Amador Water Agency

Directors' Compensation and Expense Reimbursement Policy

Reviewed and Adopted:
10-9-2026

100.00 Purpose of the Policy

This document sets forth the policy of the Amador Water Agency concerning Directors' compensation and the payment of actual and necessary expenses incurred in the performance of official duties and is intended to comply with the requirements of Government Code sections 53232 through 53232.4.

200.00 Directors' Compensation

200.10 Amount of Compensation

Each member of the Board of Directors of the Agency will be entitled to receive compensation as adopted and described in Ordinance No. 2024-01 and as provided in article 200.20.

200.20 Types of Service for Which Compensation Will Be Provided

Applicable law (Government Code section 53232.1) permits the Agency to compensate Directors for each day's attendance at meetings of the Board, or for each day's service rendered as a Director, subject to a written policy adopted in a public meeting. Applicable law authorizes the Agency to compensate directors for up to 10 days per calendar month of service in accordance with the Board's adoption of an ordinance specifying the types of activities that amount to official service to the Agency. The Agency encourages Directors to take advantage of opportunities to be informed concerning matters of interest to the Agency, and to inform others of the activities and interests of the Agency. Directors will be compensated (for up to 10 days per calendar month) for attending the following types of meetings:

a. Meetings of the Board of Directors of the Agency and the Board of Directors of the Amador Water Agency Financing Corporation;

b. Committee meetings of the Board, attended as a member of the committee;

c. Other meetings necessary for the disposition of duties assigned to a Board committee, attended by a member of the committee;

d. Meetings of other governmental entities, associations or duly-recognized committees on which the Agency is officially represented, attended by the liaison representative of the Board and/or the liaison representative alternate who has been appointed to represent the Agency on the governmental entity or committee (both liaison representative and liaison representative alternate should attend all meetings to be informed on the issues and therefore both will be compensated for attending those meetings);

e. Conferences, seminars, workshops and other events held within the State of California that are sponsored by industry associations or nonprofit entities for the purpose of discussing relevant water issues, including days while attending the conference, seminar, workshop or event, but excluding days in transit to or from the conference, seminar, workshop or event (attendance at conferences, seminars, workshops and events held outside the State of California will be approved by the Board of Directors on a case-by-case basis);

f. Educational training, seminars, and courses designed to improve Directors' understanding of Agency business and their obligations as public officials, including ethics training mandated under Government Code section 53235(a) and harassment prevention training under Government Code section 12950.1;

g. Meetings, water industry events or office visits of a substantial duration concerning substantive Agency business; and

h. In connection with business, educational and ceremonial meetings, functions and conferences for which the Agency has prepaid for a Director's attendance, the Director shall attend such events. If the Director is unable to attend the pre-paid event, the Director shall immediately notify the Agency. If the Agency cannot obtain a refund of fees paid, then the Agency may bill the Director for reimbursement for all amounts paid, unless the Director's failure to attend the event arises from circumstances beyond the control of the Director.

300.00 Reimbursement of Directors' Expenses

300.10 Policy and General Rules

The Agency encourages Directors to attend conferences, seminars and other meetings that require their participation or provide an opportunity to be informed concerning matters of interest to the Agency. Each Director is entitled to reimbursement for the amount of the actual and necessary expenditures (e.g., registration fees, travel, meals, and lodging) incurred in the performance of his or her official duties. When a

Director pre-pays expenses (e.g. registration, airfare, hotel), the Director may submit such items for expense reimbursement prior to the meeting occurrence as described in article 300.20.

A Director may use his or her personal funds for meeting registration. The Agency will reimburse the Director for the actual amount of the registration, if properly reported and documented in accordance with article 300.40. If requested, staff will register a Director for qualifying meetings as described in article 200.20.

The Agency's annual budget will set an appropriate level of funding for payment of Directors' expenses. A maximum of five paid meeting days per conference will be allowed with the following exception: ancillary programs that are not a part of the main conference (e.g. ACWA/JPIA meetings). The General Manager or his or her designee will be responsible for ensuring that the budgeted amount is not exceeded without prior approval of the Board.

Any exceptions for expenses that do not come within the Agency's expense reimbursement policy must be approved by the Board in a public meeting in advance of the time when the expense will be incurred. (Government Code, §53232.2, subd. (f).) Any question concerning the propriety of a particular expense should be resolved by the Board before the expense is incurred.

300.20 Reimbursable Expenses

Directors' expenses for attendance at meetings and events authorized by this policy, including registration fees, reasonable travel, lodging, meal costs, and other actual and necessary expenses, shall be paid by the Agency in accordance with the requirements of Government Code section 53232.2 and applicable federal per diem rates and travel reimbursement guidance published by the United States General Services Administration (GSA), as amended from time to time, and Internal Revenue Service Publication 463, Travel, Gift, and Car Expenses, or any successor publication. A copy of the applicable reimbursement rates and guidelines may be obtained from the Administrative Manager.

The following expenses are authorized business-related expenditures:

a. Personal Vehicle Mileage. A Director will be reimbursed for actual vehicle travel miles at the rate authorized under the IRS Publications for all meetings attended and services provided as defined in article 200.20, Director's Compensation, above. A Director will be considered to have accounted for personal vehicle expenses by indicating the actual miles traveled, the business purpose of the travel, and the date of travel on the approved Agency expense reimbursement form and submitted in accordance with article 300.40. The Agency will not reimburse Directors for any other personal vehicle expenses.

b. Hotel Expenses. A Director will be reimbursed for reasonable lodging expenses incurred in accordance with this Policy when a Director attends conferences, seminars or meetings, if the Director stays at the hotel or other lodging listed in the event's registration materials at the group rate obtained for the event. If a Director travels on Agency business for which no hotel is designated or is unable to book lodging at a specified conference rate, he or she may either (a) be reimbursed at the per diem hotel rate provided in the IRS Publications for the city in which the hotel is located; or (b) use the Director's personal funds to pay for hotel charges, in which case the Agency will reimburse the Director for actual charges, but only up to three times the maximum per diem hotel rate provided for in the IRS Publications for the event location.

c. Meals. A Director may be reimbursed for the cost of his or her meals while attending authorized conferences, seminars or meetings away from the Agency based on the per meal rate provided for in the IRS Publications. A Director may either (a) report meals at the IRS per diem rate or (b) use the Director's personal funds to pay for meals, in which case the Agency will reimburse the Director for actual charges, but only up to three times the maximum per diem meal rates provided for in the IRS Publications. If a Director is not traveling for a full day, defined as from 12:01 a.m. to 12:00 Midnight, the per diem meal/incidental allowance will be prorated according to the actual hours of travel unless a Director uses his or her personal funds to pay for meals, in which case the Agency will reimburse the Director for actual charges for meals incurred while traveling, but only up to three times the maximum meal rate provided for in the IRS Publications. If the Agency pre-pays the cost of one or more meals with a meeting, function or conference registration, a Director must attend the prepaid meals. If a Director fails to attend a pre-paid meal, a Director may not submit a claim for reimbursement for an alternative meal taken in lieu of the pre-paid meal.

d. Incidental Allowance. Tips for meals will be reimbursed up to a maximum of 15% of the cost of the reimbursable portion of any meal in accordance with the tip shown on the receipt attached to an expense reporting form. The Agency will reimburse a Director for tips actually given to transportation drivers, baggage porters, bellhops and hotel housekeepers that are reasonable and customary for the area. A Director may be reimbursed for toll charges and parking fees up to the actual amount expended.

e. Common Carrier Travel. When personal vehicle use for Agency business is impractical due to time and/or distance, a Director may use regularly-scheduled commercial carriers for travel. Consistent with scheduling needs and the most-direct route, a Director traveling by plane, train, rental vehicle, bus, or taxi will travel by the least-expensive fare actually available for the date and time of the travel. When possible, travel should be planned in advance to permit use of advance fares. Long-term parking must be used at

airports for travel exceeding 24 hours. The Agency will reimburse the Director for the actual amount of the fare and related, necessary expenses (e.g., baggage fees), if properly reported in accordance with article 300.30.

300.30 Types of Expenses for Which Reimbursement Will Not be Provided

Director expenses that are not deemed to be reimbursable business expenses may include, but are not limited to:

a. Barber and/or beauty shop charges
b. Fines for traffic or parking violations
c. Expenses of any person accompanying a Director on a Agency-approved trip or event
d. Personal telephone calls
e. Fitness/Health Facility or Massages
f. Alcoholic beverages
g. Entertainment expenses (movies, sporting events, etc.)
h. Non-Mileage vehicle expenses
i. Charitable contributions

300.40 Expense Reporting Procedures

In order to be reimbursed for any expense authorized under this Policy, within 60 days of incurring the expense, a Director must fill out and sign a Agency-provided expense report form available from the Finance Department. The expense report form is designed to ensure that Directors' expense reimbursements comply with the requirements of Government Code section 53232.3 and the IRS Publications. Accordingly, the General Manager or his/ her designee will review each expense report form, and sign it to indicate compliance with the requirements of this policy. In all cases when a Director seeks reimbursement for expenses incurred while attending a conference, seminar or other meeting, a copy of the conference registration form must either be attached to his or her expense report or on file at the Agency (e.g. copy attached to check request or purchasing card paperwork). In addition, a Director will be required to attach the following documentation to his or her expense reimbursement report as a condition of receiving reimbursement for an appropriately-incurred business expense:

a. Personal Vehicle Mileage. To verify mileage, the General Manager or designee will document personal vehicle mileage, using tools such as Google or MapQuest, which will be attached to the Director's expense report.

b. Lodging Expenses. If a Director wishes to be reimbursed for lodging expenses, he or she must attach to the expense report an itemized bill issued by the hotel and a copy of the credit card receipt or other proof of the Director's payment. Except when attending a conference, seminar or other

meeting and using the available group rate booked for the event, the Agency will reimburse a Director only for the actual amount of the hotel expenses incurred up to a maximum amount equal to three times the applicable per diem rate shown in the IRS Publications.

c. Meal Expenses. If a Director wishes to be reimbursed for meal expenses at the IRS per diem rate, he or she may fill out the expense report form and claim the expense without further documentation. If a Director pays for meals with his or her own funds, he or she must attach to the expense report an itemized bill, copy of a credit card receipt or other proof of the Director's payment. In such cases, the Agency will reimburse a Director only for the actual amount of the meal expense incurred up to a maximum amount of three times the applicable per diem rate shown in the IRS Publications.

d. Common Carrier Travel. A Director must attach to his or her expense report the fare, coupon, or itemized bill from a travel agency, airline, rental vehicle, bus or train showing the actual amount expended for such travel. A boarding pass, conference badge, business receipt from the destination or other documentation indicating the travel occurred must be attached to the Director's expense report.

e. Incidental Expenses. Whenever possible, a Director should obtain a receipt for incidental expenses such as tolls and parking fees. For incidental expenses where no receipt is available, such as tips and parking meter costs, a reimbursement request for such expenses may be claimed on the Agency approved expense report. Certification that such expenses were related to Agency business, reasonable, appropriate, and actually incurred by the Director is made when signing the Agency approved expense report form.

In all cases, the Director will remain responsible for filing an expense report and attaching the appropriate documentation obtained by the Director in conformance with paragraphs a. through e. above. Flat-rate advances or payments of expenses are prohibited under Government Code section 53232.2, except for per diem payments authorized in accordance with the IRS Publications.

A Director must substantiate all expenses on an expense report with the appropriate documentation attached within 60 days of incurring or paying the expense. An expense report submitted after the 60 days will only be paid if approved by the Board at a regular meeting. Any mis-reported or late-reported expenses reimbursed to a Director will not meet the requirements of the IRS Publications and will be considered income to the affected Director. To comply with the applicable tax laws, the Agency will issue to a Director a Form W-2 including all reimbursements of mis- or late-reported expenses as income.

300.50 Disclosure

To comply with reporting requirements of Government Code section 53232.3, the Agency will prepare a list of the meetings attended by each Director for which the Agency provided compensation, and a list of the amount and purpose of each expense reimbursement paid by the Agency to each Director. This information will be included with the agenda materials for each regular monthly Board of Directors meeting. At the next regular Board meeting, Directors also must provide either an oral or written report of meetings and other authorized events attended for which they were compensated by the Agency. If multiple officials attended the same event, a joint report may be made.

All expenses are subject to verification that they comply with this Policy. Directors 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, except that the Agency will ensure that no Director personal information, such as credit card numbers and home addresses, is provided to the public in the event of a request for such records.

300.60 Penalties

Government Code Section 53232.4 defines the penalties for falsifying or misusing public funds. The penalties include: (1) loss of the violator's reimbursement privileges; (2) restitution of misused Agency funds; (3) civil penalties of up to $1,000 per day for each day of violation and three times the value of the public resources misused; and (4) criminal prosecution and lifetime bar from holding public office. The Board will report any violation of this Policy to the appropriate authorities.

300.70 Payment of Compensation and Expenses

All reimbursable expenses as outlined in this policy will be paid within the next accounts payable cycle upon receipt of a completed expense reporting form approved by the General Manager or designee.

400.00 Policy Review

This Policy shall be reviewed at least every two years.