

**DIRECTORS' COMPENSATION AND REIMBURSEMENT POLICY**  
**Updated March 1, 2022**

**G. Directors' Compensation and Expense Reimbursement**

1. Board Meetings and Committee Meetings

Each Director may claim and receive up to the Board authorized Per Diem payment (Per Diem) for attendance at each regular, adjourned regular, special or adjourned special meeting of the Board. A Director may also claim and receive Per Diem for attendance at meetings of those standing or special Committees to which the Director has been appointed, including meetings with staff in connection with such committee meetings if required and at the request of the committee chair. At the next regular Board meeting, Directors shall provide a report, orally or in writing, of attendance at such meetings or events in which Per Diem and/or expenses are provided.

2. Conferences, Meetings and Events

Subject to specific approval of the Board and pursuant to this Section G, Directors may claim and receive Per Diem for each day's attendance at conferences, meetings, events, or other authorized activities relevant to the business of the Agency. Authorized conferences, meetings, events, and activities constitute the performance of official duties for which compensation and reimbursement may be provided and may include, but are not limited to, educational conferences and similar gatherings, meetings of other public agencies or organizations that involve discussions of specific interest to the Agency, attendance at Agency-related ceremonial functions, or formal appearances before or meetings with administrative, regulatory agencies, legislators, and their staff. Directors are encouraged to educate themselves about current issues, policies and best practices that are relevant to the business of the Agency. The Board Secretary shall provide the Board with information regarding relevant conferences, meetings and events.

Unless specifically approved by the Board or otherwise provided in this Section G, Director compensation and/or expense reimbursement for attendance at conferences, meetings, or events relevant to the business of the Agency shall be in accordance with the below categories and corresponding rules and restrictions. Participation in meetings or events related to Agency business, including meetings with staff, at the request of the General Manager, Board President or the Board is not subject to the below rules and restrictions and Directors may claim and receive Per Diem and expense reimbursement.

**Category 1 – Multi-Day Events.** Directors may receive Per Diem payments and expenses for up to three (3) multi-day events per fiscal year. A “multi-day event” is a conference, meeting or event that takes place over two or more days and requires at least one night's lodging at Agency expense. The following are preapproved multi-day events for which Board approval is not required to attend.

- Association of California Water Agencies (ACWA) Conferences and Events
- ACWA/JPIA Conferences and Events

- California Special Districts Association Conferences and Events
- California Water Policy Conference
- KHTS Sacramento Event
- National Water Resources Association Conferences and Events
- Urban Water Institute Conferences
- WaterReuse Conference
- Water Education Foundation Events

A multi-day event not appearing on the above pre-approved list may be attended and Per Diem and expenses may be paid subject to advance approval of the Board. When deciding whether to approve such a request, the Board shall take into account the cost of the multi-day event and the benefit to the Agency. Attendance at any such multi-day event shall count towards the Category 1 limit of three (3) per fiscal year unless the Board makes a specific exemption.

Directors who attend pre-approved multi-day events as part of his or her authorized role on the governing Board or a Committee of the host organization may attend and receive Per Diem payments and expenses for such multi-day events and such will not count towards the Category 1 limit of three (3) multi-day events per fiscal year, provided that attendance for a Committee shall not exceed the number of days required for such Committee meeting.

**Category 2 – Single-Day Events.** Directors may receive Per Diem payments and expenses for up to twelve (12) single-day events per fiscal year. A “single-day event” is a conference, meeting, or event that occurs on one day, regardless of the duration of the event during that day, and requires no more than one night’s lodging at Agency expense. The following are preapproved single-day events for which Board approval is not required.

- ACWA Events
- ACWA Region 8 Events
- Alliance for Water Efficiency Events
- Association of Ventura Water Agencies Meetings
- BizFed Meetings
- Building Industry Association Meetings
- California Special Districts Association Conferences and Events
- County Economic Outlook Meeting
- Integrated Regional Water Management Meetings
- Legal Seminars
- Public Officials Night Event
- Santa Clara River Watershed Meetings
- SCV Chamber of Commerce Events and Meetings
- Service Organization Events and Meetings, such as the Rotary Club of Santa Clarita
- Southern California Water Coalition Events
- Southern California Water Dialogue Events
- State of the City Luncheon
- State of the County Luncheon

- Urban Water Institute Events
- Valley Industry Association Events and Meetings
- Valley Industry and Commerce Association Events and Meetings
- Water Education Foundation Events

A single-day event not appearing on the above pre-approved list may be attended and Per Diem and expenses may be paid subject to advance approval of the Board. When deciding whether to approve such a request, the Board shall take into account the cost of the single-day event and the benefit to the Agency. Attendance at any such single-day event shall count towards the Category 2 limit of twelve (12) per fiscal year unless the Board makes a specific exemption or no Per Diem is paid as described below.

Directors who attend a pre-approved single-day event as part of his or her authorized role on the governing Board or a Committee of the host organization may attend and receive Per Diem payments and expenses for such single-day event and such will not count towards the Category 2 limit of twelve (12) single-day events per fiscal year, provided that attendance for a Committee shall not exceed the number of days required for such Committee meeting.

In addition, Directors may attend approved single-day events within the Agency service area at the expense of the Agency without such event counting towards the Category 2 limit of twelve (12) single-day events per fiscal year if the Director does not request and does not receive Per Diem for attending such event.

### 3. Restrictions and Conditions

Per Diem payments may be claimed only for attendance at meetings of the Board or for each day's service rendered as a member of the Board. The Board shall determine in advance if a particular activity constitutes a meeting for the purpose of a Director claiming and receiving a Per Diem payment. As reasonably necessary, days spent traveling to and from an authorized event shall be considered compensable days of service.

No Director shall receive more than one Per Diem payment for any one day regardless of the number of meetings attended and/or events of service to the Board performed during that day.

No Director shall receive more than ten (10) Per Diem payments in any one calendar month for any combination of meeting attendance or service rendered as a member of the Board.

A Director-elect shall not be entitled to any Per Diem payments for traveling to or attending any meeting or conferences prior to assuming office.

Directors who attend an out-of-state conference or meeting as part of his or her authorized role on the governing Board or a Committee of the host organization may attend and receive Per Diem payments and expenses for such out-of-state conference or meeting and such will not count towards the Category Section G (2) limits, provided that attendance for a Committee shall not exceed the number of days required for such Committee meeting. Directors

may not attend any other out-of-state conference, meeting or event without the prior approval of the Board or at the request of the Board President in connection with Agency business.

If a Director becomes aware of a conference, meeting, or event that requires Board approval after the conclusion of the most recent Board meeting and the conference, meeting, or event is taking place prior to the next Board meeting, the Director may only attend with the approval of the Board President. Unless subsequently determined by the Board, attendance at any such conference, meeting, or event shall count towards the corresponding category limits established above.

Directors may not serve on a board or committee of another organization on behalf of the Agency without the prior approval of the Board.

Directors who attend authorized events are attending as representatives of the Agency and not in their personal capacities and are expected to identify themselves as Directors of the Agency.

#### 4. Directors' Compensation Rate

Pursuant to Section 13(c) of the Act, Directors are authorized to receive compensation equal to the amount authorized for Castaic Lake Water Agency Directors as of December 31, 2017, which is \$228.15, for each day's attendance at meetings of the Board, or for each day's service rendered as a member of the Board not to exceed ten meetings per month. The Board may adjust this compensation amount in accordance with Water Code Section 20200 et. seq.

Changes to Directors' compensation shall be done by ordinance adopted after a public hearing, notice of which has been published in a newspaper of general circulation once a week for two weeks, and shall not become effective for 60 days after adoption. Increases are subject to referendum.

#### 5. Expense Reimbursement

Directors shall be reimbursed for reasonable and necessary expenses incurred incidental to services provided on behalf of the Agency and for authorized travel on Agency business, including two (2) hours of ethics training, subject to the following limits and restrictions. Such expenses will not be reimbursed when incurred for family members of the authorized Director. The President may review Directors requests for expense reimbursement and may disallow amounts deemed improper or otherwise not properly accounted for. In the case of requests for reimbursement by the President, the Vice President(s) may review such requests and disallow amounts deemed improper or otherwise not accounted for. Agency staff responsible for issuing payments to reimburse Directors for incurred expenses shall bring questionable matters to the attention of the President, or the Vice President(s) if the matter concerns the President, before check execution and payment.

A request for reimbursement shall be submitted on an expense report form provided by the Agency as soon as practicable after the expenses are incurred. The request shall be accompanied by detailed receipts or other documentation evidencing each expense and the

Directors' payment thereof. A copy of a program agenda or such other document as may provide proof of attendance and/or that Agency-related business was conducted may also be required.

All documents related to reimbursable Agency expenditures are public records subject to disclosure under the California Public Records Act, Government Code §6250 *et seq*; AB 1234, Government Code §§53232 – 53232.3.

6. Payment Interval

Directors shall receive Per Diem payments and shall be reimbursed for any properly submitted and approved expenses on a monthly basis.

**H. Types of Expenses**

1. Transportation

Directors who attend approved Agency functions shall use the appropriate commercial or private means of transportation in the most efficient manner consistent with scheduling needs and cargo space requirements. In the event a more expensive means of transportation is used, the reimbursable amount shall be limited to the cost of the most reasonably economical means of transportation available.

No reimbursement shall be made for transportation expenses incurred to travel to a destination within Agency boundaries, if the travel begins and ends within Agency boundaries. Any travel made without approval shall be the sole personal responsibility of the involved Director.

When a Director elects to use a private vehicle for transportation, reimbursement shall be made at the currently approved rate per mile established and adjusted from time to time by the United States Internal Revenue Service for business use of a vehicle. This reimbursement rate shall be considered to fully compensate for all vehicle operation and ownership expense. Reasonable mileage used for conducting Agency business as a Director will be reimbursed. Reasonable mileage is the most direct route to and from Agency business, unless traffic or unforeseen circumstances require an alternate route. Proof of mileage must be attached to a request for reimbursement. Proof may be obtained using one of the free, on-line map/driving direction providers (i.e. MapQuest) or an equivalent method. Agency staff may assist with the submittal of such proof.

Airplane travel shall be by air coach or economy class and, unless there is no alternative, shall be the lowest refundable fare. Directors may make their own travel arrangements or may request that the Board Secretary pre-purchase airplane tickets. Long-term parking should be used for travel exceeding 24 hours, however if Directors use other parking options they are responsible for paying the difference. If a Director travels to Agency business in an airplane that he or she owns, the reimbursement amount for such travel shall be the equivalent coach or economy class lowest refundable fare of a major commercial airline. The reimbursement rate for travel by personal plane to locations where there is no reasonable commercial fare, shall be the same as if the Director had travelled by private car. Other reimbursable transportation expenses

may include, but are not limited to, ground transportation to and from airports and hotels, car rental, taxis (and reasonable tips) and parking fees. The expense of any traffic citation is not reimbursable (AB 1234, Government Code §53232.2(c)).

## 2. Meals and Lodging

Expenditures for food and lodging shall be moderate and reasonable. Such expenses will not be reimbursed when incurred for family members of the authorized Director.

Directors shall be entitled to receive reimbursement for the reasonable cost of meals, including tips, not to exceed \$150 per person per day. Expenses incurred as a result of the presence of guests shall be reimbursable to the extent allowed by law in the event that their presence is appropriately related to Agency business. Reimbursements will not be made for alcoholic beverages.

Tipping Guidelines: Restaurant and food service providers have varying policies concerning tips. Some providers include tips in the food cost. Others provide a customer selection of tip percentages. Most providers leave the amount of the tip at the total discretion of the customer. Another factor to consider is the amount of time and special service that is required of the food server. It is the policy of the Agency that tips should be generally 15% to 20% of the cost of food depending on service and/or restaurant policy for larger group tables. Tips of a higher amount are subject to the reasonable and best judgment of the Director considering all such factors. If the tip for the cost of food is substantially more than such limit, the excess amount must be reasonably justified and approved by the President.

Lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the Director at the time of the booking. If the government or group rate is not available, the rate paid may be 25% higher than the government or group rate, whichever is higher. Where reasonably possible, accommodations shall be obtained in proximity to the conference or meeting site. All expenses that do not fall within these guidelines shall be approved by the Board, in a public meeting before the expense is incurred. No reimbursement request for overnight accommodations shall be approved for expenses incurred within the Agency's service area, except upon approval of the Board or President.

Reasonable pre and post-conference or event lodging will be reimbursed for national travel requiring extensive travel time. Pre-conference or event lodging will be reimbursed for regional travel if the conference or event starts at an unreasonably early hour for travel and post-conference or event lodging will be reimbursed for regional travel if the conference or event ends after an unreasonable hour for travel. The President may pre-approve exceptions to this section.

## 3. Communications

Reasonable personal telephone calls will be reimbursed. Hotel internet/email or similar communication access will be reimbursed if used for reasonable Agency purposes (Government Code §§53232.2(a) and (f)).

4. Personal Expenses

The costs of medications, laundry/dry-cleaning, in-room movies, personal entertainment, the personal portion of any trip, and other personal expenses are not reimbursable (Government Code §§53232.2(a) and (g)).

**I. Other Organizational Policies of the Agency**

1. Disbursement Authorization

The Agency shall make disbursements of funds pursuant to its budget, which is a general expenditure projection, and in accordance with a duly adopted Purchasing Manual.

The Board, by resolution, shall authorize the disbursement of Agency funds through withdrawal order, with signing authority granted to specific individuals holding the following positions:

- (a) President
- (b) Vice President(s)
- (c) General Manager/Treasurer
- (d) Assistant Treasurer

2. Management Procedure Orders

Management Procedure Orders (MPOs) are written rules and regulations promulgated by the General Manager to direct and guide Agency employees in performance of their duties. An MPO may be issued by the General Manager to govern areas of policy not reserved by the Board. An MPO may provide detailed instructions to comply with policy established by action of the Board.