

City records upon request from the City Clerk.

SECTION 5. DISBURSEMENTS

- 5.1. Based upon the annual assessments as listed in the Management District Plan or Planning Reports, and with the exception of recoverable City costs and net of any County charges or supplemental City service fees, loans or advances, City shall disburse to Corporation the actual revenues received from District assessments. Assessment revenues shall be disbursed to the Corporation by City periodically throughout each year as close to the time City receives such revenues from the County.
- 5.2. The City Clerk will notify Corporation of the amount of funds available within twenty (20) business days of the date of receipt of a transmittal of funds to City from the County of Los Angeles, or the receipt of funds through the direct billing by City of public agencies or other entities. Corporation will deliver an invoice to the City Clerk requesting such funds. The City Clerk agrees to pay Corporation the amount due Corporation within twenty (20) business days of receiving said invoice, subject to Corporation's compliance with Section 2 of this Agreement and except in the case of circumstances beyond the control of the City Clerk. City shall not be responsible for delays in disbursements to Corporation due to delays in funds transmittals by County or payment delays by other public entities, organizations or agencies.
- 5.3. The City Clerk will notify Corporation of the amount of delinquent assessments and penalties, if any, that have been collected and are available to Corporation for the improvements and activities. Corporation will invoice City for the amount of delinquent assessments. The City Clerk agrees to pay Corporation the amount due to Corporation within ten (10) business days of receiving the invoice for the delinquent assessments that have been recovered, subject to Corporation's compliance with its responsibilities under provisions of this Agreement and except in the case of circumstances beyond the control of the City Clerk. The City Clerk will so notify Corporation of these assessments when the amounts collected exceed five hundred dollars (\$500).
- 5.4. The City Clerk may withhold either all or some portion of the actual revenues received from assessments, if the City Clerk finds that Corporation is not properly administering the budget in accordance with the Ordinance, Planning Report, and Subsections 2.2, 2.3, 2.6 (A) & (B), 2.8 (insofar as it requires Corporation to create a budget and expend funds pursuant to this Agreement, the Management District Plan, and the Planning Report, and in compliance with the Act). The City Clerk will notify Corporation and set forth the specific problems and issues relative to the Corporation's failure to properly implement the improvements and activities stated in Section 2 of this Agreement, the Ordinance, Management District Plan, and Planning Report. The City Clerk and Corporation will immediately attempt to cure the problems if, at the City Clerk's discretion, a cure is appropriate. Funds will be released upon the implementation of an acceptable cure, subject to the approval of the City Clerk and possible modification of the disbursement schedule. This does not alter or diminish in any way City's right to proceed in a manner consistent with California Streets and Highways Code, Section 36670 or other applicable law, or to invoke other appropriate remedies, including termination of this agreement.
- 5.5. If the Corporation is dissolved, dissolves itself, or no longer has non-profit status, prior to or upon the expiration of this Agreement, any unexpended monies will be immediately transmitted to City for distribution as described in Section 10 of this Agreement. Corporation will immediately notify the City Clerk of any such change in corporation status.

SECTION 6. COSTS AND EXPENSES

- 6.1. **RECOVERABLE COSTS.** The recoverable City costs associated with the District's billing, account