

Upper San Gabriel Valley Municipal Water District MANUAL OF POLICIES			
Subject	Policy Number	Date Adopted	Date Revised
BOARD MEMBER COMPENSATION AND REIMBURSEMENT	2.6	05-03-11	11-01-11
			04-02-13
			11-04-14
			08-04-15

Purpose

2.6.1 Members of the Board of Directors shall receive remuneration not to exceed that which is allowed by law and as set forth by Upper District resolution.

Background

2.6.2 Members of the Board of Directors are expected to attend meetings and functions on behalf of Upper District. As such, they are entitled to compensation as allowed by law and further described in this policy.

Policy

2.6.3 Protocols regarding attendance at approved compensable meetings and activities by members of the Board of Directors are set forth as follows:

- (a) Members of the Board of Directors shall receive compensation for attendance at all approved compensable meetings and activities and for services rendered at the request of, or authorized by, the Board for a cumulative total of not to exceed ten (10) days in any calendar month as allowed under Water Code Sections 20201 and 20202. Board members shall receive compensation for no more than one compensable meeting in any calendar day.
- (b) Members of the Board of Directors shall receive compensation in an amount per day of service for attendance at approved compensable meetings and activities as set forth in Ordinance No. 91-1 as amended by ordinance 05-2 and pursuant to Water Code Sections 20201 and 20202.
- (c) Board members will be compensated in the amount of \$200.00 or as hereinafter adjusted pursuant to Ordinance No. 91-1 as amended by ordinance 05-2 for their attendance at meetings and activities that are reasonable and necessary for the efficient and effective governance of the Upper San Gabriel Valley Municipal Water District. Except as compensated by the Main San Gabriel Basin Watermaster or the San Gabriel Basin Water Quality Authority, or otherwise limited by this resolution, Board members will receive compensation for attendance at the following specific and general meetings:
 - (1) All Upper District Board and committee meetings.
 - (2) Meetings of city councils, chambers of commerce and governing boards of other water districts and Upper District sub-agencies.
 - (3) Board meetings, hearings, committee meetings, workshops and events of Metropolitan Water District of Southern California (“MWD”), Main San Gabriel Basin Watermaster, San Gabriel Basin Water Quality Authority and San Gabriel Valley Water Association, Association of Groundwater Agencies, National

Groundwater Association, California Special Districts Association, Colorado River Water Users Association, Association of California Water Agencies, American Water Works Association, Independent Cities Association, California Contract Cities Association, San Gabriel Valley Council of Governments, San Gabriel Valley Economic Partnership, Urban Water Institute.

- (4) Upper District sponsored events that all Board members have the opportunity to attend such as an Upper District sponsored water awareness festival, groundbreaking ceremony for an Upper District sponsored or co-sponsored project, or Upper District sponsored or co-sponsored watershed or water conservation event.
 - (5) Other water industry-related conferences, seminars, meetings and activities, specifically approved by the Board of Directors through the agenda process.
 - (6) Meetings where Directors discuss with their constituents and the public the importance of water conservation, available programs and rebates for water conservation and other Upper District projects, initiatives and programs.
- (d) Board members that serve as Upper District appointed members of the Main San Gabriel Basin Watermaster and/or San Gabriel Basin Water Quality Authority will be compensated for their attendance at meetings of those agencies, by those agencies, in accordance with policies of those agencies. However, the Upper District will pay its representatives to the Main San Gabriel Basin Watermaster and/or San Gabriel Basin Water Quality Authority the difference between the meeting stipend of those agencies and the then current meeting stipend of the Upper District. A stipend differential must be listed on the requesting Board member's expense report and will be counted towards that member's ten (10) compensable meetings per month limitation for the month in which the meeting was attended as set forth in Policy No. 2.6.3 (a) of this manual. In addition, the differential stipend will be counted towards that member's one (1) meeting per day limitation for the day in which the meeting was attended as set forth in Paragraph 2.6.3 (a) of this Section.
- (e) Members of the Board of Directors shall be reimbursed for all legitimate, reasonable and necessary expenses incurred in attending approved compensable meetings and activities when so authorized in accordance with Resolution No. 8-04-428.
- (1) Directors shall be reimbursed for use of their personal vehicles for District business at the flat rate of \$300 a month. All automobile travel in the State of California within a 150-mile radius of the Upper District headquarters is covered by the District's vehicle allowance policy. Mileage incurred for travel within these limitations is not reimbursable. Alternatively, Directors may choose to receive reimbursement for actual mileage incurred during any given month at the prevailing IRS approved rate. Directors who receive the monthly allowance shall not receive reimbursement for mileage from the District, or from any other agency. The option to receive the monthly allowance or the reimbursement for actual mileage incurred shall be at the sole discretion of each Director, and shall be made no later than the last day of the preceding month. The car allowance amount shall be calculated each July and increased based on the Consumer Price Index (CPI) - Fuel percentage for the previous 12 month period. The General Manager shall then give notice of the CPI or IRS mileage rate increase to the Board of Directors for implementation each August. In no event shall the car allowance be less than the previous year. As a condition

of receiving the monthly vehicle allowance and/or mileage reimbursement, Directors are required to have a valid driver's license, verifiable by staff through the Department of Motor Vehicles' (DMV) Employer Pull Notice Program. Directors are also required to maintain their own vehicle and liability insurance policy. A copy of the policy shall be provided to Upper District. Directors are required to notify Upper District of any change or loss of insurance coverage.

(2) Directors shall also be reimbursed for costs related to communications. Alternatively, Directors may receive a communications allowance in the performance of their official duties of \$150.00 per month. The communications allowance amount shall be calculated each July and increased by the CPI for all urban consumers in the Los Angeles County area for the previous 12-month period. The General Manager shall then give notice of the CPI rate increase to the Board of Directors. Any increase shall be effective each August 1st. In no event shall the communications allowance be less than the previous year. The option to receive the monthly communication allowance or the reimbursement for actual communication-related expenses in connection with District business shall be at the sole discretion of each Director and shall be made prior to January 1st for the following year.

(3) Directors will receive a reimbursable IT equipment allowance of up to \$500 once every four years.

(4) District-issued credit cards shall be used by Directors for all travel and travel-related expenses. Directors are required to submit detailed receipts supporting the credit card charges within 60 days. Otherwise, unsupported charges will be deducted from their next monthly reimbursement.

(f) All members of the Board of Directors of the Upper District are eligible to serve as a representative of the Upper District to the MWD Board of Directors. All MWD representatives (both board members and non-members) serve at the pleasure of the Board and may be appointed, removed, or replaced at any time. A non-member of the Board of Directors of the Upper District may serve as a representative of the Upper District to the MWD Board of Directors, provided:

(1) The non-member is nominated and elected to serve by a majority (three {3} or more) of the members of the Board of Directors of the Upper District;

(2) The non-member is eligible to vote in Upper District elections;

(3) The non-member is, at the time of appointment and for all times thereafter, a resident of the Upper District;

(4) The non-member is determined by the Board of Directors of the Upper District to be qualified to act as a representative to the MWD Board of Directors;

(g) The non-member, if nominated and elected to serve, shall receive as compensation/reimbursement, in accordance with Resolution 1-10-473, the following:

(1) A stipend, equal to the existing stipend of an Upper District Board member, to attend an MWD Board meeting or assigned committee meeting, or a meeting of the Upper District. The stipend shall not exceed ten (10) meetings per month or one (1) per day.

(2) Reimbursement of transportation expenses, consistent with Upper District Board policy, to go to and from all authorized meetings of MWD or the Upper District.

- (h) Except as otherwise prohibited under the California Government Code or other applicable law, representatives to the MWD who are also members of the Upper District Board may receive compensation for up to an additional ten (10) meetings in addition to the total number of meetings authorized by Upper District Board Policy. A representative, who is a non-member of the Board of Directors of the Upper District, may be eligible to attend Upper District approved events, conferences and activities provided prior approval is received from the Board of Directors of the Upper District.
- (i) Members of the Board of Directors are encouraged to attend educational conferences and professional meetings when the purposes of such activities are to improve Upper District operation. Except as otherwise provided within this policy, there is no limit as to the number of Directors attending a particular approved compensable meeting when it is apparent that their attendance is beneficial to the Upper District. "Junkets" (a pleasure tour or journey taken at public expense), are not permitted under any circumstance.
- (j) It is the policy of the Upper District to encourage Board member development and excellence of performance by reimbursing appropriate expenses incurred related to the attendance at approved compensable meetings and activities.
- (k) Expenses to the Upper District for Board of Directors' attendance at approved compensable meetings and activities should be minimized by utilizing recommendations for transportation and housing accommodations put forth by the General Manager and by:
 - (1) Utilizing hotel(s) recommended by the event sponsor in order to obtain discounted rates.
 - (2) Directors traveling together whenever feasible and economically beneficial.
 - (3) Requesting reservations sufficiently in advance, when possible, to obtain discounted air fares and other transportation, hotel rates and registration fees.
- (l) To the extent the Upper District Board has not already approved and paid costs and expenses in advance, Directors, as a condition to any reimbursement authorized under these procedures, shall produce and present to the Upper District, a completed expense report that includes satisfactory documentation and receipts evidencing or substantiating, all actual and reasonable and necessary expenses incurred, and not otherwise reimbursed by the Upper District, in the Director's performance of duties as provided herein.
- (m) The Upper District does not prohibit a Director's spouse or other companion from traveling with the Board Member to approved compensable meetings and activities. However, the Board Member will be personally responsible for all expenses associated with the spouse or companion's travel and attendance at the meeting or activity.
- (n) A Director shall not attend a conference or training event for which there is an expense to the Upper District, if it occurs after they have announced their pending resignation, or if it occurs after an election in which it has been determined that they will not retain their seat on the Board. A Director shall not attend a conference or training event when it is apparent that there is no significant benefit to the Upper District.
- (o) Upon returning from approved seminars, workshops, conferences, or educational meetings where expenses are reimbursed by the Upper District, Directors will either prepare a written report for distribution to the Board, or make a verbal report at a regular meeting of the Board. Said report shall detail what was learned at the session(s) that will be of benefit to the Upper District. Materials from the session(s) may be delivered to the

Upper District office to be included in the Upper District library for the future use of other Directors.

- (p) The Board is directed to evaluate all requests for compensation of meetings, informational and educational conferences, seminars and workshops and related expenses to the standard of reasonable and necessary uses of public funds doctrine.