

## RESOLUTION NO. 2315

### A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTECITO WATER DISTRICT ADOPTING A DIRECTORS' COMPENSATION, EXPENSE REIMBURSEMENT AND BENEFITS POLICY FOR 2026

**WHEREAS**, the Montecito Water District's *Directors' Benefits, Compensation and Expense Reimbursement Policy* (Policy) was last revised on November 19, 2024 and provides guidance to District Directors on the use and expenditure of District resources as well as the standards against which those expenditures will be measured; and

**WHEREAS**, District Ordinance No. 88, adopted September 18, 2007, set the base rate for Directors' compensation at \$100 per day for each day of attendance at meetings in accordance with the Policy and the California Water Code. Ordinance No. 88 established that "For each subsequent calendar year following calendar year 2007, the compensation set forth herein may be increased upon the adoption of a resolution by the Board of Directors authorizing an increase in the compensation paid to each Director in an amount not to exceed the sum of \$5.00 for each calendar year following the last adjustment"; and

**WHEREAS**, beginning in 2009 and periodically thereafter, the District adopted resolutions increasing the base rate for Directors' compensation per day for each day of attendance at meetings in accordance with the Policy. Most recently, the District adopted Resolution No. 2289 on November 19, 2024, which increased the base rate for Directors' compensation to \$190 per day for each day of attendance at meetings in accordance with the Policy; and

**WHEREAS**, the Board of Directors seeks to update the *Directors' Benefits, Compensation, and Expense Reimbursement Policy*. The annual review of the Policy is intended to ensure that Director compensation and benefits remain competitive and appropriate for the services provided and allows the District to attract and retain highly qualified Directors with diverse skills and backgrounds.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Montecito Water District as follows:

1. Resolution No. 2289 updating Director compensation for 2025 is hereby repealed entirely and replaced with Resolution No. 2315.
2. That the adoption of this Resolution is not subject to the California Environmental Quality Act because it will not result in a direct or reasonably foreseeable indirect physical change in the environment pursuant to CEQA Guidelines section 15060(c)(2).
3. **Director Compensation**
  - a. Compensation will be paid to Directors for:
    - i. Attendance at meetings including:
      1. District Board and Committee meetings including Ad hoc Committees.
      2. Meetings of Joint Powers Agencies of which the District is a member,

and meetings of other agencies to which the Director is assigned as the District representative or the alternate representative.

3. Orientation meetings for the District, Joint Powers Agencies or other agencies when a new Director is assigned as the District representative or the alternate representative.
  4. Meetings with management, staff and/or legal counsel of the District concerning District-related matters that are more than 30 minutes in length.
  5. Conferences including but not limited to ACWA, CSDA and CalDesal.
  6. Meetings with lobbyists or other professional consultants of the District.
  7. Meetings with local, regional, state, and federal government representatives and community and non-governmental organizations on District-related matters.
- ii. Attendance at mandatory and/or approved trainings (in person or remote) related to District business, including independent study in connection with trainings that are more than 30 minutes in length.
  - iii. Attendance at hearings, including administrative and judicial proceedings, concerning District-related matters.
  - iv. Communications, written or verbal, with management, staff and/or legal counsel of the District, or Joint Powers Agencies or other agencies of which the District is a member, concerning District-related matters that require more than 30 minutes for preparation and/or review.
  - v. Communications, written or verbal, with local, regional, state, and federal government, and other non-governmental organizations on District-related matters requiring more than 30 minutes for preparation and/or review.
  - vi. Performance of other activities required by the District or Joint Powers Agencies or other agencies of which the District is a member, such as review and approval of financial transactions, and state and federal annual filings, requiring more than 30 minutes.
  - vii. Other functions authorized by the Board President with the amounts of any such authorization by the Board President to be included in District financial reporting at an open and public Board meeting and approved by the Board.
- b. Director compensation is limited to payment for one meeting per day for the District or any agency sharing the same Board of Directors as the District, and no more than ten meetings per month per agency pursuant to Water Code §20201 and §20202.
  - c. The rate of Director compensation is set by the Board in accordance with state law and annual Board resolution. Beginning January 1, 2026, Director compensation

is increased by the sum of \$5 (five dollars) from the current \$190 to \$195 per day for each day of attendance at meetings in accordance with Ordinance 88.

- d. Compensation will not be paid to the Director when attendance is compensated by another agency.
- e. Compensation for one travel day each way will be allowed, but only if required for distant location or timeliness.

#### **4. Expense Reimbursements**

- a. Expenses will be paid for attendance at the meetings, trainings, conferences and other functions as described in Section 3.
- b. Directors will be reimbursed for those actual, reasonable, and necessary expenses related to the District business specified herein, and for the benefit of District customers.
- c. Reimbursement will be limited to those expenses incurred by Directors only and do not include additional expenses for spouses, family members, or guests. Exception will be made if another person is necessary to provide essential support necessary to a Director due to a specific recognized handicap or physical limitation.
- d. Where expenses are not included in the registration cost of an authorized event or activity, reimbursement of actual expenses will be in accordance with the limits set forth below:
  - i. Incidental Expenses: Expenses for alcoholic beverages, entertainment, personal phone calls and other personal incidental expenses will not be reimbursed.
  - ii. Travel: Reimbursement will be provided only for the expense equivalent to the most economical mode and class of transportation reasonably consistent with scheduling requirements. The actual mode of travel will be at the option of the Director.
    - 1. Mileage: If travel involves the use of a personal vehicle, mileage will be reimbursed at the current IRS rate.
    - 2. Air Travel: The District will pay for the actual cost of air travel. The District will endeavor to book air travel in consultation with the Director and pay the cost of air travel directly.
    - 3. Travel outside of California must have prior Board approval.
  - iii. Meals: Meals will be reimbursed based upon actual cost and submittal of itemized receipts.
  - iv. Lodging: The District will pay for the actual cost of lodging. The most reasonable cost room should be chosen. The District will endeavor to book lodging in consultation with Directors and pay the lodging costs directly.

- v. District-Related Incidental Costs: District-related phone calls or photocopying will be reimbursed based upon actual costs and submittal of receipts.
- vi. The District will not issue District credit cards or cell phones for use by any Director.
- e. Reimbursement Procedure:
  - i. Expenses will be reimbursed by the District in accordance with these rules within two weeks of submission to the General Manager on the Director's fee and/or expense reimbursement form. [Government Code §53232.3].
  - ii. All compensation and reimbursement paid to Directors will be included on the next check register to be reviewed and ratified by the Board at the succeeding Board meeting.
  - iii. At the next Board meeting after expenses are incurred, Directors shall briefly report on meetings they attended at District expense. If multiple Directors attend, a joint report may be made. [Government Code §53232.3]

#### **5. Director Benefits**

Medical and retirement benefits are not available to Directors at this time.

**PASSED AND ADOPTED** by the Board of Directors of the Montecito Water District this 18 day of November 2025 by the following roll call vote:


AYES: Coates, Goebel, Plough, Wicks

NOES: Hayman

ABSENT:

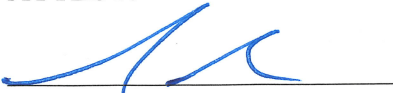
ABSTAIN:

APPROVED:



Kenneth Coates, Board President

ATTEST:



Nicholas Turner, Secretary