

DIRECTORS' COMPENSATION POLICY

1. PURPOSE

- A. Directors in their role of providing governance for the El Toro Water District ("District") are required to:
 - 1. Attend regular, special and committee meetings of the Board of Directors ("Board");
 - 2. Perform assigned duties and responsibilities, as officers;
 - 3. Represent the District at industry and community events; and
 - 4. Attend industry specific conferences and educational events.
- B. The El Toro Water District ("District") shall adhere to Government Code Sections 53232 through 53232.4 when dealing with issues of director remuneration and reimbursement.
- C. The Directors' Compensation Policy shall be reviewed annually at the December meeting of the Board of Directors.

2. QUALIFIED EVENTS

Subject to the District's enabling statutes, attendance at the following qualifies a Director to be eligible to receive compensation.

- A. A meeting of the District's Board of Directors;
- B. A meeting of a Committee of the District's Board of Directors to which the Director has been assigned;
- C. A conference or organized educational activity (subject to the prior approval of the President or Board) conducted in compliance with Government Code Section 54952.2(c), including but not limited to ethics training required by Government Code Section 53234.
- D. Official Business Representing the District (subject to the prior approval of the President or Board) at the following non-exclusive functions and activities:
 - 1. South Orange County Wastewater Authority Board of Directors (SOCWA)
 - 2. SOCWA Finance Committee
 - 3. Santiago Aqueduct Commission (SAC)
 - 4. MWDOC Board Meeting
 - 5. MWDOC Administration & Finance Committee Meeting
 - 6. MWDOC Planning & Operations Committee Meeting
 - 7. MWDOC MET Directors Workshop

8. MWDOC Elected Officials Forum
9. MWDOC/OCWD Joint Planning Committee Meeting
10. MWDOC Policy Forum Events
11. Metropolitan Water District Inspection Trips to the State Water Project or Colorado River
12. Local Agency Formation Commission (LAFCO)
13. Water Advisory Committee of Orange County (WACO)
14. Independent Special Districts of Orange County (ISDOC) Quarterly Luncheon
15. ISDOC Executive Committee
16. Laguna Woods Village "Village Television" Appearances
17. Orange County Water Association (OCWA) Luncheon Events
18. WaterReuse of Orange County Luncheon Meetings
19. Joint Powers Insurance Authority
20. South OC Watershed Management Area Executive Committee
21. South Orange County Agencies Group Meeting
22. So Cal Water Committee
23. South Orange County Economic Coalition
24. Chamber of Commerce Events in the Chambers for the 5 Cities Served by the District
25. City Council Meetings in the 5 Cities served by the District at which there is an agenda item relevant to the District
26. Meetings between Board President, Vice President and District General Manager or Attorney
27. Community Advisory Group Meetings
28. Supervisor/Congressperson Meetings in the Areas Served by the District
29. Association of California Water Agencies (ACWA) Committees
30. ACWA Region 10 Events
31. Other functions defined in the "Board/Staff Organizational and Standing Committee Assignments" as periodically revised and adopted by Resolution of the Board of Directors

- E. Other functions and activities determined on an Ad Hoc basis as being beneficial to the District as approved by the Board President or the Board.

3. COMPENSATION

- A. When serving in the above capacity a Director shall receive a per diem compensation as established by Ordinance No. 2025-1 of the District for "each day" so served, at the request of the Board. Only one per diem compensation will be paid for each calendar day (regardless of the number of meetings or events attended on a calendar day) up to the maximum number of days permitted by the District's Ordinance No. 2025-1 (which presently is set at 10 in any calendar). Attendance at meetings and conferences shall be deemed to have been rendered "at the request of the Board" if:

1. The Director's attendance is requested through posting of a notice of a District meeting;
 2. The Director's attendance is requested by the President of the Board; or
 3. The Director's attendance is approved by Board action at a regular or special meeting of the Board of Directors.
- B. Directors shall submit their compensation report form to the District office within the first week of each month for the prior month. The Board President or the General Manager will approve and sign director compensation forms before payment can be processed. The Board President's compensation Form shall be approved by the General Manager or Assistant General Manager.
- C. It is against the law to falsify compensation reports. Penalties for misuse of public resources or violating this policy may include, but are not limited to, the following:
1. Restitution to the District;
 2. Civil penalties for misuse of public resources pursuant to Government Code Section 8314; and
 3. Prosecution for misuse of public resources, pursuant to Section 424 of the Penal Code, penalties for which include 2, 3 or 4 years in prison.
- D. In the event of a dispute or misunderstanding regarding compensation, the matter shall be reviewed by two members of the Board appointed by the Board (other than the Board member whose account is being questioned) and their findings and recommendations will be transmitted to the Board for a determination. The Board determination shall be final.
- E. Changes in the compensation of Board members will require the approval of the Board during a noticed public hearing of the Board held at least 60 days prior to the effective date of the change, no more than once in any twelve-month period.