

RESOLUTION NO. 18R-02

A RESOLUTION OF THE BIGHORN-DESERT VIEW WATER AGENCY ESTABLISHING A POLICY FOR REIMBURSEMENT OF ACTUAL AND NECESSARY EXPENSES FOR BOARD MEMBERS

WHEREAS, pursuant to Government Code section 53232.1, the Bighorn-Desert View Water Agency ("Agency") may pay compensation to each member ("Director") of the Board of Directors of the Agency ("Board") for attendance at certain occurrences only if the Board has adopted, in a public meeting, a written policy specifying the types of occasions that constitute the performance of official duties for which a Director may receive payment; and

WHEREAS, pursuant to Government Code section 53232, if the Agency is to reimburse Directors for actual and necessary expenses incurred in the performance of official duties, then the Board must adopt a written policy, in a public meeting, specifying the types of occurrences that qualify a Director to receive reimbursement of expenses relating to travel, meals, lodging, and other actual and necessary expenses; and

WHEREAS, the Agency adopts this Policy For Reimbursement of Actual and Necessary Expenses For Board Members to allow the Agency to pay Directors for attendance at those occasions that constitute the performance of official duties and for reimbursement of their actual and necessary expenses incurred in the performance of official duties; and

WHEREAS, the intent of the Policy is to provide guidance to Directors on the use and expenditure of Agency resources, as well as the standards against which those expenditures will be measured;

NOW, Therefore, Be It Resolved By the Board Of Directors of the Bighorn-Desert View Water Agency as follows:

A. Findings

This Policy provides guidance to elected and appointed officials on the use and expenditure of Agency resources, as well as the standards against which those expenditures will be measured. In addition, this Policy satisfies the requirements of Government Code sections 53232.1 and 53232.2 and supplements the definition of actual and necessary expenses for purposes of state laws relating to permissible uses of public resources.

Except as specifically authorized, a Board member will not use or permit the use of Agency owned vehicles, equipment, telephones, materials or property for personal convenience or profit. A Board member will not ask or require an Agency employee to perform services for the personal convenience or profit of a Board member or employee. Each Board member must protect and properly use any Agency asset within his or her control, including information recorded on paper or in electronic form. Board members will safeguard Agency property, equipment, moneys and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust. Board members are responsible for maintaining written records, including expense accounts, in sufficient detail to reflect accurately and completely all transactions and expenditures made on the Agency's behalf, in accordance with this policy for reimbursement of expenses of Board members.

B. Director Compensation

1. Amount of Per Diem Compensation

Directors shall receive a daily meeting stipend in the amount set by the current Ordinance in force for each day of service rendered as a Director. Such compensation is in addition to any reimbursement for meals, lodging, travel and other actual and necessary expenses consistent with this Policy.

2. "Day of Service" and "Authorized Meeting" Defined

For purposes of determining eligibility for compensation of Directors, the term "day of service" is defined as attendance by a Director, in person, at an Authorized Meeting with one or more other persons for the performance of official duties on behalf of the Agency.

All meetings which fall under Directors' Compensation List are to be recognized as an "Authorized Meeting". The Directors' Compensation List is a separate and distinct resolution from this policy reviewed and updated from time-to-time by the Board of Directors.

3. Daily Limits

If a Director attends or participates in multiple meetings in a single day, the Director shall be eligible for compensation for only one meeting on that day.

4. Aggregate Limits

The number of days for which a Director receives a daily meeting stipend will not exceed the aggregate limits established by state law and set by the current Ordinance in force.

5. Travel Days

Whenever practical and in keeping with established Board policy stating that whenever a particular educational opportunity exists via Webinars or other online course formats, these be considered first as the preferred method of education for Directors.

Per diem compensation shall include travel days to and from authorized meetings as appropriate. Unless specifically approved by the Board in advance, Directors shall not count travel to meeting within 125 miles of the Agency's office as a reimbursable per diem travel day.

C. Authorized and Unauthorized Expenses

Agency funds, equipment, supplies (including letterhead), titles, and staff time must only be used for authorized Agency business.

The Agency Resolution outlining the approved Directors' Compensation List is separate from this policy. Expenses incurred in connection with the Directors' Compensation List generally constitute authorized expenses, as long as the other requirements of the policy are met. If a meeting, event, or seminar/conference is not specifically defined in the Directors' Compensation List then the request for attendance and reimbursement must be presented to the full Board of Directors for approval. Directors are encouraged to obtain approval well in advance of the event to secure the most cost effective accommodations. A Director who chooses to attend a meeting, event, or seminar/conference without prior approval can request retroactive approval and reimbursement. If retroactive approval is denied then all costs shall become the sole responsibility of the individual.

Examples of personal expenses that the Agency will not reimburse include, but are not limited to:

1. The personal portion of any trip;
2. Political or charitable contributions or events;
3. Family expenses, including partner's expenses when accompanying an official on Agency-related business. Family

expenses also include expenses of children and pet-related expenses;

4. Entertainment expenses, including theater, movies, sporting events, or other cultural events;
5. Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline; and
6. Personal losses incurred while on Agency business.

*Any questions regarding the propriety of a particular type of expense should be resolved by the approving authority at the Agency **before** the expense is incurred.*

D. Payment of Expenses

To conserve Agency resources and keep expenses within community standards for public officials, expenditures incurred in the performance of official duties should adhere to the following guidelines. In the event that expenses are incurred which exceed these guidelines, the cost borne or reimbursed by the Agency will be limited to the costs that fall within the guidelines.

1. Transportation

- a) A request for reimbursement for mileage incurred by a Director is payable by the Agency only if the Director or the Director's driver of the vehicle in which the Director is transported, and for which reimbursement is sought, holds a valid California driver's license during that period in which the claim for reimbursement arises. The Director or the Director's driver must satisfy the Agency's automobile liability insurance requirements by completing a California Department of Motor Vehicle form authorizing release of driver information. The form may be obtained through the General Manager.
- b) The Agency reimbursement rate for mileage by use of a Director's own vehicle shall be calculated on the total miles driven for Agency purposes at the rate specified by the Internal Revenue Service in Publication 463 or any successor publication in effect at the time of vehicle usage. Mileage will be calculated using a standard trip program on the Internet and shall be verified by the Agency staff.

- c) Travel to meetings, conferences or seminars outside Agency boundaries where air travel is available may be reimbursable through a mileage rate, should the Director choose to drive the Director's own vehicle; however, the total reimbursable amount for mileage may not exceed the cost of round trip coach airfare.
- d) The Agency reimbursement rate for vehicle parking by a Director shall be the actual amount incurred including gratuity.

2. Lodging

Directors must use government and group rates offered by a provider of lodging services when available. If the lodging is in connection with an accepted conference or organized educational activity, lodging costs must not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the Directors at the time of booking. If a government or group rate is not available, the Agency reimbursement rate for Director lodging shall be the actual amount incurred, not to exceed the rate for comparable lodging.

3. Meals & Incidental Expenses

The Agency reimbursement rate for Director meals and incidentals shall be the actual amount incurred, including gratuities, excluding alcoholic beverages, up to the standard allowance established for the destination location per Internal Revenue Service Publication 463 (Ref. GSA.gov/Perdiem).

4. Other

Agency reimbursement of all other actual and necessary expenses incurred by a Director shall be computed using the applicable Internal Revenue Service rates for reimbursement as established in IRS Publication 463, or any successor publication. All expenses that do not fall within this reimbursement Policy or the Internal Revenue Service reimbursable rates, as provided above, shall be approved by the Board in a public meeting before the expense is incurred.

E. Budget Limits

Designated funds established through the annual budget process will be available to pay reimbursement of expenses for attendance by Directors at conferences, seminars and workshops as well as Per Diem compensation for days of service as defined herein. These funds are segregated in general ledger accounts for each individual director. If insufficient monies exist in the account to pay for those expenses or if request for payment by the Board of Directors is denied, the Director would then be required to pay for those expenses out of his or her own personal funds.

F. Expense Forms/Timesheets

The Agency shall provide expense report forms and timesheets to be filed by the Directors for reimbursement for actual and necessary expenses and per diem incurred on behalf of the Agency in the performance of official duties. The expense reports shall document that expenses meet this Policy for expenditure of public resources. Directors shall submit to the Agency's Accounting Department on said form their expense reports which shall be accompanied by receipts documenting each expense. If the reimbursement requests listed by the Director on said form satisfy the provisions of the Directors' Compensation List then the Agency's General Manager is hereby authorized to approve the reimbursement requests. The Board reserves the right to approve reimbursement of eligible expenses above the budget limit on a case-by-case basis prior to or after the expense being incurred. Directors are paid per diem on the regular bi-weekly payroll cycle.

G. Audits of Expense Reports

All expenses are subject to verification that they comply with this Policy.

H. Reports to Board of Directors

Directors, if required by the Resolution outlining the Directors' Compensation List, shall provide brief oral reports on meetings attended at the expense of the Agency during the next agenda meeting of Board. Directors are encouraged to submit written reports to assist with the oral presentation.

I. Compliance with Other Laws

Agency directors, officials and employees, as applicable, should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All agency expenditures are public records subject to disclosure under the Public Records Act and other laws.

J. Violation of This Policy

Use of public resources or falsifying expense reports in violation of this Policy may result in any of all of the following: 1) Loss of reimbursement privileges, 2) a demand for restitution to the Agency, 3) the Agency's reporting the expenses as income to the elected official to state and federal tax authorities, 4) civil penalties of up to \$1000 per day and three times the value of the resources used, and 5) prosecution for misuse of public resources.

K. Review of Resolution on Annual Basis

Each year the Board may review this Resolution to determine its effectiveness and the necessity for its continued operation. The Agency's General Manager shall report to the Board on the operation of this Resolution, and make any recommendations deemed appropriate concerning this Resolution. Nothing herein shall preclude the Board from taking action on the Resolution at times other than upon conclusion of the annual review.

L. Severability

If any provision of this Resolution or the application thereof to any person or circumstances, is held invalid, such invalidity shall not affect other provisions or applications of this Resolution, which can be given effect without the invalid provision, or application, and to this end, the provisions of this Resolution are declared to be severable.

M. Effective Date

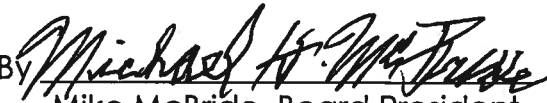
This Resolution shall become effective immediately upon adoption.

N. Rescission

Resolution No. 13R-16 is hereby rescinded in its entirety.

PASSED, APPROVED AND ADOPTED by the Board of Directors of Bighorn-Desert View Water Agency this 27th day of March 2018, by the following roll call vote:

AYES: McBride, Corl-Lorono, Burkhart, Staley, Coulombe
NOES: None
ABSTENTION: None
ABSENT: None

By 
Mike McBride, Board President

Attest:


Terry Burkhart, Board Secretary

