Appendix L
QUARTZ HILL WATER DISTRICT
DIRECTORS' COMPENSATION AND EXPENSE REIMBURSEMENT POLICY

1. Introduction. This policy sets forth the Quartz Hill Water District's policies and procedures governing the compensation of Board members for attendance at events related to the Board members' performance of official duties for the benefit of the District, and governing the payment and/or reimbursement of actual and necessary expenses incurred by Board members in the performance of those official duties. As well as benefits received as elected or appointed officials.

2. Compensable Events: For purposes of this policy, Board members shall receive compensation in accordance with Section 3, below, for, and payment and/or reimbursement of actual and necessary expenses in accordance with Section 4, below, for the following Compensable Events, and for travel time as set forth herein:

(a) Regular and special meetings of the District's Board of Directors;

(b) Meetings of standing and ad hoc committees established by the District's Board of Directors;

(c) Any conferences or organized educational activities, including, but not limited to, conferences sponsored by any water-related association of which the District is a member, water educational workshops, water classes, water seminars, water symposiums, water facility tours and other special water-related functions, approved by the District's Board of Directors; and

(d) Any other event that may be approved by the District's Board of Directors as a Compensable Event under this policy

For purposes of this policy, reasonable and necessary travel time shall include one day prior to and after a Compensable Event, as defined above, unless the Compensable Event takes place within 50 miles of the District's principal offices, in which case no compensation under Section 3, below, shall be paid for any travel days.

3. Compensation for Compensable Events: Board members shall be compensated at the rate of $218.29 per day for attendance at regular and special meetings of the District's Board of Directors, and $218.29 per day for attendance at all other Compensable Events, as defined in Section 2, above; provided, however, that pursuant to Water Code Section 20202, such compensation shall not be paid for more than a total of ten (10) days in any calendar month. Such compensation shall be provided in addition to any reimbursement for meals, lodging and travel expenses incurred in attending any such Compensable Event; provided, however, that no reimbursement shall be made to any Board member unless an expense report has been

submitted by that Board member, as provided in greater detail in Section 4(f), below. Any registration fees paid by the District for a Board member's attendance at any conference or other Compensable Event shall be in addition to the compensation paid under this Section 3.

4. Expense Reimbursement:

(a) General Principles. Board members are encouraged to exercise prudence in all expenditures. Payment and/or reimbursement will be made only for actual and necessary expenses that qualify as reimbursable expenses under the provisions of this Section 4. Expenditures that are improper or otherwise not properly accounted for (as set forth in subdivision (f), below), or not consistent with the prohibition against gifts of public funds set forth in the California Constitution, will not be reimbursed or accepted by the District. Where such improper expenses have been paid by the District, they will be promptly refunded to the District or deducted from monies otherwise due a Director. Whenever possible, Board members shall use government or group rates for lodging and travel.

(b) Meal and Incidental Expenses. Travel related meals and expenses will be paid on Per Diem Rates Schedule of the Approved GSA travel portal (http://www.gsa.gov/portal/content/104877). All rules and regulations associated with Per Diem Rates on the GSA travel portal will be observed.

Directors shall not be reimbursed for incidental expenses

(c) Travel Expenses. Board members will be reimbursed for expenses actually incurred in traveling to and from Compensable Events, subject to the provisions set forth below. Board members must use the most economical mode and class of transportation reasonably consistent with scheduling needs and space requirements and the most direct and time-efficient route. In the event a more expensive class of transportation is used, the reimbursable amount will be limited to the cost of the most economical class of transportation available. Travel expenses will include round-trip airfare where necessary, actual reasonable expenses for ground transportation to and from airports and hotels, and car rental. Board members also shall be reimbursed for use of privately-owned vehicles in the conduct of District business at the maximum allowable per mile rate established from time to time by the IRS.

(d) Conference Lodging. For lodging in connection with a conference or organized educational activity, the lodging costs shall not exceed the maximum group rate published by the conference or activity, provided the lodging is available to the Board member at the time of booking. If the group rate is not available, the Board member shall use comparable lodging that is consistent with conference lodging rates.

(e) Family/Guest Expenses. Expenses incurred by a family member or guest of a Board member in connection with the Board member's service will not be reimbursed. If a Board member desires to obtain accommodations for a spouse or

other guest and such additional accommodations result in an increased cost for the Board member's accommodation, the Board member shall bear that additional cost unless otherwise approved by the Board.

(f) Expense Report Forms. Reimbursement for actual and necessary expenses incurred under this Section 4 shall be made through expense report forms to be completed and submitted to the District by Board members, together with an explanation of the District-related purpose for the expenditure and receipts documenting each expense. Expense reports shall be submitted by Board members within a reasonable time, not to exceed thirty (30) days after incurring the expense.

5. Report on Events Attended: Each Board member who attends a Compensable Event, other than a Board meeting or Board committee meeting, at the expense of the District shall give at the next regular Board meeting a brief report (oral or written, at the Board member's discretion) of the event attended. If multiple Directors attend the same event, a joint report may be made.

6. Reporting of Expenditures: To implement the reporting requirements of Government Code Section 53065.5, the District will prepare a list of the amount and purpose of each expense reimbursement made to each Board member for the preceding fiscal year, which will be available to the public.

7. Vision and Dental Insurance Benefits: Each board member will receive paid dental and vision for themselves, spouses, and dependents as a part of the ACWA JPIA Insurance package available to all employees.