



# **Review of Board Compensation and Travel Reimbursement Policies**

January 23, 2024



# AGENDA

- Review the Board Compensation Policy, Legal Requirements, Comparable Agencies and Consider Possible Revisions
- Review the Board Travel Reimbursement Policy, Legal Requirements, Comparable Agencies and Consider Possible Revisions
- Brief Discussion of Future Items
  - Dual Noticing of Committee/Special Board Meetings
  - Brown Act Review
  - Campaign Law Review
  - Board Handbook Review

# Board Compensation

- Board Policy No. 42 – Compensation of Elected or Appointed Officials, Last approved 2006
- Purpose – Establish Consistent Policy for compensating Directors for Meetings and other District Business
- District Code §2.10.060 – Compensation – In 2016 adopted \$200 for Each Day of Service Rendered, Not to Exceed 10 Days per Month
- Policy sets forth a list of meetings eligible for compensation (though outdated)
- “Or District business as authorized by the General Manager”



# Board Policy No. 42 authorizes payment for:

- Attending Board meetings and the following committee meetings:
  - District Operations Committee
  - Watershed Committee
  - Citizen's Advisory Committee – Water Conservation and Monitoring
  - [Communications & Water Efficiency Committee]
  - [Finance & Administration Committee]

# Board Policy No. 42 authorizes payment for:

- In addition, members designated as principal liaison, or alternate to the principal, if the principal does not attend, for attendance at the following meetings or other District business as authorized by the General Manager:
  - Technical Advisory Committee – Lagunitas Creek
  - North Bay Watershed Association
  - Tomales Bay Watershed Council
  - Sonoma County Water Advisory Committee
  - Bay Area Water Agency Forum
  - Las Gallinas Valley Sanitary District Contract
  - Marin Stables Lease
  - Bay Area Water Forum
  - Fishing Advisory Team
  - CMSA Desalination Subcommittee

# Legal Requirements

- California Water Code - §§71255 and 20200 et seq. – *Amount of Compensation:*
  - Compensation must be per diem (no monthly stipend allowed)
  - Increase in compensation must be approved by Ordinance adopted at a public hearing (special notice requirements)
  - Become Effective 60 days following adoption
  - Increase per Calendar year not more than 5%
  - Number of days cannot exceed 10 per month
- California Government Code - §§53232.1 – *Compensation For:*
  - Meeting of the Legislative Body (Board Meetings and Special Board Meetings)
  - Meeting of an Advisory Body (Committee Meetings or other agency advisory meetings)
  - Conferences or Training
  - Other Occurrences if Adopted in Board Policy

## Board Compensation Comparison

Agency Name	Per Meeting/ Daily Stipend Amount	Maximum Monthly Amount	Date of Last Policy Update
Alameda County Water District	\$290	Up to \$2,900 monthly	2022
Eastern Municipal Water District	\$233	Up to \$2,330 monthly	2022
North Marin Water District	\$276	Up to \$1,656 monthly*	2024
Soquel Creek Water District	\$200	Up to \$2,000 monthly	2020
West Basin Municipal Water District	\$270.70	Up to \$2,707 monthly	Unknown
Western Municipal Water District	\$240.67	Up to \$2,406.70 monthly	2012
Contra Costa Water District	\$100	Up to \$ 1,000 monthly	2015
EBMUD		\$1,530 monthly**	2023
City of Mill Valley		\$350 monthly**	2007
City of San Rafael		\$702 monthly (Mayor); \$468 monthly (Councilmember)**	1990
County of Marin		\$11,815.93 monthly**	Unknown

\*Limited to six (6) meetings monthly

\*\*Statutes applicable to these agencies permit payment of flat rate monthly stipend

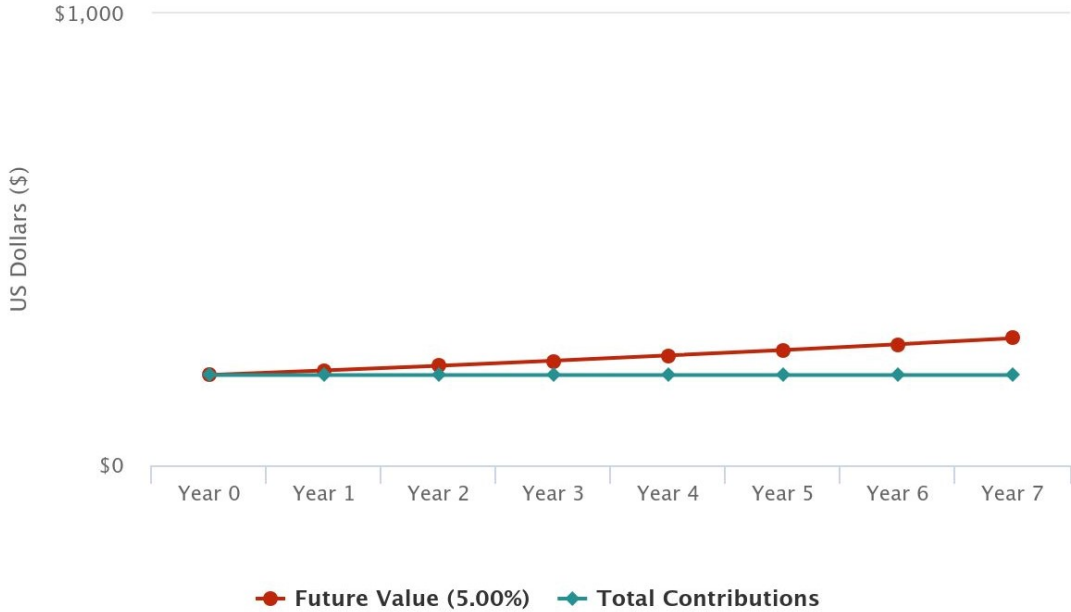
# Eligible for Per Diem Compensation

- Board, Committee, Ad Hoc and outside agency advisory meetings – All Water Agencies
- Other Types of Meetings/Events – All Water Agencies with varying degree of specificity (except EBMUD)
  - Alameda Water District – Attachment A
  - West Basin Water District – “reasonably necessary to further the interests of the District”
- Other with Prior Board Approval – Most Water Agencies
- List of Excluded Events – One agency (Eastern Municipal)



# Board Compensation Amount Today (if Increased Annually)

Years	Future Value (5.00% Annual Adjustment)
2016*	\$200.00
2017	\$210.00
2018	\$220.50
2019	\$231.53
2020	\$243.10
2021	\$255.26
2022	\$268.02
2023	\$281.42



Investor.gov

\*Last Increase to Board Compensation Occurred in December 2016

# Areas of Possible Revision - Board Compensation

- Update the policy to include a list of categories for compensation:
  - All Board, Special Board, Standing Committee, Ad Hoc Committee Meetings, and advisory multi-agency meetings - reference the Board Committee Appointments List, which is updated each year
  - Conferences pertinent to District business
  - Legally required trainings
  - Other categories of events to be compensated, such as presentations to community groups or associations; Meetings with public agencies on District business
- Update the amount of compensation to current allowance
- Other considerations:
  - Update reporting/review process
  - Provide direction to revisit the Board Compensation Policy each January

# Board Travel Reimbursement

- Board Policy No. 41 – Travel Authorization & Reimbursement of Travel Expenses for Elected Officials, Approved 2006
- Purpose – Establish consistent policy for authorizing attendance, travel and reimbursement of expenses for Directors attending conference, training, meetings or other District business.
- Travel authorization limited to conferences, meetings, and other functions from which the District derives a specific benefit through attendance.
- Directors must substantiate expenses with original receipts.



# Travel Policy - Eligible for Reimbursement

- Air Travel – at Coach or Economy rates
- Private vehicle
  - with insurance certificates on file, at IRS mileage rates
  - Carpooling and Public Transit encouraged
- Meal Allowance – Not to exceed \$52 per day (including tax and tip)
  - Based on the following allowance: Breakfast \$12, Lunch \$15, Dinner \$25
  - Based on departure and return times
- Lodging (out-of-region)
- Must submit expenses, receipts and verification of policy compliance within ten (10) days of return to Finance Division.
- District General Manager to Review and approve.

# Legal Requirements

- California Government Code §§ 53232.2 and 53232.3
  - Reimbursement is allowed pursuant policy adopted by the legislative body at a public meeting.
  - Must specify the types of events eligible and reasonable reimbursement rates, or defer to IRS Publication 463.
  - For travel and lodging, must use group rates at conferences, if available.
  - Additional costs above these limits may be incurred at the members own expense.
  - Expense Report, which is a public record pursuant to PRA, required to be filed within a reasonable period of time.
  - Board member should report out about event at next regular meeting.

# Comparable agency travel/reimbursement

- **Alameda County WD** - Reasonable expenses reimbursed for District business with prior Board approved travel
- **Contra Costa WD** – Over \$300 requires prior Board approval, reimbursed per state/federal law with receipts
- **Eastern Municipal WD** – For District business not to exceed \$500 per day, excluding conference fees or airfare
- **North Marin WD** – With prior Board approval, consistent with IRS Pub. 463
- **Western Municipal WD** - With prior Board approval, any reasonable expenses consistent with IRS Accounting Plan
- **West Basin WD** – For necessary District business, reasonable reimbursement

# Areas of Possible Revision – Travel Reimbursement

- Update to assure consistency/deference to state law requirements
- Update meal reimbursement to be consistent with IRS Pub. 463 and eliminate specific numeric amounts (likely to be outdated)
- Eliminate telephone reimbursement charges, as unlikely in the era of cellular roaming allowances
- Other considerations:
  - Update the policy to provide greater specificity as to which events are eligible for travel reimbursement;
  - provide amount over which Board approval would be required (possibly for any travel outside of the USA)

# Brief Discussion of Future Items

- Dual Noticing of Committee/Special Board Meetings
  - Board interest in revisiting current Board practice
  - Last reviewed in July 2022
- Brown Act Review – Proposed Legal review of highlights
- Campaign Law Review – Proposed Legal review of highlights
- Board Handbook – Proposed review; Possible updates