

PAYROLL SERVICE AGREEMENT

On this _____ day of _____, 20XX, this PAYROLL SERVICE AGREEMENT (“Agreement”) is entered into by and between _____ (“EMPLOYER”) and **Walker River Irrigation District**, 410 N Main Street, Yerington, NV, (“WRID”) (hereinafter, EMPLOYER and WRID are collectively referred to as the “PARTIES”).

WITNESSETH:

WHEREAS, the EMPLOYER desires to retain WRID to provide payroll and tax preparation and operating payment services as more fully defined below.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the PARTIES hereby agree as follows:

1. Payroll and Tax Reporting Services. EMPLOYER hereby authorizes WRID to prepare and complete payroll processing and tax preparation and payment services which include direct deposit and manual checks drawn on WRID financial accounts, electronic and manual payment of all payroll taxes, the electronic filing of quarterly and annual reports, and relevant operating costs.

WRID will prepare and file all appropriate payroll tax forms; prepare correspondence with the taxing authorities concerning returns and/or deposits submitted by WRID.

2. Accuracy of EMPLOYER Information; EMPLOYER’s Review of Reports. All services provided by WRID will be based upon information provided to WRID by EMPLOYER, including employee names, addresses, Social Security numbers, amounts of payments, dates of payment, payroll, benefits, human resources, and similar information provided by EMPLOYER, or its employees. WRID will verify the identity of each of the EMPLOYER’s employees through appropriate documentation provided by each employee (e.g., I-9 documentation) and WRID will maintain such documentation during the time in which each such

employee receives payments. EMPLOYER shall be solely responsible for updating WRID of any salary change.

3. **Funding and Debit Indemnification.** EMPLOYER unconditionally promises to pay to WRID the amount of any salary or operating costs paid by WRID on behalf of EMPLOYER.

4. **Direct Deposit.** Each employee who desires to receive electronic transfer of funds due as wages or salary will provide WRID with a Direct Deposit Authorization Agreement. The Direct Deposit Authorization Agreement will authorize WRID to initiate paperless electronic transfers of sums due or payable at employee's bank where such account is maintained and to initiate paperless debits or corrective reversal entries for sums due to the WRID for erroneous or NSF transaction(s). WRID shall retain the original or a copy of each authorization received from each employee forelectronic direct deposit for two (2) years after termination or revocation of such authorization.

5. **Record Retention.** The EMPLOYER shall retain the original or a copy of each payroll authorization for two (2) years after termination of this Agreement. This Agreement and the performance by WRID of its services hereunder shall not relieve the EMPLOYER of any obligation imposed by law or contract regarding the maintenance of records or other matters nor from employing adequate credit accounting and review practices customarily followed by similar businesses.

6. **Length of Agreement; Fees and Costs Due To WRID.** This Agreement shall remain in force and effect for an initial term of one (1) year and shall renew for successive one (1) year terms unless terminated by either Party in accordance with the Termination provisions of this Agreement more fully set forth below. WRID reserves the right to adjust its costs and fees on or before July 1 of each year. WRID shall provide written notice of adjustments to its fees and

costs at least sixty (60) days in advance and EMPLOYER shall thereafter have the right to terminate this Agreement upon thirty (30) days' prior written notice to WRID.

7. **Damage Limitation.** Other than as specifically set forth in this Agreement, WRID shall not be liable for any damage or loss (including, but not limited to, liabilities, attorneys' fees, costs, and expenses) to the EMPLOYER or its employees arising out of its actor omissions or those of the EMPLOYER or its employees or any third parties, including, but not limited to, any courier service, the ACH, NACHA, or any other ACH organization, any Federal Reserve Bank, any receiving financial institution in which an employee maintains an account, any receiving depository institution, or any processor. WRID shall not be responsible for tax deposits, interest charges and/or penalties or any other cost or fee that arose prior to or after the term of this agreement or where the EMPLOYER failed to provide WRID with written notice of any claim within thirty (30) days of its occurrence.

8. **Remedies.** The EMPLOYER shall be liable for the terms of this Agreement and for any and all amounts owing including, without limitation, salary, worker's compensation, payroll taxes, WRID fees and costs and any and all obligations of WRID hereunder together with interest thereon at the rate of 1.25% per month, court costs, professional fees and costs incurred by attorneys, accountants, and expert witnesses. The EMPLOYER shall indemnify and hold WRID harmless from all liabilities, losses, costs and expenses (including attorney's fees) incurred by WRID and caused by or arising out of EMPLOYER's breach of any provision of the Agreement or contained in any other agreement related hereto.

9. **Capacity.** The EMPLOYER represents and warrants that there are no provisions of any law, whether federal, state or local, or of its certificate of incorporation, by-laws or agreement of any kind, nature or description binding upon the EMPLOYER, which prohibits the

EMPLOYER from entering into this Agreement and that this Agreement has been duly authorized by the EMPLOYER and is a binding obligation of the EMPLOYER. The undersigned representative has been duly authorized to sign this agreement on behalf of the EMPLOYER.

10. Termination. Either Party may immediately terminate this agreement “for cause” which shall mean a material breach of the terms and conditions of this agreement by the other Party. Except as otherwise set forth herein, this Agreement may be terminated by either party upon thirty (30) days’ prior written notice to the other, provided, however, the EMPLOYER’s duty to reimburse WRID shall continue until EMPLOYER’s employees and WRID are paid in full for all payrolls serviced by WRID. Upon termination, the EMPLOYER will notify its employees thereof or will take other appropriate and reasonable action to apprise its employees of such termination or to arrange for a substitute service. Payroll services may be immediately terminated by WRID without prior notice if reimbursements are not paid within sixty (60) days of reimbursement invoice date.

11. Assignment. This Agreement shall not be assigned or otherwise transferred by the EMPLOYER to any other person, corporation or entity without the prior written consent of WRID, which consent may be granted or withheld at WRID’s sole discretion.

12. Independent Contractors. The PARTIES agree that WRID and EMPLOYER are each acting independently of the other, that they are not joint venturers, and that neither is an agent of the other.

13. Entire Agreement. The PARTIES agree that this Agreement is the entire agreement between the PARTIES and that it replaces and supersedes any prior oral or written agreements, discussions and understandings of any manner between the PARTIES and that EMPLOYER has not been induced to enter into this Agreement by any representation that is not

set forth herein.

14. **Amendments.** Any amendment, modification, change or supplement to this Agreement by WRID shall be binding upon the EMPLOYER thirty (30) days after notice of any such amendment, modification, change or supplement has been provided to EMPLOYER and EMPLOYER fails to object thereto or to terminate the Agreement.

15. **Rules Of Construction.** This Agreement shall be deemed to have been jointly drafted by WRID and EMPLOYER and no rule of construction shall be invoked against either party respecting the authorship hereof. All captions and headings herein are for convenience only and shall not be construed as interpretive or a part of any provision hereof. This agreement may be signed electronically, by facsimile and in counterparts.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the PARTIES have caused this Agreement to be executed as of the date first written above.

EMPLOYER:

WALKER RIVER IRRIGATION DISTRICT:

Authorized Signature

Authorized Signature

By: _____

By: _____

(Please print name)

(Please print name)

Title: _____

Title: _____