

July 21, 2022

To: Board of Directors
Bear Valley Water District

Public Hearing on Delinquent Account held on July 25, 2022.
Public Hearing Opens at 9:00 A.M.
RE: Liens & Delinquent Accounts for the Alpine County Tax Roll FY2022/2023.

1. David & Lisa Maminski - #CS006, 251 Creekside Drive, Bldg. A-2, Unit #6, Bear Valley, CA 95223.

APN: 005-501-006-0. Mailing address: 2223 Westchester Drive, San Jose, CA 95124.

- There is a previous balance on the FY21-21 Alpine County Tax Roll in the amount of \$1,382.14.
- There is a previous balance on the FY19/20 Alpine County Tax Roll in the amount of \$369.73.
- There is a previous balance on the FY17/18 Alpine County Tax Roll of \$1,304.31.
- There is a previous balance on the FY16/17 Alpine County Tax Roll in the amount of \$1,365.53.
- There is a previous balance on the FY15/16 Alpine County Tax Roll in the amount of \$976.78.
- There is a previous balance on the FY14/15 Alpine County Tax Roll in the amount of \$842.07.

The total amount due to the District is \$7,853.26, of which \$6,240.56, are in arrears.

2. Christer Fagersten - #BV047, 303 Monty Wolf Road, Bear Valley, CA 95223.

APN.: 005-321-016. Mailing address: P. O. Box 1248, Tiburon, CA 94920.

In debt to the District in the amount of \$1,777.19.

3. Peter DeBaun - #BV034, 511 Quaking Aspen Road, Bear Valley, CA 95223.

APN No.: 005-341-0030. Mailing address: P. O. Box 5281, Bear Valley, CA 95223.

In debt to the District in the amount of \$968.82.

Statement of Office Manager verifying mailing of notices.
List presented to the Board of Directors of unpaid sewer service charges.
Written protests: None
Oral testimony of Comments:

Judi Silber, Office Manager, BVWD
cc: Jeffrey Gouveia, General Manager, BVWD

AGENDA

Join Zoom Meeting
<https://zoom.us/j/3712702590>
or Dial (669) 900-6833
Meeting ID: 371 270 2590

DECLARATION OF A QUORUM

President James Bissell called the meeting to order at 10:04 A. M. Directors present were Vice President Gunnar Thordarson, Treasurer Ken Brown, and Director John Boyle. Director Diane Lundquist was absent with notice. District legal counsel Dan Schroeder arrived at the end of the meeting. Staff present were General Manager Jeff Gouveia and Office Manager Judi Silber. No public was present.

BOARD MEETING

Public comments on agenda items will be limited to 3 minutes or otherwise at the discretion of the Board Chair.

PUBLIC FORUM

Any member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction provided the matter is not on the agenda or pending before the Board.

BOARD BUSINESS

1. Approval of Minutes - The Board will consider adoption of the April 20, 2022 Board Meeting Minutes

Motion Bissell Second Boyle to accept the April 20, 2022 Minutes as presented.

AYES: Bissell, Boyle, Brown, Thordarson

NOES:

ABSENT: Lundquist

MOTION CARRIED

2. BVWD Accounting Policies and Administrative Procedures Manual - Discussion and Possible Action Item

Discussion ensued. The directors concurred that they did not have enough time to review the lengthy Policies and Administrative Procedures Manual.

ACTION: Table until the next board meeting. General Manager Gouveia to prepare a revision based on limited comments and suggestions provided by Directors and bring back to next meeting for review.

3. FY 2022 - 23 Preliminary Budget Proposal - Discussion and Possible Action Item

General Manager Gouveia presented his FY2022-2023 preliminary proposed budget which includes a 6% increase in service fees for residential and commercial customers, subject to Prop 218 hearing and any objections. As presented, the proposal includes a 6.1% increase in expenses due to increases in salaries, wages and benefits as well as insurance costs. The proposal included \$108,000 in the capital improvement program, including a new vehicle and new snowmobile for field staff use, once in permit term laboratory fees, painting the District office and completion of the revision to the District's design and improvement standards.

A brief reserve fund discussion was included with the proposal and the proposal concluded with FY 22-23 net income anticipated to be \$63,010 and net cash flow expected to be \$ 1,098.

An Increase in employee wages and benefits generally as well as specifically a car allowance or a fuel allowance were discussed in light of current inflation and fuel costs. The Board proposed discussing these items further in closed session at the next meeting.

Motion Boyle Second Thordarson to accept the preliminary budget as proposed.

AYES: Bissell, Boyle, Brown, Thordarson

NOES:

ABSENT: Lundquist

MOTION CARRIED

ACTION: Staff to prepare a comparative wage, salary and benefit analysis from other public agencies to be discussed in closed session at the next meeting.

4. Manager's Report - General Manager

See attachment.

5. Financial Report - General Manager

5.1 P&L and Balance Sheet Reports - Discussion and Possible ActionItem

Motion Thordarson Second Brown to accept the P&L and Balance Sheet Reports as presented.

AYES: Bissell, Boyle, Brown, Thordarson

NOES:

ABSENT: Lundquist

MOTION CARRIED

5.2 Accounts Payable Report - Discussion and Possible ActionItem

Motion Bissell Second Boyle to accept the Accounts Payable Reports as presented.

AYES: Bissell, Boyle, Brown, Thordarson

NOES:

ABSENT: Lundquist

MOTION CARRIED

5.3 A/R & Aging Reports – Discussion

The accounts receivable total as of June 23, 2022 was -\$18,893.34. The accounts receivable as of June 23, 2021 was -\$26,636.71.

6. Resolution No. 2022-505 - Conducting Meetings Using Teleconferencing – GC 54953 Amend AB 361

Motion Boyle Second Brown to approve Resolution No. 2022-505, conducting meetings teleconferencing.

AYES: Bissell, Boyle, Brown, Thordarson

NOES:

ABSENT: Lundquist

MOTION CARRIED

7. Board Member Reports

The next board meeting was set for Monday, July 25, 2022.

District Counsel Schroeder, briefly went over the procedures for the Proposition 218 hearing.

President Bissell adjourned the meeting at 11:50 A. M.

AGENDA ITEM

DATE: JUNE 25, 2022

TO: BVWD BOARD OF DIRECTORS

FROM: JEFF GOUVEIA, DISTRICT GENERAL MANAGER

RE: MANAGER'S REPORT

1. Water Balance - Update

a. Influent Flows & Effluent Transfers

June 1-18, 2022, .730 (MG) of wastewater received.

b. Effluent in Storage, Current Storage Capacity & Land / Surface Disposal Update

June 1-18, 2022, .688 (MG) transferred to polishing reservoir.

2. Permit Compliance & Monitoring & Reporting Programs (MRPs) - Update

a. WDR MRP - Land Discharge Permit – Compliance & Reporting Update

i. Reporting Status Matrix – No Certified Violations, All Reporting Submitted On-Time

R5-2016-0045 for May 2022 submitted on 06/23/2022.

b. NPDES MRP – Surface Water Discharge Permit – Compliance & Reporting Update

i. Reporting Status Matrix – No Certified Violations, All Reporting Submitted On-Time

Order Number: 5-01-208 April 2022, submitted on 05/16/2022.

ii. New Order Adopted at Regional Board Meeting June 10 – Effective August 1, 2022

iii. 5-Year NPDES Compliance Inspection – Performed June 20, 2022

3. Other

a. PGE-SGIP-2020-3656 – WWTF Powerpack Project –Update

Electrician is coming on Monday or Tuesday to swap out a bad component in the batteries. Tesla will then test the batteries remotely. P.G. & E. will have one more site visit, then PTO – full use of the batteries.

The district must complete 104 full charge cycles over the year to qualify for the incentive installment payments over the next 5 years.

b. Cal OES Community Power Resiliency Allocation –Update

The radio telemetry system is partially installed. There are some issues with communication from the treatment plant to the base station (office) that need to be resolved.

The generators should arrive to the installer in late July and be installed in September.

The power walls for the main office are on target to be installed in September.

c. 2022 SDLF Special District Technology Grant –Update

The district received a \$3,000 technology grant from the Special District Leadership Foundation.

d. Prop 218 Public Hearing Agenda



**BEAR VALLEY WATER DISTRICT
BOARD MEETING**

June 25, 2022 - 12 PM

Perry Walther Community Center

325 Creekside Drive, Bear Valley, CA 95223

SPECIAL MEETING AGENDA

Public Hearing Regarding Proposed Sewer Service Rate Increases

1. Roll Call

The meeting was called to order by President James Bissell at 12:04 P. M. Directors present were Vice President Gunnar Thordarson, Treasurer Ken Brown, and Director John Boyle. Director Diane Lundquist was absent with notice. Staff present were General Manager Jeff Gouveia and Office Manager Judi Silber. District Counsel Dan Schroeder, County Supervisor Terry Woodrow, and Doug Dove of Bartels & Wells were present.

2. Public Comment – Public Comments on Items Not Appearing on the Agenda

NOTICE: Pursuant to Government Code § 594954.3(a), any member of the public shall be provided with the opportunity to directly address the Bear Valley Water District Board of Directors concerning any item that has been described in the notice for the meeting before or during consideration of that item. No other business shall be considered at these meetings by the legislative body. No action can be taken on items not appearing on the agenda.

Introduction of Staff and Guests

President Bissell introduced the directors, staff, counsel, and members of the public.

3. Purpose of the Hearing

Counsel Dan Schroeder gave notice that this was a public hearing regarding the proposed Sewer service rate increases. The district held this hearing to complete the process and to give rate payers the opportunity to submit a written objection to the proposed increase.

4. Procedure for Objections

Mr. Schroeder explained that it takes 50% + 1 of the rate payers to protest the increase in order to effectively prevent the rates from increasing.

5. Rate Proposal – Overview

Mr. Doug Dove of Bartle Wells, Inc. explained that their firm performed their due diligence by in preparing the rate study and that they determined that in order to cover operating costs and fund capital improvement projects, the District needed to increase rates by 6% the first year. The increase, if successful, would become effective on July 1, 2022.

6. Public Hearing

President James Bissell opened the public hearing at 12:10 P.M.

7. Tally Objections Received

Office Manager Silber stated that the District received via US Mail one objection letter and one letter that didn't say it objected.

8. Board Member Summary Comments

Director Gunnar Thordarson commented on the very old collection system and the significant amount of capital needed to repair the system.

9. Introduction and Adoption of Board Order No. 2022-01 Establishing Monthly Sewer Service Rates pursuant to Section 1 of Article II of Ordinance No. 1 following the Proposition 218 Rate Increase Public Hearing

District Counsel Dan Schroeder introduced Board Order No. 2022-01 establishing monthly sewer service rates pursuant to Section 1 of Article II of Ordinance No. 1 following the Proposition 218 Rate Increase Public Hearing.

MOTION Boyle SECOND Thordarson to adopt Board Order No. 2022-01 establishing monthly sewer service rates pursuant to Section 1 of Article II of Ordinance No. 1 following the Proposition 218 Rate increase public hearing.

AYES: Bissell, Boyle, Brown, Thordarson

NOES:

ABSENT: Lundquist

MOTION CARRIED

10. Adjournment

President Bissell adjourned the meeting at 12:13 P.M.

Bear Valley Water District ▪ 441 Creekside Drive ▪ P.O. Box 5027 ▪ Bear Valley, CA 95223 ▪ Phone: (209) 753 - 2112

AGENDA ITEM

DATE: JULY 25, 2022

TO: BVWD BOARD OF DIRECTORS

FROM: JEFF GOUVEIA, DISTRICT GENERAL MANAGER

RE: ACCOUNTING POLICIES AND ADMINISTRATIVE PROCEDURES MANUAL

BACKGROUND AND DISCUSSION:

In response to recommendations from Robert Johnson Accounting following routine annual audits and as a matter of best practices for public agencies to maintain a formal, electronic accounting policies and procedures manual capable of continuous update, Staff has prepared the attached draft "*BVWD Accounting Policies and Administrative Procedures Manual*" for Board review.

Staff reached out to Robert Johnson Accounting earlier this year for direction on this recommendation and Robert Johnson Accounting provided a sample manual from one of their clients which they believe best exemplified a well prepared and fully documented manual.

The attached draft has been prepared using the sample manual as a guide and has been drafted to include the accounting policies and procedures currently in practice at the Bear Valley Water District.

Additionally, this updated draft incorporates comments and suggestions offered by the Board during its June 25, 2022 meeting. The draft manual has been restructured for improved clarity and now includes core sections on accounting controls and procedures, employment policies and procedures, District administrative policies and other financial safeguards. Additionally, as suggested, an appendix was added to include all of the policies and manuals approved by the Board and discussed in the manual.

RECOMMENDATION

ACTION:

1. Review and comment on the revised draft manual.
2. Provide direction to Staff for any additional changes or revisions to the manual.
3. Motion to Approve the Manual subject to revision and to provide to Robert Johnson Accounting during the FY21-22 audit.

Attachments:

- Draft BVWD Accounting Policies and Administrative Procedures Manual

BEAR VALLEY WATER DISTRICT
ACCOUNTING POLICIES AND PROCEDURES



July 25, 2022

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1. INTRODUCTION

This manual puts in place basic accounting, billing, and cash control policies and procedures designed to protect and secure the Bear Valley Water District (BVWD), ensure the maintenance of accurate records of financial activities and ensure compliance with governmental and private funding source reporting requirements. Where this manual conflicts with specific Federal or State regulation or with BVWD's Board policy, Federal or State regulations shall prevail.

1.1. OVERVIEW OF THE BEAR VALLEY WATER DISTRICT ACCOUNTING SYSTEM

The financial records of Bear Valley Water District are maintained on QuickBooks Accounting Software using the accrual basis of accounting. Access to the accounting system is controlled to maintain the reliability and integrity of the data.

Security is set by the Office Manager under the direction of the General Manager to allow different levels of access. During annual audits, the District's auditor is provided full access to the entire system including setup and administration. The Office Manager has full access to the system in order to fulfill accounting duties such as issuing payroll and accounts payable.

1.2. RESPONSIBILITIES

- 1.2.1. The Board of Directors formulates financial policies, delegates administration of the financial policies to the General Manager, and reviews operations and activities.
- 1.2.2. The General Manager has responsibility for all operations and activities, including financial management.
- 1.2.3. Exceptions to these policies may be made on an individual basis, as necessary, with the approval of the General Manager and Board of Directors.
- 1.2.4. The Office Manager is responsible to the General Manager for all financial operations.

1.3. GENERAL POLICIES

- 1.3.1. Current job descriptions are maintained for all employment positions, indicating duties and responsibilities.
- 1.3.2. There are separations of financial duties and responsibilities so that no staff member has sole control over cash receipts, bank reconciliations or other accounting functions.
- 1.3.3. Financial Procedures are reviewed annually by the Board of Directors and General Manager.
- 1.3.4. Separate General Ledger accounts are maintained as required by funding source regulations.
- 1.3.5. Accounting forms and timesheets are printed from a computer software program or completed in ink. Whiteout or correction tape is not to be used.
- 1.3.6. Passwords must comply with organizational standards. They are to be treated confidentially and are not shared with other staff. Policies may be established requiring the expiration of passwords where appropriate. All passwords and subsequent changes are to be provided to the General Manager immediately.

1.4. COMPLIANCE WITH EXTERNAL POLICIES

BVWD's accounting policies and procedures are consistent with:

- 1.4.1. Generally Accepted Accounting Principles (GAAP).

- 1.4.2. OMB Circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations".
- 1.4.3. GASB 34

1.5. SECURITY AND ACCESS

To ensure that only authorized staff can access the financial, personnel, payroll, computer, online and paper records of the organization:

- 1.5.1. Security and access is determined by the General Manager.
- 1.5.2. Access to computer or online systems for accounting, personnel, payroll, and online and phone banking is controlled by Board resolution naming those within the District who are authorized to access banking information (identified as signers on the accounts). Passwords are assigned by the General Manager or Office Manager. Within each system, access permission is set to allow the appropriate level of access depending on staff positions and job duties.
- 1.5.3. Upon separation of a staff member, the password is immediately locked to prohibit any unauthorized activities or entries and keys to BVWD's office(s) are returned.

2. ACCOUNTING CONTROLS AND PROCEDURES

2.1. BANK ACCOUNTS

The Board of Directors may authorize by resolution the Board President, Vice President, and/or District Treasurer to establish bank accounts and set signing authority.

- 2.1.1. Bank accounts are established to meet the needs of the organization for separation of funds and the specific requirements of funding sources. Separate accounts for specific federal or state programs which exceed the FDIC limits must be collateralized by the bank to ensure the safety of the deposit. All other accounts, where possible, are established to maximize the use and earnings of cash.
- 2.1.2. A complete listing of all accounts and the account numbers shall be maintained by the Office Manager.
- 2.1.3. Bank Reconciliations for each account are completed monthly by the Office Manager with a copy reviewed by the General Manager.
- 2.1.4. Each month all bank statements received must be initially opened, reviewed, signed and dated by the General Manager. The General Manager then provides bank statements to the Office Manager for reconciliation.
- 2.1.5. Reconciled accounting statements are reviewed by the District Treasurer and the General Manager monthly. The District's auditor reviews all bank reconciliations during the annual audit.
- 2.1.6. Outstanding checks more than 90 days old are investigated and stop payments issued as deemed necessary by the Office Manager. Replacement checks are reissued after appropriate documentation has been collected.

2.2. FUNDS RECEIVED

The funds received policies and procedures ensure that all in-coming funds are properly recorded and safeguarded through separation of duties and proper documentation. The General Manager designates which staff is authorized to collect incoming BVWD funds.

- 2.2.1. Mail is to be opened promptly and distributed by the Office Manager. All checks and money orders are promptly logged into the District's billing system, ensuring that account numbers are included on each check. The Office Manager is responsible for processing these receipts.
- 2.2.2. Documentation for receipts in the form of printouts from the District's billing system are retained with deposit records.
- 2.2.3. Funds awaiting bank deposit are kept in a locked file safe with access limited to the Office Manager and the General Manager.
- 2.2.4. The Office Manager verifies the checks and documentation received and prepares bank deposits to be deposited utilizing a proprietary bank scanning device connected to the District's banking institution.
- 2.2.5. The Office Manager is responsible for processing the deposits at least once per week. Cash deposits are made as needed.

- 2.2.6. The Office Manager records all deposits that are made into the accounting system (Quick Books). The check copies and documentation from the billing system are attached to the deposit slip. The Bank's deposit confirmation receipts are filed with monthly reconciliations.
- 2.2.7. Documentation for each deposit is filed in chronological order into a bank deposit file/folder for the month.

2.3. FUNDS DISBURSED

Specialized procedures govern check writing. The General Manager reviews, signs and dates the invoices. The District Treasurer or Board of Directors President may authorize the issuance of checks. Access to the check printing system is limited to the Office Manager and is controlled by password protected software. Checks are stored in a locked cabinet which only the General Manager and Office Manager have access to.

2.4. ACCOUNTS RECEIVABLE

For each wastewater customer service account, the Office Manager is responsible for preparation of invoices, payment requests, or reports necessary to secure payment to Bear Valley Water District. When properties change ownership, new wastewater service customers each receive a New Customer Packet which includes a Welcome Letter and Wastewater Service Application. New customers may enroll in the District's electronic billing and auto-payment program upon completion of the District's *"Automated Utility Payments and Electronic Billing Authorization Form."* The following procedures ensure that all requests for funds are properly recorded and tracked.

- 2.4.1 Property Owner – The owner of record pursuant to recorded deed / title of property within the District with an approved application for service on file with the District.
- 2.4.2 Tenant - A user of wastewater services provided by the District who is a resident non-owner of property within the District and, while not responsible for payment of statements, shall be obligated to comply with all other rules and regulations established by the District.

IMPLEMENTATION:

- 2.4.2.1. When a property is being rented, the District will send a monthly wastewater service invoice to the owner of record of each property, not the tenant. It is the owner's responsibility to make sure the invoice is paid. The owner is responsible for all charges and fees that accrue on the account. In accordance with the District's policies, all late charges will be mailed to the owner of record's mailing address.
- 2.4.2.2. The District will accept payments from either the tenant or owner; however only the owner will be listed on the account and wastewater service invoices will only be mailed to the owner of record's address on file. All credits will be applied to the owner of record's account.
- 2.4.2.3. The owner of record may contact the District with the current tenants' mailing address, e-mail address (if applicable) and phone number. The District will keep this information on file as an emergency contact for the property.
- 2.4.2.4. The owner may request in writing that their tenant(s) receive a copy of the quarterly wastewater service invoice. The purpose of the written request is to confirm his/her understanding that the owner is ultimately responsible for all service charges. It is also the owner's responsibility to contact the District if they no longer want their tenants to receive a copy of the invoice.

2.5. ACCOUNTS PAYABLE

The Office Manager is responsible for receiving, reviewing, organizing and ultimately the preparation of payments to vendors and State agencies where payments are due. The Office Manager checks the District's PO Box at the U. S. Postal Center in Bear Valley daily Monday through Friday. Mail is sorted and payable items identified, separated from non-payable items (letters, bank statements, industry related periodicals, etc.) and date stamped to identify the date of receipt. Invoices, statements and other payable related items are also occasionally received by the Office Manager, the General Manager and the Chief Plant Operator electronically via e-mail. In this case, electronic invoices are printed and given to the Office Manager to be included with the appropriate payables group.

Invoices are sorted into two payables groups: "pre-paids" and accounts payable. "Pre-paid" items are invoices which have been previously or are scheduled to be paid automatically such loan payments, worker's compensation insurance payments, payroll tax payments, retirement payments, electricity and other utility payments, etc.

The two groups are placed into separate folders and given to the General Manager during the first week of each month for approval. Generally, most invoices are Net 30 (due in 30 days) and payable by the 10th day of the following month. The General Manager reviews the invoices for accuracy and codes the expense or capital purchase to the appropriate expense or capital account related to the fiscal year budget. The General Manager upon approval signs and dates each invoice and returns both folders to the Office Manager.

The Office Manager inputs the invoices into QuickBooks in preparation for payment. An "*Unpaid Bills Detail Report*" is then run. Office Manager compares the report to the original invoices to verify vendor name, invoice number, invoice date, G/L expense code, the amount due, and the payment due date. The "*Unpaid Bills Detail Report*" is then emailed to the President of the Board of Directors for approval with authorization to sign checks. If everything is in order, the Board President gives check signing authorization to the General Manager and the Office Manager. Payables checks are then printed in QuickBooks, signed, and mailed to vendors or appropriate State offices. Paid Invoices are then filed in appropriate folders by month. The Office Manager then presents an accounts payable summary to the Board for approval at every regularly scheduled for each month since the previous meeting.

2.6. IDENTITY THEFT PREVENTION PROGRAM (RED FLAG RULES)

Procedures for Customer Credit Security in Accordance with the Fair & Accurate Credit Transactions Act of 2003.

2.6.1. PURPOSE

This document was created in order to ensure the District's compliance with regulations ("Red Flag Rules") issued by the Federal Trade Commissions (FTC) as part of the implementation of the Fair and Accurate Credit Transaction Act of 2003 (FACTA). FACTA requires financial institutions and creditors to implement written programs that provide for identification, detection, and response to patterns, practices or specific activities that could indicate identity theft ("Red Flags"). The District must comply with the Red Flag Rules because it is considered a creditor; it receives payments for sewer service provided to its customers before the service is rendered.

The FTC regulations require that the program must:

1. Identify relevant Red Flags and incorporate them into the program.
2. Identify ways to detect Red Flags.
3. Describe appropriate responses to Red Flags.
4. Detail a plan for program updates.
5. Include a process for administration and oversight of the program.

This program shall, as appropriate, incorporate existing District policies and procedures that control reasonably foreseeable risks related to the protection of customer information.

2.6.2 ASSESSMENT OF EXISTING BUSINESS PRACTICES

Part 1 of the Identity Theft Prevention Program is used to identify areas of potential risk within the District's standard Customer Service business practices. The District has selected specific business processes associated with offering or maintaining accounts or engaging in other activities that could raise "red flags" indicating the potential for identity theft.

2.6.2.1. The District provides Customer Service personnel with the ability to request and review a customer's personal identifying information when engaging in any of the following activities:

- Open new accounts
- Access existing accounts
- Modify existing accounts
- Close existing accounts

Also, if the District has identified a past occurrence of identity theft that was linked to a customer's utility account (an unauthorized opening, modifying or closing of an account), then they must perform the actions set forth in the following Program.

2.6.3 IDENTIFICATION OF RED FLAGS

Part II of the Identity Theft Prevention Program assists the District in identifying Red Flags that may arise during routine handling of new and/or existing accounts. The District has identified the following items as potential Red Flag sources or categories that might indicate an instance of identity theft.

- Documents provided for identification appear to have been altered or forged.
- Photograph, physical description and/or other information on identification is not consistent with the appearance of the person presenting the identification.
- Information on the identification is not consistent with readily accessible information that is on file with the District, such as property tax records.
- Social security number presented is the same or similar to that of another customer.
- Information provided is inconsistent when compared against external information sources (address does not match any address listed online, and/or social security number has not been issued or is associated with a deceased person).
- Information provided by the customer is inconsistent with other information provided by the customer.
- Information provided is associated with known fraudulent activity (address and/or phone number on application is the same as the address provided on a previous fraudulent application).
- Information provided is of a type commonly associated with fraudulent activity (address on an application is fictitious and/or phone number is invalid).
- Customer fails to provide all required personal identifying information on an application or in response to notification that the application is incomplete (however, by law social security numbers must not be required).
- Customer cannot provide authentication information beyond that which generally would be available from a wallet.

- Account used in a way that is not consistent with prior use (such as abnormally high-water usage).
- Mail sent to the customer is returned repeatedly as undeliverable although transactions continue to be conducted in connection with the customer's account.
- District is notified that the customer is not receiving paper account statements.
- District is notified that it has opened a fraudulent account for a person engaged in identity theft.

2.6.4. DETECTION OF RED FLAGS

Part III of the Identity Theft Prevention Program addresses the process of detecting Red Flags as related to possible identity theft during the District's routine handling of new and/or existing accounts. The following is a list of detection methods that the District uses to prevent identity theft.

Require customers to present government-issued identification information to open a new account. Types of necessary information include:

- Copy of certified Grant Deed on property
- Name
- Address (both physical and mailing address)
- Phone numbers
- Email Address
- Independently contact the customer (in case of phone setup of new utility accounts).
- When fielding a request to access and/or modify an existing account (such as a change in billing address), verify identity of customer by requesting specific pieces of personal identifying information (identification with the new billing address and/or documentation proving shift of financial liability).

2.6.5. PREVENTION AND MITIGATION

Part IV of the Identity Theft Prevention Program details response actions for District personnel if the personnel have observed a Red Flag associated with a new or existing utility account. One or more of the following actions will be taken by the District to rectify the situation.

- District will not open a new account (after review of the presented identifying information and discussion with General Manager).
- For an existing account, the District may discontinue the services associated with the account and/or:
- Continue to monitor the account for evidence of identity theft and contact the customer to discuss possible actions.
- Change the passwords, security codes, or other security devices that permit access to an existing account.
- Close an existing account.
- For all instance of suspected or confirmed identity theft, the District will notify local law enforcement and will provide them with all the relevant details associated with the identity theft event.

2.6.6. PROGRAM ADMINISTRATION

Program administration is an important part of the Identity Theft Prevention Program. This section details the training requirements, annual program review, approval and adoption process and annual reporting requirements that are associated with this Program.

2.6.6.1. Staff Training

Any employee with the ability to open a new account, or access/manage/close an existing account will receive training on identifying and detecting Red Flags. They will also be trained in the appropriate response actions in the event that an instance of identity theft is suspected. Key management personnel in appropriate departments will also receive training on the contents of this Program. As necessary, employees will be re-trained annually if the Program is updated to include new methods of identifying and detecting Red Flags, or if new response actions are implemented.

2.6.6.2. Program Review and Update

The District will review and update the Program annually to reflect changes in risks to customers from identity theft based on factors such as:

- Experiences of the District with identity theft.
- Changes in methods of identity theft.
- Changes in methods to detect, prevent, and mitigate identity theft.
- Changes in the types of accounts that the District offers or maintains.
- Changes in the business arrangements of the District, including mergers, acquisitions, alliances, joint ventures, and service provider arrangements.

2.6.6.3. Program Approval and Adoption

The Program has been reviewed and approved the Bear Valley Water District Board of Directors on a regular meeting of the Board of Directors.

The District's Board of Directors has assigned the Office Manager to be responsible for the oversight, development, implementation and administration of the Program. Annually, the designated staff member will develop the annual report as described in Section 8.6.4 that will address compliance of the District with this Program. The District's Board of Directors is responsible for reviewing this report and approving material changes to the Program as necessary to address changing identity theft risks.

2.6.6.4. Annual Reporting

The District will provide an annual report to the District's Board of Directors that details the District's compliance with the Federal Trade Commission's Red Flag Rule. The report will address matters related to the Program and address several topic areas including:

- Effectiveness of the policies and procedures of the District in addressing the risk of identity theft in connection with the opening of new accounts and with respect to the management of existing accounts;
- Service provider arrangements;
- Significant incidents involving identity theft and management's response; and
- Recommendations for material changes to the Program.

2.6.6.5. Service Provider Oversight

Whenever the District engages a service provider to perform an activity in connection with one or more of the customer accounts, the District will verify that the activity of the service provider is conducted in accordance with reasonable policies and procedures designed to detect, prevent, and mitigate the risk of identity theft. To accomplish this, the District will require the service provider by contract to have policies and procedures to detect relevant Red Flags that may arise in the performance of the service provider's activities, and either

report the Red Flags to the District or to take appropriate steps to prevent or mitigate identity theft.

2.7 GRANTS AND CONTRACTS

Contract and grant documents are reviewed and approved by appropriate program staff, as well as the General Manager, prior to being approved by the Board of Directors.

- 2.7.1. The General Manager will carefully review each award to ensure that Bear Valley Water District will be in compliance with all financial provisions.
- 2.7.2. Original copies of signed grants and contracts are filed in the contract file with copies to the General Manager.
- 2.7.3. The General Manager will designate the appropriate staff responsible for preparation of reports, payment requests and/or invoices.
- 2.7.4. The Office Manager will maintain individual contract files containing copies of the grant/contract, any amendments, relevant correspondence regarding the grant/contract, and reports of expenditures or billings.

2.8. PROPERTY, INVENTORY AND CONTROL

Bear Valley Water District property inventory procedures provide for management control of Bear Valley Water District owned property and documentation of property for potential insurance losses and tax reporting. All property in excess of \$100.00 in value but less than the established capitalization threshold at the time of original purchase is included in inventory.

- 2.8.1. Bear Valley Water District will maintain property records to reflect furniture and equipment purchased, including tagging of these items, and include location, changes, deletions, etc.
- 2.8.2. Every year a physical inventory and of all furniture and equipment plus estimates of supplies on hand is completed prior to year-end. Any discrepancies are brought to the attention of the General Manager for appropriate action.
- 2.8.3. Equipment to be retired is documented with an explanation for release. The listing of equipment to be retired is authorized by the General Manager. Any salvage value received is so noted on the records as miscellaneous income.

2.9 LOANS

2.9.1 Third Party Loans

- 2.9.1.1. Loans from outside sources (other agencies, banks, etc.) are authorized through Board action and initiated by the General Manager or other designee.
- 2.9.1.2. Upon repayment of funds, the promissory note is reviewed by the Board of Directors and returned to the Office Manager.
- 2.9.1.3. Loans from the District to an employee are prohibited.

2.10 DEBT COLLECTION AND COUNTY TAX ROLL ASSESSMENTS FOR UNPAID SERVICE FEES

Pursuant to the District's enabling statutes under Division 13, Water Code §34000 et seq. of California Water District Law in the Water Code of the State of California, as a California Water District, Bear Valley Water District may, by resolution, elect to transfer the levy, collection, and enforcement of assessments for unpaid wastewater service fees to Alpine County (Wat. Code §37203).

The service fee assessments are then levied and collected at the same time, in the same manner, and with the same penalties and interest as general county taxes. When collected, the assessments are paid to the District.

Each year prior to August 1, the Office Manager presents a list of delinquent accounts to the Board of Directors. Generally, customers who are behind two quarterly sewer service payments or more are added to the list of delinquent accounts. The Board of Directors holds a public hearing each year at a regularly scheduled meeting to provide any customer listed for transfer of collection to Alpine County an opportunity to speak on their behalf in front of the Board. Following the public hearing, the Board votes to approve those accounts to send to the County for collection through the county tax roll.

3. EMPLOYMENT POLICIES AND PROCEDURES

3.1. PERSONNEL RECORDS SYSTEM

Access to the personnel records system is controlled to assure the confidentiality, privacy, and appropriate access to records and reliability of data. Access is limited to the General Manager, and key administrative staff. Hard copy personnel files are maintained in locked file cabinets. The files contain all personnel related information in sections, including:

- 3.1.1. Employee selection documents (resume, application, test results, offer letter, etc.).
- 3.1.2. Employee performance documents (evaluations and disciplinary actions).
- 3.1.3. Employee development (training certificates, education records, specialized licenses).
- 3.1.4. Miscellaneous data (employee handbook receipt, requests to inspect personnel file, leave of absence requests, attendance records, letter of resignation, termination records and other employment related documents).

Additionally, one file containing all Form I-9's for current employees eligible to work in the United States is maintained. Access is controlled by the Office Manager.

3.2. PAYROLL SYSTEM

The payroll system as well as payroll records of the Bear Valley Water District are maintained on QuickBooks Accounting Software using the accrual basis of accounting. Access to the accounting system is controlled to maintain the reliability and integrity of the data as well as assure accuracy and maintain confidential data. Access is limited to accounting staff responsible for payroll processes. Payroll is processed by the Office Manager.

Security is set by the Office Manager under the direction of the General Manager to allow different levels of access. During annual audits, the District's auditor is provided full access to the entire system including setup and administration. The Office Manager has full access to the system in order to fulfill accounting duties such as issuing payroll and accounts payable.

3.3. PAYROLL PROCEDURES

These procedures are designed to assure that payroll is based on proper authorization and required documentation, is paid at the approved rate, is only paid to actual employees, and to assure that proper and timely reporting is made to federal, state, and local taxing authorities. Bear Valley Water District uses QuickBooks Payroll Service to assist the Office Manager to manually process payroll and required payroll tax deposits.

- 3.3.1. BVWD payroll is processed biweekly, the payroll period end every other Sunday and payroll is issued every other Friday. Paychecks may be issued earlier if approved by the General Manager.
- 3.3.2. Payroll is based on time sheets completed by entries made by employees in the District's timekeeping software. Employees are required to record an hourly breakdown each day that reflects the department to which the employees' time is charged. This will serve as a timesheet and must be approved by the General Manager and retained with payroll records.
- 3.3.3. Time sheets will reflect the use of sick, vacation, or other leave time, if applicable. Overtime for non-exempt employees requires the prior approval of the employee's supervisor.

- 3.3.4. Time sheet adjustments will completed in ink with no whiteout or correction tape. Changes are initiated by the employee and reviewed for approval by the General Manger.
- 3.3.5. Salary and/or benefit changes must be approved by the Board of Directors. A memo detailing the changes and the effective day shall be maintained with the employee's personnel file.
- 3.3.6. Payroll records are maintained by the Office Manager in a confidential manner. Information regarding payroll will not be discussed with other staff. Files must be in locked cabinets with access limited to designated personnel.
- 3.3.7. Documents that verify tax withholding and authorize other deductions such as health insurance premiums or voluntary contributions are filed in the payroll files by the Office Manager. Separate files containing the I-9 forms for each current employee are maintained by the Office Manager.

3.4. PAYROLL PREPARATION AND PAYMENT

- 3.4.1. Payroll is prepared from employee's time sheets which have been completed and signed by the employee and reviewed and approved by the General Manager.
- 3.4.2. The Office Manager will check each time sheet for computational errors.
- 3.4.3. For non-exempt salaried staff, unscheduled time worked must be documented on the employee's timesheet and will be paid at their regular hourly rate of pay.
- 3.4.4. The General Manager or other designee reviews the payroll vouchers or checks, to assure that all of the checks are for actual employees or other required payments (i.e., garnishments).
- 3.4.5. Employees will receive either printed or electronic paystubs which detail all deductions such as payroll taxes or deductions for the employee's contribution to a defined contribution retirement plan. Employees may enroll in direct deposit for their paychecks by applying with the Office Manager. Checks are printed and issued to employees on scheduled pay days or directly deposited electronically into their bank accounts.
- 3.4.6. Payroll tax deposits are made by the Office Manager.

3.5 PERSONNEL MANUAL

This Bear Valley Water District Personnel Manual is intended to document the terms and conditions of employment for all full, part-time temporary and seasonal employees as well as supervisors and managers. Written employment contracts between the Bear Valley Water District and some individuals may supersede some of the provisions of this handbook. (*See Appendix 6.1: Policies for the 2018 BVWD Personnel Manual.*)

The manual summarizes the policies and practices in effect at the time of publication. This manual supersedes all previously issued handbooks and any policy or benefit statements or memoranda that are inconsistent with the policies described. The procedures are designed to ensure that employees receive the appropriate benefits as specified in the Personnel Manual.

The General Manager is responsible for the administration and documentation of all benefits as listed in the BVWD Personnel Manual. The benefits may be adjusted by a majority vote of the Board of Directors at a properly noticed meeting of the Board.

3.6 EMPLOYEE BENEFITS

The Bear Valley Water District is committed to providing the following benefits for eligible employees. Benefit eligibility may be dependent upon your employee classification (full-time/part-time vs. seasonal/temporary employee, for example) and on length of continuous employment at the Bear Valley Water District. Benefit eligibility requirements may also be imposed by the plans themselves.

The District will provide medical, dental and vision plans for participation by eligible District employees and their qualifying dependents. The District will pay 100 % of the premium for medical, dental and vision insurance for employees. The District will provide for enrollment in the plans for qualifying dependents but the premium for these dependents is to be paid entirely by the employee by automatic payroll deduction.

Upon becoming eligible for certain employee benefit plans, the actual benefits available will be described in the benefits booklet and Summary Plan Description document which will describe the benefits in greater detail. For information regarding employee benefits and to answer any questions employees may contact the Office Manager.

The District reserves the right to modify, amend or terminate benefits and to modify or amend benefit eligibility requirements at any time and for any reason, subject to any legal restrictions.

The District offers the following employee benefits:

- Holiday pay
- Vacation pay
- Vacation accrual
- Sick leave
- Medical, dental, vision benefits
- Retirement benefits
- Life Insurance
- Long term disability benefits
- Cash In-Lieu benefits
- Workers' Compensation Insurance
- Social Security Insurance
- Unemployment Insurance

3.6.1 RETIREMENT

Bear Valley Water District offers a District sponsored Defined Contribution Plan managed by Mission Square Retirement (formerly ICMA-RA). The Office Manager prepares and sends all contributions to the plan.

The following public employer plans qualify as governmental retirement plans and the District offers these plan options to qualifying staff:

- Section 401(a) – Qualified Plan
- Section 457(b) – Nonqualified, eligible deferred compensation plans for state and local governments and tax-exempt organizations

Pursuant to current District policy regarding retirement plan contributions, the District will contribute both a 3% "grant" of each qualifying employee's compensation and up to a 3% match of each qualifying employee's deferred compensation into the employee's retirement plan(s).

4. DISTRICT ADMINISTRATIVE POLICIES

4.1 PROCUREMENT POLICY

The District's Procurement Policy establishes the Board's approved procedures that comply with California law for the District's Procurement of services, goods, equipment, supplies, Professional Services, and/or Public Projects. All Procurements to be paid for by the District from District Funds shall adhere to this Policy, except as otherwise determined by the Board. *(See Appendix 6.0: Policies and Manuals for the 2019 BVWD Procurement Policy.)*

The General Manager is the designated Purchasing Agent. The Purchasing Agent may delegate all or a portion of the Procurement duties to any District staff member. The Purchasing Agent shall have the authority to:

- a. Authorize Procurements in accordance with the procedures outlined in the Policy up to the expenditure limits established by resolution of the Board;
- b. Sign contracts for Procurements in accordance with the requirements of the Policy;
- c. Prepare and recommend to the Board revisions and amendments to the Policy;
- d. Establish and maintain such forms as reasonably necessary to the operation of purchasing guidelines set forth in the Policy.

4.1.1 Approvals and Authorization

- 4.1.1.1. The Board of Directors delegates authority for approval and authorization for all procurements to the General Manager.
- 4.1.1.2. Payment for supplies or services will be made based on invoices, not statements.
- 4.1.1.3. Invoices are processed by the Office Manager. Each invoice is entered as a payable in the accounting system and the check stub and all corresponding documentation is stapled together and retained per the Record Retention Policy.

4.1.2 Missing Invoices/Receipts

In the event that an invoice for services, reimbursement or supplies is lost, a memo explaining the expense and detailing the cost is submitted for approval by the General Manager.

4.1.3 Vendor Documentation

All applicable vendors must submit an IRS Form W-9 Request for Tax Payer Identification and Certification or equivalent to the Accounting Department, prior to payment. A determination is made by the Office Manager on the need to file an annual IRS Form 1099-Misc. on payments made to vendors. Form W-9's should be mailed to all current applicable vendors each year prior to Form 1099 preparation to assure information is current.

4.1.4 Check Writing Procedures

- 4.1.4.1. Checks are processed as needed.
- 4.1.4.2. Checks are prepared through the District's accounting software. The General Manager will designate staff with access to the check printing system. When authorized by the General Manager, the Office Manager prepares checks.
- 4.1.4.3. Checks are automatically numbered by the accounting system maintained by the Office Manager.

- 4.1.4.4. Checks are not to be postdated or made out to cash.
- 4.1.4.5. The "Payment Record" portion of the check printed by QuickBooks is attached to the Invoice plus any other documentation, such as purchase order #'s or shipping documents, and filed by the month paid in the District's vendor files maintained by the Office Manager.
- 4.1.4.6. Voided or spoiled checks will have the signature block torn off and will then be filed in numerical order in a locked file cabinet maintained by the Office Manager.
- 4.1.4.7. Checks are recorded in the accounting system by the Office Manager and a report of disbursement is given to the District Treasurer and the Board of Directors for review and approval.

4.1.5. Check Approval Process

This procedure is designed to ensure that all checks have adequate documentation and authorization and that there are no missing checks or checks written to phantom vendors.

- 4.1.5.1. The invoice is reviewed for proper account coding, appropriateness of expenditure, and authorized signatures.
- 4.1.5.2. The invoice is compared with the check amount. The copy of the check is initialed by the General Manager to indicate the review has been completed and the documentation is in order.
- 4.1.5.3. The batch of checks is reviewed by the General Manager and Board President prior to approval. The District Treasurer may review the batch if the Board President is unavailable.
- 4.1.5.4. The Disbursement report will be reviewed by the General Manager and provided to the District Treasurer or one Board Member if the Treasurer is unavailable to assure that the first check in each batch of checks begins with the next sequential check after last batch processed. The Disbursement reports are retained with fiscal year vendor files.
- 4.1.5.5. If there are no questions to be resolved, the Disbursement report and signed checks are returned to the Office Manager as authorization to mail or release the check to the vendor.
- 4.1.5.6. Checks are mailed to vendors by the office staff unless specific arrangements had been made in advance for pickup of checks at the office. If a check is picked up, the person picking up the check must provide identification which agrees with the payee on the check or must have verifiable written authorization from the payee to pick up the check.

4.1.6. Electronic Payment and Transfers

These procedures ensure that unauthorized transfers will not be made. Procedures may vary based on the system of the banking institution. Required documentation for all transfers is the same as for invoice payment.

- 4.1.6.1. Electronic banking allows wire transfers, electronic transfers, stop payments on checks, and account balance inquiries be initiated and completed via computer or telephone.
- 4.1.6.2. Wire transfers, electronic transfers, and stop payments shall be set up by the General Manager or Office Manager after approval by the Board President.
- 4.1.6.3. Password security is set to allow wire transfers, electronic transfers, and stop payments to be set up by staff designated by the Board of Directors.
- 4.1.6.4. Wire transfers must be authorized by the Board of Directors and the General Manager and can only be transferred between Bear Valley Water District accounts.

- 4.1.6.5. When a wire transfer, electronic transfer, or stop payment has been set up by the accounting staff, the documentation supporting the transaction is given to the Board President for verification.

4.2. CREDIT CARD POLICY

The District's Credit Card Policy establishes procedures and provides guidelines for the permissible use of District credit cards when issued by the Bear Valley Water District. Permitting authorized payments by credit card improves District efficiency in the Accounts Payable process saving the District time and money. (See *Appendix 6.0: Policies and Manuals for the 2019 BVWD Credit Card Policy.*)

The District credit card is a purchase card system benefiting the District and the District's authorized users by allowing purchases to be made from vendors for certain types of goods and/or services that are not available through other procurement means or where it is more expeditious or urgent to utilize the credit card. To ensure proper control, the District shall limit the use of credit card purchases to those that meet the criteria as defined by this policy.

4.2.1 Authorization

The District Manager or Office Manager shall have discretion of which employees shall have use of the District's credit card. However, only those employees with purchasing authority may be granted use of a District credit card. District employees must receive approval from the District Manager and/or Office Manager to have permission to use the District's credit card. District purchasing authority governs the use of a District credit card as a tool for purchasing materials and services approved for purchase.

The District credit card may be used only by authorized users who have authority to buy goods and services on behalf of the District. Each user is responsible for ensuring safeguard of the credit card information.

4.2.2 Compliance with Policy

Purchases made under this credit card policy shall comply with the District's purchasing policy and only following approval by the District Manager or Office Manager. The card user agrees to comply with all applicable District policies and procedures and this agreement.

Use of the District credit card is restricted to the purchasing of those goods or services that cannot be procured through normal procedures. All goods and services purchased by the District should generally be acquired through credit extended by the District's vendors to the District whenever possible and paid by approved invoice within the agreed credit terms of the vendor.

4.2.3 Violations and Consequences

Card user violations of this policy may result in any or all of the following actions, including but not limited to: written warning, revocation of credit card privileges, cancellation of delegation of purchasing authority, disciplinary action, termination and/or criminal prosecution.

The District Manager and/or Office Director have the authority to determine whether a violation of this credit card policy has occurred and to determine the action deemed most appropriate pursuant to applicable law and/or District policy.

Violations of credit card usage include but are not limited to:

- Purchase of items for personal use
- Use of the credit card for cash advances
- Exceeding the credit card account credit line limit
- Purchase of items in violation of the District's travel policy
- Failure to return the credit card when card user is reassigned, terminated or upon request

- Failure to turn in packing slips, receipts or other back up documentation to the District Office Manager within three (3) business days of the purchase
- Sharing the credit card or card account number with unauthorized users

4.2.4 Ownership and Cancellation of the District Credit Card

The credit card remains property of the District. It may not be transferred to, assigned to, or used by anyone other than an authorized user of the District. Users of the credit card are accountable for the activity on the card. The issuer or the District may suspend or cancel user privileges at any time for any reason. If the user is in possession of a card, the user will surrender the credit card upon request to the General Manager or Office Manager.

4.2.5 Receipts

It is the responsibility of each credit card user to obtain transaction receipts from the merchant each time the credit card is used, including telephone and internet charges. These are to be immediately forwarded to the General Manager or Office Manager for review and ensure eligibility for payment. Failure to provide the required documentation for payment processing may subject the user to the Violations and Consequences provisions of this policy, including recovering the costs of any non-District purchase from the card user.

The District shall keep statement data and proof of reconciliation, including receipts and packing slips, on file for a period consistent with the record retention requirements of the law. Failure to provide receipts and allow for timely payment of the credit card purchase will also subject the purchasing department to finance charges on the charge.

4.2.6 Disputed Items

It is each user's responsibility to follow-up on any erroneous charges, returns or adjustments to ensure proper credit is given on subsequent statements.

4.2.7 Safeguarding an Issued Credit Card

An issued credit card or card account number should always be treated with utmost care and should be kept in a secure location and protected from misuse by unauthorized users. When using the credit card for internet purchases, users should ensure that the site utilizes industry recognized encryption transmission tools.

4.2.8 Lost or Stolen Credit Cards

If a credit card is lost or stolen, contact the Office Manager immediately, who will make contact with the issuer and take the appropriate steps to protect the account from unauthorized purchases.

4.3. TRAVEL POLICY

Travel policies and procedures assure that all travel costs are pre-authorized, documented and are consistent with applicable regulations.

4.3.1 Mileage Reimbursement

- 4.3.1.1. The reimbursement rate for privately owned vehicles is the rate paid by Federal agencies for the use of private vehicles, unless otherwise established by the Board of Directors, not to exceed the current GSA rates.
- 4.3.1.2. Mileage reimbursement forms must be completed in ink or typed and signed by the employee and submitted to the General Manager. Reimbursement for mileage expense is made along with other vendor payments.

4.3.1.3. Mileage Reimbursement records are maintained by the Office Manager.

4.3.1.4. Employees are required to have proof of auto insurance on file with the Office Manager. Employees will not be reimbursed for mileage unless proof of insurance is on file for the period in which mileage is incurred.

4.3.2. Travel out of service area

4.3.2.1. Travel out of the Bear Valley Water District service area must be pre-approved by the General Manager or other designee.

4.3.2.2. Federal per diem guidelines apply unless otherwise established by the Board, not to exceed the current Federal GSA rates. Exceptions may be approved by the Board of Directors.

4.3.2.3. The General Manager or other designee may approve travel advances for employees. When authorized, the Office Manager will process a Travel Advance Request for employees based on estimated per diem and other anticipated travel costs.

4.3.2.4. Following a trip, employees will submit to the Office Manager a properly authorized Travel Expense Report. The report must detail all expenses, and required receipts must be attached. The report will reconcile the advance funds received and will show funds to be returned to Bear Valley Water District or additional expenses to be paid to the employee.

4.3.3. Board of Directors Travel and Reimbursements

4.3.3.1. Bear Valley Water District Board members may be paid allowances and reimbursements for business expenses incurred in the performance of their duties.

4.3.3.2. Claims for reimbursement must be approved by the General Manager.

4.4. CAPITAL ASSETS POLICY

The District's Capital Assets Policy establishes the capitalization threshold for capital assets. The Bear Valley Water District will maintain a capital asset management system that will meet external financial reporting requirements and the needs of the District in line with these policies. *(See Appendix 6.0: Policies and Manuals for the 2016 BVWD Capital Assets Policy.)*

Generally, the capitalization threshold for capital assets will be an original cost of \$5,000 or more (recorded as an asset on the balance sheet versus expensing the item). Specific capitalization requirements are described as follows:

- a. All land will be capitalized regardless of cost
- b. Buildings, land improvements and infrastructure will be recorded if cost exceeds \$5,000.
- c. All other assets must cost \$5,000 or more and have a useful life of three (3) or more years.
- d. The capitalization threshold is applied to individual units of capital assets rather than groups. For example, ten desks purchased for \$1,000 each will not be capitalized even though the total (\$10,000) exceeds the threshold of \$5,000.
- e. For purposes of capitalization, the threshold will generally not be applied to components of capital assets. For example a keyboard, monitor and central processing unit purchased as components of a computer system will not be evaluated individually against the capitalization threshold. The entire computer system will be treated as a single asset. The capitalization threshold will be applied to a network if all component parts are required to make the asset functional.

- f. Repairs to existing capital assets will generally not be subject to capitalization unless the repair extends the standard useful life of the asset
- g. Improvements to existing capital assets will be presumed by definition to extend the useful life of the related capital asset and therefore will be subject to capitalization if the cost exceeds \$5,000. Capital Assets are defined as land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

Fixed assets may be acquired through direct purchase, lease-purchase or capital lease, construction, eminent domain, tax foreclosures, donations and gifts purposes.

Capital assets are recorded at their "historical cost," which is the original cost of the assets. Donations accepted by the District will be valued at the fair market value at the time of donation. Costs include purchase price (less discounts) and any other reasonable and necessary costs incurred to place the asset in its intended location and prepare it for service.

According to GASB 34, an estimate of the original cost is allowable in the absence of historical records. Standard costing is one method of estimating historical cost using a known average installed cost for a like unit at the estimated date of acquisition. When necessary the District will use whichever method gives the most reasonable amount based on available information.

4.5. EQUIPMENT DEPRECIATION POLICY

The purpose of depreciation is to recognize the decreased value of the property over time (useful life) and to quantify this 'usage' as an expense to each cost center deriving benefit from its use. (*See Appendix 6.0: Policies and Manuals for the 2016 BVWD Capital Assets Policy Depreciation Discussion.*)

The District will record depreciation expense on all capital assets, except for land. The District will use straight-line depreciation using the end of-year convention. Depreciation will be calculated starting the year after acquisition and will end the year of disposition or after the completion of the estimated useful life of the asset, whichever occurs first.

In the event of disposition before the end of the estimated useful life, the remaining un-depreciated value of that asset shall be subject to a one-time write-off in the year of disposition. Otherwise, depreciation will be calculated over the estimated useful life of the asset.

- 4.5.1. A fixed asset, as previously defined, is depreciated according to the Bear Valley Water Capital Assets Policy.
- 4.5.2. The Capital Assets Policy sets the useful life of property types (Buildings, Capital Assets, Furniture & Equipment, Vehicles, etc.) Depreciation Schedules are prepared for the full fiscal year utilizing the guidelines of the Capital Assets Policy.
- 4.5.3. A separate schedule is made for each property/asset type. The schedule is prepared by the District's auditor and maintained by the Office Manager. As depreciable property is purchased, it is added to the depreciation schedule in the month following purchase/installation.
- 4.5.4. A recurring journal entry is set up for posting each year, charging the depreciation expense to the appropriate fund(s).

4.6. RESERVE FUND POLICY

The District's Reserve Fund Policy was developed to clearly identify specific designated reserve funds and govern how they will be managed. It is the intent of the Reserve Fund Policy to clearly identify types of reserve funds as well as define the purpose, target balance, use and funding mechanism of each fund. The adequacy of the target reserve year-end balance ranges and/or annual contributions will be reviewed annually during the budgeting process and following completion of the District's annual audit and may be revised accordingly as necessary. *(See Appendix 6.0: Policies and Manuals for the 2017 BVWD Reserve Fund Policy.)*

The Board of Directors has established the following reserve funds and policy objectives.

4.6.1 SEWER OPERATIONS AND MAINTENANCE (O&M) EMERGENCY RESERVE FUND

4.6.1.1 Target Balance: A minimum of three (3) months of O&M expenses to fund the District's operational expenditures during a potential emergency.

4.6.2. SEWER CAPITAL IMPROVEMENT PROGRAM (CIP) RESERVE FUND

4.6.2.1 Target Balance: The target balance will comprise an amount determined by the Board of Directors which considers both the District's 5-Year Capital Improvement Program (CIP) and the current total aggregate asset value as reflected in the most current depreciation schedule. The District records depreciation using the straight-line method over the estimated useful lives of facilities and equipment. The 5-Year CIP assumes replacement of capital equipment equivalent to the depreciation schedule. At a minimum, the Board

4.6.3. SEWER SYSTEM CAPACITY CHARGE RESERVE FUND

4.6.3.1 Target Balance: The target balance shall be set as a function of any board approved capacity enhancement plans. In the absence of any such approved plans, no specific target shall be set, but the funds shall accrue as available. At the time the District may need to expand capacity in the system, the target balance will be set at the amount as determined by the District Engineer.

4.7. INVESTMENT POLICY

The Investment Policy for the Bear Valley Water establishes procedures that are formulated in compliance with governing provisions of law (Government Code Sections 53600 et seq.) for a prudent and systematic investment program in support of the District's overall mission. The District's General Manager shall, if so directed by the Board of Directors, periodically prepare or cause to be prepared a statement of investment policy and such policy, and any changes thereto, shall be considered by the Board at a public meeting; (CGC 53646(a)). *(See Appendix 6.0: Policies and Manuals for the 2016 BVWD Reserve Fund Policy.)*

This Policy covers all funds and investment activities under the direct authority of the District with the exception of deferred compensation assets. The District's investment process and Policy is subject to annual review and evaluation by the Board at a public forum. This Investment Policy shall be reviewed on an annual basis following completion of the District's annual audit and the Board of Directors must approve modifications.

The primary objectives of the District's investment activities shall be, in order of priority:

1. Safety - The safety of principal is the foremost objective of the District's investment program. The District's investments shall be undertaken in a manner that shall strive to preserve the District's capital.

2. Liquidity - The District's secondary objective shall be to meet its liquidity needs. The investment portfolio shall maintain sufficient liquidity to enable the District to meet all operating requirements which might be reasonably anticipated.

3. Yield - Yield shall become a consideration only after the basic requirements of safety and liquidity have been met. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk, constraints and the cash flow characteristics of the portfolio.

4.8. SURPLUS EQUIPMENT POLICY

The District's Surplus Property Policy establishes the authority and procedure for the disposition of the District's surplus personal property. All disposition of personal property shall adhere to this Policy, except as otherwise determined by the Board. (*See Appendix 6.0: Policies and Manuals for the 2022 BVWD Surplus Equipment Policy.*)

The District Manager is the designated Surplus Personal Property Agent. The Agent may delegate all or a portion of the Surplus Personal Property disposal duties to any District staff member. The Agent shall have the authority to:

- a. Authorize the disposition of Surplus Personal Property in accordance with the procedures outlined in this Policy;
- b. Enter into and sign any contracts for the disposition of Surplus Personal Property the Agent determines are beneficial to the District;
- c. Prepare and recommend to the Board any methods for disposing of Surplus Personal Property requiring Board approval in this Policy;
- d. Establish and maintain such forms as the Agent deems reasonably necessary to the dispose of Surplus Personal Property.

4.9 CONTRACTING FOR LEASES AND CONSULTING SERVICES

4.9.1. Leases

- 4.9.1.1 Only the General Manager can sign lease agreements following authorization from the Board of Directors.
- 4.9.1.2. Copies of all leases will be maintained by the Office Manager. An amortization schedule authorizing payments of the lease for the fiscal year will be maintained by the Office Manager. The payment amortization schedule will be reviewed by the General Manager and Board of Directors annually.

4.9.2. Consultant and Contract Services

- 4.9.2.1. The Board of Directors will review and approve proposed projects, usually a "Scope of Work" from the consultant, at properly noticed meetings of the Board. The Board of Directors may authorize the Board President or the General Manager to sign the contract once the project and/or Scope of Work is approved.
- 4.9.2.2. Consideration is made regarding in-house capabilities to accomplish services before contracting for them.
- 4.9.2.3. Written contracts clearly defining work to be performed is maintained for each consultant and contract services by the Office Manager.

4.9.2.4. The qualifications and reasonable charges for fees are considered in hiring consultants and proof of insurance and Form W-9, at minimum, will be required.

4.9.2.5. Requests for Proposals will be issued for all payments to consultants or professional services.

4.9.3. Furniture and Equipment

4.9.3.1. All furniture and equipment purchases are subject to the District's Procurement Policy and must be approved by the General Manager .

4.10. PUBLIC CONSTRUCTION AND PUBLIC BID REQUIREMENTS

The Bear Valley Water District was duly formed pursuant to California Water District Law, Division 13 of the Water Code of the State of California. The enabling statutes are located in Division 13, California Water Districts, Water Code §34000 et seq.

Following is a short summary of the various provisions of the code:

Water Code Section 35400 - Powers and Functions: A district may acquire, plan, construct, maintain, improve, operate, and keep in repair the necessary works for the production, storage, transmission, and distribution of water for irrigation, domestic, industrial, and municipal purposes, and any drainage or reclamation works connected therewith or incidental thereto.

Pursuant to Division 13, there are no bidding requirements for California water districts formed under Water Code Section 35400. The District is not required to go to bid for any ordinary construction contracts. This does not mean that the District cannot seek bids for contracts and ultimately the Board of Directors will determine on a case by case basis whether any public construction project undertaken by the District should require solicitation of multiple bids. Any contract awarded, however, remains subject to prevailing wage requirements.

Additionally, pursuant to Government Code Section 53091, California Government Code states that, "Building ordinances of a county or city shall not apply to the location or construction of facilities for the production, generation, storage, or transmission of water, waste water, or electrical energy by a local agency."

A "local agency" is defined by California Government Code as an agency of the state for the local performance of governmental or proprietary function within limited boundaries. The Bear Valley Water District is an example of a local agency.

As a local agency, the District is exempt from county building and zoning ordinances that regulate the location or construction of facilities directly and immediately used for the production, generation, storage, or transmission of waste water.

4.11. PREVAILING WAGE REQUIREMENTS

Pursuant to California Labor Code sections 1720 and 1771, for any construction, alteration, demolition, installation, repair and maintenance work performed for the District which is \$1000 or more is subject to State prevailing wage laws. Contractors hired by the District as well as any subcontractors shall comply with State prevailing wage laws. All workers employed on public works projects must be paid the prevailing wage determined by the Director of the Department of Industrial Relations, according to the type of work and location of the project.

State prevailing wage laws require the District to adhere to the following provisions and these provisions be included in all contracts for public works.

- No contractor or subcontractor may be listed on a bid proposal for a public works project (submitted on or after March 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].
- No contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.
- This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
- Every contractor will be required to secure the payment of workers compensation to his or her employees. Labor Code Section 1860.
- The contractor shall post the applicable prevailing wage rate on the project site. Labor Code Section 1771.4
- The project is subject to prevailing wages. The applicable the wage rates are available at www.dir.ca.gov and the agency also has access to the applicable prevailing wage rate at <https://www.dir.ca.gov/OPRL/2022-1/PWD/index.htm>.

4.12. RISK MANAGEMENT AND INSURANCE

In the implementation of the Risk Management, Bear Valley Water District will ensure those risks which Bear Valley Water District deems appropriate using an insurance professional who is knowledgeable about the market, who understands or is willing to learn about Bear Valley Water District operations, is an assertive advocate for Bear Valley Water District's interests, and is organized and responsive to Bear Valley Water District's needs.

Allied Public Risk through the Cal Mutuals Joint Powers Risk and Insurance Management Authority, has underwritten BVWD for a number of years, providing a package policy including commercial general liability, commercial excess liability, commercial property, commercial crime, public officials' management liability and commercial automobile. The Zenith Insurance Company currently provides the District's Worker's Compensation coverage.

5. OTHER FINANCIAL SAFEGUARDS

5.1 AUDITS

Pursuant to California Code Section 1131.2, the Minimum Audit Requirements and Reporting Guidelines for California Special Districts require independent auditors to annually perform “a proper study and evaluation of the existing internal control and the financial organizational structure” of all California Special Districts. As a California Special District, the Bear Valley Water District has contracted with Robert Johnson Accountancy to provide this annual oversight. Acceptance of the audit contract will be evidenced by a signed audit engagement letter that contains the type of service to be provided, the timeframe for providing the service, the cost for the service including incidental expenses, the term of the engagement and a clause stating “if unanticipated issues arise during the course of the audit that will result in additional fees, the audit firm will notify BVWD and obtain written approval prior to incurring additional costs”.

Following completion of the audit by the contracted accountancy firm, the audit will be presented to the Board by the General Manager at a regularly scheduled meeting and accepted by the Board of Directors based upon recommendation.

5.2 BUDGETS

The Bear Valley Water District's Board of Directors adopts operating and capital budgets annually. The District's budget is intended to provide the fiscal year's work plan. Funding details for annual programs and capital projects are included in the budget.

Pursuant to Section 61110 of the California Government Code, preliminary budgets are generally approved at the Board's June meeting and no later than July 1 each year. The District's final fiscal year budget is then generally approved at either the Board's July or August meeting but always on or before September 1 each year.

The District's fiscal year begins on July 1 and ends on June 30. Budgets provide a standard by which to measure performance, encourage planning, and allocate resources in accordance with funding source requirements. Budgets should use reasonable assumptions of income and expenses. All budget assumptions should be documented to facilitate a thorough analysis and evaluation, not only of the budget, but of the actual revenue and expenditures as they relate to the budget.

- 5.2.1. The organization budget is prepared by the General Manager with input from the Board of Directors. Budgets are estimates of the financial transactions for the year, based on previous years' spending and evaluating operation changes or needs.
- 5.2.2. The General Manager will submit an annual organization budget to the Board of Directors for their approval.
- 5.2.3. The Operations & Maintenance (O&M) and Capital Improvement Projects (CIP) budgets are established and approved by the Board of Directors. A long-term (5 – 15 year) plan for the Asset Management Program and Capital Improvements shall be reviewed annually and modified as needed.
- 5.2.4. Reports outlining budgeted amounts compared to actual spending will be presented to the Board of Directors at each regular meeting of the Board.

5.3 TAXES AND REPORTING REQUIREMENTS

- 5.3.1. The auditor prepares Form 990 “IRS Return of Organization Exempt from Income Tax,” and other forms required by the State of California. The Office Manager is responsible for submitting the audited Accountants Compilation Report and the Special Districts Financial Transactions Report to the State Controller's Office by the deadlines issued by their office.

5.4 INTERNAL REPORTING

Reports assist the Board of Directors, General Manager, and funders with managing and controlling of program activities and financial resources.

- 5.4.1. Monthly financial reports, including a revenue and expense report for all accounts and balance sheet where appropriate, will be provided to the Board of Directors at each regular meeting of the Board.
- 5.4.2. The Office Manager will prepare monthly, quarterly and/or annual reports at the direction of the General Manager.
- 5.4.3. The General Manager or designee will review the reports to the funding sources.
- 5.4.4. The General Manager will prepare and maintain, on a current basis, a listing of reports and due dates for funding sources.
- 5.4.5. It is the responsibility of the General Manager to ensure that all financial reports are submitted on a timely basis.

5.5 RECORDS RETENTION

The purpose of this policy is to provide guidelines to staff regarding the retention or disposal of BVWD records; provide for the identification, maintenance, safeguarding and disposal of records in the normal course of business; ensure prompt and accurate retrieval of records; and ensure compliance with legal and regulatory requirements.

Vital and important records, regardless of recording media, are those having legal, financial, operational, or historical value to the District.

5.5.1 AUTHORIZATION

The General Manager is authorized by the Board of Directors to interpret and implement this policy, and to cause to be destroyed any or all such records, papers and documents that meet the qualifications governing the retention and disposal of records, specified below.

5.5.2 GUIDELINES

Pursuant to the provisions of California Government Code §61000 et seq. Bear Valley Water Districts, and the guidelines prepared by the State Controller's office and the Controller's Advisory Committee for Special Districts, the following qualifications will govern the retention and disposal of records of the Bear Valley Water District.

- 5.2.1. Duplicate records, papers and documents may be destroyed at any time without the necessity of Board authorization or copying to photographic or electronic media.
- 5.2.2. Originals of records, papers and documents more than two (2) years old that were prepared or received in any manner other than pursuant to State or Federal statute may be destroyed without the necessity of copying to photographic or electronic media.
- 5.2.3. In no instances are records, papers or documents to be destroyed where there is a continuing need for such records for such matters as pending litigation, special projects, etc.
- 5.2.4. Records, papers or documents which are not expressly required by law to be filed and preserved may be destroyed if all of the following conditions are met:

- 5.2.4.1. Any accounting record except the journals and ledgers which are more than five years old and which were prepared or received in any manner other than pursuant to State statute may be authorized for destruction, provided that:
- 5.2.5. There is no continuing need for said record, i.e., long-term transactions, special projects, pending litigations, etc.
- 5.2.6. There exists in a permanent file, an audit report or reports covering the inclusive period of said record, and that;
- 5.2.7. Said audit report or reports were prepared pursuant to procedures outlined in Government Code Section 26909 and other State or Federal audit requirements, and that; and,
- 5.2.8. Said audit or audits contain the expression of an unqualified opinion.
- 5.2.9. Any accounting record created for a specific event or action may be destroyed upon authorization five years after said event has in all respects terminated. Any source document detailed in a register, journal, ledger or statement may be authorized for destruction five years from the end of the fiscal period to which it applies. The following may be destroyed at any time:
 - 5.2.9.1. Duplicated (original-subject to aforementioned requirements).
 - 5.2.9.2. Rough drafts, notes or working papers (except audit).
 - 5.2.9.3. Cards, listings, nonpermanent indices, other papers used for controlling work or transitory files.
- 5.2.10. All payroll and personnel records shall be retained indefinitely. Originals may upon authorization be destroyed after seven years retention, provided said records have been microfilmed and qualify for destruction section 4, above. Payroll and personnel records include the following:
 - 5.2.10.1. Accident reports, injury claims and settlements.
 - 5.2.10.2. Medical histories.
 - 5.2.10.3. Injury frequency charts.
 - 5.2.10.4. Applications, changes and terminations of employees.
 - 5.2.10.5. Insurance records of employees.
 - 5.2.10.6. Time cards.
 - 5.2.10.7. Classification specifications (job descriptions).
 - 5.2.10.8. Performance evaluation forms.
 - 5.2.10.9. Earning records and summaries.
 - 5.2.10.10. Retirements.
- 5.2.11. All assessing records may upon authorization be destroyed after seven years retention from lien date; however, their records may be destroyed three years after the lien date when said records are microfilmed as provided for section 4, above.
- 5.2.12. Records of proceedings for the authorization of long-term debt, bonds, warrants, loans, etc., after issuance or execution may be destroyed if microfilmed as provided for in section 4, above. Terms and conditions of bonds warrants, and other long-term agreements should be retained until final payment, and thereafter may be destroyed in less than ten years if microfilmed as provided for in section 4, above. Paid bonds, warrant certificates and interest coupons may be destroyed after six months if detailed payment records are kept for ten years.

- 5.2.13. Minutes of the meetings of the Board of Directors are usually retained indefinitely in their original form. However, they may upon authorization be destroyed if said minutes are microfilmed as provided for in section 4, above. Recording tapes (or other media) of Board meetings will be kept for a period of one year from the date of the recorded meeting, after which they will be destroyed.
- 5.2.14. Construction records, such as bids, correspondence, change orders, etc., shall not be kept in excess of seven years unless they pertain to a project which includes a guarantee or grant and, in that event, they shall be kept for the life of the guarantee or grant plus seven years. As-built plans for any public facility or works shall be retained as long as said facility is in existence.
- 5.2.15. Contracts should be retained for its life plus seven years. Any unaccepted **bid or** proposal for the construction or installation of any building, structure or other public work which is more than two (2) years old may be destroyed.
- 5.2.16. Property records, such as documents of title, shall be kept until the property is transferred or otherwise no longer owned by the District.

5.5.3 RETENTION OF ELECTRONIC MAIL (E-MAIL) POLICY

- 5.3.1. The purpose of this portion of the policy is to: provide guidelines to staff regarding the retention or disposal of Bear Valley Water District electronic mail ("e-mail") which generates correspondence and other documentation considered public records (hereinafter "Official District Records") in need of protection/retention in accordance with the California Public Records Act (Gov. Code §§ 6250-6276.48). The Bear Valley Water District's (the "District") e-mail system is intended as a medium of communication only. Therefore, the District's e-mail system should not be used to store or maintain documents, including, but not limited to, Official District Records.
- 5.3.2. In the event a records request or court-issued demand is made for e-mail, the employees having control over such e-mail, once they become aware of the request or demand, shall use their best efforts, by any responsible means available, to temporarily preserve any e-mail which is in existence until it is determined whether such e-mail is subject to preservation, public inspection or disclosure.
- 5.3.3. The Public Records Act states that "public records" include "any writing containing information relating to the conduct of the public's business prepared, owned, used or retained by any state or local agency regardless of physical form or characteristics." (Gov. Code § 6252, subd. (e).) The Public Records Act also defines "writing" as "handwriting, typewriting, printing, photo stating, photographing, photocopying, transmitting by electronic mail or facsimile, and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combination thereof, and any record thereby created, regardless of the manner in which the record has been stored." (Gov. Code § 6252, subd. (g), emphasis added.)
- 5.3.4. According to the preceding definitions, e-mail messages and any attachments regardless of format are, in fact, public records and are subject to the provisions of the Public Records Act as well as legal requirements for retention of public records. The preceding definitions also include any messages sent through a cell phone or other electronic device that end up as e-mail to or from any District employee.

5.3.5. It is the responsibility of individual employees to determine if e-mail is an Official District Record which must be retained in accordance with the District's Records Retention Policy. Generally, an e-mail message and any attachments regardless of format may be considered an Official District Record if it: (1) is created or received in connection with official District business; (2) documents the formulation and implementation of District policies and decisions; or (3) initiates, authorizes or completes a transaction of official District business.

5.3.6. Preliminary drafts, notes or interagency or intra-agency memoranda which are not retained by the District in the ordinary course of business are generally not considered to be Official District Records subject to disclosure.

Employees are encouraged to delete documents which are not otherwise required to be kept by law or whose preservation is not necessary or convenient to the discharge of your duties or the conduct of the District's business. Examples of e-mail messages that are not generally considered Official District Records may include: (1) personal messages and announcements not related to official District business; (2) messages with attached copies or extracts of documents distributed for convenience or reference (with the original documents being preserved according to the District's Records Retention Policy); and (3) messages that are essentially cover notes or distribution slips. The District's General Counsel can assist you in determining whether an e-mail message is required to be retained and/or is necessary or convenient to the discharge of your duties or the conduct of the District's business.

5.3.7. Any e-mail message, including any attachments regardless of format, which can be considered an Official District Record must be preserved in accordance with the retention periods specified in the District's Records Retention Policy. Generally, the District employee who sends an e-mail that qualifies as an Official District Record should be the person responsible for preserving that e-mail, but persons responsible for a particular program or project file shall also be responsible for preserving all e-mail they send or receive related to that program or project. District employees may print and file hard copies of e-mail messages that must be preserved. Employees may also save e-mail messages electronically, in electronic folders separate from their regular e-mail inboxes. However, e-mail messages must not be stored in an employee's regular inbox. Many types of e-mail can also be stored electronically as a Word document. However, all e-mail messages that are retained electronically must be easy to retrieve, view and print out, if necessary.

5.3.8. For projects that involve two or more employees, any e-mails pertaining to a specific project should be retained in that project's central file(s). Employees should work with Information Technology staff on the best method for central storage of e-mails on a project to make sure the e-mails remain easily accessible to everyone.

5.3.9. In addition, any e-mail messages that relate to a claim or a potential claim against the District must be preserved. Likewise, any e-mail messages that may relate to a lawsuit filed against the District, even if a subpoena or court order for such e-mail messages has not yet been issued, must be preserved. Under newly enacted federal rules regarding electronic discovery, any information stored electronically, including e-mail messages, must be produced for a requesting party. A court can impose severe penalties if e-mail messages relevant to a lawsuit are deliberately destroyed when it is known, or should have reasonably been anticipated, that a claim or lawsuit could be filed against the District. There are no penalties if electronic information is "lost" through "the routine operation of an electronic information system" (i.e., automatic deletion after a period of time; automatic overwriting of backup tapes, etc.). (Rule 37(f) of the Federal Rules of Civil Procedure.) However, the District has a duty to preserve any relevant data when there is

even a hint of possible litigation. Therefore, when District employees become aware of a potential claim, an actual claim, or a lawsuit against the District, they must preserve any e-mail messages and attachments that have any information relevant to that matter. The District's General Counsel can provide you with guidance on these issues.

5.6. DATA BACKUP

Data backup is performed daily to assure that the data is secure and will not be lost in the event of a computer failure or cybersecurity breach. Daily backups of the accounting system are downloaded to an external hard drive and uploaded to QuickBooks data storage service as well as a separate cloud-based service. In the event of a fire or other catastrophe at the BVWD Office, the external hard drives are removed from the office daily and kept at a secured off-site location determined by the General Manager. Year-end backups are kept indefinitely. Data stored on CDs or thumb drives are stored offsite.

6.0. APPENDIX - POLICIES AND MANUALS

- 6.1. Procurement Policy
- 6.2. Credit Card Policy
- 6.3. Capital Assets Policy
- 6.4. Equipment Depreciation Policy
- 6.5. Reserve Fund Policy
- 6.6. Investment Policy
- 6.7. Surplus Equipment Policy
- 6.8. Personnel Manual

Bear Valley Water District Procurement Policy

I. Purpose and Application

This Policy establishes the Board's approved procedures that comply with California law for the District's Procurement of services, goods, equipment, supplies, Professional Services, and/or Public Projects. All Procurements to be paid for by the District from District Funds shall adhere to this Policy, except as otherwise determined by the Board.

II. Definitions

The following definitions shall apply to the terms as they appear in this Policy:

- a. "Board" means the Board of Directors of Bear Valley Water District.
- b. "Competitive Bidding" means the process of public advertisement for the submission of sealed bids, the public opening of bids, and recommending award of contracts to the lowest responsible bidder that is responsive to the solicitation for bids.
- c. "District" shall mean the Bear Valley Water District.
- d. "District Funds" means amounts received by the District for payment of rates or other charges arising from the services and facilities furnished by the District.
- e. "Emergency" means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.
- f. "Maintenance" means routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes, minor repainting, landscape maintenance, and work performed to keep, operate, and maintain publicly owned waste disposal systems.
- g. "Policy" means this Bear Valley District Procurement Policy.
- h. "Procurement" means the purchase or otherwise compensatory securing of goods, services, equipment, Professional Services, or Public Projects.
- i. "Professional Services" shall have the same meaning as set forth in Government Code section 53060, which currently means any type of special service or advice in financial, economic, accounting, engineering, legal, or administrative matters by persons specially trained and experienced and competent to perform the special services required. Such services include but are not limited to architectural; engineering; environmental; financial; land surveying; construction management; audits; training services; legal services; preparation of planning or studies; technology application development; and personnel, job classification and benefit studies.
- j. "Public Project" means "construction, reconstruction, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility." Maintenance work is not considered a Public Project for purposes of this definition."

III. Purchasing Agent Designated

The General Manager is the designated Purchasing Agent. The Purchasing Agent may delegate all or a portion of the Procurement duties to any District staff member. The Purchasing Agent shall have the authority to:

- a. Authorize Procurements in accordance with the procedures outlined in this Policy up to the expenditure limits established by resolution of the Board;
- b. Sign contracts for Procurements in accordance with the requirements of this Policy;
- c. Prepare and recommend to the Board revisions and amendments to this Policy;

- d. Establish and maintain such forms as reasonably necessary to the operation of purchasing guidelines set forth in this Policy.

IV. Procurement of Public Projects up to \$50,000

If the amount or value involved in a Procurement of a Public Project is less than \$50,000, the Purchasing Agent may approve the Procurement without written bid, by informal price checking through telephone or mail inquiry, comparison of prices on file or otherwise, subject to the expenditure limits established by resolution of the Board.

At the discretion of the Purchasing Agent, the Procurement of a Public Project the value of which is less than \$50,000, the Competitive Bid process in Section V of this Policy may be used.

V. Procurement of Public Projects Exceeding \$50,000

Except for Public Projects the Board identifies as exempt from the requirements set forth in this Policy, when the amount or value of a Public Project exceeds \$50,000, the Purchasing Agent shall conduct Competitive Bidding as follows:

- a. Prepare notice inviting sealed bids that includes a general description of the Public Project, where bid forms and specifications may be obtained, and the time and place for bid openings.
- b. Notice inviting sealed bids shall be posted on the District's website at www.bvwd.ca.gov, and may be provided to select trade journals, at least 10 days before the date of opening bids.
- c. The Purchasing Agent may also identify and solicit sealed bids from any responsible prospective bidders and may advertise the notice inviting sealed bids in any applicable publications.
- d. Bidders shall be required to submit a bid deposit or bond. A successful bidder shall be liable for any damages upon the bidder's failure to enter into a contract with the District or upon the failure to perform in accordance with the tenor of their bid.
- e. California law requires all Public Projects in excess of \$25,000 to have a performance bond. Any person or entity entering into a Public Project contract in excess of \$25,000 with the District shall be required to furnish a faithful performance deposit or bond as required by California law.
- f. Sealed bids shall be opened in public at the time and place stated in the public notices.
- g. The Board retains the discretion to reject any and all submitted bids and re-advertise for bids.

VI. Procurement of Professional Services

If the amount or value involved in a Procurement of Professional Services is less than the expenditure limits for the Purchasing Agent established by resolution of the Board, the Purchasing Agent may approve the Procurement of Professional Services on the basis of demonstrated competence and qualifications for the types of services to be performed.

All Procurements for Professional Services that exceed the expenditure limits established by resolution of the Board shall be approved by the Board at a Regular or Special Meeting thereof. The Purchasing Agent shall strive to obtain verbal quotes from Professional Services providers for Procurements of Professional Services exceeding the expenditure limits established by resolution of the Board. If verbal quotes cannot be obtained, the Purchasing Agent must make a report to the Board that includes findings that Professional Services providers were not available to provide verbal quotes.

VII. Procurement of Services, Goods, Equipment, and Supplies

For Procurement of services, goods, equipment, and supplies that are not Public Projects or Professional Services, the Purchasing Agent has discretion to approve the Procurement within the expenditure limits established by resolution of the Board.

The Purchasing Agent shall obtain approval from the Board for Procurement of services, goods, equipment, and supplies in excess of the established expenditure limits.

VIII. Contracting During Declared Emergency

In the event of an Emergency, the Purchasing Agent, may order any action to repair or replace a public facility, take any directly related and immediate action required by that Emergency, and procure the necessary equipment, services, and supplies for those purposes, without following the purchasing procedures prescribed by this Policy.

The Purchasing Agent may approve Emergency Procurements and take action set forth in this Policy and shall report to the District Board, at its next meeting, the reasons justifying why the Emergency did not permit a delay resulting from competitive solicitation and why the action was necessary to respond to the Emergency.

IX. Conflict of Interest

All Procurements made pursuant to this Policy shall be subject to the limitations and requirements set forth in the District's Conflict of Interest Policy.

CREDIT CARD POLICY

INTRODUCTION

The purpose of this policy is to establish procedures and provide guidelines for the permissible use of District credit cards when issued by the Bear Valley Water District. Permitting authorized payments by credit card improves District efficiency in the Accounts Payable process saving the District time and money.

The District credit card is a purchase card system benefiting the District and the District's authorized users by allowing purchases to be made from vendors for certain types of goods and/or services that are not available through other procurement means or where it is more expeditious or urgent to utilize the credit card. To ensure proper control, the District shall limit the use of credit card purchases to those that meet the criteria as defined by this policy.

AUTHORIZATION

Usage of the District's credit card is allowed at the discretion of the District Manager or Office Manager to current employees who are granted District purchasing authority. District employees must receive approval from the District Manager and/or Office Manager to have permission to use the District's credit card. District purchasing authority governs the use of a District credit card as a tool for purchasing materials and services approved for purchase.

The District credit card may be used only by authorized users who have authority to buy goods and services on behalf of the District. Each user is responsible for ensuring safeguard of the credit card information.

COMPLIANCE WITH POLICY

Purchases made under this credit card policy and agreement shall comply with the District's purchasing policy and only following approval by the District Manager or Office Manager. The card user agrees to comply with all applicable District policies and procedures and this agreement.

Use of the District credit card is restricted to the purchasing of those goods or services that cannot be procured through normal procedures. All goods and services purchased by the District should generally be acquired through credit extended by the District's vendors to the District whenever possible and paid by approved invoice within the agreed credit terms of the vendor.

VIOLATIONS AND CONSEQUENCES

Card user violations of this agreement or of any policy regarding the purchase of goods or services may result in any or all of the following actions, including but not limited to: written warning, revocation of credit card privileges, cancellation of delegation of purchasing authority, disciplinary action, termination and/or criminal prosecution.

The District Manager and/or Office Director have the authority to determine whether a violation of purchasing or credit card policy has occurred and to determine the action deemed most appropriate pursuant to applicable law and/or District policy.

Violations of credit card usage include but are not limited to:

- Purchase of items for personal use
- Use of the credit card for cash advances
- Exceeding the credit card account credit line limit

- Purchase of items in violation of the District's travel policy
- Failure to return the credit card when card user is reassigned, terminated or upon request
- Failure to turn in packing slips, receipts or other back up documentation to the District Office Manager within three (3) business days of the purchase
- Sharing the credit card or card account number with unauthorized users

OWNERSHIP AND CANCELLATION OF THE CREDIT CARD

The credit card remains property of the District. It may not be transferred to, assigned to, or used by anyone other than an authorized user of the District. Users of the credit card are accountable for the activity on the card. The issuer or the District may suspend or cancel user privileges at any time for any reason. If the user is in possession of a card, the user will surrender the credit card upon request to the General Manager or Office Manager.

RECEIPTS

It is the responsibility of each credit card user to obtain transaction receipts from the merchant each time the credit card is used, including telephone and internet charges. These are to be immediately forwarded to the General Manager or Office Manager for review and ensure eligibility for payment. Failure to provide the required documentation for payment processing may subject the user to loss of credit card privileges and may cause the amount charged to be classified as a personal purchase by the card user.

The District shall keep statement data and proof of reconciliation, including receipts and packing slips, on file for a period consistent with the record retention requirements of the law. Failure to provide receipts and allow for timely payment of the credit card purchase will also subject the purchasing department to finance charges on the charge.

DISPUTED ITEMS

It is each user's responsibility to follow-up on any erroneous charges, returns or adjustments to ensure proper credit is given on subsequent statements.

SAFEGUARDING AN ISSUED CREDIT CARD

An issued credit card or card account number should always be treated with utmost care and should be kept in a secure location and protected from misuse by unauthorized users. When using the credit card for internet purchases, users should ensure that the site utilizes industry recognized encryption transmission tools.

LOST OR STOLEN CREDIT CARDS

If a credit card is lost or stolen, contact the Office Manager immediately, who will make contact with the issuer and take the appropriate steps to protect the account from unauthorized purchases.

CAPITAL ASSETS POLICY

Overview

The Bear Valley Water District (the District) will maintain a capital asset management system that will meet external financial reporting requirements and the needs of the District in line with these policies.

Capital Assets are defined as land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

Infrastructure Assets are defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples include roads, bridges, tunnels, drainage systems, water and sewer systems, dams and lighting systems. Buildings that are an ancillary part of a network of infrastructure assets are included.

The District's Capital Assets Policy follows the recommended practices of the accounting standards of GASB 34.

Capitalization

Generally, the capitalization threshold for capital assets will be an original cost of \$5,000 or more (recorded as an asset on the balance sheet versus expensing the item). Specific capitalization requirements are described as follows:

- a. All land will be capitalized regardless of cost
- b. Buildings, land improvements and infrastructure will be recorded if cost exceeds \$5,000.
- c. All other assets must cost \$5,000 or more and have a useful life of two (2) or more years.
- d. The capitalization threshold is applied to individual units of capital assets rather than groups. For example, ten desks purchased for \$1,000 each will not be capitalized even though the total (\$10,000) exceeds the threshold of \$5,000.
- e. For purposes of capitalization, the threshold will generally not be applied to components of capital assets. For example a keyboard, monitor and central processing unit purchased as components of a computer system will not be evaluated individually against the capitalization threshold. The entire computer system will be treated as a single asset. The capitalization threshold will be applied to a network if all component parts are required to make the asset functional.
- f. Repairs to existing capital assets will generally not be subject to capitalization unless the repair extends the standard useful life of the asset
- g. Improvements to existing capital assets will be presumed by definition to extend the useful life of the related capital asset and therefore will be subject to capitalization if the cost exceeds \$5,000.

Leased Assets

Operating leased assets are usually short term and cancelable at any time. The recording of an operating lease as a fixed asset is not required because the item is not purchased.

However, operating leases will be capitalized if one or more of the following criteria are met and the chance of cancellation is low:

- a. Ownership is transferred by the end of the lease term
- b. The lease contains a bargain purchase option
- c. The lease term is greater than or equal to 75 percent of the asset's service life
- d. The present value of the minimum lease payment is greater than or equal to ninety percent (90%) of the fair market value of the asset at the inception of the lease.

Capital lease items are capitalized at the beginning of the lease period regardless of when the title transfers. Capital leases are recorded at net present value of lease payments.

Capital Asset Recording

The District will keep appropriate records in order to monitor and accurately inventory all fixed assets. The District shall maintain an inventory list (including model and serial numbers when appropriate) of all recordable capital assets and shall physically inventory and account for such assets periodically.

Acquisition of Capital Assets

Fixed assets may be acquired through direct purchase, lease-purchase or capital lease, construction, eminent domain, tax foreclosures, donations and gifts.

Measuring the Cost and/Value

Capital assets are recorded at their "historical cost," which is the original cost of the assets. Donations accepted by the District will be valued at the fair market value at the time of donation. Costs include purchase price (less discounts) and any other reasonable and necessary costs incurred to place the asset in its intended location and prepare it for service. Costs could include the following:

- Sales Tax
- Freight Charges
- Legal and title fees
- Closing costs
- Appraisal and negotiation fees
- Surveying fees
- Land preparation costs
- Demolition costs
- Relocation costs
- Architect and accounting fees
- Insurance premiums and interest costs during construction
- Installation costs
- Initial programming/set-up costs (e.g. programmable logic controllers typically need some extensive setup or a new computer system might require expensive initial setup)?

According to GASB 34, an estimate of the original cost is allowable in the absence of historical records. Standard costing is one method of estimating historical cost using a known average installed cost for a like unit at the estimated date of acquisition. When necessary the District will use whichever method gives the most reasonable amount based on available information.

Recording Costs Incurred After Acquisition

Expenditures/expenses for replacing a component part of an asset are not capitalized. However, expenditures/expenses that either enhance a capital asset's functionality (effectiveness or efficiency), or that extend a capital asset's expected useful life are capitalized. For example, periodically slurry sealing the District's parking area would be treated as a repair (the cost would not be capitalized), while an overlay or reconstruction would be capitalized. Also, see Capitalization section, sub-items g) and h) above.

Disposition or Retirement of Capital Assets

Disposition of surplus, damaged or inoperative equipment will be at the discretion of the Board of Directors. Method of disposition may include disposal, sale or donation to another government agency or tax exempt charity. Appropriate records shall be maintained by the District on all surplus property disposal.

Depreciation

The District will record depreciation expense on all capital assets, except for land. The District will use straight-line depreciation using the end of-year convention. Depreciation will be calculated starting the year after acquisition and will end the year of disposition or after the completion of the estimated useful life of the asset, whichever occurs first. In the event of disposition before the end of the estimated useful life, the remaining un-depreciated value of that asset shall be subject to a one-time write-off in the year of disposition. Otherwise, depreciation will be calculated over the estimated useful life of the asset.

Recommended Lives

The District follows GFOA Recommended Practices when establishing recommended lives for capitalized assets. If the life of a particular asset is estimated to be different than these guidelines, it may be changed. Following is a summary of the estimated useful lives:

<u>Asset Class</u>	<u>Useful Life</u>
Buildings	30 – 50 Years
Building Improvements	20 Years
Improvements Other than Buildings	35 Years
Infrastructure	40 – 50 Years
Equipment and Machinery	5 – 20 Years

Control of Assets

The District will exercise control over the non-capitalized tangible capital-type items by establishing and maintaining adequate control procedures. The District's capitalization threshold of \$5,000 meets financial reporting needs.

Appendix A - Definitions

Capital Expenditure

Capital expenditure means the cost of the asset including the cost to put it in place. Capital expenditure for equipment means the net invoice price of the equipment, including the cost of any initial modifications, attachments, accessories, or auxiliary apparatus necessary to make it useable for the purpose for which it was acquired. It also includes the cost of incoming transportation incurred on shipments from external suppliers.

Equipment

Equipment means an article of non-expendable, tangible, personal property which stands alone, is complete in itself, does not lose its identity, and has a useful life of two or more than years.

Capital Equipment

Those items of equipment which have an acquisition cost of \$5,000 or more are capitalized. (Indirect cost is not applied.)

Minor Equipment

Those items of equipment which have an acquisition cost of less than \$5,000 or useful life of less than two years are expensed. (Indirect cost is applied).

Component Parts

Enhancement parts with an acquisition cost of at least \$2500, which materially and permanently increase the value or useful life of a capital item, will be capitalized and their cost added to the capital cost of the item being enhanced; otherwise, they will be expensed. The purchase order or tag number of the enhanced capital item must be referenced on the requisition and purchase order for the enhancement part(s) in order for the enhancement part(s) to be considered capital.

Enhancement parts with an acquisition cost of at least \$2500, which permanently increase the value of an item of minor equipment to \$5,000 or greater and are acquired within 120 days of the acquisition date of the item of minor equipment, and which also permanently increases the useful life of the item, will have their cost added to the cost of the item of minor equipment being enhanced and both the enhancement part(s) and the item of minor equipment will be capitalized; otherwise, they will be expensed. The purchase order or the tag number of the enhanced item of minor equipment must be referenced on the requisition and purchase order for the enhancement part(s) in order for the minor equipment item and the enhancement part(s) to be considered capital.

Replacement Parts

Replacement parts required to repair an item of capital or minor equipment and which simply maintain the original function and expected life of the equipment, will be expensed. Expenditures needed to maintain equipment in a proper operating condition or to restore equipment to a proper operating condition are expensed.

Fabricated Items

A fabricated item will be capitalized if the cost of the material and labor making up the fabrication is \$5,000 or greater, the useful life of the item is two or more years, the item is company-owned or government funded, and the item is identifiable as a discrete item.

Deliverable End Item

This item is defined to include all equipment as well as electrical, electronic, and mechanical components contractor-acquired and/or sponsor-furnished, which are being incorporated into a deliverable end item under the property terms of a contract/agreement, calling specifically to be constructed and delivered to formal addresses included in the contract/agreement. Deliverable end items are expensed.

Software

All standard computer software, including computer operating systems and typical applications such as word processing and spreadsheet applications shall be expensed. However, software that is integral to the installation and operation of new equipment (e.g. SCADA systems), or large industry applications or to perform, for example, inventory/asset tracking shall be capitalized as long as they meet the capitalization threshold described above.

RESERVE FUND POLICY

OVERVIEW

The Bear Valley Water District (District) considers careful fiscal planning essential to the long term, sustainable delivery of its core services, specifically the collection, treatment and disposal of waste water for all of its customers as well as the careful stewardship of the public's financial and environmental assets.

The District has determined that a key part of the District's financial preparedness rests on sound reserve policies and guidelines. This policy is intended to provide for the prudent accumulation and management of designated reserve funds to achieve the District's long term financial goals.

OBJECTIVES

Managed and allocated effectively, reserves ultimately provide stakeholders a variety of benefits. In addition to financial policies established to guarantee that the District can meet the future financial requirements of customer demand and system reliability, reserve policies are also considered essential to ensure stable rates for ratepayers in the District, well-maintained public assets, emergency preparedness, capital improvement and replacement of assets, savings to balance budgets and the proper allocation of funds for the future growth and expansion of facilities.

This Reserve Fund Policy was developed to clearly identify specific designated reserve funds and govern how they will be managed. It is the intent of this Reserve Fund Policy to clearly identify types of reserve funds as well as define the purpose, target balance, use and funding mechanism of each fund. The adequacy of the target reserve year-end balance ranges and/or annual contributions will be reviewed annually during the budgeting process and may be revised accordingly as necessary.

The Board of Directors establishes the following reserve funds with this policy:

- 1.0 - Sewer Operations and Maintenance (O&M) Emergency Reserve Fund**
- 2.0 - Sewer Capital Improvement & Replacement Program (CIP) Reserve Fund**
- 3.0 - Sewer System Capacity Fee Reserve Fund**

1.0 SEWER OPERATIONS AND MAINTENANCE (O&M) EMERGENCY RESERVE FUND

- 1.1. Fund Type: Assigned Fund (GASB 54) - The District's Assigned Fund balance classification reflects a fund that the Board of Directors intends to be used for specific purposes but is subject to neither the restricted nor committed levels of constraint bound by legislation or formal Board action. As an Assigned Fund, this lower level of constraint provides for more flexibility by the General Manager to access and utilize this fund as emergencies arise.
- 1.2. Purpose: To ensure cash resources are available to fund the daily administration, operation and maintenance activities necessary to provide District services in the event of unplanned major maintenance or equipment failure.
- 1.3. Target Balance: A minimum of three (3) months of O&M expenses to fund the District's operational expenditures during a potential emergency.

- 1.4. Methodology/Rationale: The District is required to have sufficient cash flow to meet the next three months of budgeted District expenditures (Government Code Section 53646(b)(3)). In addition to holding enough cash for 3 months of operating expenses, industry standards also suggest setting aside sufficient cash in anticipation of an emergency system failure to replace the most vulnerable component of your system or one that would cause the greatest disruption of service.
- 1.5. Use of Funds: This fund will be used to pay for unplanned, emergency O&M expenditures determined necessary by the Board and/or the General Manager.
- 1.6. Funding: Annual contributions will vary depending on the current balance of the fund and current year regular and emergency expenditures. The 5-year O&M expense average is approximately \$600,000 suggesting an O&M emergency fund balance of a minimum of \$150,000. The Agency will strive to fully fund this Reserve every year based on excess cash flow as available.

2.0 SEWER CAPITAL IMPROVEMENT PROGRAM (CIP) RESERVE FUND

- 2.1. Fund Type: Committed Fund (GASB 54) - The District's Committed Fund balance classification is subject to internal constraints self-imposed by formal action of the District's Board of Directors. For committed fund balances, formal action of the Board is required to establish (and modify or rescind) a commitment of fund balance.
- 2.2. Purpose: Fees are collected for the future replacement of existing facilities and major equipment.
- 2.3. Target Balance: The target balance will comprise an amount determined by the Board of Directors which considers both the District's 5-Year Capital Improvement Program (CIP) and the current total aggregate asset value as reflected in the most current depreciation schedule. The District records depreciation using the straight-line method over the estimated useful lives of facilities and equipment. The 5-Year CIP assumes replacement of capital equipment equivalent to the depreciation schedule. At a minimum, the Board should allocate to the fund enough each fiscal year to adequately fund the 5-Year CIP.
- 2.4. Methodology/Rationale: The Capital Improvement Program (CIP) reserve fund is for system rehabilitation, long term equipment replacement and equipment and component purchases that meet the District's Capital Assets Policy. The fee is collected through ratepayer service fees to replace District facilities and equipment as they reach the end of their useful life and also to handle unanticipated repairs during the life-cycle. A key objective for accumulating capital reserves is to minimize external borrowing and interest expenses.
- 2.5. Use of Funds: The CIP Reserve Fund will be used to replace facilities and equipment as necessary to continue reliable and efficient delivery of District services. The Board of Directors will authorize use of planned capital reserves during the budget process. Capital reserves are also available for unplanned (unbudgeted) capital replacement projects.
- 2.6. Funding: At a minimum, the target annual funding amount of the CIP Fund should reflect the approved annual budgeted depreciation amount in conjunction with the approved 5-Year CIP Plan. However, by vote of the Board of Directors, this reserve fund balance may be fully funded either at once or incrementally to provide for capital reserves sufficient to cover the District's total depreciated fixed asset position.

3.0 SEWER SYSTEM CAPACITY CHARGE RESERVE FUND

- 3.1. Fund Type: Restricted Fund (GASB 54) - The District's Restricted Fund balance classification reflects a fund subject to externally imposed and legally enforceable constraints which limit the District's Board to redirecting these funds to other uses or funds. The California Water Code explicitly limits public water agencies use of capacity funds collected from new customers to expanding system capacity.
- 3.2. Purpose: Government Code Section 66013(b)(3) does not allow us to charge new or existing customers an arbitrary amount to fund a future, undefined capacity expansion project. On the other hand, we are permitted to charge a new customer a fee that reflects an appropriate share of the historic cost of the established capacity. The amount of this fee is periodically calculated and adjusted through an engineering report that is subject to board approval. This "capacity" fee is collected from new customers and is required by law to be reserved for future capacity expansion, even if no expansion plan is in place at that time.
- 3.3. Target Balance: The target balance shall be set as a function of any board approved capacity enhancement plans. In the absence of any such approved plans, no specific target shall be set, but the funds shall accrue as available. At the time the District may need to expand capacity in the system, the target balance will be set at the amount as determined by the District Engineer.
- 3.4. Methodology/Rationale: Capacity charges are based on the capacity of the District's wastewater system to provide service to customers. Capacity charges are determined by an engineering report that establishes the basis for the charge and how it was calculated. All applicants for new or additional sewer service to the District's Sewer System shall pay a Capacity Charge as defined by Government Code Section 66013(b)(3) and District Ordinance 71 prior to issuance of a permit by the District. Capacity Charges represent the property owner's proportional capital costs associated with existing system capacity for a new sewer connection at the time of the connection. The current capacity fee calculation reflects the recommended cost for each equivalent dwelling unit (EDU) served until such time as the District reaches its current system capacity.
- 3.5. Use of Funds: The funds shall be used only for system capacity expansion/enhancement projects which ensure the property owner's proportional share of capacity in the system is associated with the specific capital cost for a new sewer connection at the time of the connection.
- 3.6. Funding: This fee is collected with each service application from a vacant parcel with the intent to connect to the wastewater system. In addition, the per new connection value of treatment and distribution capacity will be charged to all new land development projects and deposited into this account. Interest earnings will be accrued on and added to fund balance, using the District's earnings rate on investments.

INVESTMENT POLICY

This Investment Policy for the Bear Valley Water ("the District") establishes procedures that are formulated in compliance with governing provisions of law (Government Code Sections 53600 et seq.) for a prudent and systemic investment program in support of the District's overall mission. The District's General Manager shall, if so directed by the Board of Directors, periodically prepare or cause to be prepared a statement of investment policy and such policy, and any changes thereto, shall be considered by the Board at a public meeting; (CGC 53646(a)).

This Policy covers all funds and investment activities under the direct authority of the District with the exception of deferred compensation assets.

The District's investment process and Policy is subject to annual review and evaluation at a public forum.

OBJECTIVES

The primary objectives of the District's investment activities shall be, in order of priority:

1. Safety. The safety of principal is the foremost objective of the District's investment program. The District's investments shall be undertaken in a manner that shall strive to preserve the District's capital.
2. Liquidity - The District's secondary objective shall be to meet its liquidity needs. The investment portfolio shall maintain sufficient liquidity to enable the District to meet all operating requirements which might be reasonably anticipated.
3. Yield - Yield shall become a consideration only after the basic requirements of safety and liquidity have been met. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk, constraints and the cash flow characteristics of the portfolio.

ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

DELEGATION OF AUTHORITY

Authority of the District's Board to delegate the management of the District's investment program is derived from California Government Code Sections 53600, et seq which states:

"The authority of the legislative body to invest or to reinvest funds of a local agency, or to sell or exchange securities so purchased, may be delegated for a one-year period by the legislative body to the treasurer of the local agency, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked or expires, and shall make a monthly report of those transactions to the legislative body. Subject to review, the legislative body may renew the delegation of authority pursuant to this section each year."

Management responsibility for the investment program is hereby delegated by the Board to the General Manager, for a period of one-year, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked. Subject to review, the Board may renew the delegation of authority each year. The General Manager may delegate the day-to-day operations of investing to his/her designee(s) but not the responsibility for the overall investment program. The General Manager and/or his/her designee(s) shall make all investment decisions and transactions in strict accordance with state law and with this Policy.

If authorized by the Board, the General Manager and/or his/her designee(s) may utilize an external investment advisor to assist with investment decision-making and trade execution authority. The investment advisor shall be under the supervision of the General Manager and/or his/her designee(s) and shall follow this Policy and such other written instructions as are provided.

The General Manager, his/her designee(s) and/or the designated investment officers, acting in accordance with written procedures and policies and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

INTERNAL CONTROLS

The General Manager and/or his/her designee(s) shall establish a system of written internal controls to regulate the District's investment activities, including the activities of any subordinate officials acting on behalf of the District. Procedures should include references to individuals authorized to execute transactions or transfers, safekeeping agreements, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking services contracts, as appropriate. As part of the annual financial audit, the District's external auditor will perform a review of investment transactions to verify compliance with policies and procedures.

AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

It shall be the District's policy to purchase securities only from authorized institutions and firms.

No deposit of public funds shall be made except in a qualified public depository as established by state laws. If an external investment advisor is authorized to conduct investment transactions on the District's behalf, the investment advisor may use its own list of approved broker/dealers and financial institutions for investment purposes consistent with the District's policies and existing laws.

For broker/dealers of government securities and other investments, the District shall select only broker/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission, the Financial Industry Regulatory Authority or other applicable self-regulatory organizations.

Before engaging in investment transactions with a broker/dealer, the General Manager and/or his/her designee(s) shall have received from said firm written acknowledgement attesting that the individual responsible for the District's account has reviewed the District's Investment Policy and that the firm understands the policy and intends to present investment recommendations and transactions to the District that are appropriate under the terms and conditions of this Investment Policy.

AUTHORIZED AND SUITABLE INVESTMENTS

The type, quality and percent composition within the portfolio shall be in full compliance with Government Code Section 53601 et seq., as amended by periodic action of the State Legislature. All investment types and the limitations under this policy are listed in Appendix A.

In the event a security held by the District is subject to a rating change that brings it below the minimum credit ratings specified in this policy, the General Manager and/or his/her designee(s) shall notify the Board of the change.

Subject to extraordinary circumstances and after review by the board, the General Manager and/or his/her designee(s) shall strive to liquidate and/or otherwise remove any such security from the District's investment portfolio in a timely manner. In some extraordinary circumstances, the District may have to accept some delays in order to minimize additional losses tied to expedited liquidation. In all cases, though, the focus should remain on avoiding loss of principal, forward-looking safety and liquidity.

SAFEKEEPING AND CUSTODY

All deliverable security transactions entered into by the District shall be conducted on a delivery-versus-payment (DVP) basis. To protect against potential losses by collapse of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all securities owned by the District shall be held in safekeeping by a third party bank trust department, acting as agent for the District under the terms of a custody agreement executed by the bank and by the District. The only exception to the foregoing shall be depository accounts and securities purchases made with: (i) LAIF and government investment pools and, (ii) money market funds, since the purchased investments are not deliverable. Evidence of each these investments will be held by the District.

MAXIMUM MATURITIES

The General Manager and/or his/her designee(s) shall maintain a system to monitor and forecast revenues and expenditures so that funds can be invested to the fullest extent possible. Maturities of investments will be selected to provide necessary liquidity, manage interest rate risk, and optimize earnings. Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds.

REPORTING AND REVIEW

The General Manager and/or his/her designee(s) shall maintain a complete and timely record of all investments and transactions. The General Manager and/or his/her designee(s) shall submit a monthly investment report to the District.

APPENDIX A - INVESTMENT GUIDELINES

INSTRUMENT		OVERNIGHT	180 DAYS	270 DAYS	1 YEAR	5 YEARS	BEYOND 5 YEARS
Conventional Fixed-Income	U.S. Treasuries	Permitted					Board Approval Required
	Federal Agencies	Permitted					Board Approval Required
	Municipal Securities	Permitted					Board Approval Required
	Negotiable Certificates of Deposit	Permitted					Board Approval Required
	Local Government Investment Pools (LAIF, CalTrust)	Permitted					Board Approval Required
	Bankers' Acceptances	Permitted	Board Approval Required				
	Medium-Term Corporate Bonds ("A" or better)	Permitted					Prohibited
	Asset-Backed Securities (ABS)	Permitted					Prohibited
	Repurchase Agreements	Permitted				Prohibited	
	Money Market Funds		Prohibited				
Other							
Broader Fixed-Income	Foreign Sovereign/Supranationals	Prohibited					
	Commercial MBS	Prohibited					
	High-Yield	Prohibited					
	Private Placements	Prohibited					
	Convertibles	Prohibited					
	Non-U.S. Dollar Investment Grade	Prohibited					
	Emerging Markets Debt	Prohibited					
Equities	Domestic Small/Mid Cap	Prohibited					
	Domestic Large Cap	Prohibited					
	Domestic Value/Growth	Prohibited					
	International Small/Mid Cap	Prohibited					
	International Large Cap	Prohibited					
	Emerging Markets	Prohibited					
Alternatives	Commodities	Prohibited					
	Real Estate	Prohibited					
	Hedge Funds	Prohibited					
	Private Equity	Prohibited					
	Venture Capital	Prohibited					
	Tangible Assets	Prohibited					

BEAR VALLEY WATER DISTRICT SURPLUS PERSONAL PROPERTY POLICY

I. Purpose and Application

This Policy establishes the authority and procedure for the disposition of the District's surplus personal property. All disposition of personal property shall adhere to this Policy, except as otherwise determined by the Board.

II. Definitions

The following definitions shall apply to the terms as they appear in this Policy:

- a. "Agent" means the Surplus Personal Property Agent.
- b. "Board" means the Board of Directors of Bear Valley Water District.
- c. "District" shall mean the Bear Valley Water District.
- d. "District Manager" means the person holding the title of District Manager or, if there isn't one, the senior manager of the District.
- e. "Personal Property" means any property owned by the District that is not land or real property. Personal Property includes all equipment and materials of any type.
- f. "Surplus" means Personal Property no longer needed by the District.
- g. "Policy" means this Bear Valley District Surplus Personal Property Policy.
- h. "Value" means market value and not book value or depreciation value.

III. Surplus Personal Property Agent Designated

The District Manager is the designated Surplus Personal Property Agent. The Agent may delegate all or a portion of the Surplus Personal Property disposal duties to any District staff member. The Agent shall have the authority to:

- a. Authorize the disposition of Surplus Personal Property in accordance with the procedures outlined in this Policy;
- b. Enter into and sign any contracts for the disposition of Surplus Personal Property the Agent determines are beneficial to the District;
- c. Prepare and recommend to the Board any methods for disposing of Surplus Personal Property requiring Board approval in this Policy;
- d. Establish and maintain such forms as the Agent deems reasonably necessary to the dispose of Surplus Personal Property.

IV. Disposition of Surplus Personal Property Procurement valued as less than \$100.00

If the Agent determines that the estimated value of any Surplus Personal Property is less than \$100.00, pursuing the resale of this surplus property will not be required. The Agent may dispose of said property in any manner that they determine will be beneficial to the District, including, but not limited to, throwing away any property when it would cost more to find a buyer for the property than its value.

V. Disposition of Surplus Personal Property Procurement valued between \$100 - \$2,500

If the Agent determines that the estimated value of any Surplus Personal Property is valued between \$100 - \$2,500, the Agent may dispose of said property in any manner that they determine will be beneficial to the District, including, but not limited to, throwing away any property when it would cost more to find a buyer for the property than its value. Prior to throwing or giving any Surplus Property that the Agent determines has either no value or the cost of finding a bidder would exceed its estimated value property, the Agent shall

offer the property to the District's ratepayers. The Agent pursue best efforts to communicate surplus equipment information to ratepayers to allow for a timely disposition of any asset. The Agent shall report to the Board at its next meeting how the property was disposed of and the amount the District received for the property.

VI. Disposition of Surplus Personal Property Procurement valued between \$2,500 and \$20,000

When the Agent estimates that the value of any Surplus Personal Property is valued between \$2,500 and \$20,000, the Agent shall first list any equipment with a public auction as the preferred method of sale whenever practical. Public auctions shall include the use of electronic commerce (online), live auctions, and sealed bids. Auctions should be held in cooperation with other public agencies whenever possible to minimize expenses, maximize range of items to be sold, and to increase bidder participation. If the equipment fails to sell through auction, the Agent shall follow the process outlined in Section V including offering the equipment to ratepayers prior to disposing of it in other manners beneficial to the District.

VII. Disposition of Surplus Personal Property Procurement valued as equal or more than \$20,000

When the Agent estimates that the value of any Surplus Personal Property that is equal to or exceeds \$20,000, the Board shall determine how to dispose of that property.

VIII. Conflict of Interest

The disposition of all Surplus Personal Property made pursuant to this Policy shall be subject to the limitations and requirements set forth in the District's Conflict of Interest Policy.

BEAR VALLEY WATER DISTRICT

PERSONNEL MANUAL



Prepared April 1, 2018

Adopted April 9, 2018

Resolution 495

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General Employment Policies

Introductory Statement

Welcome! As an employee of the Bear Valley Water District (the "District"), you are an important member of a team effort. We hope that you will find your position with the District rewarding, challenging, and productive.

Because our success depends upon the dedication of our employees, we are highly selective in choosing new members of our team. We look to you and the other employees to contribute to the success of the District.

This employee handbook is intended to explain the terms and conditions of employment of all full, part-time and temporary employees as well as supervisors and managers. Written employment contracts between the Bear Valley Water District and some individuals may supersede some of the provisions of this handbook.

This handbook summarizes the policies and practices in effect at the time of publication. This handbook supersedes all previously issued handbooks and any policy or benefit statements or memoranda that are inconsistent with the policies described here. Your supervisor or manager will be happy to answer any questions you may have.

At-Will Employment Status

Bear Valley Water District personnel are employed on an at-will basis. Employment at-will means that the employment relationship may be terminated, with or without cause and with or without advance notice at any time by the employee or the District. Nothing in this handbook shall limit the right to terminate at-will employment.

No manager, supervisor, or employee of the District has any authority to enter into an agreement for employment for any specified period of time or to make an agreement for employment on other than at-will terms. Only the General Manager of the Bear Valley Water District has the authority to make any such agreement, which is binding only if it is in writing.

Nothing in this at-will statement is intended to interfere with an employee's rights to communicate or work with others toward altering the terms and conditions of his or her employment.

Harassment Discrimination and Retaliation Prevention

The Bear Valley Water District is an equal opportunity employer. The Bear Valley Water District is committed to providing a work environment free of harassment, discrimination, retaliation, and disrespectful or other unprofessional conduct based on:

- Race
- Religion (including religious dress and grooming practices)
- Color

- Sex/gender (including pregnancy, childbirth, breastfeeding or related medical conditions), sex stereotype, gender identity/gender expression/transgender (including whether or not you are transitioning or have transitioned) and sexual orientation
- National origin (including language use restrictions and possession of a driver's license issued to persons unable to prove their presence in the United States is authorized under federal law [Vehicle Code section 12801.9])
- Ancestry
- Physical or mental disability
- Medical condition
- Genetic information/characteristics
- Marital status/registered domestic partner status
- Age
- Sexual orientation
- Military or veteran status
- Any other basis protected by federal, state or local law or ordinance or regulation

The Bear Valley Water District also prohibits discrimination, harassment, disrespectful or unprofessional conduct based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics.

In addition, the District prohibits retaliation against individuals who raise complaints of discrimination or harassment or who participate in workplace investigations.

All such conduct violates District policy, Harassment Prevention

The District's policy prohibiting harassment applies to all persons involved in the operation of the District. The District prohibits harassment, disrespectful or unprofessional conduct by any employee of the District, including supervisors, managers and co-workers. The District's anti-harassment policy also applies to vendors, customers, independent contractors, unpaid interns, volunteers, persons providing services pursuant to a contract and other persons with whom you come into contact while working.

Prohibited harassment, disrespectful or unprofessional conduct includes, but is not limited to, the following behavior:

- Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations, comments, posts or messages;
- Visual displays such as derogatory and/or sexually-oriented posters, photography, cartoons, drawings or gestures;
- Physical conduct including assault, unwanted touching, intentionally blocking normal movement or interfering with work because of sex, race or any other protected basis;
- Threats and demands to submit to sexual requests or sexual advances as a condition of continued employment, or to avoid some other loss and offers of employment benefits in return for sexual favors;
- Retaliation for reporting or threatening to report harassment; and
- Communication via electronic media of any type that includes any conduct that is prohibited by state and/or federal law or by District policy.

Sexual harassment does not need to be motivated by sexual desire to be unlawful or to violate this policy. For example, hostile acts toward an employee because of his/her gender can

amount to sexual harassment, regardless of whether the treatment is motivated by sexual desire.

Prohibited harassment is not just sexual harassment but harassment based on any protected category.

Non-Discrimination

The District is committed to compliance with all applicable laws providing equal employment opportunities. This commitment applies to all persons involved in District operations. The District prohibits unlawful discrimination against any job applicant, employee or unpaid intern by any employee of the District, including supervisors and coworkers.

Pay discrimination between employees of the opposite sex or between employees of another race or ethnicity performing substantially similar work, as defined by the California Fair Pay Act and federal law, is prohibited. Pay differentials may be valid in certain situations defined by law. Employees will not be retaliated against for inquiring about or discussing wages. However, the Bear Valley Water District is not obligated to disclose the wages of other employees.

Anti-Retaliation

The District will not retaliate against you for filing a complaint or participating in any workplace investigation or complaint process, and will not tolerate or permit retaliation by management, employees or co-workers.

Reasonable Accommodation

Discrimination can also include failing to reasonably accommodate religious practices or qualified individuals with disabilities where the accommodation does not pose an undue hardship.

To comply with applicable laws ensuring equal employment opportunities to qualified individuals with a disability, the District will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an employee unless undue hardship would result.

Any job applicant or employee who requires an accommodation in order to perform the essential functions of the job should contact a District representative with day-to-day personnel responsibilities and discuss the need for an accommodation. The District will engage in an interactive process with the employee to identify possible accommodations, if any, that will help the applicant or employee perform the job. An applicant, employee or unpaid intern who requires an accommodation of a religious belief or practice (including religious dress and grooming practices, such as religious clothing or hairstyles) should also contact a District representative with day-to-day personnel responsibilities and discuss the need for an accommodation. If the accommodation is reasonable and will not impose an undue hardship, the District will make the accommodation.

The District will not retaliate against you for requesting a reasonable accommodation and will not knowingly tolerate or permit retaliation by management, employees or co-workers.

Complaint Process

If you believe that you have been the subject of harassment, discrimination, retaliation or other prohibited conduct, bring your complaint to your supervisor or to any of the following as soon as possible after the incident:

- Chief Plant Operator
- Office Manager
- General Manager

You can bring your complaint to any of these individuals. If you need assistance with your complaint, or if you prefer to make a complaint in person, contact the Office Manager. Please provide all known details of the incident or incidents, names of individuals involved and names of any witnesses. It would be best to communicate your complaint in writing, but this is not mandatory.

The District encourages all individuals to report any incidents of harassment, discrimination, retaliation or other prohibited conduct forbidden by this policy immediately so that complaints can be quickly and fairly resolved.

You also should be aware that the Federal Equal Employment Opportunity Commission and the California Department of Fair Employment and Housing investigate and prosecute complaints of prohibited harassment, discrimination and retaliation in employment. If you think you have been harassed or discriminated against or that you have been retaliated against for resisting, complaining or participating in an investigation, you may file a complaint with the appropriate agency. The nearest office can be found by visiting the agency websites at www.dfeh.ca.gov and www.eeoc.gov.

Supervisors must refer all complaints involving harassment, discrimination, retaliation or other prohibited conduct to the General Manager of the District so the District can try to resolve the complaint.

When the District receives allegations of misconduct, it will immediately undertake a fair, timely, thorough and objective investigation of the allegations in accordance with all legal requirements. The District will reach reasonable conclusions based on the evidence collected.

The District will maintain confidentiality to the extent possible. However, the District cannot promise complete confidentiality. The employer's duty to investigate and take corrective action may require the disclosure of information to individuals with a need to know.

Complaints will be:

- Responded to in a timely manner
- Kept confidential to the extent possible
- Investigated impartially by qualified personnel in a timely manner
- Documented and tracked for reasonable progress
- Given appropriate options for remedial action and resolution
- Closed in a timely manner

If the District determines that harassment, discrimination, retaliation or other prohibited conduct has occurred; appropriate and effective corrective and remedial action will be taken in

accordance with the circumstances involved. The District also will take appropriate action to deter future misconduct.

Any employee determined by the District to be responsible for harassment, discrimination, retaliation or other prohibited conduct will be subject to appropriate disciplinary action, up to, and including termination. Employees should also know that if they engage in unlawful harassment, they can be held personally liable for the misconduct.

Right to Revise

This personnel manual contains the employment policies and practices of the Bear Valley Water District in effect at the time of publication. All previously issued manuals and any inconsistent policy statements or memoranda are superseded.

The Bear Valley Water District reserves the right to revise, modify, delete, or add to any and all policies, procedures, work rules, or benefits stated in this manual or in any other document, except for the policy of at-will employment. However, any such changes must be in writing and must be signed by the Secretary of the Board of the Bear Valley Water District.

Any written changes to this manual will be distributed to all employees so that employees will be aware of the new policies or procedures. No oral statements or representations can in any way alter the provisions of this manual.

This manual sets forth the entire agreement between you and the Bear Valley Water District as to the duration of employment and the circumstances under which employment may be terminated. Nothing in this personnel manual or in any other personnel document, including benefit plan descriptions, creates or is intended to create a promise or representation of continued employment for any employee.

Nothing in this at-will statement is intended to interfere with an employee's rights to communicate or work with others toward altering the terms and conditions of his or her employment.

Hiring

New Hires - Introductory Period

The first six (6) weeks of continuous employment at Bear Valley Water District is considered an introductory period. During this time, you will learn your responsibilities, get acquainted with fellow employees and determine whether or not you are happy with your job. Your supervisor will closely monitor your performance.

Completion of the six (6) week introductory period does not entitle you to remain employed by the Bear Valley Water District for any definite period of time. Your status as an at-will employee does not change. The employment relationship may be terminated with or without cause and with or without advance notice, at any time by you or the District.

Employment Classifications: Exempt / Non-Exempt

The following terms will be used to describe employment classifications and status:

Exempt Employees

Exempt employees are not subject to the overtime pay provisions of the federal Fair Labor Standards Act (FLSA). An exempt employee is one whose specific job duties and salary meet all of the requirements of the U.S. Department of Labor's regulations. In general, an exempt employee is one who is paid on a salary basis at not less than \$455 per week who holds an administrative, professional, or management position.

Non-Exempt Employees

Salaried employees who are not administrative, professional, or managerial employees (as defined by the U.S. Department of Labor) and many hourly employees are generally not exempt from the FLSA's overtime provisions.

Regular Employees

Regular employees are those who are hired to work on a regular schedule. Regular employees may be classified as full-time or part-time.

Full-Time Employees

Regular full-time employees are those who are scheduled for and do work 30 hours per week or more. Regular full-time employees are eligible for most employee benefits described in this handbook. Benefit eligibility may depend on length of continuous service. Benefit eligibility requirements may also be imposed by the plans themselves or by law.

Part-Time Employees

Part-time employees are those who are scheduled for and do work fewer than 30 hours per week, but not fewer than 20 hours. Part-time employees are eligible for the following Bear Valley Water District benefits. Benefit eligibility may depend on length of continuous service. Benefit eligibility requirements may also be imposed by the plans themselves or by law.

- Holiday pay
- Vacation pay
- Vacation accrual
- Sick leave
- Medical, dental, vision benefits
- Retirement benefits
- Life Insurance
- Long term disability benefits
- Cash In-Lieu benefits
- Workers' Compensation Insurance
- Social Security Insurance
- Unemployment Insurance

If an eligible employee elects to enroll in only select components of the benefits program, including medical, dental, vision or long term disability benefits as permitted by the District's cash in-lieu program, the employee must also enroll in the life insurance program.

Temporary Employees

Temporary employees are those employed for short-term assignments. Short-term assignments generally are periods of three months or fewer; however, such assignments may be extended. Temporary employees are not eligible for employee benefits except those mandated by applicable law.

Job Duties

During the six (6) week introductory period, your supervisor will explain your job responsibilities and the performance standards expected of you. Following the (6) week introductory period, be aware that your job responsibilities may change at any time during your employment. From time to time, you may be asked to work on special projects, or to assist with other work necessary or important to the operation of your department or the Bear Valley Water District. Your cooperation and assistance in performing such additional work is expected.

The Bear Valley Water District reserves the right, at any time, with or without notice, to alter or change job responsibilities, reassign or transfer job positions, or assign additional job responsibilities.

Stand-By Policy & Compensation

As a public utility expected to provide utility service without interruption and to ensure public health and safety at all times, it is essential that the District maintain "stand-by" staff in the event of an emergency or other system failure after normal working hours which requires immediate

attention.

Stand-by time refers to the period during which an employee is not ordinarily required to perform work for the District (e.g. overnight) but is required to be available upon short notice to respond to an incident or potential emergency at the collection or treatment facilities of the District.

At least one employee will be assigned to stand-by status every day of the year. Employees who are on stand-by status will receive a compensation rate equivalent to (2) two hours of straight time pay for each stand-by shift. This shift pay will be in addition to the compensation the employee receives for regular hours actually worked that same day, in the event the employee is not called to perform work.

If an employee on stand-by status is "called-out" (called back to work) to address an incident or potential emergency, the employee will receive straight time pay, including overtime if applicable, for the period the employee is required to work in addition to the (2) hour shift pay.

Stand-by duty requires the employee assigned to any stand-by shift:

- 1) To be ready to respond immediately to calls for service
- 2) To be reachable by telephone or pager
- 3) To remain within a reasonable distance of the work location, and
- 4) To refrain from activities that might impair their ability to perform assigned duties.

Call-Out Policy & Compensation

As a public utility expected to provide utility service without interruption and to ensure public health and safety at all times, all employees of the Bear Valley Water District, including but not limited to the employee assigned to stand-by duty, may be called back to work to address an emergency or other situation to maintain the regular operation of District facilities. This policy addresses the District's "call-out" policies and compensation for this additional work in the same or next workday.

Any employee who is called back to work for a second work period in any one workday and is furnished with less than two hours' work will be paid a minimum of two hours pay at the regular straight-time rate for the second work period, without regard to the number of hours actually worked, unless the reasons for lack of work are beyond the District's control.

The calculation of time worked in the event of a call-out will be the moment the employee receives notification of a potential problem at the plant (e.g. employee receives a page on their pager or text/call on their cell phone) and will run through until the employee returns back to their home or the original location where they received the initial notification. This policy is referred to as the "door to door" compensation policy for call outs.

In addition to the minimum of two hours the employee may be compensated for a call-out, depending on the seriousness of the emergency and the time it may take to appropriately resolve the operational issues involved, the employee's time worked that day may exceed a normal 40 hours in one workweek and therefore the employee will be entitled to overtime compensation as described below:

- All hours worked in excess of 40 hours in one workweek will be treated as overtime. A workday begins at 12:01 a.m. and ends at midnight 24 hours later. Workweeks begin

each Monday at 12:01 a.m.;

- Compensation for hours in excess of 40 for the workweek shall be paid at a rate of one and one-half times the employee's regular rate of pay;
- Exempt employees may have to work hours beyond their normal schedules as work demands require. No overtime compensation will be paid to exempt employees.

Job Sharing

Job-sharing is defined as two part-time employees assigned to share the duties and responsibilities of a full-time job position. The Bear Valley Water District will support job sharing where reasonable and practical and where District operational and business needs will not be adversely affected. In order for job sharing to work, the two individuals work as a team to accomplish one full-time position's duties, communicate effectively, and ensure continuity of work.

The Chief Plant Operator or the General Manager is responsible for identifying if a job sharing arrangement is workable within his or her department. The Chief Plant Operator or General Manager must assess the impact and outcome in terms of production, quality and absenteeism, and whether job sharing is in the best interests of the District and employee. The General Manager must also assess the overall feasibility of the job sharing arrangement. Any job sharing arrangement must receive final approval from the General Manager. The decision as to whether to allow a job sharing arrangement is within the discretion of the District and some jobs may be unsuitable for job sharing.

The exact details of the job share arrangement will be decided by and implemented by either the Chief Plant Operator or the General Manager to ensure that operational needs are met.

Examples of job sharing arrangements are as follows:

- Split days -- one partner working the first half of the shift and the other partner working the second half.
- Split weeks -- one partner working the first 3.5 days (e.g., Sunday to Wednesday morning) and the other partner working the remaining 3.5 days (e.g., Wednesday afternoon to Saturday)
- Three days one week and four days the next with the job sharers alternating to work the extra day.
- Alternate weeks -- one partner works one week, the next partner works the following week.

Job sharers must have a strong commitment to the job and to making the job sharing arrangement work. Job sharers must ensure that there is a workable communication system in place so that supervisors, co-workers, customers and/or clients can expect to communicate with both job sharers via the person on duty at the time.

Job sharing will affect your eligibility for certain benefits. Please contact the Office Manager for specific details. The Office Manager has the general responsibility of overseeing the day-to-day implementation of this job sharing policy in accordance with payroll and legal requirements.

If a job sharing position is approved, your position is part of a full time position which has been divided under a job sharing arrangement. Should your job share partner resign or transfer, the

General Manager and Chief Plant Operator will assess the needs of the District and determine a course of action. The following are potential options:

- Convert the remaining job sharing partner to a full time 30 - 40-hour work week position.
- Advertise the position as a part-time job share. In the event that the position cannot be filled, the position will revert to a full-time position with the requirement that the remaining partner assume the full-time requirements of the position, including the 40-hour work week.
- Adjust the work schedule of the remaining job partner to meet District needs.
- Allow the remaining job share partner to continue working the part-time schedule.

Job sharing arrangements will be continually evaluated and can be discontinued at any time. An approved job share agreement does not change or alter the at-will nature of the employee's employment with the District. Employment at-will means that the employment relationship may be terminated, with or without cause and with or without advance notice at any time by the employee or the District.

Bridging of Time

Bear Valley Water District will give service credit to employees previously employed by the District, provided the break in service does not exceed 365 days. Generally, the break in service time will be deducted from the employee's original service date.

The Office Manager will discuss reinstatement of benefits and other length of service issues with rehired employees. Special rules apply to reinstatement of paid sick leave benefits under the California Healthy Workplaces, Healthy Families Act.

Leaves of Absence

California Paid Sick Leave

Beginning July 1, 2015, California law provides for mandatory paid sick leave under the Healthy Workplaces, Healthy Families Act (the "Act"). All employees who have worked in California for 30 or more days within a year from the start of their employment are eligible for protected paid sick time under the Act. Employees cannot be discriminated or retaliated against for requesting or using paid sick time.

Sick Leave Accrual – Full Time Employees

Regular full-time employees accrue sick leave at a rate of 1 hour for every 20 hours worked or 8 hours (1 day) of paid sick leave for every 160 hours (30 days) worked.

An employee who is scheduled to and does work an average of 40 hours per week will normally accrue 12 working days or 96 hours of sick leave in each year of employment.

Lump Sum Sick Leave

The Bear Valley Water District will provide all other eligible employees with three days or 24 hours of paid sick time at the beginning of each 12 month period beginning January 1 each year as set forth below ("Lump Sum Sick Leave"). However, newly hired employees are not eligible to take their paid sick time until the 90th day of employment with the District. Lump Sum Sick Leave may only be used in the year it is provided and does carry over from year to year.

The Bear Valley Water District does not pay employees for unused paid sick leave.

If you have any questions about paid sick leave, please contact the Office Manager.

Pro-rata Sick Leave Accrual

Part-time and temporary employees accrue sick time in the same proportion as his/her working hours bear to the normal working hours of a full-time employee.

A temporary employee who is employed "off and on" throughout the course of the year would not be considered employed between assignments. However, the District will combine all days of employment during each assignment to determine eligibility for paid sick leave under the Healthy Workplaces, Healthy Families Act.

A temporary employee may potentially never be eligible for paid sick leave if they do not work 30 days in a year. Additionally, temporary employees must actually work for 90 days in order to actually use paid sick leave.

Cap on Sick Leave Accrual

Employees may earn a maximum of 192 hours or 24 days paid sick time. After an employee has

reached this maximum amount, no additional paid sick time will be earned until some or all of the employee's accrued paid sick time is used.

Qualifying Reasons for Paid Sick Leave

Paid sick time under the Act can be used for any of the following reasons:

- Diagnosis, care or treatment of an existing health condition for an employee or covered family member, as defined below.
- Preventive care for an employee or an employee's covered family member.
- For certain specified purposes when the employee is a victim of domestic violence, sexual assault or stalking.

For purposes of paid sick leave, a covered family member includes:

- A child: Defined as a biological, foster or adopted child; a stepchild; or a legal ward, regardless of the age or dependency status of the child. A "child" also may be someone for whom you have accepted the duties and responsibilities of raising, even if he or she is not your legal child.
- A parent: Defined as a biological, foster or adoptive parent; a stepparent; or a legal guardian of an employee or the employee's spouse or registered domestic partner. A "parent" may also be someone who accepted the duties and responsibilities of raising you when you were a minor child, even if he or she is not your legal parent.
- A spouse.
- A registered domestic partner.
- A grandparent.
- A grandchild.
- A sibling.

Use of Paid Sick Time and Notification

Sick Leave is intended to be used only when actually required for the reasons described above and is not to be used for other "personal" absences. Employees are not required, as a condition of using sick leave, to search for or find a replacement worker to cover the hours during which the employee is using sick leave. Employees cannot be discriminated or retaliated against for requesting or using accrued sick leave.

If the need for paid sick leave is foreseeable, employees must provide reasonable advance oral or written notification to their immediate supervisor. If the need for paid sick leave is not foreseeable, employees must provide notice of the need for the leave to their immediate supervisor as soon as practicable.

An employee's use of sick leave may run concurrently with other leaves under local, state or federal law.

An employee can use paid sick time for any of the above reasons protected by the Act. If the need for paid sick time is foreseeable, employees must provide advance oral or written notification to their immediate supervisor. If the need for paid sick time is not foreseeable, employees shall provide notice to their immediate supervisor as soon as practicable.

Incremental Use of Sick Leave

Each time an employee uses sick leave, sick leave can be used in an initial minimum increment of one hour followed by 15 minutes increments.

Sick Leave and Workers' Compensation Benefits

Sick Leave is a benefit that also covers absences for work-related illness or injury. Employees who have a work-related illness or injury are covered by workers' compensation insurance. However, workers' compensation benefits usually do not cover absences for medical treatment. When you report a work-related illness or injury, you will be sent for medical treatment, if treatment is necessary. You will be paid your regular wages for the time you spend seeking initial medical treatment.

Any further medical treatment will be under the direction of the health care provider. Any absences from work for follow-up treatment, physical therapy or other prescribed appointments will not be paid as time worked. If you have accrued and unused sick leave, you may use sick leave to receive pay for these absences.

If you do not have accrued sick leave, you may choose to substitute vacation time for further absences from work related to your illness or injury.

Sick Leave Cash-Out – Retirement / Death

Upon retirement from the District or in the event of the death of an employee, after (5) years of service, the employee or his or her survivor(s) or estate shall receive compensation at the employee's regular straight pay for accrued sick leave.

At the time of retirement from the District, the employee or his or her survivors may collect compensation for twenty-five (25%) percent of his/her accrued sick leave not to exceed 192 hours of accrued leave.

Alternately, the employee or his or her survivors may elect to convert fifty (50%) of his/her accrued sick leave balance toward their District funded pension plan.

Vacation / Paid Time-Off (PTO) Program

Vacation Accrual

Regular full-time employees accrue paid vacation / time off in accordance with the following policy:

	<u>Accrual – Days</u>	<u>Accrual – Hours</u>	<u>Accrual Rate/Hour</u>
• Years 1 – 5:	10	80	.0385
• Years 6 - 10:	15	120	.0577
• Years 11 - 15:	20	160	.0770
• Years 16 +:	25	200	.0962

Vacations/PTO shall be scheduled to provide adequate coverage of job responsibilities and staffing requirements. The General Manager or Chief Plant Operator will make final determinations and must approve your vacation/PTO schedule in advance.

Pro-rata Accrual

Part-time employees accrue paid vacation/PTO time in the same proportion as his/her working hours bear to the normal working hours of a full-time employee.

Temporary employees are not eligible for vacation/PTO accrual.

Vacation Accrual Calculation Method

In the first through fifth (1st -5th) years of continuous employment, full-time and part-time employees begin to accrue vacation time/PTO at the rate of .0385 hours per hour worked. An employee who is scheduled to and does work 40 hours per week will normally accrue 10 working days or 80 hours vacation/PTO time in the first year of employment.

In the sixth through tenth (6th -10th) years of continuous employment, full-time and part-time employees will accrue vacation/PTO time at the rate of .0577 hours per hour worked. An employee who is scheduled to and does work an average of 40 hours per week will normally accrue 15 working days or 120 hours of vacation/PTO beginning in the 6th year of employment.

In the eleventh (11th – 15th) year of continuous employment, full-time and part-time employees will accrue vacation/PTO time at the rate of .0770 hours per hour worked. An employee who is scheduled to and does work 40 hours per week will normally accrue 20 working days or 160 hours of vacation/PTO time beginning in the 11th year of employment.

Beginning with the sixteenth (16th) year of continuous employment and thereafter, full-time and part-time employees will accrue vacation/PTO time at the rate of .0962 hours per hour worked. An employee who is scheduled to and does work 40 hours per week will normally accrue 25 working days or 200 hours of vacation/PTO time in the 11th year of employment.

Maximum Vacation/PTO Accrual

The District encourages employees to take vacation/PTO annually. Vacation/PTO should be taken within the year following accrual. Earned vacation/PTO time accrues to a maximum of 10 working days in the first year of employment; 15 working days in the second year of employment; 20 working days in the third year of employment and 25 days in the fourth and following years of employment.

An employee may accrue a maximum of 30 days or 240 hours of vacation/PTO time. The office manager will notify an employee when accrual is nearing and/or has reached the maximum accrual. Employees shall have 60 days following notification to reduce vacation accrual to less than 30 days or 240 hours.

No additional vacation/PTO will be earned until accrued vacation time is used. The Office Manager is responsible for tracking accrued vacation/PTO time.

Pay In-Lieu of Vacation

The California Department of Labor Standards and Enforcement (DLSE) views paid vacation as "deferred compensation." In the following circumstances, an employee must be paid in lieu of vacation: upon retirement, termination or conversion from Regular to Non-Regular status; Leaves of Absence extending through year-end; while on half pay or no pay Short-Term Disability status; or as required by law.

Additionally, employees who accrue vacation/PTO must be allowed at some future time to either take vacation time off or be paid vacation pay in-lieu of time off work. In the case of the latter, this is a payment for vacation credit earned with no scheduled vacation time off taken.

While the District encourages and prefers employees to take vacation/PTO in the year following accrual, employees who have accrued vacation/PTO who choose not to take time off may request cash in-lieu of vacation/PTO time from the Office Manager.

To request payment, the employee must complete the Pay In-Lieu of Vacation Authorization Form.

Vacation Cash-Out –Retirement / Termination / Death

Full and part time employees whose status is terminated without the employee having taken accrued vacation shall be entitled to pay in-lieu for the number of hours of vacation to which he or she is entitled.

Upon retirement from the District or in the event of the death of an employee, his or her survivor(s) or estate shall receive compensation at the employee's regular straight pay for accrued vacation/PTO.

Additional Leave Benefits Program

Personal Leave

A personal leave of absence without pay may be granted at the discretion of the Bear Valley Water District. Requests for personal leave should be limited to unusual circumstances requiring an absence of longer than two weeks. Approved personal absences of shorter duration are not normally treated as leaves, but rather as excused absences without pay.

Federal Family and Medical Leave Act and the California Family Rights Act ("FMLA/CFRA")

The federal Family and Medical Leave Act and the California Family Rights Act ("FMLA/CFRA") provide eligible employees the opportunity to take unpaid, job-protected leave for certain specified reasons.

As a public agency, the Bear Valley Water District is subject to the FMLA/CFRA and therefore has an obligation to inform employees of their rights under the FMLA/CFRA. Under FMLA/CFRA, employees are not eligible for leave unless they meet all of the eligibility requirements, including size of the employer. At this time the District does not employ 50 persons in a 75 mile radius and

therefore no employees are eligible for FMLA/CFRA. The following FMLA/CFRA discussion is for informational purposes only and also accounts for the possibility that the District may at some point reach 50 employees.

State and federal family and medical leave laws provide up to 12 work weeks of unpaid family/medical leave within a 12-month period, under the following conditions:

- The employee has been employed with the District for a total of at least 12 months prior to the commencement of leave. The 12 months of employment must have accumulated within the previous seven years (certain exceptions apply);
- The employee has worked at least 1,250 hours during the previous 12-month period before the need for leave; and
- The employee works at a location where the District employs at least 50 persons within a 75-mile radius.

Leave may be taken for one or more of the following reasons:

- The birth of the employee's child, or placement of a child with the employee for adoption or foster care (FMLA/CFRA);
- For incapacity due to pregnancy, prenatal medical care or child birth (FMLA only);
- For a serious health condition that makes the employee unable to perform his or her job (FMLA/CFRA);
- To care for the employee's spouse, child, or parent who has a serious health condition (FMLA/CFRA);
- To care for the employee's registered domestic partner (CFRA only).

For additional information about eligibility for family/medical leave, contact the Office Manager.

New Parent Leave Policy - FMLA/CFRA

Eligibility and Duration

Employees who: (1) have more than 12 months of service, (2) have at least 1,250 hours of service during the previous 12-month period, (3) work at a location where the District employs at least 20 persons within a 75-mile radius, and (4) are not covered under the FMLA/CFRA policy, may take up to 12 weeks of parental leave to bond with a new child within one year of the child's birth, adoption, or foster care placement.

If both parents are employed by the District, the total amount of leave taken by both parents shall not exceed 12 weeks and both parents may not take leave simultaneously.

Intermittent New Parent Leave

New Parent Leave does not have to be taken in one continuous period of time. The basic minimum duration of the leave shall be two weeks. However, the District shall grant a request for New Parent Leave of less than two weeks' duration on any two occasions. Additional requests

for leaves lasting less than two weeks may be granted, subject to the District's discretion.

Any leaves taken must be concluded within one year of the child's birth, adoption, or foster care placement.

Substitution of Paid Leave

Generally, FMLA/CFRA New Parent Leave is unpaid except to the extent that an employee chooses to utilize accrued sick time or PTO during the period of New Parent Leave. Such leave taken will run concurrently with New Parent Leave.

The District may require, or employees may choose, to use accrued paid leave while taking FMLA leave. In order to use paid leave for FMLA leave, employees must comply with the District's normal paid leave policies. For more information on those specific circumstances requiring or allowing the substitution of paid leave, contact the Office Manager.

New Parent Leave's Effect on Benefits

While on New Parent Leave, the District will maintain and pay for the employee's group health coverage, at the same level and under the same conditions that coverage would have been provided if the employee was working. Such coverage will commence at the start of the leave and continue for the duration of the employee's New Parent Leave, but will not exceed 12 weeks over the course of a 12-month period (26 workweeks if the leave is to care for a covered service member).

The employee's portion of the premium payment, if any, is due when it would be made by payroll deduction. The District may recover from the employee any premiums paid as required under New Parent Leave if: (1) the employee fails to return from leave after the leave period expires and (2) the failure to return is for a reason other than continuation, recurrence, or onset of a serious health condition or other circumstances beyond the employee's control.

Employees on pregnancy disability leave will be allowed to continue to participate in group health coverage for up to a maximum of four months of pregnancy disability leave (if such insurance was provided before the leave was taken) on the same terms as if you had continued to work. The right to continued group health coverage during pregnancy disability leave is a separate and distinct entitlement from the CFRA entitlement.

New Parent Leave's Effect on Pregnancy Disability Leave and Paid Family Leave

New Parent Leave may be taken in addition to the leave provided for under Pregnancy Disability Leave if the employee is otherwise qualified. In addition, because New Parent Leave is used to bond with a new child, employees may be eligible for Paid Family Leave (PFL) from the State of California if qualified.

Procedure for Requesting New Parent Leave

Employees must provide 30 calendar days' advance notice to the District of the need for New Parent Leave as well as the requested duration of the leave. For events that are unforeseeable 30 days in advance, the employee must notify the District as soon as is practical and generally

must comply with the District's normal call-in or notice procedures.

The District will respond to the leave request no later than five (5) business days after receiving the request. The District will inform the employee if he or she is eligible for New Parent Leave and provide the employee with a notice of his or her rights and responsibilities.

Concurrent Personal and Family/Medical Leave

Any leave taken under this provision that qualifies as leave under the state and/or federal Family and Medical Leave Acts will be counted as family/medical leave and charged to your entitlement of 12 workweeks of family/medical leave in a 12-month period.

Reinstatement

Upon the employee's return from New Parent Leave, he or she shall be reinstated to his or her same or comparable position.

Under most circumstances, upon return from family/medical leave, an employee will be reinstated to his or her original job or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions. However, an employee has no greater right to reinstatement than if he or she had been continuously employed rather than on leave. For example, if an employee on family/medical leave would have been laid off had he or she not gone on leave, or if the employee's job is eliminated during the leave and no equivalent or comparable job is available, then the employee would not be entitled to reinstatement. In addition, an employee's use of family/medical leave will not result in the loss of any employment benefit that the employee earned before using family/medical leave.

Reinstatement after family/medical leave may be denied to certain salaried "key" employees under the following conditions:

- An employee requesting reinstatement was among the highest-paid 10 percent of salaried employees employed within 75 miles of the worksite at which the employee worked at the time of the leave request;
- The refusal to reinstate is necessary because reinstatement would cause substantial and grievous economic injury to the District's operations;
- The employee is notified of the District's intent to refuse reinstatement at the time the District determines the refusal is necessary; and
- If leave has already begun, the District gives the employee a reasonable opportunity to return to work following the notice described previously.

Time Accrual

Please contact the Office Manager with any questions regarding accrual of other District provided paid leave benefits (such as vacation/PTO or sick leave) during unpaid FMLA/CFRA leave.

Carryover

Leave granted under any of the reasons provided by state and federal law will be counted as family/medical leave and will be considered as part of the 12-workweek entitlement (26-workweek entitlement if leave is to care for a service member) in any 12-month period. No carryover of unused leave from one 12-month period to the next 12-month period is permitted.

Calculating the 12-month Period

For purposes of calculating the 12-month period during which 12 weeks of FMLA or qualifying exigency leaves may be taken, the Bear Valley Water District uses the fiscal year.

Under most circumstances, leave under federal and state law will run at the same time and the eligible employee will be entitled to a total of 12 weeks of family and medical leave in the designated 12-month period.

For leave to care for a covered service member, the 12-month period begins on the first day of the leave, regardless of how the 12-month period is calculated for other leaves. Leave to care for a covered service member is for a maximum of 26 workweeks during a 12-month period.

Leave Procedures

The following procedures shall apply when an employee requests family medical leave:

- Please contact the Office Manager as soon as you realize the need for family/medical leave. If the leave is based on the expected birth, placement for adoption or foster care, or planned medical treatment for a serious health condition of the employee or a family member, the employee must notify the District at least 30 days before leave is to begin. The employee must consult with his or her supervisor regarding scheduling of any planned medical treatment or supervision in order to minimize disruption to the operations of the District. Any such scheduling is subject to the approval of the health care provider of the employee or the health care provider of the employee's child, parent, or spouse.
- If the employee cannot provide 30 days' notice, the District must be informed as soon as is practical.
- If the Family and Medical Leave Act/California Family Rights Act request is made because of the employee's own serious health condition, the District may require, at its expense, a second opinion from a health care provider that the District chooses. The health care provider designated to give a second opinion will not be one who is employed on a regular basis by the District.
- If the second opinion differs from the first opinion, the District may require, at its expense, the employee to obtain the opinion of a third health care provider designated or approved jointly by the employer and the employee. The opinion of the third health care provider shall be considered final and binding on the District and the employee.

Certification

The Bear Valley Water District requires the employee to provide certification from the health

care provider. You will have 15 calendar days from the District's request for certification to provide it to the District, unless it is not practicable to do so. The District may require recertification from the health care provider if the employee requests additional leave upon expiration of the time period in the original certification. *(For example, if an employee needs two weeks of family and medical leave, but following the two weeks needs intermittent leave, a new medical certification will be requested and required.)* If the employee does not provide medical certification in a timely manner to substantiate the need for family and medical leave, the District may delay approval of the leave, or continuation thereof, until certification is received. If certification is never received, the leave may not be considered family and medical leave.

If the leave is needed to care for a sick child, spouse, or parent, the employee must provide a certification from the health care provider stating:

- Date of commencement of the serious health condition;
- Probable duration of the condition;
- Estimated amount of time for care by the health care provider; and
- Confirmation that the serious health condition warrants the participation of the employee.

When both parents are employed by the District, and request simultaneous leave for the birth or placement for adoption or foster care of a child, the District will not grant more than a total of 12 workweeks family/medical leave for this reason.

If an employee cites his/her own serious health condition as a reason for leave, the employee must provide a certification from the health care provider stating:

- Date of commencement of the serious health condition;
- Probable duration of the condition; and
- Inability of the employee to work at all or to perform any one or more of the essential functions of his/her position because of the serious health condition.

If an employee is absent because of his/her own serious health condition, the District will also require a medical release to return to work form or certification from the employee's health care provider that the employee is able to resume work.

Failure to provide a release to return to work certificate from the employee's health care provider will result in denial of reinstatement for the employee until the certificate is obtained.

Intermittent Leave

Employees may take Family and Medical Leave Act/California Family Rights Act leave intermittently (in blocks of time, or by reducing their normal weekly or daily work schedule) if the leave is for the serious health condition of the employee or a qualifying family member and the reduced leave schedule is medically necessary as determined by the health care provider of the person with the serious health condition. The smallest increment of time that can be used for such leave is 15 minutes.

See also the discussion of Pregnancy, Childbirth or Related Medical Conditions above.

Extended Medical Leave

A medical leave of absence may be granted for non-work-related medical disabilities (other than pregnancy, childbirth, and related medical conditions) with a doctor's written certificate of disability. Extended disability leaves will also be considered on a case-by-case basis, consistent with the District's obligations under federal and state disability laws.

Employees should request any leave in writing as far in advance as possible. If you are granted a medical leave, the Bear Valley Water District will pay you sick pay for the period of time equivalent to your accumulated sick pay earned. You also may use any paid vacation/PTO time previously accrued.

A medical leave begins on the first day your doctor certifies that you are unable to work, and ends when your doctor certifies that you are able to return to work. The Office Manager will supply you with a form for your doctor to complete, showing the date you were disabled and the estimated date you will be able to return to work. An employee returning from a medical disability leave must present a doctor's certificate declaring fitness to return to work.

If returning from a non-work-related medical leave, you will be offered the same position you held at the time your leave began, if available. If your former position is not available, a comparable position will be offered. If neither the same nor a comparable position is available, your return to work will depend on job openings existing at the time of your scheduled return. The Bear Valley Water District makes no guarantees of reinstatement, and your return will depend on your qualifications for existing openings.

California workers' compensation laws govern work-related injuries and illnesses. California pregnancy disability laws govern leaves taken because of pregnancy, childbirth, and related medical conditions. An employee that needs reasonable accommodations should contact a District representative with day-to-day personnel responsibilities and discuss the need for an accommodation.

Any leave taken under this provision qualifying as leave under the state and/or federal family and medical leave laws (FMLA/CFRA) will be counted as family/medical leave, charged to your entitlement of 12 workweeks of family/medical leave in a 12-month period, and governed by the rules relating to family/medical leave.

Bereavement Leave

The Bear Valley Water District grants leave of absence to employees in the event of the death of the employee's current spouse, registered domestic partner, child, parent, legal guardian, brother, sister, grandparent, or grandchild; or mother-, father-, sister-, brother-, son-, or daughter-in-law. An employee with such a death in the family may take up to 3 consecutive scheduled workdays off with pay with the approval of the District. The employee's supervisor may approve additional unpaid time off.

Time Off for Voting

If an employee does not have sufficient time outside of working hours to vote in an official state-sanctioned election, the employee may take off enough working time to vote. Such time off shall be taken at the beginning or the end of the regular working shift, whichever allows for

more free time, and the time taken off shall be combined with the voting time available outside of working hours to a maximum of two hours combined. Under these circumstances, an employee will be allowed a maximum of two hours of time off during an election day without loss of pay. When possible, an employee requesting time off to vote shall give his or her supervisor at least two days' notice.

Volunteer Civil Service Personnel Leave

No employee shall be disciplined for taking time off to perform emergency duty as a volunteer firefighter, peace officer, or emergency rescue personnel. Employees who perform emergency duty as a volunteer firefighter, reserve peace officer, or emergency rescue personnel may also take up to a total of fourteen (14) days unpaid leave time per calendar year to engage in required fire, law enforcement or emergency rescue training. Please alert your supervisor that you may have to take time off for emergency duty or emergency duty training. When taking time off for emergency duty, please alert your supervisor before doing so when possible.

Jury Duty and Witness Leave

The Bear Valley Water District encourages employees to serve on jury duty when called. Non-exempt employees who have completed their introductory periods will receive full pay while serving up to 5 days of jury duty. Exempt employees will receive full salary unless they are absent for a full week and perform no work. You should notify your supervisor of the need for time off for jury duty as soon as a notice or summons from the court is received. You may be requested to provide written verification from the court clerk of performance of jury service. If work time remains after any day of jury selection or jury duty, you will be expected to return to work for the remainder of your work schedule.

Fees Paid by the Court

You may retain any mileage allowance or other fee paid by the court for jury services.

School and Child Care Activities Leave

Employees are encouraged to participate in the school or child care activities of their child(ren).

The absence is subject to all of the following conditions:

- Time off under this policy can only be used by parents, guardians, grandparents, stepparents, foster parents or a person who stands *in loco parentis* to one or more children of the age to attend kindergarten through grade 12 or a licensed child care provider;
- The amount of time off for school or child care activities described below cannot exceed a total of 40 hours each year;
- Covered employees can use the time off to find, enroll or reenroll a child in a school or with a licensed child care provider or to participate in activities of the child's school or licensed child care provider. The time off for these purposes cannot exceed eight hours in any calendar month. Employees planning to take time off for these purposes must provide reasonable advance notice to their supervisor;
- Covered employees can also use time off to address a "child care provider or school emergency" if the employee gives notice to the employer. A child care provider or

school emergency means that the employee's child cannot remain in a school or with a child care provider due to one of the following:

- The school or child care provider has requested that the child be picked up, or has an attendance policy (excluding planned holidays) that prohibits the child from attending or requires the child to be picked up from the school or child care provider;
 - Behavioral or discipline problems;
 - Closure or unexpected unavailability of the school or child care provider, excluding planned holidays; or
 - A natural disaster, including, but not limited to, fire, earthquake or flood.
- Employees must provide their supervisor with documentation from the school or licensed child care provider verifying that they were engaged in these child related activities on the day and time of the absence;

School Appearances Involving Suspension Leave

If an employee who is the parent or guardian of a child facing suspension from school is summoned to the school to discuss the matter, the employee should alert his or her supervisor as soon as possible before leaving work. In agreement with California Labor Code Section 230.7, no discriminatory action will be taken against an employee who takes time off for this purpose.

Pregnancy Disability Leave Five or More Employees

If you are pregnant, have a related medical condition, or are recovering from childbirth, please review this policy. Any employee planning to take pregnancy disability leave should advise the Office Manager as early as possible. The individual should make an appointment with the Office Manager to discuss the following conditions:

- Duration of pregnancy disability leave will be determined by the advice of the employee's physician, but employees disabled by pregnancy may take up to four months of leave per pregnancy (the working days you normally would work in one-third of a year or 17 1/3 weeks). Part-time employees are entitled to leave on a pro rata basis. The four months of leave includes any period of time for actual disability caused by the employee's pregnancy, childbirth, or related medical condition. This includes leave for severe morning sickness and for prenatal care, doctor-ordered bed rest, as well as other reasons. Your healthcare provider determines how much time you need for your disability.
- The Bear Valley Water District will also reasonably accommodate medical needs related to pregnancy, childbirth, or related conditions or temporarily transfer you to a less strenuous or hazardous position (where one is available) or duties if medically needed because of your pregnancy.
- Employees who need to take pregnancy disability must inform the Bear Valley Water District when a leave is expected to begin and how long it will likely last. If the need for a leave, reasonable accommodation, or transfer is foreseeable (such as the expected birth of a child or a planned medical treatment for yourself), employees must provide at least 30 days advance notice before the pregnancy disability leave or transfer is to begin. Employees must consult with the personnel manager regarding the scheduling of any planned medical treatment or supervision in order to minimize disruption to the operations of the District. Any such scheduling is subject to the approval of the employee's health care provider;

- For emergencies or events that are unforeseeable, we need you to notify the District, at least verbally, as soon as practical after you learn of the need for the leave.
- Failure to comply with these notice requirements may result in delay of leave, reasonable accommodation, or transfer;
- Pregnancy leave usually begins when ordered by the employee's physician. The employee must provide the Bear Valley Water District with a written certification from a health care provider for need of PDL, reasonable accommodation or transfer. The certification must be returned no later than 15 calendar days after it is requested by the District. Failure to do so may, in some circumstances, delay PDL leave, reasonable accommodation or transfer. Please see the personnel department for a medical certification form to give to your health provider.
- Leave returns will be allowed only when the employee's physician sends a release;
- An employee will be allowed to use accrued sick time (if otherwise eligible to take the time) during a pregnancy disability leave. An employee will be allowed to use accrued vacation time (if otherwise eligible to take the time) during a pregnancy disability leave; and
- Leave does not need to be taken in one continuous period of time and may be taken intermittently, as needed. Leave may be taken in increments of 15 minutes.

If intermittent leave or leave on a reduced work schedule is medically advisable the employee may, in some instances, be required to transfer temporarily to an available alternative position that meets the employee's needs. The alternative position need not consist of equivalent duties, but must have the equivalent rate of pay and benefits. The employee must be qualified for the position. The position must better accommodate the employee's leave requirements than her regular job. Transfer to an alternative position can include altering an existing job to better accommodate the employee's need for intermittent leave or a reduced work schedule.

Upon submission of a medical certification that an employee is able to return to work from a pregnancy disability leave, an employee will be reinstated to her same position held at the time the leave began or, in certain instances, to a comparable position, if available. There are limited exceptions to this policy. An employee returning from a pregnancy disability leave has no greater right to reinstatement than if the employee had been continuously employed.

Employees on pregnancy disability leave will be allowed to continue to participate in group health insurance coverage for up to a maximum of four months of disability leave (if such insurance was provided before the leave was taken) at the level and under the conditions that coverage would have been provided if the employee had continued in employment continuously for the duration of the leave. In some instances, an employer can recover from an employee premiums paid to maintain health coverage if the employee fails to return following pregnancy disability leave.

Pregnancy, Childbirth or Related Conditions

Leave because of the employee's disability for pregnancy, childbirth or related medical condition is not counted as time used under California law (the California Family Rights Act). However, time off because of pregnancy disability, childbirth or related medical condition does count as family and medical leave under federal law (the Family and Medical Leave Act).

Employees who take time off for pregnancy disability and who are eligible for family and medical leave will also be placed on family and medical leave that runs at the same time as their pregnancy disability leave. Once the pregnant employee is no longer disabled, or once

the employee has exhausted PDL and has given birth she may apply for leave under the California Family Rights Act, for purposes of baby bonding.

Any leave taken for the birth, adoption, or foster care placement of a child does not have to be taken in one continuous period of time. California Family Rights Act leave taken for the birth or placement of a child will be granted in minimum amounts of two weeks. However, the District will grant a request for a California Family Rights Act leave (for birth/placement of a child) of less than two weeks' duration on any two occasions. The District may also grant additional requests for leave lasting less than two weeks at its discretion. Any leave taken must be concluded within one year of the birth or placement of the child with the employee.

Military Leave

Employees who wish to serve in the military and take military leave should contact the Office Manager for information about their rights before and after such leave. You are entitled to reinstatement upon completion of military service, provided you return or apply for reinstatement within the time allowed by law.

Military Spouse Leave

Employees who work more than 20 hours per week and have a spouse in the Armed Forces, National Guard or Reserves who have been deployed during a period of military conflict are eligible for up to 10 unpaid days off when their spouse is on leave from (not returning from) military deployment.

Employees must request this leave in writing to the Office Manager within two business days of receiving official notice that their spouse will be on leave. Employees requesting this leave are required to attach to the leave request written documentation certifying the spouse will be on leave from deployment.

Leave Related to Military Service

A leave taken due to a "qualifying exigency" related to military service must be supported by a certification of its necessity. A leave taken due to the need to care for a service member shall be supported by a certification by the service member's health care provider or other certification allowed by law. Special certification requirements apply to leaves related to military service.

Military Family Leave Entitlements

- Eligible employees whose spouse, son, daughter or parent is on covered active duty or call to covered active duty status may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.
- Eligible employees may also take a special leave entitlement of up to 26 weeks of leave

to care for a covered service member during a single 12-month period. (FMLA/CFRA for 12 weeks if the care provider is eligible for both, followed by 14 weeks of (FMLA only), or 26 weeks of FMLA only if leave is not CFRA covered leave). A covered service member is either:

- A current member of the Armed forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness*; or
- A veteran who was discharged or released under conditions other than dishonorable at any time during the five-year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness.*

*The FMLA definitions of "serious injury or illness" for current service members and veterans are distinct from the FMLA definition of "serious health condition."

Victims of Crime Leave

An employee who is themselves a victim or who is the family member of a victim of certain serious crimes may take time off from work to attend judicial proceedings related to the crime or to attend proceedings involving rights of the victim.

A family member of a crime victim may be eligible to take this leave if he/she is the crime victim's spouse, parent, child or sibling. Other family members may also be covered depending on the purpose of the leave.

The absence from work must be in order to attend judicial proceedings or proceedings involving rights of the victim. Only certain crimes are covered. You must provide reasonable advance notice of your need for leave, and documentation related to the proceeding may be required. If advance notice is not possible, you must provide appropriate documentation within a reasonable time after the absence.

Any absence from work to attend judicial proceedings or proceedings involving victim rights will be unpaid, unless you choose to use accrued vacation/PTO pay.

For more information regarding this leave (including whether you are covered, when and what type of documentation is required, and which type of paid time off can be used), please contact the Office Manager.

Domestic Violence, Sexual Assault or Stalking Leave and Accommodation

Employees who are victims of domestic violence, sexual assault and stalking are eligible for unpaid leave. Although the leave is generally unpaid, employees can use their paid sick time under California's Healthy Workplaces, Healthy Families Act for the purposes described below.

You may request leave if you are involved in a judicial action, such as obtaining restraining orders, or appearing in court to obtain relief to ensure your health, safety or welfare, or that of your child. Please provide reasonable advance notice of the need for leave unless advance notice is not feasible. Contact the Office Manager for more information.

Employees who are victims of domestic violence, sexual assault or stalking and need a reasonable accommodation for their safety at work should contact a District representative with day-to-day personnel responsibilities and discuss the need for an accommodation. If you are requesting such a reasonable accommodation, you will need to submit a written statement signed by you, or by an individual acting on your behalf, certifying that the accommodation is for the purpose of your safety at work.

For reasonable accommodation requests, the District will also require certification demonstrating that you are the victim of domestic violence, sexual assault or stalking. Any of the forms of certification described above for leave purposes will suffice. The District may request recertification every six months from the date of the previous certification. You should notify the District if an approved accommodation is no longer needed.

The District will engage in an interactive process with the employee to identify possible accommodations, if any, that are effective and will make reasonable accommodations unless an undue hardship will result.

The Bear Valley Water District will, to the extent allowed by law, maintain the confidentiality of an employee requesting leave or accommodation under these provisions.

Domestic Violence, Sexual Assault or Stalking Leave for Treatment

Employees who are victims of domestic violence, sexual assault or stalking are eligible for unpaid leave. Although the leave is generally unpaid, employees can use their paid sick time under California's Healthy Workplaces, Healthy Families Act for the purposes described below.

You may request leave for any of the following purposes:

- To seek medical attention for injuries caused by domestic violence, sexual assault or stalking;
- To obtain services from a domestic violence shelter, program or rape crisis center as a result of domestic violence, sexual assault or stalking;
- To obtain psychological counseling related to experiencing domestic violence, sexual assault or stalking;
- To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault or stalking including temporary or permanent relocation.

Please provide reasonable advance notice of the need for leave unless advance notice is not feasible. Contact the Office Manager for more information.

The Bear Valley Water District will, to the extent allowed by law, maintain the confidentiality of an employee requesting leave under this provision.

The length of unpaid leave an employee may take is limited to 12 weeks provided for in the federal Family and Medical Leave Act of 1993 for eligible employees.

Organ and Bone Marrow Donor Leave

Employees who are donors for organ or bone marrow may take paid time off as follows:

- Employees may take up to 30 business days of leave in any one-year period for the purpose of donating an organ to another person. The one-year period is calculated from the date the employee begins his/her leave.
- Employees may take up to 5 business days of leave in any one-year period for the purpose of donating bone marrow to another person. The one-year period is calculated from the date the employee's leave begins.
- During the leave for organ/bone marrow donors, the Bear Valley Water District will continue to provide and pay for any group health plan benefits the employee was enrolled in prior to the leave of absence.
- Leave taken for the purpose of organ or bone marrow donation is not leave for the purpose of family medical leave under state law, The California Family Rights Act.
- Employees who wish to take a leave of absence to donate bone marrow or an organ will be required to provide written verification of the need for leave, including confirmation that the employee is an organ or bone marrow donor and that there is a medical necessity for the donation of the organ or bone marrow.

The Bear Valley Water District requires that employees taking leave for organ donation use two weeks of accrued but unused sick leave and/or vacation time/PTO.

The Bear Valley Water District requires that employees taking leave for bone marrow donation use five days of accrued but unused sick leave and/or vacation.

Once a Donor has exhausted the required paid sick and/or vacation/PTO leave, the employee will be paid for the remaining leave of absence, if additional leave is needed, up to the maximum allowed by law.

Leave Donation Program

Statement of Policy

The Bear Valley Water District has a leave donation program that is meant to provide assistance to employees who are suffering from a crisis event that has resulted in a need for additional time off in excess of their available sick or other paid time. The program allows eligible employees to voluntarily donate time from their available sick leave to their co-workers in accordance with the policy.

This policy is strictly voluntary. The policy does not guarantee any employee the right to extended leave beyond what is provided for by the District's stated policy and its legal obligations. Final approval of receipt of any sick leave donation and of the ability to donate accrued leave rests with the General Manager.

Donations made under this policy shall be deemed to be equivalent one hour increments and are not based on the job classification or salary of the donating employee or the recipient employee.

Eligibility to Donate

In order for you to donate sick leave to another employee you must:

- Be employed by the Bear Valley Water District for one year

- Donate sick leave in units of 1 hour
- Donate no more than 50 percent of your current balance
- You must maintain a minimum of 20 hours in your current balance after the donation.
- Not be currently on an approved leave of absence

Employees who donate leave are not permitted to exhaust their own sick leave balance because they may experience their own need for time off.

Guidelines for Receipt of Leave Donation

Employees who would like to receive donated sick time from co-workers, must have a crisis event as determined by the General Manager.

A crisis event includes circumstances such as the following:

- A catastrophic injury or illness of an employee or immediate family member.
- Death of an immediate family member.
- A crisis of a severe nature that directly impacts the employee, such as a catastrophic casualty loss due to a natural disaster.

The donated time can only be used for time off related to the approved crisis event. Recipient employees must use their own available paid leave time prior to using any donated time. Employees who receive donated sick time may receive no more than 480 hours (12 weeks) within a rolling 12 month period. The leave donation program does not guarantee the recipient employee the right to extended leave beyond the District's stated policy and its legal obligations. The decision as to whether a personal leave should be granted, whether there is a crisis event, or whether the employee can receive donated sick time is within the discretion of the Bear Valley Water District.

Any donated sick time that is in excess of the time used by the recipient for the approved crisis event will be returned to the donor. There is no "cash" value to the recipient of the donated sick time.

Procedure

Employees who wish to donate sick time to a co-worker must make a written request to Office Manager who will confirm eligibility. The request must be approved by the General Manager.

The identity of donors will remain confidential.

Donations under the program are voluntary and no employee will be subject to intimidation or disparate treatment for participating in or declining to participate in the leave donation program. Misrepresenting or falsifying the need to receive donated leave under this program is grounds for discipline, including termination.

Benefits

Benefits Overview

The Bear Valley Water District is committed to providing the following benefits for eligible employees. Benefit eligibility may be dependent upon your employee classification (full-time/part-time vs. temporary employee, for example) and on length of continuous employment at the Bear Valley Water District. Benefit eligibility requirements may also be imposed by the plans themselves.

The District will provide medical, dental and vision plans for participation by eligible District employees and their qualifying dependents. The District will pay 100 % of the premium for medical, dental and vision insurance for employees. The District will provide for enrollment in the plans for qualifying dependents but the premium for these dependents is to be paid entirely by the employee by automatic payroll deduction.

Upon becoming eligible for certain employee benefit plans, the actual benefits available will be described in the benefits booklet and Summary Plan Description document which will describe the benefits in greater detail. For information regarding employee benefits and to answer any questions you may contact the Office Manager.

The District reserves the right to modify, amend or terminate benefits and to modify or amend benefit eligibility requirements at any time and for any reason, subject to any legal restrictions.

The District offers the following employee benefits:

- Medical Insurance
- Dental Insurance
- Vision Insurance
- Life Insurance
- Long Term Disability Insurance
- Retirement Benefits
- Holiday Pay
- Vacation / Paid Time Off (PTO)
- Cash In-Lieu Program
- Workers' Compensation Insurance
- Social Security Insurance
- Unemployment Insurance

Newly hired eligible employees seeking enrollment in any one or more of the following benefits may apply for enrollment following the two (2) month mandatory waiting period: medical, dental, vision, life insurance and long term disability. Benefits will begin on the first day of the second month following an employees' enrollment in the program. Newly hired employees are eligible for all other remaining benefits on the date of hire.

For all eligible employees, the District shall pay 100 % of the employee's premium for all the benefits listed above. Employees may add dependents to the District's medical, dental and/or vision plans but premiums will be paid out of the employee's earnings. The District provides no dependent premium benefit at this time.

Holidays

For each calendar year, the Bear Valley Water District observes the following paid holidays:

1. January 1 (New Year's Day)
2. Martin Luther King Jr.'s Birthday
3. Presidents' Day
4. Memorial Day
5. July 4th (Independence Day)
6. Labor Day
7. Veteran's Day
8. Thanksgiving Day
9. Friday after Thanksgiving
10. December 24 (Christmas Eve)
11. December 25 (Christmas Day)
12. December 31 (New Year's Eve)

Each non-exempt employee's eligibility for holiday pay begins after completion of his or her introductory period. If employees are required to work on a paid scheduled holiday they will receive straight time pay.

Holidays are to be taken on the day they occur. If the holiday falls on a day the employee is not scheduled to work, employees may take a substitute holiday on a day when he or she would otherwise have been required to work. The substitute holiday absence must be approved in advance by your supervisor unless the absence is otherwise protected by law.

When a holiday falls on a Saturday or Sunday, it is to be observed on the preceding Friday or the following Monday. However, the Bear Valley Water District may grant another day off in lieu of closing. Holiday observance will be announced in advance.

Payroll Deductions

Each employee's paycheck may have the following legally required deductions:

1. F.I.T.- Federal Income Tax
2. F.I.C.A.- Federal Insurance Contribution Act (Social Security Tax)
3. S.I.T.- State Income Tax
4. S.D.I.- State Disability Insurance
5. Garnishment/Levy (Wage Attachments)

There may be other deductions that you can voluntarily authorize including:

1. Employee Dependent Premium Payments (Medical/Dental/Vision)
2. Enhanced Life Insurance Benefit Payments
3. 457(b) Deferred Compensation Retirement Plan
4. 401(a) and/or 457(b) Loan Payments

Cash In-Lieu Program

If you have qualifying group medical, dental and vision insurance through a spouse, domestic partner, parent, or another source, you have the option to receive cash in-lieu of District benefits with certain restrictions and limitations. Qualifying group health coverage includes health coverage that provides minimum value as established by the federal Patient Protection Affordable Care Act (ACA) and is maintained by an employer or employee organization.

The ACA establishes a minimum value standard of benefits of a health plan. For a qualifying group health plan to meet the ACA's minimum value standards, the plan must cover at least 60 percent of the total allowed costs of benefits provided under the plan. Employees may refer to their plan's Summary of Benefits and Coverage document to determine if their coverage meets the law's minimum value standards.

Employees enrolled in individual coverage, such as Medicare, Medi-Cal, and Covered California, are not eligible to receive cash in-lieu of other health coverage, even if the coverage provides minimum value.

Open Enrollment is October 1 through October 31 each year.

Enrollments and changes made during Open Enrollment are effective January 1 of the upcoming year.

If you enrolled or you were automatically re-enrolled during Open Enrollment, you have until the end of open enrollment or October 31 of that particular year to cancel or make changes to your enrollment.

You may still be able to enroll or make changes to your benefits if you are newly hired, newly eligible, or experience a change in status. Please contact the Office Manager for more information.

Calculation and Benefits of the Cash Option

The cash option is calculated using the current cost of individual aggregate coverage for the total set of District benefits offered to qualifying employees, including medical, dental, vision, life and long term disability insurance. The total calculated individual cost of these benefits for fiscal year 2017, for example, is \$992.

District policy established by the Board of Directors defines that the cash in-lieu option shall be no more than 50 % of the calculated individual annual total benefit amount in any given year, or \$496, for example, for fiscal year 2017.

District policy permits employees to choose individual options from the aggregate set of District benefits described above and receive reduced cash in-lieu benefits. Depending on which individual benefits the employee chooses to enroll in, the cash option shall be decreased by the District's actual cost to provide this benefit. Any seeking to enroll in any of the medical, dental

or vision components of the benefit plan must also enroll in the life insurance component. The actual cost of life insurance, in addition to any other enrollment elections, will necessarily reduce the employees cash in-lieu benefit by the same amount.

Cash in-lieu money is treated as taxable income and is reported on your W-2 statement for the tax year when you receive payment. Cash option payments are not considered compensation for retirement purposes.

Before Enrolling in a Cash Option

The cash in-lieu option is designed to expand your benefit options, not limit or decrease important health and/or dental coverage for you and your family. Accordingly, it's important to make sure your health, dental and vision needs are met before you enroll in the cash in-lieu option. Here are some factors to consider when making your enrollment decision.

- One-Year Commitment - If you enroll in the cash option in-lieu of any benefit, you may not re-enroll in District benefits until the following year's Open Enrollment period.
- The only exception is if you lose your other coverage. In this instance, you must notify the Office Manager within 31 days so the District's provider receives notification and your eligibility for group coverage is preserved.

Who May Enroll in a Cash Option?

Full time or part time employees (not more than 30 hours per week but not fewer than 20 hours per week) are eligible to enroll in the cash-in-lieu benefit option.

When May I Enroll?

Your first opportunity to enroll in a cash in-lieu option is within 60 days after becoming "newly eligible" for these benefits. However, for many employees the typical time to enroll is during the annual Fall Open Enrollment period, October 1 – October 31 each year.

Newly eligible

Besides the annual Open Enrollment period, you also have the opportunity to enroll in a cash option within 60 days after becoming "newly eligible." Newly eligible events are as follows:

- You're a new employee hired after the Open Enrollment period.
- You were on an approved leave of absence during the entire Open Enrollment period.
- You experience a change in status that permits you to enroll as newly eligible. If your change in status results in a concurrent approved leave of absence (e.g., birth of child followed by a maternity leave), you may enroll by the deadlines specified below after you return to work.
- Your time base/employee designation changes from one that was ineligible to one that is eligible,

Deadline for newly eligible employees to enroll:

- If you are newly eligible and want to enroll, you must submit enrollment forms to the Office Manager within 60 days after becoming newly eligible. Correctly completed forms received by the Office Manager by the tenth of the month are effective the 1st of the following month (except when the tenth is on a weekend or holiday, in which case the cut-off date will be on the next regular workday).
- If you are newly eligible, your last possible effective date of participation in the 2017 plan year is December 1, 2017. For your enrollment to be effective December 1, 2017, the Office Manager must receive your enrollment form by November 10, 2017. Forms received after that date will be processed for the 2018 plan year.

Can I change my enrollment?

You cannot change or cancel your enrollment during the plan year unless there is a change in your status as discussed below.

If you currently are enrolled in a cash in-lieu option and want to discontinue it for the following plan year, you must complete a Cash Option Enrollment Authorization and submit it to the Office Manager during Open Enrollment.

If you currently are enrolled in a cash option and want to make other changes such as adding eligible dependents and/or another cash option, you must complete an enrollment document and submit it to the Office Manager during Open Enrollment.

Changes and Cancellations

Once you enroll in a cash option, you can't cancel or change your enrollment during the plan year (January 1 through December 31) unless you experience a change in status as discussed below.

If you're enrolled in a cash option when you retire, your cash option will stop automatically. You need to seek your own plan to ensure continuation of benefits.

Payroll status changes

In addition to the events listed below, here are some other payroll status changes and how they affect your cash in lieu enrollment:

- Long Term Disability Leave: If you go on long term disability leave while enrolled in a cash option, your enrollment remains in effect. You will receive a separate check for your cash option.
- State Disability Insurance (SDI): If you go on SDI while enrolled in a cash option, your enrollment will stop while you are on leave unless you supplement your SDI. If you

supplement your SDI, the deductions will continue. If you return to pay status in the same plan year, your enrollment will resume.

- **Unpaid Leave of Absence:** If you are on an unpaid leave of absence while enrolled in a cash option, your enrollment will stop while you are on leave. If you return to pay status in the same plan year, your enrollment will resume.
- **Military Leave:** If you are called to active military duty, you are eligible to retain your benefits for up to 365 calendar days above the 180 calendar days provided by GC Section 19775.17. If you are currently receiving cash in-lieu of benefits, you may continue to receive the cash for the duration of your military leave, not to exceed the time limits mentioned above. Military Leave is not an event to newly enroll into the cash program.

Changes in Status

If you experience a change in status that's listed below, you're permitted to take the action that's listed next to that change. You have 60 days following the date of your status change to take the corresponding action.

Your completed form(s) must be received at the Office Manager by the tenth of the month to be effective on the first of the following month.

- **Marriage** - May enroll in cash option as newly eligible or, if currently enrolled, may cancel/change cash option.
- **Divorce (date of final divorce), legal separation, or annulment** - May cancel cash option and enroll into benefits.
- **Death of spouse or domestic partner** - May enroll in cash as newly eligible or, if currently enrolled, may cancel/change Flex elections.
- **Loss or commencement of spouse's or domestic partner's employment** - If currently enrolled, may cancel/change cash option. New enrollment into cash not allowed.
- **Loss of medical and/or dental coverage provided through spouse, domestic partner, or other source, due to an employment status change** - If currently enrolled in cash option, may cancel/change cash option. New enrollments not allowed.
- **Commencement of medical and/or dental coverage provided through spouse, domestic partner, survivor benefits, or other source, due to an employment status change** - May enroll in cash option as newly eligible or, if currently enrolled, may cancel/change cash option.

External Employee Education

Some employees may need to attend training programs, seminars, conferences, lectures, meetings, or other outside activities for the benefit of the Bear Valley Water District or the individual employees. Attendance at such activities, whether required by the District or requested by individual employees, requires the written approval of the General Manager. To obtain approval, any employee wishing to attend an activity must submit a written request detailing all relevant information, including date, hours, location, cost, expenses, and the nature, purpose, and justification for attendance.

Attendance at any such event is subject to the following policies on reimbursement and compensation. For attendance at events required or authorized by the District, customary and reasonable expenses will be reimbursed upon submission of proper receipts. Acceptable expenses generally include registration fees, materials, meals, transportation, and parking. Reimbursement policies regarding these expenses should be discussed with the General Manager in advance.

Employee attendance at authorized outside activities will be considered hours worked for non-exempt employees and will be compensated in accordance with normal payroll practices.

This policy does not apply to an employee's voluntary attendance, outside of normal working hours, at formal or informal educational sessions, even if such sessions generally may lead to improved job performance. While the Bear Valley Water District generally encourages all employees to improve their knowledge, job skills, and promotional qualifications, such activities do not qualify for reimbursement or compensation under this policy unless prior written approval is obtained as described previously.

Lactation Policy

The Bear Valley Water District accommodates lactating employees by providing a reasonable amount of break time to any employee who desires to express breast milk for an infant child. The break time shall, if possible, run concurrently with any break time already provided to the employee. Any break time provided to express breast milk that does not run concurrently with break time already provided to the employee shall be unpaid. However, if providing such break time would seriously disrupt the operations of our business, the District may deny break time to employees who wish to express breast milk.

The District will make reasonable efforts to provide employees who need a lactation accommodation with the use of a room or other private location that is located close to the employee's work area. Employees with private offices will be required to use their offices to express breast milk.

Employees who desire lactation accommodations should contact their supervisor or the Office Manager to request accommodations.

Discrimination on the basis of sex includes discrimination based on breastfeeding and related medical conditions, and is unlawful.

Paid Family Leave

Employees may be eligible for Paid Family Leave (PFL) wage replacement benefits, which are funded through payroll deductions and coordinated through the Employment Development Department (EDD). PFL provides limited compensation for up to six weeks after an unpaid, seven-day waiting period when an employee needs to take leave from work to care for a parent, parent-in-law, child, spouse, registered domestic partner, grandparent, grandchild, or sibling who is seriously ill, or for a working parent who wants time to bond with his or her newborn, foster child or newly adopted child. The PFL program does not provide employees with a right to a leave of absence; it is limited to a state-mandated wage replacement benefit.

Workers' Compensation

Bear Valley Water District, in accordance with state law, provides insurance coverage for employees in case of work-related injury. The workers' compensation benefits provided to injured employees may include:

- Medical care;
- Cash benefits, tax free, to replace lost wages; and
- Assistance to help qualified injured employees return to suitable employment.

To ensure that you receive any workers' compensation benefits to which you may be entitled, if you get hurt, you will need to:

- 1) Get Medical Care – If you need emergency care, call 911 for help; if you need first aid, contact your employer.
- 2) Report your Injury – Report the Injury immediately to a supervisor; Call Zenith Insurance at Company (800-440-5020)
- 3) Complete a written *Employee's Claim for Workers' Compensation Benefits* (DWC-1 Claim Form) and return it to Office Manager
- 5) See Your Primary Treating Physician
- 6) Select a Provider from the Zenith Medical Provider Network
- 7) Select a Pharmacy from the Zenith Pharmacy Network
- 8) Provide the District with a certification from your health care provider regarding the need for workers' compensation disability leave, as well as your eventual ability to return to work from the leave.

Upon submission of a medical certification that an employee is able to return to work after a workers' compensation leave, the employee under most circumstances will be reinstated to his or her same position held at the time the leave began, or to an equivalent position, if available.

An employee returning from a workers' compensation leave has no greater right to reinstatement than if the employee had been continuously employed rather than on leave. For example, if the employee on workers' compensation leave would have been laid off had he or she not gone on leave, or if the employee's position has been eliminated or filled in order to avoid undermining the District's ability to operate safely and efficiently during the leave, and no equivalent or comparable positions are available, then the employee would not be entitled to reinstatement.

An employee's return depends on his or her qualifications for any existing openings. If, after returning from a workers' compensation disability leave, an employee is unable to perform the essential functions of his or her job because of a physical or mental disability, the District's obligations to the employee may include reasonable accommodation, as governed by the Americans with Disabilities Act.

The law requires the Bear Valley Water District to notify the workers' compensation insurance provider of any concerns of false or fraudulent claims.

District-Provided Physician

The Bear Valley Water District provides medical treatment for work-related injuries through a medical provider network. The District has chosen the Sonora Regional Medical Center to provide medical care to injured employees because of their experience in treating work-related

injuries. Employees seeking medical treatment for a work related injury must first call the Company Nurse Injury Hotline (877-518-6711) for instructions on how to proceed.

Workers' Compensation and FMLA/CFRA

Employees who are ill or injured as a result of a work-related incident, and who are eligible for family and medical leave under state and federal law (Family Medical Leave Act (FMLA) and the California Family Rights Act (CFRA)), will be placed on FMLA/CFRA during the time they are disabled and not released to return to work. The leave under these laws runs concurrently, and eligible employees will be on FMLA/CFRA for a maximum of 12 weeks in a 12-month period fiscal year.

Management

Employee Property

An employee's personal property, including but not limited to lockers, packages, purses, and backpacks, may be inspected upon reasonable suspicion of unauthorized possession of Bear Valley Water District property, possession of dangerous weapons or firearms, or abuse of the District's drug and alcohol policy.

Employment of Relatives

Relatives of employees may be eligible for employment with the Bear Valley Water District only if individuals involved do not work in a direct supervisory relationship, or in job positions in which there is a conflict of interest. The District defines "relatives" as spouses, registered domestic partners, children, siblings, parents, in-laws, and step-relatives. Current employees who marry or become registered domestic partners will be permitted to continue working in the job position held only if they do not work in a direct supervisory relationship with one another or in job positions involving conflict of interest.

Names and Addresses Policy

The Bear Valley Water District is required by law to keep current all employees' names and addresses. Employees are responsible for notifying the District in the event of a name or address change.

Open-Door Policy

Suggestions for improving the Bear Valley Water District are always welcome. At some time, you may have a complaint, suggestion, or question about your job, your working conditions, or the treatment you are receiving. Your complaints, questions, and suggestions also are of concern to the District.

If you have a complaint, suggestion or question, speak with your immediate supervisors as soon as possible. If you are not comfortable speaking to your immediate supervisor, please bring the issue to the Office Manager or any other member of management.

Moreover, if you have raised the issue and if the problem persists, you may present it to the General Manager, who will investigate and provide a solution or explanation.

If the problem is not resolved, you may also present the problem to the President of the Board of Directors of the Bear Valley Water District, who will attempt to reach a final resolution.

While a written complaint will assist us in investigating your concerns, it is not required that you put your complaint in writing. If you need assistance with your complaint, or you prefer to make a complaint in person, contact the Office Manager.

This procedure, which we believe is important for both you and the District, cannot guarantee

that every problem will be resolved to your satisfaction. However, the Bear Valley Water District values your observations and you should feel free to raise issues of concern without the fear of retaliation.

Performance Evaluations

Each employee will receive periodic performance reviews conducted by the General Manager. Your first performance evaluation will take place after the employee completes the introductory period following the first six (6) weeks of continuous employment. Subsequent performance evaluations will be conducted annually. The frequency of performance evaluations may vary depending upon length of service, job position, past performance, changes in job duties, or recurring performance problems.

Your performance evaluations may review factors such as the quality and quantity of the work you perform, your knowledge of the job, your initiative, your work attitude, and your attitude toward others. The performance evaluations are intended to make you aware of your progress, areas for improvement, and objectives or goals for future work performance. Favorable performance evaluations do not guarantee increases in salary or promotions. Salary increases and promotions are solely within the discretion of the Bear Valley Water District and depend upon many factors in addition to performance. After the review, you will be required to sign the evaluation report simply to acknowledge that it has been presented to you, that you have discussed it with the General Manager, and that you are aware of its contents.

Personnel Records

You have a right to inspect or receive a copy of the personnel records that the Bear Valley Water District maintains relating to your performance or to any grievance concerning you. Certain documents may be excluded or redacted from your personnel file by law, and there are legal limitations on the number of requests that can be made.

Any request to inspect or copy personnel records must be made in writing to the Office Manager. You can obtain a form for making such a written request from the Office Manager.

You may designate a representative to conduct the inspection of the records or receive a copy of the records. However, any designated representative must be authorized by you in writing to inspect or receive a copy of the records. The Bear Valley Water District may take reasonable steps to verify the identity of any representative you have designated in writing to inspect or receive a copy of your personnel records.

The personnel records may be made available to you either at the place where you work or at a mutually agreeable location (with no loss of compensation for going to that location to inspect or copy the records). The records will be made available no later than 30 calendar days from the date the Bear Valley Water District receives your written request to inspect or copy your personnel records (unless you/your representative and the Bear Valley Water District mutually agree in writing to a date beyond 30 calendar days but no later than 35 calendar days from receipt of the written request).

If you request a copy of the contents of your file, you will be charged the actual cost of copying.

Disclosure of personnel information to outside sources, other than your designated

representative, will be limited. However, the Bear Valley Water District will cooperate with requests from authorized law enforcement or local, state, or federal agencies conducting official investigations and as otherwise legally required.

Telecommuting

Telecommuting provides employees with an opportunity to work from an alternative work environment instead of in the primary location of the District. Telecommuting must be pre-approved by the General Manager and cannot be initiated without a *Telecommuting Agreement*.

The Bear Valley Water District retains the right in its sole discretion to designate positions that are appropriate for telecommuting and approve employees for telecommuting. Telecommuting must be approved by the General Manager. Telecommuting does not change the conditions of employment or required compliance with all District policies and procedures. The District reserves the right to change or terminate the *Telecommuting Agreement* at any time, without cause or advance notice. An employee's ability to work under a Telecommuting Agreement rests in the sole discretion of the District. Telecommuting is a privilege and may not be appropriate for all employees. If an employee wishes to request a *Telecommuting Agreement*, s/he should contact the Office Manager and ask for a *Telecommuting Request* form.

Telecommuting Safety

The Telecommuter is solely responsible for ensuring the safety of his or her alternative work environment. However, because the District is legally obligated to provide its employees with a workplace that is free from hazards that might cause serious harm or injury, the District reserves the right to periodically inspect the Telecommuter's home work space. Any such inspection will be preceded by advance notice and an appointment will be scheduled. Telecommuters are protected by the District's workers' compensation insurance. As such, Telecommuters are required to immediately report any injuries that occur while working.

The Telecommuter shall be liable for any injuries that occur to third parties at or around the Telecommuter's alternative work environment.

Telecommuting Plan

All Telecommuters will be required to sign a *Telecommuting Agreement* with their supervisor that outlines the days and work hours (as applicable) of the Telecommuter; equipment the Telecommuter will need; how the Telecommuter will communicate with the District; use of support or secretarial staff; and other appropriate information.

Hours of Work

Unless otherwise agreed in the *Telecommuting Agreement*, hours and days of work will not change. Employees agree to apply themselves during work hours.

Nonexempt employees agree not to work outside of scheduled hours without advance approval; this includes such activities as checking and responding to emails. Any work outside

of a scheduled shift must be reported to a supervisor.

Telecommuting is not intended as a substitute for child care or care for another adult. If a child or adult needs care during work time, another responsible individual is expected to be present.

Attendance at Meetings

Telecommuters are expected to attend all required meetings.

Costs Associated with Telecommuting

The District shall not incur additional costs due to a *Telecommuting Agreement*. The *Telecommuting Agreement* will specify any costs the District will cover.

Workplace Privacy - Audio/Video Recordings

Due to concerns regarding the potential for invasion of privacy, sexual or other harassment, and protection of proprietary or confidential information, employees may not use any audio or video recording devices while on working time. Employees also may not use any audio or video recordings in work areas that the Bear Valley Water District has identified as confidential, secure or private, unless the employee is engaged in protected activity related to improving the terms and conditions of his/her employment, such as documenting health and safety issues.

The District uses or may use video surveillance in public areas (not in restrooms, locker rooms or changing areas). The video surveillance will not include sound recording.

District Property

Bulletin Boards

The Bear Valley Water District maintains a bulletin area located in the main office.

The bulletin area is used to provide information to employees concerning events hosted by employees, such as fundraising.

Employees may not post items in the District bulletin area unless the following conditions are met:

- Postings may be made by District employees only;
- The information to be posted must first be approved by the Office Manager;
- Postings are limited to 11" x 17" in size;
- The bulletin area will be updated once a month; and
- Posted items will be dated and will be removed after one month.

Electronic and Social Media

This policy is intended to protect the District's computer systems and electronic information.

For purposes of these policies, the following definitions apply: "Computers" are defined as desktop computers, laptops, handheld devices (including but not limited to iPhones, Black berries, smart phones, iPads, and other electronic tablets and cell phones), computer software/hardware and servers.

The Bear Valley Water District also uses various forms of "electronic communication." "Electronic communications" includes e-mail, text messages, telephones, cell phones and other handheld devices (such as cell phones, Blackberries or smart phones or writing tablets or iPads), fax machines, and online services including the Internet.

"Electronic information" is any information created by an employee using computers or any means of electronic communication, including but not limited to, data, messages, multimedia data, and files.

The following general policies apply:

- Computers and all data transmitted through the Bear Valley Water District servers are District property owned by the District for the purpose of conducting District business. These items must be maintained according to the Bear Valley Water District rules and regulations. Computers must be kept clean and employees must exercise care to prevent loss and damage. Prior authorization must be obtained before any District property may be removed from the premises.
- All electronic communications also remain the sole property of the Bear Valley Water District and are to be used for District business. For example, email messages are considered District records.
- Electronic information created by an employee using any computer or any means of electronic communication is also the property of the Bear Valley Water District and remains the property of the Bear Valley Water District.

- Information stored in Bear Valley Water District computers and file servers, including without limitation personnel files, ratepayer information, vendor lists, research data, budgets and lab data is the property of the District and may not be distributed outside the District in any form whatsoever without the written permission of the General Manager.
- Violation of any of the provisions of this policy, whether intentional or not, will subject Bear Valley Water District employees to disciplinary action, up to and including termination.

Monitoring of District Property

The Bear Valley Water District reserves the right to inspect all District property to ensure compliance with its rules and regulations, without notice to the employee and at any time, not necessarily in the employee's presence. The Bear Valley Water District computers and all electronic communications and electronic information are subject to monitoring and no one should expect privacy regarding such use. The District reserves the right to access, review and monitor electronic files, information, messages, text messages, e-mail, Internet history, browser-based webmail systems and other digital archives and to access, review and monitor the use of computers, software, and electronic communications to ensure that no misuse or violation of District policy or any law occurs. E-mail may be monitored by the District and there is no expectation of privacy. Assume that e-mail may be accessed, forwarded, read or heard by someone other than the intended recipient, even if marked as "private."

Employee passwords may be used for purposes of security but the use of a password does not affect the District's ownership of the electronic information or ability to monitor the information. The District may override an employee's password for any reason.

Employees are not permitted to access the electronic communications of other employees or third parties unless directed to do so by Bear Valley Water District management.

Prohibited Use

All existing District policies apply to employee use of computers, electronic communications, electronic information, and the Internet. This includes policies that deal with misuse of District assets or resources. It is a violation of Bear Valley Water District policy to use computers, electronic communications, electronic information, or the Internet, in a manner that: is discriminatory harassing or obscene; constitutes copyright or trademark infringement; violates software licensing rules; is illegal; or is against Bear Valley Water District policy. It is also a violation of policy to use computers, electronic communications, electronic information, or the Internet to communicate confidential or sensitive information or trade secrets.

The display of any kind of sexually explicit multimedia content, message, or document on any District computer is a violation of the District's policy against sexual harassment. This description of prohibited usage is not exhaustive and it is within the discretion of Bear Valley Water District to determine if there has been a violation of this policy. Employees that engage in prohibited use will be subject to discipline and/or immediate termination.

This policy is not intended to limit the ability of employees to discuss with other employees the terms and conditions of their employment, including such topics as wages, job performance, workload, supervisors, or staffing.

Computer and Internet Use

Bear Valley Water District provides computers, electronic communications, electronic information, and information technology resources, including the Internet, to its employees to help them do their job. Generally, these District resources should be used for business related purposes. However, the District recognizes that occasional personal use of these District resources and property may occur during working time. The District allows such occasional personal use as long as the usage does not interfere with the employee's work performance, take away from work time, consume supplies, slow other users, slow the servers or computer systems, or tie up printers or other shared resources, or violate any District policy, including policies against harassment, discrimination and disclosure of confidential or trade secret information.

This policy is not intended to limit the ability of employees to use District email systems to communicate with other employees regarding the terms and conditions of their employment, including such topics as wages, job performance, workload, supervisors or staffing.

All policies relating to monitoring usage of District property apply. The Bear Valley Water District reserves the right to adjust this policy on a case by case basis as it deems appropriate.

Social Media

Social media is a set of Internet tools that aid in the facilitation of interaction between people online. If you have specific questions about which programs the District deems to be social media, consult with the General Manager. The District recognizes that occasional personal use of social media using District resources may occur during working hours. The District allows such occasional personal use as long as the usage does not interfere with the employee's work performance, take away from work time, consume supplies, slow other users, slow the servers or computer systems, or tie up printers or other shared resources, or violate any District policy, including policies against harassment, discrimination and disclosure of confidential or trade secret information. All policies relating to monitoring usage of District property apply. The Bear Valley Water District reserves the right to adjust this policy on a case by case basis as it deems appropriate.

Employees can use their own personal devices to engage in social media during breaks and meal periods; however, all other District policies against inappropriate usage, including the District's no tolerance for discrimination, harassment or retaliation in the workplace, and protection of confidential or trade secret information, apply.

Nothing in the District's social media policy is designed to interfere with, restrain or prevent employee communications regarding wages, hours or other terms and conditions of employment.

Employee-owned Devices

The Bear Valley Water District recognizes that occasional use of the employee's own computers (including hand held devices) and electronic communications may occur during working time. The District allows such occasional personal use as long as the usage does not interfere with the employee's work performance, take away from work time or violate any District policy. All other District policies, including the District's no tolerance for discrimination, harassment or retaliation in the workplace apply. The Bear Valley Water District reserves the right to adjust this policy on a case by case basis as it deems appropriate.

Employer Property

Lockers, furniture, desks, computers, cell phones, data processing equipment/software and vehicles are Bear Valley Water District property and must be maintained according to District rules and regulations. They must be kept clean and are to be used only for work-related purposes. The Bear Valley Water District reserves the right to inspect all District property including computer or phone data or messages to ensure compliance with its rules and regulations, without notice to the employee and at any time, not necessarily in the employee's presence. Prior authorization must be obtained before any District property may be removed from the premises.

District voice mail and/or electronic mail (e-mail) including texting, pagers and mobile email are to be used for business purposes. The Bear Valley Water District reserves the right to monitor voice mail messages, and e-mail messages, and texts to ensure compliance with this rule, without notice to the employee and at any time, not necessarily in the employee's presence.

The Bear Valley Water District may periodically need to assign and/or change "passwords" and personal codes for:

- email
- voice mail
- cell phones
- computers
- safes
- software

These communication technologies and related storage media and databases are to be used only for District business and they remain the property of the Bear Valley Water District.

The Bear Valley Water District reserves the right to keep a record of all passwords and codes used and/or may be able to override any such password system. Messages on the District voice-mail and email systems are subject to the same District policies against discrimination and harassment as are any workplace communications. Offensive, harassing or discriminatory content in such messages will not be tolerated.

No personal locks may be used on District-provided lockers unless the employee furnishes a copy of the key or the combination to the lock. Unauthorized use of a personal lock by an employee may result in losing the right to use a District locker.

For security reasons, employees should not leave personal belongings of value in the workplace. Terminated employees should remove any personal items at the time they leave the Bear Valley Water District. Personal items left in the workplace are subject to disposal if not claimed at the time of an employee's termination.

Guests and Visitors

Visits from friends and family are to be kept to a minimum, in order to preserve an appropriate work environment. It is extremely important that the impression left with Bear Valley Water District visitors is that of a professional organization with the highest standards of conduct.

Emergencies in which children must be in the office for an extended length of time are to be kept to an absolute minimum. The District may not be used as a substitute for regular child care of employees' children. On those occasions when children are present, they should not be allowed to disrupt others in the office.

Your child is your responsibility and must be under your direct supervision at all times. If a child is ill, you must present a doctor's note to your immediate supervisor indicating the child is not contagious. Under no circumstances may children provide work for the District, unless the child is hired as an employee pursuant to District policies.

If you wish to bring a minor child to work and prior notice is possible, request from your supervisor and complete the *Guest and Visitors Request* form, which will be reviewed by the General Manager. You should also use the *Guest and Visitors Request* form if you wish to bring your pet to work.

The District reserves its right in its sole discretion to deny such a request for reasons including, but not limited to, the requested guest or visitor has been disruptive in the past, there is a special event scheduled on the date(s) requested, or the work environment is not appropriate for the visitor or guest due to safety or other reasons.

Housekeeping

All employees are expected to keep their work areas clean and organized. People using common areas such as lunch rooms, locker rooms, and restrooms are expected to keep them sanitary. Please clean up after meals and dispose of trash properly.

Off-Duty Use of Facilities

Employees are prohibited from remaining on Bear Valley Water District premises or making use of District facilities while not on duty. Employees are expressly prohibited from using District facilities, District property, or District equipment for personal use. This policy is not intended to limit the ability of employees to use the District's email systems to communicate with other employees regarding the terms and conditions of their employment during non-working times, including such topics as wages, job performance, workload, supervisors or staffing.

Parking

Employees may park their vehicles in designated areas, if space permits. If space is unavailable, employees must park in permissible public areas in the vicinity of Bear Valley Water District property. Employees may not use parking areas specifically designated for customers, vendors,

District vehicles, or reserved for managers. The Bear Valley Water District is not responsible for any loss or damage to employee vehicles or contents while parked on District property.

Prohibiting Personal Use of District Cell Phone

Cell phones (including handheld devices and smart phones such as iPhones) may be provided to some employees to assist them in performing their job. Cell phones are District property. Data (including web browsing), messages (including voice mail, mobile email, and text messaging), and other stored electronic information is subject to monitoring and the employee does not have an expectation of privacy in the use of this District property.

The District may ask you to assign a password to your District cell phone to prevent unauthorized access. This password does not affect the District's ownership of the cell phone or ability to monitor the information.

District cell phones must not be used in any manner that violates any other District policy, including safety policies, confidentiality policies, electronic and social media policies, and policies against discrimination and harassment.

Employees who are provided a District cell phone may use it to send and receive occasional and limited personal communications. Any personal usage of a District-issued cell phone must not interfere with the employee's work performance, take away from work time, or violate any District policy, including policies against harassment, discrimination and disclosure of confidential or trade secret information. Employees are responsible for paying for additional time or data usage in excess of any rate plan maintained by the District and unrelated to performance of job duties or following District directions.

Smoking

Smoking is prohibited at this workplace. The smoking prohibition applies to all smoking devices, including, but not limited to, the use of electronic smoking devices, such as electronic cigarettes, pipes, hookahs, and vaping devices.

Solicitation and Distribution of Literature

In order to ensure efficient operation of the District's business and to prevent disruption to employees, the District has established policies related to solicitations and distribution of literature on District property. The Bear Valley Water District has enacted rules applicable to all employees governing solicitation, distribution of written material, and entry onto the premises and work areas. All employees are expected to comply strictly with these rules. Any employee who is in doubt concerning the application of these rules should consult with his or her supervisor.

No employee shall solicit or promote support for any cause or organization during his or her working time or during the working time of the employee or employees at whom such activity is directed. No employee shall distribute or circulate any written or printed material in work areas at any time, or during his or her working time or during the working time of the employee or employees at whom such activity is directed.

Under no circumstances will non-employees be permitted to solicit or to distribute written material for any purpose on District property.

Employee Conduct

Business Conduct and Ethics

No employee may accept a gift or gratuity from any customer, vendor, supplier, or other person doing business with the Bear Valley Water District because doing so may give the appearance of influencing business decisions, transactions or service. Please discuss expenses paid by such persons for business meals or trips with the District in advance.

Conflicts of Interest

All employees must avoid situations involving actual conflict of interest. Personal or romantic involvement with a competitor, supplier, or subordinate employee of the Bear Valley Water District, which impairs an employee's ability to exercise good judgment on behalf of the District, can create an actual conflict of interest. Supervisor-subordinate romantic or personal relationships also can lead to supervisory problems, possible claims of sexual harassment, and morale problems.

An employee involved in any of the types of relationships or situations described in this policy should immediately and fully disclose the relevant circumstances to his or her immediate supervisor, or any other appropriate supervisor, for a determination about whether an actual conflict exists. If an actual conflict is determined, the Bear Valley Water District may take whatever corrective action appears appropriate according to the circumstances. Failure to disclose facts shall constitute grounds for disciplinary action.

Customer Relations

Employees are expected to be polite, courteous, prompt, and attentive to every customer. When an employee encounters an uncomfortable situation that he or she does not feel capable of handling, the General Manager should be called immediately.

The District is a service-based public utility provider and employees must remember that the customer always comes first. Customers are to be treated courteously and given proper attention at all times. Never regard a customer's question or concern as an interruption or an annoyance. You must respond to inquiries from customers, whether in person or by telephone, promptly and professionally.

Never place a telephone caller on hold for an extended period. Direct incoming calls to the appropriate person and make sure the call is received.

Through your conduct, show your desire to assist the customer in obtaining the help he or she needs. If you are unable to help a customer, find someone who can.

All correspondence and documents, whether to customers or others, must be neatly prepared and error-free. Attention to accuracy and detail in all paperwork demonstrates your commitment to those with whom we do business.

Never argue with a customer. If a problem develops or if a customer remains dissatisfied, ask

your supervisor or the General Manager to intervene.

Dress Codes and Other Personal Standards

Employees are expected to wear clothing appropriate for the nature of our business and the type of work performed. Clothing should be neat, clean and tasteful. Avoid clothing that can create a safety hazard. Department managers may issue more specific guidelines.

Because each employee is a representative of the Bear Valley Water District in the eyes of the public, each employee must report to work properly groomed and wearing appropriate clothing. Employees are expected to dress neatly and in a manner consistent with the nature of the work performed.

The following are examples of acceptable work attire:

- Suits
- Dress shirts
- Blouses
- Sweaters
- Sport coats
- Blazers
- Ties
- Slacks
- Skirts
- Business dresses
- Employee Uniforms (if issued)

Tank or halter tops and inappropriate casual shoes or sneakers are not permitted for any employees. All clothing should be clean and without rips or holes. Employees who report to work inappropriately dressed may be asked to clock out and return in acceptable attire.

All employees required to wear uniforms provided by the Bear Valley Water District must take care of their uniforms and report any wear or damage to their supervisors. Instructions regarding cleaning and maintenance of uniforms will be provided. Supervisors will inform you of additional requirements regarding acceptable attire. Certain employees may be required to wear safety equipment or clothing. Any deviations from these guidelines must be approved by your supervisor.

This dress code policy will not be enforced in a manner that discriminates against anyone based on a protected class, such as race, sex, gender identity or gender expression, religion, national origin or any other class protected by federal, state or local law. For more information, see the *Harassment, Discrimination and Retaliation Prevention* policy. Employees who need a reasonable accommodation because of religious beliefs, observances or practices should contact a District representative with day-to-day personnel responsibility and discuss the need for accommodation.

Drug and Alcohol Abuse

The Bear Valley Water District is concerned about the use of alcohol, marijuana, illegal drugs or

controlled substances as it affects the workplace. Use of these substances, whether on or off the job can detract from an employee's work performance, efficiency, safety, and health, and seriously impair District operations. In addition, the use or possession of these substances on the job constitutes a potential danger to the welfare and safety of other employees and exposes the District to the risks of property loss or damage, or injury to other persons.

The following rules and standards of conduct apply to all employees while on District property, at work, or working on District business. The following are strictly prohibited by District policy:

- Being under the influence of, or impaired by, an illegal or controlled substance, alcohol or marijuana while on the job.
- Using or possessing illegal or controlled substances, alcohol or marijuana while on the job (including the illegal use of prescription drugs and possessing drug paraphernalia)
- Distributing, selling, or purchasing of an illegal or controlled substance, alcohol or marijuana while on the job.

Violation of these rules and standards of conduct will not be tolerated. The Bear Valley Water District also may bring the matter to the attention of appropriate law enforcement authorities.

In order to enforce this policy, the Bear Valley Water District reserves the right to conduct searches of District property or employees and/or their personal property, and to implement other measures necessary to deter and detect abuse of this policy.

An employee's conviction on a charge of illegal sale or possession of any controlled substance while off District property will not be tolerated because such conduct, even though off duty, reflects adversely on the Bear Valley Water District. In addition, the District must keep people who sell or possess controlled substances off District premises in order to keep the controlled substances themselves off the premises.

The Bear Valley Water District will encourage and reasonably accommodate employees with alcohol, marijuana or drug dependencies to seek treatment and/or rehabilitation. Employees desiring such assistance should request a treatment or rehabilitation leave. The District is not obligated, however, to continue to employ any person whose performance of essential job duties is impaired because of drug, alcohol or marijuana use. Additionally, employees who are given the opportunity to seek treatment and/or rehabilitation, but fail to successfully overcome their dependency or problem, will not automatically be reemployed or be given a second opportunity to seek treatment and/or rehabilitation. This policy on treatment and rehabilitation is not intended to affect the District's treatment of employees who violate the regulations described previously. Rather, rehabilitation is an option for an employee who acknowledges a chemical dependency and voluntarily seeks treatment to end that dependency.

News Media Contacts

Employees may be approached for interviews or comments by the news media. Only people designated by the General Manager may comment to news reporters on Bear Valley Water District policy or events relevant to the Bear Valley Water District.

This policy does not limit an employee's right to discuss the terms and conditions of his or her employment, or to try and improve these conditions.

Off-Duty Conduct

While the Bear Valley Water District does not seek to interfere with the off-duty and personal conduct of its employees, certain types of off-duty conduct may interfere with the District's legitimate business interests.

Off-duty conduct by an employee that directly conflicts with the District's essential business interests and disrupts business operations will not be tolerated.

Other Employment

While employed by the Bear Valley Water District, employees are expected to devote their energies to their jobs with the District.

Employment that directly conflicts with the District's essential business interests and disrupts business operations is strictly prohibited.

Employees who wish to engage in additional employment that may create a real conflict of interest must submit a written request to Bear Valley Water District explaining the details of the additional employment. If the additional employment is authorized, the Bear Valley Water District assumes no responsibility for it. The Bear Valley Water District shall not provide workers' compensation coverage or any other benefit for injuries occurring from or arising out of additional employment. Authorization to engage in additional employment can be revoked at any time.

Political Activity

Many employees participate in political activities on their own time. District time, facilities, property or equipment (including all computers, networks, and electronic equipment) must not be used for an employee's outside political activities. The Bear Valley Water District will not reimburse any employee for political contributions, and employees should not attempt to receive or facilitate such reimbursements.

Absent a formal statement by the Bear Valley Water District announcing any political endorsements, employees must not, through their own actions, speech, contributions, or written communication, mislead others to believe that the Bear Valley Water District officially endorses or opposes any candidates for political office that the Bear Valley Water District itself has not publicly announced. District employees are entitled to their own personal position.

The District will not discriminate against employees based on their lawful political activity engaged in outside of work.

Prohibited Conduct

Employees are expected to conduct themselves in a manner to further the District's objectives. The following conduct is prohibited and will not be tolerated by the Bear Valley Water District.

This list of prohibited conduct is illustrative only; other types of conduct that threaten security, personal safety, employee welfare and District operations also may be prohibited and will result in disciplinary action up to and including termination.

- Falsifying employment records, employment information, or other District records;
- Inefficient or careless performance of job responsibilities or inability to perform job duties satisfactorily;
- Recording the work time of another employee or allowing any other employee to record your work time, or falsifying any time card, either your own or another employee's;
- Theft and deliberate or careless damage or destruction of any District property, or the property of any employee or customer;
- Removing or borrowing District property without prior authorization;
- Unauthorized use or misuse of District equipment, time, materials, or facilities;
- Provoking a fight or fighting during working hours or on District property;
- Participating in horseplay or practical jokes on District time or on District premises;
- Carrying firearms or any other dangerous weapons on District premises at any time;
- Engaging in criminal conduct whether or not related to job performance;
- Causing, creating or participating in a disruption of any kind during working hours on District property;
- Insubordination, including but not limited to failure or refusal to obey the orders or instructions of a supervisor or member of management, or the use of abusive or threatening language toward a supervisor or member of management;
- Using abusive, threatening or intimidating language at any time on District premises;
- Violation of District punctuality and attendance policies. Absences protected by state or federal law do not count as violations of this policy. Protected paid sick time under California law does not count as a violation of this policy;
- Failing to obtain permission to leave work for any reason during normal working hours, not including meal periods;
- Failing to observe working schedules, including rest and lunch periods;
- Sleeping or malingering on the job;
- Making or accepting personal telephone calls, including cell phone calls, of more than ten minutes in duration during working hours, except in cases of emergency or extreme circumstances;
- Working overtime without authorization or refusing to work assigned overtime;
- Violation of dress standards;
- Violating any safety, health, security or District policy, rule, procedure or violation of the District's drug and alcohol policy;
- Committing a fraudulent act or a breach of trust under any circumstances;
- Violating the District's anti-harassment or equal employment opportunity policies; and
- Failing to promptly report work-related injury or illness.

This statement of prohibited conduct does not alter the District's policy of at-will employment. Either you or the Bear Valley Water District remain free to terminate the employment relationship at any time, with or without reason or advance notice.

Prohibited Use of District Cell Phone While Driving

In the interest of the safety of our employees and other drivers, Bear Valley Water District employees are prohibited from using cell phones (including all smart phones) or other wireless communication devices (including laptops) while driving on District business and/or District time.

This prohibition includes any use of the cell phone or other wireless communications device, such as answering or placing calls, engaging in conversations, texting, Web browsing or using any smart phone application while driving.

If your job requires that you keep your cell phone or other wireless communication device turned on while you are driving, you must use a hands-free, voice-operated device at all times. Under no circumstances should employees place phone calls while operating a motor vehicle while driving on District business and/or District time. Violating this policy is a violation of law and a violation of District rules.

Employees Under Age 18

A person under the age of 18 years is prohibited from driving a motor vehicle while using a wireless telephone, even if equipped with a hands-free device, or while using a mobile service device. The prohibition would not apply to such a person using a wireless telephone or a mobile service device for emergency purposes. Violating this policy is a violation of law and a violation of District rules.

Writing, sending, or reading text-based communication, including text messaging, instant messaging, e-mail, web browsing and use of smart phone applications, on a wireless device or cell phone while driving is also prohibited under this policy. Violating this policy is a violation of law and a violation of District rules.

Employees must safely pull off the road before conducting any District business, including business requiring wireless communication.

Punctuality and Attendance

As an employee of the Bear Valley Water District, you are expected to be punctual and regular in attendance. Any tardiness or absence causes problems for your fellow employees and your supervisor. When you are absent, your assigned work must be performed by others.

Employees are expected to report to work as scheduled, on time, and prepared to start work. Employees also are expected to remain at work for their entire work schedule, except for meal periods or when required to leave on authorized District business. Late arrivals, early departures or other unanticipated and unapproved absences from scheduled hours are disruptive and must be avoided.

If you are unable to report for work on any particular day, you must provide reasonable advance notice to your supervisor before the time you are scheduled to begin working for that day. You must inform your supervisor of the expected duration of any absence. If you fail to provide reasonable advance notice before your scheduled time to begin work and do not arrive in time for your assigned shift, you will be considered tardy for that day. If the circumstances for your tardiness or absence were unforeseen, inform your supervisor as soon as practicable of the reason for the tardiness or absenteeism.

Excessive absenteeism or tardiness, providing false information or abuse of leave laws will not be tolerated. Generally, if you fail to report for work without any notification to your supervisor and your absence continues for a period of three (3) days, the Bear Valley Water District will consider that you have voluntarily abandoned or quit your employment.

Absences protected by local, state and federal law do not count as a violation of the punctuality and attendance policy. Paid sick time protected under California law does not count as a violation of this policy.

Wages

Timekeeping Requirements

All nonexempt employees are required to use the time clock software in the Main Office to record time worked for payroll purposes. All time worked must be accurately reported on your time record.

Employees must record their own time at the start and at the end of each work period. Employees must clock out for their meal period and record the start and end of the meal period.

Employees are not allowed to work "off the clock." Working off the clock violates District policy. Any work performed before or after a regularly scheduled shift must be approved in advance by your supervisor. If you perform any off-the-clock work, please report the work to your supervisor.

Employees also must record their time whenever they leave the building for any reason other than Bear Valley Water District business.

Employees will be required to certify that their time record is accurate.

Any handwritten marks or changes on the timecard must be initialed by the Office Manager. Punching another employee's timecard, allowing another employee to punch your timecard, or altering a timecard is not permissible and is subject to disciplinary action.

Any errors on your timecard should be reported immediately to the Office Manager.

Please also refer to the Bear Valley Water District's Meal and Rest Break Policy.

Work Schedules

The Bear Valley Water District office is normally open for business between the hours of 9 AM - 5 PM, Monday through Friday. Normal hours for field staff may vary depending on the time of year. Your immediate supervisor will assign you your individual work schedule. All employees are expected to be at their respective worksites at the start of their scheduled shifts, ready to work.

Exchanging work schedules with other employees is discouraged. However, if you need to exchange schedules, notify your supervisor, who may authorize an exchange if possible. Work schedule exchanges will not be approved for the mere convenience of an employee or if the exchange interferes with normal operations or results in excessive overtime.

The workweek begins at 12:01 a.m. Monday and ends at midnight on Sunday.

Payment of Wages

Paychecks are normally available at the Main Office. If you observe an error on your check, please report it immediately to the Office Manager.

All employees of Bear Valley Water District are paid every other Friday for work performed during

the previous two-week pay period. If a regular payday falls on a holiday, employees will be paid on the workday before the holiday.

Bear Valley Water District offers automatic payroll deposit. You may begin and stop automatic payroll deposit at any time. To begin automatic payroll deposit, you must complete a form available from the Office Manager and return it to at least 10 days before the pay period for which you would like the service to begin. You should carefully monitor your payroll deposit statements for the first two pay periods after the service begins.

To stop automatic payroll deposit, complete the form available from the Office Manager and return it to him/her at least 10 days before the pay period for which you would like the service to end. You will receive a regular payroll check on the first pay period after the receipt of the form, provided it is received no later than 10 days before the end of the pay period.

Advances

The Bear Valley Water District does not permit advances against paychecks or against unaccrued vacation.

Reporting- Time Pay

The Bear Valley Water District will comply with all applicable regulations regarding reporting-time pay for nonexempt employees.

The Bear Valley Water District will pay a minimum of two hours of pay to employees who are required to report to work on a day other than their normally scheduled workday.

The Bear Valley Water District will also pay a minimum of two hours of pay to employees who report to work but are unable to work under the following circumstances:

- Interruption of work because of the failure of any or all public utilities; or
- Interruption of work because of natural causes or other circumstances beyond the District's power to control.

Overtime for Nonexempt Employees

Employees may be required to work overtime as necessary. Only actual hours worked in a given workday or workweek can apply in calculating overtime. The Bear Valley Water District will attempt to distribute overtime evenly and accommodate individual schedules. All overtime work must be previously authorized by a supervisor.

Section 3(s)(1)(C) of the FLSA covers all public agency employees of a State, a political subdivision of a State, or an interstate government agency. As a public agency, the Bear Valley Water District provides compensation for all overtime hours worked by non-exempt employees in accordance with federal law as follows:

- All hours worked in excess of 40 hours in one workweek will be treated as overtime. A workday begins at 12:01 a.m. and ends at midnight 24 hours later. Workweeks begin each Monday at 12:01 a.m.;

- Compensation for hours in excess of 40 for the workweek shall be paid at a rate one and one-half (1.5) times the employee's regular rate of pay;
- Exempt employees may have to work hours beyond their normal schedules as work demands require. No overtime compensation will be paid to exempt employees.

Compensatory Time Off (CTO)

As a public agency, the District is not subject to Labor Code Section 204.3 regarding compensatory time off. However, as a matter of clarification and to orient new employees, the following policy details how the District compensates for compensatory time off.

Compensatory Time Off ("CTO"), also known as "banked time" or "flex time", is accrued by an employee in lieu of receiving overtime pay during a pay period in which overtime hours were worked. CTO is accrued at a rate of 1.5 regular hours for every hour of overtime worked. CTO may be accumulated up to a total of two hundred and forty (240) hours. Upon reaching the accrual limit, no additional CTO can be accrued until the employee has used CTO to reduce the accrued amount below the limit.

Employees who are scheduled to work less than 40 hours per week may also accrue CTO at a rate of 1 regular hour for every hour they work in excess of their regular weekly schedule provided that they do not work more than 40 hours in a week.

Employees must request and be approved to use accrued CTO from their supervisor. Requests may be denied if it would unduly disrupt District operations.

An employee who has accrued CTO shall upon termination of employment, be paid for the unused CTO at their final regular rate of pay.

Deductions for Exempt Employees

Employees paid on a "salary basis" regularly receive a predetermined amount of compensation each pay period. Subject to the exceptions listed below, exempt employees will receive full salary for any workweek in which they perform any work, regardless of the number of days or hours worked. Exempt employees may not be paid for any workweek in which they perform no work, subject to Bear Valley Water District benefits programs and policies.

No deductions from salary may be made for time when work is not available, provided the exempt employee is ready, willing, and able to work. Deductions from pay are permissible when an exempt employee:

- Is absent from work for one or more full days for personal reasons other than sickness or disability;
- Is absent for one or more full days due to sickness or disability if the deduction is made in accordance with a bona fide plan, policy, or practice of providing full compensation for salary lost due to illness and the employee has exhausted his or her leave under this policy;
- Is absent for jury duty or military duty for a full week and performs no work during the week; or
- Works less than a full week during the initial or final week of employment;

Partial day deductions from available accrued vacation or sick leave balances will also be made by the District when applicable.

It is District policy to comply with these salary basis requirements. Therefore, the Bear Valley Water District prohibits all District managers from making any improper deductions from the salaries of exempt employees. The District wants employees to be aware of this policy and know that the District does not allow deductions that violate federal or state law.

If you believe that an improper deduction from your salary has been made, you should immediately report this information to your direct supervisor or to the Office Manager.

Reports of improper deductions will be investigated promptly. If it is determined that an improper deduction has occurred, you will be promptly reimbursed for any improper deduction made.

Pay for Mandatory Meetings/Training

The Bear Valley Water District will pay non-exempt employees for their attendance at meetings, lectures, and training programs under the following conditions:

- Attendance is mandatory;
- The meeting, course, or lecture is directly related to the employee's job;
- The employee who is required to attend such meetings, lectures, or training programs will be notified of the necessity for such attendance by his or her supervisor;
- Employees, whether or not they perform productive work during attendance at meetings, lectures or training programs will be compensated at their regular rate of pay; and
- Any hours in excess of eight in a day or 40 in a week will be paid at the appropriate overtime rate, at the hourly rate in effect at the time the overtime work is being performed.

Expense Accounts

The Bear Valley Water District reimburses employees for business expenses every other Friday (pay days) of each month. Employees who have expense accounts or who have incurred business expenses must submit required receipts and the Expense Reimbursement Form to Office Manager no later than the Tuesday prior to the Friday (pay day) of each pay period.

If you have any questions about the District's expense reimbursement policy, contact the Office Manager.

Personal and/or vacation travel may be combined with business travel provided there is no additional cost to the Bear Valley Water District, and it meets with the approval of the General Manager. Bear Valley Water District credit cards are not to be used for personal expenses.

Makeup Time

The Bear Valley Water District allows the use of makeup time when non-exempt employees need time off to tend to personal obligations. Makeup time worked will not be paid at an overtime rate. Employees may take time off and then make up the time later in the same workweek, or

may work extra hours earlier in the workweek to make up for time that will be taken off later in the workweek.

Makeup time requests must be submitted in writing to your supervisor, with your signature, on the District-provided form. Requests will be considered for approval based on the legitimate business needs of the District at the time the request is submitted. A separate written request is required for each occasion the employee requests makeup time.

If you request time off that you will make up later in the week, you must submit your request at least 24 hours before the desired time off in advance of the desired time off. If you request to work makeup time first in order to take time off later in the week, you must submit your request at least 24 hours before working the makeup time before working the makeup time. Your makeup time request must be approved in writing before you take the requested time off or work makeup time, whichever is first.

All makeup time must be worked in the same workweek as the time taken off. The District's seven-day workweek is Monday through Sunday. Employees may not work more than 8 hours in a day or 40 hours in a workweek as a result of making up time that was or would be lost due to a personal obligation.

If you take time off and are unable to work the scheduled makeup time for any reason, the hours missed will normally be unpaid. However, your supervisor may arrange with you another day to make up the time if possible, based on scheduling needs. If you work makeup time in advance of time you plan to take off, you must take that time off, even if you no longer need the time off for any reason.

An employee's use of makeup time is completely voluntary. The Bear Valley Water District does not encourage, discourage, or solicit the use of makeup time.

Meal and Rest Periods

Rest Breaks

All nonexempt employees are entitled to uninterrupted rest break periods during their workday. If you are a nonexempt employee, you will be paid for all such break periods, and you will not clock out.

Number of Rest Breaks

You will be authorized and permitted one (1) 10-minute net rest break for every four (4) hours you work (or major fraction thereof, which is defined as any amount of time over two (2) hours). A rest break need not be authorized for employees whose total daily work time is less than three and one half (3.5) hours.

You will be relieved of all duty during your rest break periods. You are free to come and go as you please and are free to leave the premises. You are expected to return to work promptly at the end of any rest break.

If you work a shift from three and one-half (3.5) to six (6) hours in length you will be entitled to one (1) ten-minute rest break. If you work more than six (6) hours and up to ten (10) hours, you

will be entitled to two (2) ten-minute rest breaks. If you work more than ten (10) hours and up to fourteen (14) hours, you will be entitled to three (3) ten-minute rest breaks.

Timing of Rest Breaks

You are authorized and permitted to take a rest break in the middle of each four hour work period.

Your rest break will be scheduled by your immediate supervisor.

Meal Period – “On-Duty”

As a public agency, the District is not subject to Labor Code Section 512 regarding meal periods. However, as a matter of clarification and to orient new employees to District policy, the following policy details how the District addresses meal periods.

As stipulated in the California Labor Code, the District permits public utility field staff an "on-duty" meal period since the nature of the work prevents an employee from being relieved of all duty and when by written agreement between the employer and employee an on-the-job paid meal period is agreed to.

Due to the nature of the work District field staff perform, which can be typically characterized as sole worker in remote sites, the District shall permit "on-duty" meal periods for field staff as long as a written agreement signed by both the employee and the employer is in place. The written agreement must state that the employee may, in writing, revoke the agreement at any time.

Unless the employee is relieved of all duty during his or her thirty minute meal period, the meal period shall be considered an "on duty" meal period that is counted as hours worked which must be compensated at the employee's regular rate of pay.

Unless an "on-duty" meal period agreement is in place, all nonexempt employees will be provided an uninterrupted unpaid meal period of at least 30 minutes if you work more than five (5) hours in a workday. You must clock out for your meal period. You will be permitted a reasonable opportunity to take this meal period, and you will be relieved of all duty. During your meal period, you are free to come and go as you please and are free to leave the premises. You are expected to return to work promptly at the end of any meal period.

If your total work period for the day is more than five (5) hours per day but no more than six (6) hours, you may waive the meal period. This cannot be done without the mutual consent of you and your supervisor. You must discuss any such waiver with your supervisor in advance.

The waiver must be in writing.

Timing of Meal Period

Your meal period will be provided no later than the end of your fifth hour of work. For example, if you begin work at 8:00 a.m., you must start your meal period by 12:59 p.m. (which is before the end of your fifth hour of work).

Your meal period will be scheduled by your immediate supervisor.

Second Meal Period

If you work more than ten (10) hours in a day, you will be provided a second, unpaid meal period of at least 30 minutes. Again, you must clock out for your meal period. You will be permitted a reasonable opportunity to take this meal period, and you will be relieved of all duty. There will be no control over your activities during your meal period. During your meal period, you are free to leave the premises and are free to come and go as you please. You are expected to return to work promptly at the end of any meal period.

Depending on the circumstances, you may be able to waive your second meal period if you took the first meal period and if your total hours worked for the day is no more than twelve (12) hours. This cannot be done without the mutual consent of you and your supervisor and must be in writing. You must discuss any such waiver with your supervisor in advance.

Timing of Second Meal Period

This second meal period will be provided no later than the end of your 10th hour of work.

Your second meal period will be scheduled by your immediate supervisor.

Recording Meal Periods

You must clock out for any meal period and record the start and end of the meal period.

Employees are not allowed to work "off the clock." All work time must be accurately reported on your time record.

If for any reason you are not provided a meal period in accordance with District policy, or if you are in any way discouraged or impeded from taking your meal period or from taking the full amount of time allotted to you, please immediately notify the General Manager.

Anytime you miss a meal period that was provided to you (or you work any portion of a provided meal period), you will be required to report to the Office Manager and document the reason for the missed meal period or time worked.

Please also refer to the Bear Valley Water District Timekeeping Policy.

Safety and Health

Health and Safety

All employees are responsible for their own safety, as well as that of others in the workplace. To help us maintain a safe workplace, everyone must be safety-conscious at all times. Employees must report all work-related injuries or illnesses immediately to your supervisor or to the Office Manager. In compliance with California law, and to promote the concept of a safe workplace, the Bear Valley Water District maintains an Injury and Illness Prevention Program. The Injury and Illness Prevention Program is available for review by employees and/or employee representatives in the General Manager's office.

In compliance with Proposition 65, the Bear Valley Water District will inform employees of any known exposure to a chemical known to cause cancer or reproductive toxicity.

Security

The Bear Valley Water District has developed guidelines to help maintain a secure workplace. Be aware of persons loitering for no apparent reason in parking areas, walkways, entrances and exits, and service areas. Report any suspicious persons or activities to your supervisor. Secure your desk or office at the end of the day. When called away from your work area for an extended length of time, do not leave valuable and/or personal articles in or around your workstation that may be accessible. The security of facilities as well as the welfare of our employees depends upon the alertness and sensitivity of every individual to potential security risks. You should immediately notify your supervisor when unknown persons are acting in a suspicious manner in or around the facilities, or when keys or other secured items are missing.

The District's workplace security program is described in detail in the District's Illness and Injury Prevention Program (IIPP).

Heat & Cold Related Illnesses

The District is concerned with employee health and safety. Employees who work outside may be exposed to extreme temperatures or adverse working conditions, particularly in the winter or summer months. All supervisors are trained in the recognition and prevention of heat and cold illnesses. Employees who work outside are encouraged to frequently drink water. Employees who work outside are also allowed and encouraged to take cool-down or warm-up rest periods of at least five minutes (in addition to the time needed to access shelter) when needed to protect themselves from overheating or freezing. These preventative rest periods are paid time.

Please refer to the District's Injury Illness and Prevention Program or talk to your supervisor for details on how to ensure you are protected from heat and cold illness dangers.

Workplace Violence

The Bear Valley Water District has adopted the following workplace violence policy to ensure a safe working environment for all employees.

The District has zero tolerance for acts of violence and threats of violence. Without exception, acts and threats of violence are not permitted. All such acts and threats, even those made in apparent jest, will be taken seriously, and will lead to discipline up to and including termination.

Possession of non-work related weapons on District premises and at District-sponsored events shall constitute a threat of violence.

It is every employee's responsibility to assist in establishing and maintaining a violence-free work environment. Therefore, each employee is expected and encouraged to report any incident which may be threatening to you or your co-workers or any event which you reasonably believe is threatening or violent.

You may report an incident to any supervisor or manager.

A threat includes, but is not limited to, any indication of intent to harm a person or damage District property. Threats may be direct or indirect, and they may be communicated verbally or nonverbally. The following are examples of threats and acts that shall be considered violent - this list is in no way all-inclusive:

Example	Type of Threat
Saying, "Do you want to see your next birthday?"	Indirect
Writing, "Employees who kill their supervisors have the right idea."	Indirect
Saying, "I'm going to punch your lights out."	Direct
Making a hitting motion or obscene gesture	Nonverbal
Displaying weapons	Extreme
Stalking or otherwise forcing undue attention on someone, whether romantic or hostile	Extreme
Taking actions likely to cause bodily harm or property damage	Acts of violence

The District's workplace violence program is described in detail in the District's Illness and Injury Prevention Program (IIPP).

Inclement Weather/Natural Disasters

In the event of severe weather or a natural disaster that prevents employees from safely traveling to and from work, the following leave policies will apply:

- Inclement weather: Conditions that excuse absence from work include: road closure. If weather conditions prevent you from safely traveling to work, you must notify your supervisor by phone, if telephone service is functional, or by any other available means. Employees may be paid for up to one day(s) per year when weather conditions prevent them from reaching the worksite. Absences in excess of one day(s) will be unpaid or will be deducted from accumulated vacation/PTO time.
- In the event of a natural disaster, the office will be closed if the building is damaged or highways leading to the office are damaged. For instructions on reporting to another location, contact your immediate supervisor immediately, if possible.

Employees Who Are Required to Drive

Employees whose job duties require them to drive a District vehicle or their own vehicles for District business will be required to show proof of current valid driving licenses and proof of insurability under the District's policy or current effective insurance coverage before the first day of employment.

The Bear Valley Water District participates in the Employer Pull Notice (EPN) Program established by the California Department of Motor Vehicles (DMV) to provide employers and regulatory agencies with a means of promoting driver safety through the ongoing review of driver records. The EPN program automatically generates a driver record upon enrollment of driver in the EPN program, annually from the date of enrollment as well as when a driver has actions or activities added to his/her driver record. Since driving is a mandated part of employment with the District, employees must agree to be enrolled in the program by signing the Authorization for Release of Driver Record Information (DMV Form INF-1101).

If an employee is required to drive as part of his or her job, the Bear Valley Water District retains the right to transfer to an alternative position, suspend, or terminate an employee whose license is suspended or revoked, or who fails to maintain personal automobile insurance coverage or who is uninsurable under the District's policy.

Employees who drive their own vehicles on District business will be reimbursed at the rate of IRS standard mileage rate per mile.

Ergonomics

The Bear Valley Water District is subject to Cal/OSHA ergonomics standards for minimizing workplace repetitive motion injuries. The District will make necessary adjustments to reduce exposure to ergonomic hazards through modifications to equipment and processes and employee training. The District encourages safe and proper work procedures and requires all employees to follow safety instructions and guidelines.

The Bear Valley Water District believes that reduction of ergonomic risk is instrumental in maintaining an environment of personal safety and well-being, and is essential to our business. We intend to provide appropriate resources to create a risk-free environment. If you have any questions about ergonomics, please contact your immediate supervisor or the Office Manager.

Fragrance Policy

We strive to maintain a fragrance-free workplace. Employees may not wear any of the following in the workplace or when on the job, regardless of location, if they may come in contact with customers or coworkers: cologne, after shave lotion, perfume, perfumed hand lotion, fragranced hair products, fragranced deodorants and/or similar products.

Recreational Activities and Programs

The Bear Valley Water District or its insurer will not be liable for payment of workers'

compensation benefits for any injury that arises out of an employee's voluntary participation in any off-duty recreational, social, or athletic activity that is not part of the employee's work-related duties.

Termination

Involuntary Termination and Progressive Discipline

Violation of Bear Valley Water District policies and rules may warrant disciplinary action. The District has a system of progressive discipline that may include verbal warnings, written warnings, and suspension. The system is not formal, and Bear Valley Water District may, in its sole discretion, utilize whatever form of discipline is deemed appropriate under the circumstances, up to, and including, immediate termination of employment. The District's policy of progressive discipline in no way limits or alters the at-will employment relationship.

Voluntary Resignation

Voluntary resignation results when an employee voluntarily quits his or her employment at the Bear Valley Water District, or fails to report to work for three (3) consecutively scheduled workdays without notice to, or approval by, his or her supervisor (unless the absence is protected by law). All District-owned property, including vehicles, keys, uniforms, and credit cards, must be returned immediately upon termination of employment.

Reductions in Force

Under some circumstances, including seasonally, the Bear Valley Water District may need to restructure or reduce its workforce. If restructuring our operations or reducing the number of employees becomes necessary, the District will attempt to provide advance notice, if possible, to help prepare affected individuals. If possible, employees subject to layoff will be informed of the nature of the layoff and the foreseeable duration of the layoff, whether short-term or indefinite.

In determining which employees will be subject to layoff, the Bear Valley Water District will take into account, among other things, operation and requirements, the skill, productivity, ability, and past performance of those involved, and also, when feasible, the employee's length of service.

Employee References

All requests for references must be directed to the Office Manager. No other manager, supervisor, or employee is authorized to release references for current or former employees.

By policy, the Bear Valley Water District discloses only the dates of employment and the title of the last position held of former employees. If you authorize the disclosure in writing, the Bear Valley Water District also will inform prospective employers of the amount of salary or wage you last earned.

Confirmation of Receipt of Personnel Manual

Confirmation of Receipt

I have received my copy of the District's personnel manual. I understand and agree that it is my responsibility to read and familiarize myself with the policies and procedures contained in the manual.

I understand and agree that nothing in the personnel manual creates or is intended to create a promise or representation of continued employment and that employment at the Bear Valley Water District is employment at-will; employment may be terminated at the will of either the District or myself. My signature certifies that I understand that the foregoing agreement on at-will status is the sole and entire agreement between the Bear Valley Water District and myself concerning the duration of my employment and the circumstances under which my employment may be terminated. It supersedes all prior agreements, understandings, and representations concerning my employment with the Bear Valley Water District.

I understand that except for employment at-will status, any and all policies or practices can be changed at any time by the District. The Bear Valley Water District reserves the right to change my hours, wages, and working conditions at any time. I understand and agree that other than the President of Bear Valley Water District Board of Directors, no manager, supervisor, or representative of the District has authority to enter into any agreement, express or implied, for employment for any specific period of time, or to make any agreement for employment other than at-will; only the President has the authority to make any such agreement and then only in writing, signed by the Secretary of the Board.

Employee's Signature _____

Employee's Printed Name _____

Date _____

Confirmation of Harassment Discrimination and Retaliation Prevention Policy

I have received my copy of the District's Harassment, Discrimination and Retaliation Prevention policy. I understand and agree that it is my responsibility to read and familiarize myself with this policy.

I understand that the District is committed to providing a work environment that is free from harassment, discrimination and retaliation. My signature certifies that I understand that I must conform to and abide by the rules and requirements described in this policy.

Employee's Signature _____

Employee's Printed Name _____

Date _____

Forms

Employee-Employer Agreement for an "On-Duty" Meal Period

Employee Request for Direct Deposit

Employer Authorization for Release of Driver Record Information (DMV INF-1101)

Employee Performance Evaluation Report – Confirmation of Receipt

Employee Pay In-Lieu of Vacation Authorization Form

Employee Make Up Time Request

Employee Expense Reimbursement Request

Employee Guest & Visitors Request

Employee Request to Telecommute & Telecommuting Agreement

Employee Request for Personnel Records

AGENDA ITEM

DATE: JULY 25, 2022

TO: BVWD BOARD OF DIRECTORS

FROM: JEFF GOUVEIA, DISTRICT GENERAL MANAGER

RE: SALARY AND BENEFITS REVIEW:

CONSIDERATION OF AN EMPLOYEE CAR ALLOWANCE, FUEL STIPEND OR COMMUTING EXPENSE BENEFIT

BACKGROUND:

At its June 25, 2022 meeting, the Board of Directors briefly discussed if a car allowance, fuel stipend, commuting expense benefit or other wage and salary enhancement may be warranted in light of the current cost of gasoline. The Board was generally favorable to the idea of supporting staff who may be finding high inflation and the rising cost of fuel onerous and directed to Staff to prepare a report analyzing comparable wage, salary and benefits for similar regional agencies generally as well as how other Districts have approached compensating for high inflation and fuel costs specifically.

DISCUSSION:

2022 INDUSTRY STANDARD WAGE SURVEY

Staff have prepared the attached 2022 wage survey to provide the Board with the most current comparable wage data available with a focus on regional public utility districts in the Sierra Nevada foothills and the Lake Tahoe basin.

The eleven agencies surveyed and wages and other benefits summarized in this report include:

- | | |
|--|---|
| 1. Calaveras County Water District | 7. Olympic Valley Public Service District |
| 2. City of Angels Camp | 8. South Tahoe Public Utility District |
| 3. Murphys Sanitary District | 9. North Tahoe Public Utility District |
| 4. San Andreas Sanitary District | 10. Truckee Sanitary District |
| 5. Tuolumne Utilities District | 11. Tahoe City Public Utilities District |
| 6. Alpine Springs County Water District (Alpine Meadows) | |

As detailed in the survey, virtually all the public agencies queried prepare, publish and utilize the “step” system approach when determining starting and annual wage increases based on job title and description. The most common step system approach involves 5-steps. Annual wage increases for FY 22-23 under this step system approach for the agencies surveyed range from 4 % - 5.75 % per step, year over year for the first 5 years of employment. At the end of 5 years, this is most commonly followed by cost of living allowance (COLA) with increases ranging from 2.4 % - 8.4 % year over year. For some agencies, both a “step” increase and a COLA allowance are awarded at the same time annually. In only three cases, including the Murphys Sanitary District, the Alpine Springs County Water District and Tahoe City Public Utility District, do the agencies make publically available only the starting wage and final or highest wage available for any particular job class.

Since 2016, the Bear Valley Water District has adopted and employed a similar 5-step system with 5 % wage increases during the first 5 years of employment (beginning in 2016) followed by 2.5 % COLA increases thereafter. Of the eight (8) full time, part time, temporary and seasonal staff employed by the District, only one (1) remains in the 5-step sequence with all remaining staff enjoying only annual COLA increases subject to Board budget approval. The most current wages for BVWD staff as proposed for FY22-23, which includes a 5% increase recommended by the ad hoc committee and included in the 2022 rate study, are highlighted in orange and included at the end of the wage survey.

2022 INDUSTRY STANDARD BENEFITS SURVEY

Staff have prepared the attached 2022 benefits survey to provide the Board with the most current comparable benefits data available for the same set of agencies queried for wages.

The benefits package prepared, published and utilized by these agencies generally includes the following:

- Medical
- Dental
- Vision
- Retirement
- Vacation (PTO) Days
- Paid Holidays
- Sick Leave
- Life Insurance & Accidental Death and Dismemberment
- Disability Insurance
- Education/Training Incentives
- Uniform Allowance
- Longevity Pay
- "Essential Pay"
- Equity Adjustment
- Section 125 Flex Spending Plans
- Health Savings Accounts (HSAs)
- Credit Union / Health Club Memberships
- Use of District Vehicles
- Prepaid Gas Cards

The benefits table provided in this Staff report outlines the benefits listed above collected during the current query but should be interpreted as simply a snapshot of the benefits awarded just in 2022. As these agencies work to retain current staff and attract new employees, these various benefits are routinely enhanced based on Staff experience with previous surveys. Similarly, these agencies also perform routine surveys of other agencies' benefits packages to track current trends and remain competitive in the public sector generally.

Since 2018, when the District adopted enhanced retirement benefits, improved other benefits generally for its employees and codified this in a revised employee manual, the District has remained largely on par with most of the benefits offered by the other agencies in the current survey. Exceptions to this however include the District's defined contribution retirement benefit scheme (3% grant + 3% match) compared to the Cal PERS defined benefit scheme (i.e. pension) (2% @ 62) provided by every other agency in the survey. Additionally, several agencies in the survey offer paid dependent health (medical, dental, vision) coverage and a few offer above average paid vacation days and more paid holidays.

2022 INFLATION AND FUEL COST BENEFIT ALLOWANCE

With respect to benefits to offset recent inflation and fuel cost pressures, the recent survey revealed that the agencies queried have taken several different approaches to mitigate these rising costs for its employees. In several cases, agencies such as South Tahoe PUD and Truckee Sanitary District, have elected to increase their cost of living adjustment (COLA) to address this issue, offering 5.37 % and 7 % respectively to their employees. Alternately, other agencies, such as the Calaveras County Water District, the City of Angels Camp and the San Andreas Sanitary District have adopted "longevity pay" and "essential pay" solutions which utilize a service years' basis determine the benefit. Yet others, such as the Alpine Springs County Water District, have elected to provide prepaid gas cards to employees based on commuting distances to and from work.

RECOMMENDATION

In the long term, Staff recommends that the Board review and modify salaries, wages and benefits as a *package*, considering wages, retirement schemes and all other common benefits together, with the intent of remaining competitive in the public utility sector to both retain existing staff and attract new talent as current staff retire. Staff believes that the Board should closely compare and contrast the industry standard prevailing wages by job class in the attached survey to better understand how BVWD's current wage structure compares to other agencies. This may yield a conclusion that wages are acceptable and competitive as it prepares to attract new talent or it may indicate

that BVWD resides near the low end of the wage scale in the wastewater section regionally and the potential implications of this as retirements approach. The Board should also consider enhancements to the District's retirement scheme since no changes have been made to this benefit since inception in 2018 and that this benefit may be the most challenging area to remain competitive when seeking to attract public sector employees who have grown accustomed to the Cal PERS model.

Based on this survey, examples of new trends in the public utility sector since the last survey that the Board may want to entertain include the increasingly common use of "longevity pay" as an additional tool to awarding benefits to employees (e.g. 2.5% @ 10 years; 5% @ 15; 7.5% @ 20; 10% @ 25).

For the near term, if the Board believes current inflation pressures combined with higher than average fuel costs warrant immediate action to support employees, the use of one time "equity adjustments" or "essential pay" payments (e.g. 2% Equity Adjustment; "Essential Pay" (Inflation / Fuel Benefit) 0 - 5 Years \$2,500, + 5 Years \$5,000), in some but not all cases tied to length of service with the agency, appear to have become one common approach. This method has the added benefit of simplifying the administration of a new benefit program and can perhaps be a more powerful practical impact on employees if awarded at one time, soon or immediately, perhaps together with approval of the final FY22-23 budget.

Also, though less common among those surveyed, the use of pre-paid gas cards, potentially tied to commute distance, may be another viable short term solution. However, consideration should be made that this may present Staff with increased administrative time to both purchase gas cards, account and distribute them monthly to each employee as well as properly accounting for them in the District's accounting system. Additionally, with this solution, the Board would need to determine how long this benefit would remain available, would it require Board action at a future regularly scheduled meeting to terminate it and what real impact it may have if fuel and/or inflation costs rise further.

ACTION:

1. Discuss the variety of solutions available to the District to enhance benefits to current employees to mitigate the impacts of rising inflation and the costs of fuel
2. Consider the fiscal impact to the District on the proposed FY22-23 budget of any added benefit(s)
3. Motion to Approve new benefit, stipulating method, amount, length of time, method of termination and any and all conditions, limitations or restrictions.

Attachments:

- 2022 – 23 BVWD Industry Comparative Wage Survey for Calaveras, Tuolumne, El Dorado and Nevada Counties
- 2022 – 23 BVWD Comparative Benefits Survey
- 2022 CASA Salary/Benefits Survey
- 2022 BVWD Summary of Other Employee Benefits – Other Agencies

Industry Standard Prevailing Wages for Calaveras, Tuolumne, El Dorado, & Nevada Counties

Wage History for FY22/23

Entity:	Calaveras County Water District - PLUS a 2.5% COLA INCREASE EFFECTIVE June 2022 (Calaveras County)								
5% Step Increase	HOURLY					PERFORMANCE			
POSITION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	A	B	C	D
Operations Manager	\$52.80	\$55.41	\$58.18	\$61.08	\$64.14	\$67.34	\$70.71	\$74.25	\$77.96
Director of Administration Services	\$59.35	\$62.31	\$65.43	\$68.70	\$72.13	\$75.74	\$79.52	\$83.50	\$87.67
Human Resources Manager	\$50.77	\$53.32	\$55.98	\$58.78	\$61.71	\$64.80	\$68.04	\$71.44	\$75.02
Executive Assistant	\$31.63	\$33.15	\$34.81	\$36.55	\$38.38	\$40.30	\$42.32	\$44.43	\$46.66
Accountant II	\$40.30	\$42.80	\$44.94	\$47.19	\$49.55				
WW Treatment Plant Operator OIT	\$25.52	\$26.80	\$28.14	\$29.54	\$31.02				
WW Treatment Plant Operator I	\$28.14	\$29.55	\$31.03	\$32.58	\$34.20				
WW Treatment Plant Operaor II	\$31.03	\$32.58	\$34.20	\$35.92	\$37.71				

Entity:	City of Angels Camp June 2022 - PLUS ESSENTIAL PAY OF \$2,500 - \$5,000(Calaveras County)								
5% Step Increase	HOURLY					PERFORMANCE			
POSITION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	A	B	C	D
Chief Plant Operator	\$36.35	\$38.17	\$40.08	\$42.08	\$44.19				
Director of Administrative Services	\$36.35	\$38.17	\$40.08	\$42.08	\$44.19				
Accounting Supervisor	\$44.29	\$46.51	\$48.83	\$51.28	\$53.84				
Plant Operator in Training	\$20.10	\$21.10	\$22.16	\$23.27	\$24.43				
Plant Operator 1	\$23.31	\$24.47	\$25.70	\$26.98	\$28.33				
Plant Operator II	\$25.73	\$27.02	\$28.37	\$29.78	\$31.27				
Plant Operator III	\$28.40	\$29.82	\$31.31	\$32.88	\$34.52				
On-Call Duty \$85.00 per day									

Entity:	Murphy Sanitary District - June 2022 (Calaveras County) 7% COLA								
	HOURLY					PERFORMANCE			
POSITION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	A	B	C	D
General Manager	\$30.00				\$51.00				
Operations Manager	\$30.00				\$51.00				
Finance-Office Manager	\$30.00				\$51.00				
Certified Operators	\$24.00				\$45.00				
Temporary Help	\$16.00				\$24.00				

Entity:	San Andreas Sanitary District - July 1, 2022 (Calaveras County)								
5% Step Increase	HOURLY					PERFORMANCE			
POSITION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	A	B	C	D
District Manager	\$55.00				\$81.15				
Does Not Have A Office Manager (District Manager Does H/R & Accounting)									
Assistant of Admin	\$22.93	\$24.07	\$25.27	\$26.54	\$27.86	\$29.26	\$30.72		
Operator In Training	\$19.80								
Grade I Operator	\$20.87	\$21.83	\$22.90	\$24.04	\$26.63				
Grade II Operator	\$23.36	\$24.54	\$25.76	\$27.05	\$28.40				
Grade III Operator	\$29.27	\$30.74	\$32.27	\$33.89	\$35.58				

Entity:	Tuolumne Utilites District 2022 (Tuolumne County) - Plus 3% COLA- MOU								
5% Step Increase	HOURLY					PERFORMANCE			
POSITION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	A	B	C	D
General Manager	CONTRACT	\$93.18							
Operations Manager	\$57.06	\$59.90	\$62.90	\$66.04	\$69.35				
Finance Director	\$67.82	\$71.22	\$74.78	\$78.53	\$82.44				
Assistant to Finance Director	\$38.44	\$40.36	\$42.37	\$44.50	\$46.73				
Human Resources	\$51.43	\$53.98	\$56.70	\$59.53	\$62.51	Not Updated - Didn't See Position			
Senior Accounting Assistant	\$34.82	\$36.56	\$38.39	\$40.30	\$42.32				
Wastewater Superintendent	\$42.43	\$44.55	\$46.77	\$49.11	\$51.58				
Wastewater Foreman	\$33.16	\$34.80	\$36.55	\$38.38	\$40.29				
WW Operator in Training	\$24.55	\$25.79	\$27.06	\$28.43	\$29.85				
Wastewater Operator Grade I	\$25.18	\$26.44	\$27.76	\$29.14	\$30.61				
Wastewater Operator Grade II	\$28.24	\$29.66	\$31.15	\$32.70	\$34.34				
Wastewater Opeator Grade III	\$31.44	\$33.01	\$34.67	\$36.39	\$38.21				

Entity:	Alpine Springs County Water District - June 2022 - Plus Increase to Cover PERS								
	HOURLY					PERFORMANCE			
POSITION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	A	B	C	D
	Minumum	Maximum							
General Manager	\$65.47				\$89.60				
Operations Maint Supervisor Grade II	\$31.11				\$42.55				
Office Manager	\$26.65				\$36.48	FINANCIALS DONE BY OUTSIDE CPA FIRM			
Maintenance Grade I Certification	\$24.95				\$34.14				

Entity:	Olympic Valley Public Service District June 2022- PLUS 7% COLA - MOU								
5% Step Increase	HOURLY					PERFORMANCE			
POSITION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	A	B	C	D
General Manager - Contract	\$124.33								
Finance & Admin Manager	\$75.35	\$79.12	\$83.07	\$87.22	\$91.59				
Operations Manager	\$70.15	\$73.66	\$77.34	\$81.21	\$85.27				
Office Manager	\$33.19	\$34.85	\$36.59	\$38.42	\$40.34				
Accounting Clerk/Human Resources Manager	\$48.08	\$50.48	\$53.00	\$55.65	\$58.44				
Board Secretary/Executive Assistant	\$44.60	\$46.83	\$49.17	\$51.63	\$54.21				
Operations Specialist III	\$43.75	\$45.94	\$48.24	\$50.65	\$53.18				
Operations Specialist II	\$38.85	\$40.79	\$42.83	\$44.97	\$47.22				
Operations Specialist I	\$33.94	\$35.64	\$37.42	\$39.29	\$41.25				
Operation Specialist / Trainee	\$31.57	\$33.15	\$34.81	\$36.55	\$38.37				

Entity:	South Tahoe Public Utility District June 2022 PLUS 2.5% COLA								
5% Step Increase	HOURLY					PERFORMANCE			
POSITION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	A	B	C	D
Human Resources Coordinator	\$35.03	\$36.79	\$38.63	\$40.56	\$42.58	\$44.71			
Accounting Supervisor	\$40.77	\$42.81	\$44.95	\$47.19	\$49.55	\$52.03			
Chief Plant Operator	\$51.56	\$54.14	\$56.85	\$59.69	\$62.68	\$65.81			
Operations Supervisor	\$42.74	\$44.88	\$47.12	\$49.48	\$51.95	\$54.55			
Pump Station Supervisor	\$46.32	\$48.64	\$51.07	\$53.62	\$56.31	\$59.11			
Pump Station Lead	\$38.97	\$40.92	\$42.96	\$45.11	\$47.37	\$49.73			
Pump Station Operator I	\$27.25	\$28.62	\$30.05	\$31.55	\$33.13	\$34.78			
Pump Station Operator II	\$33.35	\$35.02	\$36.77	\$38.61	\$40.54	\$42.57			
Operator III	\$36.92	\$38.77	\$40.71	\$42.74	\$44.88	\$47.12			
Operator I	\$29.21	\$30.67	\$32.21	\$33.82	\$35.51	\$37.28			

Entity:	North Tahoe Public Utility District Effective June 2022 - PLUS 2.4% COLA - MOU								
	HOURLY					PERFORMANCE			
POSITION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	A	B	C	D
5% Step Increase									
Utility Operations Superintendent	\$49.98	\$52.48	\$55.10	\$57.86	\$60.75				
Lead Water Quality Control Tech	\$34.39	\$36.11	\$37.91	\$39.81	\$41.80				
Water Quality Technician	\$29.38	\$30.85	\$32.39	\$34.01	\$35.71				
Operations Coordinator	\$29.63	\$31.11	\$32.67	\$34.30	\$36.02				
General Ledger Accountant	\$33.02	\$34.67	\$36.41	\$38.23	\$40.14				
Administrative Service Liaison	\$40.59	\$42.62	\$44.76	\$46.99	\$49.34				
Administrative Manager	\$48.03	\$50.43	\$52.95	\$55.60	\$58.38				
Human Resources Manager	\$52.00	\$54.60	\$57.33	\$60.20	\$63.21				

Entity:	Truckee Sanitary District - Plus 7.0%COLA / INCLINE VILLAGE 8.4% COLA								
	HOURLY					PERFORMANCE			
POSITION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	A	B	C	D
4% Step Increase									
General Manager/Chief Engineer	\$21,536.69								
Accounting Supervisor	\$44.84	\$46.86	\$48.96	\$51.17	\$53.47	\$55.88			
Finance Manager / Administration	\$81.14	\$84.80	\$88.61	\$92.60	\$96.77	\$101.12			
Accounting Tech III	\$39.29	\$41.06	\$42.91	\$44.84	\$46.86	\$48.96			
Administrative Tech III	\$36.71	\$38.37	\$40.09	\$41.90	\$43.78	\$45.75			
Collection System Maint Supervisor	\$50.93	\$53.22	\$55.62	\$58.12	\$60.74	\$63.47			
Collection System Laborer	\$28.74	\$30.03	\$31.38	\$32.79	\$34.27	\$35.81			

Industry Standard/Prevailing Wages for Calaveras, Tuolumne, El Dorado & Nevada Counties

Entity:	Tahoe City Public Utility District - Effective June 2022 - Plus 5.37% COLA - MOU								
5.75% Step Increase	HOURLY					PERFORMANCE			
POSITION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	A	B	C	D
General Manager	\$96.27				\$125.15				
Financial Officer	\$72.86				\$94.72				
Human Resources Administrator	\$57.38				\$74.59				
Technical Services Supervisor	\$51.95				\$67.53				
Senior Accountant	\$50.92				\$66.20				
Accountant II	\$37.04				\$48.15				
Accountant I	\$32.87				\$42.73				
Utilities Superintendent									
Senior Utilities Operations Specialist	\$45.64				\$59.34				
Utilities Specialist I	\$31.90				\$41.47				
Utilities Specialist II	\$35.95				\$46.73				
Utilities Specialist III	\$40.51				\$52.66				
Office Manager	\$35.36	\$37.13	\$38.98	\$40.93	\$42.98	(Prior Year Step 5 \$42.34)		Not Updated	
Finance Manager	\$69.14				\$89.89				
Board Secretary	\$35.62	\$37.40	\$39.27	\$41.24	\$43.30	Not Updated			
Executive Assistant	\$42.04				\$54.66			N	
Account Clerk II/Human Resources	\$49.30				\$64.09				
Operations Manager	\$49.85	\$52.34	\$54.96	\$57.71	\$60.60	Not Updated			
Operations Technician - Water Quality	\$39.21			\$50.98					
Operations Trainee	\$20.15	\$21.21	\$22.27	\$23.38	\$24.55				
Operations Specialist I	\$24.21	\$25.42	\$26.69	\$28.02	\$29.43	Not Updated			
Operations Specialist II	\$27.02	\$28.38	\$31.51	\$5,422.63	\$5,693.76	Not Updated			
Operations Specialist III	\$30.32	\$31.84	\$33.43	\$35.10	\$36.85	Not Updated			

\$65/Weekday Standby

\$75/Weekend Day or Holiday Standby

\$526.49 Annual Uniform Allowance

Entity:	Bear Valley Water District - Plus 2.5 % COLA													
5% Step Increase, 2.5 % COLA	HOURLY					Performance - Plus 2.5 %								
POSITION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	A	B	C	D	E	F	G	H	I
General Manager (30 Hrs Per Wk - 1560 Per Yr)	\$37.09	\$38.95	\$42.94	\$45.09	\$45.09	\$46.22	\$47.37	\$48.56	\$50.98	\$52.26	\$53.57	54.91	56.28	57.68
Office Manager - Accounting Specialist	\$21.12	\$22.18	\$23.29	\$28.79	\$30.23	\$30.99	\$31.76	\$33.50	\$35.18	\$36.05	\$36.96	37.88	38.83	39.80
Operator in Training (Part Time Seasonal)	\$18.20	\$19.11	\$20.07	\$21.07	\$22.12	\$22.68	\$20.06	\$21.06	\$21.59	\$22.13	\$22.68	23.25	23.83	24.43
Collection System Lead (Part Time Seasonal)	\$20.08	\$21.09	\$22.14	\$23.25	\$24.41	\$25.02	\$25.65	\$26.29	\$26.95	\$27.62	\$28.31	29.02	29.74	30.49
Plant Operator - Grade I (Part Time Seasonal)	\$20.89	\$21.93	\$23.03	\$24.19	\$25.40	\$26.03	\$26.69	\$27.35	\$28.04	\$28.74	\$30.17	30.93	31.70	32.49
Plant Operator - Grade II (Part Time Seasonal)	\$23.38	\$24.55	\$25.78	\$26.42	\$27.74	\$29.13	\$29.86	\$30.60	\$31.37	\$32.15	\$33.76	34.60	35.47	36.35
Chief Plant Operator (CPO) (1820 Hours / year)	\$24.72	\$25.96	\$27.25	\$28.94	\$30.39	\$31.15	\$31.93	\$32.72	\$34.36	\$35.22	\$36.10	37.00	37.93	38.87
On-Call Duty 2 Hours per day														

Industry Standard - Comparative Benefits Analysis for Calaveras, Tuolumne, El Dorado, Nevada & Placer Counties

Comparative Benefits Analysis FY22-23 - Updated July 2022

Agency	Medical	Dental	Vision	Retirement	Vacation	Holidays	Sick Leave	Life Insurance & AD&D	Disability Insurance Premium
Bear Valley Water District O&M Budget: \$834,800 Reserve Budget: \$895,000 CIP Budget: \$357,953 ADF Flow: 0.045 / Design: 0.500	<u>Anthem Blue Cross PPO</u> 100% Dep - 0 %	<u>Delta Dental PPO</u> 100% Dep - 0 %	<u>VSP Vision</u> 100% Dep - 0 %	ICMA-RC Def Contribution Plan 401 (a) - 3 % Grant 457(b) - 3 % Match	10 - 25 Days	12	12 Days	\$100k	Short & Long Term Disability Insurance CA SDI + SDRMA
Calaveras Co. Water District O&M Budget: \$26,128,986 (13) Treatment Facilities Reserve Budget: \$895,000 CIP Budget: \$31,966,598	<u>CalPERS</u> 100% Dep - 85 %	<u>Delta Dental</u> 100% Dep - 100 %	<u>VSP Vision</u> 100% 100%	<u>Cal PERS</u> PEPRA - 2 % @ 62	22 - 32 Days	12	22 - 32 Days PTO	1.5 * Salary	SDI
City of Angels Camp O&M Budget (Sewer): \$ 2,642,518 ADF Flow: 0.357 / Design: 0.600	<u>CalPERS</u> 100% Dep - 75 %	<u>CalPERS</u> 100% Dep - 60 %	<u>CalPERS</u> 100% Dep - 60 %	<u>Cal PERS</u> 2.7 % @ 57	10.5 - 21 Days	15	12.6 Days	\$15-30 K	66.6 % of Monthly Salary
Murphy's Sanitary District Budget: \$845,543 ADF Flow: 0.200 / Design: .425	\$12,888 / year Dep - 0%	0% Dep - 0 %	0% Dep - 0 %	Cal PERS Classic - 2.7% @ 55 PEPRA - 2 % @ 62	10 - 15 Days	12	12 Days	N / A	SDI
San Andreas Sanitary District Budget: ADF Flow: 0.280 / Design: 0.250	<u>Cal PERS</u> 100% Dep - 100 % Cash-In-Lieu \$500 Cap	<u>JPIA</u> 100% Dep - 90%	<u>JPIA</u> 100% Dep - 90%	Cal PERS PEPRA - 2 % @ 62	10 - 20 Days	13	12 Days	1.5x Salary	SDI
Tuolumne Utilities District O&M Budget (Sewer): \$2,715,603 ADF Flow: 2.06 / Design: 2.60	<u>Cal PERS</u> 100% Dep - Pays Prem	<u>ACWA</u> 100% Dep - 100 %	<u>ACWA</u> 100% Dep - 100 %	Cal PERS PEPRA - 2 % @ 62	10 - 20 Days	12	3.69 / 40 Hours (24 Days)	2x Salary	66.6 % of Monthly Salary
Alpine Springs Co. Water District O&M Budget: \$1,770,425 ADF Flow: N/A / Design: N/A	<u>Cal PERS</u> 100% +60% Out of Pocket Exp. Reimbursed	<u>Sunlife</u> 100%	100% Co-insurance Reimbursement	Cal PERS PEPRA - 2 % @ 62	10 - 26 Days	11	6 Days	Principle	\$2,483 - \$3,048
Olympic Valley Public Service District O&M Budget (Sewer): \$1,672,571 ADF Flow: 0.203 / Design: N/A	<u>Cal PERS</u> 100% Dep - 100%	<u>Cal PERS</u> 100% Dep - 100%	<u>Reimbursed</u> 100% Dep - 100%	Cal PERS Classic - 2.7% @ 55 PEPRA - 2 % @ 62	15 - 24 Days	11	12 Days	Signa Standard Life \$15K Employee Pd. Up to \$150K	Hartford Disability Employer Pays \$10k A.D.&D. Short & Long Term
South Tahoe Public Utility District Sewer Fund Budget: \$1,461,59C Sewer O&M Budget: \$883,274 Enterprice Fund: \$3,178,68C Operating & Capital Res Fund: \$17,285,68C ADF Flow: 4.0 / Design: 7.7	<u>ACWA</u> 100% Dep - 100%	<u>Dist Self Insures</u> 100% Dep - 100%	<u>VSP Vision</u> 100% Dep - 100%	Cal PERS PEPRA - 2 % @ 62	10 - 22 Days	12	12 Days	1x Salary up to \$200k Max	SDI Long Term Disability
North Tahoe Public Utility District O&M Budget (Sewer): \$3,981,57C ADF Flow: 0.717 / Design: 7.7	<u>Local 39 HealthTrust</u> 100% Dep - 100 %	<u>Local 39 Health Trust</u> 100% Dep - 100 %	<u>Local 39 Health Trust</u> 100% Dep - 100 %	Cal PERS PEPRA - 2 % @ 62	11 - 25 Days	12	12 Days	\$50,000	SDI
Truckee Sanitary District O&M Budget: \$13,819,969 ADF Flow: 1.3 / Design: 6.6	<u>Cal PERS</u> 100% Dep - 100%	<u>Met Life</u> 100% Dep - 100%	<u>Self Insured</u> \$250 Eye Exam \$350 Hardware	Cal PERS PEPRA - 2 % @ 62	12- 20 Days	12	12 Days	Met Life	Met Life A.D.&D.
Tahoe City Public Utility District O&M Budget (Sewer): \$4,218,00C ADF Flow: 0.8 / Design: 7.8	<u>Cal PERS</u> 100% Dep - 100%	<u>Self Insured</u> 100% Dep - 100%	<u>Self Insured</u> 100% Dep - 100%	Cal PERS Classic - 2.7% @ 55 PEPRA - 2 % @ 62	15 - 31 Days	12	8 Days	North American Benefit Co. 1 Year Annual Salary - 75K Cap	SDI

Agency	Other Benefits
Bear Valley Water District	Education Incentives Training/Education Reimbursement Uniform Allowance
O&M Budget: \$834,800 Reserve Budget: \$895,000 CIP Budget: \$357,953 ADF Flow: 0.045 / Design: 0.500	
Calaveras Co. Water District	2% Equity Adjustment + 2.5 % COLA Section 125 Flex Spending Plan Cal PERS 457 Plan Longevity Pay - 2.5 % @ 15 yrs; 5 % @ 20 ; 7.5 % @ 25 Employee Assistance Programs Use of District vehicles for travel to and from work offered to offset high fuel costs
O&M Budget: \$26,128,986 (13) Treatment Facilities Reserve Budget: \$895,000 CIP Budget: \$31,966,598	
City of Angels Camp	Section 125 Flex Spending Plan Rural Subsidy Education Incentives Longevity Pay 2.5% @ 10 yrs; 5% @ 15; 7.5% @ 20; 10% @ 25 "Essential Pay" (Inflation / Fuel Benefit) 0-5 Yrs \$2,500, +5 Yrs \$5,000 Annual Uniform Allowance \$750 / employee \$500 per Covid Vaccine + Booster
O&M Budget (Sewer): \$ 2,642,518 ADF Flow: 0.357 / Design: 0.600	
Murphy's Sanitary District	
Budget: \$845,543 ADF Flow: 0.200 / Design: .425	
San Andreas Sanitary District	Longevity Pay - \$500 - 4000 Uniform/Boot Allowance Training/Education Reimbursement
Budget: ADF Flow: 0.280 / Design: 0.250	
Tuolumne Utilities District	Cal PERS 457 Plan Employee Assistance Programs Uniform Allowance Credit Union / Health Club Memberships Permit Supervisors & On-Call Staff Use of District vehicles
O&M Budget (Sewer): \$2,715,603 ADF Flow: 2.06 / Design: 2.60	
Alpine Springs Co. Water District	Uniform Allowance Laundry Service Prepaid Gas Cards Issued Based on Commute Distance: 10 mi = \$100/mo; 20 mi=\$200/mo; 30+mi = \$300/month
O&M Budget: \$1,770,425 ADF Flow: N/A / Design: N/A	
Olympic Valley Public Service District	Section 125 Flex Spending Plan Education Incentives - 10%
O&M Budget (Sewer): \$1,672,571 ADF Flow: 0.203 / Design: N/A	
South Tahoe Public Utility District	Health Savings Account (H.S.A) Uniform Allowance GM - 40 Hours Admin Leave/Year 5.37 % COLA 2022-23 (Inflation/Fuel Benefit) 457b Deferred Comp Plan Retirement H.S.A. - 1.5% of Salary/Month
Sewer Fund Budget: \$1,461,590 Sewer O&M Budget: \$883,274 Enterprise Fund: \$3,178,680 Operating & Capital Res Fund: \$17,285,680 ADF Flow: 4.0 / Design: 7.7	
North Tahoe Public Utility District	Education Incentives Uniform Allowance
O&M Budget (Sewer): \$3,981,576 ADF Flow: 0.717 / Design: 7.7	
Truckee Sanitary District	Uniform Allowance 7 % COLA 2022-23 (Inflation/Fuel Benefit)
O&M Budget: \$13,819,969 ADF Flow: 1.3 / Design: 6.6	
Tahoe City Public Utility District	Education Incentives Uniform Allowance
O&M Budget (Sewer): \$4,218,000 ADF Flow: 0.8 / Design: 7.8	

2022 CASA Salary/Benefits Survey

	Ann O&M Budget	Pop Served	Design Capacity	Avg Ann Flow (MGD)	Ann Trng Budget	Salary Range Structure	COLA Adjustments	Date of Last COLA	Amount of Last COLA	Projected Date of Next COLA	Projected Amount of Next COLA	Shift Differential Pay
AGENCY												
Bear Valley Water District	\$0.65	59	0.5	14.52	\$1,000	Yes	Annually			7/1/2022	5.00%	N/A
Carmel Area Wastewater District	\$7.84	11,000	3	1.2	\$24,000	Yes	Annually	7/1/2021	1.10%	7/1/2022	3.80%	N/A
Carpinteria Sanitary District	\$3.50	16,500	2.5	1.4	\$22,000	Yes	Annually	7/1/2021	1.70%	7/1/2022	4.30%	N/A
Castro Valley Sanitary District	\$11.00	63,000	5	3.41	\$46,000	Yes	Annually	9/24/2021	3.20%	7/1/2022	TBD CPI-W San Francisco-Oakland-San Jose	15% additional per hour
Central Contra Costa Sanitary District						Yes	Annually	4/18/2021	2.90%	4/18/2022	TBD	5% Swing & 7.5% Graveyard
Central Marin Sanitation Agency	\$28.04	104,250	30	9.5	\$17,000	Yes	Annually	7/1/2021	1.02%	7/1/2022	3.21%	7% Swing, 10% Graveyard
City of San Diego						Yes	Annually	7/1/2021	Varies per union	7/1/2022	Varies per union	Varies per union
City of Santa Rosa	\$122.00	179,753	21.34	18.38	\$240,000	Yes	Depending on MOU	1/1/2021	3.00%	4/1/2022	3.00%	5%
Crestline Sanitation District	\$4.52	8,000	1.4	0.6	\$20,000	Yes	Per MOU	7/1/2020	3.00%	TBD	TBD	N/A
Dublin San Ramon Services District	\$72.00	188,000	17	10.3	\$319,000	Yes	Per MOU	12/13/2021	4.00%	TBD	TBD	\$52 per shift
East Bay Municipal Utility District	\$85.40	740,000	320	55	\$133,302	Yes	Annually	4/1/2021	4.00%	4/1/2022	4.50%	10% From 11:00 a.m. to 10:59 p.m.; 15% From 11:00 p.m. to 3:50 a.m.
El Dorado Irrigation District	\$33.40	128,000	8.2	4.27	\$282,719	Yes	Per MOU	1/1/2021	6.00%	1/1/2023	3-5%	5%
Inland Empire Utilities	\$192.00	875,000	85.7	56.4	\$351,000	Yes	Per MOU	7/1/2021	3.00%	7/1/2022	3.00%	5%-6%
Leucadia Wastewater District	\$8.57	62,000	7	4.1	\$49,500	Yes	Merit Only	7/1/12021	2.50%	7/1/2022	TBD	\$.75/\$1.00 per hour
Monterey One Water	\$49.50	250,000	29.6	17	\$33,500	Yes	Per MOU	7/1/2021	3.00%	7/1/2022	3.00%	6% weekend day shift & swing shift base salary per hour, 8% graveyard base salary per hour
Mt. View Sanitary District	\$8.50	21,907	3.2	1.2	\$39,400	Yes	Annually	7/1/2021	2.00%	7/1/2022	4.26%	\$682/week
Napa Sanitation District	\$15.82	85,000	15.4	12	\$60,000	Yes	Annually	7/10/2021		TBD	TBD	5% or 7% per hour
North of River Sanitary District	\$10.00	65,000	7.5	5.8		Yes	TBD by the BOD	5/1/2021	2.50%	TBD	TBD	N/A
Orange County Sanitation District	108.9	2,600,000	500	200	\$800,000	Yes	Annually	7/1/2021	3.00%	7/1/2022	TBD - Negotiations	\$2.50 - \$3.50 per hour
Rincon del Diablo Municipal Water District	\$0.69	880	0.15	0.098	\$37,000	Yes	Varies	2/1/2022	10.00%	1/1/2023	TBD	N/A
Rodeo Sanitary District	\$2.40	10,409	1.1	0.9	\$24,500	Yes	Annually	7/1/2021	3.90%	7/1/2022	TBD	\$.50/\$1.00 per hour
Sonoma County Water Agency	\$42.00	76,350	24.8	5		Yes	Per MOU	7/28/2020	3.00%	7/12/2022	2-4%	5-10%
Stege Sanitary District	\$3.14	35,000	N/A (Collection Only)	N/A (Collection Only)	\$4,000	Yes	Annually	7/1/2021		7/1/2022		N/A
Vallecitos Water District	\$59.40	110,775	5	2.56		Yes	Annually	7/9/2021	1.90%	7/8/2022	3.00%	N/A
Victor Valley Wastewater Reclamation Authority	\$6.50	110,000	18	12	\$55,000	Yes	Annually	7/1/2021	3.50%	7/1/2022	3.50%	Swing \$.75, Graveyard \$1.00 per hour
Water Employee Services Authority	\$74.81	159,000	9.8	7.65	\$395,375	Yes	Per MOU	1/18/2022 & 2/19/2022	4% - 4.5% per group	1/10/2023	2% - 4.5% for General EEs, TBD for others	\$25/weekend day regularly assigned
Western Municipal Water District	\$9.15	2,500	17	9.75	\$63,240	Yes	Annually	7/1/2021	2.20%	7/1/22	4.00%	N/A

List of Employee Allowances Fiscal Year 2022-2023

Calaveras County Water District: To offset the extreme gas prices and inflation, the district is allowing the employees to drive the district vehicles to and from work.

Besides the 5% step increases given employees they added a 2% equity adjustment and a 2.5% COLA.

Longevity Pay – Employees will receive longevity pay as follows:

1. The completion of 15 years of continuous service will receive an additional 2.5% of their base pay.
2. The completion of 20 years of continuous service will receive an additional 5% of their base pay.
3. The completion of 25 years of continuous service will receive an additional 7.5% of their base pay.

City of Angels Camp: To offset the extreme gas prices and inflation, the city gave their employees

Essential Pay :

0 – 5 year \$2,500

+5 years \$5,000

\$500 for every COVID19 shot and booster the employee got.

Added two more days to their vacation pay. Juneteenth and one floating holiday.

Longevity Pay:

2.5% at 10 years of continuous service

5% at 15 years of continuous service

7.5% at 20 years of continuous service

10% at 25 years of continuous service

Uniform allowance of \$750 annually.

Tuolumne Utilities District: Allowing supervisors and on call staff to drive district vehicles home.

Alpine Spring County Water District: To offset the extreme gas prices and inflation the district gave their employees prepaid gas cards.

1. 10 miles \$100 per month
2. 20 miles \$200 per month

3. In excess of 30 miles \$300

North Tahoe Public Utility District: To offset the extreme gas prices and inflation the district added a **safe driving bonus of four hours credited to employee's vacation hours semi-annually** based on safe driving record for the prior six months period.

Auto Allowance: Department Heads will receive a district provided vehicle or shall receive a monthly automobile allowance. For the remaining positions, a district vehicle or monthly auto allowance shall be at the sole discretion of the General Manager.

Tahoe City Public Utility District: To offset the extreme gas prices and high inflation the district added a 5.37% COLA and are in discussion to allow workers to work from home in lieu of a gas or car allowance.

Truckee Sanitary District: To offset the extreme gas prices and inflation the district gave it's Employees a 7% COLA. (The General Manager said that Incline Village gave it's employees a 8.4% COLA.

AGENDA ITEM

DATE: JULY 25, 2022

TO: BVWD BOARD OF DIRECTORS

FROM: JEFF GOUVEIA, DISTRICT GENERAL MANAGER

RE: FY 2022 - 23 FINAL BUDGET PROPOSAL

BACKGROUND & DISCUSSION:

Accompanying this memorandum is a final budget proposal for fiscal year 2022-23, reflecting a comparison to the actual estimated fiscal year-end budget (FY 21-22 – Year 0) as well as a projected budget forecasting out four (4) future fiscal cycles (Years 2 - 5) coinciding with both the District's 5-year NPDES permit cycle and the 5-year rate study process.

Below is a summary of highlights of the final budget proposal:

Revenue

Residential Revenue

With the successful adoption of the 6 % service fee rate increase, monthly sewer service fees will increase from \$96.35 per month to \$102.13 per month per residential customer effective July 1, 2022. Aggregate annual residential revenue for FY22-23 is expected to grow 6 % or \$38,948 over the current fiscal year for a **total of \$667,800 in estimated residential service rate revenue in FY22-23.**

Further, years 2 – 3 of the final budget as proposed include annual CPI-U revenue increases of 6 % each year based on achieving acceptable net income and net cash flow projections. As proposed, years 4 and 5 of the 5-Year projection recommend 3 % service rate increases balancing anticipated increasing expenditures with acceptable net income and net cash flows needs. Ultimately, as identified in the District's Prop 218 notice, the Board will review the CPI-U in each year following publishing in January for the year ending December and determine what if any CPI-U related service rate increase it believes is warranted.

Commercial Revenue

Commercial service rate revenue is volumetric. As billable flow is tied to water use and water use can vary dramatically depending on the seasonal economy of many of the District's commercial customers, commercial revenue to the District remains variable as the Bear Valley economy and the climate change.

With the successful adoption of the 6 % service fee rate increase, the cost per gallon for commercial customers will increase from \$0.068 per gallon to \$0.072 per gallon with the minimum monthly rate for commercial customers increasing from \$85.81 per month to \$102.13 per month. Of the District's (20) commercial customers, approximately (6) do not generate sufficient volume to be billed on volume and therefore are subject to the minimum monthly charge.

As of this writing, with the economy firmly reemerging from COVID related restrictions following strong levels of vaccination and lower rates of COVID infection, commercial wastewater volume collected by the District for the year ending June 30, 2022 appears to have increased over 18 % compared to the previous fiscal cycle which was impacted by COVID related business closures, reductions in visitors to the area and the widespread use of portable toilets. Current estimates suggest increased commercial wastewater flows will be in excess of 415,000 more billable gallons than FY21-22 or more than 2.2 MG total gallons for the year ending June 30, 2022 compared to just 1.8 MG for the year ending June 30, 2021.

If the projected flow trend continues combined with successful passage of the 6 % rate increase, **commercial revenue for FY22-23 is expected to increase approximately \$36,000 to an estimated total of nearly \$167,000.**

However, projections for Year 2 (FY23-24) suggest commercial revenues may fall 27% or nearly \$45,000 due in combination to the final phase of replacement of existing flush toilets for vault toilets by the USFS in the Lake Alpine basin combined with anticipated changes in business practices related to the pool at the Bear Valley Lodge. Current projections indicate flows from the Lake Alpine basin will decrease nearly 90,000 gallons in FY22-23 with FY-23-24 invoicing to the USFS decreasing approximately \$6,000. Moreover, with ongoing meter and supply line failure issues at the Lodge pool water meter together with a different approach to managing how they fill the pool, the proposed budget conservatively projects FY23-24 billing for the Lodge to decrease as much as \$45,000.

In summary, for FY 22-23, largely as a result of a broad based return to business as usual throughout Bear Valley together with the 6 % increase in wastewater service fees for both residential and commercial customers effective July 1, 2022, **total service rate revenue for FY 22-23 is forecasted to be \$834,800**, an increase of roughly **9 % or \$ 74,934** from the estimated actual year end budget revenue in the current fiscal cycle.

Expenses

Operating expenses for fiscal year 2022-23 reflect a proposed budget increase of **approximately 7.34 % to \$695,933** over the current year's estimated actual year end figure. This increase is largely confined to four specific areas including a measureable increase in salaries, wages and benefits, laboratory expenses and regulatory fees and assessments as well as a substantial increase in insurance premiums.

Below is a summary of the most notable expense areas that impact this final budget projection for FY 23-23:

- Salaries, Wages and Benefits: **Salaries, wages and benefits area projected to increase + 9.9% for FY 22-23** when compared to the actual fiscal year-end total for this expense area in FY 21-22. The FY21-22 year-end wage and salaries total appears it will come in approximately - 6% under budget or nearly \$24,000 less than projected largely due to the Chief Plant Operator being on long term leave to recover from shoulder surgery. The FY22-23 proposed budget for wages and salaries includes a 5 % wage increase for all of the District's staff as proposed in the *Wastewater Cost of Service Rate Study* prepared by Bartle Wells Associates (BWA) and generally supported by the rate study Ad Hoc committee. No increases to retirement or other benefits (e.g. car allowance) nor any increase in additional hours for part time staff are currently proposed in this final budget as presented.
- Insurance: The District's current fiscal year combined aggregate (property, liability and worker's compensation) insurance premiums total approximately \$18,815. After years of aggressive Staff effort to reduce annual premiums, **aggregate insurance expenses for FY 22-23 are expected to rise by +37% to \$29,661**. The basis for this increase is due largely to reinsurance loads for wildfire, increased litigation costs arising from inverse condemnation, employment practices, wrongful act/D&O claims as well as higher costs of settling property claims due to inflation. BVWD's assets exist in an area with severe wildfire risk with exposure scores ranking the area as high as it gets: 100/100. Due to this, significant modifications to the base rate were apparently necessary. District staff cast a wide net in its efforts to secure more reasonable premiums. Insurers including Glatfelter, Grundy, Travelers and Liberty Mutual, who all underwrite in the public entity space, ultimately declined to even provide proposals based on the District's wildfire scoring. Generally, companies will only offer coverage if the wildfire score is 50 - 70 at the high end. Special District Risk Management Authority (SDRMA), who also administers the District's health benefits, was the only other agency to issue a proposal for property and liability. However, SDRMA's proposal was in fact 8 % higher or nearly \$2,200 more when compared to the JRPIMA proposal Staff elected to bind.
- Laboratory Fees: In anticipation of a service water discharge in the spring 2023, the final budget proposal projects an increase in mandatory monitoring required under the recently adopted Order R5-2022-0037 of + 38 % or + **\$6855** when compared to the actual FY21-22 year-end total for this expense area when not discharging to surface waters.
- Regulatory Fees and State Assessments: Regulatory fees and state assessments, including annual permit fees (collection system permit, land discharge permit, surface discharge permit) and dam fees, have experienced year over year increases now for nearly 5 years ranging from 3 - 11 %.

Staff anticipate FY 22-23 to continue this trend with a projected increase of + 6.5 % or nearly \$ 2500 in FY22-23.

Capital Investments

This final budget proposes the following capital investment and improvement projects for FY22-23:

- 1) A new **2023 Chevrolet 2500/3500 Service Body** service vehicle to retire 1 – 2 service vehicles in the District's current fleet. The District's current fleet includes a 1993 Ford F-150 (82,470 miles, 29 years old), 1999 Dodge Ram BR1500 (138,676 miles, 22 years old) and a 2007 Chevrolet Silverado (126,897 miles, 15 years old). In addition to the high mileage, heavy wear and tear and increasing maintenance costs of these vehicles, importantly, the towing requirements for the District's hydro jetter are at the upper tolerance with any of the vehicles in the current fleet and this has been an ongoing safety issue since the jetter was commissioned. For both safety as well as efficiency and performance reasons, the District requires a vehicle with the proper gross towing capacity to more safely tow this equipment throughout the service area.

The cost of a 2023 Chevrolet 2500/3500 Service Body including taxes and fee is estimated at \$60,202.

- 2) A new **2023 Ski Doo Expedition UWT LE 24** to retire the current 2005 Ski Doo GTX 380 (9,372 miles, 17 years old) which was purchased from Bear Valley Snowmobile in December 2010 and had previously served as a rental snowmobile. Field staff have experienced increasing performance issues with the current snowmobile including several weeks without the machine this winter while sourcing parts and finding a technician to perform repairs. The proposed 2023 Expedition includes a 4-stroke engine, electric push button start and an ultra-wide track to make access to lift stations and the treatment facility easier during heavy snow cycles and easier to respond to emergencies when contract snow cats have not yet made it to the District's facilities. Note, Staff have placed a refundable \$500 deposit on this unit as reservations are taken only once per year if you want to receive the unit in the fall of the same year.

The cost of the 2023 Ski Doo Expedition UWT LE 24 including taxes and fees is estimated at \$16,857.

- 3) Per the District's NPDES permit, which was adopted on June 10, 2022 and will be effective August 1, 2022, priority pollutant and chronic toxicity testing are required once in the 5-year permit term during the first discharge to surface waters. It is too soon to know if the District will need to discharge to surface waters in the spring of 2023. However, budgeting for this required testing is included in the FY22-23 proposed budget in anticipation.

Priority pollutants analysis (\$9500) and chronic toxicity testing (\$9000) is estimated for a total of \$18,500.

- 4) Paint the exterior of the District's administrative office building- **\$5,000.**
- 5) Complete the update of the District's Design and Improvement Standards - **\$7,500.**
- 6) Complete installation of **1 – 60 kW Kohler generator** at the Main Pump Station **(\$52,228)** and **1 – 40 kW Kohler generator** at the Lake Alpine Boat Ramp Lift Station **(\$47,610)** for a total of **\$99,838**. This project is fully funded by the Cal OES grant awarded to the District in March 2021.
- 7) Complete installation of the **radio telemetry project** to provide the infrastructure necessary for more reliable SCADA communication between District facilities **(\$62,291)**. This project is fully funded by the Cal OES grant awarded to the District in March 2021.
- 8) Complete installation of **(6) Tesla Powerwalls** at the District's administrative office building **(\$61,208)** and **(2) Tesla Powerwalls** at the Bee Gulch Lift Station **(\$26,414)** for a total of **\$87,622**. This project is fully funded by Cal OES grant awarded to the District in March 2021.

In summary, total proposed capital investment and improvement projects for FY 22-23 are \$357,953, of which \$249,751 is proposed to be funded with grant funds previously received and \$108,202 to be funded with cash from operating revenue.

Wastewater Reserve Fund Discussion

The District maintains two unrestricted reserve funds with a current total unrestricted cash fund balance of \$575,000. Pursuant to the District's 2017 Reserve Policy, the O&M Emergency Reserve fund, with a current balance of \$150,000, requires a target balance of 3 months of O&M expenses. FY22-23 projected monthly expenses are anticipated to be \$53,741 or \$161,222 for 3 months. Under this final budget proposal, the O&M Emergency Reserve Fund is projected to be under funded by - \$11,222 in FY22-23.

The Sewer Capital Improvement Reserve Fund (CIP), with a current balance of \$425,000, requires a minimum balance "to be determined by the Board of Directors tied to the District's current aggregate total asset value with consideration of the District's 5-Year Capital Improvement Plan." The current aggregate total asset value as of June 30, 2021 is \$3,267,468 and the 5-year average CIP budget projection is \$404,202.

The FY21-22 fiscal year end net cash flow projection is \$21,001. Under this final budget proposal, if funds are directed into reserves, the total reserve fund balance on July 1, 2022 would increase \$21,001 from \$575,000 to \$596,001, remaining well in excess of the minimum target reserve fund balance of \$586,222 (3 months O&M \$161,222 + \$425,000 = \$586,222).

For FY 22-23, this final budget projects year end net cash flow as of June 30, 2023 to be \$12,850. The projected total reserve fund balance on June 30, 2023, if funds are directed into reserves, would increase \$12,850 from \$596,001 to \$608,851.

Under the current 5-year budget projection, presuming positive net cash flow funds are allocated to reserves each year, the reserve fund balance is anticipated to continue to grow \$66,942 by June 30, 2027 even as the budget contemplates advanced loan allowance payments in years 3 and 4 totaling as much as \$25,000.

This discussion is informational only and Staff recommends that following completion of the District's annual audit in September the Board consider reviewing the reserve fund policy and target balances and whether positive year end net cash flow funds should be applied toward additional loan allowance payments or moved into reserves.

Table 1 below details the projected year-end total cash reserve fund position through 2027.

Table 1: Reserve Fund Balance

Wastewater Reserve Fund Balances	2021 -22	2022 - 23	2023 - 24	2024 - 25	2025-26	2026-27
O&M Reserve Fund \$150,000						
CIP Reserve Fund \$425,000						
Total Reserve Bal \$575,000						
Min Target Reserve Fund Balances	2021 -22	2022 - 23	2023 - 24	2024 - 25	2025-26	2026-27
O&M Reserve Fund - 3 mo. O&M	161,222	173,983	178,630	183,288	188,085	193,027
CIP Reserve Fund - \$425,000	425,000	425,000	425,000	425,000	425,000	425,000
TOTAL MIN TARGET RES FUND BAL	586,222	598,983	603,630	608,288	613,085	618,027
Beginning Reserve Fund Balance	575,000	596,001	608,851	612,983	621,690	653,605
Increase / Decrease to Fund Balance	21,001	12,850	4,132	8,708	31,915	9,338
Ending Est Total Reserve Fund Bal	596,001	608,851	612,983	621,690	653,605	662,944

RECOMMENDATION

FY 22-23 net income is anticipated to be **\$46,267**.

FY 22-23 net cash flow is expected to be **\$12,850**.

Therefore, it is recommended that the Board vote to approve the final FY 22-23 budget and 5-Year forecast projection as presented.

ACTION:

1. Motion to Accept the preliminary FY 22-23 budget proposal and 5-Year forecast projection as presented.

Attachments:

- FY 2022-23 Budget & 5-Year Budget Forecast Projection
- 5-Year Capital Improvement Program (CIP) Budget

Bear Valley Water District
Financial Year 2022 -23 Budget
5 Year Budget Forecast

	<i>Projection Year Fiscal Year Rate Increase Mo Residential Rate</i>	<i>Actual 2021 -22</i>	<i>1 2022 - 23 6.00%</i>	<i>2 2023 - 24 6.00%</i>	<i>3 2024 - 25 6.00%</i>	<i>4 2025-26 3.00%</i>	<i>5 2026-27 3.00%</i>
			\$102.13	\$108.26	\$114.76	\$118.20	\$121.75
OPERATING REVENUES							
Residential		628,852	667,800	707,868	750,340	772,850	796,036
Commercial		131,014	167,000	122,223	129,556	133,443	137,446
OPERATING REVENUE		759,866	834,800	830,091	879,896	906,293	933,482
OTHER REVENUE							
Interest Income - LAIF		700	800	800	800	800	800
Late Fees, Penalties & Interest		1,951	1,500	1,500	1,500	1,500	1,500
Expense Reimbursements - USFS		4,805	5,219	4,800	2,000	2,000	2,000
Expense Reimbursements - Concessionnaire		3,830	2,306	2,800	0	0	0
Misc Other Income - Cal OES Projects Paid		45,762	0	0	0	0	0
TOTAL OTHER REVENUE		57,048	9,825	9,900	4,300	4,300	4,300
TOTAL ALL REVENUES		816,914	844,625	839,991	884,196	910,593	937,782
OPERATING EXPENDITURES							
Salaries and Benefits		371,091	411,933	424,291	437,020	450,130	463,634
Director Expenses - Meetings, Elections, Training		3,500	2,000	2,000	2,000	2,000	2,000
Operator Education, Training & Certifications		275	1,000	1,030	1,061	1,093	1,126
Gas, Diesel, Oil & Filters		3,443	4,000	4,120	4,244	4,371	4,502
Insurance		18,815	30,000	30,900	31,827	32,782	33,765
Memberships		4,681	5,500	5,665	5,835	6,010	6,190
Office Expenses & Supplies		8,595	7,500	8,000	8,000	8,000	8,000
Field Expenses & Supplies		26,602	20,000	20,000	20,000	20,000	20,000
Grooming, Snow Removal & Vehicle Storage		2,607	3,500	3,500	3,500	3,500	3,500
General Engineering & Consulting		626	5,000	5,150	5,305	5,464	5,628
General Legal & Accounting		7,974	10,000	10,300	10,609	10,927	11,255
Equipment Rental		820	1,000	1,030	1,061	1,093	1,126
Repairs & Maintenance		64,800	60,000	60,000	60,000	60,000	60,000
Laboratory Fees		11,145	18,000	18,540	19,096	19,669	20,259
Regulatory Reporting & Compliance Projects		6,321	6,500	6,695	6,896	7,103	7,316
Taxes, Fees, Licenses & Assessments		46,705	50,000	51,500	53,045	54,636	56,275
Utilities		66,886	60,000	61,800	63,654	65,564	67,531
TOTAL ALL OPERATING EXPENDITURES		644,886	695,933	714,521	733,152	752,341	772,106
NET OPERATIONAL INCOME		172,028	148,692	125,470	151,045	158,252	165,675
OTHER EXPENSES							
Loan Interest		12,290	10,557	8,749	6,822	4,841	2,781
Depreciation		110,538	91,868	101,810	94,595	91,149	90,408
TOTAL OTHER EXPENSES		122,828	102,425	110,559	101,417	95,990	93,189
NET INCOME		49,200	46,267	14,911	49,628	62,262	72,486
NON-OPERATING INCOME / EXPENSES							
Depreciation		110,538	91,868	101,810	94,595	91,149	90,408
Capital Improvements / Replacements		(190,365)	(357,953)	(65,000)	(76,000)	(55,000)	(100,000)
Loan Payments - Principal		(44,047)	(45,780)	(47,589)	(49,515)	(51,496)	(53,556)
Loan Allowance Payments (Proposed)		0	0	0	(10,000)	(15,000)	0
CSDA Covid Grant (Unrestricted)		95,675	0	0	0	0	0
Cal OES Grant		254,544	249,751	0	0	0	0
SGIP Deposit Reimbursement		0	15,700	0	0	0	0
GSRE Reimbursement - Powerpack Proj.		0	9,997	0	0	0	0
SDLF Special District Technology Grant		0	3,000	0	0	0	0
TOTAL ADDTL INCOME / EXPENDITURES		226,345	(33,417)	(10,779)	(40,920)	(30,347)	(63,148)
NET CASH FLOW		275,545	12,850	4,132	8,708	31,915	9,338
<i>Actual Est Operational Net Cash Flow</i>		(74,674)					
<i>Actual Est Unrestricted Net Cash Flow</i>		21,001					
Wastewater Reserve Fund Balances		2021 -22	2022 - 23	2023 - 24	2024 - 25	2025-26	2026-27
O&M Reserve Fund	\$150,000						
CIP Reserve Fund	\$425,000						
Total Cash Reserve Fund Balance	\$575,000						
Minimum Target Reserve Fund Balances		2021 -22	2022 - 23	2023 - 24	2024 - 25	2025-26	2026-27
O&M Reserve Fund - 3 mo. Of Annual O&M Exp		161,222	173,983	178,630	183,288	188,085	193,027
CIP Reserve Fund - \$425,000		425,000	425,000	425,000	425,000	425,000	425,000
TOTAL MINIMUM TARGET RESERVE FUND BALANCE		586,222	598,983	603,630	608,288	613,085	618,027
Beginning Reserve Fund Balance		575,000	596,001	608,851	612,983	621,690	653,605
Increase / Decrease to Fund Balance		21,001	12,850	4,132	8,708	31,915	9,338
Ending Estimated Total Reserve Fund Balance		596,001	608,851	612,983	621,690	653,605	662,944
Over / Under Min Target Reserve		9,780	9,868	9,353	13,402	40,520	44,917

Schedule of Capital Improvements

As of June 30 2022

Date	Invoice #	Vendor	Total
Budgeted			
7/15/2021	481	U-Rock Utility Equip (Sewer Cam)	11,851.13
9/8/2021	34278	Franklin Miller (Grinder)	23,786.22
10/12/2021	1843098	Stantec (NPDES Permit)	11,101.25
10/31/2021	13622	TNT Industrial Contractors (Grinder Install)	10,069.20
Sub Total:			56,807.80
Powerpack Project			
8/18/2021	21044-5	Mike Smith Engineering	1,155.00
8/23/2021	August	Card Services	50.00
9/15/2021	44454	John T. Watts Construction (Cal OES Grant to cover \$34,710)	38,559.64
10/21/2021	44490	John T. Watts Construction	54,790.37
Sub Total:			94,555.01
Cal OES Grant			
9/8/2021	31758	Aqua Sierra Control, Inc. (Radio Telemetry)	5,802.67
Sub Total:			5,802.67
Design Standards			
7/12/2021	8886	Weber Ghio & Associates	1,185.00
8/9/2021	8986	Weber Ghio & Associates	4,634.00
10/7/2021	9299	Weber Ghio & Associates	5,137.28
Sub Total:			10,956.28
NPDES Permit Renewal			
7/13/2021	1809879	Stantec (NPDES Permit)	85.00
9/3/2021	1829425	Stantec (NPDES Permit)	3,347.75
3/18/2022	1900676	Stantec (NPDES Permit)	2,152.50
4/22/2022	1914375	Stantec (NPDES Permit)	2,108.25
5/23/2022	1924499	Stantec (NPDES Permit)	1,327.50
6/15/2022	1933678	Stantec (NPDES Permit)	351.75
Sub Total:			9,372.75
Rate Study			
5/9/2022	1424	Bartle Wells Associates	12,870.00
Sub Total:			12,870.00
TOTAL			\$ 190,364.51

AGENDA ITEM

DATE: JULY 25, 2022

TO: BVWD BOARD OF DIRECTORS

FROM: JEFF GOUVEIA, DISTRICT GENERAL MANAGER

RE: MANAGER'S REPORT

1. Water Balance - Update
 - a. Influent Flows & Effluent Transfers
 - a. Effluent in Storage, Current Storage Capacity & Land / Surface Disposal Update
2. Permit Compliance & Monitoring & Reporting Programs (MRPs) - Update
 - a. WDR MRP - Land Discharge Permit – Compliance & Reporting Update
 - i. Reporting Status Matrix – No Certified Violations, All Reporting Submitted On-Time
 - b. NPDES MRP – Surface Water Discharge Permit – Compliance & Reporting Update
 - i. Reporting Status Matrix – No Certified Violations, All Reporting Submitted On-Time
 - ii. New Order Adopted at Regional Board Meeting June 10 – Effective August 1, 2022
 - iii. 5-Year NPDES Compliance Inspection – Performed June 20, 2022
3. Other
 - a. PGE-SGIP-2020-3656 – WWTF Powerpack Project – Update
 - b. Cal OES Community Power Resiliency Allocation - Update
 - c. 2022 SDLF Special District Technology Grant – Update
 - d. Engineering Estimates – Collection System Replacement
 - i. Update Cost Estimate (4) Pipe Segments in Capacity Assurance Plan - \$1500
 - ii. Develop Cost Estimate to Replace ALL AC Pipe - \$5000 - \$6000

Board Meeting 7-25-22

- **Influent Flows (MG) – Total of ALL Wastewater Received / % change previous year**

<u>April, 2022</u>	<u>April, 2021</u>	<u>April 2020</u>
3.108 / 89.3%	3.481 / 90.1%	3.864 / 73.9%
<u>May 2022</u>	<u>May 2021</u>	<u>May 2020</u>
2.019 / 91.6%	2.204 / 63.1%	3.494 / 68.2%
<u>June 2022</u>	<u>June 2021</u>	<u>June, 2020</u>
1.184 / 97.5%	1.214 / 73.3%	1.656 / 41.2%
<u>July 1-19, 2022</u>	<u>July, 2021</u>	<u>July, 2020</u>
.427	1.222 / 91.8%	1.331 / 67.5%

- **Transferred to PR (MG) - Volume of Water Moved from Treatment to Storage / % change previous year**

<u>April, 2022</u>	<u>April, 2021</u>	<u>April 2020</u>
3.643 / 93.4%	3.902 / 97.9%	3.984 / 68.3%
<u>May 2022</u>	<u>May 2021</u>	<u>May 2020</u>
2.430 / 98.6%	2.465 / 51.1%	4.820 / 97.9%
<u>June, 2022</u>	<u>June, 2021</u>	<u>June, 2020</u>
1.189 / 116.1%	1.024 / 42.8%	2.395 / 91.6%
<u>July 1-19, 2022</u>	<u>July, 2021</u>	<u>July, 2020</u>
.342	.957 / 76.1%	1.257 / 53.3%

- **Land Application - Annual Totals – MG Applied / % change previous year**

<u>May 27-July 19, 2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
19.667	23.788 / 77.6%	30.639 / 158.8%	19.293 / 83.1%	23.215 / 144.6%
2022 Began May 27 2021 Began May 24 2020 Began June 2 2019 Began July 12 2018 Began June 1				

- **Surface Discharge - Effluent Flow Discharge Totals – MG - NO EFFLUENT WAS DISCHARGED IN 2020, 2021, 2022**

<u>March 2019</u>	<u>April 2019</u>	<u>May 2019</u>	<u>June 2019</u>	<u>Total 2019 Discharge</u>
0.0	0.0	29.5	26.9	56.5
<u>March 2018</u>	<u>April 2018</u>	<u>May 2018</u>	<u>June 2018</u>	<u>Total 2018 Discharge</u>
0.0	11.9	11.7	0.0	23.6
<u>March 2017</u>	<u>April 2017</u>	<u>May 2017</u>	<u>June 2017</u>	<u>Total 2017 Discharge</u>
15.8	29.9	29.7	16.9	92.3

- **Storage Reservoir Elevations and Volumes (based on 10/6/15 pressure chart):**

- Empty (minimum pool) = 7063.0' = 0 MG = 0'
- Total Depth (w/2' Freeboard) = 7086.3' = 76.45 MG = 23.3'
- Total Depth (spillway) = 7088.3' = 85.86 MG = 25.3'
- Permitted Full Reservoir (2' Freeboard) = 7086.3' = 76.45 MG = 100%
 - Highest Level 2022 – 5/26/22 = 7078.3' = 43.50 MG = 56.9%
 - Highest Level 2021 – 5/13/21 = 7073.3' = 25.17 MG = 32.9%
 - Highest Level 2020 – 5/28/20 = 7075.6' = 33.01 MG = 43.2%
 - Highest Level 2019 – 5/1/19 = 7079.8' = 48.68 MG = 63.7%
 - Highest Level 2018 – 4/20/18 = 7078.3' = 42.88 MG = 56.1%
 - Current Storage Volume = 7072.8' = 23.54 MG = 30.8% (7/19/2022)
 - Storage Volume 1 Year Ago = 7067.7' = 8.46 MG = 11.1% (7/22/2021)

- **Collection System**

- **2022** Jet 5,999 as of 7/15/22 Video 4, 017', as of 7/21/22
- **2021** Jet 11,692', % change previous year: 68%. Video 9,980', % change previous year: 88%.
- **2020:** Jet 17,194', % change previous year: 266%. Video 11,367', % change previous year: 196%
- **2019:** Jet 6,468', % change previous year: 93%. Video 5,800' % change previous year: 249%
- **2018:** Jet 6,990', % change previous year: 230%. Video 2,330', % change previous year: 173%
- **2017** Jet 3030' Video 1350'

**SMR / DMR Reporting**

Facility Name: Bear Valley WWTF

Order Number: 5-01-208

Water Board Office: Region 5S - Sacramento

Case Worker: Kenny Croyle

Reporting Level: Level I

To review or submit a report, select it from the list below. To change the list of reports, check the status types and/or enter start and end dates.

Show reports that meet these criteria

Status:

- ☒ Submitted - report was already submitted to water board
- ☒ In-Progress - report has been edited but not submitted
- ☒ Past Due - report deadline has passed and report has not been submitted
- ☒ Future - report due date is in the future
- ☒ Withdrawn - report has been withdrawn

Show Report Due Between: and

Search results:

[Export to Excel](#) Show: Previous Next

ID	Report Name	Type	Frequency	Reporting Period	Due Date	Status	Date Received	Date Reviewed	Certified Violations
2582286	June 2022	MONRPT	Monthly	06/01/2022 - 06/30/2022	06/01/2022	Future			No
2551409	Q1 2022 (3 times per year)	GR_WATER	Quarterly	04/01/2022 - 07/31/2022	09/01/2022	Future			No
2593251	July 2022	MONRPT	Monthly	07/01/2022 - 07/31/2022	09/01/2022	Future			No
2606634	August 2022	MONRPT	Monthly	08/01/2022 - 08/31/2022	10/01/2022	Future			No
2593252	Q2 2022 (3 times per year)	GR_WATER	Quarterly	08/01/2022 - 09/30/2022	11/01/2022	Future			No
2616353	September 2022	MONRPT	Monthly	09/01/2022 - 09/30/2022	11/01/2022	Future			No
2523947	December 2021	MONRPT	Monthly	12/01/2021 - 12/31/2021	02/01/2022	Submitted	01/24/2022		No
2413411	2021	MONRPT	Annual	01/01/2021 - 12/31/2021	02/01/2022	Submitted	01/27/2022		No
2494376	Q3 2021 (3 times per year)	GR_WATER	Quarterly	10/01/2021 - 12/31/2021	02/01/2022	Submitted	01/24/2022		No
2551405	January 2022	MONRPT	Monthly	01/01/2022 - 01/31/2022	03/01/2022	Submitted	02/14/2022		No
2551406	February 2022	MONRPT	Monthly	02/01/2022 - 02/28/2022	04/01/2022	Submitted	03/21/2022		No
2551407	March 2022	MONRPT	Monthly	03/01/2022 - 03/31/2022	05/01/2022	Submitted	04/19/2022		No
2586251	April 2022	MONRPT	Monthly	04/01/2022 - 04/30/2022	06/01/2022	Submitted	05/16/2022		No
2574210	May 2022	MONRPT	Monthly	05/01/2022 - 05/31/2022	07/01/2022	Submitted	06/23/2022		No

**SMR / DMR Reporting**

Facility Name: Bear Valley WWTF

Water Board Office: Region 5S - Sacramento

Reporting Level: Level II

Order Number: R5-2016-0045

Case Worker: Mohammed Farhad

All Electronic Date: 08/01/2016

To review or submit a report, select it from the list below. To change the list of reports, check the status types and/or enter start and end dates.

Show reports that meet these criteria

Status:

☒ Submitted - report was already submitted to water board

☒ In-Progress - report has been edited but not submitted

☒ Past Due - report deadline has passed and report has not been submitted

☒ Future - report due date is in the future

☒ Withdrawn - report has been withdrawn

Show Report Due Between: and

Search results:

[Export to Excel](#) Show: Previous Next

ID	Report Name	Type	Frequency	Reporting Period	Due Date	Status	Date Received	Date Reviewed	Certified Violations	Report	Withdrawal
2582871	June 2022	MONNPDES	Monthly	06/01/2022 - 06/30/2022	08/01/2022	Future			No		
2593444	July 2022	MONNPDES	Monthly	07/01/2022 - 07/31/2022	09/01/2022	Future			No		
2416789	2021	MONNPDES	Annual	01/01/2021 - 12/31/2021	02/01/2022	Submitted	01/27/2022	06/24/2022	No	Download Report	
2524124	December 2021	MONNPDES	Monthly	12/01/2021 - 12/31/2021	02/01/2022	Submitted	01/24/2022	06/24/2022	No	Download Report	
2554620	January 2022	MONNPDES	Monthly	01/01/2022 - 01/31/2022	03/01/2022	Submitted	02/19/2022	06/24/2022	No	Download Report	
2554621	February 2022	MONNPDES	Monthly	02/01/2022 - 02/28/2022	04/01/2022	Submitted	03/21/2022	06/24/2022	No	Download Report	
2554622	March 2022	MONNPDES	Monthly	03/01/2022 - 03/31/2022	05/01/2022	Submitted	04/19/2022	06/24/2022	No	Download Report	
2566433	April 2022	MONNPDES	Monthly	04/01/2022 - 04/30/2022	06/01/2022	Submitted	05/16/2022	06/24/2022	No	Download Report	
2574411	May 2022	MONNPDES	Monthly	05/01/2022 - 05/31/2022	07/01/2022	Submitted	06/23/2022	06/24/2022	No	Download Report	

Central Valley Regional Water Quality Control Board

1 July 2022

Jeff Gouveia
General Manager
Bear Valley Water District
441 Creekside Drive
Bear Valley, CA 95223

VIA
EMAIL
jeff.gouveia@bvwd.ca.gov

**NOTICE OF ADOPTION
WASTE DISCHARGE REQUIREMENTS ORDER R5-2022-0037
(NPDES PERMIT CA0085146)
FOR
BEAR VALLEY WATER DISTRICT
BEAR VALLEY WASTEWATER TREATMENT FACILITY
ALPINE COUNTY**

Enclosed is Waste Discharge Requirements Order R5-2022-0037 (NPDES Permit) for the Bear Valley Wastewater Treatment Facility, adopted by the California Regional Water Quality Control Board, Central Valley Region, on 10 June 2022. The NPDES Permit becomes effective on 1 August 2022.

Until the enclosed NPDES Permit becomes effective you will need to comply with the effluent limitations and requirements contained in your previous NPDES permit, Order R5-2016-0045-02. For your June and July 2022 self-monitoring reports, you will need to demonstrate compliance with previous Order R5-2016-0045-02 through 31 July 2022, and compliance with new Order R5-2022-0037 beginning 1 August 2022.

The Central Valley Water Board is implementing a Paperless Office system to reduce our paper use, increase efficiency, and provide a more effective way for our staff, the public, and interested parties to view documents in electronic form. Therefore, the Bear Valley Water District is required to submit all self-monitoring, technical, and progress reports required by the Order via California Integrated Water Quality System (CIWQS) submittal. In general, if any monitoring data for a monitoring location can be submitted using a computable document format (CDF) file upload, then it should be submitted as a CDF file upload, such as characterization monitoring data. However, certain parameters that cannot be uploaded to the CIWQS data tables, such as Annual Operations Reports, should be uploaded as a Portable Document Format (PDF), Microsoft Word, or Microsoft Excel file attachment. Also, please upload a cover letter summarizing the content of the report to the submittal tab of the CIWQS module for each submittal.

All other documents not required to be submitted via CIWQS shall be converted to a searchable PDF and submitted to centralvalleysacramento@waterboards.ca.gov. Please include the following information in the body of the email:

- Attention: NPDES Compliance and Enforcement
- Facility: Bear Valley Wastewater Treatment Facility
- CIWQS Place ID: 209035

Documents that are 50 MB or larger must be transferred to a CD, DVD, or flash drive and mailed to our office, attention "ECM Mailroom".

Please note that a new table has been added to your permit at the end of the Monitoring and Reporting Program (Attachment E), Table E-10, entitled "Technical Reports." This table includes all technical and progress reports required by your permit in one location, along with due dates and CIWQS report names. The items in this table have a corresponding placeholder in CIWQS identified by the CIWQS report name for you to upload each report by the due date.

Additionally, please note the new requirement in Attachment E, Section X.B.6.c, to attach all final laboratory reports from all contracted commercial laboratories with your Self-Monitoring Reports (SMRs).

Now that your NPDES permit has been adopted, the Central Valley Water Board's Compliance and Enforcement section will take over management of your case. Mohammad Farhad is your point of contact for any questions about the enclosed Order. If you find it necessary to make a change to your permitted operations, you will be directed to the appropriate Permitting staff. You may contact Mr. Farhad at (916) 464-1181 or mohammad.farhad@waterboards.ca.gov.

Danielle Goode
Senior Engineer
San Joaquin Delta NPDES Permitting

Enclosure: Order R5-2022-0037 (Discharger only)
 Analytical Methods Report Submittal Form

cc:

Elizabeth Sablad, USEPA Region IX, San Francisco (via email)
Peter Kozelka, USEPA Region IX, San Francisco (via email)
Prasad Gullapalli, U.S. EPA Region IX, San Francisco (email only)
Division of Water Quality, State Water Resources Control Board, Sacramento (via email)
Sarah Torres, PG Environmental, (via email at icis-npdes@pgenv.com)

	Prior Year July 1 - June 30	FY 20-21 Budget	FY 20-21 Budget	Current Year July 1 - June 30	FY 21-22 Budget	FY 21-22 Budget	Variance Explanation
REVENUES							
Residential	630,032	625,000	101%	628,852	630,000	100%	
Commercial	150,866	150,000	101%	131,014	120,000	109%	
Subtotal Operating Revenue	780,898	775,000	101%	759,866	750,000	101%	Revenue Target 100%
EXPENSES							
Salaries & Benefits	362,007	374,414	97%	371,091	395,022	94%	
Director Expenses	2000	2,000	100%	3500	2,000	175%	More Mtgs, Committees
Operator Training & Certs	450	1,500	30%	275	1,000	28%	
Gas, Diesel, Oil & Filters	2,694	3,500	77%	3443	3,000	115%	
Insurance	16,642	16,000	104%	18,815	18,000	105%	
Memberships & Conferences	5,487	4,600	119%	4,681	5,500	85%	
Office Expenses & Supplies	9,236	10,000	92%	8,595	7,500	115%	
Field Expenses & Supplies	19,402	25,000	78%	26,602	20,000	133%	CL2, UBD pH Analyzer
Grooming, Snow Removal & Vehicle Storage	3,268	3,500	93%	2607	3,500	74%	
Engineering & Consulting	9621	5,000	192%	626	5,000	13%	
Legal & Accounting	9,780	10,000	98%	7974	10,000	80%	
Equipment Rental	778	800	97%	820	800	103%	
Repairs & Maintenance	48,110	60,000	80%	64,800	60,000	108%	UBD Tree Removal
Laboratory Fees	13,439	15,000	90%	11,145	12,000	93%	
Regulatory Reporting & Comp. Projects	6,242	7,000	89%	6321	6,500	97%	
Taxes, Fees, Licenses & Assessments	45,071	45,000	100%	46,705	45,000	104%	
Utilities	52,549	60,000	88%	66,886	55,000	122%	\$9100 FY20-21 Elec Inv in FY 22
Subtotal Operating Expenses	606,776	643,314	94%	644,887	649,822	99%	Expense Target - 100%
Net Operational Income	174,122	131,686	132%	114,979	100,178	115%	
OTHER REVENUE							
Interest Income - LAIF	1,844	6,000	31%	700	1,500	47%	
Late Fee, Penalties and Interest	2,624	2,000	131%	1,951	2,500	78%	
Expense Reimbursements - USFS Campground	13,726	8,375	164%	4,805	4,805	100%	
Expense Reimbursements - Concessionnaire	3,991	9,665	41%	3,830	3,830	100%	
Cal OES Grant - Income	10590	0	UBD	45,456	5200	UBD	Grant Expense (Radio Tele)
Misc Other Income	0	0	UBD	305	0	UBD	
Subtotal Other Revenue	32,774	26,040	126%	57,047	17,835	320%	
OTHER EXPENSES							
Loan Interest	14,006	12,318	114%	12,290	12,318	100%	
Depreciation	113,778	106,825	107%	110,538	100,596	110%	
Mics Expense	37	0	UBD	0	0	UBD	
Subtotal Other Expenses	127,821	119,143	107%	122,828	112,914	109%	
Net Other Income	(95,047)	(93,103)	102%	(65,781)	(95,079)	69%	
NET INCOME	79,075	38,583	205%	49,197.60	5,099	965%	
NON CASH EXPENDITURES (included in net							
Depreciation	113,778	106,825	107%	110,538	100,596	110%	
Cal OES Grant	0	0	UBD	254,544	0	UBD	
CSDA Grant	0	0	UBD	95,675	0	UBD	
Subtotal Non-Cash Expenses	113,778	106,825	107%	460,757	100,596	458%	
CASH EXPENDITURES (Not Included in net							
Capital Improvements / Replacements	(36,591)	(22,000)	94%	(190,365)	(57,000)	334%	UBD Battery, Grant Projs, Imp Stds, Permit Renewal, Rate Study
Loan Payments - Principal	(38,761)	(40,657)	95%	(44,047)	(44,019)	100%	
Subtotal Addl Cash Expenses	(75,352)	(62,657)	120%	(234,412)	(101,019)	232%	
NET CASH FLOW	117,501	82,751	142%	275,543	4,676	5893%	

Footnote: Actual Operational Net Cash Flow:
Footnote: Actual Unrestricted Net Cash Flow:

-\$74,676
\$21,001

BVWD
Balance Sheet Prev Year Comparison
As of June 30, 2022

	<u>Jun 30, 22</u>	<u>Jun 30, 21</u>	<u>\$ Change</u>	<u>% Change</u>
ASSETS				
Current Assets				
Checking/Savings				
11015 · F&M Bank	659,297.37	757,790.99	-98,493.62	-13.0%
11018 · LAIF	320,272.93	319,641.98	630.95	0.2%
11020 · Petty Cash	50.00	50.00		
11025 · Capital Facilities Fund	29,026.00	29,026.00		
Total Checking/Savings	<u>1,008,646.30</u>	<u>1,106,508.97</u>	<u>-97,862.67</u>	<u>-8.84%</u>
Accounts Receivable				
11050 · Accounts Receivable	-18,893.34	27,665.67	-46,559.01	-168.29%
Total Accounts Receivable	<u>-18,893.34</u>	<u>27,665.67</u>	<u>-46,559.01</u>	<u>-168.29%</u>
Other Current Assets				
11055 · Accounts Receivable-Tax Roll	10,165.46	10,165.46		
11140 · Prepaid Insurance	18,484.62	9,171.66	9,312.96	101.54%
11170 · Prepaid Dam Fees	14,160.00	11,462.00	2,698.00	23.54%
Total Other Current Assets	<u>42,810.08</u>	<u>30,799.12</u>	<u>12,010.96</u>	<u>39.0%</u>
Total Current Assets	<u>1,032,563.04</u>	<u>1,164,973.76</u>	<u>-132,410.72</u>	<u>-11.37%</u>
Fixed Assets				
12010 · Land	25,805.16	25,805.16		
12020 · SbSrfLine	1,196,893.29	1,196,893.29		
12040 · Col Facilities	497,047.95	497,047.95		
12041 · LA Facilities	166,428.79	166,428.79		
12050 · TRT Facilities	1,358,836.36	1,358,836.36		
12060 · DSP Facilities	1,264,402.01	1,264,402.01		
12080 · P & A (Plant & Admin)Facilities	482,118.91	482,118.91		
12100 · Accumulated Depreciation	-3,015,838.00	-2,905,300.00	-110,538.00	-3.81%
14030 · Work in Progress				
14030.0 · W.I.P. - GIS Consulting Support	4,722.05	3,222.05	1,500.00	46.55%
16025 · Verisight Pro Plus 100M System	11,851.13		11,851.13	100.0%
16565 · FY20/21 - NPDES PERMIT (5 YR.)	47,669.00	26,855.00	20,814.00	77.51%
16580 · Tesla Backup Battery Cover @ Eq	104,090.21	8,899.16	95,191.05	1,069.66%
16585 · 2023 Ski-Doo Expedition LE 24	500.00		500.00	100.0%
16600 · SGIP-Tesla Backup Battery	15,700.00	15,700.00		
16610 · Radio Telemetry Project	35,720.38		35,720.38	100.0%
16620 · Main Pump Station Grinder Proje	33,856.14		33,856.14	100.0%
16630 · District Improvement Standards	10,956.28		10,956.28	100.0%
16640 · Bee Gulch Battery Energy Storag	4,867.90		4,867.90	100.0%
16650 · Main Office Battery Storage Sys	4,867.90		4,867.90	100.0%
16655 · Propositon 218 Rate Study	14,471.36		14,471.36	100.0%
Total 14030 · Work in Progress	<u>289,272.35</u>	<u>54,676.21</u>	<u>234,596.14</u>	<u>429.06%</u>
Total Fixed Assets	<u>2,264,966.82</u>	<u>2,140,908.68</u>	<u>124,058.14</u>	<u>5.8%</u>
TOTAL ASSETS	<u><u>3,297,529.86</u></u>	<u><u>3,305,882.44</u></u>	<u><u>-8,352.58</u></u>	<u><u>-0.25%</u></u>
LIABILITIES & EQUITY				
Liabilities				

BVWD
Balance Sheet Prev Year Comparison
As of June 30, 2022

	<u>Jun 30, 22</u>	<u>Jun 30, 21</u>	<u>\$ Change</u>	<u>% Change</u>
Current Liabilities				
Accounts Payable				
21021 · Accounts Payable	7,304.04	21,755.99	-14,451.95	-66.43%
Total Accounts Payable	<u>7,304.04</u>	<u>21,755.99</u>	<u>-14,451.95</u>	<u>-66.43%</u>
Other Current Liabilities				
21030 · Other Payable	-980.00	581.64	-1,561.64	-268.49%
21040 · Prepaid Revenue	232.97	57,982.98	-57,750.01	-99.6%
21090 · Payroll Liabilities	27,074.89	15,018.62	12,056.27	80.28%
2110 · Direct Deposit Liabilities	-8.18	-8.18		
22015 · Cal OES Unearned Income	254,543.82	300,000.00	-45,456.18	-15.15%
22018 · CSDA Grant/COVID19-Unearned Inc	95,675.00		95,675.00	100.0%
22020 · CSWRCB Grant-Unearned Income	1,695.76		1,695.76	100.0%
22021 · Accrued Vacation	15,750.60	19,460.68	-3,710.08	-19.06%
Total Other Current Liabilities	<u>393,984.86</u>	<u>393,035.74</u>	<u>949.12</u>	<u>0.24%</u>
Total Current Liabilities	<u>401,288.90</u>	<u>414,791.73</u>	<u>-13,502.83</u>	<u>-3.26%</u>
Long Term Liabilities				
26025 · F&M Bank Loan	289,401.91	333,449.26	-44,047.35	-13.21%
Total Long Term Liabilities	<u>289,401.91</u>	<u>333,449.26</u>	<u>-44,047.35</u>	<u>-13.21%</u>
Total Liabilities	<u>690,690.81</u>	<u>748,240.99</u>	<u>-57,550.18</u>	<u>-7.69%</u>
Equity				
29000 · Retained Earnings	1,953,615.45	1,874,539.83	79,075.62	4.22%
29100 · O & M Emergency Reserve Fund	150,000.00	150,000.00		
29200 · CIP Reserve Fund	425,000.00	425,000.00		
29300 · Capacity Fee Reserve Fund	29,026.00	29,026.00		
Net Income	<u>49,197.60</u>	<u>79,075.62</u>	<u>-29,878.02</u>	<u>-37.78%</u>
Total Equity	<u>2,606,839.05</u>	<u>2,557,641.45</u>	<u>49,197.60</u>	<u>1.92%</u>
TOTAL LIABILITIES & EQUITY	<u><u>3,297,529.86</u></u>	<u><u>3,305,882.44</u></u>	<u><u>-8,352.58</u></u>	<u><u>-0.25%</u></u>

BVWD
A/P Aging Summary
As of June 30, 2022

Prepays for June 2022	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL	Description
Alpine County Health Dept.	855.00						County Fees
A.T.&T.	125.90						Telephone & Internet
Card Services	4,223.99						Office, Field Supplies, Telephone, Laboratory
E.D.D.	131.86						State Payroll Taxes
E.D.D.	655.54						State Payroll Taxes
E.D.D.	136.29						State Payroll Taxes
E.D.D.	415.88						State Payroll Taxes
F & M Bank	4,694.80						Bank Loan
Guy West	990.00						Winter Storage for District Vehicles
I.R.S.	2,978.24						Federal Payroll Tax
I.R.S.	3,234.30						Federal Payroll Tax
Lake Alpine Water Company	171.07						Water For Main Office
P.G. & E.	7,685.52						Electricity for June 2022
SDRMA	2,121.80						Workers Compensation Insurance
SDRMA	537.84						Workers Compensation Insurance
State Water Resources Board	125.00						Certification Fee for Jody Kee
Vantage Transfer	294.54						401K Retirement for Employees
Vantage Transfer	922.37						457 Retirement for Employees
Vantage Transfer	316.65						401K Retirement for Employees
Vantage Transfer	1,090.71						457 Retirement for Employees
The Zenith	1,088.00						Workers Compensation Insurance
The Zenith	673.00						Workers Compensation Insurance
TOTAL	33,468.30					33468.3	

Accounts Payable June 2022	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL	Description
Alpha Analytical Laboratories Inc.	60.00	1,166.00				1,226.00	Laboratory Analysis
Alpine County Public Works		223.56				223.56	Fuel
Aqua Sierra Controls, Inc.		2,429.22				2,429.22	Repair & Maint, Field Supplies
AT&T Business Service 2					-12.72	-12.72	Credit on Account
CALNET	81.32					81.32	Telephone
EBBETTS PASS GAS CO. Inc.		466.06				466.06	Propane for Main Office

BVWD
A/P Aging Summary
As of June 30, 2022

Accounts Payable June 2022	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL	Description
Ebbetts Pass Lumber Co. Inc.		148.17				148.17	Field Supplies
El Dorado Septic Service, Inc.		155.51				155.51	Porta Potty Rental
Gunnar Thordarson		100.00				100.00	Director Fees For Regular Meeting 6/25/2022
Guy West		11.00				11.00	Mileage Reimbursement
Hach		1,824.17				1,824.17	Laboratory Supplies
Jim Bissell		100.00				100.00	Director Fees For Regular Meeting 6/25/2022
John Boyle		100.00				100.00	Director Fees For Regular Meeting 6/25/2022
Ken Brown		100.00				100.00	Director Fees For Regular Meeting 6/25/2022
Stantec Consulting Services Inc.		351.75				351.75	NPDES Permit Fees
TOTAL	141.32	7,175.44			-12.72	7,304.04	

BVWD
A/R Aging Summary
As of July 21, 2022

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
BV034		306.39	28.91		571.98	907.28
CS006		306.39			982.79	1,289.18
BV047		306.39	28.91		1,270.87	1,606.17
CM110		3,676.68			-0.20	3,676.48
TOTAL		129,560.32	-119.17	-893.03	-31,233.92	97,314.20
TOTAL CREDITS	0	-0.61	-408.33	-893.03	-38,617.38	-39,919.35
TOTAL DEBITS	0	129,560.93	289.16	0	7,383.46	137,233.55
TOTAL	0	129,560.32	-119.17	-893.03	-31,233.92	97,314.20

BVWD
A/R Aging Summary
As of July 21, 2021

TOTAL		115,824.74	309.77	1,015.45	-31,948.05	85,201.91
TOTAL CREDITS	0.00	-2,359.69	-395.32	-914.90	-42,251.42	-45,921.33
TOTAL DEBITS	0	118,184.43	705.09	1,930.35	10,303.37	131,123.24
TOTAL	0	115,824.74	309.77	1,015.45	-31,948.05	85,201.91

**BEAR VALLEY WATER DISTRICT
RESOLUTION 2022 - 506
AB 361**

**RESOLUTION OF THE GOVERNING BOARD OF THE BEAR VALLEY WATER DISTRICT ("BVWD")
DETERMINING TO CONDUCT MEETINGS USING TELECONFERENCING PURSUANT TO
GOVERNMENT CODE 54953 AS AMENDED BY AB 361 FOR THE PERIOD JULY 25, 2022 TO
AUGUST 24, 2022**

WHEREAS, BVWD is committed to preserving and nurturing public access and participation in its meetings; and

WHEREAS, all meetings of the BVWD Board of Directors are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the BVWD Board of Directors conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), as amended by AB 361 (2021), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the Board meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, on March 4, 2020, the Governor proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

WHEREAS, Cal-OSHA adopted emergency regulations (Section 3205) imposing requirements on California employers, including measures to promote social distancing; and

WHEREAS, Alpine County remains under a Local Health Emergency due to the COVID-19 pandemic, acknowledging that close contact to other persons increases the risk of transmission; and

WHEREAS, currently the dominant strain of COVID-19 in the country is more transmissible than prior variants of the virus, may cause more severe illness, and that even fully vaccinated individuals can spread the virus to others resulting in rapid and alarming rates of COVID-19 cases and hospitalizations, therefore, meeting in person would present imminent risks to the health or safety of attendees.

WHEREAS, on June 16, 2022, the BVWD Board of Directors held a special meeting remotely by teleconference/video conference in accordance with Government Code Section 54953(e) and hereby desires to adopt this resolution in order to continue to use remote teleconference/videoconference for the 30 days thereafter.

NOW, THEREFORE, THE BEAR VALLEY WATER DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Finding of Imminent Risk to Health or Safety of Attendees. The BVWD Board does hereby find that the current dominant strain of COVID-19 in the country is more transmissible than prior variants of the virus, may cause more severe illness, and that even fully vaccinated individuals can spread the virus to others resulting in rapid and alarming rates of COVID-19 cases and hospitalizations has caused, and will continue to cause, conditions of peril to the safety of persons, thereby presenting an imminent risk to health and/or safety to SJJPA's employees and other representatives, and attendees of SJJPA's public meetings; and

Section 3. Teleconference Meetings. The Members of the BVWD Board of Directors do hereby determine as a result of the State of Emergency proclaimed by the Governor, and the recommended measures to promote social distancing made by State and Local officials that BVWD may conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e)(1)(A) and (B) of section 54953, and shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

Section 4. Direction to Staff. The General Manager and BVWD staff are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect July 25, 2022 and cover the period through August 24, 2022.

PASSED AND ADOPTED, by the BVWD this 25TH day of July 2022, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

BEAR VALLEY WATER DISTRICT:

JUDI SILBER, Secretary

JIM BISSELL, President