

Chapter 4: District Finances

A. Board Member Compensation

Pursuant to Government Code section 61047, Board Members are authorized to receive up to One Hundred Dollars (\$100.00) per day of service, limited to six (6) days in one (1) month, and all other expenses incurred.

Board Members may waive their stipends as provided by state law⁴, however, they may not elect to assign their salary to any person or entity, including a charitable organization.

Per Day of Service means that compensation is limited to no more than One Hundred Dollar stipend (\$100.00) per day (i.e. a special meeting and a regular Board Meeting in the same day would be compensated with a single stipend payment for that day).

The following types of authorized functions are eligible for compensation:

1. Regularly scheduled board Meetings.
2. One (1) special Meeting a month.
3. One (1) special or informal work session or conference per month.
4. Emergency Meetings of any duration.
5. Participation in a training program on a topic that is directly related to the district as assigned or approved by the Board. Members attending must deliver a written report to the Board of Directors regarding the Member's participation at the next Board of Directors' Meeting following the training program.
6. Board-appointed regional meetings that are not already reimbursed. Board Members attending must deliver a written report to the Board of Directors regarding the Member's representation at the next board of directors' meeting following the public meeting or public hearing.
7. Participation in a scheduled Board retreat or Board training session.

Forfeiture of Stipend. A Board Member will not be eligible for a stipend under the following conditions:

1. For the relevant Board Meeting if a Board Member fails to arrive for "Roll Call", leaves prior to "Adjournment", leaves for a period of more than thirty (30) minutes in the middle of that Board Meeting, or fails to attend the entire Board Meeting, without a Board-approved excused absence.
2. No Board Member shall receive a stipend during a fiscal emergency. A fiscal emergency is defined as one of the following:

- a. Half of all departments are running negative budget balances for two (2) consecutive years;
 - b. At any time in which the total Operational Reserve for the District falls below fifteen percent (15%) of the Board approved, operational revenue budget OR operational expenditure budget for that period;
 - c. If the District declares bankruptcy; or
 - d. Existing departmental Staff are laid off due to budget problems.
3. Two (2) unexcused Absences will result in a forfeiture of the Board Member's stipend for the remainder of the fiscal year.

Additional Requirements. As a condition of receiving board stipends, the collective Board shall be required to undergo a yearly Board analysis.

Additional Compensation. Any future increases or changes to these rules that results in an increased fiscal impact to district shall be made through an ordinance pursuant to Government Code 61047(b) and shall be brought before the voters at a regularly scheduled election.

B. Expenditure Allowance

The annual District budget may include an expenditure allowance for expenses necessary for Members to undertake official District business. Eligible expenses include travel expenses, including meals for Board Members, and mileage reimbursement, which are made for District business.⁵ Donations to organizations are not eligible, nor are meals, for individuals other than Board Members.

C. Expenditure Guidelines

Any expense must be related to District affairs.⁶ Public property and funds may not be used for any private or personal purpose. For example, reimbursement is not allowed to pay for meals at a meeting to discuss political or campaign strategies. It is also inappropriate for District funds to pay for a meal or other expenses of a private citizen or spouse attending a meeting.

District budgetary practices and accounting controls apply to expenditures within the District budget. Board Members should plan expenditures which will allow them to remain within the annual allocation. When exceptional circumstances require that additional amounts be allocated, the request must be made to the General Manager, and Board action may be necessary. Reimbursement requests should be made through the General Manager's office, with receipts. Expenditure records are public information.