

# **SAN GORGONIO PASS WATER AGENCY**

1210 Beaumont Ave, Beaumont, CA 92223

Board Finance & Budget Workshop

Agenda

March 27, 2017, at 4:00 p.m.

**1. Call to Order, Flag Salute**

**2. Adoption and Adjustment of Agenda**

**3. Public Comment**

Members of the public may address the Board at this time concerning items not on the agenda. To comment on specific agenda items, please complete a speaker's request form and hand it to the Board secretary.

**4. New Business (Discussion and possible recommendations for action at a future regular Board meeting)**

- A. Ratification of Paid Invoices and Monthly Payroll for February, 2017 by Reviewing Check History Reports in Detail\*
- B. Review of Pending Legal Invoices\*
- C. Review of February, 2017 Bank Reconciliation\*
- D. Review of Budget Report for February, 2017\*
- E. Review of Agency Credit Card Policy\*
- F. Status Report on Agency Water Rate

**5. Announcements**

- A. Water Conservation and Education Committee, March 31, 2017, 1:30 p.m.
- B. Regular Board Meeting, April 3, 2017, 7:00 pm
- C. Engineering Workshop, April 10, 2017, 4:00 pm

**6. Adjournment**

\*Information Included In Agenda Packet

1. Materials related to an item on this agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Agency's office at 1210 Beaumont Ave., Beaumont, CA 92223 during normal business hours. 2. Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Agency's office, during regular business hours. When practical, these public records will also be available on the Agency's Internet website, accessible at <http://www.sgpwa.com>. 3. Any person with a disability who requires accommodation in order to participate in this meeting should telephone the Agency (951-845-2577) at least 48 hours prior to the meeting to make a request for a disability-related modification or accommodation.

**San Gorgonio Pass Water Agency**  
**Check History Report**  
February 1 through February 28, 2017

ACCOUNTS PAYABLE
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Date	Number	Name	Amount
02/06/2017	118320	ACWA BENEFITS	748.93
02/06/2017	118321	BDL ALARMS, INC.	78.00
02/06/2017	118322	BEST BEST & KRIEGER	22,666.31
02/06/2017	118323	HEEMSTRA SIGNS	145.00
02/06/2017	118324	ROY McDONALD	2,995.01
02/06/2017	118325	OFFICE SOLUTIONS	294.72
02/06/2017	118326	PROVOST & PRITCHARD	2,408.98
02/06/2017	118327	CHERYLE M. RASMUSSEN	1,090.00
02/06/2017	118328	UNDERGROUND SERVICE ALERT	7.50
02/06/2017	118329	UNLIMITED SERVICES BUILDING MAINT.	295.00
02/06/2017	118330	WASTE MANAGEMENT INLAND EMPIRE	94.80
02/13/2017	118331	ALBERT WEBB ASSOCIATES	1,147.60
02/13/2017	118332	CHERRY VALLEY CHAMBER OF COMMERCE	25.00
02/13/2017	118333	CITROGRAPH PRINTING COMPANY	107.75
02/13/2017	118334	FRONTIER COMMUNICATIONS	1,202.95
02/13/2017	118335	GOPHER PATROL	48.00
02/13/2017	118336	JON'S FLAGS & POLES, INC.	610.94
02/13/2017	118337	KENNEDY JENKS CONSULTANTS	4,212.00
02/13/2017	118338	THE RECORD-GAZETTE	579.50
02/13/2017	118339	SOUTHERN CALIFORNIA GAS	161.02
02/13/2017	118340	LEONARD C. STEPHENSON	534.95
02/13/2017	118341	WELLS FARGO REMITTANCE CENTER	1,928.19
02/15/2017	118342	CALPERS RETIREMENT	4,636.47
02/15/2017	118343	CALPERS 457-SIP	1,150.00
02/22/2017	118344	CALPERS HEALTH	7,746.27
02/22/2017	118345	DAN LYMAN CONSTRUCTION	481.89
02/22/2017	118346	DAVID TAUSSIG & ASSOCIATES, INC.	6,887.50
02/22/2017	118347	INCONTACT, INC.	169.60
02/22/2017	118348	PROVOST & PRITCHARD	3,555.00
02/22/2017	118349	SAN BERNARDINO VALLEY MUNI WATER DISTRICT	349,407.25
02/22/2017	118350	THOMAS W. TODD, JR.	1,142.87
02/24/2017	118351	AT&T MOBILITY	256.21
02/24/2017	118352	MATTHEW PISTILLI LANDSCAPE SERVICES	325.00
02/24/2017	118353	SOUTHERN CALIFORNIA EDISON	139.07
02/27/2017	118354	CALPERS 457-SIP	1,150.00
02/27/2017	118355	STANDARD INSURANCE COMPANY	420.90
02/15/2017	503196	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,073.48
02/15/2017	522124	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	6,125.22
02/27/2017	557903	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,030.19
02/27/2017	583191	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	7,266.85
02/28/2017	900132	DEPARTMENT OF WATER RESOURCES	429,745.00
TOTAL ACCOUNTS PAYABLE CHECKS			864,090.92

**San Gorgonio Pass Water Agency**  
**Check History Report**  
February 1 through February 28, 2017

PAYROLL
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<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
02/14/2017	801328	JEFFREY W. DAVIS	4,428.03
02/14/2017	801329	KENNETH M. FALLS	3,029.39
02/14/2017	801330	CHERYLE M. RASMUSSEN	2,117.51
02/14/2017	801331	THOMAS W. TODD, JR.	3,286.77
02/26/2017	801332	BLAIR M. BALL	816.19
02/26/2017	801333	DAVID J. CASTALDO	1,167.90
02/26/2017	801334	JEFFREY W. DAVIS	4,428.03
02/26/2017	801335	RONALD A. DUNCAN	1,167.90
02/26/2017	801336	KENNETH M. FALLS	2,943.44
02/26/2017	801337	DAVID L. FENN	1,167.90
02/26/2017	801338	STEPHEN J. LEHTONEN	934.32
02/26/2017	801339	CHERYLE M. RASMUSSEN	2,117.51
02/26/2017	801340	LEONARD C. STEPHENSON	1,167.90
02/26/2017	801341	MICHAEL D. THOMPSON	1,167.90
02/26/2017	801342	THOMAS W. TODD, JR.	3,366.77
TOTAL PAYROLL			33,307.46
TOTAL DISBURSEMENTS FOR FEBRUARY, 2017			897,398.38

**SAN GORGONIO PASS WATER AGENCY**

**LEGAL INVOICES  
ACCOUNTS PAYABLE INVOICE LISTING**

<u>VENDOR</u>	<u>INVOICE NBR</u>	<u>COMMENT</u>	<u>AMOUNT</u>
BEST, BEST & KRIEGER	170228	LEGAL SERVICES FEB17	17,929.34

TOTAL PENDING INVOICES FOR FEBRUARY 2017

17,929.34

**SAN GORGONIO PASS WATER AGENCY  
BANK RECONCILIATION  
February 28, 2017**

BALANCE PER BANK AT 02/28/2017 - CHECKING ACCOUNT 225,976.93

LESS OUTSTANDING CHECKS

<u>CHECK NUMBER</u>	<u>AMOUNT</u>	<u>CHECK NUMBER</u>	<u>AMOUNT</u>
118336	610.94	118354	1,150.00
118345	481.89	118355	420.90
		EDD	1,030.19
		EFTPS	7,266.85
	<u>1,092.83</u>		<u>9,867.94</u>

TOTAL OUTSTANDING CHECKS (10,960.77)

BALANCE PER GENERAL LEDGER 215,016.16

BALANCE PER GENERAL LEDGER AT 01/31/2017 227,233.55

CASH RECEIPTS FOR FEBRUARY 685,180.99

CASH DISBURSEMENTS FOR FEBRUARY

ACCOUNTS PAYABLE - CHECK HISTORY REPORT (864,090.92)


NET PAYROLL FOR FEBRUARY (33,307.46) (897,398.38)

BANK CHARGES -

TRANSFER FROM WELLS FARGO 200,000.00

BALANCE PER GENERAL LEDGER AT 02/28/2017 215,016.16

REPORT PREPARED BY:

  
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 Cheryl Resmussen

**SAN GORGONIO PASS WATER AGENCY  
DEPOSIT RECAP  
FOR THE MONTH OF FEBRUARY 2017**

<u>DATE</u>	<u>RECEIVED FROM</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>TOTAL DEPOSIT AMOUNT</u>
<b>DEPOSIT TO CHECKING ACCOUNT</b>				
2/6/17	STATE OF CALIF/DWR	OAP TRUE-UP 2000-2013	15,613.00	15,613.00
2/6/17	ANTELOPE VALLEY EKWA	EAST BRANCH MEETINGS	2,000.00	2,000.00
2/17/17	RIVERSIDE COUNTY	PROPERTY TAXES	171,998.92	171,998.92
2/17/17	RIVERSIDE COUNTY	PROPERTY TAXES	43,681.39	43,681.39
2/21/17	BCVWD	WATER SALES	356,942.00	356,942.00
2/22/17	YVWD	WATER SALES	10,302.06	10,302.06
2/22/17	CITY OF BANNING	WATER SALES	55,475.00	55,475.00
2/28/17	TVI	CD - BOND INTEREST	29,168.62	29,168.62
TOTAL FOR FEBRUARY 2017			685,180.99	685,180.99

**SAN GORGONIO PASS WATER AGENCY**  
**BUDGET REPORT FY 2016-17**  
**BUDGET VS. REVISED BUDGET VS. ACTUAL**  
**FOR THE EIGHT MONTHS ENDING ON FEBRUARY 28, 2017**

FOR THE FISCAL YEAR JULY 1, 2016 - JUNE 30, 2017

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
<b>GENERAL FUND - INCOME</b>					Compare: 33%
<b>INCOME</b>					
WATER SALES	3,993,000		3,993,000	2,842,024.93	28.82%
TAX REVENUE	2,240,000		2,240,000	1,360,017.70	39.28%
INTEREST	64,000		64,000	72,264.35	-12.91%
CAPACITY FEE	0		0	0.00	0.00%
GRANTS	0		0	0.00	0.00%
OTHER (REIMBURSEMENTS, TRANSFERS)	69,000		69,000	45,601.14	33.91%
<b>TOTAL GENERAL FUND INCOME</b>	<b>6,366,000</b>	<b>0</b>	<b>6,366,000</b>	<b>4,319,908.12</b>	<b>32.14%</b>
<b>GENERAL FUND - EXPENSES</b>					
<b>COMMODITY PURCHASE</b>					
PURCHASED WATER	3,875,000		3,875,000	2,004,540.30	48.27%
<b>TOTAL COMMODITY PURCHASE</b>	<b>3,875,000</b>	<b>0</b>	<b>3,875,000</b>	<b>2,004,540.30</b>	<b>48.27%</b>
<b>SALARIES AND EMPLOYEE BENEFITS</b>					
SALARIES	431,000		431,000	287,675.30	33.25%
PAYROLL TAXES	39,000		39,000	23,430.91	39.92%
RETIREMENT	108,000		108,000	75,573.97	30.02%
OTHER POST-EMPLOYMENT BENEFITS (OPEB)	23,000		23,000	16,860.96	26.69%
HEALTH INSURANCE	52,000		52,000	40,375.33	22.36%
DENTAL INSURANCE	4,500		4,500	3,217.68	28.50%
LIFE INSURANCE	1,100		1,100	928.62	15.58%
DISABILITY INSURANCE	4,500		4,500	2,961.98	34.18%
WORKERS COMP INSURANCE	3,700		3,700	1,739.00	53.00%
SGPWA STAFF MISC. MEDICAL	10,000		10,000	4,454.67	55.45%
EMPLOYEE EDUCATION	1,000		1,000	0.00	100.00%
<b>TOTAL SALARIES AND EMPLOYEE BENEFITS</b>	<b>677,800</b>	<b>0</b>	<b>677,800</b>	<b>457,218.42</b>	<b>32.54%</b>

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**SAN GORGONIO PASS WATER AGENCY**  
**BUDGET REPORT FY 2016-17**  
**BUDGET VS. REVISED BUDGET VS. ACTUAL**  
**FOR THE EIGHT MONTHS ENDING ON FEBRUARY 28, 2017**

FOR THE FISCAL YEAR JULY 1, 2016 - JUNE 30, 2017

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
<b>GENERAL FUND - EXPENSES</b>					Compare: 33%
<b>ADMINISTRATIVE &amp; PROFESSIONAL</b>					
<b>DIRECTOR EXPENDITURES</b>					
DIRECTORS FEES	105,000		105,000	65,898.94	37.24%
DIRECTORS TRAVEL & EDUCATION	20,000		20,000	3,384.08	83.08%
DIRECTORS MISC. MEDICAL	32,000		32,000	10,324.67	67.74%
<b>OFFICE EXPENDITURES</b>					
OFFICE EXPENSE	18,000		18,000	12,708.36	29.40%
POSTAGE	1,000		1,000	530.05	47.00%
TELEPHONE	10,000		10,000	6,984.70	30.15%
UTILITIES	5,000		5,000	3,074.81	38.50%
<b>SERVICE EXPENDITURES</b>					
COMPUTER, WEB SITE AND PHONE SUPPORT	9,000		9,000	1,704.50	81.06%
GENERAL MANAGER & STAFF TRAVEL	20,000		20,000	11,902.55	40.49%
INSURANCE & BONDS	23,000		23,000	19,692.00	14.38%
ACCOUNTING & AUDITING	22,000		22,000	21,301.17	3.18%
STATE WATER CONTRACT AUDIT	5,000		5,000	5,012.00	-0.24%
DUES & ASSESSMENTS	29,000		29,000	29,902.50	-3.11%
SPONSORSHIPS	8,000		8,000	1,000.00	87.50%
OUTSIDE PROFESSIONAL SERVICES	650		650	650.00	0.00%
BANK CHARGES	1,600		1,600	915.03	42.81%
MISCELLANEOUS EXPENSES	1,000		1,000	2.79	99.72%
<b>MAINTENANCE &amp; EQUIPMENT EXPENDITURES</b>					
TOOLS PURCHASE & MAINTENANCE	3,500		3,500	28.38	99.19%
VEHICLE REPAIR & MAINTENANCE	9,000		9,000	4,009.53	55.45%
MAINTENANCE & REPAIRS - BUILDING	11,000		11,000	10,779.21	2.01%
MAINTENANCE & REPAIRS - FIELD	6,500		6,500	2,819.77	56.62%
CONTRACT OPERATIONS AND MAINTENANCE	150,000		150,000	65,837.80	56.11%
<b>COUNTY EXPENDITURES</b>					
LAFCO COST SHARE	5,000		5,000	4,440.49	11.19%
ELECTION EXPENSE	175,000		175,000	0.00	100.00%
TAX COLLECTION CHARGES	9,500		9,500	7,655.16	19.42%
<b>TOTAL ADMINISTRATIVE &amp; PROFESSIONAL</b>	<b>679,750</b>	<b>0</b>	<b>679,750</b>	<b>290,558.49</b>	<b>57.26%</b>



**SAN GORGONIO PASS WATER AGENCY**  
**BUDGET REPORT FY 2016-17**  
**BUDGET VS. REVISED BUDGET VS. ACTUAL**  
**FOR THE EIGHT MONTHS ENDING ON FEBRUARY 28, 2017**

FOR THE FISCAL YEAR JULY 1, 2016 - JUNE 30, 2017

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
<b>GENERAL FUND - EXPENSES</b>					Compare: 33%
<b>GENERAL ENGINEERING</b>					
RECHARGE					
B.A.R.F. DESIGN + CONSTRUCTION					
B.A.R.F. ENVIRONMENTAL MITIGATION					
FERC/FLUME					
FLUME SUPPORT	40,000		40,000	32,194.58	19.51%
NEW WATER					
PROGRAMATIC EIR	75,000		75,000	0.00	100.00%
UPDATED STUDY ON AVAILABLE SOURCES	45,000		45,000	21,461.45	52.31%
SITES RESERVOIR	300,000		300,000	0.00	100.00%
BCVWD CONNECTION					
ENGINEERING	30,000		30,000	5,200.00	82.67%
CEQA	15,000		15,000	1,147.60	92.35%
INTEGRATED REGIONAL WATER MANAGEMENT PLAN (IRWMP)	5,000		5,000	0.00	100.00%
SGMA SUPPORT	15,000		15,000	0.00	100.00%
STUDIES					
USGS	100,000		100,000	101,829.04	-1.83%
WATER RATE NEXUS STUDY	50,000		50,000	0.00	100.00%
WATER RATE FINANCIAL MODELING	30,000		30,000	6,887.50	77.04%
CAPACITY FEE NEXUS STUDY UPDATE	0		0	0.00	0.00%
SUPPORT - CAPACITY FEE & AGREEMENTS	0		0	0.00	0.00%
UPDATED UWMP	10,000		10,000	37,119.05	-271.19%
OTHER PROJECTS					
BASIN MONITORING TASK FORCE	21,000		21,000	20,180.00	3.90%
BUNKER HILL CONJUNCTIVE USE PROJECT	20,000		20,000	0.00	100.00%
GENERAL AGENCY - CEQA AND GIS SERVICES	35,000		35,000	32,556.70	6.98%
<b>TOTAL GENERAL ENGINEERING</b>	<b>791,000</b>	<b>0</b>	<b>791,000</b>	<b>258,575.92</b>	<b>67.31%</b>

**SAN GORGONIO PASS WATER AGENCY  
BUDGET REPORT FY 2016-17  
BUDGET VS. REVISED BUDGET VS. ACTUAL  
FOR THE EIGHT MONTHS ENDING ON FEBRUARY 28, 2017**

FOR THE FISCAL YEAR JULY 1, 2016 - JUNE 30, 2017

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
<b>GENERAL FUND - EXPENSES</b>					Compare: 33%
<b>LEGAL SERVICES</b>					
LEGAL SERVICES - GENERAL	175,000		175,000	139,140.70	20.49%
<b>TOTAL LEGAL SERVICES</b>	175,000	0	175,000	139,140.70	20.49%
<b>CONSERVATION &amp; EDUCATION</b>					
SCHOOL EDUCATION PROGRAMS	10,000		10,000	0.00	100.00%
ADULT EDUCATION PROGRAMS	5,000		5,000	0.00	100.00%
OTHER CONSERVATION, EDUCATION AND P. R.	20,000	15,000	35,000	21,263.87	39.25%
<b>TOTAL CONSERVATION &amp; EDUCATION</b>	35,000	15,000	50,000	21,263.87	57.47%
<b>GENERAL FUND CAPITAL EXPENDITURES</b>					
BUILDING	15,000		15,000	0.00	100.00%
FURNITURE & OFFICE EQUIPMENT	5,000		5,000	0.00	100.00%
OTHER EQUIPMENT	0		0	0.00	0.00%
TRANSPORTATION EQUIPMENT	37,000		37,000	0.00	100.00%
MT. VIEW TURNOUT + B.A.R.F. CONSTRUCTION	0		0	31,125.01	
SBVMWD PIPELINE CAPACITY PURCHASE	330,000		330,000	0.00	100.00%
<b>TOTAL GENERAL FUND CAPITAL EXPENDITURES</b>	387,000	0	387,000	31,125.01	91.96%
<b>TRANSFERS TO OTHER FUNDS</b>	0	0	0	0.00	
<b>TOTAL GENERAL FUND EXPENSES</b>	6,620,550	15,000	6,635,550	3,202,422.71	51.74%
<b>TRANSFERS FROM RESERVES</b>	300,000		300,000		
<b>TOTAL TRANSFERS FROM RESERVES</b>	300,000	0	300,000	0	
<b>GENERAL FUND NET INCOME YEAR TO DATE</b>	45,450	-15,000	30,450	1,117,485.41	

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**SAN GORGONIO PASS WATER AGENCY**  
**BUDGET REPORT FY 2016-17**  
**BUDGET VS. REVISED BUDGET VS. ACTUAL**  
**FOR THE EIGHT MONTHS ENDING ON FEBRUARY 28, 2017**

FOR THE FISCAL YEAR JULY 1, 2016 - JUNE 30, 2017

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
<b>DEBT SERVICE FUND - INCOME</b>					Compare: 33%
<b>INCOME</b>					
TAX REVENUE	19,350,000		19,350,000	11,441,513.63	40.87%
INTEREST	170,000		170,000	190,945.03	-12.32%
GRANTS	0		0	0.00	0.00%
DWR CREDITS - BOND COVER, OTHER	3,170,000		3,170,000	1,852,756.66	41.55%
<b>TOTAL DEBT SERVICE FUND INCOME</b>	<b>22,690,000</b>	<b>0</b>	<b>22,690,000</b>	<b>13,485,215.32</b>	<b>40.57%</b>
<b>DEBT SERVICE FUND - EXPENSES</b>					
<b>EXPENSES</b>					
SALARIES	52,000		52,000	36,154.28	30.47%
PAYROLL TAXES	4,000		4,000	2,765.75	30.86%
BENEFITS	28,000		28,000	18,952.75	32.31%
SWC CONTRACTOR DUES	33,000		33,000	40,558.00	-22.90%
STATE WATER CONTRACT PAYMENTS	18,600,000		18,600,000	12,400,475.00	33.33%
PURCHASED WATER	5,000		5,000	394.00	92.12%
STATE WATER PROJECT LEGAL SERVICES	0		0	0.00	0.00%
USGS	0		0	0.00	0.00%
CONTRACT OPERATIONS AND MAINTENANCE	120,000		120,000	86,436.92	27.97%
SWP ENGINEERING	30,000		30,000	93,717.31	-212.39%
DEBT SERVICE UTILITIES	10,000		10,000	6,797.33	32.03%
TAX COLLECTION CHARGES	60,000		60,000	43,406.19	27.66%
<b>TOTAL DEBT SERVICE FUND EXPENSES</b>	<b>18,942,000</b>	<b>0</b>	<b>18,942,000</b>	<b>12,729,657.53</b>	<b>32.80%</b>
<b>TRANSFERS FROM RESERVES</b>			<b>0</b>	<b>0.00</b>	
<b>DEBT SERVICE NET INCOME YEAR TO DATE</b>	<b>3,748,000</b>	<b>0</b>	<b>3,748,000</b>	<b>755,557.79</b>	

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# San Gorgonio Pass Water Agency

## Credit Card Policy

August 2009

This policy supersedes and rescinds all previous credit card policies, rules, or regulations adopted by the San Gorgonio Pass Water Agency Board of Directors.

### **Preamble**

This policy is not intended to be a comprehensive set of rules for all issues related to Agency travel and meals. It is intended to cover the use of Agency credit cards by Directors and Staff. Specific issues related to travel are covered in a separate Board of Directors Travel and Expense Reimbursement Policy. In the event of a conflict between this policy and the Travel and Expense Reimbursement Policy, the Travel and Expense Policy will take precedence.

### **I. Purpose**

This policy applies to all Agency credit cards issued to board members or staff members and is intended to ensure that Agency credit cards are not abused or utilized in any way for personal gain.

### **II. Authorized Cards**

Those authorized to have Agency credit cards are all directors, the General Manager, and the Operations and Maintenance Manager.

### **III. Use of Agency Credit Cards**

1. Credit cards are issued for Agency business and, except in cases of personal, medical, or family emergencies, are not to be used for personal purchases. In the rare case of a personal item being included on a larger bill (such as a spouse attending a conference or a movie included in a hotel bill) such charges shall be reimbursed to the Agency prior to the credit card payment being made, unless the expenditure is a bona fide emergency. The Finance Manager is responsible for notifying the cardholder what charges need to be reimbursed to the Agency.
2. Agency credit cards are not to be used as an alternate method of procurement to avoid a bidding process or in any way to circumvent the Agency's Procurement Policy.
3. Agency credit cards issued to Board members are to be used only for Agency related travel, registration for appropriate seminars or conferences, Agency related business meals, or purchase of educational materials related to water issues. Travel includes air travel, rental car, taxi, bus, train, use of a local transportation system, lodging, meals, airport parking, fuel for rental cars, conference registration, tips, and incidentals.
4. Hotel bills incurred while on Agency business paid with Agency credit cards will be paid by the Agency. However the following costs will not be paid for by the Agency: in-room movies, visits to a hotel spa, or other charges considered

personal or extravagant. Room service (for the cardholder only), wireless internet charges, tips, and incidentals will be paid by the Agency.

5. Agency credit cards issued to the General Manager and the Operations and Maintenance Manager are generally to be used for travel or items related to managing the day-to-day affairs of the Agency. This includes, but is not limited to, the following:
  - a. Tools
  - b. Operating expenses
  - c. Office expenses
  - d. Copies
  - e. Vehicle maintenance, including fuel
  - f. Agency related travel, including air travel, rental car, taxi, bus, train, use of a local transportation system, lodging, meals, airport parking, conference registration, tips, and incidentals. See above for restrictions on hotel charges.
  - g. Business meals not related to travel (see IV. below for restrictions)
6. When a credit card is used for air travel and a flight is booked online, a confirmation form for the flight(s) shall be sufficient as a receipt. When a credit card is used to purchase any product online, an emailed receipt shall be sufficient.
7. Agency credit cards may only be used to purchase "coach" class tickets, if available, unless authorization is given in advance by the Board. Without advance authorization from the Board, any flight booked at any rate above "coach," if available, requires the cardholder to reimburse the Agency for the difference between "coach" class and the class purchased.

#### **IV. Meals**

1. It is the intent of the Board in adopting this policy that business meals paid for with Agency credit cards will be infrequent.
2. Agency Credit cards may be used occasionally for business meals. However, receipts for meals where non-Agency personnel are present must include the names of all individuals present and the nature of the meeting.
3. Under no circumstances can alcohol charged to an Agency credit card be reimbursed by the Agency. This applies to any purchase of alcohol, whether for a meal or any other reason.

#### **V. Reporting**

1. All receipts must be turned in to the Finance Manager accompanied by an Expense Reimbursement form. The form must list the date, purpose of the charge, vendor, and amount charged.
2. If a receipt is not turned in, the Finance Manager shall request a copy of the receipt from the cardholder, and every effort shall be made to obtain the original receipt or a copy thereof. The Finance and Budget Committee is not required to authorize payment for any Agency credit card expenditure that does not include a receipt.

## **VI. Payment**

1. The Finance Manager shall ensure that all Agency credit cards will be paid in full each month in order to avoid paying finance or late charges. The General Manager will review all credit card bills prior to approving them for payment. Approval by the General Manager does not necessarily mean that all costs on the bill will be paid for by the Agency (see below).
2. Because of the payment schedule, it is unlikely that the Board will be able to authorize payment in advance for credit card bills.
3. The Finance Manager will prepare a summary report each month of all charges for each credit card, with totals for the various accounting designations.
4. This report will be made available to the Finance and Budget Committee each month for ratification.
5. It is the responsibility of the Finance and Budget Committee to review all credit card bills, receipts, and payments each month and to require reimbursement from the cardholder for items deemed by the Committee to be inconsistent with this policy or, at its discretion, for items that do not include a receipt. It is the responsibility of the Finance Manager to bring potential inconsistencies to the attention of the Committee.
6. If the cardholder and the Committee disagree as to the expense being consistent with this Policy, the Agency Board of Directors will make the decision at a regular meeting where the item is properly agendaized.

## **VII. Loss of Card**

If an Agency credit card is lost, it is the responsibility of the cardholder to notify the issuer of the credit card and the Finance Manager within one business day. The Finance Manager shall cancel the credit card immediately and order a new one for the cardholder. Any items purchased with a lost credit card that are not credited by the card issuer are the responsibility of the cardholder, if the loss is not reported within one business day.

## **VIII. Cancellation**

1. It is the responsibility of the Finance Manager to cancel credit cards for Board members when their term expires.
2. It is the responsibility of the Finance Manager to cancel credit cards for the General Manager or Operations and Maintenance Manager upon separation from the Agency.
3. The Board can authorize the cancellation of any credit card to a Board member or staff member upon a majority vote. Such a vote can only take place after having been presented evidence of systematic abuse of this policy on the part of the cardholder.

## **IX. Credit Card Records**

All credit card records will be kept with Agency accounting records, and retained for the period of time prescribed for such records in accordance with government regulations and generally accepted accounting practices.