,000	(10,000)	0%

Big Bear Airport District
Profit & Loss Budget Performance
September 2026

	September	Jul - Sep 26	Total Budget	$ Over/(Under) Budget	% of Budget Target: 25%
5280 · Repair & Maintenance-Grounds	1,076	6,427	35,000	(28,573)	18%
5285 · Repair & Maintenance-Hangars	640	1,033	10,000	(8,967)	10%
5290 · Repair & Maintenance-Lighting	-	-	5,500	(5,500)	0%
5295 · R & M - Terminal Building	-	158	6,200	(6,042)	3%
5300 · R & M - Motorized Equipment	183	448	23,100	(22,652)	2%
5305 · Repair & Maint Fire Extinguish	1,348	1,348	3,800	(2,452)	35%
5310 · Emerg Equip/Supplies	-	164	1,300	(1,136)	13%
5350 · CDTFA Dealer Tax	64	186	1,100	(914)	17%
5373 · Tools/Small Maint Equipment	-	2,745	6,500	(3,755)	42%
5390 · Winter Ops Contingency	-	-	6,000	(6,000)	0%
5400 · Utilities	4,547	22,921	188,900	(165,979)	12%
6565 · Salaries	93,920	217,327	881,900	(664,573)	25%
6570 · FICA-Employer	-	149	400	(251)	37%
6575 · Medicare-Employer	1,432	3,437	11,900	(8,463)	29%
6585 · Health, Life, Dent.& Vision Ins	35,651	88,488	340,500	(252,012)	26%
6590 · 457 Contribution-ER Match	4,454	10,623	39,800	(29,177)	27%
6594 · Survivor Benefit Expense	-	494	600	(106)	82%
6595 · Pension Expense	9,547	113,155	179,100	(65,945)	63%
6596 · Pension - ER Paid for EE	1,675	3,909	15,200	(11,291)	26%
6597 · GASB 68 Report Fee	-	-	400	(400)	0%
6599 · SSA218-CalPERS Annual AdminFee.	60	60	100	(40)	60%
Total Expense	188,560	681,863	2,318,100	(1,636,237)	29%
Net Ordinary Income	(55,849)	(404,847)	2,442,800	(2,847,647)	-17%
Other Income/Expense					
Other Income					
4312 · AC Recov./Call Out/Misc.Labor	-	200			
4330 · Investment Revenue	9,755	32,991	120,600	(87,609)	27%
4332 · Unrealized Gain/(Loss) on Invmt	4,621	12,903			
Total Other Income	14,376	46,094	120,600	(74,506)	38%
Other Expense					
5205 · Interest Exp-Terminal Bldg Loan	-	107,042	210,600	(103,558)	51%
5207 · Term.Bldg. Loan Debt Service	-	235,000	235,000	-	100%
5039 · Capital Improvement Projects	-	31,176	235,000	(203,824)	13%
5042 · Airport Capital Impr Projects	2,686	20,261	1,790,900	(1,770,639)	1%
Total Other Expense	2,686	393,479	2,471,500	(2,078,021)	16%
Net Other Income	11,690	(347,385)	(2,350,900)	2,003,515	15%
Net Income	**$ (44,159.00)**	**$ (752,232.00)**	**$ 91,900.00**	**$ (844,132.00)**	

Big Bear Airport District
Terminal Building Project Budget to Actual
Fiscal Year 2026/27
September 2026

		Total Project Activity	Total Project Budget	% of Budget
1	**Funding Sources**			
2	Use of Equity Funds (District Allocated Reserves)	$ (3,554,626)	$ 3,494,000	-101.7%
3	Use of Terminal Building Bond Fund (Loan)	7,484,842	7,150,000	100.0%
4	Other Funding Sources	-	3,967,500	0.0%
5	**Total Funding Sources**	**3,930,216**	**14,611,500**	**26.9%**
6	**Project Expenses**			
7	Terminal Bldg. Design (FY26 remaining)	156,780	251,200	62.4%
8	Terminal Bldg. Construction	3,773,436	14,360,300	26.3%
9	**Total Project Expenses**	**3,930,216**	**14,611,500**	**26.9%**
10	**Net Increase/(Decrease) To Op Reserve**	**$ -**	**$ -**	

Big Bear Airport District
Balance Sheet
As of September 30, 2026

	Sep 30, 26
ASSETS	
Current Assets	
Checking/Savings	
1040 · Checking Account	2,921,381
1050 · US Bank Checking	1,726
Total Checking/Savings	2,923,107
Accounts Receivable	
1140 · Accounts Receivable	26,089
Total Accounts Receivable	26,089
Other Current Assets	
1001 · Petty Cash	350
1125 · LAIF	306,274
1125.01 · LAIF - Fair Market Value	-342
1127 · TD Ameritrade, Inc.	2,592,959
1128 · CLASS	1,745,813
1142 · Lease Receivable	262,819
1160 · Prepaid Medical/Life Insurance	23,597
1164 · Pre Paid Jet A Fuel Tax	3,979
1166 · Pre-Paid Expense	4,319
1170 · Accrued Interest Income	2,961
1181 · Inventory-Souvenirs	4,316
1182 · Inventory-Fuel	84,898
1183 · Inventory - Oil	5,563
1185 · Inventory - Aircraft Stores	3,957
1499 · Undeposited Funds	866
Total Other Current Assets	5,042,329
Total Current Assets	7,991,524
Fixed Assets	
1201 · Land	3,692,512
1220 · Land Improvements	18,123,793
1240 · Structure Improvements	5,774,935
1250 · Operating Equipment	4,261,276
1270 · Accumulated Depreciation	-23,257,353
1300 · Construction in Progress	11,796,449
Total Fixed Assets	20,391,612
Other Assets	
1150 · Deferred Outflows of Resources	517,169
Total Other Assets	517,169
TOTAL ASSETS	**28,900,305**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2001 · Accounts Payable	789,773
Total Accounts Payable	789,773
Credit Cards	
2003 · Visa Card Payable	-22,456
Total Credit Cards	-22,456
Other Current Liabilities	

Big Bear Airport District
Balance Sheet
As of September 30, 2026

	Sep 30, 26
2010 · Retention Payable	561,050
2002 · Accrued Expense	4,609
2121 · Salary Payable	27,143
2122 · Accrued Payroll Tax	411
2123 · Accrued Vacation	71,376
2124 · Accrued Sick Leave	93,147
2200 · Sales Taxes Payable	10,990
2250 · Retirement Contribution Payable	30,727
2255 · Survival Benefit Payable	7
2265 · PERS 457 Payable	4,115
2301 · Deposits-Tenant Security	33,269
2302 · Deposits-Gate Access	7,230
2303 · Deposits-Wait List	19,138
2320 · Prepaid Rents	197,767
Total Other Current Liabilities	1,060,981
Total Current Liabilities	1,828,297
Long Term Liabilities	
2525 · Terminal Building Loan	7,248,117
2600 · Net Pension Liability	691,481
2620 · Net OPEB Obligation	1,138,934
2625 · Deferred Inflows of Resources	582,608
2630 · DIR - Leases	254,133
Total Long Term Liabilities	9,915,273
Total Liabilities	11,743,571
Equity	
3900 · Retained Earnings	19,501,003
Net Income	-2,344,269
Total Equity	17,156,734
TOTAL LIABILITIES & EQUITY	**28,900,305**

Big Bear Airport District
US Bank CC Expense-Detail
September 2026

Date	Memo	Amount
US Bank		
09/21/2026	North Windsock, Banding/Strappling Kit, Unleaded Dispenser, Water...	921.19
09/21/2026	Waterproofing Membrane, Vinyl Poly Fabric	516.25
09/21/2026	Terrycloth Rags	52.48
09/21/2026	Postage, Batt Backup x2, Misc Office Supplies	699.05
09/21/2026	Coffee Station	91.82
09/21/2026	Emergency Response Staff Meeting	141.94
09/21/2026	Zoom, Webcam	212.98
09/21/2026	Ring Central	318.36
Total US Bank		2,954.07
TOTAL		**2,954.07**

Big Bear Airport District
Monthly Check Report
September 2026

Date	Num	Name	Memo	Amount
09/02/2026	DD3079	Abby Darling-Erickson	Direct Deposit	0.00
09/02/2026	DD3080	Ariel Valenzuela	Direct Deposit	0.00
09/02/2026	DD3081	David Caballero	Direct Deposit	0.00
09/02/2026	DD3082	Hugo Medel-Valdes	Direct Deposit	0.00
09/02/2026	DD3083	James Ryan Goss	Direct Deposit	0.00
09/02/2026	DD3084	John M. Egerer	Direct Deposit	0.00
09/02/2026	DD3085	John R Melissa	Direct Deposit	0.00
09/02/2026	DD3086	Rebecca Cannon	Direct Deposit	0.00
09/16/2026	DD3087	Abby Darling-Erickson	Direct Deposit	0.00
09/16/2026	DD3088	Ariel Valenzuela	Direct Deposit	0.00
09/16/2026	DD3089	David Caballero	Direct Deposit	0.00
09/16/2026	DD3090	Hugo Medel-Valdes	Direct Deposit	0.00
09/16/2026	DD3091	James Ryan Goss	Direct Deposit	0.00
09/16/2026	DD3092	John M. Egerer	Direct Deposit	0.00
09/16/2026	DD3093	John R Melissa	Direct Deposit	0.00
09/16/2026	DD3094	Rebecca Cannon	Direct Deposit	0.00
09/30/2026	DD3095	Abby Darling-Erickson	Direct Deposit	0.00
09/30/2026	DD3096	Ariel Valenzuela	Direct Deposit	0.00
09/30/2026	DD3097	David Caballero	Direct Deposit	0.00
09/30/2026	DD3098	Hugo Medel-Valdes	Direct Deposit	0.00
09/30/2026	DD3099	James Ryan Goss	Direct Deposit	0.00
09/30/2026	DD3100	John M. Egerer	Direct Deposit	0.00
09/30/2026	DD3101	John R Melissa	Direct Deposit	0.00
09/30/2026	DD3102	Rebecca Cannon	Direct Deposit	0.00
***** Missing numbers here *****				
09/15/2026	4923		PERS Medical Premium - October	-26,033.93
09/15/2026	4924	PERS - Retirement	457 Contribution PP ending 9/12/26	-2,972.39
09/15/2026	4925	PERS - Retirement	PP ending 9/12/26	-5,630.39
***** Missing numbers here *****				
09/22/2026	4929		Social Security Annual Fee	-60.00
***** Missing numbers here *****				
09/01/2026	35647	Big Bear Paint Center	BBAD	-375.34
09/01/2026	35648	Butcher's Block	101970	-85.67
09/01/2026	35649	Caballero, David.	September 2026 cell phone	-50.00
09/01/2026	35650	Cannon, Rebecca.	September 2026 cell phone	-50.00
09/01/2026	35651	Castillo, Steve	Monthly reimbursement - September 2026	-100.00
09/01/2026	35652	Darling, Abby	September 2026 cell phone	-50.00
09/01/2026	35653	DIY Home Center	0060-00061228	-72.96
09/01/2026	35654	Gardner, Darrell	Monthly reimbursement - September 2026	-100.00
09/01/2026	35655	Goss, Ryan	September 2026 cell phone	-50.00
09/01/2026	35656	Krause, Wesley	Monthly reimbursement - September 2026	-100.00
09/01/2026	35657	Lawrence, Kam.	Monthly reimbursement - September 2026	-100.00
09/01/2026	35658	Lindstrom, Marikay.	Monthly reimbursement - September 2026	-100.00
09/01/2026	35659	McMaster-Carr	340036500	-158.06
09/01/2026	35660	Medel, Hugo	September 2026 cell phone	-50.00
09/01/2026	35661	Melissa, John	September 2026 cell phone	-50.00
09/01/2026	35662	Valenzuela, Ariel.	September 2026 cell phone	-50.00
09/01/2026	35663	Wormsbecker, Billy	BBAD	-121.50
09/03/2026	35664	Mood, Kathleen H-C03		-20.00
09/03/2026	35665	Carney, Bob H-X19		-4,242.34
09/09/2026	35666	CivicPlus, LLC	Streamline - Compliance Essentials Renewal 9/26	-257.25
09/09/2026	35667	Nativescapes, Inc.	BBAD	-568.00
09/09/2026	35668	Starting Line Advisory	BBAD46203	-3,211.15
09/09/2026	35669	Diesel Direct West	63011	-1,887.72
***** Missing numbers here *****				
09/15/2026	35671	Wright, Duane - H-N24	H-N24	-140.75
09/15/2026	35672	Mingione, Tarynne H-WL		-140.75
09/16/2026	35673	Aircraft Spruce & Specialty Co.	580695	-129.09
09/16/2026	35674	Bad Bear Sportswear	BBAD	-1,000.00
09/16/2026	35675	Bear Valley Electric	Airport accounts	-6,814.51
09/16/2026	35676	Big Bear City CSD.	BBAD	-573.52
09/16/2026	35677	Elizabeth L. Martyn, APLC	August 2026 Billing	-500.00
09/16/2026	35678	Mead & Hunt	R3228400	-2,686.00
09/16/2026	35679	Sonitrol of San Bernardino	23424,237693	-283.53
09/22/2026	35680	La Sierra Fire Equipment, Inc.	BBAD	-1,348.30
09/22/2026	35681	S.B. County Fire Protection District	FA0001983	-2,861.00
09/22/2026	35682	SDRMA	7114	-2,909.25
09/22/2026	35683	Shred-it, Inc.	12147987	-170.63
09/22/2026	35684	Southwest Gas	910000935051	-13.11
09/29/2026	35685	Big Bear City CSD.	BBAD	-631.28
09/29/2026	35686	Big Bear Janitorial Supply	Janitorial Supplies	-51.07
09/29/2026	35687	Big Bear City CSD.	BBAD	-1,068.65
09/29/2026	35688	Big Bear Janitorial Supply	Janitorial Supplies	-167.76
09/29/2026	35689	Diesel Direct West	63011	-14,918.20
***** Missing numbers here *****				
09/09/2026	Wire 090926	Angeles Contractor, Inc.	Work through 7/31/26	-307,800.00

California CLASS

Summary Statement

September 30, 2026

Big Bear Airport District
PO Box 755
Big Bear City, CA 92314

California CLASS

California CLASS

Average Monthly Yield: 3.8181%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
Cash Reserve	2,039,669.47	0.00	300,000.00	6,143.54	56,455.94	1,949,874.25	1,745,813.01
TOTAL	**2,039,669.47**	**0.00**	**300,000.00**	**6,143.54**	**56,455.94**	**1,949,874.25**	**1,745,813.01**

Cash Reserve

Account Summary

Average Monthly Yield: 3.8181%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
California CLASS	2,039,669.47	0.00	300,000.00	6,143.54	56,455.94	1,949,874.25	1,745,813.01

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
09/01/2026	Beginning Balance			2,039,669.47	
09/22/2026	Withdrawal		300,000.00		23235
09/30/2026	Income Dividend Reinvestment	6,143.54			
09/30/2026	Ending Balance			1,745,813.01	

California CLASS

	California CLASS	
Date	Dividend Rate	Daily Yield
09/01/2026	0.000103007	3.7598%
09/02/2026	0.000102942	3.7574%
09/03/2026	0.000102863	3.7545%
09/04/2026	0.000411872	3.7583%
09/05/2026	0.000000000	3.7583%
09/06/2026	0.000000000	3.7583%
09/07/2026	0.000000000	3.7583%
09/08/2026	0.000103000	3.7595%
09/09/2026	0.000102897	3.7557%
09/10/2026	0.000102981	3.7588%
09/11/2026	0.000308301	3.7510%
09/12/2026	0.000000000	3.7510%
09/13/2026	0.000000000	3.7510%
09/14/2026	0.000102800	3.7522%
09/15/2026	0.000102919	3.7565%
09/16/2026	0.000102966	3.7583%
09/17/2026	0.000103769	3.7876%
09/18/2026	0.000318069	3.8698%
09/19/2026	0.000000000	3.8698%
09/20/2026	0.000000000	3.8698%
09/21/2026	0.000106004	3.8691%
09/22/2026	0.000106370	3.8825%
09/23/2026	0.000106707	3.8948%
09/24/2026	0.000106923	3.9027%
09/25/2026	0.000321510	3.9117%
09/26/2026	0.000000000	3.9117%
09/27/2026	0.000000000	3.9117%
09/28/2026	0.000107501	3.9238%
09/29/2026	0.000107406	3.9203%
09/30/2026	0.000107326	3.9174%

Performance results are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**

Columbia Capital Management, LLC

PORTFOLIO SUMMARY

Big Bear Airport District

Income

September 30, 2026

Security Type	Quantity	Total Cost	Market Value	Pct. Assets	Cur. Yield	Est.Annual Income
Fixed Income						
Agency Securities	2,500,000	2,493,330.01	2,493,914.57	96.9	3.8	0.00
	2,500,000	2,493,330.01	2,493,914.57	96.9	3.8	0.00
Cash and Equiv.						
Cash and Equivalents	0	3,553.77	3,553.77	0.1	0.2	7.11
Mutual Funds	74,926	74,925.77	74,925.77	2.9	4.6	3,464.00
	74,926	78,479.54	78,479.54	3.1	4.4	3,471.11
TOTAL PORTFOLIO	2,574,926	2,571,809.55	2,572,394.11	100.0	3.8	3,471.11

Columbia Capital Management, LLC

FIXED INCOME PORTFOLIO

Big Bear Airport District

Income

September 30, 2026

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value +Accr.Int.	Pct. Assets	Yield To Mat.	Duration
Agency Securities										
2,500,000	Federal Home Loan Bank Discount Note 0.000% Due 10-23-26	99.73	2,493,330.01	99.76	2,493,914.57	0.00	2,493,914.57	96.9	3.82	0.06
			2,493,330.01		2,493,914.57	0.00	2,493,914.57	96.9	3.82	0.06
Cash and Equivalents										
	Cash		3,553.77		3,553.77		3,553.77	0.1		0.00
			3,553.77		3,553.77	0.00	3,553.77	0.1	0.00	0.00
Mutual Funds										
74,926	SCHWAB US TREASURY MONEY ULTRA	1.00	74,925.77	1.00	74,925.77		74,925.77	2.9		0.00
			74,925.77		74,925.77	0.00	74,925.77	2.9	0.00	0.00
			2,571,809.55		2,572,394.11	0.00	2,572,394.11	100.0	3.70	0.06

Columbia Capital Management, LLC

PERFORMANCE REPORT
GROSS OF FEES
Big Bear Airport District
Income

From 08-31-26 to 09-30-26

Portfolio Value on 08-31-26	3,564,166.06
Contributions	0.00
Withdrawals	-1,000,000.00
Realized Gains	4,089.71
Unrealized Gains	584.56
Interest	5.75
Dividends	3,548.02
Portfolio Value on 09-30-26	2,572,394.11
Average Capital	3,297,499.40
Total Gain before Fees	8,228.05
IRR for 0.08 Years	0.25%

Columbia Capital Management, LLC

PERFORMANCE REPORT
GROSS OF FEES
Big Bear Airport District
Income

From 05-01-22 to 09-30-26

Portfolio Value on 05-01-22	0.00
Contributions	0.00
Withdrawals	-1,000,000.00
Transfers In	2,999,733.00
Realized Gains	121,348.05
Unrealized Gains	584.56
Interest	409,734.66
Dividends	40,993.84
Portfolio Value on 09-30-26	2,572,394.11
Average Capital	2,935,262.17
Total Gain before Fees	572,661.11
IRR for 4.42 Years	19.51%

Columbia Capital Management, LLC

FIXED INCOME DISTRIBUTION

Big Bear Airport District

Income

September 30, 2026

Summary Information

Totals		Weighted Averages	
Par Value	2,500,000	Average YTM	3.82
Market Value	2,493,914.57	Average Maturity (yrs)	0.06
Total Cost	2,493,330.01	Average Coupon (%)	0.00
Net Gain/Loss	584.56	Average Duration	0.06
Annual Income	0.00	Average Moody Rating	NR
Number of Issues	1	Average S&P Rating	NR

Distribution by Moody Rating

Rating	Number	Mkt Value	% Bond Holdings	Average Y T M	Average Coupon	Average Duration
Not Rated	1	2,493,914.57	100.0	3.8	0.000%	0.1

Distribution by S&P Rating

Rating	Number	Mkt Value	% Bond Holdings	Average Y T M	Average Coupon	Average Duration
Not Rated	1	2,493,914.57	100.0	3.8	0.000%	0.1

Official website of the State of California

State of California
Office of the
State Treasurer

LAIF Monthly Statements

LAIF Monthly Statement

BIG BEAR AIRPORT DISTRICT
GENERAL MANAGER
P.O. BOX 755
BIG BEAR CITY, CA 92314

September 2026 Statement

No transactions were found for this reporting period.

Account Summary

Beginning Balance:	306,274.00
Total Deposit:	0.00
Total Withdrawal:	0.00
Ending Balance:	306,274.00

BIG BEAR AIRPORT DISTRICT

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT

For the Fiscal Years Ended
June 30, 2026 and 2025

NIGRO & NIGRO PC

BIG BEAR AIRPORT DISTRICT
For the Fiscal Years Ended June 30, 2026 and 2025
Table of Contents

FINANCIAL SECTION

Page

Independent Auditors' Report 1
Management's Discussion and Analysis 4
Basic Financial Statements:
- Balance Sheets 11
- Statements of Revenues, Expenses and Changes in Net Position 12
- Statements of Cash Flows 13

Notes to Financial Statements 15
Required Supplementary Information:
- Schedule of Proportionate Share of the Net Pension Liability 47
- Schedule of Pension Contributions 48
- Schedule of Changes in the District's Total OPEB Liability and Related Ratios 49
- Schedule of OPEB Contributions 51

OTHER INDEPENDENT AUDITORS' REPORTS

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 53

Financial Section

NIGRO & NIGRO PC

A Professional Accountancy Corporation

INDEPENDENT AUDITORS' REPORT

Board of Directors
Big Bear Airport District
Big Bear City, California

Opinion

We have audited the accompanying financial statements of the Big Bear Airport District (District), which comprise the balance sheets as of June 30, 2026 and 2025, and the related statements of revenues, expenses and changes in net position and cash flows for the fiscal years then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Big Bear Airport District, as of June 30, 2026 and 2025, and the respective changes in financial position and cash flows thereof for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Principle

As described in Notes 1, 3 and 13 to the financial statements, as of July 1, 2025, the Authority adopted new accounting guidance, GASB Statement No. 103, Financial Reporting Model Improvements, Statement No. 104, Disclosure of Certain Capital Assets and Statement No. 105, Subsequent Events. Our opinion is not modified with respect to these matters.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Jeff Nigro, CPA, CFE | Elizabeth Nigro, CPA | Shannon Bishop, CPA | Peter Glenn, CPA, CFE | Paul J. Kaymark, CPA
Jessica Miller, CPA | Angelika Vartikyan, CPA | Jared Solmonsen, CPA | Oscar Gonzalez, CFE

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www.nncpas.com • *Licensed by the California Board of Accountancy*

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards,* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Schedule of the District's Proportionate Share of the Plan's Net Pension Liability, Schedule of Pension Contributions, Schedule of Changes in the District's Net OPEB Liability and Related Ratios, and Schedule of OPEB Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued a separate report dated November 11, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Murrieta, California
November 11, 2026

Management's Discussion and Analysis (MD&A) offers readers of Special District Risk Management Authority's financial statements a narrative overview of the Authority's financial activities for the year ended June 30, 2026. This MD&A presents financial highlights, an overview of the accompanying financial statements, an analysis of net position and results of operations, a current-to prior year analysis, a discussion on restrictions, commitments and limitations, and a discussion of significant activity involving capital assets. Please read in conjunction with the financial statements which follow this section.

During fiscal year 2025-26, the Special District Risk Management Authority (BBAD or "District") continued to provide coverage and services to its members despite ongoing challenges, increased claims and legal expenses, and inflation—all of which impact our members across California. BBAD provides risk financing and risk management services to special districts in a challenging insurance market.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. This discussion and analysis provides an introduction to BBAD's financial statements, including the relationship between the statements and the significant differences in the information they provide. BBAD's financial statements consist of four components:

- Statement of Net Position
- Statement of Revenues, Expenses and Changes in Net Position
- Statement of Cash Flows
- Notes to the Financial Statements

The statement of net position include all of BBAD's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Net position may be displayed in three categories: Net Investment in Capital Assets, Restricted Net Position, and Unrestricted Net Position. The statement of net position provide the basis for computing rate of return, evaluating the capital structure of BBAD and assessing its liquidity and financial flexibility. Each program's Net Position is allocated between various funds necessary to ensure confidence in the District's ability to meet financial obligations, funding for catastrophic losses, rate stabilization and other programs and commitments.

The statement of revenues, expenses and changes in net position present information which shows how BBAD's net position changed during the year. All of the current year's revenues and expenses are recorded when the underlying transaction occurs, regardless of the timing of the related cash flows. The statement of revenues, expenses, and changes in net position measure the results of BBAD's operations over the past year and determines whether BBAD has recovered its costs through user charges for services and other revenues.

The statement of cash flows provides information regarding BBAD's cash receipts and cash disbursements in its business-type activities during the year. This statement may report on cash activity in four categories: Operating, Noncapital and related financing, Capital and related financing, and Investing. This statement differs from the statement of revenues, expenses and changes in net position because the statement accounts only for transactions that result in cash receipts or cash disbursements. The notes to the financial statements provide a description of the accounting policies used to prepare the financial statements and present material disclosures required by generally accepted accounting principles that are not otherwise present in the financial statements.

FINANCIAL SUMMARY AND DETAILED ANALYSES

- Total net position increased by $1,039,841 (5.63%), from $18,461,047 at June 30, 2025, to $19,500,888 at June 30, 2026, compared with a decrease of $226,335 (1.21%) during fiscal year 2025

- Total assets increased by $685,651 (2.33%), from $29,476,803 at June 30, 2025, to $30,162,454 at June 30, 2026. The increase was primarily attributable to a $7,399,891 increase in capital assets, net, and an $864,466 increase in current assets, partially offset by a $7,578,706 decrease in non-current assets.

- Total liabilities decreased by $365,625 (3.41%), from $10,707,619 at June 30, 2025, to $10,341,994 at June 30, 2026, primarily due to a $403,103 decrease in non-current liabilities, partially offset by a $37,478 increase in current liabilities.

- Operating revenues decreased by $59,935 (7.22%), from $830,449 in fiscal year 2025 to $770,514 in fiscal year 2026, primarily due to a $56,129 decrease in other operating revenue.

- Operating expenses before depreciation decreased by $289,402 (12.71%), from $2,277,544 in fiscal year 2025 to $1,988,142 in fiscal year 2026, primarily due to decreases of $87,825 in temporary building for construction costs, $3,420 in utilities and telephone, and $24,539 in materials and supplies, partially offset by a $23,671 increase in salaries and wages.

- The District reported an operating loss of $2,501,660, compared with an operating loss of $3,140,639 in fiscal year 2025, an improvement of $638,979 (20.35%). The operating loss was $4,553,276 in fiscal year 2024.

- Non-operating revenues, net, increased by $543,151 (83.66%), from $649,233 in fiscal year 2025 to $1,192,384 in fiscal year 2026, compared with $398,100 in fiscal year 2024.

- Net capital assets increased by $7,399,891 (56.96%), from $12,991,721 at June 30, 2025, to $20,391,612 at June 30, 2026. The increase was primarily attributable to an $8,607,049 increase in non-depreciable capital assets, partially offset by the effect of depreciation. Net capital assets were $12,070,577 at June 30, 2024.

- Outstanding long-term debt decreased by $230,000 (3.11%), from $7,390,000 at June 30, 2025 to $7,160,000 at June 30, 2026, as a result of scheduled principal repayments. No additional debt was issued during the year.

FINANCIAL SUMMARY AND DETAILED ANALYSES

Condensed Balance Sheets

	June 30, 2026	June 30, 2025	Change	June 30, 2024	Change
Assets:					
Current assets	$ 6,015,545	$ 5,151,079	$ 864,466	$ 2,281,078	$ 2,870,001
Non-current assets	3,755,297	11,334,003	(7,578,706)	14,177,926	(2,843,923)
Capital assets, net	20,391,612	12,991,721	7,399,891	12,070,577	921,144
Total assets	30,162,454	29,476,803	685,651	28,529,581	947,222
Deferred outflows of resources	517,169	619,333	(102,164)	817,176	(197,843)
Total assets and deferred outflows of resources	$ 30,679,623	$ 30,096,136	$ 583,487	$ 29,346,757	$ 749,379
Liabilities:					
Current liabilities	$ 1,530,510	$ 1,493,032	$ 37,478	$ 479,749	$ 1,013,283
Non-current liabilities	8,811,484	9,214,587	(403,103)	9,273,523	(58,936)
Total liabilities	10,341,994	10,707,619	(365,625)	9,753,272	954,347
Deferred inflows of resources	836,741	927,470	(90,729)	906,103	21,367
Net position:					
Net investment in capital assets	13,232,263	9,885,267	3,346,996	12,102,767	(2,217,500)
Unrestricted	6,268,625	8,575,780	(2,307,155)	6,584,615	1,991,165
Total net position	19,500,888	18,461,047	1,039,841	18,687,382	(226,335)
Total liabilities, deferred outflows of resources and net position	$ 30,679,623	$ 30,096,136	$ 583,487	$ 29,346,757	$ 749,379

Total net position increased by $1,039,841, from $18,461,047 at June 30, 2025 to $19,500,888 at June 30, 2026, following a decrease of $226,335 during fiscal year 2025. Total net position was $18,687,382 at June 30, 2024. Total assets increased by $685,651 during 2026 to $30,162,454, compared with an increase of $947,222 during 2025 from $28,529,581 to $29,476,803. During 2026, current assets increased by $864,466 and capital assets, net, increased by $7,399,891, while non-current assets decreased by $7,578,706. In comparison, during 2025, current assets increased by $2,870,001 and capital assets, net, increased by $921,144, while non-current assets decreased by $2,843,923.

Total liabilities decreased by $365,625 to $10,341,994 during fiscal year 2026, following an increase of $954,347 during fiscal year 2025. Total liabilities were $9,753,272 at June 30, 2024 and increased to $10,707,619 at June 30, 2025. During 2026, current liabilities increased by $37,478, while non-current liabilities decreased by $403,103. In comparison, during 2025, current liabilities increased by $1,013,283, while non-current liabilities decreased by $58,936. Deferred inflows of resources decreased by $90,729 during 2026, compared with an increase of $21,367 during 2025, and deferred outflows of resources decreased by $102,164 during 2026 after decreasing by $197,843 during 2025.

The largest component of net position was net investment in capital assets of $13,232,263 at June 30, 2026, compared with $9,885,267 at June 30, 2025 and $12,102,767 at June 30, 2024. Net investment in capital assets increased by $3,346,996 during 2026 after decreasing by $2,217,500 during 2025. Unrestricted net position decreased by $2,307,155 to $6,268,625 during 2026, following an increase of $1,991,165 during 2025 from $6,584,615 to $8,575,780. Overall, total net position increased by $1,039,841 during 2026, compared with a decrease of $226,335 during 2025.

FINANCIAL SUMMARY AND DETAILED ANALYSES

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	June 30, 2026	June 30, 2025	Change	June 30, 2024	Change
Operating revenues	$ 770,514	$ 830,449	$ (59,935)	$ 734,909	$ 95,540
Operating expenses	(1,988,142)	(2,277,544)	289,402	(2,010,218)	(267,326)
Operating loss before depreciation	(1,217,628)	(1,447,095)	229,467	(1,275,309)	(171,786)
Depreciation expense	(1,284,032)	(1,693,544)	409,512	(3,277,967)	1,584,423
Operating loss	(2,501,660)	(3,140,639)	638,979	(4,553,276)	1,412,637
Non-capital subsidies	2,349,117	2,265,071	84,046	2,163,848	101,223
Operating loss and non-capital subsidies	(152,543)	(875,568)	723,025	(2,389,428)	1,513,860
Non-operating revenues, net	1,192,384	649,233	543,151	398,100	251,133
Change in net position	1,039,841	(226,335)	1,266,176	(1,991,328)	1,764,993
Net Position:					
Beginning of year	18,461,047	18,687,382	(226,335)	20,678,710	(1,991,328)
End of year	$ 19,500,888	$ 18,461,047	$ 1,039,841	$ 18,687,382	$ (226,335)

For fiscal year 2026, the District reported an operating loss of $2,501,660, compared with operating losses of $3,140,639 in fiscal year 2025 and $4,553,276 in fiscal year 2024. Operating revenues decreased by $59,935, from $830,449 in 2025 to $770,514 in 2026, after increasing by $95,540 from $734,909 in 2024. Operating expenses decreased by $289,402, from $2,277,544 in 2025 to $1,988,142 in 2026, following an increase of $267,326 during 2025. Depreciation expense decreased by $409,512 to $1,284,032 during 2026, after decreasing by $1,584,423 to $1,693,544 during 2025. Non-capital subsidies increased by $84,046 to $2,349,117 during 2026, following an increase of $101,223 to $2,265,071 during 2025. As a result, the operating loss and non-capital subsidies improved from a loss of $2,389,428 in 2024 to a loss of $875,568 in 2025 and further improved to a loss of $152,543 in 2026.

Non-operating revenues, net, increased by $543,151 to $1,192,384 during fiscal year 2026, following an increase of $251,133 to $649,233 during fiscal year 2025 from $398,100 in fiscal year 2024. As a result of these changes, the District reported an increase in net position of $1,039,841 during fiscal year 2026, compared with decreases in net position of $226,335 during fiscal year 2025 and $1,991,328 during fiscal year 2024.

FINANCIAL SUMMARY AND DETAILED ANALYSES

Total Revenues

	June 30, 2026	June 30, 2025	Increase Change	June 30, 2024	Increase (Decrease)
Operating revenues:					
Facility and hangar rentals	$ 566,479	$ 570,342	$ (3,863)	$ 574,405	$ (4,063)
Fuel and oil sales, net of cost	161,983	160,262	1,721	119,642	40,620
Aircraft tiedown fees, parking and souvenirs	33,193	34,857	(1,664)	36,571	(1,714)
Other operating revenue	8,859	64,988	(56,129)	4,291	60,697
Total operating	770,514	830,449	(59,935)	734,909	95,540
Non-capital subsidies:					
Property taxes – ad valorem	2,172,144	2,118,122	54,022	2,017,583	100,539
Redevelopment taxes	166,973	136,949	30,024	136,265	684
State subsidy	10,000	10,000	-	10,000	-
Total non-capital subsidies	2,349,117	2,265,071	84,046	2,163,848	101,223
Non-operating:					
Capital Contributions:					
Federal capital grants	992,665	-	992,665	-	-
Investment earnings	414,411	870,665	(456,254)	619,525	251,140
Total non-operating	1,407,076	870,665	536,411	619,525	251,140
Total revenues	$ 4,526,707	$ 3,966,185	$ 560,522	$ 3,518,282	$ 447,903

Total revenues increased by $560,522 to $4,526,707 during fiscal year 2026, following an increase of $447,903 from $3,518,282 in fiscal year 2024 to $3,966,185 in fiscal year 2025. The 2026 increase was primarily attributable to $992,665 in federal capital grants and a $166,973 increase in redevelopment taxes, partially offset by a $456,254 decrease in investment earnings and an $82,927 decrease in property taxes. Operating revenues decreased by $59,935 during 2026, primarily due to a $56,129 decrease in other operating revenue. In comparison, the increase in total revenues during fiscal year 2025 was primarily attributable to increases of $251,140 in investment earnings, $237,488 in property taxes, and $95,540 in operating revenues, partially offset by a $136,265 decrease in redevelopment taxes. Total non-capital subsidies increased from $2,163,848 in 2024 to $2,265,071 in 2025 and to $2,349,117 in 2026.

FINANCIAL SUMMARY AND DETAILED ANALYSES

Total Expenses

	June 30, 2026	June 30, 2025	Increase Change	June 30, 2024	Increase (Decrease)
Operating expenses:					
Salaries and wages	$ 818,866	$ 795,195	$ 23,671	$ 669,738	$ 125,457
Employee benefits	447,396	646,769	(199,373)	488,184	158,585
Board of directors expenses	12,425	13,661	(1,236)	9,500	4,161
Insurance	97,590	122,129	(24,539)	138,297	(16,168)
Materials and supplies	81,254	85,801	(4,547)	87,635	(1,834)
Professional services	255,392	255,516	(124)	252,241	3,275
Repairs and maintenance	81,812	73,821	7,991	95,951	(22,130)
Utilities and telephone	165,494	168,914	(3,420)	152,236	16,678
Temporary building for construction costs	27,913	115,738	(87,825)	116,436	(698)
Operating expenses before depreciation	1,988,142	2,277,544	(289,402)	2,010,218	267,326
Depreciation	1,284,032	1,693,544	(409,512)	3,277,967	(1,584,423)
Non-operating expenses:					
Interest expense	214,692	221,432	(6,740)	221,425	7
Total non-operating expenses	214,692	221,432	(6,740)	221,425	7
Total expenses	$ 3,486,866	$ 4,192,520	$ (705,654)	$ 5,509,610	$ (1,317,090)

Total expenses decreased by $705,654 to $3,486,866 during fiscal year 2026, following a decrease of $1,317,090 from $5,509,610 in fiscal year 2024 to $4,192,520 in fiscal year 2025. The 2026 decrease was primarily attributable to a $409,512 decrease in depreciation expense, an $87,825 decrease in temporary building for construction costs, a $3,420 decrease in utilities and telephone expense, and a $24,539 decrease in insurance, partially offset by a $23,671 increase in salaries and wages. In comparison, the decrease in total expenses during fiscal year 2025 was primarily attributable to a $1,584,423 decrease in depreciation expense, partially offset by increases of $158,585 in employee benefits, $125,457 in salaries and wages, and $4,161 in board of directors expenses. Overall, total expenses declined in each of the last two fiscal years, from $5,509,610 in 2024 to $4,192,520 in 2025 and $3,486,866 in 2026.

SIGNIFICANT CAPITAL ASSET AND LONG-TERM FINANCING ACTIVITY

Capital Assets

	Balance June 30, 2026	Balance June 30, 2025	Balance June 30, 2024
Capital assets:			
Non-depreciable assets	$ 15,488,961	$ 6,881,912	$ 4,324,492
Depreciable assets	28,160,004	28,083,131	30,717,595
Accumulated depreciation	(23,257,353)	(21,973,322)	(22,971,510)
Total capital assets, net	$ 20,391,612	$ 12,991,721	$ 12,070,577

Total capital assets, net, increased by $7,399,891 to $20,391,612 at June 30, 2026, following an increase of $921,144 from $12,070,577 at June 30, 2024 to $12,991,721 at June 30, 2025. During fiscal year 2026, non-depreciable assets increased by $8,607,049, from $6,881,912 to $15,488,961, while depreciable assets increased by $82,071, from $28,083,131 to $28,165,204. In comparison, during fiscal year 2025, non-depreciable assets increased by $2,557,420 from $4,324,492, while depreciable assets decreased by $2,634,464 from $30,717,595. Accumulated depreciation increased by $1,284,031 during fiscal year 2026, compared with a decrease of $998,188 during fiscal year 2025. Overall, the increase in net capital assets during fiscal year 2026 was primarily attributable to the significant increase in non-depreciable assets.

Debt Administration

The long-term debt of the District is summarized below:

Long-term debt:	Balance June 30, 2026	Balance June 30, 2025	Balance June 30, 2024
Loan payable	$ 7,160,000	$ 7,390,000	$ 7,610,000

The District's outstanding long-term debt decreased by $230,000 to $7,160,000 at June 30, 2026, following a decrease of $220,000 from $7,610,000 at June 30, 2024 to $7,390,000 at June 30, 2025. The decreases in both fiscal years reflect scheduled principal repayments on the District's loan payable. No additional long-term debt is reflected in the three-year schedule. See Note 7 for further information.

CURRENT KNOWN FACTS, DECISIONS OR CONDITIONS

Management is not aware of any currently known facts, decisions, or conditions that are expected to materially impact the Authority's financial condition or operations beyond those already reflected in the accompanying financial statements.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

The District's basic financial statements are designed to present users with a general overview of the District's finances and to demonstrate the District's accountability. If you have any questions about the report or need additional information, please contact the District's General Manager at 501 Valley Blvd., Big Bear City, California 92314 or (909) 585-3219.

BIG BEAR AIRPORT DISTRICT

Balance Sheets

June 30, 2026 and 2025

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	2026	2025
Current assets:		
Cash and cash equivalents (Note 2)	$ 5,338,948	$ 4,859,942
Accrued interest receivable	2,960	3,185
Accounts receivable – customers	17,010	27,929
Lease receivable (Note 4)	76,578	72,987
Property taxes receivable	57,088	56,178
Grants receivable	360,910	-
Materials and supplies inventory	123,145	91,311
Prepaid items	38,906	39,547
Total current assets	6,015,545	5,151,079
Non-current assets:		
Restricted – investments (Note 2 and 3)	651	4,283,546
Investments (Note 2)	3,568,405	6,787,637
Lease receivable, net (Note 4)	186,241	262,820
Capital assets – not being depreciated (Note 5)	15,488,961	6,881,912
Capital assets, net – being depreciated (Note 5)	4,902,651	6,109,809
Total non-current assets	24,146,909	24,325,724
Total assets	30,162,454	29,476,803
Deferred outflows of resources:		
Deferred amounts related to net OPEB liability (Note 8)	249,446	287,503
Deferred amounts related to net pension liability (Note 9)	267,723	331,830
Total deferred outflows of resources	517,169	619,333
Total assets and deferred outflows of resources	$ 30,679,623	$ 30,096,136
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
Current liabilities:		
Accounts payable and accrued expenses	$ 1,034,043	$ 1,016,087
Customer deposits and unearned revenue	59,513	55,976
Accrued interest payable	88,117	90,948
Long-term liabilities – due within one year:		
Compensated absences (Note 6)	113,837	100,021
Loan payable (Note 7)	235,000	230,000
Total current liabilities	1,530,510	1,493,032
Noncurrent liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences, net (Note 6)	56,069	49,264
Loan payable, net (Note 7)	6,925,000	7,160,000
Net OPEB liability (Note 8)	1,138,934	1,165,299
Net pension liability (Note 9)	691,481	840,024
Total noncurrent liabilities	8,811,484	9,214,587
Total liabilities	10,341,994	10,707,619
Deferred inflows of resources:		
Deferred amounts related to leases (Note 4)	254,133	331,356
Deferred amounts related to net OPEB liability (Note 8)	456,813	557,048
Deferred amounts related to net pension liability (Note 9)	125,795	39,066
Total deferred inflows of resources	836,741	927,470
Net position:		
Net investment in capital assets (Note 10)	13,232,263	9,885,267
Unrestricted	6,268,625	8,575,780
Total net position	19,500,888	18,461,047
Total liabilities, deferred inflows of resources and net position	$ 30,679,623	$ 30,096,136

BIG BEAR AIRPORT DISTRICT

Statement of Revenues, Expenses and Changes in Net Position
For the Fiscal Years Ended June 30, 2026 and 2025

	2026	2025
Operating revenues:		
Facility and hangar rentals	$ 566,479	$ 570,342
Fuel and oil sales, net of cost	161,983	160,262
Aircraft tiedown fees, parking and souvenirs	33,193	34,857
Other operating revenue	8,859	64,988
Total operating revenues	770,514	830,449
Operating expenses:		
Salaries and wages	818,866	795,195
Employee benefits	447,396	646,769
Board of directors expenses	12,425	13,661
Insurance	97,590	122,129
Materials and supplies	81,254	85,801
Professional services	255,392	255,516
Repairs and maintenance	81,812	73,821
Utilities and telephone	165,494	168,914
Temporary building for construction costs	27,913	115,738
Total operating expenses	1,988,142	2,277,544
Operating (loss) before depreciation	(1,217,628)	(1,447,095)
Depreciation expense	(1,284,032)	(1,693,544)
Operating (loss)	(2,501,660)	(3,140,639)
Non-capital subsidies:		
Property taxes – ad valorem	2,172,144	2,118,122
Redevelopment taxes	166,973	136,949
State subsidy	10,000	10,000
Total non-capital subsidies	2,349,117	2,265,071
Operating (loss) and non-capital subsidies	(152,543)	(875,568)
Non-operating revenues(expenses):		
Investment earnings	414,411	870,665
Capital Contributions:		
Federal capital grants	992,665	-
Interest expense	(214,692)	(221,432)
Total non-operating revenues, net	1,192,384	649,233
Change in net position	1,039,841	(226,335)
Net Position:		
Beginning of year	18,461,047	18,687,382
End of year	$ 19,500,888	$ 18,461,047

BIG BEAR AIRPORT DISTRICT
Statement of Cash Flows
For the Fiscal Years Ended June 30, 2026 and 2025

	2026	2025
Cash flows from operating activities:		
Cash receipts from customers and others	$ 867,958	$ 652,927
Cash paid to employees for salaries and wages	(783,769)	(747,981)
Cash paid to vendors and suppliers for materials and services	(1,360,462)	(183,470)
Net cash used in operating activities	(1,276,273)	(278,524)
Cash flows from non-capital financing activities:		
Proceeds from property taxes – ad valorem	2,171,234	2,114,283
Proceeds from property taxes – redevelopment taxes	166,973	136,949
Net cash provided by non-capital financing activities	2,338,207	2,251,232
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(8,683,923)	(2,614,688)
Proceeds from capital grants	631,755	-
Principal paid on long-term debt	(230,000)	(220,000)
Interest paid on long-term debt	(217,523)	(224,250)
Net cash used in capital and related financing activities	(8,499,691)	(3,058,938)
Cash flows from investing activities:		
Proceeds from the sale of investments	7,834,314	3,823,089
Investment earnings	82,449	84,193
Net cash provided by investing activities	7,916,763	3,907,282
Net increase in cash and cash equivalents	479,006	2,821,052
Cash and cash equivalents:		
Beginning of year	4,859,942	2,038,890
End of year	$ 5,338,948	$ 4,859,942
Reconciliation of cash and cash equivalents:		
Cash and cash equivalents	$ 5,338,948	$ 4,859,942
Total cash and cash equivalents	$ 5,338,948	$ 4,859,942

BIG BEAR AIRPORT DISTRICT
Statement of Cash Flows, Continued
For the Fiscal Years Ended June 30, 2026 and 2025

	2026	2025
Reconciliation of operating loss to net cash used in operating activities:		
Operating (loss)	$ (2,501,660)	$ (3,140,639)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	1,284,032	1,693,544
State subsidy	10,000	10,000
Change in assets – (increase)decrease:		
Accounts receivable – customers, net	10,919	(6,751)
Lease receivable	72,988	(181,857)
Materials and supplies inventory	(31,834)	(17,370)
Prepaid items	641	(31,826)
Change in deferred outflows of resources – (increase)decrease		
Deferred amounts related to net OPEB liability	38,057	17,386
Deferred amounts related to net pension liability	64,107	180,457
Change in liabilities – increase(decrease):		
Accounts payable and accrued expenses	17,956	961,245
Customer deposits and unearned revenue	3,537	1,086
Compensated absences	20,621	65,327
Net OPEB liability	(26,365)	164,864
Net pension liability	(148,543)	(15,357)
Change in deferred inflows of resources – increase(decrease)		
Deferred amounts related to leases	(77,223)	184,181
Deferred amounts related to net OPEB liability	(100,235)	(152,837)
Deferred amounts related to net pension liability	86,729	(9,977)
Total adjustments	1,225,387	2,862,115
Net cash used in operating activities	$ (1,276,273)	$ (278,524)
Non-cash investing, capital and financing transactions:		
Change in fair-market value of investments	$ 140,088	$ 186,915
Change in investment earnings increment	$ 191,874	$ 599,557

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Description of Organization

The Big Bear Airport District (District) began operations before the 1940's. In 1972, the District became part of a San Bernardino County (County) Service Area (CSA-53) and was operated by the County. In 1979, the Big Bear Valley voted to form a duly constituted and existing airport district under the constitution and laws of the State of California. The District at large is an independent special district with enabling legislation found at Public Utilities Code 22000.

The governing body consists of a five-member board elected from the Big Bear Valley. The Board members serve terms of four years. A variety of federal, state and local laws, agreements and regulations govern operations at the District. The Federal Aviation Administration (FAA) has jurisdiction over flying operations generally, including personnel, aircraft, ground facilities and other technical matters, as well as certain environmental matters. Federal law governs the District's noise limits and imposes certain other restrictions on District operations.

The criteria used in determining the scope of the financial reporting entity is based on the provisions of Governmental Accounting Standards Board Statement No. 61, The Financial Reporting Entity (GASB Statement No. 61). The District is the primary governmental unit based on the foundation of a separately elected governing board that is elected by the citizens in a general popular election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The District is financially accountable if it appoints a voting majority of the organization's governing body and: 1) It is able to impose its will on that organization, or 2) There is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

B. Basis of Presentation, Basis of Accounting

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied.

Operating revenues are those revenues that are generated from the primary operations of the District. The District reports a measure of operations by presenting the change in net position from operations as operating income in the statement of revenues, expenses, and changes in net position. Operating activities are defined by the District as all activities other than financing and investing activities (interest expense and investment income), grants and subsidies, and other infrequently occurring transactions of a non-operating nature. Operating expenses are those expenses that are essential to the primary operations of the District. All other expenses are reported as non-operating expenses.

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

1. Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

2. Investments

Investments are reported at fair value except for short-term investments, which are reported at cost, which approximates fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value. Investments in governmental investment pools are reported at fair value based on the fair value per share of the pool's underlying portfolio.

In accordance with fair value measurements, the District categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement.

Financial assets and liabilities recorded on the balance sheet are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical investments, such as stocks, corporate and government bonds. The District has the ability to access the holding and quoted prices as of the measurement date.

Level 2 – Inputs, other than quoted prices, that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active.

Level 3 – Inputs that are unobservable. Unobservable inputs reflect the District's own assumptions about the factors market participants would use in pricing an investment, and is based on the best information available in the circumstances.

3. Receivables and Allowance for Doubtful Accounts

Customer accounts receivable consist of amounts owed by private individuals and organizations for services rendered in the regular course of business operations. Uncollectable accounts are based on prior experience and management's assessment of the collectability of existing accounts.

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

4. Lease Receivable and Deferred Inflows of resources

The primary objective is to enhance the relevance and consistency of information about the governments' leasing activities. As a lessor, the District is required to recognize a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions. The District's lease receivable is measured at the present value of the lease payments expected to be received during the lease term. Under the lease agreement, the District may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is measured at the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

5. Materials and Supplies Inventory

Inventories consisted of fuel, oil and souvenir merchandise, which are valued at the lower of cost or market using the first-in first-out basis method.

6. Prepaids

Certain payments of vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

7. Capital Assets

Capital assets are stated at cost or at their estimated fair value at date of donation. It is the District's policy to capitalize assets costing over $5,000. The provision for depreciation is computed using the straight-line method over the estimated service lives of the capital assets.

Estimated service lives for the District's classes of assets are as follows:

Description	Estimated Lives
Land Improvements	10-40 years
Structures and Improvements	10-40 years
Building	10 years
Operating Equipment	10-35 years
Office Equipment	15 years

8. Deferred Outflows/Inflows of resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

9. Compensated Absences

The District's employee benefits provide for accumulation of vacation and sick leave. Liabilities for vacation and sick leave are recorded when benefits are earned. Full cash payment for all unused vacation leave is available to employees upon retirement or termination. Cash payment for all unused sick leave is available up to 55% of the employee's current pay rate upon retirement or termination based on years of service at the District. The cost of vacation is recorded in the period accrued. In accordance with GASB No. 101, Compensated Absences, leave is recognized when it is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Management evaluates sick leave for other District employees to determine the amount that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This analysis includes assessing relevant factors such as historical information about the use, payment or forfeiture of compensated absences and the District's portion of medicare taxes.

10. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans and addition to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The following timeframes are used for pension reporting:

Valuation Date June 30, 2024
Measurement Date June 30, 2025
Measurement Period July 1, 2024 to June 30, 2025

11. Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's Retiree Benefit Plan (OPEB Plan) and additions to/deductions from the OPEB Plans' fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The following timeframes are used for OPEB reporting:

Valuation Date June 30, 2024
Measurement Date June 30, 2025
Measurement Period July 1, 2024 to June 30, 2025

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

12. Net Position

Net position is classified into two components: investment in capital assets and unrestricted. These classifications are defined as follows:

- **Net investment in capital assets** - This component of net position consists of capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- **Unrestricted net position** - This component of net position consists of net position that does not meet the definition of "investment in capital assets".

D. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

E. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1, each year. Secured property taxes are levied on July 1 and are payable in two installments, on December 10 and April 10. The San Bernardino County Assessor's Office assesses all real and personal property within the County each year. Property tax in California is levied in accordance with Article 13A of the State Constitution at one (1%) of countywide assessed valuations. The San Bernardino County Auditor-Controller's Office remits an undisclosed portion of the one (1%) current and delinquent property tax collections to the District throughout the year.

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

F. New Pronouncements – Governmental Accounting Standards Board (GASB)

During the fiscal year ended June 30, 2026, the District has implemented new GASB pronouncements as follows:

GASB Statement No. 103 – Financial Reporting Model Improvements
This GASB Statement revises financial statement presentation requirements, including enhancements to Management's Discussion and Analysis (MD&A), proprietary fund reporting, and disclosures for major component units. The District adopted the Statement as of July 1, 2025. See the MD&A for the effect of this Statement.

GASB Statement No. 104 – Disclosure of Certain Capital Assets
This GASB Statement establishes new disclosure requirements for certain types of capital assets, including assets held for sale. Implementation of the Statement did not have a material effect on the Authority's financial statement disclosures. The Authority adopted the Statement as of July 1, 2025. See Note 3 for the effect of this Statement.

GASB Statement No. 105 – Subsequent Events
This GASB Statement clarifies the subsequent events that constitute recognized and non-recognized events and establishes specific note disclosure requirements for non-recognized events. The requirements of this Statement are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter. Earlier implementation is encouraged. The Authority elected to early implement GASB Statement No. 105, Subsequent Events, effective July 1, 2025. See Note 13 for the effect of this Statement.

NOTE 2 – CASH AND INVESTMENTS

Cash and investments were classified in the accompanying financial statements as follows:

Description	June 30, 2026	June 30, 2025
Cash and cash equivalents	$ 5,338,948	$ 4,859,942
Restricted – investments	651	4,283,546
Investments	3,568,405	6,787,637
Total	$ 8,908,004	$ 15,931,125

Cash and investments consisted of the following:

Description	June 30, 2026	June 30, 2025
Cash on hand	$ 350	$ 350
Demand deposits held with financial institutions	3,008,844	2,511,596
Deposits in Local Agency Investment Fund (LAIF)	302,971	291,179
Deposits in California Cooperative Liquid Assets Securities System (CA CLASS)	2,026,783	2,056,817
Investments	3,569,056	11,071,183
Total	$ 8,908,004	$ 15,931,125

Demand Deposits with Financial Institutions
At June 30, 2026 and 2025, the carrying amount of the District's demand deposits were $3,008,844 and $2,511,596, respectively, and the financial institution's balances were $3,030,589 and $2,533,648, respectively. The net difference represents outstanding checks, deposits-in-transit and/or other reconciling items between the financial institution's balance and the District's balance for each year.

Custodial Credit Risk – Deposits
Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. Cash balances held in banks are insured up to $250,000 by the Federal Depository Insurance Corporation (FDIC) and are collateralized by the respective financial institutions. In addition, the California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits.

NOTE 2 – CASH AND INVESTMENTS (continued)

Local Agency Investment Fund (LAIF)
The California State Treasurer, through the Pooled Money Investment Account (PMIA), invests taxpayers' money to manage the State's cash flow and strengthen the financial security of local governmental entities. PMIA policy sets as primary investment objectives safety, liquidity and yield. Through the PMIA, the Investment Division manages the Local Agency Investment Fund (LAIF). LAIF allows cities, counties and special districts to place money in a major portfolio and, at no additional costs to taxpayers, use the expertise of Investment Division staff. Participating agencies can withdraw their funds from the LAIF at any time as LAIF is highly liquid and carries a dollar-in dollar-out amortized cost methodology.

The District is a voluntary participant in LAIF. The fair value of the District's investment in this pool is reported at an amount based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of the of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF. LAIF is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis and it is Not Rated under the current credit risk ratings format. For financial reporting purposes, the District considers LAIF a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2026, and 2025, the District held $302,971 and $291,179 in LAIF, respectively.

California Cooperative Liquid Assets Securities System (California CLASS)
The California Cooperative Liquid Assets Securities System (California CLASS) is a joint exercise of power entity authorized under Section 6509.7, California Government Code. California CLASS is a pooled investment option that was created via a joint exercise of powers agreement by and among California public agencies. California CLASS provides California public agencies with a convenient method for investing in high-quality, short- to medium-term securities carefully selected to optimize interest earnings while prioritizing safety and liquidity. The California CLASS Prime and Enhanced Cash funds offer public agencies the opportunity to strengthen and diversify their cash management programs in accordance with the safety, liquidity, and yield hierarchy that governs the investment of public funds.

The management of California CLASS is under the direction of a Board of Trustees comprised of eligible Participants of the program. The Board of Trustees has appointed Public Trust Advisors, LLC to serve as the Investment Advisor and Administrator of the program and has appointed U.S. Bank as the Custodian.

The District is a voluntary participant in California CLASS. The fair value of the District's investment in this pool is reported at an amount based upon the District's pro-rata share of the fair value provided by California CLASS for the entire California CLASS portfolio (in relation to the amortized cost of the of that portfolio). The balance available for withdrawal is based on the accounting records maintained by California CLASS. California CLASS is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis. The California Class Prime and Enhanced Cash funds receive a credit rating of AAAm (S&P Global Ratings) and AAAf/S1 (FitchRatings), respectively. For financial reporting purposes, the District considers California CLASS a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2026, and 2025, the District held $2,026,783 and $2,056,817 in California CLASS, respectively.

NOTE 2 – CASH AND INVESTMENTS (continued)

Investments

The District's investments as of June 30, 2026 were as follows:

Type of Investments	Measurement Input	Credit Rating	June 30, 2025 Fair Value	Maturity: 12 Months or Less	Maturity: 13 to 24 Months	Maturity: 25 to 60 Months
U.S. treasury obligations	Level 1	AA+ to AAA	$ 998,498	$ 998,498	$ -	$ -
U.S. government sponsored agency securities	Level 2	A to AAA	2,504,644	2,504,644	-	-
Money market mutual funds	N/A	N/A	65,914	65,914	-	-
Total investments			$ 3,569,056	$ 3,569,056	$ -	$ -

The District's investments as of June 30, 2025 were as follows:

Type of Investments	Measurement Input	Credit Rating	June 30, 2025 Fair Value	Maturity: 12 Months or Less	Maturity: 13 to 24 Months	Maturity: 25 to 60 Months
U.S. treasury obligations	Level 1	AA+ to AAA	$ 3,143,177	$ 2,151,402	$ -	$ 991,775
U.S. government sponsored agency securities	Level 2	A to AAA	2,874,610	1,175,903	1,698,707	-
Money market mutual funds	N/A	N/A	5,053,396	5,053,396	-	-
Total investments			$ 11,071,183	$ 8,380,701	$ 1,698,707	$ 991,775

Authorized Investments and Investment Policy

The District has adopted an investment policy directing the Fiscal Officer to deposit funds in financial institutions to purchases financial investments in accordance with California Government Code 53600-53610 as follows:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. government sponsored agency securities	5-years	None	None
Non-negotiable certificates of deposit	10-years	None	None
Money market mutual funds	5-years	20%	20%
Collateralized bank deposits	None	None	None

Fair Value Measurement Input

The District categorizes its fair value measurement inputs within the fair value hierarchy established by generally accepted accounting principles. The District has presented its measurement inputs as noted in the previous table.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

NOTE 2 – CASH AND INVESTMENTS (continued)

Interest Rate Risk
Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with longer maturities have greater sensitivity to changes in market interest rates. The District's investment policy follows the Code as it relates to limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The District has elected to use the segmented time distribution method of disclosure for the maturities of its investments as related to interest rate risk as noted in the previous table.

Custodial Credit Risk – Investments
The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Code and the District's investment policy contain legal and policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools.

NOTE 3 – RESTRICTED – INVESTMENTS

Restricted – cash and cash equivalents as of June 30, consisted of the following:

Description	June 30, 2026	June 30, 2025
Unspent proceeds from loan issuance	$ 651	$ 4,283,546
Less: Unspent proceeds from loan issuance	(651)	(4,283,546)
Total restricted – net position	$ -	$ -

The restricted – investments balance on the balance sheet at June 30, 2026 and 2025 was invested in holdings by the District from the remaining unused proceeds from the loan payable – 2022. This amount is then used in the calculation of net investment in capital assets. (See Note 10)

NOTE 4 – LEASE RECEIVABLE AND DEFERRED INFLOWS OF RESOURCES – LEASES

Changes in the District's lease receivable for the year ended June 30, 2026 was as follows:

Description	Balance July 1, 2025	Additions	Deductions	Balance June 30, 2026	Current Portion	Non-Current Portion
Cellular antenna site rental No. 1	$ 175,847	$ -	$ (31,646)	$ 144,201	$ 33,341	$ 110,860
Cellular antenna site rental No. 2	78,840	-	(14,991)	63,849	15,370	48,479
Cellular antenna site rental No. 3	81,119	-	(26,350)	54,769	27,867	26,902
Total lease receivable	$ 335,806	$ -	$ (72,987)	$ 262,819	$ 76,578	$ 186,241

Changes in the District's lease receivable for the year ended June 30, 2025 was as follows:

Description	Balance July 1, 2024	Additions	Deductions	Balance June 30, 2025	Current Portion	Non-Current Portion
Cellular antenna site rental No. 1	$ 33,495	$ 175,847	$ (33,495)	$ 175,847	$ 31,646	$ 144,201
Cellular antenna site rental No. 2	14,443	78,840	(14,443)	78,840	14,991	63,849
Cellular antenna site rental No. 3	106,011	-	(24,892)	81,119	26,350	54,769
Total lease receivable	$ 153,949	$ 254,687	$ (72,830)	$ 335,806	$ 72,987	$ 262,819

The District is reporting a total lease receivable of $262,819 and $335,806, and a total related deferred inflows of resources of $254,133 and $331,356 for the years ending June 30, 2026 and 2025, respectively. Also, the District is reporting total lease revenue of $77,223 and $70,506 and interest revenue of $6,758 and $4,432 related to lease payments received for the years ending June 30, 2026, and 2025, respectively.

The leases held by the District do not have an implicit rate of return, therefore the District used their incremental borrowing rate of 2.00% to 2.50% for existing leases to discount the lease revenue to the net present value. In some cases, leases contain termination clauses. In these cases, the clause requires the lessee or lessor to show cause to terminate the lease. Also, certain leasing-types are considered "volatile leases." Those volatile leases were not extended past their initial lease period for financial statement recognition due to their volatility.

NOTE 4 – LEASE RECEIVABLE AND DEFERRED INFLOWS OF RESOURCES – LEASES (continued)

Cellular Antenna Site Rental No. 1
The District, on June 30, 2025, renewed a continuous lease with American Tower for 60 months as lessor for the use of a cellular antenna site rental. An initial lease receivable was recorded in the amount of $175,847. As of June 30, 2026, the value of the lease receivable was $175,847. The lease is required to make monthly fixed payments of $2,476 for the first 12-month period, then increase 3.0% on February 1st of each year. The lease has an interest rate of 2.00%. The value of the deferred inflow of resources was $140,678 as of June 30, 2026. The District recognized lease revenue of $35,169 and interest revenue of $3,230 during the fiscal year. The lessee will be evaluated by the District for future extensions after the completion of this lease period. Since this is considered a volatile lease only this lease period has been recognized.

Cellular Antenna Site Rental No. 2
The District, on June 30, 2025, renewed a continuous lease with Sprint for 60 months as lessor for the use of a cellular antenna site rental. An initial lease receivable was recorded in the amount of $78,840. As of June 30, 2026, the value of the lease receivable was $78,840. The lease is required to make monthly fixed payments of $1,399 for the duration of the current lease term, then increase 15% on July 1st upon renewal. The lease has an interest rate of 2.00%. The value of the deferred inflow of resources was $63,072 as of June 30, 2026. The District recognized lease revenue of $15,768 and interest revenue of $1,800 during the fiscal year. The lessee will be evaluated by the District for future extensions after the completion of this lease period. Since this is considered a volatile lease only this lease period has been recognized.

Cellular Antenna Site Rental No. 3
The District, on June 1, 2024, entered into a lease agreement with AT&T for 60 months as lessor for the use of a cellular antenna site rental. An initial lease receivable was recorded in the amount of $131,432. As of June 30, 2026, the value of the lease receivable was $81,119. The lease is required to make monthly fixed payments of $2,200 for the first 12-month period, then increase 3% on June 1st of each year. The lease has an interest rate of 2.50%. The value of the deferred inflow of resources was $50,383 as of June 30, 2026. The District recognized lease revenue of $26,286 and interest revenue of $1,728 during the fiscal year. The lessee will be evaluated by the District for future extensions after the completion of this lease period. Since this is considered a volatile lease only this lease period has been recognized.

Minimum future lease receipts for the next four fiscal years are as follows:

Fiscal Year	Principal	Interest	Total
2027	$ 76,578	$ 5,055	$ 81,633
2028	77,759	3,269	81,028
2029	53,087	1,814	54,901
2030	55,395	650	56,045
Total	262,819	$ 10,788	$ 273,607
Current	(76,578)		
Long-term	$ 186,241		

NOTE 4 – LEASE RECEIVABLE AND DEFERRED INFLOWS OF RESOURCES – LEASES (continued)

Changes in the District's deferred inflows of resources related to leases for June 30, 2026 is as follows:

Description	Balance July 1, 2025	Additions	Deductions	Balance June 30, 2026
Cellular antenna site rental No. 1	$ 175,847	$ -	$ (35,169)	$ 140,678
Cellular antenna site rental No. 2	78,840	-	(15,768)	63,072
Cellular antenna site rental No. 3	76,669	-	(26,286)	50,383
Total deferred inflows	$ 331,356	$ -	$ (77,223)	$ 254,133

Changes in the District's deferred inflows of resources related to leases for June 30, 2025 is as follows:

Description	Balance July 1, 2024	Additions	Deductions	Balance June 30, 2025
Cellular antenna site rental No. 1	$ 30,338	$ 175,847	$ (30,338)	$ 175,847
Cellular antenna site rental No. 2	13,883	78,840	(13,883)	78,840
Cellular antenna site rental No. 3	102,954	-	(26,285)	76,669
Total deferred inflows	$ 147,175	$ 254,687	$ (70,506)	$ 331,356

The amounts reported as deferred inflows of resources related to leases for the year ended June 30, 2026, will be amortized in future periods as follows:

Amortization Period Fiscal Year Ended June 30	Deferred Inflows of Resources
2027	$ 77,224
2028	75,033
2029	50,938
2030	50,938
Total	$ 254,133

NOTE 5 – CAPITAL ASSETS AND DEPRECIATION

Summary changes in capital asset balances for the year ended June 30, 2026, were as follows:

Description	Balance July 1, 2025	Additions	Deletions/ Transfers	Balance June 30, 2026
Non-depreciable assets:				
Land	$ 3,692,512	$ -	$ -	$ 3,692,512
Construction-in-process	3,189,400	8,607,049	-	11,796,449
Total non-depreciable assets	6,881,912	8,607,049	-	15,488,961
Depreciable assets:				
Land improvements	18,123,793	-	-	18,123,793
Structures and improvements	5,774,935	-	-	5,774,935
Operating equipment	4,184,403	76,873	-	4,261,276
Total depreciable assets	28,083,131	76,873	-	28,160,004
Accumulated depreciation:				
Land improvements	(14,488,614)	(871,538)	-	(15,360,152)
Structures and improvements	(5,141,082)	(194,067)	-	(5,335,149)
Operating equipment	(2,343,626)	(218,426)	-	(2,562,052)
Total accumulated depreciation	(21,973,322)	(1,284,031)	-	(23,257,353)
Total depreciable assets, net	6,109,809	(1,207,158)	-	4,902,651
Total capital assets, net	$ 12,991,721	$ 7,399,891	$ -	$ 20,391,612

Summary changes in capital asset balances for the year ended June 30, 2025, were as follows:

Description	Balance July 1, 2024	Additions	Deletions/ Transfers	Balance June 30, 2025
Non-depreciable assets:				
Land	$ 3,692,512	$ -	$ -	$ 3,692,512
Construction-in-process	631,980	2,614,688	(57,268)	3,189,400
Total non-depreciable assets	4,324,492	2,614,688	(57,268)	6,881,912
Depreciable assets:				
Land improvements	18,172,525	-	(48,732)	18,123,793
Structures and improvements	5,774,935	-	-	5,774,935
Building	2,643,000	-	(2,643,000)	-
Operating equipment	4,127,135	57,268	-	4,184,403
Total depreciable assets	30,717,595	57,268	(2,691,732)	28,083,131
Accumulated depreciation:				
Land improvements	(13,292,019)	(1,245,327)	48,732	(14,488,614)
Structures and improvements	(4,925,094)	(215,988)	-	(5,141,082)
Building	(2,643,000)	-	2,643,000	-
Operating equipment	(2,111,397)	(232,229)	-	(2,343,626)
Total accumulated depreciation	(22,971,510)	(1,693,544)	2,691,732	(21,973,322)
Total depreciable assets, net	7,746,085	(1,636,276)	-	6,109,809
Total capital assets, net	$ 12,070,577	$ 978,412	$ (57,268)	$ 12,991,721

NOTE 6 – COMPENSATED ABSENCES

Changes to compensated absences balances for the years ended June 30, 2026, and 2025, were as follows:

Balance July 1, 2025	Net Change	Balance June 30, 2026	Current Portion	Long-term Portion
$ 149,285	$ 20,621	$ 169,906	$ 113,837	$ 56,069

Balance July 1, 2024	Net Change	Balance June 30, 2025	Current Portion	Long-term Portion
$ 83,957	$ 65,328	$ 149,285	$ 100,021	$ 49,264

As of June 30, 2026, the total liability for compensated absences was $169,906, of which $113,837 is expected to be paid within one year and is reported as a current liability.

NOTE 7 – LOANS PAYABLE

Summary changes to loans payable balances for the year ended June 30, 2026, were as follows:

Balance July 1, 2025	Additions	Deletions	Balance June 30, 2026	Current Portion	Long-term Portion
$ 7,390,000	$ -	$ (230,000)	$ 7,160,000	$ 235,000	$ 6,925,000

Summary changes to loans payable balances for the year ended June 30, 2025, were as follows:

Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025	Current Portion	Long-term Portion
$ 7,610,000	$ -	$ (220,000)	$ 7,390,000	$ 230,000	$ 7,160,000

2022 – Installment Purchase Agreement
On May 19, 2022, the District entered into an installment purchase agreement for $7,920,00 with First Foundation Public Finance to provide funds for the design and construction of a new terminal building. The initial advance of $1,000,000, less issuance costs, was issued at the time of closing, with the remaining draw of $6,920,000 being issued on May 19, 2023. The terms of the agreement provide for interest payable semi-annually on February 1st and October 1st at a rate of 2.990% per annum. The note matures on October 1st, 2047. At June 30, 2026, the outstanding balance of the 2022 – installment purchase agreement was $7,160,000.

NOTE 7 – LOANS PAYABLE (continued)

Annual debt service requirements for loans payable are as follows:

Fiscal Year	Principal	Interest	Total
2027	$ 235,000	$ 210,571	$ 445,571
2028	240,000	203,470	443,470
2029	245,000	196,219	441,219
2030	255,000	188,744	443,744
2031	260,000	181,045	441,045
2032-2036	1,450,000	762,749	2,212,749
2037-2041	1,675,000	553,225	2,228,225
2042-2046	1,940,000	275,379	2,215,379
2047-2048	860,000	38,422	898,422
Total	7,160,000	$ 2,609,824	$ 9,769,824
Current	(235,000)		
Long-term	$ 6,925,000		

NOTE 8 – NET OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Summary
The following balances on the balance sheet will be addressed in this footnote as follows:

Description	2026	2025
OPEB related deferred outflows	$ 249,446	$ 287,503
Net other post-employment benefits liability	1,138,934	1,165,299
OPEB related deferred inflows	456,813	557,048

A. General Information about the OPEB Plan

Plan Description
The District provides lifetime retiree health benefits to eligible retirees and dependents. The District's contribution toward the cost of retiree health insurance shall not exceed the maximum contribution paid by the District for the categories of employee only (Single), employee plus one (Two-Party), and employee plus two or more dependents (Family). Eligibility for retiree health benefits requires retirement on or after age 50 with at least 5 consecutive years of District eligible service. As of June 30, 2026 and 2025, the current contribution maximum for each employee group is shown below:

District Maximum Contribution	2026	2025
Single	$ 1,216	$ 1,216
Two-party	2,432	2,432
Family	3,162	3,162

NOTE 8 – NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

A. General Information about the OPEB Plan (continued)

Funding Policy
The contribution requirements of plan members and the District are established and may be amended by the District and/or the District's Board of Directors. Currently, contributions are not required from plan members. The District has pre-funded contributions to the CERBT OPEB Trust and the District has been requesting reimbursement from that OPEB Trust on an annual basis.

Contributions
Benefit provisions and contribution requirements are established and may be amended through agreements and memorandums of understanding between the District and its employees. The plan does not require employee contributions. Administrative costs of this plan are financed by the District. For fiscal year ended June 30, 2026, the District's contributions totaling $100,749 included $92,702 in current year premium payments and an implied subsidy of $8,047. For fiscal year ended June 30, 2025, the District's contributions totaling $89,128, included $82,010 in current year premium payments and an implied subsidy of $7,118.

B. Net OPEB Liability

For the fiscal year ended June 30, 2026, the District's total OPEB liability was measured as of June 30, 2025 and was determined by an actuarial valuation as of June 30, 2024. For the fiscal year ended June 30, 2025, the District's total OPEB liability was measured as of June 30, 2024 and was determined by an actuarial valuation as of June 30, 2024. A summary of the principal assumptions and methods used to determine the total OPEB liability are noted below.

Actuarial Assumptions
The total OPEB liability in the June 30, 2024 and 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2024	June 30, 2024
Discount rate	5.51%	5.51%
Inflation	2.50%	2.50%
Salary increases	3.00%	3.00%
Investment rate of return	6.25%	6.25%
Healthcare cost trend rates	6.0 percent	6.0 percent

The long-term expected rate of return in the CERBT OPEB Trust investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of the arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Rate of Return
Global Equities	59%	4.80%
U.S. Fixed	25%	1.80%
Inflation Assets	5%	1.60%
REITs	8%	3.70%
Commodities	3%	1.90%

NOTE 8 – NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) OBLIGATION (continued)

B. Net OPEB Liability (continued)

Discount Rate
The discount rate used to measure the total OPEB liability was 5.93% and 5.51% as of June 30, 2025 and 2024 Measurement Dates, respectively. The projection of cash flows used to determine the discount rate assumed that the District's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

C. Changes in the Net OPEB Liability

The changes in the total OPEB liability for fiscal year June 30, 2026 were as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at July 1, 2025 (Measurement date July 1, 2024)	$ 1,403,614	$ 238,315	$ 1,165,299
Changes for the year:			
Service cost	74,809	-	74,809
Interest	79,039	-	79,039
Changes in assumptions	(61,858)	-	(61,858)
Contributions by employer	-	89,128	(89,128)
Net investment income	-	29,302	(29,302)
Administrative expenses	-	(75)	75
Benefit payments	(89,128)	(89,128)	-
Net changes	2,862	29,227	(26,365)
Balance at June 30, 2026 (Measurement date June 30, 2025)	$ 1,406,476	$ 267,542	$ 1,138,934

The changes in the total OPEB liability for fiscal year June 30, 2025 were as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at July 1, 2024 (Measurement date July 1, 2023)	$ 1,215,196	$ 214,761	$ 1,000,435
Changes for the year:			
Service cost	64,671	-	64,671
Interest	70,102	-	70,102
Changes in assumptions	72,950	-	72,950
Changes in experience	64,470	-	64,470
Contributions by employer	-	83,775	(83,775)
Net investment income	-	23,624	(23,624)
Administrative expenses	-	(70)	70
Benefit payments	(83,775)	(83,775)	-
Net changes	188,418	23,554	164,864
Balance at June 30, 2025 (Measurement date June 30, 2024)	$ 1,403,614	$ 238,315	$ 1,165,299

NOTE 8 – NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) OBLIGATION (continued)

C. Changes in the Net OPEB Liability

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate
The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1 percentage point higher than the current discount rate:

For the fiscal year ended June 30, 2026:

1% Decrease 4.93%	Discount Rate 5.93%	1% Increase 6.93%
$ 1,293,831	$ 1,138,934	$ 1,007,856

For the fiscal year ended June 30, 2025:

1% Decrease 4.51%	Discount Rate 5.51%	1% Increase 6.51%
$ 1,320,429	$ 1,165,299	$ 1,033,868

Sensitivity of the Total OPEB Liability to Changes in Medical Trend Rates
The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using medical trend rates that are 1-percentage point lower:

For the fiscal year ended June 30, 2026:

1% Decrease 5.00%	Healthcare Cost Trend Rates 6.00%	1% Increase 7.00%
$ 980,655	$ 1,138,934	$ 1,331,316

For the fiscal year ended June 30, 2025:

1% Decrease 5.00%	Healthcare Cost Trend Rates 6.00%	1% Increase 7.00%
$ 1,020,858	$ 1,165,299	$ 1,339,454

NOTE 8 – NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) OBLIGATION (continued)

D. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2026, the District recognized OPEB expense of $12,206. At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Account Description	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions made after the measurement date	$ 100,749	$ -
Changes in assumptions	105,717	(311,503)
Differences between expected and actual experience	42,980	(128,634)
Differences between projected and actual earnings on OPEB plan investments	-	(16,676)
Total Deferred Outflows/(Inflows) of Resources	$ 249,446	$ (456,813)

The differences between projected and actual earnings on plan investments is amortized over five years. The District reported $100,749 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Amortization Period Fiscal Year Ended June 30	Deferred Outflows/(Inflows) of Resources
2027	$ (106,550)
2028	(107,662)
2029	(95,340)
2030	11,744
2031	(10,308)
Thereafter	-
Total	$ (308,116)

At June 30, 2026, the District had no outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2027.

NOTE 8 – NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) OBLIGATION (continued)

D. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (continued)

For the year ended June 30, 2025, the District recognized OPEB expense of $118,541. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Account Description	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions made after the measurement date	$ 89,128	$ -
Changes in assumptions	144,650	(349,594)
Differences between expected and actual experience	53,725	(198,603)
Differences between projected and actual earnings on OPEB plan investments	-	(8,851)
Total Deferred Outflows/(Inflows) of Resources	$ 287,503	$ (557,048)

The differences between projected and actual earnings on plan investments is amortized over five years. The District reported $89,128 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Amortization Period Fiscal Year Ended June 30	Deferred Outflows/(Inflows) of Resources
2026	$ (113,632)
2027	(93,358)
2028	(94,470)
2029	(82,148)
2030	24,935
Thereafter	-
Total	$ (358,673)

At June 30, 2025, the District had no outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2025.

NOTE 9 – NET PENSION LIABILITY AND PENSION PLAN

Summary

The following balances on the balance sheet will be addressed in this footnote as follows:

Description	2026	2025
Pension related deferred outflows	$ 267,723	$ 331,830
Net pension liability	691,481	840,024
Pension related deferred inflows	125,795	39,066

Qualified employees are covered under a multiple-employer defined benefit pension plan maintained by agencies of the State of California known as the California Public Employees' Retirement System (CalPERS), or "The Plan".

A. General Information about the Pension Plan

The Plan

The District has engaged with CalPERS to administer the following pension plans for its employees (members):

	Miscellaneous Plans	
	Classic Tier 1	PEPRA Tier 2
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5-years of service	5-years of service
Benefits payments	monthly for life	monthly for life
Retirement age	50 - 67 & up	52 - 67 & up
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.0%
Required member contribution rates	7.000%	8.250%
Required employer contribution rates – FY 2025	15.060%	8.720%
Required employer contribution rates – FY 2024	14.990%	8.630%

Plan Description

The Plan is an agent multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the Plan's June 30, 2024 and June 30, 2023 Annual Actuarial Valuation Report (funding valuation). Details of the benefits provided can be obtained in Appendix B of the actuarial valuation report. This report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website.

NOTE 9 – NET PENSION LIABILITY AND PENSION PLAN (continued)

A. General Information about the Pension Plan (continued)

At June 30, 2025 (Measurement Date), the following members were covered by the benefit terms:

	Miscellaneous Plans		
Plan Members	**Classic Tier 1**	**PEPRA Tier 2**	**Total**
Active members	1	7	8
Transferred and terminated members	2	10	12
Retired members and beneficiaries	9	-	9
Total plan members	12	17	29

At June 30, 2024 (Measurement Date), the following members were covered by the benefit terms:

	Miscellaneous Plans		
Plan Members	**Classic Tier 1**	**PEPRA Tier 2**	**Total**
Active members	1	7	8
Transferred and terminated members	2	11	13
Retired members and beneficiaries	10	-	10
Total plan members	13	18	31

All qualified permanent and probationary employees are eligible to participate in the District's cost-sharing multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by state statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

Benefits Provided
CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to Plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for nonindustrial disability benefits after five years of service. The death benefit is one of the following the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each Plan are applied as specified by the Public Employees' Retirement Law.

NOTE 9 – NET PENSION LIABILITY AND PENSION PLAN (continued)

A. General Information about the Pension Plan (continued)

Contributions
Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

Contributions for the fiscal year ended June 30, 2026, were as follows:

	Miscellaneous Plans		
Contribution Type	Classic Tier 1	PEPRA Tier 2	Total
Contributions – employer	$ 108,606	$ 49,374	$ 157,980

Contributions for the fiscal year ended June 30, 2025, were as follows:

	Miscellaneous Plans		
Contribution Type	Classic Tier 1	PEPRA Tier 2	Total
Contributions – employer	$ 91,795	$ 103,258	$ 195,053

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

Proportionate Share of Net Pension Liability and Pension Expense
The District's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2025 and 2024, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024 and 2023, rolled forward to June 30, 2025 and 2024, respectively, using standard update procedures. The District's proportionate share of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

NOTE 9 – NET PENSION LIABILITY AND PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

The following table shows the District's proportionate share of the risk pool collective net pension liability over the measurement period for the Miscellaneous Plan for the fiscal year ended June 30, 2025 (Measurement Date):

Plan Type and Balance Descriptions	Plan Total Pension Liability	Plan Fiduciary Net Position	Change in Plan Net Pension Liability
CalPERS – Miscellaneous Plan:			
Balance as of June 30, 2024 (Measurement Date)	$ 4,536,273	$ 3,696,249	$ 840,024
Balance as of June 30, 2025 (Measurement Date)	$ 4,828,761	$ 4,137,280	$ 691,481
Change in Plan Net Pension Liability	$ 292,488	$ 441,031	$ (148,543)

The following table shows the District's proportionate share of the risk pool collective net pension liability over the measurement period for the Miscellaneous Plan for the fiscal year ended June 30, 2024 (Measurement Date):

Plan Type and Balance Descriptions	Plan Total Pension Liability	Plan Fiduciary Net Position	Change in Plan Net Pension Liability
CalPERS – Miscellaneous Plan:			
Balance as of June 30, 2023 (Measurement Date)	$ 4,066,642	$ 3,211,261	$ 855,381
Balance as of June 30, 2024 (Measurement Date)	$ 4,536,273	$ 3,696,249	$ 840,024
Change in Plan Net Pension Liability	$ 469,631	$ 484,988	$ (15,357)

The District's proportionate share percentage of the net pension liability for the June 30, 2025 (Measurement Date) was as follows:

	Percentage Share of Risk Pool		
	Fiscal Year Ending June 30, 2026	Fiscal Year Ending June 30, 2025	Change Increase/ (Decrease)
Measurement Date	June 30, 2025	June 30, 2024	
Percentage of Risk Pool Net Pension Liability	0.017334%	0.017368%	-0.000034%
Percentage of Plan (PERF C) Net Pension Liability	0.017334%	0.017368%	-0.000034%

The District's proportionate share percentage of the net pension liability for the June 30, 2024 (Measurement Date) was as follows:

	Percentage Share of Risk Pool		
	Fiscal Year Ending June 30, 2025	Fiscal Year Ending June 30, 2024	Change Increase/ (Decrease)
Measurement Date	June 30, 2024	June 30, 2023	
Percentage of Risk Pool Net Pension Liability	0.017368%	0.017106%	0.000262%
Percentage of Plan (PERF C) Net Pension Liability	0.017368%	0.006857%	0.010511%

NOTE 9 – NET PENSION LIABILITY AND PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

For the fiscal year ended June 30, 2026, the District recognized a pension expense of $160,273. At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Account Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made after the measurement date	$ 157,980	$ -
Difference between actual and proportionate share of employer contributions	-	(32,230)
Adjustment due to differences in proportions	26,887	-
Differences between expected and actual experience	82,856	-
Differences between projected and actual earnings on pension plan investments	-	(93,565)
Changes in assumptions	-	-
Total Deferred Outflows/(Inflows) of Resources	$ 267,723	$ (125,795)

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability, changes of assumptions, and differences between expected and actual experience in the measurement of the total pension liability will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 3.8 years.

An amount of $157,980 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a reduction to pension expense as follows:

Amortization Period Fiscal Year Ended June 30	Deferred Outflows/(Inflows) of Resources
2027	$ 83,673
2028	(22,755)
2029	(41,252)
2030	(35,718)
Total	$ (16,052)

NOTE 9 – NET PENSION LIABILITY AND PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

For the fiscal year ended June 30, 2025, the District recognized a pension expense of $226,368. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Account Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made after the measurement date	$ 135,999	$ -
Difference between actual and proportionate share of employer contributions	-	(36,232)
Adjustment due to differences in proportions	53,254	-
Differences between expected and actual experience	72,628	(2,834)
Differences between projected and actual earnings on pension plan investments	48,359	-
Changes in assumptions	21,590	-
Total Deferred Outflows/(Inflows) of Resources	$ 331,830	$ (39,066)

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability, changes of assumptions, and differences between expected and actual experience in the measurement of the total pension liability will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 3.8 years.

An amount of $135,999 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a reduction to pension expense as follows:

Amortization Period Fiscal Year Ended June 30	Deferred Outflows/(Inflows) of Resources
2026	$ 68,284
2027	105,845
2028	(792)
2029	(16,572)
Total	$ 156,765

NOTE 9 – NET PENSION LIABILITY AND PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability
For the measurement period ending June 30, 2025 and 2024 (Measurement dates), the total pension liability was determined by rolling forward the June 30, 2024 and 2023, total pension liability. The June 30, 2025 and 2024, total pension liability were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirement of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds.
Post Retirement Benefit Increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.30% thereafter

Long-term Expected Rate of Return
The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points. The expected real rates of return by asset class are as follows:

The table below reflects long-term expected real rate of return by asset class.

Asset Class	Assumed asset allocation [1]	Long-Term Expected Real Rate of Return [1,2]
Public Equity	37.0%	4.56%
Private Equity	17.0%	5.56%
Fixed Income	28.0%	2.53%
Real Assets	15.0%	3.03%
Private Debt	8.0%	4.93%
Strategic Leverage	(5%)	1.40%
	100.0%	

[1] Figures are based on the 2024 Mid-Cycle Liability Management Study.
[2] An expected annual rate of price inflation of 2.30% was used for this period.

NOTE 9 – NET PENSION LIABILITY AND PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Discount Rate
The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate
The following presents the net pension liability/(asset) of the Plan as of the measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90%) or 1 percentage-point higher (7.90%) than the current rate:

At June 30, 2025 (Measurement Date):

	Plan's Net Pension Liability/(Asset)		
Plan Type	Discount Rate - 1% 5.90%	Current Discount Rate 6.90%	Discount Rate + 1% 7.90%
CalPERS – Miscellaneous Plan	$ 1,343,111	$ 691,481	$ 155,196

At June 30, 2024 (Measurement Date):

	Plan's Net Pension Liability/(Asset)		
Plan Type	Discount Rate - 1% 5.90%	Current Discount Rate 6.90%	Discount Rate + 1% 7.90%
CalPERS – Miscellaneous Plan	$ 1,452,150	$ 840,024	$ 336,154

Pension Plan Fiduciary Net Position
Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report and can be obtained from CalPERS' website under Forms and Publications.

C. Payable to the Pension Plans

At June 30, 2026 and 2025, the District reported no payables for outstanding contributions to the CalPERS pension plan required for the year ended June 30, 2026 and 2025, respectively.

NOTE 10 – NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets consisted of the following as of June 30:

Description	June 30, 2026	June 30, 2025
Net investment in capital assets:		
Capital assets – not being depreciated	$ 15,488,961	$ 6,881,912
Capital assets – being depreciated, net	4,902,651	6,109,809
Loan payable – current portion	(235,000)	(230,000)
Loan payable – non-current portion	(6,925,000)	(7,160,000)
Unspent proceeds from loan issuance (Note 3)	651	4,283,546
Total net investment in capital assets	$ 13,232,263	$ 9,885,267

NOTE 11 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is a member of the Special District Risk Management Authority (SDRMA), an intergovernmental risk sharing joint powers authority created to provide self-insurance programs for California special districts. The purpose of the SDRMA is to arrange and administer programs of self-insured losses and to purchase excess insurance coverage. Further information about the SDRMA is as follows:

A.	**Entity**	SDRMA
B.	**Purpose**	To provide risk financing and risk management services to California public agencies
C.	**Participants**	As of June 30, 2026 – 511 member agencies
D.	**Governing board**	Seven representatives employed by members
E.	**District payments for FY 2025:**	
	Property/Liability policy	$77,321
	Workers' compensation policy	$21,787
F.	**Condensed financial information**	June 30, 2026

	June 30, 2026
Statement of net position:	
Total assets	$ 205,646,936
Deferred outflows	1,238,405
Total liabilities	87,864,866
Deferred inflows	461,199
Net position	$ 118,559,276
Statement of revenues, expenses and changes in net position:	
Total revenues	$ 139,666,401
Total expenses	(129,236,397)
Change in net position	10,430,004
Beginning – net position	108,129,272
Ending – net position	$ 118,559,276

G.	**Member agencies share of year-end financial position**	Not Calculated

NOTE 11 – RISK MANAGEMENT (continued)

At June 30, 2026, the District participated in the liability and property programs of the SDRMA as follows:

- General and auto liability, public officials and employees' errors and omissions: Total risk financing self-insurance limits of $2,500,000, combined single limit at $2,500,000 per occurrence. The District purchased additional excess coverage layers: $10,000,000 for general, auto and public officials' liability, which increases the limits on the insurance coverage noted above.

In addition to the above, the District also has the following insurance coverage:

- Employee dishonesty coverage up to $400,000 per loss includes public employee dishonesty, forgery or alteration and theft, disappearance and destruction coverages.

- Property loss is paid at the replacement cost for property on file, if replaced within three years after the loss, otherwise paid on an actual cash value basis, to a combined total of $1.0 billion per occurrence, subject to a $2,000 deductible per occurrence.

- Boiler and machinery coverage for the replacement cost up to $100 million per occurrence, subject to a $1,000 deductible per occurrence.

- Public officials' personal liability up to $500,000 each occurrence, with an annual aggregate of $500,000 per each elected/appointed official to which this coverage applies, subject to the terms, with a deductible of $500 per claim.

- Workers' compensation insurance per statutory requirements and Employer's Liability Coverage up to $5 million.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years. There were no reductions in insurance coverage in fiscal year 2026, 2025 and 2023. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of June 30, 2026, 2025 and 2023.

NOTE 12 – DEFERRED COMPENSATION SAVINGS PLAN

For the benefit of its employees, the District participates in an Internal Revenue Code (IRS) Section 457 Deferred Compensation Program. The purpose of this Program is to provide deferred compensation for public employees that elect to participate in the Program. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District, and are not subject to claims of the District's general creditors.

NOTE 12 – DEFERRED COMPENSATION SAVINGS PLAN (continued)

The District has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans.* Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not shown on the statement of net position.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Construction Contracts
The District has a variety of agreements with private parties relating to the design and construction of the new Terminal Building. The financing of the construction contracts is being provided by a combination of debt and the District's replacement reserves. The cost of the project to date is $10,621,700, with the total estimated cost of construction being $14,300,000.

As of June 30, 2026, The District has committed approximately $3,678,300 to complete open construction contracts related to the project.

Excluded Leases – Short-Term Leases and De Minimis Leases
The District does not recognize a lease receivable and a deferred inflow of resources for short-term leases. Short-term leases are certain leases that have a maximum possible term under the lease contract of 12 – months (or less), including any options to extend, regardless of their probability of being exercised.

Also, d*e minimis* lessor or lessee leases are certain leases (i.e., room rental, copiers, printers, postage machines) that regardless of their lease contract period are *de minimis* with regards to their aggregate total dollar amount to the financial statements as a whole.

Grant Awards
Grant funds received by the District are subject to audit by the grantor agencies. Such audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. Management of the District believes that such disallowances, if any, would not be significant.

Litigation
In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition

NOTE 14 – SUBSEQUENT EVENTS

The District has evaluated subsequent events through November 11, 2026, the date on which the financial statements were available to be issued.

Required Supplementary Information

BIG BEAR AIRPORT DISTRICT

Schedule of Proportionate Share of the Net Pension Liability
For the Fiscal Years Ended June 30, 2026 and 2025

Last Ten Fiscal Years

California Public Employees' Retirement System (CalPERS) Miscellaneous Plan

Measurement Date	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability
June 30, 2016	0.011311%	$ 392,940	$ 334,550	117.45%	86.35%
June 30, 2017	0.012080%	476,201	398,206	119.59%	84.65%
June 30, 2018	0.012009%	452,603	455,055	99.46%	85.64%
June 30, 2019	0.013055%	522,778	571,780	91.43%	84.52%
June 30, 2020	0.014196%	598,805	408,364	146.64%	82.51%
June 30, 2021	0.010333%	196,211	524,058	37.44%	94.55%
June 30, 2022	0.016456%	770,031	565,750	136.11%	79.93%
June 30, 2023	0.017106%	855,381	633,956	134.93%	78.97%
June 30, 2024	0.017368%	840,024	601,015	139.77%	81.48%
June 30, 2025	0.017334%	691,481	681,500	101.46%	85.68%

Notes to Schedule:

Benefit Changes:
There were no changes in benefits.

Changes in Assumptions:
From fiscal year June 30, 2016 to June 30, 2017:
There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:
The discount rate was reduced from 7.65% to 7.15%.

From fiscal year June 30, 2018 to June 30, 2022:
There were no significant changes in assumptions.

From fiscal year June 30, 2022 to June 30, 2023:
The discount rate was reduced from 7.15% to 6.90%.

From fiscal year June 30, 2023 to June 30, 2026:
There were no significant changes in assumptions.

BIG BEAR AIRPORT DISTRICT
Schedule of Pension Contributions
For the Fiscal Years Ended June 30, 2026 and 2025

Last Ten Fiscal Years

California Public Employees' Retirement System (CalPERS) Miscellaneous Plan

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2017	$ 55,115	$ (55,115)	-	$ 398,206	13.84%
June 30, 2018	68,232	(68,232)	-	455,055	14.99%
June 30, 2019	66,986	(66,986)	-	571,780	11.72%
June 30, 2020	76,707	(76,707)	-	408,364	18.78%
June 30, 2021	93,603	(93,603)	-	524,058	17.86%
June 30, 2022	105,553	(105,553)	-	565,750	18.66%
June 30, 2023	119,889	(119,889)	-	633,956	18.91%
June 30, 2024	179,166	(179,166)	-	601,015	29.81%
June 30, 2025	195,053	(195,053)	-	681,500	28.62%
June 30, 2026	157,980	(157,980)	-	746,642	21.16%

Notes to Schedule:

Fiscal Year	Valuation Date	Actuarial Cost Method	Asset Valuation	Inflation	Investment Rate of Return
June 30, 2017	June 30, 2015	Entry Age	Fair Value	2.75%	7.65%
June 30, 2018	June 30, 2016	Entry Age	Fair Value	2.75%	7.15%
June 30, 2019	June 30, 2017	Entry Age	Fair Value	2.50%	7.15%
June 30, 2020	June 30, 2018	Entry Age	Fair Value	2.50%	7.15%
June 30, 2021	June 30, 2019	Entry Age	Fair Value	2.50%	7.15%
June 30, 2022	June 30, 2020	Entry Age	Fair Value	2.50%	7.15%
June 30, 2023	June 30, 2021	Entry Age	Fair Value	2.30%	6.90%
June 30, 2024	June 30, 2022	Entry Age	Fair Value	2.30%	6.90%
June 30, 2025	June 30, 2024	Entry Age	Fair Value	2.30%	6.90%
June 30, 2026	June 30, 2024	Entry Age	Fair Value	2.30%	6.90%

Amortization Method	Level percentage of payroll, closed
Salary Increases	Depending on age, service, and type of employment
Investment Rate of Return	Net of pension plan investment expense, including inflation
Retirement Age	50 years (3%@60), 52 years (2%@62)
Mortality	Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

BIG BEAR AIRPORT DISTRICT

Schedule of Changes in the District's Total OPEB Liability and Related Ratios
For the Fiscal Years Ended June 30, 2026 and 2025

	Last Ten Fiscal Years*				
Fiscal Year Ended	**June 30, 2026**	**June 30, 2025**	**June 30, 2024**	**June 30, 2023**	**June 30, 2022**
Measurement Date	**June 30, 2025**	**June 30, 2024**	**June 30, 2023**	**June 30, 2022**	**June 30, 2021**
Total OPEB liability:					
Service cost	$ 74,809	$ 64,671	$ 62,634	$ 129,806	$ 115,407
Interest	79,039	70,102	67,645	43,198	48,414
Changes in assumptions	(61,858)	72,950	15,584	(618,511)	128,731
Differences between expected and actual experience	-	64,470	-	(226,519)	(89,151)
Changes of benefit terms	-	-	-	-	-
Benefit payments	(89,128)	(83,775)	(71,656)	(59,102)	(71,459)
Net change in total OPEB liability	2,862	188,418	74,207	(731,128)	131,942
Total OPEB liability - beginning	1,403,614	1,215,196	1,140,989	1,872,117	1,740,175
Total OPEB liability - ending	1,406,476	1,403,614	1,215,196	1,140,989	1,872,117
Plan fiduciary net position:					
Contributions - employer	89,128	83,775	71,656	259,102	9,974
Net investment income	29,302	23,624	12,964	1,122	14,717
Administrative expense	(75)	(70)	(59)	(2)	(19)
Benefit payments	(89,128)	(83,775)	(71,656)	(59,102)	(71,459)
Net change in plan fiduciary net position	29,227	23,554	12,905	201,120	(46,787)
Plan fiduciary net position - beginning	238,315	214,761	201,856	736	47,523
Plan fiduciary net position - ending	267,542	238,315	214,761	201,856	736
District's net OPEB liability	$ 1,138,934	$ 1,165,299	$ 1,000,435	$ 939,133	$ 1,871,381
Plan fiduciary net position as a percentage of the total OPEB liability	19.02%	16.98%	17.67%	17.69%	0.04%
Covered payroll	$ 669,841	$ 642,345	$ 619,192	$ 549,033	$ 520,680
District's net OPEB liability as a percentage of covered payroll	170.03%	181.41%	161.57%	171.05%	359.41%

Notes to Schedule:

Benefit Changes:

Measurement Date June 30, 2021 – There were no changes of benefits terms
Measurement Date June 30, 2022 – There were no changes of benefits terms
Measurement Date June 30, 2023 – There were no changes of benefits terms
Measurement Date June 30, 2024 – There were no changes of benefits terms
Measurement Date June 30, 2025 – There were no changes of benefits terms

Changes in Assumptions:

Measurement Date June 30, 2021 – There were no changes in assumptions except change in discount rate
Measurement Date June 30, 2022 – There was a change in discount rate and inflation rate
Measurement Date June 30, 2023 – There was a change in discount rate
Measurement Date June 30, 2024 – There was a change in discount rate
Measurement Date June 30, 2025 – There was a change in discount rate

* Fiscal year 2018 was the first year of implementation; therefore, only nine years are shown.

BIG BEAR AIRPORT DISTRICT

Schedule of Changes in the District's Total OPEB Liability and Related Ratios (continued)
For the Fiscal Years Ended June 30, 2026 and 2025

Last Ten Fiscal Years*

Fiscal Year Ended	**June 30, 2021**	**June 30, 2020**	**June 30, 2019**	**June 30, 2018**
Measurement Date	**June 30, 2020**	**June 30, 2019**	**June 30, 2018**	**June 30, 2017**
Total OPEB liability:				
Service cost	$ 115,793	$ 43,940	$ 18,426	$ 17,933
Interest	57,565	72,149	46,109	51,075
Changes in assumptions	50,560	662,879	(10,589)	-
Differences between expected and actual experience	(155,966)	-	138,502	-
Changes of benefit terms	-	-	91,476	-
Benefit payments	(66,827)	(53,355)	(41,086)	(38,662)
Net change in total OPEB liability	1,125	725,613	242,838	30,346
Total OPEB liability - beginning	1,739,050	1,013,437	770,599	740,253
Total OPEB liability - ending	1,740,175	1,739,050	1,013,437	770,599
Plan fiduciary net position:				
Contributions - employer	8,519	-	-	-
Net investment income	3,800	9,116	14,002	20,153
Administrative expense	(50)	(32)	(323)	-
Benefit payments	(66,827)	(53,355)	(41,086)	(38,662)
Net change in plan fiduciary net position	(54,558)	(44,271)	(27,407)	(18,509)
Plan fiduciary net position - beginning	102,081	146,352	173,759	192,268
Plan fiduciary net position - ending	47,523	102,081	146,352	173,759
District's net OPEB liability	$ 1,692,652	$ 1,636,969	$ 867,085	$ 596,840
Plan fiduciary net position as a percentage of the total OPEB liability	2.73%	5.87%	14.44%	22.55%
Covered payroll	$ 520,680	$ 595,464	$ 578,120	$ 487,305
District's net OPEB liability as a percentage of covered payroll	325.08%	274.91%	149.98%	122.48%

Notes to Schedule:

Benefit Changes:

Measurement Date June 30, 2017 – There were no changes of benefits terms
Measurement Date June 30, 2018 – There were no changes of benefits terms
Measurement Date June 30, 2019 – There were no changes of benefits terms
Measurement Date June 30, 2020 – There were no changes of benefits terms

Changes in Assumptions:

Measurement Date June 30, 2017 – There were no changes in assumptions
Measurement Date June 30, 2018 – There was a change in discount rate
Measurement Date June 30, 2019 – There were no changes in assumptions except change in discount rate
Measurement Date June 30, 2020 – There were no changes in assumptions except change in discount rate

* Fiscal year 2018 was the first year of implementation; therefore, only nine years are shown.

BIG BEAR AIRPORT DISTRICT

Schedule of OPEB Contributions

For the Fiscal Years Ended June 30, 2026 and 2025

	Last Ten Fiscal Years*				
Fiscal Year Ended	**June 30, 2026**	**June 30, 2025**	**June 30, 2024**	**June 30, 2023**	**June 30, 2022**
Actuarially determined contribution*	$ 161,077	$ 156,385	$ 138,676	$ 134,637	$ 63,261
Contributions in relation to the actuarially determined contributions	(89,128)	(83,775)	(71,656)	(259,102)	(63,261)
Contribution deficiency (excess)	$ 71,949	$ 72,610	$ 67,020	$ (124,465)	$ -
Covered payroll	$ 669,841	$ 642,345	$ 619,192	$ 549,033	$ 520,680
Contributions as a percentage of covered payroll	13.31%	13.04%	11.57%	47.19%	12.15%
Notes to Schedule:					
Valuation Date	June 30, 2024	June 30, 2024	June 30, 2022	June 30, 2022	June 30, 2021
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial cost method Entry age normal	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method Closed period, level percent of pay	(1)	(1)	(1)	(1)	(1)
Amortization period	20-years	20-years	20-years	20-years	20-years
Asset valuation method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Discount rate	5.93%	5.51%	5.66%	5.79%	2.66%
Inflation	2.50%	2.50%	2.50%	2.50%	2.75%
Payroll increases	3.00%	3.00%	3.00%	3.00%	3.00%
Mortality	(2)	(2)	(2)	(2)	(2)
Morbidity	Not Valued	Not Valued	Not Valued	Not Valued	Not Valued
Disability	Not Valued	Not Valued	Not Valued	Not Valued	Not Valued
Retirement	(3)	(3)	(3)	(3)	(3)
Percent Married - Spouse Support	70%	70%	70%	70%	70%
Healthcare trend rates	(4)	(4)	(4)	(4)	(4)

(1) Closed period, level percent of pay
(2) CalPERS 2021 Study
(3) CalPERS Public Agency Miscellaneous 2.0% @55 and 2% @62
(4) Pre-65 - 6.00% trending down 0.25% annually to 6.00% in 2030 and later
Post-65 - 4.50% trending down 0.25% annually to 4.00% in 2030 and later

* Fiscal year 2018 was the first year of implementation; therefore, only nine years are shown.

BIG BEAR AIRPORT DISTRICT

Schedule of OPEB Contributions (continued)
For the Fiscal Years Ended June 30, 2026 and 2025

Last Ten Fiscal Years*

Fiscal Year Ended	**June 30, 2021**	**June 30, 2020**	**June 30, 2019**	**June 30, 2018**
Actuarially determined contribution*	$ 72,370	$ 68,693	$ 65,323	$ 41,882
Contributions in relation to the actuarially determined contributions	(71,459)	(66,827)	(61,054)	(41,086)
Contribution deficiency (excess)	$ 911	$ 1,866	$ 4,269	$ 796
Covered payroll	$ 520,680	$ 595,464	$ 619,192	$ 549,033
Contributions as a percentage of covered payroll	13.72%	11.22%	9.86%	7.48%
Notes to Schedule:				
Valuation Date	June 30, 2021	June 30, 2019	June 30, 2019	June 30, 2017
Methods and Assumptions Used to Determine Contribution Rates:				
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method	Closed period, level percent of pay (1)	(1)	(1)	(1)
Amortization period	20-years	20-years	20-years	20-years
Asset valuation method	Fair Value	Fair Value	Fair Value	Fair Value
Discount rate	2.66%	3.16%	7.00%	6.00%
Inflation	2.75%	2.75%	2.75%	3.00%
Payroll increases	3.00%	3.00%	3.00%	3.00%
Mortality	(2)	(2)	(2)	(2)
Morbidity	Not Valued	Not Valued	Not Valued	Not Valued
Disability	Not Valued	Not Valued	Not Valued	Not Valued
Retirement	(3)	(3)	(3)	(3)
Percent Married - Spouse Support	70%	70%	70%	70%
Healthcare trend rates	(4)	(4)	(4)	(4)

(1) Closed period, level percent of pay
(2) CalPERS 2021 Study
(3) CalPERS Public Agency Miscellaneous 2.0% @55 and 2% @62
(4) Pre-65 - 6.00% trending down 0.25% annually to 6.00% in 2030 and later
Post-65 - 4.50% trending down 0.25% annually to 4.00% in 2030 and later

* Fiscal year 2018 was the first year of implementation; therefore, only nine years are shown.

Other Independent Auditors' Report

NIGRO & NIGRO PC
A Professional Accountancy Corporation

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Big Bear Airport District
Big Bear City, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Big Bear Airport District as of and for the years ended June 30, 2026 and 2025, and the related notes to the financial statements, which collectively comprise Big Bear Airport District's basic financial statements, and have issued our report thereon dated November 11, 2026.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered Big Bear Airport District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Big Bear Airport District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Big Bear Airport District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Jeff Nigro, CPA, CFE | Elizabeth Nigro, CPA | Shannon Bishop, CPA | Peter Glenn, CPA, CFE | Paul J. Kaymark, CPA
Jessica Miller, CPA | Angelika Vartikyan, CPA | Jared Solmonsen, CPA | Oscar Gonzalez, CFE

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Big Bear Airport District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Murrieta, California
November 11, 2026

RealFood®
hospitality | strategy | design

Big Bear Airport Restaurant RFP

Prepared by Kristin Kelly, RealFood Hospitality, Strategy & Design. November 5, 2026.

The strategy behind the RFP

This RFP is designed to find an operator who can run a sound business, not only open a good looking restaurant. The Board asked for a restaurant that draws both fly in guests and local residents, with a varied menu at fair prices, and named weak business plans, thin resources, and a history of failures as deal breakers. Business acumen is tested at every step and carries the largest share of the proposed score. Minimum Qualifications screen proposals before scoring, and the Business Strategy section asks applicants to show how they will run the business, grow revenue, manage costs, and stay profitable.

Some themes are repeated on purpose. The need for capital reserves to survive an economic downturn appears in Minimum Qualifications, the business strategy section, the financial plan, and the evaluation criteria. Track record and references appear the same way. An applicant who has planned for a weak year will answer each one consistently, and one who has not will show it. The repetition is intentional and worth keeping as the draft is edited.

The lease section asks applicants to propose the structure they would like, and the District has not set final terms. That leaves room to negotiate what is best for the District. It also tests business judgment, since applicants must think critically about what the restaurant can afford and what a fair deal looks like before they put an idea forward.

Open ended prompts draw applicants in and let them answer in their own words, with no yes or no questions. The RFP asks about a signature dish, pricing for locals and pilots, and how the patio could become a community gathering place. The menu is described through positioning, an elevated casual restaurant with fresh, ingredient driven food in the spirit of classic American and California cuisine, and no cuisine is excluded. That attracts the right operator and keeps the process neutral and fair. One point of contact, shared answers to questions, and a defined selection process leave every decision with the Board.

Items for discussion before release

- Open items are marked in [amber brackets] and highlighted throughout the RFP.
- The following needs a decision.

Item	What needs to be discussed
Schedule	Issue date, tour request cutoff, written questions cutoff, proposal deadline, and interview dates. The Board vote on the RFP is anticipated November 11, to be confirmed.
TI funding	The amount or range and how it is disbursed. Applicants cannot build a financial plan without it.
Rent and lease	Structure and terms are not final. Applicants are asked to propose their ideal arrangement so the District can negotiate what works best.
Condition of the space	What the District delivers and what the tenant builds, including utilities, hood and exhaust, grease management, and restrooms.
Evaluation weights	Proposed starting weights place business strategy and financial strength together at the largest share. The Board should confirm them against the scoring sheet.
Minimum Qualifications	The reserve period applicants must demonstrate and the look back period for disclosing closures or defaults.
Submission details	Format, number of copies, late submission handling, and the scope of District marketing support.
Counsel review	Public records language, procurement rules, TI authority, airport requirements, alcohol licensing, insurance, and the lease form.

Request for Proposal (RFP)

Restaurant Opportunity at Big Bear Airport

Issue Date: [TBD]

Response Deadline: [TBD]

I. Overview

The Big Bear Airport District invites qualified restaurateurs to submit proposals to develop and operate a full service restaurant in the Big Bear Airport terminal. The opportunity includes approximately 2,400 square feet of indoor space and approximately 1,000 square feet of outdoor patio seating. The space is in shell condition, and the selected operator will design and build out the restaurant to suit its concept. The District will provide Tenant Improvement (TI) funding toward build out costs, as described in this RFP.

The District seeks an elevated casual restaurant that offers quality food, attentive service, and approachable prices. Quick service and fast food concepts are not the District's intent, nor are high end fine dining concepts. The District envisions a fresh, ingredient driven menu with broad appeal in the spirit of classic American and California cuisine, with variety for a range of tastes. Applicants proposing a different culinary approach are welcome to explain how their concept will serve this community.

The restaurant will serve a mix of tourists, aviation guests, and the local community. The District is looking for an operator with the resources, track record, and commitment to build a lasting presence in the Big Bear community.

II. Project Summary

- Location: Big Bear Airport Terminal, 501 Valley Blvd, Big Bear City, CA
- Indoor space: approximately 2,400 square feet, shell condition
- Outdoor patio: approximately 1,000 square feet, designated for customer seating
- Usage: full service restaurant, including dining, kitchen, and restrooms
- Tenant Improvements: District funding toward build out, [amount or range] and [disbursement terms]
- Lease term: [term range and renewal options]
- Site access: tours available upon request through [tour request cutoff date]

Condition of the Space

The space is delivered in shell condition. The District will provide [utilities and services available at the space]. The selected operator will be responsible for [hood and exhaust, grease management, restroom build out, and other scope to be confirmed]. A detailed description of District and tenant responsibilities will be provided to applicants [upon request or at the site tour].

III. Schedule

Milestone	Date
RFP issued	[TBD]
Site tour request cutoff	[TBD]
Written questions due	[TBD]
Answers issued to all applicants	[TBD]
Proposals due	[TBD]
Finalist interviews	[TBD]
Board vote on operator selection	Anticipated January 13 [to be confirmed]

IV. Scope of Opportunity

Big Bear Airport draws tourists, aviation guests, and the local community. The selected operator will be expected to:

- Design and construct the restaurant to match the submitted concept, subject to District design approval
- Operate a high quality food and beverage service
- Maintain compliance with all health, building, and safety regulations
- Promote the restaurant to build airport and community engagement

V. Support Provided

- TI funding toward build out costs, as described in Section II
- Lease terms to be negotiated, as described in Section VI
- Marketing support through Airport District channels, [scope to be confirmed]
- Access to airport visitors and local residents

VI. Lease and Rent

[FOR RYAN: Structure and terms to be discussed and solidified. Not final.]

Please describe the rent structure and lease terms you would propose. The District will use proposals to negotiate the arrangement that works best for both parties.

- Proposed rent structure and amount
- Proposed lease term and renewal options
- Any other lease terms the applicant requests the District to consider

VII. Minimum Qualifications

To be scored, a proposal must meet each of the following minimum qualifications. Proposals that do not meet them will not advance to scoring.

- A complete business plan that addresses every required element in Section VIII
- Evidence of financial resources sufficient to equip the space and sustain operations through a downturn or slow season, [reserve period to be confirmed]
- Disclosure of every restaurant the applicant and key principals have operated, including any closure, bankruptcy, or lease default in the past [number] years
- Operator references from comparable restaurant operations

VIII. Proposal Requirements

All proposals must include the following.

1. Executive Summary

A brief overview of the concept, ownership, and vision for the restaurant.

2. Detailed Business Plan

Please structure the business plan to include the following sections.

A. Restaurant Concept

- Concept articulation statement describing the restaurant you propose to create and why it fits Big Bear Airport
- Cuisine type and sample menu
- Unique selling proposition
- Alignment with local and traveler demographics
- How the menu will offer something for a range of tastes at prices that feel fair to locals, pilots, and visitors
- Your approach to ingredients and preparation
- A signature dish or drink that could give guests a reason to fly or drive to Big Bear
- The experience you envision from breakfast through dinner
- How the restaurant and patio could become a gathering place for neighbors, pilots, and visitors, and the programming that would keep them coming back

B. Market Analysis

- Target customer segments, such as tourists, locals, pilots, and event attendees
- Competitor overview in the Big Bear area
- Market demand insights
- How you will attract both fly in guests and local residents, including how you will serve pilots at breakfast and lunch

- Your pricing approach and expected price ranges, including any value offers by meal period or day of week

C. Marketing and Sales Strategy

- Branding and promotional plans
- Online presence and social media
- Community and airport engagement strategies

D. Business Strategy and Operational Plan

Please describe your overall business strategy, including how you will:

- Run the business day to day, and who will be accountable for results
- Grow revenue across meal periods, days of the week, and seasons
- Manage food, labor, and waste costs against clear targets
- Reach and sustain profitability, including when you expect to break even
- Stay viable through economic downturns and seasonal swings in Big Bear demand

Please also describe the operating plan behind that strategy, including:

- Staffing structure and roles, and how you will hire, train, motivate, and retain a new team
- Days and hours of operation, and how they fit airport operations
- Facility and decor upkeep, and how you will maintain quality over time
- How you will operate within airport rules and coordinate with the Airport Manager
- Vendor relationships and supply chain
- Sustainability or local sourcing goals, if any

E. Design and Build Out Plan

- Proposed floor plan for interior and patio
- Kitchen equipment needs
- Furnishings and fixtures
- Estimated timeline for construction and opening
- Acknowledgment that the build out plan is subject to District design approval

F. Financial Plan

- Projected capital investment and sources of funds
- Evidence of financial capacity to fund the build out and operate through ramp up
- Plan to sustain operations through a downturn or slow season, including available reserves
- TI fund usage plan
- Three year pro forma financials, including:

- Projected revenue and expenses
- Cash flow statement
- Break even analysis

G. Ownership and Management

- Biographies of key personnel and experience
- Organizational structure and legal entity details
- Experience opening a new restaurant from the ground up
- A list of restaurants operated by the applicant and key principals, with disclosure of any closures or exits
- References from comparable restaurant operations, including contact information

H. Risk Management

- Insurance and licensing plans
- Contingency planning
- Health and safety protocols

3. Rent and Lease Proposal

Please include the rent and lease proposal described in Section VI.

IX. Evaluation Criteria

Proposals will be evaluated on the following criteria and weights. Business strategy and financial strength together carry the greatest share of the score. [Proposed starting weights, to be confirmed with the District and aligned to the scoring sheet.]

Criterion	Weight
Business strategy and operational plan, including revenue growth, cost management, and path to profitability	[25%]
Financial viability, financial capacity, resilience through downturns, and use of TI funds	[20%]
Relevant experience, qualifications, and track record of the team	[15%]
Quality and originality of the concept, menu variety, and value	[15%]
Feasibility and clarity of build out plans	[10%]
Understanding of the local market, including fly in and local guests and seasonality	[10%]
Timeline for launch and operational readiness	[5%]

X. Selection Process

Proposals will be scored against the District scoring sheet. Finalists will be invited to interview in person. A recommendation will be presented to the Board of Directors, which makes the final

selection by vote. Operator selection is anticipated at the January 13 Board meeting [date to be confirmed].

XI. Submission Instructions

Submit complete proposals by [Insert Time] on [Insert Deadline] to:

Big Bear Airport District
Attn: Restaurant RFP Committee
501 Valley Blvd
Big Bear City, CA 92314

Or by email to [Insert Email Address].

- Format: [one electronic PDF and number of printed copies]
- Late submissions [will not be considered]

Optional attachments include conceptual renderings or inspiration images, and photos or media coverage of previous restaurants.

XII. Contact for Inquiries and Site Visits

To request a site visit or submit questions, contact:

Ryan Goss, General Manager
Phone: (909) 585-3219
Email: rgoss@flybigbear.com

Site tour requests must be received by [tour request cutoff date]. Questions must be submitted in writing by [written questions cutoff date]. Answers will be shared with all applicants. During the RFP process, applicants should direct all communication to Ryan Goss and should not contact District Board members or other District staff about this RFP.

XIII. Disclaimer

The Big Bear Airport District reserves the right to accept or reject any and all proposals, waive informalities, and negotiate terms with any selected applicant. The District may modify, suspend, or cancel this RFP at any time. Applicants bear all costs of preparing and submitting proposals. This RFP creates no obligation on the District to enter into a lease. Proposals may be subject to public disclosure under applicable law. [Language to be confirmed by District counsel.]

Date: November 11, 2026

To: Board of Directors

From: Ryan Goss, General Manager

Subject: Review and Possible Approval of GM Business Interiors Quote for Furnishing the Terminal Building

Background:

As construction of the new terminal building approaches completion, Airport staff has been evaluating furniture options to ensure the facility is properly furnished and operational upon occupancy. Staff contacted multiple furniture manufacturers and suppliers to evaluate functionality, appearance, durability, modular flexibility, warranty coverage, and overall cost. Consideration was also given to selecting commercial-grade furniture appropriate for a public facility while ensuring compliance with applicable accessibility and safety requirements.

Following a comprehensive review, staff identified GM Business Interiors as the preferred supplier. GM Business Interiors has extensive experience providing furniture to public agencies, including San Bernardino County. Through the County's competitive procurement process, GM Business Interiors was selected as a furniture supplier, providing the district an opportunity to utilize the County's existing contract through cooperative purchasing, commonly referred to as "piggybacking."

Representatives from GM Business Interiors visited the new terminal building, conducted field measurements, and worked closely with Airport staff to develop furniture layouts specific to each area. These layouts were designed to maximize available space, provide consistency throughout the building, and accommodate applicable accessibility and operational requirements.

The proposed furniture package includes modular administrative workstations, private office furniture, employee breakroom furnishings, meeting room tables and seating, and furniture for two lounge areas. The proposal also includes all necessary accessories, delivery, assembly, installation, and project management services, including coordination of electrical and data requirements where applicable.

Staff believes the proposed furniture package provides the best overall value to the district by balancing quality, durability, functionality, appearance, and cost while establishing a consistent and professional environment throughout the new terminal building.

Financial Impact:

During the FY 2025–2026 budget approval process, the Board of Directors approved $120,000 for furniture and interior buildout of the new terminal building. The total proposed cost for furniture procurement from GM Business Interiors is $98,828.88, which includes all furniture, materials, delivery, assembly, installation, and associated project management services.

By utilizing San Bernardino County's existing competitively procured contract, the district can benefit from established public agency pricing while reducing the administrative time and costs associated with conducting a separate procurement process.

No additional budget appropriation is required, as the proposed expenditure falls within the previously approved FY 2025–2026 budget allocation.

Recommendation:

Staff recommends that the Board of Directors approve the purchase of furniture from GM Business Interiors in an amount not to exceed $98,828.88, utilizing San Bernardino County's existing competitively procured contract, and authorize the General Manager to execute all necessary agreements, purchase orders, and related documents to complete the procurement and installation of furniture for the new terminal building.

Attachments:

1. GM Business Interiors Quote for Big Bear Airport District
2. Renderings of Selected Furnishings and Finishes
3. County of San Bernardino Full Contract with GM Business Interiors

Project ID / Who & Where	Date:	Quotation
COSB BIG BEAR AIRPORT 254959	11/3/2026	**254959**

BILL TO: P18989	SHIP TO:
BIG BEAR AIRPORT L35 501 VALLEY BLVD BIG BEAR CA 92314	BIG BEAR (VALLEY BLVD) AIRPORT L35 501 VALLEY BLVD BIG BEAR CA 92314
RYAN GOSS Phone: (909)585-3219 Fax:	RYAN GOSS Phone: (909)585-3219 Fax:

Product Counts:	Systems	4	Desk Units	0	Tables	20	Files	0	Chairs	67	Storage	0	Ancillary	7

GRAND TOTAL	$98,828.88

Product Summary / Scope of Work

PROJECT #
COUNTY OF SAN BERNARDINO CONTRACT# 22-1283

QUOTE FOR: HON 10500 SERIES DESKING, TABLES, MOTIVATE TABLES, COFI SEATING, SITONIT SABLE LOUNGE, AMPLIFY TASK AND FOCUS SIDE SEATING, HERMAN MILLER CANVAS DESKING, MIRRA, EMBODY TASK SEATING,AND VERUS SIDE SEATING, ECD NESTING CHAIRS, ELEVATE ERGO AND HUMANSCALE MONITOR ARMS

PREVAILING WAGE

WORKSTATION QTY #4
PRIVATE OFFICE QTY #3

FOR: COSB BIG BEAR AIRPORT

**********PROJECT START DATE: TBD
**********CUSTOMER MOVE-IN DATE : TBD
EASSET #63709

SCOPE OF WORK:

1) GM TO BRING TO SITE AND SET IN PLACE THE FOLLOWING: (01) HMI CANVAS 4-PACK W/ MIRRA SEATING, & ELEVATE MONITOR ARMS, SURGE PROTECTORS (01) BREAKROOM W/ HON ARRANGE TABLE & SITONIT LUMIN SEATING, (02) LOUNGE AREAS W/ ASSORTED SITONIT SABLE LOUNGE SEATING, (03) HON 10500 SERIES PRIVATE OFFICES W/ HUMANSCALE MONITOR ARMS, ELEVATE SURGE PROTECTORS,HMI VERUS SIDE SEATING & HMI EMBODY & SITONIT AMPLIFY TASK SEATING
(01) MEETING ROOM W/ HON HUDDLE TABLES, ECD INMOTION SEATING & COFI SEATING
2) COORDINATE AND PROJECT MANAGE ASSEMBLY OF SYSTEMS FURNITURE AND SUPPLY
ELECTRICAL AND DATA INFORMATION WHERE APPLICABLE

Account Executive: Aaron Ellis *(aellis@gmbi.net)* Project PAS: Deborah Panggabean
AMA: Tiffany Abreu *(tabreu@gmbi.net)*

800-686-6583 800-686-6583 Fax: 951-684-0837
G/M Business Interiors
1099 W. La Cadena Drive, Riverside CA, 92501
http://www.gmbi.net

3) G/M SERVICES QUOTED AS (03) TRIPS DURING NORMAL BUSINESS HOURS
4) COORDINATE ALL SERVICES WITH : RYAN GOSS

DESIGN SERVICES BREAKDOWN
PREVAILING WAGE NON TAXABLE DESIGN SERVICES: (25) HRS @ $55/HR = $1,375.00

**NOTE: QUOTE WILL NEED TO BE ADJUSTED IF SERVICES TO TAKE PLACE AFTER BUSINESS HOURS, OR DURING THE WEEKEND

**G/M WILL HOLD PRODUCT FOR UP TO (2) WEEKS AT OUR WAREHOUSE FREE OF CHARGE. ANY PRODUCT REMAINING IN OUR WAREHOUSE AFTER THIS PERIOD WILL INCUR STORAGE FEES

LEAD TIME: 4-6 WEEKS

G/M — Quotation # 254959

BOM A	Who/What/Where		List	List Ext	Sell	Sell Ext
LOT 1	**BREAK ROOM**		**2,410.00**	**2,410.00**	**1,010.60**	**1,010.60**

Description:		Non-Tax Srvcs.	Taxable Srvcs.	Freight	Design Fee
(03) EA SOI LUMIN 4-LEG ARMLESS SIDE CHAIRS **(01) EA HON ARRANGE 36D SQUARE TABLE**		**.00**	**.00**	**.00**	**.00**

BOM: See Attached Bill of Materials
Piece Count: 5

BOM B	Who/What/Where		List	List Ext	Sell	Sell Ext
LOT 1	**MEETING ROOM**		**61,485.00**	**61,485.00**	**26,646.75**	**26,646.75**

Description:		Non-Tax Srvcs.	Taxable Srvcs.	Freight	Design Fee
(15) EA HON HUDDLE FLIP-TOP TABLES 30DX72W W/ FLIP TOP BASE AND 44W MODESTY **(10) EA HON COFI EXECUTIVE HEIGHT CHAIRS** **(25) EA ECD IN MOTION NESTING CHAIRS**		**.00**	**.00**	**.00**	**.00**

BOM: See Attached Bill of Materials
Piece Count: 80

800-686-6583 800-686-6583 Fax: 951-684-0837
G/M Business Interiors
1099 W. La Cadena Drive, Riverside CA, 92501
http://www.gmbi.net

BOM C	Who/What/Where		List	List Ext	Sell	Sell Ext
LOT 1	**LOUNGE AREA**		**25,738.00**	**25,738.00**	**10,269.44**	**10,269.44**

Description:		Non-Tax Srvcs.	Taxable Srvcs.	Freight	Design Fee
(08) EA SOI SABLE CLUB CHAIRS **(01) EA SOI SABLE SETTEE** **(02) EA SOI SABLE 2-SEAT BENCH**		**.00**	**.00**	**.00**	**.00**

BOM: See Attached Bill of Materials
Piece Count: 10

BOM D	Who/What/Where		List	List Ext	Sell	Sell Ext
LOT 1	**OPEN AREA**		**47,999.00**	**47,999.00**	**13,381.26**	**13,381.26**

Description:		Non-Tax Srvcs.	Taxable Srvcs.	Freight	Design Fee
(04) EA HMI 53H CANVAS FIXED HEIGHT STATIONS W/ BBF AND FF STORAGE AND ELEVATE SURGE PROTECTOR **(04) EA ELEVATE SINGLE MONITOR ARMS** **(04) EA SOI AMPLIFY TASK CHAIRS**		**.00**	**.00**	**.00**	**.00**

BOM: See Attached Bill of Materials
Piece Count: 189

BOM E	Who/What/Where		List	List Ext	Sell	Sell Ext
LOT 1	**PILOTS LOUNGE**		**18,966.00**	**18,966.00**	**7,489.21**	**7,489.21**

Description:		Non-Tax Srvcs.	Taxable Srvcs.	Freight	Design Fee
(01) EA SOI SABLE SOFA **(01) EA SOI SABLE SETTEE** **(02) EA SOI FOCUS SIDE CHAIRS W/ ARMS** **(02) EA SOI FOCUS SIDE CHAIRS ARMLESS** **(01) EA HON SCRAMBLE COFFEE TABLE 24D X 48W X 16H** **(01) EA HON SCRAMBLE END TABLE 24W X 24D X 22H** **(02) EA HMI EVERYWHERE ROUND TABLES 30D**		**.00**	**.00**	**.00**	**.00**

BOM: See Attached Bill of Materials
Piece Count: 10

800-686-6583 800-686-6583 Fax: 951-684-0837
G/M Business Interiors
1099 W. La Cadena Drive, Riverside CA, 92501
http://www.gmbi.net

BOM F	Who/What/Where		List	List Ext	Sell	Sell Ext
LOT 1	**PRIVATE OFFICES**		**38,168.00**	**38,168.00**	**16,970.20**	**16,970.20**

Description:		Non-Tax Srvcs.	Taxable Srvcs.	Freight	Design Fee
(02) EA HON 10500 SERIES PRIVATE OFFICES W/ BBF, LATERAL FILES, TACKBOARDS, ELEVATE SURGE PROTECTOR (01) EA HON 10500 SERIES PRIVATE OFFICE W/ LATERAL FILE, BBF STORAGE, TACKBOARD AND FREESTANDING LATERAL FILE W/ ELEVTAE SURGE PROTECTOR (03) EA HUMANSCALE M8 PRO DUAL MONITOR ARMS (06) EA HMI VERUS SIDE CHAIRS W/ ARMS (01) EA HMI EMBODY TASK CHAIR (01) EA HMI MIRRA 2 TASK CHAIR W/ BUTTERFLY BACK		**.00**	**.00**	**.00**	**.00**

BOM: See Attached Bill of Materials
Piece Count: 70

BOM G	Who/What/Where		List	List Ext	Sell	Sell Ext
LOT 1	**SEATING**		**7,038.00**	**7,038.00**	**3,388.80**	**3,388.80**

Description:		Non-Tax Srvcs.	Taxable Srvcs.	Freight	Design Fee
(03) EA HMI MIRRA 2 TASK STOOLS W/ BUTTERFLY BACK		**.00**	**.00**	**.00**	**.00**

BOM: See Attached Bill of Materials
Piece Count: 3

800-686-6583 800-686-6583 Fax: 951-684-0837
G/M Business Interiors
1099 W. La Cadena Drive, Riverside CA, 92501
http://www.gmbi.net

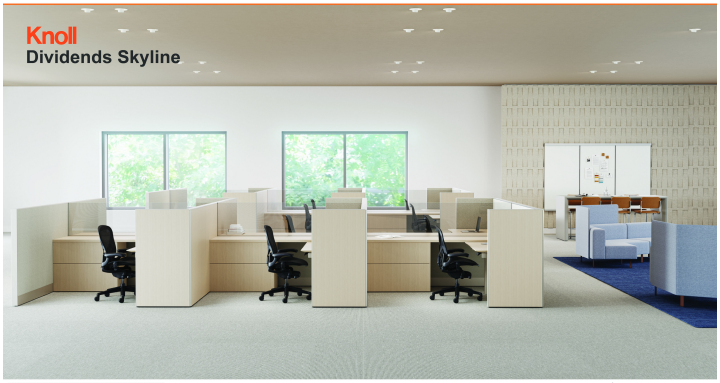
BOM H	Who/What/Where		List	List Ext	Sell	Sell Ext
LOT 1	**Z G/M Services**		**.00**	**.00**	**.00**	**.00**

Description:		Non-Tax Srvcs.	Taxable Srvcs.	Freight	Design Fee
G/M Furniture Planning Services, if applicable, include field measurements, drawing AutoCAD building shells, developing typical workstations and private office standards, space planning typicals into the floorplan, developing furniture color schemes, order specifications and receiving client approvals for all drawings and color schemes for order entry. **G/M Project Management Services include drawings and field measure checks, order scheduling & routing, electrical consulting with contractors,field checks,monitoring construction progress along with delivery, assembly, punchlist coordination through final completion.** **G/M Project Services include receiving and inspecting of each product, shipping damage adjudication with vendors, transporting product if applicable, staging of products, delivery, setting in place of all furniture, level clean and polishing of all items, vacuum floors and recycling of all waste products associated with the furniture project.** **G/M Punchlist Services include formulation of the project punchlist, ordering and receiving of punchlist products, and delivery and assembly to finalize the punchlist and project.** **G/M Warranty Services Department is provided to offer clients our no-charge warranty service work for all furniture protected under valid factory warranties. G/M maintains electronic copies of our Client's invoices for warranty enforcement. For service requests, our Warranty Department may be contacted via e-mail at warranty@gmbi.net**		**8,131.00**	**3,742.00**	**.00**	**1,375.00**

BOM: See Attached Bill of Materials
Piece Count:

800-686-6583 800-686-6583 Fax: 951-684-0837
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http://www.gmbi.net

Featured Product of the Month



G|M accepts credit cards at 0% for purchases up to $10,000
Purchases over $10,000 requires a surcharge of 2.75%

Product Subtotal:	**$79,156.26**
Services (Taxable)	**$3,742.00**
Freight (Taxable)	**$0.00**
Services (Non-Taxable)	**$8,131.00**
Design Services (Non-Taxable)	**$1,375.00**
Taxable Subtotal:	**$82,898.26**
Non-Taxable Subtotal:	**$9,506.00**
Sales Tax (7.750%)	**$6,424.62**
Total:	**$98,828.88**

Terms:		
Net 30 Days	**100%**	**$98,828.88**

I have reviewed the quote, the bill of materials, the drawings (if applicable), the color cards (if applicable), and other associated exhibits for my order.

- I approve the colors, fabrics, and finishes as previously selected and correct as shown on the attached exhibit.
- I am satisfied that the product I have selected is the correct size and is suitable and will perform for its intended purpose.
- I am aware this product is manufactured to order and is not returnable to G/M or to the manufacturer.
- I understand that legal title to the product will transfer upon delivery to my commercial or residential location and all associated labor is taxable until title transfers.
- I am aware additional costs charged for inside delivery, staging, setting in place, assembly, leveling, cleaning, polishing, recycling of waste materials are separately stated and are elected as an additional contract option.
- I am aware of the grand total price of this contract as shown on this quote.
- G/M is ordering your furniture from a variety of manufacturers to be aggregated and received into our G/M operated warehouse. Once the final portion of your order has been received, a “ready to deliver” notification will be sent to you. G/M, at this point, will graciously, store your complete order for up to two weeks at no charge. If for some reason you cannot accept a timely delivery within two weeks, a quote for one month’s handling and storage shall be calculated and forwarded to you.
- This quote is valid for 30 days.

Approved by:

Signature _____ Print Name/Title _____ Date _____

Account Executive: Aaron Ellis *(aellis@gmbi.net)*
AMA: Tiffany Abreu *(tabreu@gmbi.net)*
Project PAS: Deborah Panggabean

800-686-6583 800-686-6583 Fax: 951-684-0837
G/M Business Interiors
1099 W. La Cadena Drive, Riverside CA, 92501
http://www.gmbi.net

BOM A

BIG BEAR AIRPORT L35 11/3/2026
COSB BIG BEAR AIRPORT 254959 1:53:04 PM
Quote # 254959
Department: **BREAK ROOM**
PO #
Sales Order #

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %
SITONIT								
1	**3**		**1011FT1.PS**	**347.00**	**1,041.00**	**138.45**	**415.35**	**60.10 %**
			Lumin, Four-Leg Chair, Plastic Seat & Back, Armless					
		FC2	• Frame Informatic	• Silver Frame				
		GL1	• Caster/Glide Opt	• Standard Multi-Surface Glide				
		~	• Tablet Option Se	• No Tablet Upgrade				
		SC7	• Plastic Shell Col	• Bisque				
		~	• CA Technical Bu	• No Selection				
		AB	• Packaging Optio	• Assembled in a Bag, Southern CA				
		Tag: BREAK ROOM						
HON								
2	**1**	**36**	**HCTSQR36**	**547.00**	**547.00**	**237.84**	**237.84**	**56.52 %**
			Arrange Table 36" Square Top					
		.N	• Grommet Selecti	• No Grommet				
		$(L1STD)	• Select Grade	• Grd L1 Standard Laminates				
		.S	• Select Grade 1 L	• Charcoal				
		.S	• Select Edgeban	• Charcoal				
		Tag: BREAK ROOM						
3	**1**	**HCT29MX**	**HCT29MX**	**822.00**	**822.00**	**357.41**	**357.41**	**56.52 %**
			Arrange Seated Height X-base for 36" Surfaces					
		$(P1)	• Select Paint Col	• P1 Paint Opts				
		.P7M	• Select Grade 1 F	• Textured Muslin				
		Tag: BREAK ROOM						

Product Subtotal: **$1,010.60**

Account Executive: **Aaron Ellis**
Job Captain **Tiffany Abreu**

Project Designer **Deborah Panggabean**

BOM B

BIG BEAR AIRPORT L35 11/3/2026
COSB BIG BEAR AIRPORT 254959 1:53:06 PM
Quote # 254959
Department: **MEETING ROOM**
PO #
Sales Order #

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %
HON								
1	**10**		**HCFEU**	**1,543.00**	**15,430.00**	**670.90**	**6,709.00**	**56.52 %**
			Cofi Executive Height Chair					
		.Y0	• Select Control O	• Synchro-Tilt				
		.STC	• Select Cylinder (	• Standard Cylinder				
		.P	• Select Arm Type	• Fixed Polished Aluminum				
		.S	• Select Caster Op	• Black All-Surface Caster				
		$(1)	• Select Upholster	• Grade 1 Uph				
		.CU	• Grade 1 Fab	• Centurion				
		10	• Centurion	• Black				
		.SLB	• Back Stitch Opts	• Solid Stitch				
		TC00	• Stitch Color Opts	• Coordinating				
		.PA	• Select Base Typ	• Polished Aluminum				
		Tag: MEETING ROOM						
2	**15**	**30/72/30H**	**HMT3072G**	**738.00**	**11,070.00**	**320.88**	**4,813.20**	**56.52 %**
			Huddle 30x72 Table Top w/Edgeband					
		.N	• Select Grommet	• No Grommets				
		$(L1STD)	• Select Laminate	• Grd L1 Standard Laminates				
		.S	• Select Grade 1 L	• Charcoal				
		.S	• Select Edgeban	• Charcoal				
		Tag: MEETING ROOM						
3	**15**	**HMBFLIP30L**	**HMBFLIP30L**	**1,006.00**	**15,090.00**	**437.41**	**6,561.15**	**56.52 %**
			Huddle Flip Top Base for 30x60 & 30x72 Tops					
		.C	• Select Caster	• Casters				
		$(P1)	• Select Paint Gra	• P1 Paint Opts				
		.T3	• Select Grade 1 F	• Muslin				
		Tag: MEETING ROOM						
4	**15**	**UMOD44**	**HMTUMOD44**	**328.00**	**4,920.00**	**142.61**	**2,139.15**	**56.52 %**
			Univ Mod pnl for 54" Motivate tbl/60" Huddle tbl					
		$(P1)	• Select Base Col	• P1 Paint Opts				
		.S	• Select Grade 1 F	• Charcoal				
		Tag: MEETING ROOM						
ECD								
5	**25**		**6800B-BLK**	**599.00**	**14,975.00**	**256.97**	**6,424.25**	**57.10 %**
			INMOTION NESTING BLK MESH BACK					
		FRAME	•	• BLACK				
		FAB- B	•	• BLK				
		Tag: MEETING ROOM						

Account Executive: **Aaron Ellis** Project Designer **Deborah Panggabean**
Job Captain **Tiffany Abreu**

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %

Product Subtotal: **$26,646.75**

BOM C

BIG BEAR AIRPORT L35 11/3/2026
COSB BIG BEAR AIRPORT 254959 1:53:07 PM
Quote # 254959
Department: **LOUNGE AREA**
PO #
Sales Order #

Discount %

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	
SITONIT								
1	**4**		**2060.FS30.CN1**	**2,666.00**	**10,664.00**	**1,063.73**	**4,254.92**	**60.10 %**
			Sable, Club with Arms, 34.5"W 34.75"D x 32"H					
		LS26	• Leg Shape	• Tapered Metal Leg				
		FCM14	• Leg Metal Finish	• Neo Wood Grain				
		UM0	• Cleaning and Pr	• No Moisture Barrier				
		USU	• Upholstery Optio	• Single Upholstery				
		FG2	• Single Upholster	• Fabric/Vinyl Grade 2				
		ELEMENT	• Fabric Grade 2 S	• Element Color Selection				
		PUMICE	• Element Color S	• Element Pumice				
		SX4	• Cleanout Featur	• Hidden Cleanout				
		GL1	• Glides Option	• Standard Multi-surface Glides				
		P1	• Packaging	• Fully Assembled in a Carton				
		Tag: LOUNGE AREA						
2	**4**		**2060.FS30.CN1**	**2,666.00**	**10,664.00**	**1,063.73**	**4,254.92**	**60.10 %**
			Sable, Club with Arms, 34.5"W 34.75"D x 32"H					
		LS26	• Leg Shape	• Tapered Metal Leg				
		FCM14	• Leg Metal Finish	• Neo Wood Grain				
		UM0	• Cleaning and Pr	• No Moisture Barrier				
		USU	• Upholstery Optio	• Single Upholstery				
		FG2	• Single Upholster	• Fabric/Vinyl Grade 2				
		ELEMENT	• Fabric Grade 2 S	• Element Color Selection				
		CHARCOAL	• Element Color S	• Element Charcoal				
		SX4	• Cleanout Featur	• Hidden Cleanout				
		GL1	• Glides Option	• Standard Multi-surface Glides				
		P1	• Packaging	• Fully Assembled in a Carton				
		Tag: LOUNGE AREA						
3	**2**		**2060.FS59.CN2**	**2,205.00**	**4,410.00**	**879.80**	**1,759.60**	**60.10 %**
			Sable, 2-Seat Bench, 52"W 24"D x 18"H					
		LS26	• Leg Shape	• Tapered Metal Leg				
		FCM14	• Leg Metal Finish	• Neo Wood Grain				
		UM0	• Cleaning and Pr	• No Moisture Barrier				
		FG2	• Fabric Option	• Fabric/Vinyl Grade 2				
		ELEMENT	• Fabric Grade 2 S	• Element Color Selection				
		CHARCOAL	• Element Color S	• Element Charcoal				
		SX4	• Cleanout Featur	• Hidden Cleanout				
		GL1	• Glides Option	• Standard Multi-surface Glides				
		P1	• Packaging	• Fully Assembled in a Carton				
		Tag: LOUNGE AREA						

BIG BEAR AIRPORT L35 11/3/2026
COSB BIG BEAR AIRPORT 254959 1:53:07 PM
Quote # 254959
Department: **LOUNGE AREA**
PO #
Sales Order #

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %

Product Subtotal: **$10,269.44**

BOM D

BIG BEAR AIRPORT L35 11/3/2026
COSB BIG BEAR AIRPORT 254959 1:53:09 PM
Quote # 254959
Department: **OPEN AREA**
PO #
Sales Order #

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %
ELEVATE								
1	**4**		**GMMAS**	**302.00**	**1,208.00**	**98.75**	**395.00**	**67.30 %**
			Elevate™ Monitor Arm					
			• • Silver					
		Tag: OPEN AREA						
2	**4**		**GMSPW**	**82.00**	**328.00**	**26.81**	**107.24**	**67.30 %**
			Elevate™ Surge Protector					
			• • White					
		Tag: OPEN AREA						
HERMANMILLER								
3	**4**		**LW100.20FF**	**815.00**	**3,260.00**	**241.48**	**965.92**	**70.37 %**
			+W-Pull Freestd Pedestal,20" d,FF					
		SB	• • FULL-EXTENSION BALL-BEARING					
		XS	• • TEXTURED PAINT ON SMOOTH STEEL					
		WN	• • WARM GREY NEUTRAL					
		KA	• • KEYED ALIKE					
		1F	• • STANDARD HEIGHT					
		1M	• • 2 FILE CONVERTERS IN EACH FILE DRAWER					
		Tag: OPEN AREA						
4	**4**		**LW100.20BBF**	**938.00**	**3,752.00**	**277.93**	**1,111.72**	**70.37 %**
			+W-Pull Freestd Pedestal,20" d,BBF					
		SB	• • FULL-EXTENSION BALL-BEARING					
		XS	• • TEXTURED PAINT ON SMOOTH STEEL					
		WN	• • WARM GREY NEUTRAL					
		KA	• • KEYED ALIKE					
		1F	• • STANDARD HEIGHT					
		3M	• • DRAWER DIVIDER IN ONE BOX DRAWER, PENCIL TRAY IN ON					
		Tag: OPEN AREA						
5	**4**		**FTS10.3084LF**	**1,096.00**	**4,384.00**	**284.19**	**1,136.76**	**74.07 %**
			+Rect Surf,sq-edge,30" d,84" w,high-pressure lam top/thermoplastic edge,Canvas frame att surf					
		LBV	• • WARM GREY TEAK					
		LBV	• • WARM GREY TEAK					
		Tag: OPEN AREA						
6	**4**		**FTS10.2442LF**	**489.00**	**1,956.00**	**126.80**	**507.20**	**74.07 %**
			+Rect Surf,sq-edge,24" d,42" w,high-pressure lam top/thermoplastic edge,Canvas frame att surf					
		LBV	• • WARM GREY TEAK					
		LBV	• • WARM GREY TEAK					
		Tag: OPEN AREA						

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BIG BEAR AIRPORT L35 11/3/2026
COSB BIG BEAR AIRPORT 254959 1:53:09 PM
Quote # 254959
Department: **OPEN AREA**
PO #
Sales Order #

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %
HERMANMILLER								
7	**28**		**FT180.4842T**	**354.00**	**9,912.00**	**91.79**	**2,570.12**	**74.07 %**
			+Full-Height Tile,48" h,42" w,tackable fabric					
		G1	•	• GRAPHITE (CP)				
		1HA01	•	• MEDLEY STONE				
		Tag: OPEN AREA						
8	**12**		**FT180.4830T**	**277.00**	**3,324.00**	**71.83**	**861.96**	**74.07 %**
			+Full-Height Tile,48" h,30" w,tackable fabric					
		G1	•	• GRAPHITE (CP)				
		1HA01	•	• MEDLEY STONE				
		Tag: OPEN AREA						
9	**4**		**FT290.30R**	**64.00**	**256.00**	**16.60**	**66.40**	**74.07 %**
			+Surf Cantilever,for 30"-deep surf,right-hand cantilever					
		WN	•	• WARM GREY NEUTRAL				
		Tag: OPEN AREA						
10	**4**		**FT290.30L**	**64.00**	**256.00**	**16.60**	**66.40**	**74.07 %**
			+Surf Cantilever,for 30"-deep surf,left-hand cantilever					
		WN	•	• WARM GREY NEUTRAL				
		Tag: OPEN AREA						
11	**4**		**FT290.24R**	**53.00**	**212.00**	**13.74**	**54.96**	**74.07 %**
			+Surf Cantilever,for 20"- or 24"-deep surf,right-hand cantilever					
		WN	•	• WARM GREY NEUTRAL				
		Tag: OPEN AREA						
12	**4**		**FT290.24L**	**53.00**	**212.00**	**13.74**	**54.96**	**74.07 %**
			+Surf Cantilever,for 20"- or 24"-deep surf,left-hand cantilever					
		WN	•	• WARM GREY NEUTRAL				
		Tag: OPEN AREA						
13	**2**		**FT155.A**	**275.00**	**550.00**	**71.31**	**142.62**	**74.07 %**
			+Receptacle, 15 Amp (package of 6),duplex, circ a 6/Pkg					
		WN	•	• WARM GREY NEUTRAL				
		Tag: OPEN AREA						
14	**1**		**FT140.06**	**262.00**	**262.00**	**67.94**	**67.94**	**74.07 %**
			+Pwr Entry, External Direct Connect,6' l					
		LZ	•	• PVC-FREE				
		Tag: OPEN AREA						
15	**10**		**FT110.5342J**	**379.00**	**3,790.00**	**98.27**	**982.70**	**74.07 %**
			+Frame,53" h,42" w,base covers, power/data knockouts					
		WN	•	• WARM GREY NEUTRAL				
		Tag: OPEN AREA						

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %
HERMANMILLER								
16	**4**		**FT110.5342N**	**357.00**	**1,428.00**	**92.57**	**370.28**	**74.07 %**
			+Frame,53" h,42" w,base covers, no knockouts					
		WN	•	• WARM GREY NEUTRAL				
		Tag: OPEN AREA						
17	**2**		**FT110.5330J**	**336.00**	**672.00**	**87.12**	**174.24**	**74.07 %**
			+Frame,53" h,30" w,base covers, power/data knockouts					
		WN	•	• WARM GREY NEUTRAL				
		Tag: OPEN AREA						
18	**4**		**FT110.5330N**	**320.00**	**1,280.00**	**82.98**	**331.92**	**74.07 %**
			+Frame,53" h,30" w,base covers, no knockouts					
		WN	•	• WARM GREY NEUTRAL				
		Tag: OPEN AREA						
19	**14**		**FT112.42AP**	**64.00**	**896.00**	**16.60**	**232.40**	**74.07 %**
			+Frame Top Cap,42" w,std,painted					
		WN	•	• WARM GREY NEUTRAL				
		Tag: OPEN AREA						
20	**6**		**FT112.30AP**	**51.00**	**306.00**	**13.22**	**79.32**	**74.07 %**
			+Frame Top Cap,30" w,std,painted					
		WN	•	• WARM GREY NEUTRAL				
		Tag: OPEN AREA						
21	**6**		**FT160.53BP**	**99.00**	**594.00**	**25.67**	**154.02**	**74.07 %**
			+Fin End,53" h,base cover/to-the-floor tile,painted					
		WN	•	• WARM GREY NEUTRAL				
		Tag: OPEN AREA						
22	**10**		**FT150.42**	**219.00**	**2,190.00**	**56.79**	**567.90**	**74.07 %**
			+Base Pwr Harness,42" w					
		LZ	•	• PVC-FREE				
		Tag: OPEN AREA						
23	**2**		**FT150.30**	**200.00**	**400.00**	**51.86**	**103.72**	**74.07 %**
			+Base Pwr Harness,30" w					
		LZ	•	• PVC-FREE				
		Tag: OPEN AREA						
24	**1**		**FT126.4AP**	**49.00**	**49.00**	**12.71**	**12.71**	**74.07 %**
			+90ï¿½ Con Top Cap,for 4 frame top caps,painted					
		WN	•	• WARM GREY NEUTRAL				
		Tag: OPEN AREA						

BOM D

BIG BEAR AIRPORT L35 11/3/2026
COSB BIG BEAR AIRPORT 254959 1:53:09 PM
Quote # 254959
Department: **OPEN AREA**
PO #
Sales Order #

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %
HERMANMILLER								
25	**2**		**FT126.3AP**	**49.00**	**98.00**	**12.71**	**25.42**	**74.07 %**
			+90ï¿½ Con Top Cap,for 3 frame top caps,painted					
		WN	•	• WARM GREY NEUTRAL				
		Tag: OPEN AREA						
26	**4**		**FT126.2AP**	**49.00**	**196.00**	**12.71**	**50.84**	**74.07 %**
			+90ï¿½ Con Top Cap,for 2 frame top caps, 90ï¿½,painted					
		WN	•	• WARM GREY NEUTRAL				
		Tag: OPEN AREA						
27	**4**		**FT123.253BP**	**96.00**	**384.00**	**24.89**	**99.56**	**74.07 %**
			+90ï¿½ Con Cover,2 sides covered,53" h,base cover/to-the-floor tile,painted					
		WN	•	• WARM GREY NEUTRAL				
		Tag: OPEN AREA						
28	**2**		**FT123.153BP**	**75.00**	**150.00**	**19.45**	**38.90**	**74.07 %**
			+90ï¿½ Con Cover,1 side covered,53" h,base cover/to-the-floor tile,painted					
		WN	•	• WARM GREY NEUTRAL				
		Tag: OPEN AREA						
29	**3**		**232092-229**	**.00**	**.00**	**.00**	**.00**	**%**
			Lock Plug & Keys					
			•	•				
		Tag: OPEN AREA						
30	**3**		**232092-228**	**.00**	**.00**	**.00**	**.00**	**%**
			Lock Plug & Keys					
			•	•				
		Tag: OPEN AREA						
31	**3**		**232092-227**	**.00**	**.00**	**.00**	**.00**	**%**
			Lock Plug & Keys					
			•	•				
		Tag: OPEN AREA						
32	**3**		**232092-226**	**.00**	**.00**	**.00**	**.00**	**%**
			Lock Plug & Keys					
			•	•				
		Tag: OPEN AREA						
33	**8**		**FT128.53**	**48.00**	**384.00**	**12.45**	**99.60**	**74.07 %**
			+Frame-to-Frame Connection Hardware,53" h					
			•	•				
		Tag: OPEN AREA						

BOM D

BIG BEAR AIRPORT L35 11/3/2026
COSB BIG BEAR AIRPORT 254959 1:53:09 PM
Quote # 254959
Department: **OPEN AREA**
PO #
Sales Order #

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %
HERMANMILLER								
34	**4**		**G1331.**	**37.00**	**148.00**	**9.59**	**38.36**	**74.07 %**
			+Cord Cleat 2/Pkg	•	•			
		Tag: OPEN AREA						
35	**1**		**FT121.457**	**180.00**	**180.00**	**46.67**	**46.67**	**74.07 %**
			+90ï¿½ Universal Con,4 way,for 53"-high frames & higher	•	•			
		Tag: OPEN AREA						
36	**2**		**FT121.357**	**161.00**	**322.00**	**41.75**	**83.50**	**74.07 %**
			+90ï¿½ Universal Con,3 way,for 53"-high frames & higher	•	•			
		Tag: OPEN AREA						
37	**4**		**FT121.257**	**142.00**	**568.00**	**36.82**	**147.28**	**74.07 %**
			+90ï¿½ Universal Con,2 way, 90ï¿½ or 180ï¿½,for 53"-high frames & higher	•	•			
		Tag: OPEN AREA						
SITONIT								
38	**4**		**2723Y.A142.B1**	**1,023.00**	**4,092.00**	**408.18**	**1,632.72**	**60.10 %**
			Amplify, Highback, Mesh Back, Enhanced Synchro Cntrl, Height/Width Adj Arms					
		FC1	• Frame Informatic	• Black Frame				
		B17	• Amplify Base Op	• Standard Black Nylon Base				
		E3	• Seat Depth Adju	• Seat Depth Adjustment Upgrade				
		C16	• Amplify Caster C	• Standard Carpet Casters				
		S0	• Amplify Cylinder	• Standard Cylinder Height				
		MC5	• Amplify Mesh Cc	• Onyx (Black) Mesh Color				
		FABRIC	• Fabric or Leathe	• Fabric Grade Selections				
		~	• CA Technical Bu	• No Selection				
		FG1	• Fabric Grade Se	• Fabric/Vinyl Grade 1				
		SUGAR	• Fabric Grade 1 S	• Sugar Color Selection				
		LICORICE	• Sugar Color Sele	• Sugar Licorice				
		AB	• Packaging Optio	• Assembled in Bag, Southern CA				
		Tag: OPEN AREA						

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended

Product Subtotal: **$13,381.26**

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BIG BEAR AIRPORT L35 11/3/2026
COSB BIG BEAR AIRPORT 254959 1:53:13 PM
Quote # 254959
Department: **PILOTS LOUNGE**
PO #
Sales Order #

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %
SITONIT								
1	**1**		**2060.FS49.CN3**	**5,507.00**	**5,507.00**	**2,197.29**	**2,197.29**	**60.10 %**
			Sable, Sofa with Arms, 86.5"W 34.75"D x 32"H					
		LS26	• Leg Shape	• Tapered Metal Leg				
		FCM4	• Leg Metal Finish	• Charcoal				
		UM0	• Cleaning and Pr	• No Moisture Barrier				
		USU	• Upholstery Optio	• Single Upholstery				
		FG4	• Single Upholster	• Fabric/Vinyl Grade 4				
		KEY LARGO	• Fabric Grade 4 S	• Key Largo Color Selection				
		KE GR	• Key Largo Color	• Key Largo Graphite				
		SX4	• Cleanout Feature	• Hidden Cleanout				
		GL1	• Glides Option	• Standard Multi-surface Glides				
		P1	• Packaging	• Fully Assembled in a Carton				
		Tag: PILOTS LOUNGE						
2	**1**		**2060.FS45.CN2**	**4,219.00**	**4,219.00**	**1,683.38**	**1,683.38**	**60.10 %**
			Sable, Settee with Arms, 60.5"W 34.75"D x 32"H					
		LS26	• Leg Shape	• Tapered Metal Leg				
		FCM4	• Leg Metal Finish	• Charcoal				
		UM0	• Cleaning and Pr	• No Moisture Barrier				
		USU	• Upholstery Optio	• Single Upholstery				
		FG4	• Single Upholster	• Fabric/Vinyl Grade 4				
		KEY LARGO	• Fabric Grade 4 S	• Key Largo Color Selection				
		KE GR	• Key Largo Color	• Key Largo Graphite				
		SX4	• Cleanout Feature	• Hidden Cleanout				
		GL1	• Glides Option	• Standard Multi-surface Glides				
		P1	• Packaging	• Fully Assembled in a Carton				
		Tag: PILOTS LOUNGE						
3	**2**		**5651WB2**	**704.00**	**1,408.00**	**280.90**	**561.80**	**60.10 %**
			Focus, Side Chair, Slotted Wood Back, Black Frame, Armless					
		S3	• Wood Back Stair	• Medium Cherry				
		FABRIC	• Fabric or Leathe	• Fabric Grade Selections				
		~	• CA Technical Bu	• No Selection				
		FG1	• Fabric Grade Se	• Fabric/Vinyl Grade 1				
		SUGAR	• Fabric Grade 1 S	• Sugar Color Selection				
		LICORICE	• Sugar Color Sele	• Sugar Licorice				
		G5	• Glide Option Sel	• Standard Multi-Surface Glide				
		Tag: PILOTS LOUNGE						

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BIG BEAR AIRPORT L35 11/3/2026
COSB BIG BEAR AIRPORT 254959 1:53:13 PM
Quote # 254959
Department: **PILOTS LOUNGE**
PO #
Sales Order #

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %
SITONIT								
4	**2**		**5651WB2.A130**	**753.00**	**1,506.00**	**300.45**	**600.90**	**60.10 %**
			Focus, Side Chair, Slotted Wood Back, Black Frame, A130 Arm					
		S3	• Wood Back Stair	• Medium Cherry				
		FABRIC	• Fabric or Leathe	• Fabric Grade Selections				
		~	• CA Technical Bu	• No Selection				
		FG1	• Fabric Grade Se	• Fabric/Vinyl Grade 1				
		SUGAR	• Fabric Grade 1 S	• Sugar Color Selection				
		LICORICE	• Sugar Color Sele	• Sugar Licorice				
		G5	• Glide Option Sel	• Standard Multi-Surface Glide				
		Tag: PILOTS LOUNGE						
HON								
5	**1**	**24/24/22H**	**HSCESS24LM**	**1,674.00**	**1,674.00**	**727.86**	**727.86**	**56.52 %**
			Laminate End Table Soft Square 24Wx24Lx22H					
		$(L1STD)	• Select Laminate	• Grd L1 Standard Laminates				
		.LDW1	• Select Top Lami	• Designer White				
		DW	• Select Edge Col	• Designer White				
		.LE408	• Select Base Col	• Peppercorn Opaque				
		$(P1)	• Select Strecher F	• P1 Paint Opts				
		.P7A	• Select Grade 1 F	• Textured Charcoal				
		Tag: PILOTS LOUNGE						
6	**1**	**24/48/16H**	**HSCCSR2448LM**	**1,820.00**	**1,820.00**	**791.34**	**791.34**	**56.52 %**
			Laminate Coffee Table Soft Rect 24Wx48Lx16H					
		$(L1STD)	• Select Laminate	• Grd L1 Standard Laminates				
		.LDW1	• Select Top Lami	• Designer White				
		DW	• Select Edge Col	• Designer White				
		.LE408	• Select Base Col	• Peppercorn Opaque				
		$(P1)	• Select Strecher F	• P1 Paint Opts				
		.P7A	• Select Grade 1 F	• Textured Charcoal				
		Tag: PILOTS LOUNGE						
HERMANMILLER								
7	**2**		**DT1CS.30LS**	**1,416.00**	**2,832.00**	**463.32**	**926.64**	**67.28 %**
			@Everywhere Round Table,sq-edge,30" dia,high-pressure lam top/thermoplastic edge,single-column base					
		91	•	• WHITE (CP)				
		91	•	• WHITE (CP)				
		UBK	•	• ULTRA BLACK (CP)				
		57	•	• GLIDES				
		Tag: PILOTS LOUNGE						

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended

Product Subtotal: **$7,489.21**

BOM F

BIG BEAR AIRPORT L35 11/3/2026
COSB BIG BEAR AIRPORT 254959 1:53:15 PM
Quote # 254959
Department: **PRIVATE OFFICES**
PO #
Sales Order #

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %
ELEVATE								
1	**1**		**GMSPW**	**82.00**	**82.00**	**26.81**	**26.81**	**67.30 %**
			Elevate™ Surge Protector					
			•	• White				
		Tag: PRIVATE OFFICES						
2	**1**		**GMSPW**	**82.00**	**82.00**	**26.81**	**26.81**	**67.30 %**
			Elevate™ Surge Protector					
			•	• White				
		Tag: PRIVATE OFFICES						
3	**1**		**GMSPW**	**82.00**	**82.00**	**26.81**	**26.81**	**67.30 %**
			Elevate™ Surge Protector					
			•	• White				
		Tag: PRIVATE OFFICES						
GMHARDWARE								
4	**2**	**(1) PER WALL STRIP WALL START OR OH**	**GMHARDWARE**	**.00**	**.00**	**13.42**	**26.84**	**%**
			GM WALL ANCHORS					
			•	•				
		Tag: PRIVATE OFFICES						
5	**2**	**(1) PER WALL STRIP WALL START OR OH**	**GMHARDWARE**	**.00**	**.00**	**13.42**	**26.84**	**%**
			GM WALL ANCHORS					
			•	•				
		Tag: PRIVATE OFFICES						
6	**2**	**(1) PER WALL STRIP WALL START OR OH**	**GMHARDWARE**	**.00**	**.00**	**13.42**	**26.84**	**%**
			GM WALL ANCHORS					
			•	•				
		Tag: PRIVATE OFFICES						
HERMANMILLER								

BOM F

BIG BEAR AIRPORT L35 11/3/2026
COSB BIG BEAR AIRPORT 254959 1:53:15 PM
Quote # 254959
Department: **PRIVATE OFFICES**
PO #
Sales Order #

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %
HERMANMILLER								
7	**1**		**MRFN123AWAFG1**	**1,979.00**	**1,979.00**	**952.89**	**952.89**	**51.85 %**
			***Mirra 2 Wk Chair, Refresh,standard-height range,tilt limiter & seat angle,fully adj arms,nonuphst armpads,FlexFront adj seat depth,Butterfly suspension back,graphite (CP)**					
		G1	•	• GRAPHITE (CP)				
		BK	•	• BLACK				
		G1	•	• GRAPHITE (CP)				
		AJ	•	• ADJUSTABLE LUMBAR SUPPORT				
		G1	•	• GRAPHITE (CP)				
		8M17	•	• LATITUDEâ„¢ BLACK				
		1A703	•	• AIREWEAVEâ„¢ 2 GRAPHITE				
		C7	•	• 2 1/2" CASTER, BLACK YOKE, HARD FLOORS OR CARPET				
		Tag: PRIVATE OFFICES						
8	**2**		**PIA4S1SP**	**747.00**	**1,494.00**	**359.68**	**719.36**	**51.85 %**
			+Verus Side Chair, 4-Leg Base,4-leg base,Interweave 2 suspension back,fixed arms,not fire retardant					
		BK	•	• BLACK				
		BK	•	• BLACK				
		36506	•	• SHALE				
		U5	•	• SOFT WHEEL CASTER, CARPET OR HARD FLOORS				
		1HA04	•	• MEDLEY CINDER				
		Tag: PRIVATE OFFICES						
9	**1**		**G1331.**	**37.00**	**37.00**	**9.59**	**9.59**	**74.07 %**
			+Cord Cleat 2/Pkg					
			•	•				
		Tag: PRIVATE OFFICES						
10	**2**		**PIA4S1SP**	**747.00**	**1,494.00**	**359.68**	**719.36**	**51.85 %**
			+Verus Side Chair, 4-Leg Base,4-leg base,Interweave 2 suspension back,fixed arms,not fire retardant					
		BK	•	• BLACK				
		BK	•	• BLACK				
		36506	•	• SHALE				
		U5	•	• SOFT WHEEL CASTER, CARPET OR HARD FLOORS				
		1HA04	•	• MEDLEY CINDER				
		Tag: PRIVATE OFFICES						
11	**1**		**CN122AWAA**	**2,462.00**	**2,462.00**	**1,231.00**	**1,231.00**	**50.00 %**
			@Wk Chair,standard-height range,fully adj arms					
		G1	•	• GRAPHITE (CP)				
		G1	•	• GRAPHITE (CP)				
		C7	•	• 2 1/2" CASTER, BLACK YOKE, HARD FLOORS OR CARPET				
		3SY12	•	• SYNC BLACK				
		Tag: PRIVATE OFFICES						

BOM F

BIG BEAR AIRPORT L35 11/3/2026
COSB BIG BEAR AIRPORT 254959 1:53:15 PM
Quote # 254959
Department: **PRIVATE OFFICES**
PO #
Sales Order #

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %
HERMANMILLER								
12	**1**		**G1331.**	**37.00**	**37.00**	**9.59**	**9.59**	**74.07 %**
			+Cord Cleat 2/Pkg					
			•	•				
		Tag: PRIVATE OFFICES						
13	**2**		**PIA4S1SP**	**747.00**	**1,494.00**	**359.68**	**719.36**	**51.85 %**
			+Verus Side Chair, 4-Leg Base,4-leg base,Interweave 2 suspension back,fixed arms,not fire retardant					
		BK	•	• BLACK				
		BK	•	• BLACK				
		36506	•	• SHALE				
		U5	•	• SOFT WHEEL CASTER, CARPET OR HARD FLOORS				
		1HA04	•	• MEDLEY CINDER				
		Tag: PRIVATE OFFICES						
14	**1**		**G1331.**	**37.00**	**37.00**	**9.59**	**9.59**	**74.07 %**
			+Cord Cleat 2/Pkg					
			•	•				
		Tag: PRIVATE OFFICES						
HON								
15	**1**	**30/60F**	**HWWT3060F**	**825.00**	**825.00**	**358.71**	**358.71**	**56.52 %**
			Fabric Tile 30H x 60W					
		$(B)	• Fabric Selection	• Grd B Fabric				
		.DISP	• Grade B Fabric S	• Disperse				
		13	• Select Disperse	• Coffee Bean				
		.P	• Select Mounting	• Black				
		Tag: PRIVATE OFFICES						
16	**1**	**30/36F**	**HWWT3036F**	**600.00**	**600.00**	**260.88**	**260.88**	**56.52 %**
			Fabric Tile 30H x 36W					
		$(B)	• Fabric Selection	• Grd B Fabric				
		.DISP	• Grade B Fabric S	• Disperse				
		13	• Select Disperse	• Coffee Bean				
		.P	• Select Mounting	• Black				
		Tag: PRIVATE OFFICES						
17	**1**	**36/72**	**H105815R**	**1,495.00**	**1,495.00**	**650.03**	**650.03**	**56.52 %**
			10500 Series Rt Extended Corner Unit 24-36x72-24x29-1/2					
		$(L1STD)	• Select Top Lami	• Grd L1 Standard Laminates				
		.LKI1	• Select Top Lami	• Kingswood Walnut				
		LKI1	• Select Chassis L	• Kingswood Walnut				
		Tag: PRIVATE OFFICES						

BOM F

BIG BEAR AIRPORT L35 11/3/2026
COSB BIG BEAR AIRPORT 254959 1:53:15 PM
Quote # 254959
Department: **PRIVATE OFFICES**
PO #
Sales Order #

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %
HON								
18	**1**	**24/60**	**H105684X**	**888.00**	**888.00**	**386.10**	**386.10**	**56.52 %**
			10500 Series Return Shell 29-1/2H x 60W x 24D					
		$(L1STD)	• Select Top Lami	• Grd L1 Standard Laminates				
		.LKI1	• Select Top Lami	• Kingswood Walnut				
		LKI1	• Select Chassis L	• Kingswood Walnut				
		Tag: PRIVATE OFFICES						
19	**1**	**20x36x29**	**H10563**	**1,355.00**	**1,355.00**	**589.15**	**589.15**	**56.52 %**
			10500 Series Lat File 2-Drawer 36W x 20D x					
		$(L1STD)	• Select Top Lami	• Grd L1 Standard Laminates				
		.LKI1	• Select Top Lami	• Kingswood Walnut				
		LKI1	• Select Chassis L	• Kingswood Walnut				
		Tag: PRIVATE OFFICES						
20	**1**	**LF**	**H10503**	**1,450.00**	**1,450.00**	**630.46**	**630.46**	**56.52 %**
			10500 Series Lateral File Ped 36"W x 20"D x 28"H					
		$(L1STD)	• Select Laminate	• Grd L1 Standard Laminates				
		.LKI1	• Select Grade 1 L	• Kingswood Walnut				
		Tag: PRIVATE OFFICES						
21	**1**	**BBF**	**H10502**	**955.00**	**955.00**	**415.23**	**415.23**	**56.52 %**
			10500 Series Floorstnd Full Ht Ped B/B/F 15-5/8W x 22-3/4D					
		$(L1STD)	• Select Laminate	• Grd L1 Standard Laminates				
		.LKI1	• Select Grade 1 L	• Kingswood Walnut				
		Tag: PRIVATE OFFICES						
22	**3**		**HF23B**	**52.00**	**156.00**	**22.61**	**67.83**	**56.52 %**
			Black Removable Lock Core Kit					
		.X101E	• Select Key Numl	• 101E				
		Tag: PRIVATE OFFICES						
23	**1**	**PULL**	**HLINEARA3**	**100.00**	**100.00**	**43.48**	**43.48**	**56.52 %**
			Field Install Dwr/Door Kits Linear Blk 3-pack					
			•	•				
		Tag: PRIVATE OFFICES						
24	**4**	**PULL**	**HLINEARA2**	**91.00**	**364.00**	**39.57**	**158.28**	**56.52 %**
			Field Install Dwr/Door Kits Linear Blk 2-pack					
			•	•				
		Tag: PRIVATE OFFICES						

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %
HON								
25	**1**	**30/60F**	**HWWT3060F**	**825.00**	**825.00**	**358.71**	**358.71**	**56.52 %**
			Fabric Tile 30H x 60W					
		$(B)	• Fabric Selection • Grd B Fabric					
		.DISP	• Grade B Fabric S • Disperse					
		13	• Select Disperse • Coffee Bean					
		.P	• Select Mounting • Black					
		Tag: PRIVATE OFFICES						
26	**1**	**30/42F**	**HWWT3042F**	**739.00**	**739.00**	**321.32**	**321.32**	**56.52 %**
			Fabric Tile 30H x 42W					
		$(B)	• Fabric Selection • Grd B Fabric					
		.DISP	• Grade B Fabric S • Disperse					
		13	• Select Disperse • Coffee Bean					
		.P	• Select Mounting • Black					
		Tag: PRIVATE OFFICES						
27	**1**	**36/72**	**H105815R**	**1,495.00**	**1,495.00**	**650.03**	**650.03**	**56.52 %**
			10500 Series Rt Extended Corner Unit 24-36x72-24x29-1/2					
		$(L1STD)	• Select Top Lami • Grd L1 Standard Laminates					
		.LKI1	• Select Top Lami • Kingswood Walnut					
		LKI1	• Select Chassis L • Kingswood Walnut					
		Tag: PRIVATE OFFICES						
28	**1**	**24/72**	**H10541X**	**970.00**	**970.00**	**421.76**	**421.76**	**56.52 %**
			10500 Series Cred Shell 72W x 24D x 29-1/2H					
		$(L1STD)	• Select Top Lami • Grd L1 Standard Laminates					
		.LKI1	• Select Top Lami • Kingswood Walnut					
		LKI1	• Select Chassis L • Kingswood Walnut					
		Tag: PRIVATE OFFICES						
29	**1**	**24/47**	**H10570**	**509.00**	**509.00**	**221.31**	**221.31**	**56.52 %**
			10500 Series Bridge 47W x 24D x 29-1/2H					
		$(L1STD)	• Select Top Lami • Grd L1 Standard Laminates					
		.LKI1	• Select Top Lami • Kingswood Walnut					
		LKI1	• Select Chassis L • Kingswood Walnut					
		Tag: PRIVATE OFFICES						
30	**1**	**24x36x29**	**H105690**	**1,425.00**	**1,425.00**	**619.59**	**619.59**	**56.52 %**
			10500 Series 36Wx24Dx29-1/2H Lateral File Two-Drawer					
		$(L1STD)	• Select Top Lami • Grd L1 Standard Laminates					
		.LKI1	• Select Top Lami • Kingswood Walnut					
		LKI1	• Select Chassis L • Kingswood Walnut					
		Tag: PRIVATE OFFICES						

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %
HON								
31	**1**	**LF**	**H10503**	**1,450.00**	**1,450.00**	**630.46**	**630.46**	**56.52 %**
			10500 Series Lateral File Ped 36"W x 20"D x 28"H					
		$(L1STD)	• Select Laminate	• Grd L1 Standard Laminates				
		.LKI1	• Select Grade 1 L	• Kingswood Walnut				
		Tag: PRIVATE OFFICES						
32	**1**	**BBF**	**H10502**	**955.00**	**955.00**	**415.23**	**415.23**	**56.52 %**
			10500 Series Floorstnd Full Ht Ped B/B/F 15-5/8W x 22-3/4D					
		$(L1STD)	• Select Laminate	• Grd L1 Standard Laminates				
		.LKI1	• Select Grade 1 L	• Kingswood Walnut				
		Tag: PRIVATE OFFICES						
33	**3**		**HF23B**	**52.00**	**156.00**	**22.61**	**67.83**	**56.52 %**
			Black Removable Lock Core Kit					
		.X102E	• Select Key Numl	• 102E				
		Tag: PRIVATE OFFICES						
34	**1**	**PULL**	**HLINEARA3**	**100.00**	**100.00**	**43.48**	**43.48**	**56.52 %**
			Field Install Dwr/Door Kits Linear Blk 3-pack					
			•	•				
		Tag: PRIVATE OFFICES						
35	**4**	**PULL**	**HLINEARA2**	**91.00**	**364.00**	**39.57**	**158.28**	**56.52 %**
			Field Install Dwr/Door Kits Linear Blk 2-pack					
			•	•				
		Tag: PRIVATE OFFICES						
36	**1**	**30/42F**	**HWWT3042F**	**739.00**	**739.00**	**321.32**	**321.32**	**56.52 %**
			Fabric Tile 30H x 42W					
		$(B)	• Fabric Selection	• Grd B Fabric				
		.DISP	• Grade B Fabric S	• Disperse				
		13	• Select Disperse	• Coffee Bean				
		.P	• Select Mounting	• Black				
		Tag: PRIVATE OFFICES						
37	**1**	**30/60F**	**HWWT3060F**	**825.00**	**825.00**	**358.71**	**358.71**	**56.52 %**
			Fabric Tile 30H x 60W					
		$(B)	• Fabric Selection	• Grd B Fabric				
		.DISP	• Grade B Fabric S	• Disperse				
		13	• Select Disperse	• Coffee Bean				
		.P	• Select Mounting	• Black				
		Tag: PRIVATE OFFICES						

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %
HON								
38	**1**	**36/72**	**H105815R**	**1,495.00**	**1,495.00**	**650.03**	**650.03**	**56.52 %**
			10500 Series Rt Extended Corner Unit 24-36x72-24x29-1/2					
		$(L1STD)	• Select Top Lami • Grd L1 Standard Laminates					
		.LKI1	• Select Top Lami • Kingswood Walnut					
		LKI1	• Select Chassis L • Kingswood Walnut					
		Tag: PRIVATE OFFICES						
39	**1**	**24/72**	**H10541X**	**970.00**	**970.00**	**421.76**	**421.76**	**56.52 %**
			10500 Series Cred Shell 72W x 24D x 29-1/2H					
		$(L1STD)	• Select Top Lami • Grd L1 Standard Laminates					
		.LKI1	• Select Top Lami • Kingswood Walnut					
		LKI1	• Select Chassis L • Kingswood Walnut					
		Tag: PRIVATE OFFICES						
40	**1**	**24/47**	**H10570**	**509.00**	**509.00**	**221.31**	**221.31**	**56.52 %**
			10500 Series Bridge 47W x 24D x 29-1/2H					
		$(L1STD)	• Select Top Lami • Grd L1 Standard Laminates					
		.LKI1	• Select Top Lami • Kingswood Walnut					
		LKI1	• Select Chassis L • Kingswood Walnut					
		Tag: PRIVATE OFFICES						
41	**1**	**24x36x29**	**H105690**	**1,425.00**	**1,425.00**	**619.59**	**619.59**	**56.52 %**
			10500 Series 36Wx24Dx29-1/2H Lateral File Two-Drawer					
		$(L1STD)	• Select Top Lami • Grd L1 Standard Laminates					
		.LKI1	• Select Top Lami • Kingswood Walnut					
		LKI1	• Select Chassis L • Kingswood Walnut					
		Tag: PRIVATE OFFICES						
42	**1**	**LF**	**H10503**	**1,450.00**	**1,450.00**	**630.46**	**630.46**	**56.52 %**
			10500 Series Lateral File Ped 36"W x 20"D x 28"H					
		$(L1STD)	• Select Laminate • Grd L1 Standard Laminates					
		.LKI1	• Select Grade 1 L • Kingswood Walnut					
		Tag: PRIVATE OFFICES						
43	**1**	**BBF**	**H10502**	**955.00**	**955.00**	**415.23**	**415.23**	**56.52 %**
			10500 Series Floorstnd Full Ht Ped B/B/F 15-5/8W x 22-3/4D					
		$(L1STD)	• Select Laminate • Grd L1 Standard Laminates					
		.LKI1	• Select Grade 1 L • Kingswood Walnut					
		Tag: PRIVATE OFFICES						
44	**3**		**HF23B**	**52.00**	**156.00**	**22.61**	**67.83**	**56.52 %**
			Black Removable Lock Core Kit					
		.X103E	• Select Key Numl • 103E					
		Tag: PRIVATE OFFICES						

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	Discount %
HON								
45	**1**	**PULL**	**HLINEARA3**	**100.00**	**100.00**	**43.48**	**43.48**	**56.52 %**
			Field Install Dwr/Door Kits Linear Blk 3-pack					
			•	•				
		Tag: PRIVATE OFFICES						
46	**4**	**PULL**	**HLINEARA2**	**91.00**	**364.00**	**39.57**	**158.28**	**56.52 %**
			Field Install Dwr/Door Kits Linear Blk 2-pack					
			•	•				
		Tag: PRIVATE OFFICES						
HUMANSCALE								
47	**1**		**M82BS**	**908.00**	**908.00**	**354.12**	**354.12**	**61.00 %**
			M8 Pro Dual Monitor Arm, Crossbar, Angled/Dynamic Links, Grey 100x100mm VESA					
		W	•	• Polished Aluminum with White Trim				
		D	•	• Clamp & Bolt Thru Mount Combo				
		Tag: PRIVATE OFFICES						
48	**1**		**M82BS**	**908.00**	**908.00**	**354.12**	**354.12**	**61.00 %**
			M8 Pro Dual Monitor Arm, Crossbar, Angled/Dynamic Links, Grey 100x100mm VESA					
		W	•	• Polished Aluminum with White Trim				
		D	•	• Clamp & Bolt Thru Mount Combo				
		Tag: PRIVATE OFFICES						
49	**1**		**M82BS**	**908.00**	**908.00**	**354.12**	**354.12**	**61.00 %**
			M8 Pro Dual Monitor Arm, Crossbar, Angled/Dynamic Links, Grey 100x100mm VESA					
		W	•	• Polished Aluminum with White Trim				
		D	•	• Clamp & Bolt Thru Mount Combo				
		Tag: PRIVATE OFFICES						

Product Subtotal: **$16,970.20**

BIG BEAR AIRPORT L35 11/3/2026
COSB BIG BEAR AIRPORT 254959 1:53:21 PM
Quote # 254959
Department: **SEATING**
PO #
Sales Order #

Discount %

Item	Qty	Contract	Product	List Price Unit	List Price Extended	Sell Price Unit	Sell Price Extended	
HERMANMILLER								
1	**3**		**MRFN753AWAFG1**	**2,346.00**	**7,038.00**	**1,129.60**	**3,388.80**	**51.85 %**
			+Mirra 2 Stool, Refresh,stool h ht range,tilt limiter & seat angle,fully adj arms,nonuphst armpads,FlexFront adj seat depth,Butterfly suspension back,graphite (CP)					
		G1	•	• GRAPHITE (CP)				
		BK	•	• BLACK				
		G1	•	• GRAPHITE (CP)				
		AJ	•	• ADJUSTABLE LUMBAR SUPPORT				
		G1	•	• GRAPHITE (CP)				
		8M17	•	• LATITUDEâ„¢ BLACK				
		1A703	•	• AIREWEAVEâ„¢ 2 GRAPHITE				
		C7	•	• 2 1/2" CASTER, BLACK YOKE, HARD FLOORS OR CARPET				
		Tag: SEATING						

Product Subtotal: **$3,388.80**

Big Bear Airport L35

Quote# 254959

COSB Big Bear Airport

BREAK ROOM



HON

Arrange Table, 36" Square Top, Seated-Height X-Base



Laminate Top / Edge:

Charcoal

Base:

Textured Muslin

Product images are representational only. Fabrics, finishes and specifications may be different than what is pictured.

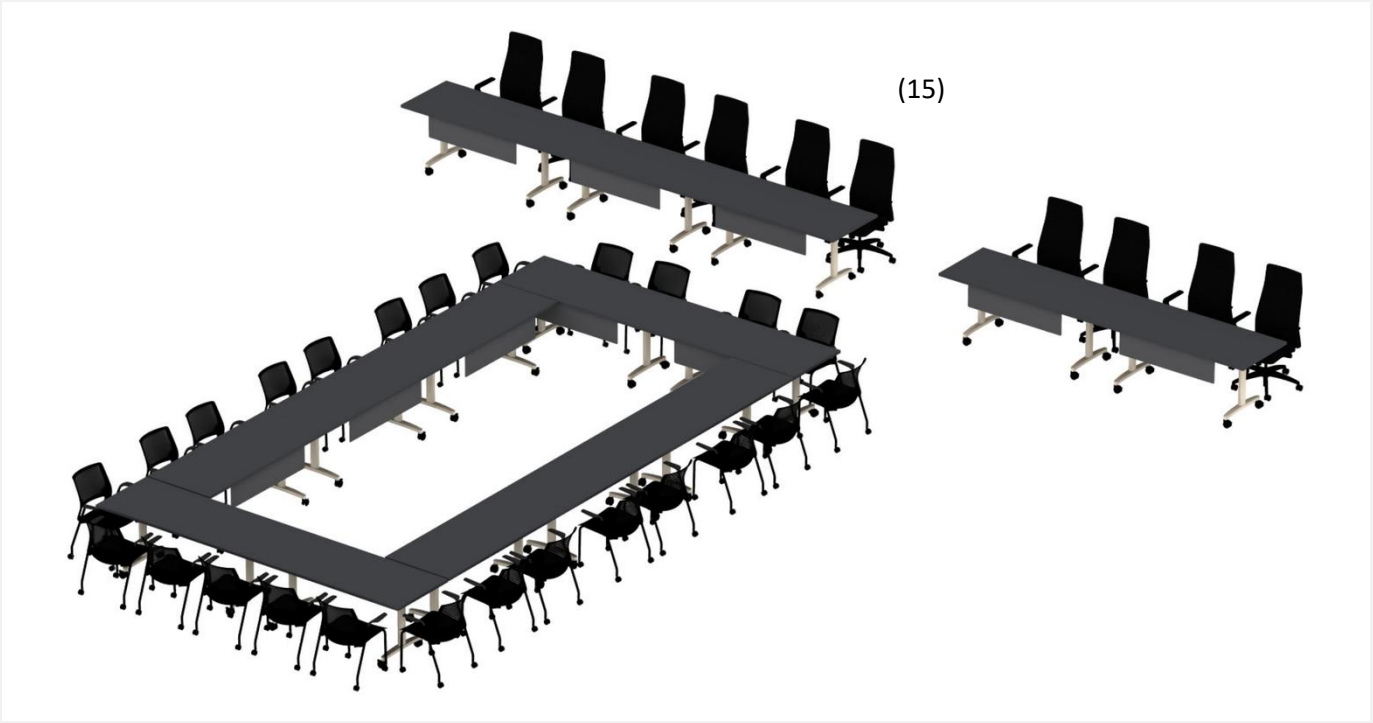
Please initial & date here as approval

Big Bear Airport L35

Quote# 254959

COSB Big Bear Airport

MEETING ROOM



HON

Huddle Flip-Top Tables w/ Universal Modesty Panels
30"D x 72"W x 30"H
Modesty Panel: 44"W



Laminate Top / Edge:

Charcoal

Flip-Top Base:

Muslin



Modesty Panel:

Charcoal, 44"W

Product images are representational only. Fabrics, finishes and specifications may be different than what is pictured.

Please initial & date here as approval

Big Bear Airport L35

Quote# 254959

COSB Big Bear Airport

PRIVATE OFFICES



HON

10500 Series Desks w/ Lateral Files, BBF Storage and Tackboard



White Surge Protector



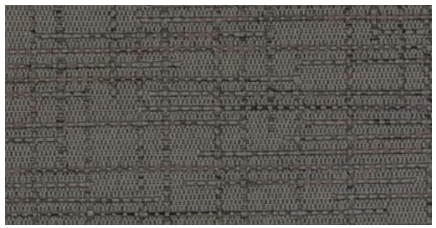
Laminate:

Kingswood Walnut



Pulls:

Black Linear



Tackboard Fabric:

Disperse Coffee Bean
Grade B



Tackboard Hardware:

Black

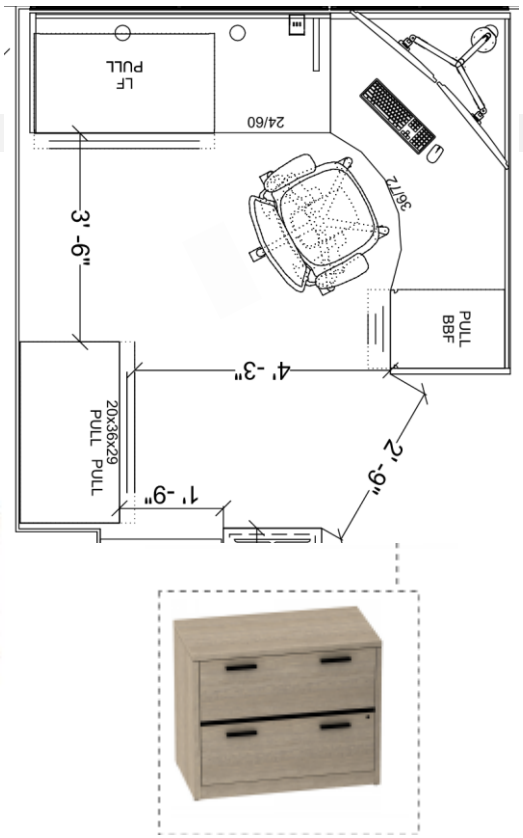
Product images are representational only. Fabrics, finishes and specifications may be different than what is pictured.

Please initial & date here as approval

Big Bear Airport L35

Quote# 254959





COSB Big Bear Airport

PRIVATE OFFICES



White Surge Protector

HON

10500 Series Desk w/Tackboard, Lateral Files, and BBF Storage FSD Lateral File



Laminate:

Kingswood Walnut



Pulls:

Black Linear



Tackboard Fabric:

Disperse Coffee Bean
Grade B



Tackboard Hardware:

Black

Product images are representational only. Fabrics, finishes and specifications may be different than what is pictured.

Please initial & date here as approval

Big Bear Airport L35

Quote# 254959

COSB Big Bear Airport

OPEN AREA





Silver Monitor Arms & White Surge Protector

HERMAN MILLER

Canvas Office Landscape Workstations
Panel 53”H w/ Worksurfaces 30"D x 84"W & Returns 24"D x 42"W w/ FF/BBF Storage



Tile Fabric:
Medley Stone



Frames / Trim / Storage:
Warm Grey Neutral



Horizontal Bead:
Graphite



Worksurface Top / Edge:
Warm Grey Teak

Product images are representational only. Fabrics, finishes and specifications may be different than what is pictured.

Please initial & date here as approval

Big Bear Airport L35

Quote# 254959

COSB Big Bear Airport

LOUNGE



(4) 34.5"W x 34.75"D x 32"H



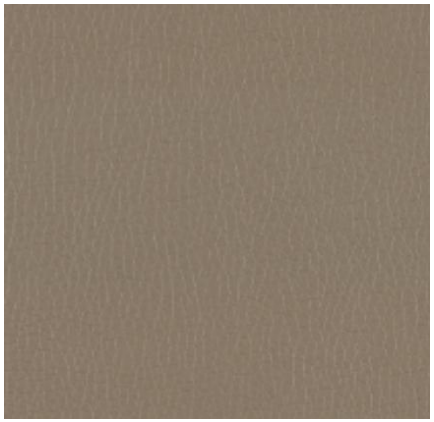
(4) 34.5"W x 34.75"D x 32"H



(2) 52"W x 24"D x 18"H

SITONIT

Sable Club Chair w/ Arms & Sable 2-Seat Bench



Club Chair Upholstery:

Element Pumice
Vinyl, Grade 2



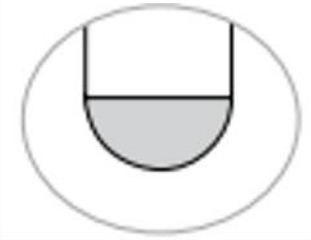
Chair & Bench Upholstery:

Element Charcoal
Vinyl, Grade 2



Legs (Club & Bench):

Tapered Metal, Neo Wood Grain



Casters / Glides:

Standard Multi-Surface Glides

Product images are representational only. Fabrics, finishes and specifications may be different than what is pictured.

Please initial & date here as approval

Big Bear Airport L35

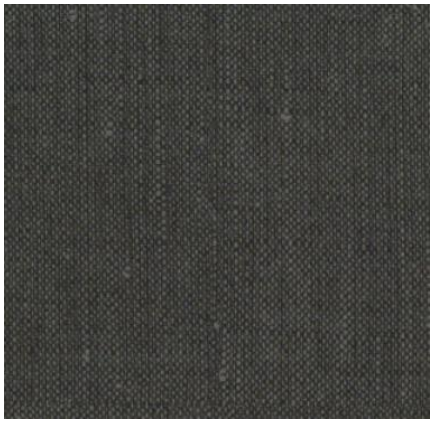
Quote# 254959

COSB Big Bear Airport

PILOT LOUNGE



SITONIT
Sable Settee and Sofa w/ Arms



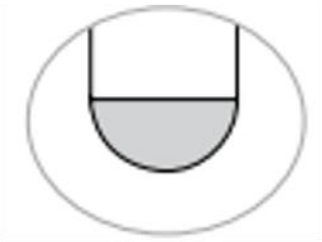
Upholstery:

Mayer Key Largo Graphite Vinyl, Grade 4



Legs:

Tapered Metal, Charcoal



Casters / Glides:

Standard Multi-Surface Glides

Product images are representational only. Fabrics, finishes and specifications may be different than what is pictured.

Please initial & date here as approval

Big Bear Airport L35

Quote# 254959

COSB Big Bear Airport

PILOT LOUNGE





SITONIT

Focus Side Chair; Armless & w/ Fixed Loop Arms



Seat:

Sugar Licorice
Grade 1



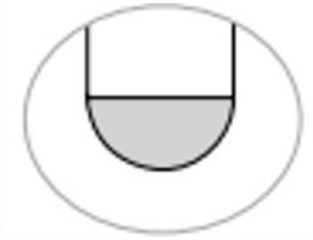
Slotted Wood Back:

Medium Cherry



Frame/Arms:

Black



Casters / Glides:

Standard Multi-Surface Glides

Product images are representational only. Fabrics, finishes and specifications may be different than what is pictured.

Please initial & date here as approval

Big Bear Airport L35

Quote# 254959

COSB Big Bear Airport

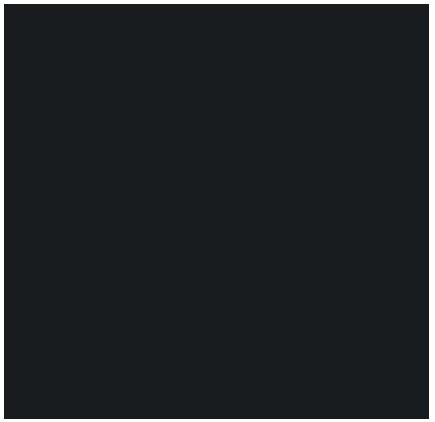
PILOT LOUNGE ROOM



HERMAN MILLER

Everywhere Round Table
30" Dia. x 29"H, Single-Column Base

Laminate Top / Edge:
White



Leg / Base:
Ultra Black

Product images are representational only. Fabrics, finishes and specifications may be different than what is pictured.

Please initial & date here as approval

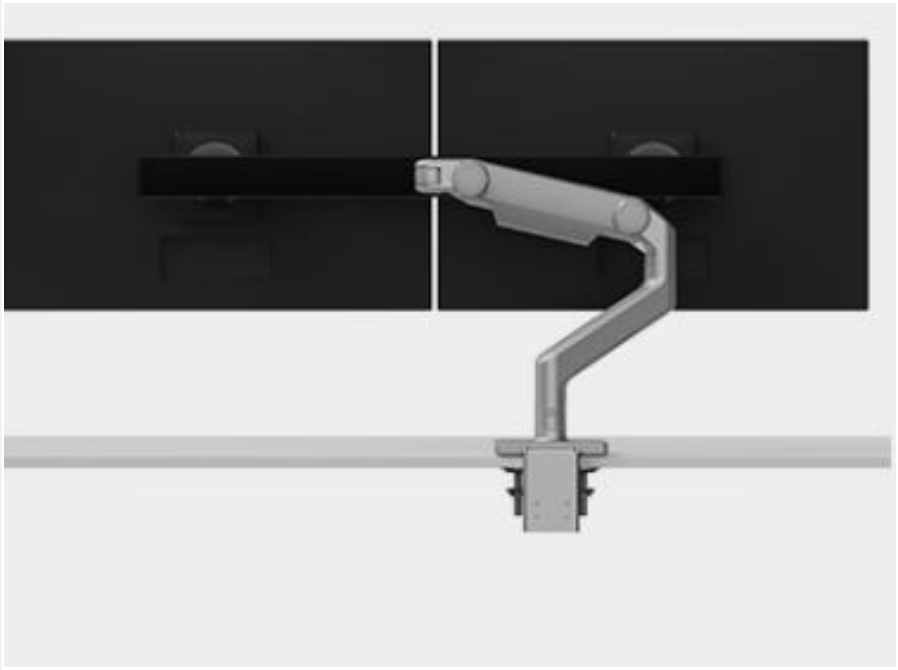
Big Bear Airport L35

Quote# 254959

COSB Big Bear Airport

PRIVATE OFFICES

(3)



HUMANSCALE

M8 Pro Dual Monitor Arm



Finish:

Polished Aluminum w/ White Trim/ Grey Vesa Plate as Shown

Product images are representational only. Fabrics, finishes and specifications may be different than what is pictured.

Please initial & date here as approval

Big Bear Airport L35

Quote# 254959

COSB Big Bear Airport

PILOT LOUNGE



HON

Scramble Coffee and End Table

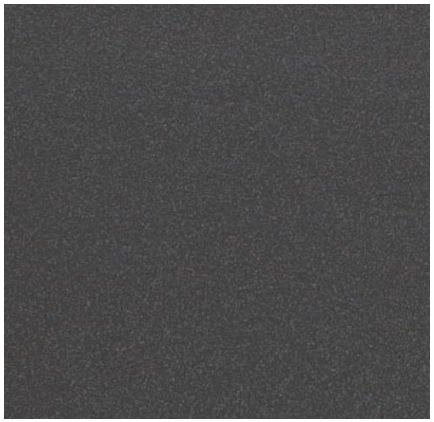
Laminate Top / Edge:

Designer White



Base:

Peppercorn Opaque



Stretcher:

Textured Charcoal

Product images are representational only. Fabrics, finishes and specifications may be different than what is pictured.

Please initial & date here as approval

Big Bear Airport L35

Quote# 254959

COSB Big Bear Airport

BREAK ROOM



(3)

SITONIT

Lumin Four Leg Side Chair; Armless, Plastic Seat & Back



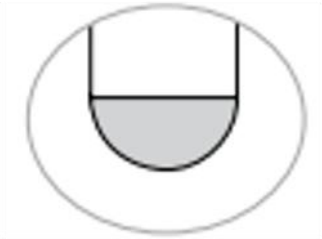
Shell:

Bisque



Frame:

Silver



Glides:

Standard Multi-Surface Glides

Product images are representational only. Fabrics, finishes and specifications may be different than what is pictured.

Please initial & date here as approval

Big Bear Airport L35

Quote# 254959

COSB Big Bear Airport

MEETING ROOM



(10)

HON

Cofi Executive-Height Chair; Synchro-Tilt, Fixed Arms and All Surface Casters



Upholstery:

Centurion Black
Grade 1



Arms & Base:

Polished Aluminum



Stitch:

Solid Stitch;
Coordinating



Arm Cap:

Black

Product images are representational only. Fabrics, finishes and specifications may be different than what is pictured.

Please initial & date here as approval

Big Bear Airport L35

Quote# 254959

COSB Big Bear Airport

MEETING ROOM



ECD

Inmotion Nest/Stack Chairs w/ Mesh Back – Casters



Mesh Back:

Black



Frame:

Black



Fabric:

Black

Product images are representational only. Fabrics, finishes and specifications may be different than what is pictured.

Please initial & date here as approval

Big Bear Airport L35

Quote# 254959

COSB Big Bear Airport

SEATING MISC



(4)

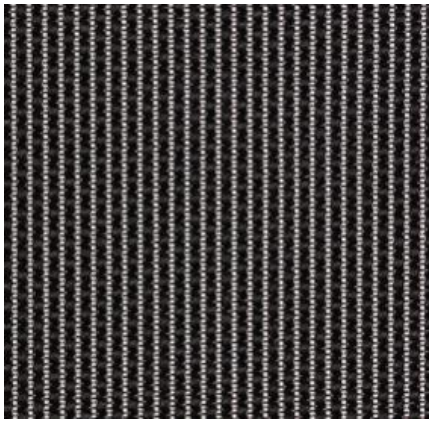
SITONIT

Amplify Highback Task Chair; Multi-Adjustable Arms Enhanced Synchro w/ Seat Depth Adj., Carpet Casters



Seat:

Sugar Licorice
Grade 1



Mesh Back:

Onyx



Frame / Base / Arms:

Black

Product images are representational only. Fabrics, finishes and specifications may be different than what is pictured.

Please initial & date here as approval

Big Bear Airport L35

Quote# 254959

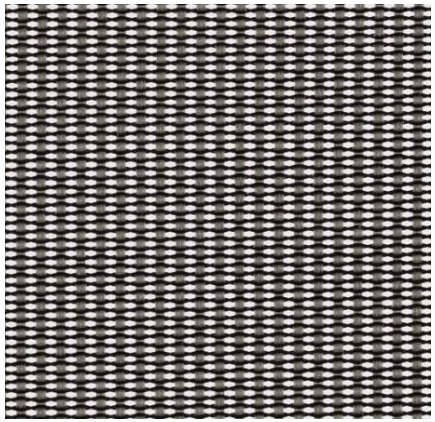
COSB Big Bear Airport

PRIVATE OFFICES



HERMAN MILLER

Verus Side Chair; 4-Leg Base, Fixed Arms, Soft-Wheel Dual Surface Casters



Interweave 2 Back:

Shale



Seat Fabric:

Medley Cinder



Frame & Legs:

Black

Big Bear Airport L35

Quote# 254959

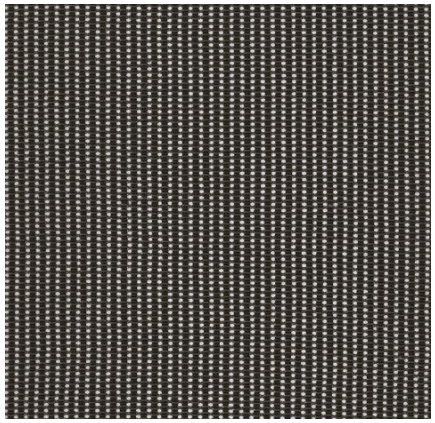
COSB Big Bear Airport

PRIVATE OFFICE | LOUNGE

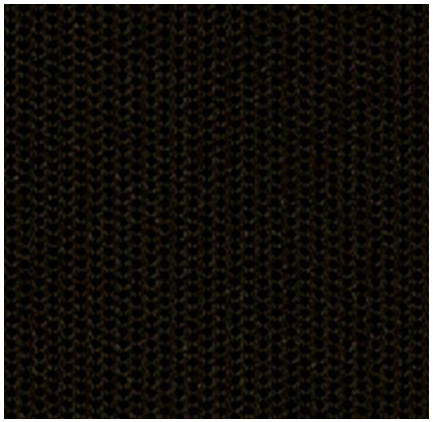


HERMAN MILLER

Mirra 2 Task Chair; Butterfly Back, Fully Adjustable Arms, 2-1/2" Black-Yoke Casters Dual Surface



Aireweave 2 Seat:
Graphite



Butterfly Back:
Latitude Black



Base, Lumbar & Frame:
Graphite



Armpad:
Black

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Please initial & date here as approval

Big Bear Airport L35

Quote# 254959

COSB Big Bear Airport

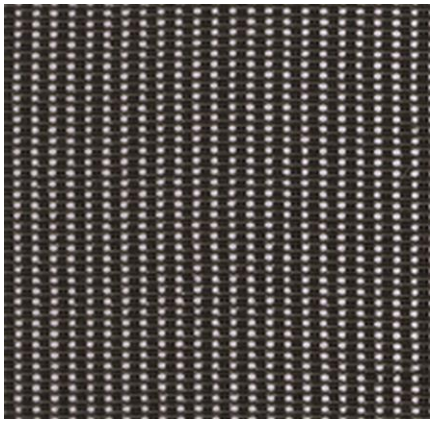
SEATING MISC



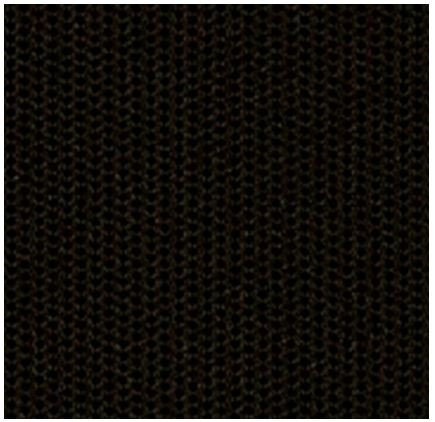
(3)

HERMAN MILLER

Mirra 2 Stool; Butterfly Back, Fully Adjustable Arms, 2-1/2" Black-Yoke Casters Dual Surface



Aireweave 2 Seat:
Graphite



Butterfly Back:
Latitude Black



Base, Lumbar & Frame:
Graphite



Armpad:
Black

Product images are representational only. Fabrics, finishes and specifications may be different than what is pictured.

Please initial & date here as approval

Big Bear Airport L35

Quote# 254959

COSB Big Bear Airport

PRIVATE OFFICES



(1)

HERMAN MILLER

Embody Task Chair; Fully Adjustable Arms, 2-1/2" Black-Yoke Casters Dual Surface



Fabric:

Sync Black



Frame / Base/ Arms:

Graphite

Product images are representational only. Fabrics, finishes and specifications may be different than what is pictured.

Please initial & date here as approval

THE INFORMATION IN THIS BOX IS NOT A PART OF THE CONTRACT AND IS FOR COUNTY USE ONLY

SAN BERNARDINO COUNTY

Contract Number 22-1283

SAP Number

Purchasing Department

Department Contract Representative	Cody Leslie
Telephone Number	909-387-2065
Contractor	G|M Business Interiors
Contractor Representative	Stephen L Easley
Telephone Number	800 686-6583
Contract Term	December 13, 2022 – December 12, 2027
Original Contract Amount	
Amendment Amount	
Total Contract Amount	
Cost Center	

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, San Bernardino County (County) desires to designate a contractor to provide and install system freestanding furniture, filing systems and seating to all County departments; and

WHEREAS, the County conducted a competitive process to find G|M Business Interiors (Contractor) to provide these services, and

WHEREAS, the County finds Contractor has been determined to have the necessary skills to provide these services; and

WHEREAS, the County desires that such services be provided by Contractor and Contractor agrees to perform these services as set forth below;

NOW, THEREFORE, the County and Contractor mutually agree to the following terms and conditions:

A. DEFINITIONS

A.1 Base of Design: A specific range of manufacturer's product, design, color, and style that is approved by the County.

A.2 Board: The San Bernardino County Board of Supervisors.

A.3 Contract: The Contract between the County and the Proposer resulting from the award issued pursuant to this RFP to the successful Proposer.

A.4 Contractor: Any individual, company, firm, corporation, partnership or other organization to whom a contract award is made by the County.

A.5 Inside Delivery: Deliveries made to a building or warehouse that will be the end destination of the ordered product. If the deliveries are to be made in a secured area, the vendor will make efforts to contact the location to arrange delivery. Vendor is to dispose of all packaging from the project location.

A.6 Manufacturer's Warranty: Preprinted written warranty published by each individual manufacturer for a particular product and specifically endorsed by manufacturer to the County.

A.7 New Products: Items that have not previously been incorporated into another project or facility.

A.8 Pre-Qualified Product Specifications: Where a specific manufacturer's product is named as the "Basis of Design", to establish the significant qualities related to type, function, dimension, in-service performance, physical properties, appearance, and other characteristics.

A.9 Products: Items purchased using this contract for installation on to county facilities. The term "product" includes the terms "material," "equipment," "system," and terms of similar intent.

A.10 Services: The requested services in the contract.

A.11 Special Warranty: Written warranty required by or incorporated into the RFP, either to extend the time limit provided by manufacturer's warranty or to provide more rights for the County.

A.12 Standard Range: Where specifications include the phrase "standard range of colors, patterns, textures" or similar phrase, the County will select color, pattern, or texture from manufacturer's product line that will be determined at a later date and should not include premium items.

A.13 Subcontractor: An individual, company, firm, corporation, partnership, or other organization, not in the employment of or owned by Contractor who is performing services on behalf of Contractor under the Contract or under a separate contract with or on behalf of Contractor.

B. CONTRACTOR RESPONSIBILITIES

B.1 Contractor shall supply Systems and Freestanding Furniture at locations throughout San Bernardino County as needed. Services shall include Designers, Project Managers, Space Planners, and Installers as needed for new and existing systems furniture.

B.2 Contractor shall provide a certified designer to be assigned to furniture projects. This service shall include the development of new furniture plans/drawings, furniture colors, materials and finishes, and furniture specifications.

B.3 Contractor shall provide project management for future special furniture projects, in coordination with contractors and architects identified by the County for a building retrofit, of which furnishings is a subset. The County desires a partnership, allowing for flexibility and responsiveness during periods involving construction efforts.

B.4 Contractor shall make available all items that may pose a risk to County employees to the Purchasing Department. Risk Management will review and submit a list of items meeting their requirements to Purchasing. Contractor must receive final approval before any item is to be sold to the County. Furniture provide or installed that is deemed unusable or unsafe by the Purchasing Agent or Risk Management shall be replaced, at the contractor's expense, with approved furniture.

B.5 Delivery shall be made to each County address and department as ordered. All orders over $80,000 are subject to Direct Use Tax and Contractor agrees to comply with the Direct Use Tax process including specific delivery requirements that will be provided at the time of order. Delivery shall be made complete as ordered within the time quoted by Contractor from receipt of order.

B.6 Contractor shall be responsible for the following:
B.6.1 Installation activities shall be coordinated with the Department Representative to ensure efficient and orderly installation, connection, and operation.

B.6.2 Loading dock and elevator usage shall be coordinated with the Department Representative.

B.6.3 Staging area shall be coordinated with the Department Representative. The Contractor or its subcontractor shall receive, organize and store products and hardware in an orderly fashion.

B.6.4 Connection of building electrical power and communication cabling to systems furniture shall be coordinated with the County representative.

B.7 Contractor shall be responsible for the following:
B.7.1 The cleaning and protection of installations in progress and adjoining materials in place during handling and installation. The protection of finished surfaces from damage and soiling during handling and installation, including covered with polyethylene film or other protective coating during the process.

B.7.2 Ensuring the removal of any soiled spots caused by installation of furnishings, as well as for the face of the flooring or other finished surfaces, using cleaning processes recommended by the product's manufacturer. Replacing any items where cleaning has failed to restore appearance and quality. Ensuring all minor scratches must be touched up with appropriate manufacturer's finish or replaced at Contractor's cost if touch up is not acceptable to the County.

B.7.3 Ensuring all hard surfaces are wiped down and any residue from packaging materials, mastic, adhesives, fingerprints, labels and other debris on the furniture is removed. Ensuring all upholstered panels and seating is vacuumed, cleaned, and wiped down where required to remove debris. Ensuring all doors, drawers, hardware fixtures and moving or operating parts are adjusted to function smoothly and correctly.

B.7.4 Ensuring all floor levelers or glides are adjusted after each item is placed in its final position. Ensuring all trash and debris is removed and disposed of from each floor, each day of installation. Contractor must ensure that written maintenance and operational instructions are provided for all items.

B.8 Contractor shall provide furniture that is ergonomically adjustable and prevents injury to users of its furniture. The Contractor shall have substantial research and resources to support ergonomic product design and provide access to information and resources for users on the adjustments of its furniture (i.e., in-house ergonomist, etc.).

B.9 Contractor shall respond to all service calls by the next business day after notification by the County. Contractor shall make every effort to make all appropriate repairs and/or replacements immediately but within five calendar days of notification by the County. If Contractor is unable to accomplish all repairs and replacements within five days of notification, Contractor must provide the County with valid justification in writing as to the reason such tasks cannot be completed.

B.10 The County reserves the right to require a faithful performance bond from the Contractor in an amount not to exceed the amount of the contract. In the event a surety bond is required by the County which has not been expressly required by the specification, the County will reimburse the Contractor as an addition to the purchase price, in an amount not exceeding the standard premium on such bond.

If the contract is delayed by reason of changes or extra services by the County or as a result of the County's failure to perform or delays caused by the County, the time of performance of this contract will be extended to equal the time required for the extra services, and no liquidated damages will accrue during the period of such extension.

B.11 Pricing and discounts include but are not limited to those listed in Attachment B. Contractors are limited to proposing mid and economy tier options of all lines offered. Executive tier furniture offerings must be reviewed and approved by County Purchasing prior to purchase or commencement of project.

C. GENERAL CONTRACT REQUIREMENTS

C.1 Recitals

The recitals set forth above are true and correct and incorporated herein by this reference.

C.2 Contract Amendments

Contractor agrees any alterations, variations, modifications, or waivers of the provisions of the Contract, shall be valid only when reduced to writing, executed and attached to the original Contract and approved by the person(s) authorized to do so on behalf of Contractor and County.

C.3 Contract Assignability

Without the prior written consent of the County, the Contract is not assignable by Contractor either in whole or in part.

C.4 Contract Exclusivity

This is not an exclusive Contract. The County reserves the right to enter into a contract with other contractors for the same or similar services. The County does not guarantee or represent that the Contractor will be permitted to perform any minimum amount of work or receive compensation other than on a per order basis, under the terms of this Contract.

C.5 Attorney's Fees and Costs

If any legal action is instituted to enforce any party's rights hereunder, each party shall bear its own costs and attorney fees, regardless of who is the prevailing party. This paragraph shall not apply to those costs and attorney fees directly arising from a third-party legal action against a party hereto and payable under Indemnification and Insurance Requirements.

C.6 Background Checks for Contractor Personnel

Contractor shall ensure that its personnel (a) are authorized to work in the jurisdiction in which they are assigned to perform Services; (b) do not use legal or illegal substances in any manner which will impact their ability to provide Services to the County; and (c) are not otherwise disqualified from performing the Services under applicable law. If requested by the County and not in violation of applicable law, Contractor shall conduct a background check, at Contractor's sole expense, on all its personnel providing Services. If requested by the County, Contractor shall provide the results of the background check of each individual to the County. Such background check shall be in the form generally used by Contractor in its initial hiring of employees or contracting for contractors or, as applicable, during the employment-screening process but must, at a minimum, have been performed within the preceding 12-month period. Contractor personnel who do not meet the County's hiring criteria, in County's sole discretion, shall not be assigned to work on County property or Services, and County shall have the right, at its sole option, to refuse access to any Contract personnel to any County facility.

C.7 Change of Address
Contractor shall notify the County in writing, of any change in mailing address within ten (10) business days of the change.

C.8 Choice of Law
This Contract shall be governed by and construed according to the laws of the State of California.

C. 9 Compliance with County Policy
In performing the Services and while at any County facilities, Contractor personnel (including subcontractors) shall (a) conduct themselves in a businesslike manner; (b) comply with the policies, procedures, and rules of the County regarding health and safety, and personal, professional and ethical conduct; (c) comply with the finance, accounting, banking, Internet, security, and/or other applicable standards, policies, practices, processes, procedures, and controls of the County; and (d) abide by all laws applicable to the County facilities and the provision of the Services, and all amendments and modifications to each of the documents listed in subsections (b), (c), and (d) (collectively, "County Policies"). County Policies, and additions or modifications thereto, may be communicated orally or in writing to Contractor or Contractor personnel or may be made available to Contractor or Contractor personnel by conspicuous posting at a County facility, electronic posting, or other means generally used by County to disseminate such information to its employees or contractors. Contractor shall be responsible for the promulgation and distribution of County Policies to Contractor personnel to the extent necessary and appropriate.

County shall have the right to require Contractor's employees, agents, representatives and subcontractors to exhibit identification credentials issued by County in order to exercise any right of access under this Contract.

C.10 Confidentiality
Contractor shall protect from unauthorized use or disclosure names and other identifying information concerning persons receiving Services pursuant to this Contract, except for statistical information not identifying any participant. Contractor shall not use or disclose any identifying information for any other purpose other than carrying out the Contractor's obligations under this Contract, except as may be otherwise required by law. This provision will remain in force even after the termination of the Contract.

C.11 Primary Point of Contact
Contractor will designate an individual to serve as the primary point of contact for the Contract. Contractor or designee must respond to County inquiries within two (2) business days. Contractor shall not change the primary contact without written acknowledgement to the County. Contractor will also designate a back-up point of contact in the event the primary contact is not available.

C.12 County Representative
The Purchasing Agent of his/her designee shall represent the County in all matters pertaining to the services to be rendered under this Contract, including termination and assignment of this Contract, and shall be the final authority in all matters pertaining to the Services/Scope of Work by Contractor. If this contract was initially approved by the San Bernardino County Board of Supervisors, then the Board of Supervisors must approve all amendments to this Contract.

C.13 Damage to County Property
Contractor shall repair, or cause to be repaired, at its own cost, all damages to County vehicles, facilities, buildings or grounds caused by the willful or negligent acts of Contractor or its employees or agents. Such repairs shall be made immediately after Contractor becomes aware of such damage, but in no event later than thirty (30) days after the occurrence.

If the Contractor fails to make timely repairs, the County may make any necessary repairs. The Contractor, as determined by the County, shall repay all costs incurred by the County for such

repairs, by cash payment upon demand, or County may deduct such costs from any amounts due to the Contractor from the County, as determined at the County's sole discretion.

C. 14 Debarment and Suspension

Contractor certifies that neither it nor its principals or subcontracts is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. (See the following United States General Services Administration's System for Award Management website https://www.sam.gov). Contractor further certifies that if it or any of its subcontractors are business entities that must be registered with the California Secretary of State, they are registered and in good standing with the Secretary of State.

C.15 Drug and Alcohol Free Workplace

In recognition of individual rights to work in a safe, healthful and productive work place, as a material condition of this Contract, the Contractor agrees that the Contractor and the Contractor's employees, while performing service for the County, on County property, or while using County equipment:

C.15.1 Shall not be in any way impaired because of being under the influence of alcohol or an illegal or controlled substance.

C.15.2 Shall not possess an open container of alcohol or consume alcohol or possess or be under the influence of an illegal or controlled substance.

C.15.3 Shall not sell, offer, or provide alcohol or an illegal or controlled substance to another person, except where Contractor or Contractor's employee who, as part of the performance of normal job duties and responsibilities, prescribes or administers medically prescribed drugs.

The Contractor shall inform all employees that are performing service for the County on County property, or using County equipment, of the County's objective of a safe, healthful and productive work place and the prohibition of drug or alcohol use or impairment from same while performing such service for the County.

The County may terminate for default or breach of this Contract and any other Contract the Contractor has with the County, if the Contractor or Contractor's employees are determined by the County not to be in compliance with above.

C.16 Duration of Terms

This Contract, and all of its terms and conditions, shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the respective parties, provided no such assignment is in violation of the provisions of this Contract.

C.17 Employment Discrimination

During the term of the Contract, Contractor shall not discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, sexual orientation, age, or military and veteran status. Contractor shall comply with Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, 13672, Title VI and Title VII of the Civil Rights Act of 1964, the California Fair Employment and Housing Act and other applicable Federal, State and County laws and regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

C.18 Environmental Requirements

In accordance with County Policy 11-08, the County prefers to acquire and use products with higher levels of post-consumer recycled content. Environmentally preferable goods and materials

must perform satisfactorily and be available at a reasonable price. The County requires Contractor to use recycled paper for any printed or photocopied material created as a result of this Contract. Contractor is also required to use both sides of paper sheets for reports submitted to the County whenever practicable.

To assist the county in meeting the reporting requirements of the California Integrated Waste Management Act of 1989 (AB 939), Contractor must be able to annually report the County's environmentally preferable purchases. Contractor must also be able to report on environmentally preferable goods and materials used in the provision of their service to the County, utilizing a County approved form.

C.19 Improper Influence

Contractor shall make all reasonable efforts to ensure that no County officer or employee, whose position in the County enables him/her to influence any award of the Contract or any competing offer, shall have any direct or indirect financial interest resulting from the award of the Contract or shall have any relationship to the Contractor or officer or employee of the Contractor.

C.20 Improper Consideration

Contractor shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the County in an attempt to secure favorable treatment regarding this Contract.

The County, by written notice, may immediately terminate this Contract if it determines that any improper consideration as described in the preceding paragraph was offered to any officer, employee or agent of the County with respect to the proposal and award process. This prohibition shall apply to any amendment, extension or evaluation process once a contract has been awarded.

Contractor shall immediately report any attempt by a County officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from Contractor. The report shall be made to the supervisor or manager charged with supervision of the employee or the County Administrative Office. In the event of a termination under this provision, the County is entitled to pursue any available legal remedies.

C.21 Informal Dispute Resolution

In the event the County determines that service is unsatisfactory, or in the event of any other dispute, claim, question or disagreement arising from or relating to this Contract or breach thereof, the parties hereto shall use their best efforts to settle the dispute, claim, question or disagreement. To this effect, they shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties.

C.22 Legality and Severability

The parties' actions under the Contract shall comply with all applicable laws, rules, regulations, court orders and governmental agency orders. The provisions of this Contract are specifically made severable. If a provision of the Contract is terminated or held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall remain in full effect.

C.23 Licenses, Permits and/or Certifications

Contractor shall ensure that it has all necessary licenses, permits and/or certifications required by the laws of Federal, State, County, and municipal laws, ordinances, rules and regulations. The Contractor shall maintain these licenses, permits and/or certifications in effect for the duration of this Contract. Contractor will notify County immediately of loss or suspension of any such licenses, permits and/or certifications. Failure to maintain a required license, permit and/or certification may result in immediate termination of this Contract.

C.24 Material Misstatement/Misrepresentation

If during the course of the administration of this Contract, the County determines that Contractor has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the County, this Contract may be immediately terminated. If this Contract is terminated according to this provision, the County is entitled to pursue any available legal remedies.

C.25 Mutual Covenants

The parties to this Contract mutually covenant to perform all of their obligations hereunder, to exercise all discretion and rights granted hereunder, and to give all consents in a reasonable manner consistent with the standards of "good faith" and "fair dealing".

C.26 Nondisclosure

Contractor shall hold as confidential and use reasonable care to prevent unauthorized access by, storage, disclosure, publication, dissemination to and/or use by third parties of, confidential information that is either: (1) provided by the County to Contractor or an agent of Contractor or otherwise made available to Contractor or Contractor's agent in connection with this Contract; or, (2) acquired, obtained, or learned by Contractor or an agent of Contractor in the performance of this Contract. For purposes of this provision, confidential information means any data, files, software, information or materials in oral, electronic, tangible or intangible form and however stored, compiled or memorialize and includes, but is not limited to, technology infrastructure, architecture, financial data, trade secrets, equipment specifications, user lists, passwords, research data, and technology data.

C.27 Notice of Delays

Except as otherwise provided herein, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this contract, that party shall, within twenty-four (24) hours, give notice thereof, including all relevant information with respect thereto, to the other party.

C.28 Ownership of Documents

All documents, data, products, graphics, computer programs and reports prepared by Contractor pursuant to the Contract shall be considered property of the County upon payment for services (and products, if applicable). All such items shall be delivered to County at the completion of work under the Contract, subject to the requirements of Section IV–Term of the Contract. Unless otherwise directed by County, Contractor may retain copies of such items.

C.29 Participation Clause

The County desires that Municipalities, School Districts, and other Tax Districts within the San Bernardino County requiring the same services provided herein may at their option and through the County Purchasing agent, avail themselves of this Contract. Upon notice, in writing, the Contractor agrees to the extension of the terms of a resultant contract with such governmental bodies as though they have been expressly identified in this bid, with the provisions that:

C.29.1 Such governmental body does not have and will not have in force any other contract for like purchases.

C.29.2 Such governmental body does not have under consideration for award any other bids or quotations for like purchases.

Such governmental body shall make purchases directly through and to the Contractor. The County will not be liable for any such purchase made between the Contractor and another governmental body who avails themselves of this contract.

C.30 Air, Water Pollution Control, Safety and Health

Contractor shall comply with all air pollution control, water pollution, safety and health ordinances and statutes, which apply to the work performed pursuant to this Contract.

C.31 Records

Contractor shall maintain all records and books pertaining to the delivery of services under this Contract and demonstrate accountability for contract performance. All records shall be complete and current and comply with all Contract requirements. Failure to maintain acceptable records shall be considered grounds for withholding of payments for invoices submitted and/or termination of the Contract.

All records relating to the Contractor's personnel, consultants, subcontractors, Services/Scope of Work and expenses pertaining to this Contract shall be kept in a generally acceptable accounting format. Records should include primary source documents. Fiscal records shall be kept in accordance with Generally Accepted Accounting Principles and must account for all funds, tangible assets, revenue and expenditures. Fiscal records must comply with the appropriate Office of Management and Budget (OMB) Circulars, which state the administrative requirements, cost principles and other standards for accountancy.

C.32 Relationship of the Parties

Nothing contained in this Contract shall be construed as creating a joint venture, partnership, or employment arrangement between the Parties hereto, nor shall either Party have the right, power or authority to create an obligation or duty, expressed or implied, on behalf of the other Party hereto.

C.33 Release of Information

No news releases, advertisements, public announcements or photographs arising out of the Contract or Contractor's relationship with County may be made or used without prior written approval of the County.

C.34 Representation of the County

In the performance of this Contract, Contractor, its agents and employees, shall act in an independent capacity and not as officers, employees, or agents of the San Bernardino County.

C.35 Strict Performance

Failure by a party to insist upon the strict performance of any of the provisions of this Contract by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Contract thereafter.

C.36 Subcontracting

Contractor shall obtain County's written consent, which County may withhold in its sole discretion, before entering into Contracts with or otherwise engaging any subcontractors who may supply any part of the Services to County. At County's request, Contractor shall provide information regarding the subcontractor's qualifications and a listing of a subcontractor's key personnel including, if requested by the County, resumes of proposed subcontractor personnel. Contractor shall remain directly responsible to County for its subcontractors and shall indemnify County for the actions or omissions of its subcontractors under the terms and conditions specified in Section G. All approved subcontractors shall be subject to the provisions of this Contract applicable to Contractor Personnel.

For any subcontractor, Contractor shall:

36.1 Be responsible for subcontractor compliance with the Contract and the subcontract terms and conditions; and

36.2 Ensure that the subcontractor follows County's reporting formats and procedures as specified by County.

36.3 Include in the subcontractor's subcontract substantially similar terms as are provided in Sections B. Contractor Responsibilities and C. General Contract Requirements.

Upon expiration or termination of this Contract for any reason, County will have the right to enter into direct Contracts with any of the Subcontractors. Contractor agrees that its arrangements with Subcontractors will not prohibit or restrict such Subcontractors from entering into direct Contracts with County.

C. 37 Subpoena

In the event that a subpoena or other legal process commenced by a third party in any way concerning the Goods or Services provided under this Contract is served upon Contractor or County, such party agrees to notify the other party in the most expeditious fashion possible following receipt of such subpoena or other legal process. Contractor and County further agree to cooperate with the other party in any lawful effort by such other party to contest the legal validity of such subpoena or other legal process commenced by a third party as may be reasonably required and at the expense of the party to whom the legal process is directed, except as otherwise provided herein in connection with defense obligations by Contractor for County.

C.38 Termination for Convenience

The County reserves the right to terminate the Contract, for any reason, with a thirty (30) day written notice of termination. Such termination may include all or part of the services described herein. Upon such termination, payment will be made to the Contractor for services rendered and expenses reasonably incurred prior to the effective date of termination. Upon receipt of termination notice Contractor shall promptly discontinue services unless the notice directs otherwise. Contractor shall deliver promptly to County and transfer title (if necessary) all completed work, and work in progress, including drafts, documents, plans, forms, data, products, graphics, computer programs and reports.

C.39 Time of the Essence

Time is of the essence in performance of this Contract and of each of its provisions.

C.40 Venue

The parties acknowledge and agree that this Contract was entered into and intended to be performed in San Bernardino County, California. The parties agree that the venue of any action or claim brought by any party to this Contract will be the Superior Court of California, San Bernardino County, San Bernardino District. Each party hereby waives any law or rule of the court, which would allow them to request or demand a change of venue. If any action or claim concerning this Contract is brought by any third party and filed in another venue, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, San Bernardino County, San Bernardino District.

C.41 Conflict of Interest

Contractor shall make all reasonable efforts to ensure that no conflict of interest exists between its officers, employees, or subcontractors and the County. Contractor shall make a reasonable effort to prevent employees, Contractor, or members of governing bodies from using their positions for purposes that are, or give the appearance of being motivated by a desire for private gain for themselves or others such as those with whom they have family business, or other ties. Officers, employees, and agents of cities, counties, districts, and other local agencies are subject to applicable conflict of interest codes and state law. In the event the County determines a conflict of interest situation exists, any increase in costs, associated with the conflict of interest situation, may be disallowed by the County and such conflict may constitute grounds for termination of the Contract. This provision shall not be construed to prohibit employment of persons with whom Contractor's officers, employees, or agents have family, business, or other ties so long as the employment of such persons does not result in increased costs over those associated with the employment of any other equally qualified applicant.

C.42 Former County Administrative Officials

Contractor agrees to provide or has already provided information on former San Bernardino County administrative officials (as defined below) who are employed by or represent Contractor. The information provided includes a list of former County administrative officials who terminated County employment within the last five years and who are now officers, principals, partners, associates or members of the business. The information also includes the employment with or representation of Contractor. For purposes of this provision, "County administrative official" is defined as a member of the Board of Supervisors or such officer's staff, County Executive Officer or member of such officer's staff, County department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit.

C.43 Disclosure of Criminal and Civil Procedures

The County reserves the right to request the information described herein from the Contractor. Failure to provide the information may result in a termination of the Contract. The County also reserves the right to obtain the requested information by way of a background check performed by an investigative firm. The Contractor also may be requested to provide information to clarify initial responses. Negative information discovered may result in Contract termination.

Contractor is required to disclose whether the firm, or any of its partners, principals, members, associates or key employees (as that term is defined herein), within the last ten years, has been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense arising directly or indirectly from the conduct of the firm's business, or whether the firm, or any of its partners, principals, members, associates or key employees, has within the last ten years, been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense involving financial misconduct or fraud. If the response is affirmative, the Contractor will be asked to describe any such indictments or charges (and the status thereof), convictions and the surrounding circumstances in detail.

In addition, the Contractor is required to disclose whether the firm, or any of its partners, principals, members, associates or key employees, within the last ten years, has been the subject of legal proceedings as defined herein arising directly from the provision of services by the firm or those individuals. "Legal proceedings" means any civil actions filed in a court of competent jurisdiction, or any matters filed by an administrative or regulatory body with jurisdiction over the firm or the individuals. If the response is affirmative, the Contractor will be asked to describe any such legal proceedings (and the status and disposition thereof) and the surrounding circumstances in detail.

For purposes of this provision "key employees" includes any individuals providing direct service to the County. "Key employees" do not include clerical personnel providing service at the firm's offices or locations.

C.44 RESERVED

C.45 RESERVED

C.46 Iran Contracting Act

IRAN CONTRACTING ACT OF 2010, Public Contract Code sections 2200 et seq. (Applicable for all Contracts of one million dollars ($1,000,000) or more). In accordance with Public Contract Code section 2204(a), the Contractor certifies that at the time the Contract is signed, the Contractor signing the Contract is not identified on a list created pursuant to subdivision (b) of Public Contract Code section 2203 as a person (as defined in Public Contract Code section 2202(e)) engaging in investment activities in Iran described in subdivision (a) of Public Contract Code section 2202.5, or as a person described in subdivision (b) of Public Contract Code section 2202.5, as applicable.

Contractors are cautioned that making a false certification may subject the Contractor to civil penalties, termination of existing contract, and ineligibility to bid on a contract for a period of three (3) years in accordance with Public Contract Code section 2205.

C.47 Prevailing Wage Laws

By its execution of this Contract, Contractor certifies that it is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq. as well as California Code of Regulations, Title 8, Section 16000 et seq. ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. Section 1720 of the California Labor Code states in part: "For purposes of this paragraph, 'construction' includes work performed during the design, site assessment, feasibility study, and other preconstruction phases of construction including, but not limited to, inspection and land surveying work..." If the Services/Scope of Work are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is $1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Contractor's principal place of business and at the project site. Contractor will also adhere to any other applicable requirements, including but not limited to, those regarding the employment of apprentices, travel and subsistence pay, retention and inspection of payroll records, workers compensation and forfeiture of penalties prescribed in the Labor Code for violations. Contractor shall defend, indemnify and hold the County, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with Prevailing Wage Laws. See Attachment A, which is attached and incorporated by reference, for additional information regarding Prevailing Wage Laws. Contractor shall comply with all applicable terms and conditions in Attachment A. The applicable general prevailing wage determinations are on file with the County and are available to any interested party on request. Contractor shall post a copy of the applicable prevailing wage determinations at the job site.

D. TERM OF CONTRACT

This Contract is effective as of December 13, 2022, and expires December 12, 2027, but may be terminated earlier in accordance with provisions of this Contract.

E. RESERVED

F. FISCAL PROVISIONS

F.1 The payment under this Contract may be federally funded and shall be subject to availability of other funds to the County. Payment terms for the County shall be Net 30. The consideration to be paid to Contractor, as provided herein, shall be in full payment for all Contractor's services and expenses incurred in the performance hereof, including travel and per diem. All pricing and discounts on products and services are subject to those listed in Attachment B of this contract.

F.2 RESERVED

F.3 Contractor shall accept all payments from County via electronic funds transfer (EFT) directly deposited into the Contractor's designated checking or other bank account. Contractor shall promptly comply with directions and accurately complete forms provided by County required to process EFT payments.

F.4 County is exempt from Federal excise taxes and no payment shall be made for any personal property taxes levied on Contractor or on any taxes levied on employee wages. The County shall only pay for any State or local sales or use taxes on the services rendered or equipment and/or parts supplied to the County pursuant to the Contract.

F.5 Costs for services under the terms of this Contract shall be incurred during the contract period except as approved by County. Contractor shall not use current year funds to pay prior or future year obligations.

F.6 Funds made available under this Contract shall not supplant any federal, state or any governmental funds intended for services of the same nature as this Contract. Contractor shall not claim reimbursement or payment from County for, or apply sums received from County with respect to that portion of its obligations that have been paid by another source of revenue. Contractor agrees that it will not use funds received pursuant to this Contract, either directly or indirectly, as a contribution or compensation for purposes of obtaining funds from another revenue source without prior written approval of the County.

F.7 Contractor shall adhere to the County's Travel Management Policy (8-02 and 08-02SP1) when travel is pursuant to this Contract and for which reimbursement is sought from the County. In addition, Contractor is encouraged to utilize local transportation services, including but not limited to, the Ontario International Airport.

G. INDEMNIFICATION AND INSURANCE REQUIREMENTS

G.1 Indemnification

The Contractor agrees to indemnify, defend (with counsel reasonably approved by County) and hold harmless the County and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages and/or liability arising out of this Contract from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by the County on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnities. The Contractor indemnification obligation applies to the County's "active" as well as "passive" negligence but does not apply to the County's "sole negligence" or "willful misconduct" within the meaning of Civil Code section 2782.

G.2 Additional Insured

All policies, except for Worker's Compensation, Errors and Omissions and Professional Liability policies shall contain additional endorsements naming the County and its officers, employees, agents and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for the County to vicarious liability but shall allow coverage for the County to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

G.3 Waiver of Subrogation Rights

The Contractor shall require the carriers of required coverages to waive all rights of subrogation against the County, its officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit the Contractor and Contractor's employees or agents from waiving the right of subrogation prior to a loss or claim. The Contractor hereby waives all rights of subrogation against the County.

G.4 Policies Primary and Non-Contributory

All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the County.

G.5 Severability of Interests

The Contractor agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between the Contractor and the County or between the County and any other insured or additional insured under the policy.

G.6 Proof of Coverage

The Contractor shall furnish Certificates of Insurance to the County Department administering the Contract evidencing the insurance coverage at the time the Contract is executed, additional endorsements, as required shall be provided prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department, and Contractor shall maintain such insurance from the time Contractor commences performance of services hereunder until the completion of such services. Within fifteen (15) days of the commencement of this contract, the Contractor shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.

G.7 Acceptability of Insurance Carrier

Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best" Insurance Guide rating of "A- VII".

G.8 Deductibles and Self-Insured Retention

Any and all deductibles or self-insured retentions in excess of $10,000 shall be declared to and approved by Risk Management.

G.9 Failure to Procure Coverage

In the event that any policy of insurance required under this contract does not comply with the requirements, is not procured, or is canceled and not replaced, the County has the right but not the obligation or duty to cancel the contract or obtain insurance if it deems necessary and any premiums paid by the County will be promptly reimbursed by the Contractor or County payments to the Contractor will be reduced to pay for County purchased insurance.

G.10 Insurance Review

Insurance requirements are subject to periodic review by the County. The Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of the County. In addition, if the Department of Risk Management determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the County, inflation, or any other item reasonably related to the County's risk.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this contract. Contractor agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of the County to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of the County.

G.11 The Contractor agrees to provide insurance set forth in accordance with the requirements herein. If the Contractor uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, the Contractor agrees to amend, supplement or endorse the existing coverage to do so.

Without in anyway affecting the indemnity herein provided and in addition thereto, the Contractor shall secure and maintain throughout the contract term the following types of insurance with limits as shown:

G.11.1 Workers' Compensation/Employer's Liability – A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with $250,000 limits covering all persons including volunteers providing services on behalf of the Contractor and all risks to such persons under this contract.

If Contractor has no employees, it may certify or warrant to the County that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by the County's Director of Risk Management.

With respect to Contractors that are non-profit corporations organized under California or Federal law, volunteers for such entities are required to be covered by Workers' Compensation insurance.

G.11.2 Commercial/General Liability Insurance – The Contractor shall carry General Liability Insurance covering all operations performed by or on behalf of the Contractor providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars ($1,000,000), per occurrence. The policy coverage shall include:

a. Premises operations and mobile equipment.
b. Products and completed operations.
c. Broad form property damage (including completed operations).
d. Explosion, collapse and underground hazards.
e. Personal injury.
f. Contractual liability.
g. $2,000,000 general aggregate limit.

G.11.3 Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars ($1,000,000) for bodily injury and property damage, per occurrence.

If the Contractor is transporting one or more non-employee passengers in performance of contract services, the automobile liability policy shall have a combined single limit of two million dollars ($2,000,000) for bodily injury and property damage per occurrence.

If the Contractor owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

G.11.4 Umbrella Liability Insurance – An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a "dropdown" provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.

If insurance coverage is provided on a "claims made" policy, the "retroactive date" shall be shown and must be before the date of the start of the contract work. The claims made insurance shall be maintained or "tail" coverage provided for a minimum of five (5) years after contract completion.

G.11.5 RESERVED

H. RIGHT TO MONITOR AND AUDIT

H.1 The County, State and Federal government shall have absolute right to review and audit all records, books, papers, documents, corporate minutes, and other pertinent items as requested, and shall have absolute right to monitor the performance of Contractor in the delivery of services provided under this Contract. Contractor shall give full cooperation, in any auditing or monitoring conducted. Contractor shall cooperate with the County in the implementation, monitoring, and evaluation of this Contract and comply with any and all reporting requirements established by the County.

H.2 All records pertaining to services delivered and all fiscal, statistical and management books and records shall be available for examination and audit by County representatives for a period of three years after final payment under this Contract or until all pending County, State and Federal audits are completed, whichever is later.

I. CORRECTION OF PERFORMANCE DEFICIENCIES

I.1 Failure by Contractor to comply with any of the provisions, covenants, requirements or conditions of this Contract shall be a material breach of this Contract.

I.2 In the event of a non-cured breach, County may, at its sole discretion and in addition to any other remedies available at law, in equity, or otherwise specified in this Contract:

a. Afford Contractor thereafter a time period within which to cure the breach, which period shall be established at the sole discretion of County; and/or
b. Discontinue reimbursement to Contractor for and during the period in which Contractor is in breach, which reimbursement shall not be entitled to later recovery; and/or
c. Withhold funds pending duration of the breach; and/or
d. Offset against any monies billed by Contractor but yet unpaid by County those monies disallowed pursuant to Item "b" of this paragraph; and/or
e. Terminate this Contract immediately and be relieved of the payment of any consideration to Contractor. In the event of such termination, the County may proceed with the work in any manner deemed proper by the County. The cost to the County shall be deducted from any sum due to the Contractor under this Contract and the balance, if any, shall be paid by the Contractor upon demand.

J. NOTICES

All written notices provided for in this Contract or which either party desires to give to the other shall be deemed fully given, when made in writing and either served personally, or by facsimile, or deposited in the United States mail, postage prepaid, and addressed to the other party as follows:

San Bernardino County
Purchasing Department
777 East Rialto Ave
San Bernardino, CA 92415-0760

G|M Business Interiors
1099 W. La Cadena Drive
Riverside, CA 92501

Notice shall be deemed communicated two (2) County working days from the time of mailing if mailed as provided in this paragraph.

K. ENTIRE AGREEMENT

This Contract, including all Exhibits and other attachments, which are attached hereto and incorporated by reference, and other documents incorporated herein, represents the final, complete and exclusive agreement between the parties hereto. Any prior agreement, promises, negotiations or representations relating to the subject matter of this Contract not expressly set forth herein are of no force or effect. This Contract is executed without reliance upon any promise, warranty or representation by any party or any representative of any party other than those expressly contained herein. Each party has carefully read this Contract and signs the same of its own free will.

L. ELECTRONIC SIGNATURES

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Agreement. The parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other mail transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

IN WITNESS WHEREOF, the San Bernardino County and the Contractor have each caused this Contract to be subscribed by its respective duly authorized officers, on its behalf.

SAN BERNARDINO COUNTY

► _____

Curt Hagman, Chairman, Board of Supervisors

Dated: DEC 13 2022

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD

Lynna Monell
Clerk of the Board of Supervisors
of the San Bernardino County

By _____ Deputy

Goforth & Marti, DBA: G|M Business Interiors
(Print or type name of corporation, company, contractor, etc.)

By ► DocuSigned by: Laurinda P. Easley 3EA738682F424AE... *(Sign in blue ink)*

Name Laurinda P. Easley
(Print or type name of person signing contract)

Title President, CEO, & Secretary
(Print or Type)

Dated: 12/08/2022

Address 1099 West La Cadena Drive
Riverside, CA 92501

FOR COUNTY USE ONLY

Approved as to Legal Form	Reviewed for Contract Compliance	Reviewed/Approved by Department
► for Adam Ebright	►	►
County Counsel		Pete Mendoza, Interim Director
Date 12/2/22	Date	Date 12/12/22

ATTACHMENT A

PREVAILING WAGE REQUIREMENTS

A. All or a portion of the Scope of Work in the Contract requires the payment of prevailing wages and compliance with the following requirements:

1. **Determination of Prevailing Rates:**
   Pursuant to Labor Code sections 1770, et seq., the County has obtained from the Director of the Department of Industrial Relations (DIR) pursuant to the California Labor Code, the general prevailing rates of per diem wages and the prevailing rates for holiday and overtime work in the locality in which the Scope of Work is to be performed. Copies of said rates are on file with the County, will be made available for inspection during regular business hours, may be included elsewhere in the specifications for the Scope of Work, and are also available online at www.dir.ca.gov. The wage rate for any classification not listed, but which may be required to execute the Scope of Work, shall be commensurate and in accord with specified rates for similar or comparable classifications for those performing similar or comparable duties. In accordance with Labor Code section 1773.2, the Contractor shall post, at appropriate and conspicuous locations on the job site, a schedule showing all applicable prevailing wage rates and shall comply with the requirements of Labor Code sections 1773, et seq.
2. **Payment of Prevailing Rates**
   Each worker of the Contractor, or any subcontractor, engaged in the Scope of Work, shall be paid not less than the general prevailing wage rate, regardless of any contractual relationship which may be alleged to exist between the Contractor or any subcontractor, and such worker.
3. **Prevailing Rate Penalty**
   The Contractor shall, as a penalty, forfeit two hundred dollars ($200.00) to the County for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of the DIR for such work or craft in which such worker is employed by the Contractor or by any subcontractor in connection with the Scope of Work. Pursuant to California Labor Code section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day, or portion thereof, for which each worker was paid less than the prevailing wage rate, shall be paid to each worker by the Contractor.
4. **Ineligible Contractors:**
   Pursuant to the provisions of Labor Code section 1777.1, the Labor Commissioner publishes and distributes a list of contractors ineligible to perform work as a contractor or subcontractor on a public works project. This list of debarred contractors is available from the DIR website at http://www.dir.ca.gov/Public-Works/PublicWorks.html. Any contract entered into between a contractor and a debarred subcontractor is void as a matter of law. A debarred subcontractor may not receive any public money for performing work as a subcontractor on a public works contract, and any public money that may have been paid to a debarred subcontractor by a contractor on the project shall be returned to the County. The Contractor shall be responsible for the payment of wages to workers as a debarred subcontractor who has been allowed to work on the Scope of Work.
5. **Payroll Records:**
   a. Pursuant to California Labor Code section 1776, the Contractor and each subcontractor, shall keep accurate certified payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker or other employee employed by them in connection with the Scope of Work. The payroll records enumerated herein shall be verified by a written declaration made under penalty of perjury that the information contained in the payroll record is true and correct and that the Contractor or subcontractor has complied with the requirements of the California Labor Code sections 1771, 1811, and 1815 for any Scope of Work performed by his or her employees. The payroll records shall be available for inspection at all reasonable hours at the principal office of the Contractor on the following basis:
      i. A certified copy of an employee's payroll record shall be made available for inspection or furnished to such employee or his/her authorized representative on request;
      ii. A certified copy of all payroll records shall be made available for inspection or furnished upon request to the County, the Division of Labor Standards Enforcement of the DIR;
      iii. A certified copy of payroll records shall be made available upon request to the public for inspection or copies thereof made; provided, however, that a request by the public shall be made through either the County or the Division of Labor Standards Enforcement. If the requested payroll records have not been previously provided to the County or the Division of Labor Standards Enforcement, the requesting party shall, prior to being provided the records, reimburse the cost of preparation by the Contractor, subcontractor and the entity through which the request was made; the public shall not be given access to such records at the principal office of the Contractor;

iv. The Contractor shall file a certified copy of the payroll records with the entity that requested such records within ten (10) days after receipt of a written request; and

v. Copies provided to the public, by the County or the Division of Labor Standards Enforcement shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address and social security number. The name and address of the Contractor or any subcontractor, performing a part of the Scope of Work shall not be marked or obliterated. The Contractor shall inform the County of the location of payroll records, including the street address, city and county and shall, within five (5) working days, provide a notice of a change of location and address.

b. The Contractor shall have ten (10) days from receipt of the written notice specifying in what respects the Contractor must comply with the above requirements. In the event Contractor does not comply with the requirements of this section within the ten (10) day period, the Contractor shall, as a penalty to the County, forfeit one-hundred dollars ($100.00) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Labor Standards Enforcement, such penalty shall be withheld from any portion of the payments then due or to become due to the Contractor.

6. **Limits on Hours of Work**:
Pursuant to California Labor Code section 1810, eight (8) hours of labor shall constitute a legal day's work. Pursuant to California Labor Code section 1811, the time of service of any worker employed at any time by the Contractor or by a subcontractor, upon the Scope of Work or upon any part of the Scope of Work, is limited and restricted to eight (8) hours during any one calendar day and forty (40) hours during any one calendar week, except as provided for under Labor Code section 1815. Notwithstanding the foregoing provisions, work performed by employees of Contractor or any subcontractor, in excess of eight (8) hours per day and forty (40) hours during any one week, shall be permitted upon compensation for all hours worked in excess of eight (8) hours per day at not less than one and one-half (1½) times the basic rate of pay.

7. **Penalty for Excess Hours:**
The Contractor shall pay to the County a penalty of twenty-five dollars ($25.00) for each worker employed on the Scope of Work by the Contractor or any subcontractor, for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any calendar day and forty (40) hours in any one calendar week, in violation of the provisions of the California Labor Code, unless compensation to the worker so employed by the Contractor is not less than one and one-half (1½) times the basic rate of pay for all hours worked in excess of eight (8) hours per day.

8. **Senate Bill 854 (Chapter 28, Statutes of 2014) and Senate Bill 96 (Chapter 28, Statutes of 2017) Requirements:**

a. Contractor shall comply with Senate Bill 854 and Senate Bill 96. The requirements include, but are not limited to, the following:

i. No contractor or subcontractor may be listed on a bid proposal for a public works project unless registered with the DIR pursuant to Labor Code section 1725.5, with limited exceptions from this requirements for bid purposes only as allowed under Labor Code section 1771.1(a).

ii. No contractor or subcontractor may be awarded a contract for public work or perform work on a public works project unless registered with the DIR pursuant to Labor Code section 1725.5.

iii. This project is subject to compliance monitoring and enforcement by the DIR.

iv. As required by the DIR, Contractor is required to post job site notices, as prescribed by regulation, regarding compliance monitoring and enforcement by the DIR.

v. Contractors and all subcontractors must submit certified payroll records online to the Labor Commissioner for all public works projects.

1) The certified payroll must be submitted at least monthly to the Labor Commissioner.

2) The County reserves the right to require Contractor and all subcontractors to submit certified payroll records more frequently than monthly to the Labor Commissioner.

3) The certified payroll records must be in a format prescribed by the Labor Commissioner.

vi. Registration with the DIR and the submission of certified payroll records to the Labor Commissioner are not required if the public works project is $25,000 or less when the project is for construction, alteration, demolition, installation or repair work, or if the public works project is $15,000 or less when the project is for maintenance work.

b. Labor Code section 1725.5 states the following:

"A contractor shall be registered pursuant to this section to be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any public work contract that is subject to the requirements of this chapter. For the purposes of this section, "contractor" includes a subcontractor as defined by Section 1722.1.

(a) To qualify for registration under this section, a contractor shall do all of the following:

(1) (A) Register with the Department of Industrial Relations in the manner prescribed by the department and pay an initial nonrefundable application fee of four hundred dollars ($400) to qualify for registration under this section and an annual renewal fee on or before July 1 of each year thereafter. The annual renewal fee shall be in a uniform amount set by the Director of Industrial Relations, and the initial registration and renewal fees may be adjusted no more than annually by the director to support the costs specified in Section 1771.3.

(B) Beginning June 1, 2019, a contractor may register or renew according to this subdivision in annual increments up to three years from the date of registration. Contractors who wish to do so will be required to prepay the applicable nonrefundable application or renewal fees to qualify for the number of years for which they wish to preregister.

(2) Provide evidence, disclosures, or releases as are necessary to establish all of the following:

(A) Workers' compensation coverage that meets the requirements of Division 4 (commencing with Section 3200) and includes sufficient coverage for any worker whom the contractor employs to perform work that is subject to prevailing wage requirements other than a contractor who is separately registered under this section. Coverage may be evidenced by a current and valid certificate of workers' compensation insurance or certification of self-insurance required under Section 7125 of the Business and Professions Code.

(B) If applicable, the contractor is licensed in accordance with Chapter 9 (commencing with Section 7000) of the Business and Professions Code.

(C) The contractor does not have any delinquent liability to an employee or the state for any assessment of back wages or related damages, interest, fines, or penalties pursuant to any final judgment, order, or determination by a court or any federal, state, or local administrative agency, including a confirmed arbitration award. However, for purposes of this paragraph, the contractor shall not be disqualified for any judgment, order, or determination that is under appeal, provided that the contractor has secured the payment of any amount eventually found due through a bond or other appropriate means.

(D) The contractor is not currently debarred under Section 1777.1 or under any other federal or state law providing for the debarment of contractors from public works.

(E) The contractor has not bid on a public works contract, been listed in a bid proposal, or engaged in the performance of a contract for public works without being lawfully registered in accordance with this section, within the preceding 12 months or since the effective date of the requirements set forth in subdivision (e), whichever is earlier. If a contractor is found to be in violation of the requirements of this paragraph, the period of disqualification shall be waived if both of the following are true:

(i) The contractor has not previously been found to be in violation of the requirements of this paragraph within the preceding 12 months.

(ii) The contractor pays an additional nonrefundable penalty registration fee of two thousand dollars ($2,000).

(b) Fees received pursuant to this section shall be deposited in the State Public Works Enforcement Fund established by Section 1771.3 and shall be used only for the purposes specified in that section.

(c) A contractor who fails to pay the renewal fee required under paragraph (1) of subdivision (a) on or before the expiration of any prior period of registration shall be prohibited from bidding on or engaging in the performance of any contract for public work until once again registered pursuant to this section. If the failure to pay the renewal fee was inadvertent, the contractor may renew its registration retroactively by paying an additional nonrefundable penalty renewal fee equal to the amount of the renewal fee within 90 days of the due date of the renewal fee.

(d) If, after a body awarding a contract accepts the contractor's bid or awards the contract, the work covered by the bid or contract is determined to be a public work to which Section 1771 applies, either as the result of a determination by the director pursuant to Section 1773.5 or a court decision, the requirements of this section shall not apply, subject to the following requirements:

(1) The body that awarded the contract failed, in the bid specification or in the contract documents, to identify as a public work that portion of the work that the determination or decision subsequently classifies as a public work.

(2) Within 20 days following service of notice on the awarding body of a determination by the Director of Industrial Relations pursuant to Section 1773.5 or a decision by a court that the contract was for public work as defined in this chapter, the contractor and any subcontractors are registered under this section or are replaced by a contractor or subcontractors who are registered under this section.

(3) The requirements of this section shall apply prospectively only to any subsequent bid, bid proposal, contract, or work performed after the awarding body is served with notice of the determination or decision referred to in paragraph (2).

(e) The requirements of this section shall apply to any bid proposal submitted on or after March 1, 2015, to any contract for public work, as defined in this chapter, executed on or after April 1, 2015, and to any work performed under a contract for public work on or after January 1, 2018, regardless of when the contract for public work was executed.

(f) This section does not apply to work performed on a public works project of twenty-five thousand dollars ($25,000) or less when the project is for construction, alteration, demolition, installation, or repair work or to work performed on a public works project of fifteen thousand dollars ($15,000) or less when the project is for maintenance work."

c. Labor Code section 1771.1 states the following:

"(a) A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded.
(b) Notice of the requirement described in subdivision (a) shall be included in all bid invitations and public works contracts, and a bid shall not be accepted nor any contract or subcontract entered into without proof of the contractor or subcontractor's current registration to perform public work pursuant to Section 1725.5.
(c) An inadvertent error in listing a subcontractor who is not registered pursuant to Section 1725.5 in a bid proposal shall not be grounds for filing a bid protest or grounds for considering the bid nonresponsive, provided that any of the following apply:
(1) The subcontractor is registered prior to the bid opening.
(2) Within 24 hours after the bid opening, the subcontractor is registered and has paid the penalty registration fee specified in subparagraph (E) of paragraph (2) of subdivision (a) of Section 1725.5.
(3) The subcontractor is replaced by another registered subcontractor pursuant to Section 4107 of the Public Contract Code.
(d) Failure by a subcontractor to be registered to perform public work as required by subdivision (a) shall be grounds under Section 4107 of the Public Contract Code for the contractor, with the consent of the awarding authority, to substitute a subcontractor who is registered to perform public work pursuant to Section 1725.5 in place of the unregistered subcontractor.
(e) The department shall maintain on its Internet Web site a list of contractors who are currently registered to perform public work pursuant to Section 1725.5.
(f) A contract entered into with any contractor or subcontractor in violation of subdivision (a) shall be subject to cancellation, provided that a contract for public work shall not be unlawful, void, or voidable solely due to the failure of the awarding body, contractor, or any subcontractor to comply with the requirements of Section 1725.5 or this section.
(g) If the Labor Commissioner or his or her designee determines that a contractor or subcontractor engaged in the performance of any public work contract without having been registered in accordance with this section, the contractor or subcontractor shall forfeit, as a civil penalty to the state, one hundred dollars ($100) for each day of work performed in violation of the registration requirement, not to exceed an aggregate penalty of eight thousand dollars ($8,000) in addition to any penalty registration fee assessed pursuant to clause (ii) of subparagraph (E) of paragraph (2) of subdivision (a) of Section 1725.5.
(h)(1) In addition to, or in lieu of, any other penalty or sanction authorized pursuant to this chapter, a higher tiered public works contractor or subcontractor who is found to have entered into a subcontract with an unregistered lower tier subcontractor to perform any public work in violation of the requirements of Section 1725.5 or this section shall be subject to forfeiture, as a civil penalty to the state, of one hundred dollars ($100) for each day the unregistered lower tier subcontractor performs work in violation of the registration requirement, not to exceed an aggregate penalty of ten thousand dollars ($10,000).
(2) The Labor Commissioner shall use the same standards specified in subparagraph (A) of paragraph (2) of subdivision (a) of Section 1775 when determining the severity of the violation and what penalty to assess, and may waive the penalty for a first time violation that was unintentional and did not hinder the Labor Commissioner's ability to monitor and enforce compliance with the requirements of this chapter.
(3) A higher tiered public works contractor or subcontractor shall not be liable for penalties assessed pursuant to paragraph (1) if the lower tier subcontractor's performance is in violation of the requirements of Section 1725.5 due to the revocation of a previously approved registration.

(4) A subcontractor shall not be liable for any penalties assessed against a higher tiered public works contractor or subcontractor pursuant to paragraph (1). A higher tiered public works contractor or subcontractor may not require a lower tiered subcontractor to indemnity or otherwise be liable for any penalties pursuant to paragraph (1).
(i) The Labor Commissioner or his or her designee shall issue a civil wage and penalty assessment, in accordance with the provisions of Section 1741, upon determination of penalties pursuant to subdivision (g) and subparagraph (B) of paragraph (1) of subdivision (h). Review of a civil wage and penalty assessment issued under this subdivision may be requested in accordance with the provisions of Section 1742. The regulations of the Director of Industrial Relations, which govern proceedings for review of civil wage and penalty assessments and the withholding of contract payments under Article 1 (commencing with Section 1720) and Article 2 (commencing with Section 1770), shall apply.
(j)(1) Where a contractor or subcontractor engages in the performance of any public work contract without having been registered in violation of the requirements of Section 1725.5 or this section, the Labor Commissioner shall issue and serve a stop order prohibiting the use of the unregistered contractor or the unregistered subcontractor on all public works until the unregistered contractor or unregistered subcontractor is registered. The stop order shall not apply to work by registered contractors or subcontractors on the public work.
(2) A stop order may be personally served upon the contractor or subcontractor by either of the following methods:
(A) Manual delivery of the order to the contractor or subcontractor personally.
(B) Leaving signed copies of the order with the person who is apparently in charge at the site of the public work and by thereafter mailing copies of the order by first class mail, postage prepaid to the contractor or subcontractor at one of the following:
(i) The address of the contractor or subcontractor on file with either the Secretary of State or the Contractors' State License Board.
(ii) If the contractor or subcontractor has no address on file with the Secretary of State or the Contractors' State License Board, the address of the site of the public work.
(3) The stop order shall be effective immediately upon service and shall be subject to appeal by the party contracting with the unregistered contractor or subcontractor, by the unregistered contractor or subcontractor, or both. The appeal, hearing, and any further review of the hearing decision shall be governed by the procedures, time limits, and other requirements specified in subdivision (a) of Section 238.1.
(4) Any employee of an unregistered contractor or subcontractor who is affected by a work stoppage ordered by the commissioner pursuant to this subdivision shall be paid at his or her regular hourly prevailing wage rate by that employer for any hours the employee would have worked but for the work stoppage, not to exceed 10 days.
(k) Failure of a contractor or subcontractor, owner, director, officer, or managing agent of the contractor or subcontractor to observe a stop order issued and served upon him or her pursuant to subdivision (j) is guilty of a misdemeanor punishable by imprisonment in county jail not exceeding 60 days or by a fine not exceeding ten thousand dollars ($10,000), or both.
(l) This section shall apply to any bid proposal submitted on or after March 1, 2015, and any contract for public work entered into on or after April 1, 2015. This section shall also apply to the performance of any public work, as defined in this chapter, on or after January 1, 2018, regardless of when the contract for public work was entered.
(m) Penalties received pursuant to this section shall be deposited in the State Public Works Enforcement Fund established by Section 1771.3 and shall be used only for the purposes specified in that section.
(n) This section shall not apply to work performed on a public works project of twenty-five thousand dollars ($25,000) or less when the project is for construction, alteration, demolition, installation, or repair work or to work performed on a public works project of fifteen thousand dollars ($15,000) or less when the project is for maintenance work."

d. Labor Code section 1771.4 states the following:

"a) All of the following are applicable to all public works projects that are otherwise subject to the requirements of this chapter:

(1) The call for bids and contract documents shall specify that the project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

(2) The awarding body shall post or require the prime contractor to post job site notices, as prescribed by regulation.

(3) Each contractor and subcontractor shall furnish the records specified in Section 1776 directly to the Labor Commissioner, in the following manner:

(A) At least monthly or more frequently if specified in the contract with the awarding body.

(B) In a format prescribed by the Labor Commissioner.

(4) If the contractor or subcontractor is not registered pursuant to Section 1725.5 and is performing work on a project for which registration is not required because of subdivision (f) of Section 1725.5, the unregistered contractor or subcontractor is not required to furnish the records specified in Section 1776 directly to the Labor Commissioner but shall retain the records specified in Section 1776 for at least three years after completion of the work.

(5) The department shall undertake those activities it deems necessary to monitor and enforce compliance with prevailing wage requirements.

(b) The Labor Commissioner may exempt a public works project from compliance with all or part of the requirements of subdivision (a) if either of the following occurs:

(1) The awarding body has enforced an approved labor compliance program, as defined in Section 1771.5, on all public works projects under its authority, except those deemed exempt pursuant to subdivision (a) of Section 1771.5, continuously since December 31, 2011.

(2) The awarding body has entered into a collective bargaining agreement that binds all contractors performing work on the project and that includes a mechanism for resolving disputes about the payment of wages.

(c) The requirements of paragraph (1) of subdivision (a) shall only apply to contracts for public works projects awarded on or after January 1, 2015.

(d) The requirements of paragraph (3) of subdivision (a) shall apply to all contracts for public work, whether new or ongoing, on or after January 1, 2016."

B. STATE PUBLIC WORKS APPRENTICESHIP REQUIREMENTS

1. State Public Works Apprenticeship Requirements:

a. The Contractor is responsible for compliance with Labor Code section 1777.5 and the California Code of Regulations, title 8, sections 230 – 230.2 for all apprenticeable occupations (denoted with "#" symbol next to craft name in DIR Prevailing Wage Determination), whether employed by the Contractor, subcontractor, vendor or consultant. Included in these requirements is (1) the Contractor's requirement to provide notification (i.e. DAS-140) to the appropriate apprenticeship committees; (2) pay training fund contributions for each apprenticeable hour employed on the Contract; and (3) utilize apprentices in a minimum ratio of not less than one apprentice hour for each five journeyman hours by completion of Contract work (unless an exception is granted in accordance with Labor Code section 1777.5) or request for the dispatch of apprentices.

b. Any apprentices employed to perform any of the Scope of Work shall be paid the standard wage to apprentices under the regulations of the craft or trade for which such apprentice is employed, and such individual shall be employed only for the work of the craft or trade to which such individual is registered. Only apprentices, as defined in California Labor Code section 3077, who are in training under apprenticeship standards and written apprenticeship agreements under California Labor Code sections 3070 et seq. are eligible to be employed for the Scope of Work. The employment and training of each apprentice shall be in accordance with the provisions of the apprenticeship standards and apprentice agreements under which such apprentice is training.

2. Compliance with California Labor Code section 1777.5 requires all public works contractors to:

a. Submit Contract Award Information (DAS-140):

i. Although there are a few exemptions (identified below), all Contractors, regardless of union affiliation, must submit contract award information when performing on a California public works project.

ii. The DAS-140 is a notification "announcement" of the Contractor's participation on a public works project—*it is not a request for the dispatch of an apprentice.*

iii. Contractors shall submit the contract award information (you may use form DAS 140) within 10 days of the execution of the prime contract or subcontract, but in no event later than the first day in which the Contractor has workers employed on the public work.

iv. Contractors who are already approved to train apprentices (i.e. check "Box 1" on the DAS-140) shall only be required to submit the form to their approved program.

v. Contractors who are NOT approved to train apprentices (i.e. those that check either "Box 2" or "Box 3" on the DAS-140) shall submit the DAS-140 TO EACH of the apprenticeship program sponsors in the area of your public works project. For a listing of apprenticeship programs see

http://www.dir.ca.gov/Databases/das/pwaddrstart.asp.

b. Employ Registered Apprentices
   i. Labor Code section 1777.5 requires that a contractor performing work in an "apprenticeable" craft must employ one (1) hour of apprentice work for every five (5) hours performed by a journeyman. This ratio shall be met prior to the Contractor's completion of work on the project. "Apprenticeable" crafts are denoted with a pound symbol "#" in front of the craft name on the prevailing wage determination.
   ii. All Contractors who do not fall within an exemption category (see below) must request for dispatch of an apprentice from an apprenticeship program (for each apprenticeable craft or trade) by giving the program actual notice of at least 72 hours (business days only) before the date on which apprentices are required.
   iii. Contractors may use the "DAS-142" form for making a request for the dispatch of an apprentice.
   iv. Contractors who are participating in an approved apprenticeship training program and who did not receive sufficient number of apprentices from their initial request must request dispatch of apprentices from ALL OTHER apprenticeship committees in the project area in order to fulfill this requirement.
   v. Contractor should maintain and submit proof (when requested) of its DAS-142 submittal to the apprenticeship committees (e.g. fax transmittal confirmation). A Contractor has met its requirement to employ apprentices only after it has successfully made a dispatch request to all apprenticeship programs in the project area.
   vi. Only "registered" apprentices may be paid the prevailing apprentice rates and must, at all times work under the supervision of a Journeyman (Cal. Code Regs., tit 8, § 230.1).

c. Make Training Fund Contributions
   i. Contractors performing in apprenticeable crafts on public works projects, must make training fund contributions in the amount established in the prevailing wage rate publication for journeymen and apprentices.
   ii. Contractors may use the "CAC-2" form for submittal of their training fund contributions.
   iii. Contractors who do not submit their training fund contributions to an approved apprenticeship training program must submit their contributions to the California Apprenticeship Council (CAC), PO Box 420603, San Francisco, CA 94142-0603.
   iv. Training fund contributions to the CAC are due and payable on the 15th day of the month for work performed during the preceding month.
   v. The "training" contribution amount identified on the prevailing wage determination shall not be paid to the worker, unless the worker falls within one of the exemption categories listed below.

3. Exemptions to Apprenticeship Requirements:

a. The following are exempt from having to comply with California apprenticeship requirements. These types of contractors do not need to submit a DAS-140, DAS-142, make training fund contributions, or utilize apprentices:
   i. When the Contractor holds a sole proprietor license ("Owner-Operator") and no workers were employed by the Contractor. In other words, the contractor performed the entire work from start to finish and worked alone.
   ii. Contractors performing in non-apprenticeable crafts. "Apprenticeable" crafts are denoted with a pound symbol "#" in front of the craft name on the prevailing wage determination.
   iii. When the Contractor has a direct contract with the Public Agency that is under $30,000.
   iv. When the project is 100% federally-funded and the funding of the project does not contain any city, county, and/or state monies (unless the project is administered by a state agency in which case the apprenticeship requirements apply).
   v. When the project is a private project not covered by the definition of public works as found in Labor Code section 1720.

4. Exemption from Apprenticeship Rations:

a. The Joint Apprenticeship Committee shall have the discretion to grant a certificate, which shall be subject to the approval of the Administrator of Apprenticeship, exempting the Contractor from the 1-to-5 ratio set forth in this Section when it finds that any one of the following conditions are met:
   i. Unemployment for the previous three-month period in such area exceeds an average of fifteen percent (15%); or
   ii. The number of apprentices in training in such area exceeds a ratio of 1-to-5 in relation to journeymen; or

iii. The Apprenticeable Craft or Trade is replacing at least one-thirtieth (1/30) of its journeymen annually through apprenticeship training, either on a statewide basis or on a local basis; or

iv. If assignment of an apprentice to any work performed under the Contract Documents would create a condition which would jeopardize such apprentice's life or the life, safety or property of fellow employees or the public at large, or if the specific task to which the apprentice is to be assigned is of such a nature that training cannot be provided by a journeyman.

b. When such exemptions from the 1-to-5 ratio between apprentices and journeymen are granted to an organization which represents contractors in a specific trade on a local or statewide basis, the member contractors will not be required to submit individual applications for approval to local Joint Apprenticeship Committees, provided they are already covered by the local apprenticeship standards.

5. Contractor's Compliance:

a. The responsibility of compliance with this Section for all Apprenticeable Trades or Crafts is solely and exclusively that of the Contractor. All decisions of the Joint Apprenticeship Committee(s) under this Section are subject to the provisions of California Labor Code section 3081 and penalties are pursuant to Labor Code section 1777.7 and the determination of the Labor Commissioner.

Date: November 11, 2026

To: Board of Directors

From: Ryan Goss, General Manager

Subject: **Resolution No. 2026-06; Fixing the Contribution under the Public Employees' Medical and Hospital Care Act at an Equal Amount for Employees and Annuitants**

Background:

The Big Bear Airport District contracts with CalPERS for employee medical coverage under the Public Employee's Medical and Hospital Care Act. In 2011, CalPERS adopted criteria pursuant to Senate Bill 1123 for making changes to certain employee benefits, specifically providing certification of adherence to Government Code 7507.

Proposed Resolution No. 2026-06 establishes the employer's contribution amount for each employee and/or annuitant at the amount necessary to pay the cost of their enrollment, including the enrollment of their family members, in a health benefit plan for calendar year 2027.

The proposed resolution sets the calendar year 2027 employer contribution as follows:

Medical Group	Monthly Employer Health		
	Self	Self +1	Self + Family
001 Airport Employees	$3,000	$3,000	$3,000
002 Elected Officials	No Change	No Change	No Change
003 Management	No Change	No Change	No Change

Any amount over the District's maximum are the employees' and annuitants' responsibility.

Recommendation:

Staff recommend the Board of Directors:

1. Adopt Resolution No. 2026-06; entitled "A Resolution of the Big Bear Board of Directors of the Big Bear Airport District Fixing the Contribution Under the Public Employees' Medical and Hospital Care Act at an Equal Amount for Employees and Annuitants".

RESOLUTION NO. 2026-06

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BIG BEAR AIRPORT DISTRICT FIXING THE CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS

WHEREAS, (1) Big Bear City Airport District is a contracting agency under Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "Act"); and

WHEREAS, (2) Government Code Section 22892(a) provides that a contracting agency subject to the Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, (3) Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; now therefore be it

RESOLVED, (a) that the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in health benefits plan up to a maximum of:

Medical Group	Monthly Employer Health Contribution
001 Airport Employees	$3,000

plus administrative fees and Contingency Reserve Fund assessments; and be it further

RESOLVED, (b) Big Bear City Airport District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further

RESOLVED, (c) That the participation of the employees and annuitants of Big Bear Airport District shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Big Bear Airport District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated and reserves the right to terminate the health coverage of all participants of the employer; and be it further

RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, Kam Lawrence, Board President, to file with the Board a verified copy of this resolution and to perform on behalf of Big Bear Airport District all functions required of it under the Act; and be it further

RESOLVED, (e) That coverage under the Act be effective starting January 1, 2027.

PASSED, APPROVED AND ADOPTED by the Big Bear Airport District Board of Directors at its regular meeting held on the 11th day of November 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Kam Lawrence, Board President

ATTEST:

_____
Rebecca Cannon, Board Secretary

Date: November 11, 2026

To: Board of Directors

From: Ryan Goss, General Manager

Subject: Review and Possible Approval of the Automatic Transfer Switch (ATS) Controller Upgrades Quote

Background:

As the Big Bear Airport District continues to experience more frequent power outages, staff has identified concerns regarding the reliability and performance of the Airport's existing Automatic Transfer Switches (ATS). These switches are critical components of the Airport's electrical infrastructure, allowing power to automatically transfer between utility power and emergency generator power during an outage.

Recently, one of the District's ATS units has begun experiencing operational failures. During power outages, the switch has failed to transfer power within its normal operating timeframe, resulting in a complete loss of power to the building for periods exceeding 30 seconds. Additionally, when utility power is restored, the ATS has failed to automatically transfer back to the primary electrical source, requiring further attention to restore normal operations.

The District currently operates two identical Kohler Automatic Transfer Switches, both installed approximately 20 years ago. Given the age of these units and the increasing frequency of power outages, staff began evaluating options to improve system reliability and reduce the potential for future failures.

Kohler has developed an upgraded controller system that incorporates modern technology and improved voltage-sensing capabilities, providing more reliable monitoring and transfer of electrical power.

Staff initially received a proposal totaling $8,337.74 to repair and upgrade the controller on the failing ATS. However, after further evaluation, staff determined that upgrading both ATS controllers would be the most practical and cost-effective approach. Since both switches were installed at the same time and have experienced similar operating conditions, upgrading only one would leave the district with an aging controller that could experience similar failures in the future.

Upgrading both controllers simultaneously will provide consistency between the systems, improve reliability, and help ensure uninterrupted operation of critical Airport facilities during future power outages.

Financial Impact:

The district received an initial proposal of $8,337.74 to repair and upgrade the failing ATS controller. After further review, staff obtained pricing to upgrade both ATS controllers for a total cost of $13,864.20.

By upgrading both units simultaneously, the district would incur an additional cost of only $5,526.46 compared to repairing the single failing unit.

Staff believes this approach represents a prudent investment in the Airport's electrical infrastructure, reducing the likelihood of future equipment failures, additional service calls, and potential disruptions to Airport operations.

Recommendation:

Staff recommends that the Board of Directors approve the replacement and upgrade of both Kohler Automatic Transfer Switch controllers in an amount not to exceed $13,864.20 and authorize the General Manager to execute all necessary documents to complete the project.

This proactive approach will modernize the district’s existing electrical infrastructure, improve the reliability of emergency power transfers, and help maintain continuity of Airport operations during increasingly frequent power outages.

Attachment:

1. BayCity Electric Works Quote

Big Bear Airport
Ryan Goss

Date: 11/2/2026 10:05 AM
Quote Number: 257302

Big Bear Airport
501 Valley Blvd
Big Bear, CA 92314

Generator

Manufacturer: KOHLER	**Model #:** 150REOZJD	**Serial #:** 2255780
Spec/CPL/ARR/SPG #:	**kW Size:**	**Voltage:**
ATS Manufacturer:		
Model #:	**Serial #:**	**Spec/CPL/ARR/SPG #:**
Engine Manufacturer:		
Model #:	**Serial #:**	**Spec/CPL/ARR/SPG #:**

Description of Repair: During troubleshooting, the ATS was found programmed for counterclockwise phase rotation, while the building's electrical system operates with clockwise rotation. The controller was reprogrammed, and the emergency-side phase rotation was corrected by the electrician. A transfer test was completed successfully, with the ATS transferring to generator power and back to utility power as expected. Per customer request, quote includes replacement of two existing MPAC1000 ATS controllers with upgraded MPAC1500 controllers to modernize the equipment and support continued reliable transfer operation.

Reason for Quote Submission:

Subtotal (tax not included): $13,864.20

Lead Time:
Exclusions: Any work above and beyond the scope of work listed above, as well as any previous visits for troubleshooting.

Pricing Valid from 30 days of receipt. All Invoices are subject to shipping/handling, sales tax charges, fuel surcharges, portal fees, and technology fees. All equipment remains the property of the seller until invoice is paid in full. Lien rights remain the privilege of the seller. Purchaser Agrees to pay all collection/legal fees incurred to collect on any unpaid invoice. All claims and returned goods must be accompanied by the final invoice. All Returns are subject to a 15% restocking fee. All Special order and electrical parts ordered and sold are final, no refund/return request will be accepted. A trip charge for work not performed is subject to $250 charge per visit. Invoices Paid with a credit card will be subject to a 3% convenience fee. A finance Charge of 18% per annum will accrue on all invoices not paid within terms.

Disclaimer: ***As of 1/1/2024 California Air Resource Board off-road rule section 2449 requires all off highway diesel fueled engines that do not have an entire fleet of Tier 4 engines to use R99 or R100 renewable diesel fuel. In the State of California R99 or R100 renewable diesel fuel is the only diesel fuel being supplied. Bay City cannot be held liable for any damages R99 or R100 renewable diesel fuel may cause to a diesel engine.***

We sincerely trust that this proposal meets with your approval and we would assure you of our best attention at all times. If you have any questions or comments with our proposal, please do not hesitate to call.

Respectfully Submitted By: Ashley Martin
Email: amartin@bcew.com
Phone: (619) 592-1400

Approved By:
Date:

Date: November 11, 2026

To: Board of Directors

Prepared By: Ryan Goss CM, General Manager

AIRPORT OPERATIONS

Airport operations continue to remain normal, with no significant operational issues to report.

With the winter season approaching, Airport staff has begun preparations to ensure the Airport is ready for winter weather conditions. Staff continues to focus on maintaining operational readiness and ensuring equipment and facilities are prepared for the upcoming snow season.

TERMINAL BUILDING PROJECT UPDATE

Construction of the new Terminal Building continues to progress, with significant improvements completed throughout the interior and exterior of the facility. As the project moves closer to completion, the following work has been completed or is currently underway:

- **Flooring:** Tile and grout installation has been completed throughout the administrative offices, lobby, kitchen, and areas adjacent to the restrooms.
- **HVAC:** Heating ductwork has been installed and painted.
- **Storefront Glass:** All storefront glass has been installed.
- **Lighting:** Lighting installation is substantially complete, with the exception of additional fixtures being installed in the administrative areas.
- **Office Ceilings:** Ceiling installation has been completed throughout the office areas.
- **Acoustic Ceiling:** Approximately 95% of the acoustic ceiling installation is complete. The remaining materials are awaiting delivery, with installation anticipated to resume early next week in the Board/Community Room.
- **Exterior Concrete:** Concrete placement continues around the exterior of the building, including sidewalks and surrounding improvements.
- **Block Walls and ADA Access:** Block walls along the north side of the building have been installed, including the associated steps and ADA-accessible ramp.
- **Stone Veneer:** Installation of the exterior stone veneer is underway.
- **Natural Gas:** Interior gas piping has been completed, and the gas meter was installed on November 4, 2026. The building's heating systems are anticipated to be operational by Monday, November 9, 2026.

Overall, the Terminal Building Project continues to make progress, with many of the major interior improvements nearing completion. Staff continues to coordinate closely with the contractor to address remaining work, monitor the construction schedule, and prepare the facility for occupancy.

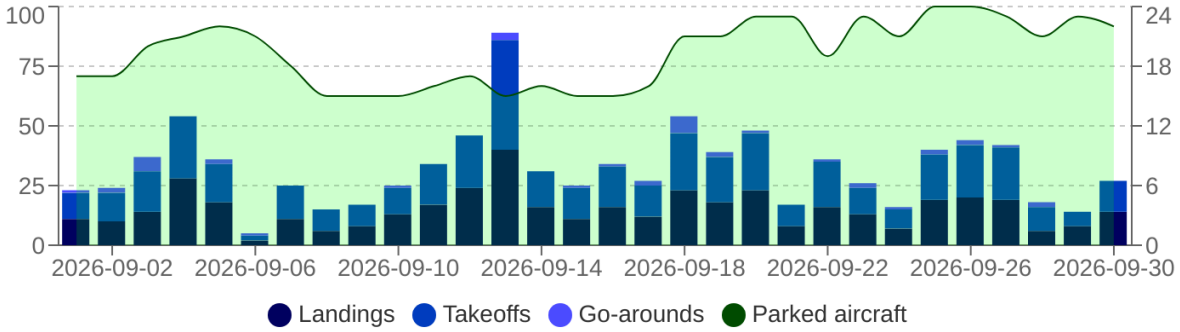
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Big Bear City | Runway Operations Report

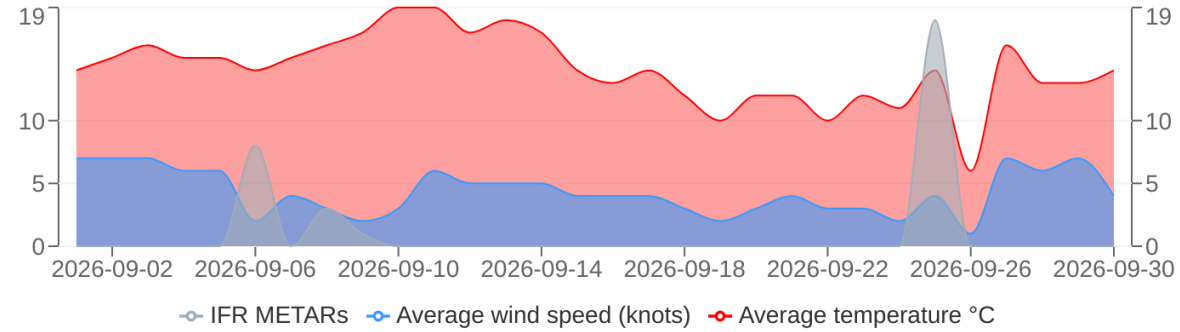
Report Date Range: 09/2026

Total Operations	Landings	Takeoffs	Go-Arounds
968	451	476	41

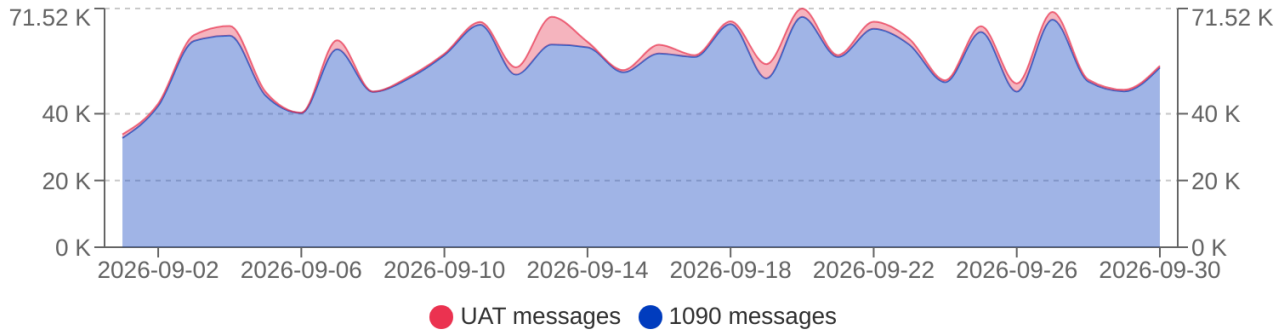
Operations by Day



Weather Conditions



Receiver health

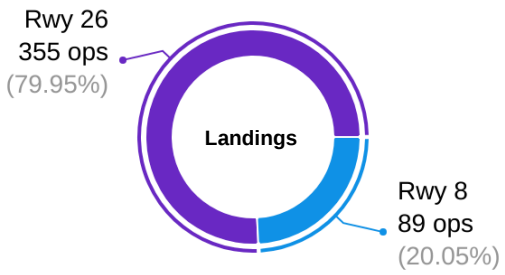


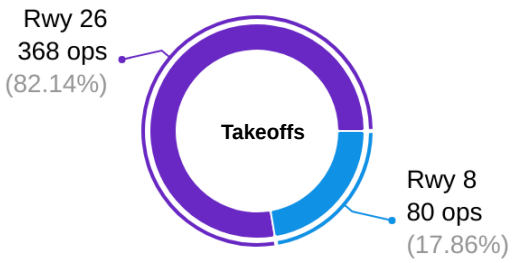
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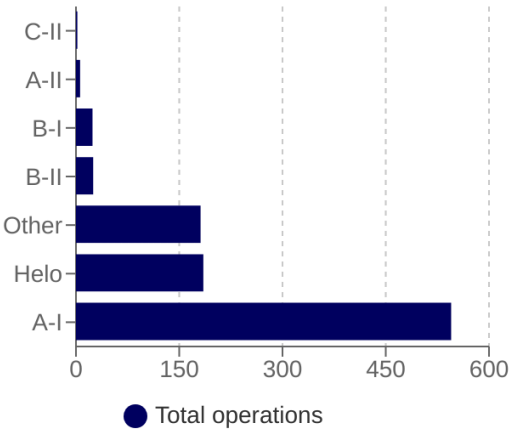
Report Date Range: 09/2026

Operations by Runway

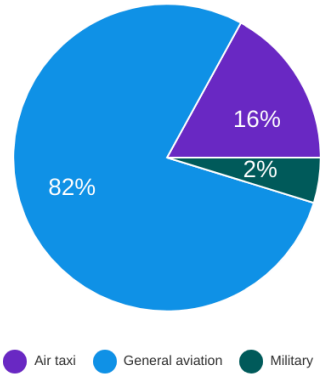




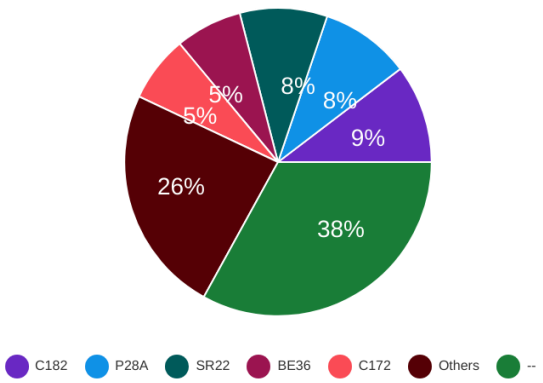
Operations by Category



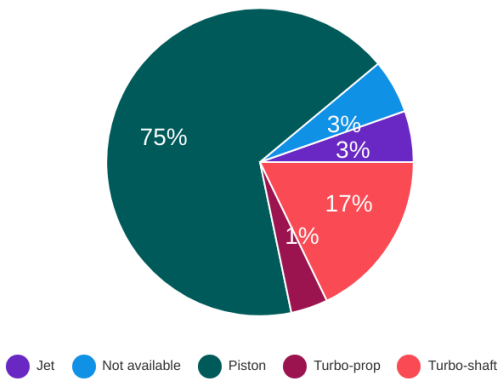
Operations by Type



Top Aircraft Types



Operations by Engine Type

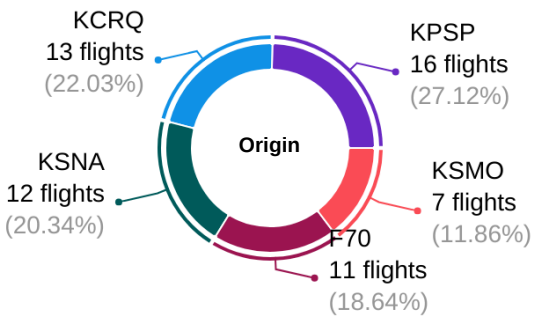


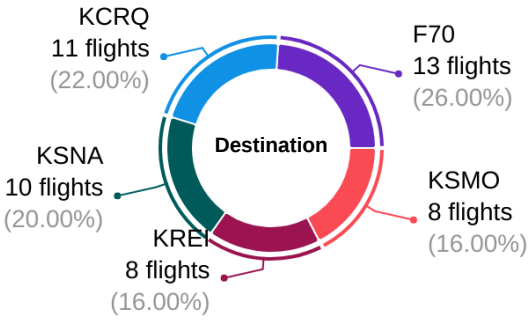
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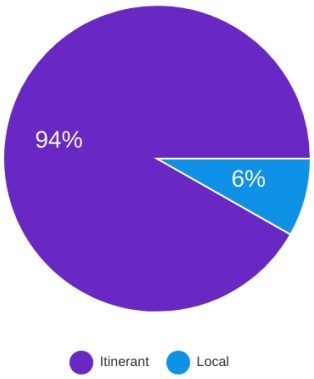
Report Date Range: 09/2026

Top Airports

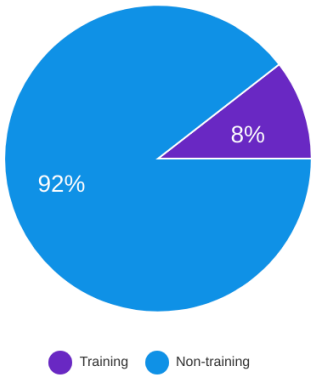




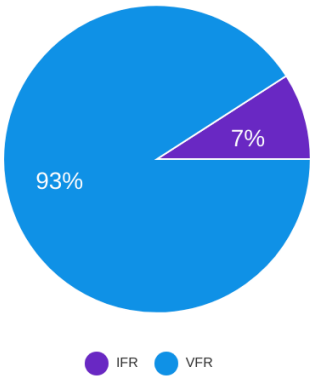
Local vs Itinerant Flights



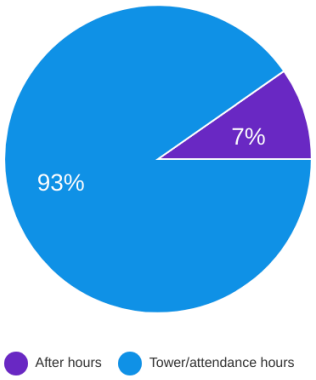
Training Operations



IFR vs VFR Flights



After Hours Operations

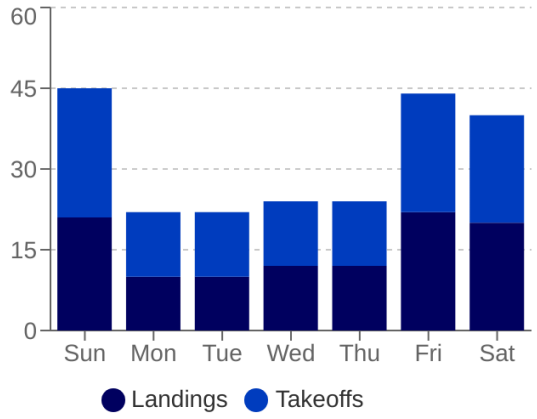


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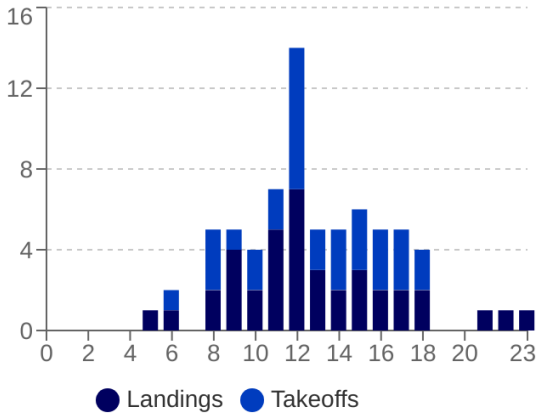
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Operations by Day of Week

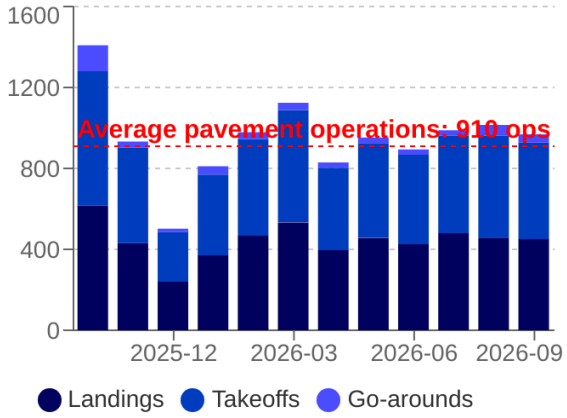


Operations by Hour



Historical Data

Landings and Takeoff By Month



Busiest Days on Record

Rank	Date	Pavement ops	Aircraft
1	2022-09-07 (W	235	9
2	2022-09-06 (Tu	150	15
3	2023-03-03 (Fr	139	64
4	2023-01-28 (Sa	137	49
5	2023-01-21 (Sa	130	52
6	2022-12-26 (M	121	52
6	2022-09-05 (M	121	23
7	2024-02-11 (Su	115	55
7	2023-04-01 (Sa	115	53
8	2023-10-21 (Sa	110	38