

**LOS TRANCOS COUNTY WATER DISTRICT
NOTICE OF SPECIAL PUBLIC MEETING**

Thursday, September, 2010 7:30 PM-10:30PM

**Room 1001
Corte Madera School
4575 Alpine Road
Portola Valley, CA**

AGENDA

- 0) **Appointment of New Recording Secretary** – Krenz & Sherman (5 min)
(Discussion/Decision)
- 1) **Public Comment on Issues Not on the Agenda** – Please limit comments to 3 minutes.
- 2) **Approval of Minutes** from 08-17-2010 meeting – Uridel (5 min)
(Discussion/Decision)
- 3) **Financials**
 - a. **Approval of Financial Report** – Tate (10 min)
(Discussion/Decision)
 - b. **Acceptance of 2009/10 Audit Report** – Ward & Krenz (10 min)
(Discussion/Decision)
- 4) **Determination of final plan for presentation/dissemination of District Survey results** – Sherman & Ward (45 min)
(Discussion/Decision)

---Break – 15 minutes---

- 5) **Program Updates** All (20 min) (Discussion/Decision)
 - a. **Fire Safety/Emergency Preparedness** – Krenz & Sherman
 - b. **Water Movement Control** – Smernoff & Uridel
 - c. **Lands** – Smernoff & Krenz
 - d. **Saving Water** – Ward
- 6) **Possible modification of contractual relationship between LTCWD and the California Water Services Company** – Uridel (15 min)
(Discussion/Decision)
- 7) **Possible LTCWD membership in California Special Districts Association (CSDA)** - Uridel (5 min) (Discussion/Decision)
- 8) **Development of LTCWD policies and procedures** – Ward (15 min)
(Discussion/Decision)
- 9) **Correspondence and Communications** – Tate & Uridel (5 min)
(Discussion)
- 10) **Set Date, Time and Place of Next Meeting**– Uridel (1 min)
(Discussion/Decision)

Los Trancos County Water District
Balance Sheet
As of August 31, 2010

	<u>Aug 31, 10</u>
ASSETS	
Current Assets	
Checking/Savings	
Bank of California - Checking	7,892.20
LAIF Mutual fund	<u>170,812.97</u>
Total Checking/Savings	<u>178,705.17</u>
Total Current Assets	<u>178,705.17</u>
TOTAL ASSETS	<u>178,705.17</u>
LIABILITIES & EQUITY	
Equity	
30000 · Opening Balance Equity	175,649.69
32000 · Unrestricted Net Assets	32,546.28
Net Income	<u>-29,490.80</u>
Total Equity	<u>178,705.17</u>
TOTAL LIABILITIES & EQUITY	<u>178,705.17</u>

Los Trancos County Water District
Income Statement: Actual vs Budget by Account
August 2010

	Aug 10	Budget	Jul - Aug 10	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
43400 · Direct Public Support	0.00	791.38	0.00	791.38	259,837.80
45000 · Investments	0.00		317.10	500.00	2,000.00
Total Income	0.00	791.38	317.10	1,291.38	261,837.80
Expense					
61100 · Water Use Efficiency	0.00	2,394.17	252.37	4,788.34	28,730.00
61200 · Emergency Preparedness	1,962.50	8,583.40	8,512.50	17,166.80	103,000.00
61900 · Offset Program	1,680.00		15,680.00	14,000.00	30,000.00
62800 · Lands	0.00	2,083.46	50.00	4,167.00	25,000.00
62900 · Water Movement Control	628.22	11,833.33	628.22	23,666.74	142,000.00
64800 · Contract Services	1,367.50	1,291.67	1,727.50	2,583.38	20,000.00
65000 · Operations	16.37	290.07	16.37	580.14	3,480.97
65100 · Other Types of Expenses	2,938.94	2,944.60	2,940.94	2,952.94	4,361.26
68300 · Travel and Meetings	0.00	208.34	0.00	416.68	2,500.00
Total Expense	8,593.53	29,629.04	29,807.90	70,322.02	359,072.23
Net Ordinary Income	-8,593.53	-28,837.66	-29,490.80	-69,030.64	-97,234.43
Net Income	-8,593.53	-28,837.66	-29,490.80	-69,030.64	-97,234.43

Los Trancos County Water District Income Statement: Actual vs Budget by Account August 2010

	Aug 10	Budget	Jul - Aug 10	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
43400 · Direct Public Support					
43405 · Property Tax Revenue	0.00	791.38	0.00	791.38	259,837.80
Total 43400 · Direct Public Support	0.00	791.38	0.00	791.38	259,837.80
45000 · Investments					
45030 · Interest-Savings, Short-term CD	0.00		0.00	500.00	2,000.00
45000 · Investments - Other	0.00		317.10		
Total 45000 · Investments	0.00		317.10	500.00	2,000.00
Total Income	0.00	791.38	317.10	1,291.38	261,837.80
Expense					
61100 · Water Use Efficiency					
60904 · WUE Rebate - Exterior	0.00	1,979.17	252.37	3,958.34	23,750.00
61102 · WUE Rebate - Interior	0.00	415.00	0.00	830.00	4,980.00
Total 61100 · Water Use Efficiency	0.00	2,394.17	252.37	4,788.34	28,730.00
61200 · Emergency Preparedness					
61205 · Fire Safety Escape Routes	0.00	2,916.70	0.00	5,833.40	35,000.00
61207 · Fire Safety Community Buffer	0.00	1,250.00	6,550.00	2,500.00	15,000.00
61208 · Fire Safety Residential Program	1,962.50	4,416.70	1,962.50	8,833.40	53,000.00
Total 61200 · Emergency Preparedness	1,962.50	8,583.40	8,512.50	17,166.80	103,000.00
61900 · Offset Program					
61901 · Offset	0.00		13,720.00	13,720.00	29,400.00
61905 · Offset admin fee	1,680.00		1,960.00	280.00	600.00
Total 61900 · Offset Program	1,680.00		15,680.00	14,000.00	30,000.00
62800 · Lands					
62801 · Restrtn Supls, Plants Irrrgtn	0.00	250.00	0.00	500.00	3,000.00
62802 · Fuel load reduction/SOD treatme	0.00	166.70	0.00	333.40	2,000.00
62803 · Maintenance	0.00	666.70	0.00	1,333.40	8,000.00
62804 · Environmental review, document	0.00	166.70	0.00	333.40	2,000.00
62840 · Capital Projects	0.00	666.70	0.00	1,333.40	8,000.00
62850 · Contingency	0.00	83.33	0.00	166.70	1,000.00
62890 · Utilities - Water	0.00	83.33	50.00	166.70	1,000.00
Total 62800 · Lands	0.00	2,083.46	50.00	4,167.00	25,000.00
62900 · Water Movement Control					
62901 · Mapping, Drafting, Engineering	628.22	4,166.67	628.22	8,333.34	50,000.00
62903 · Water testing	0.00	1,833.33	0.00	3,666.70	22,000.00
62904 · Ramona Road Study	0.00	3,333.33	0.00	6,666.70	40,000.00
62905 · Residential Incentive Program	0.00	2,500.00	0.00	5,000.00	30,000.00
Total 62900 · Water Movement Control	628.22	11,833.33	628.22	23,666.74	142,000.00

Los Trancos County Water District
Income Statement: Actual vs Budget by Account
August 2010

	Aug 10	Budget	Jul - Aug 10	YTD Budget	Annual Budget
64800 · Contract Services					
64801 · Recording Secretary	200.00	433.34	200.00	866.68	5,200.00
64805 · Bookkeeping	1,100.00	525.00	1,100.00	1,050.00	6,300.00
64810 · Accounting Fees	0.00		0.00		4,500.00
64840 · Legal Fees	67.50	333.33	427.50	666.70	4,000.00
Total 64800 · Contract Services	1,367.50	1,291.67	1,727.50	2,583.38	20,000.00
65000 · Operations					
65020 · Postage, Mailing Service	0.00	2.25	0.00	4.50	26.97
65030 · Printing and Copying	0.00	191.66	0.00	383.32	2,300.00
65040 · Supplies	16.37	75.00	16.37	150.00	900.00
65050 · Telephone, Telecommunications	0.00	21.16	0.00	42.32	254.00
Total 65000 · Operations	16.37	290.07	16.37	580.14	3,480.97
65100 · Other Types of Expenses					
65105 · Insurance, Liability	2,936.94	2,936.26	2,936.94	2,936.26	2,936.26
65120 · Insurance - D and O	0.00		0.00		1,195.00
65160 · Other Costs	2.00	8.34	4.00	16.68	100.00
65180 · LAFCO	0.00		0.00		130.00
Total 65100 · Other Types of Expenses	2,938.94	2,944.60	2,940.94	2,952.94	4,361.26
68300 · Travel and Meetings					
68320 · Travel	0.00	208.34	0.00	416.68	2,500.00
Total 68300 · Travel and Meetings	0.00	208.34	0.00	416.68	2,500.00
Total Expense	8,593.53	29,629.04	29,807.90	70,322.02	359,072.23
Net Ordinary Income	-8,593.53	-28,837.66	-29,490.80	-69,030.64	-97,234.43
Net Income	-8,593.53	-28,837.66	-29,490.80	-69,030.64	-97,234.43



C. G. UHLENBERG LLP
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

PEGGY H. CHEN, C.P.A. JEFFREY J. IRA, C.P.A. KATHERINE CHAO, C.P.A. JULIE T. LIN, C.P.A.

August 27, 2010

Mr. Michael Ward
162 Los Trancos Circle
Portola Valley, CA 94028

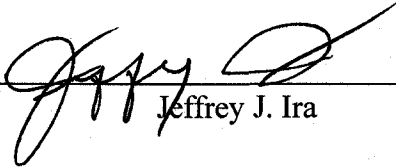
Dear Mr. Ward:

Enclosed are two bound and five unbound copies of our report dated August 19, 2010, covering our audit of the financial statements of the Los Trancos Water District for the fiscal year ended June 30, 2010. We have also separately sent you one PDF copy for distribution to the board members.

Very truly yours,

C. G. UHLENBERG LLP

By



Jeffrey J. Ira

JJI/ks

Encl.

LOS TRANCOS COUNTY WATER DISTRICT

FINANCIAL STATEMENTS
JUNE 30, 2010 AND 2009

* * *

LOS TRANCOS COUNTY WATER DISTRICT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Los Trancos County Water District
Portola Valley, California

We have audited the accompanying financial statements of the business-type activities of the Los Trancos County Water District (the "District") as of and for the years ended June 30, 2010 and 2009, which collectively comprise all of the District's basic financial statements. These financial statements are the responsibility of the Los Trancos County Water District's management. Our responsibility is to express opinions on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly the financial position of the Los Trancos County Water District, as of June 30, 2010 and 2009, the changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The District has not presented the management's discussion and analysis that the Governmental Accounting Standards Board has determined is required supplementary information to, although not a part of, the basic financial statements.

C. G. Uhlenberg LLP

August 19, 2010
Redwood City, California

LOS TRANCOS COUNTY WATER DISTRICT

**BALANCE SHEETS
JUNE 30, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
ASSETS		
CURRENT ASSETS		
Cash and Investments	\$ 209,352	\$ 219,372
Property Taxes Receivable	<u>6,844</u>	<u>-</u>
Total Current Assets	<u>216,196</u>	<u>219,372</u>
TOTAL ASSETS	<u><u>\$ 216,196</u></u>	<u><u>\$ 219,372</u></u>
LIABILITIES & NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	<u>\$ 8,000</u>	<u>\$ -</u>
Total Current Liabilities	<u>8,000</u>	<u>-</u>
LONG-TERM LIABILITIES		
Notes Payable	<u>617,762</u>	<u>617,762</u>
Total Long-Term Liabilities	<u>617,762</u>	<u>617,762</u>
Total Liabilities	<u>625,762</u>	<u>617,762</u>
NET ASSETS		
Unrestricted	(409,566)	(398,390)
Total Net Assets	<u>(409,566)</u>	<u>(398,390)</u>
TOTAL LIABILITIES & NET ASSETS	<u><u>\$ 216,196</u></u>	<u><u>\$ 219,372</u></u>

The accompanying notes are an integral part of these financial statements.

LOS TRANCOS COUNTY WATER DISTRICT

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR EACH OF THE FISCAL YEARS ENDED
JUNE 30, 2010 AND JUNE 30, 2009

	<u>2010</u>	<u>2009</u>
OPERATING EXPENSES:		
Administrative expenses	\$ 5,685	\$ 4,217
Services and supplies	17,755	11,415
Insurance	4,131	4,408
Property management	17,507	55,951
Water conservation	18,563	16,640
Water movement	40,734	6,531
Emergency preparedness	84,969	79,204
Water cost discount program	80,000	139,500
	<u>269,344</u>	<u>317,866</u>
Total operating expenses		
	<u>(269,344)</u>	<u>(317,866)</u>
OPERATING LOSS		
NON-OPERATING INCOME		
Property taxes	252,270	245,833
Miscellaneous collections	4,381	-
Interest income	1,517	6,373
	<u>258,168</u>	<u>252,206</u>
Total non-operating income (expense)		
NET INCOME	(11,176)	(65,660)
NET ASSETS - BEGINNING OF YEAR	<u>(398,390)</u>	<u>(332,730)</u>
NET ASSETS - END OF YEAR	<u>\$ (409,566)</u>	<u>\$ (398,390)</u>

The accompanying notes are an integral part of these financial statements.

LOS TRANCOS COUNTY WATER DISTRICT

STATEMENTS OF CASH FLOWS
FOR EACH OF THE YEARS ENDED
JUNE 30, 2010 AND JUNE 30, 2009

	<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Payments for administrative expenses	\$ (5,685)	\$ (4,217)
Payments for services and supplies	(9,755)	(11,415)
Payments for insurance	(4,131)	(4,408)
Payments for property management	(17,507)	(55,951)
Payments for water conservation	(18,563)	(16,640)
Payments for water movement	(40,734)	(6,531)
Payments for emergency preparedness	(84,969)	(79,204)
Payments for water cost discount program	(80,000)	(139,500)
	<u>(261,344)</u>	<u>(317,866)</u>
Net cash used in operating activities		
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Property tax received	245,426	245,833
Miscellaneous collections	4,381	-
	<u>249,807</u>	<u>245,833</u>
Net cash provided by noncapital financing activities		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received on investments	<u>1,517</u>	<u>6,373</u>
Net cash provided by investing activities	<u>1,517</u>	<u>6,373</u>
Net increase (decrease) in cash and cash equivalents	(10,020)	(65,660)
Cash and cash equivalents, beginning of year	<u>219,372</u>	<u>285,032</u>
Cash and cash equivalents, end of year	<u>\$ 209,352</u>	<u>\$ 219,372</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating loss	\$ (269,344)	\$ (317,866)
Adjustments to reconcile operating loss to cash provided by (used in) operating activities:		
Increase in accounts payable	<u>8,000</u>	<u>-</u>
Net cash used in operating activities	<u>\$ (261,344)</u>	<u>\$ (317,866)</u>

The accompanying notes are an integral part of these financial statements.

LOS TRANCOS COUNTY WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2010 AND 2009

1. ORGANIZATION

Los Trancos County Water District (the District) is a California Special District originally organized to provide water services to residential areas in Los Trancos County. The District was formed in January 1955. It ceased operating pumping plants at various locations in April 2005 when the District sold their water transmission and distribution system to California Water Service for \$125,000. Also included would be Los Trancos' water supply assurance. This sale consists of all mains, services, tanks, pumps, rights of way and other related assets. The district has retained their property, approximately 5 acres mol in three parcels, and will continue to collect property tax revenue from the County, and use the revenue to maintain their property and make it available to the community, promote water conservation and discount the price of water for residents who do so, to make the watershed fire safe, to improve water movement control and other projects that the community deems beneficial that are within the Water Code. This has been reflected as an extraordinary item on the Statement of Income and Retained Earnings.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by the District are summarized below:

Fund Accounting – The District follows enterprise fund accounting principles as appropriate to local special governmental units of this type.

Proprietary Funds – Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in proprietary fund financial statements to the extent they do not conflict or contradict guidance of the GASB. Governments also have the option of following subsequent private sector guidance for their business type activities and enterprise funds. The District has elected to not follow subsequent private sector guidance.

Basis of Accounting – The financial statements reflect accrual basis accounting in which income is recognized when earned and expenses are recognized when incurred. Property and equipment are capitalized and depreciated as discussed below.

Revenues and Expenses – Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The District does not have any operating revenues.

Property and Equipment – All property and equipment are valued at historical cost or estimated historical cost if historical cost is not available. Depreciation of property and equipment is computed by the straight-line method over the estimated useful lives ranging from five to thirty-eight years. The District does not have any property and equipment.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

LOS TRANCOS COUNTY WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010 AND 2009

3. **CASH AND INVESTMENTS**

Cash and investments as of June 30, 2010 and June 30, 2009 were as follows:

	<u>2010</u>	<u>2009</u>	<u>Rating</u>
Union Bank of California:			
Checking	\$ 8,700	\$ 9,393	NA
Local Agency Investment Fund	<u>207,496</u>	<u>209,979</u>	Not Rated
 Total Cash and Investments	 <u>\$ 216,196</u>	 <u>\$ 219,372</u>	

The California Government Code requires California banks and savings and loan associations to secure a district's deposits by pledging government securities as collateral. The market value of pledged securities must equal at least 110% of a district's deposits. California law also allows financial institutions to secure a district's deposits by pledging first trust deed mortgage notes having a value of at least 150% of a district's total first trust deed mortgage notes having a value of at least 150% of a district's total deposits. The deposits include uninsured and/or uncollateralized deposits held by trustees for the District.

The District's deposits are insured up to \$250,000 per depositor per bank by Federal Deposit Insurance Corporation (FDIC). The bank balances, before reconciling items, for the checking account at June 30, 2010 and June 30, 2009 were \$8,700 and \$9,393, respectively. Differences between book balances and bank balances are a result of reconciling items such as deposits in transit and outstanding checks. As of June 30, 2010 and June 30, 2009, the District's Union Bank accounts were fully insured by FDIC.

External Investment Pool

The District invests in the California State Treasurer's Local Agency Investment Fund (LAIF). LAIF, established in 1977, is regulated by California Government Code Section 16429 and under the day to day administration of the State Treasurer. As of June 30, 2010 and June 30, 2009, LAIF had approximately \$71 billion and \$70 billion in investments, respectively.

LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available, and on amortized cost of best estimate for those securities where market value is not readily available. The District's investments with LAIF at June 30, 2010 and June 30, 2009, included a portion of the pooled funds invested in structured notes and asset-backed securities. These investments are described as follows.

Structured Notes are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and / or that have embedded forwards or options.

Asset-Backed Securities, the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2010 the District had \$207,496 invested in LAIF, which had invested 5.42% of the pool investments funds in Structured Notes and Asset-Backed Securities. The District valued its investments with LAIF by multiplying its account balance with a fair value factor determined by LAIF. This factor is

LOS TRANCOS COUNTY WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2010 AND 2009

the result of dividing all LAIF participants' total aggregate fair value (69,555,776,591) by total aggregate amortized cost (69,441,630,091) resulting in a factor of 1.001643776.

As of June 30, 2009 the District had \$209,979 invested in LAIF, which had invested 14.71% of the pool investments funds in Structured Notes and Asset-Backed Securities. The District valued its investments with LAIF by multiplying its account balance with a fair value factor determined by LAIF. This factor is the result of dividing all LAIF participants' total aggregate fair value (50,853,707,566) by total aggregate amortized cost (50,784,427,116) resulting in a factor of 1.001364207.

Marketing Investments to Fair Value (GASB 31)

Under GASB 31, the District must adjust the carrying value of its investments to reflect their fair market value at each fiscal year end, and it must include the effects of these adjustments in income for that fiscal year. The District has determined the adjustment to fair market value is immaterial as of both June 30, 2010 and June 30, 2009.

4. CHANGES IN LONG-TERM LIABILITIES

The \$617,762 Loan from Developers does not have scheduled payments due at this time. No payments are due on the loan until thirty-two houses in the Property have been constructed. After such time as 32 houses have been constructed, the District will pay off the loan at the rate of \$9,000 on a quarterly basis of \$2,250. The first payment of \$2,250 will be due at the end of the first full calendar quarter during which at least 32 houses were constructed and are paying for water service for the entire quarter. After such time as thirty-six houses have been constructed, the District will pay off the loan at the rate of \$11,000 per year, on a quarterly basis of \$2,750. The loan is secured by developer fees. The District did not make any loan principle or interest payments for the years ended June 30, 2010 and 2009. There are currently 18 homes constructed and 3 homes under construction.

5. INSURANCE

The District carries insurance coverage through Farallon Associates. The insurance policy includes liability coverage in the amount of \$1,000,000 with general aggregate coverage at \$2,000,000 with a deductible of \$5,000. The directors and officers are covered with fiduciary liability in the amount of \$1,000,000 with a \$1,000 deductible.

**LOS TRANCOS COUNTY WATER DISTRICT
BILLING SERVICE AGREEMENT**

This billing service agreement ("*Agreement*") is entered into as of September 14, 2005, between Los Trancos County Water District, a county water district ("*District*"), and CWS Utility Services, a California corporation ("*Utility Services*"), a wholly-owned subsidiary of the California Water Service Group and affiliate of the California Water Service Company ("Cal Water").

WITNESSETH

WHEREAS, pursuant to the Asset Purchase Agreement, dated December 18, 2003, Cal Water acquired all District water system assets on April 27, 2005, and assumed system operations to provide water service to all former District customers. Cal Water received California Public Utilities Commission (the "Commission") approval to expand its certificated service area to incorporate District's service area (the "*Service Area*"). Former District customers will receive utility water service from Cal Water and pay Cal Water Bear Gulch tariff rates for water service;

WHEREAS, District continues to receive revenues in the form of property taxes from residents who occupy properties within the Service Area upon which property taxes are paid;

WHEREAS, District has passed Resolution #190 (attached hereto as Exhibit "A") to refund future District revenues to District customers who occupy properties within the Service Area upon which property taxes are paid; and

WHEREAS, District desires Utility Services to refund to District customers who occupy properties within the Service Area upon which property taxes are paid in accordance with its Resolution #190, and Utility Services desires to provide such services, for the period and upon the other terms and conditions set forth herein;

AGREEMENT

NOW, THEREFORE, in reliance upon the foregoing recitals and in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and adequacy of which the parties hereby acknowledge, District and Utility Services hereby agree as follows:

Section 1. Agreement to Provide Services

Utility Services hereby agrees to provide billing (refund) services ("*Services*") as set forth herein to District, and District hereby agrees to engage Utility Services and accept such Services for the Term (as hereinafter defined) and in accordance with the provisions of this Agreement. It is specifically recognized and intended by the parties to this Agreement that Utility Services acts as District's agent solely to refund to its customers property tax funds collected by the District in accordance with District's Resolution #190 and such refund shall not be considered to alter, amend or modify Cal Water's tariff rates for service as approved

by the Commission. By virtue of its execution of this Agreement and the performance of its obligations hereunder, Utility Services shall provide the Services set forth herein, subject to District's rights, remedies and control, pursuant to the provisions of this Agreement. Utility Services specifically does not dedicate itself or any of its properties to the District, but rather agrees to faithfully perform its obligations as set forth in the provisions of this Agreement.

Section 2. Term of Agreement

2.1 The term of this Agreement ("**Term**") shall be fifteen (15) years and may be extended for three successive terms of five (5) years each (individually an "**Extended Term**") if mutually agreed, Upon the expiration of each prior Term, the Term shall be automatically extended for an additional Extended Term commencing immediately upon the expiration of such prior Term, unless not less than six months prior to the expiration of the then current Term, either party gives the other party written notice of its desire that this Agreement terminate at the end of the then current Term.

2.2 Notwithstanding any of the provisions of this Agreement, District may terminate this Agreement for any reason whatsoever, but the District shall notify Utility Services of its decision to terminate this Agreement not less than three (3) months prior to the effective date of such termination.;

Section 3. General Obligations

Subject to the provisions of this Agreement, Utility Services shall refund District customers in accordance with District's applicable operational rules and guidelines as set forth in Section 4.0 herein which are in effect from time to time during the Term.

Section 4. Deposit with Utility Services; District's Payments and Refunds to Customers

4.1 Customer Refunds

During the Term, on behalf of District, Utility Services shall refund monthly to customers designated by the District a refund amount in accordance with District Resolution #190 ("**Refund**"); however, in no event shall Utility Services be obligated to refund to customers in excess of funds District has deposited with Utility Services. Utility Services shall only refund customers, which the District designates in writing as entitled to a Refund (the "**Refund Listing**"). By resolution, District may from time-to-time direct in writing Utility Services to change the Refund. District may also amend, modify or append the Refund Listing; however, Utility Services shall not be responsible to implement changes without a minimum of three (3) months prior notice.

4.2 District's Deposit with Utility Services

On a semiannual basis, District shall deposit in advance with Cal Water, Utility

Services' affiliate, sufficient funds to cover all refunds to customers and payments to Utility Services for their services for the next six-month period ("*District's Deposit*"). District shall be solely responsible to replenish on a timely basis to provide sufficient funds for Utility Services to make customer refunds. If funds are not available, Utility Services is under no obligation to make customer refunds.

4.3 Payment to Utility Services

In consideration for the services provided for the preceding month by Utility Services as the District's contractor, the District shall pay Utility Services a monthly fee of two percent (2%) of the monthly refund amount, which Utility Services may deduct from District's Deposit on a monthly basis or less frequently with no forfeiture of Utility Services' rights to payment.

4.4 Excess Deposit

Utility Services shall not be entitled to keep or retain as its property any of District's Deposit funds upon termination of this Agreement. On a periodic basis, but no less than semiannually, Utility Services shall provide District with reports that show all disbursement of funds from the District's Deposit and the balance of District's Deposit funds. Notwithstanding, Utility Services is not responsible for determining customers' eligibility for refunds, amount of refunds or accounting for refunds.

Section 5. Insurance

5.1 Utility Services Indemnification and Insurance

(a) The Utility Services will indemnify, hold harmless and assume the defense of, District, its officers, employees, agents and boards from damages and losses resulting from Utility Service's operations or from any persons directly or indirectly employed by, or acting as agent for Utility Services, arising from negligence or willful misconduct or omissions. This indemnification shall extend to claims, losses, damages, injury and liability for injuries occurring during Utility Services' performance under this Agreement and for such time thereafter as any claim may be legally asserted. This indemnification clause shall apply to all damages or claims for damages suffered by District regardless if any insurance is applicable or not.

(b) Utility Services shall procure and maintain during the Term of the Agreement comprehensive general liability insurance and errors and omission insurance, with limits of not less than one million dollars (\$1,000,000) per occurrence, and Utility Services shall furnish District with a certificate(s) of insurance evidencing such insurance:

5.2 District Indemnification

The District will indemnify, hold harmless and assume the defense of, Utility Services, its officers, employees, agents and boards from damages and losses resulting from District's operations or from any persons directly or indirectly employed by, or acting as agent for District, arising from negligence or willful misconduct or omissions. This indemnification shall extend to claims, losses, damages, injury and liability for injuries occurring during District's performance under this Agreement and for such time thereafter as any claim may be legally asserted. This indemnification clause shall apply to all damages or claims for damages suffered by Utility regardless if any insurance is applicable or not.

Section 6. District's Representations, Warranties and Covenants

6.1 Right to Enter into Agreement

District represents and warrants to Utility Services that District has all necessary power and authority to execute, deliver and perform this Agreement. District has received all requisite consents and approvals with respect to its execution, delivery and performance of this Agreement. This Agreement constitutes a legal, valid and binding obligation of District enforceable in accordance with its terms, except as limited by bankruptcy and insolvency laws and by other laws affecting the rights of creditors generally. The execution, delivery and performance of this Agreement by District does not conflict with or result in a breach of or a default under any contract or other document executed by District or affecting District or any of District's properties or under any law, statute, rule, regulation or ordinance applicable to District or any of District's properties.

6.2 Cooperation

District shall cooperate with Utility Services by responding in a timely and reasonable manner to its requests for meetings, reviews, negotiations, approvals and authorizations.

Section 7. Utility Services' Representations, Warranties and Covenants

7.1 Right to Enter into Agreement

Utility Services represents and warrants to District that Utility Services has all necessary power and authority to execute, deliver and perform this Agreement. Utility Services has received all requisite consents and approvals with respect to its execution, delivery and performance of this Agreement. This Agreement constitutes a legal, valid and binding obligation of Utility Services enforceable in accordance with its terms, except as limited by bankruptcy and insolvency laws and by other laws affecting the rights of creditors generally. The execution, delivery and performance of this Agreement by Utility Services does not conflict with or result in a breach of or a default under any contract or other document executed by Utility Services or

affecting Utility Services or any of Utility Services' properties or under any law, statute, rule, regulation or ordinance applicable to Utility Services or any of Utility Services' properties.

7.2 Cooperation

Utility Services shall cooperate with District by responding in a timely and reasonable manner to its requests for meetings, reviews, negotiations, approvals and authorizations.

Section 8. Opportunity to Cure; Limitation on Remedies; Arbitration

8.1 Opportunity to Cure Defaults

- (a) In the event that either party shall fail to make any payment required under this Agreement as and when due, or obtain and maintain any insurance required by this Agreement, there shall be no default under or breach of this Agreement until such failure has continued for ten (10) days following receipt of notice from the other party specifying such failure.
- (b) In the event that either party shall fail to perform any of its other covenants or agreements contained in this Agreement, there shall be no default under or breach of this Agreement until such failure has continued for thirty (30) days following receipt of written notice from the other party specifying such failure.
- (c) Notwithstanding subsection (b) above, in the event a failure to perform cannot be reasonably cured within such thirty (30) day period, there shall be no default under or breach of this Agreement unless such party shall fail to commence and diligently proceed toward full performance of the cure within thirty (30) days following receipt of written notice from the other party specifying such failure or such party shall fail to complete the performance of such cure within a reasonable period of time.

8.2 Remedies

In the event of a default under or breach of this Agreement, the injured party may pursue a claim for monetary damages against the other party in the manner set forth in Section 8.3. District may seek to terminate this Agreement, consistent with the terms set forth in Section 2.2 of this Agreement.

8.3 Dispute Resolution

8.3.1 Intent

- (a) Utility Services and District desire and intend to resolve all disputes or other matters arising out of or in connection with this Agreement through reasonable, business-like dispute resolution procedures without resort to litigation.

- (b) Accordingly, any services related disputes shall be resolved in accordance with this section, and any construction related disputes shall be resolved in accordance with the requirements of Public Contract Code section 20104 et seq.

8.3.2 Initial Meeting

- (a) As a first step, either party may call a special meeting to initially resolve a dispute.
- (b) The initial meeting shall be held within three (3) working days after delivery of a written request for such a meeting.
- (c) The written request shall contain a statement of the nature of the dispute.
- (d) The meeting shall be attended by authorized representatives or designated consultants of Utility Services, District and any consultants.

8.3.3 Mediation

- (a) If the dispute has not been resolved within (5) working days after the conclusion of the initial meeting, either party may initiate mediation by written notice to the other.
- (b) All parties shall attend and participate in the mediation that shall be non-binding and without prejudice.
- (c) Unless all parties agree otherwise, the mediation shall be conducted by an independent mediator from the offices of the American Arbitration Association (AAA) in San Francisco within 30 days after notice.
- (d) Costs of mediation shall be borne equally by District and Utility Services.

8.3.4 Failure of Mediation

- (a) If mediation fails to resolve the dispute, the parties will agree either to submit to binding arbitration or to litigate.
- (b) If binding arbitration is selected by the parties, arbitration will be conducted under the rules of the American Arbitration Association with three arbitrators selected from the San Francisco offices of AAA within thirty (30) days after the agreement to arbitrate.

Section 9. Records

9.1 Audit

Authorized representatives of the District, state and/or the federal government may inspect and/or audit Utility Services performance, place of business and/or records pertaining to this Agreement during normal business hours after a reasonable notice.

9.2 Confidentiality

Throughout the Term, Utility Services shall maintain all of District's information on a

confidential basis, subject to required disclosures pursuant to applicable law.

9.3 Return of District's Deposit

After the expiration or termination of the Term of this Agreement, Utility Services shall deliver to District all District's Deposit funds remaining.

Section 10. Miscellaneous

10.1 Notices

Notices or communication with respect to technical matters and the routine performance and administration of services shall be given by such means as are appropriate to ensure adequate communication. All other notices necessary for the performance of this Agreement shall be given in writing by personal delivery or by prepaid first-class mail addressed as follows:

DISTRICT:

Los Trancos County Water District
1008 Los Trancos Rd.
Portola Valley, CA
94028

UTILITY SERVICES:

CWS Utility Services
1720 North First Street
San Jose, CA
95112-4598

If notice is given by personal delivery, notice is effective as of the date of personal delivery. If notice is given by mail, notice is effective as of the day following the date of mailing or the date of delivery reflected upon a return receipt, whichever occurs first.

10.2 Paragraph Headings

Paragraph headings in this Agreement are for convenience only and are not a part of this Agreement and do not in any way limit or amplify the terms and provisions of this Agreement.

10.3 Governing Law

This Agreement and its interpretation shall be governed by the laws of the State of California and the County of San Mateo. Venue shall be in the County of San Mateo.

10.4 Waiver of Default

The failure of any party to enforce against other provisions of this Agreement, shall not constitute a waiver of that party's right to enforce any provisions at a later time, and shall not serve to vary the terms of this Agreement.

10.5 Subcontractor and Assignment

Utility Services shall not subcontract any work under this Agreement nor assign this Agreement without the prior written consent of the District; provided, however, that the District's consent shall not be required in connection with any assignment by Utility Services of all its rights and obligations hereunder to an affiliated company which is controlled by, controls, or under common control with, Utility Services.

10.6 Binding Effect

The rights and obligations of this Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their permitted successors and assigns.

10.7 Attorneys' Fees

If legal action or other proceeding is commenced to enforce or interpret any provisions of, or is otherwise relating to, this Agreement, the losing party shall pay the prevailing party's attorney's fees and expenses. The phrase "prevailing party" shall mean the party who is determined in the proceeding to have prevailed or who prevails by dismissal, default, settlement, or otherwise.

10.8 Merger and Modification

This Agreement sets forth the entire agreement between the parties with respect to the subject matter hereof, and supersedes all other oral or written provisions. This Agreement may be modified or terminated only by a written document signed by all the parties.

10.9 Severability

If any provision of this Agreement is invalid or unenforceable with respect to any party, the remainder of this Agreement or the application of such provision to persons other than the person as to whom it is held invalid or unenforceable shall not be affected and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

17.10 Execution

This Agreement is effective upon full execution. It is the product of negotiation and therefore shall not be construed against any party.

IN WITNESS WHEREOF, the parties thereto have executed this Agreement on the day and year first above written.

Los Trancos County Water District

By Stanley R. Gage
Title: Stanley Gage,
President Board of Directors

Date: 9/16/2005

APPROVED AS TO FORM:

Margaret A. Sloan
District Counsel

Date: 9/18/05

CWS UTILITY SERVICES

By Peter C. Nelson
Title: President and CEO

By Thomas S. Anaw
Title: Vice President

Date: 9/14/05

CWS UTILITY SERVICES
1720 North First Street, San Jose, CA. 95112
(408) 367-8200

UNREGULATED
CWSUS Sheet #LTCWD01

DISTRICT: Bear Gulch
CONTRACT WITH: Los Trancos County Water District

DISTRICT SHEET # 02
PERIOD: MONTHLY

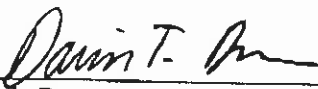
Tax refund Distribution Contract

COLLECT	FROM	DIRECTIVE	EFFECTIVE DATES	RATE SCHEDULE
Property Tax Revenue	Los Trancos County Water District	Los Trancos Board of Directors Resolution # 190 and letter dated November 1, 2005	January 1, 2006	<p>\$12 refund per month per authorized service. (Subject to annual adjustments in amount)</p> <p>\$1.00 refund per month per CCF from each authorized service. (Subject to annual adjustments in amount)</p>

SPECIAL CONDITIONS:

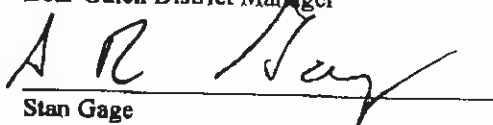
- 1.) Annually, by December 31st, Cal Water will furnish all information on new services in the Los Trancos area to Los Trancos.
- 2.) Annually, by January 15th, after receiving the new service information, Los Trancos will identify all new properties that qualify for this tax rebate and get this information back to Cal Water.
- 3.) Annually, by January 15th, Los Trancos will identify the new flat rate amount and the new CCF amount for the next year.
- 4.) Cal Water will administer a 2% fee on each monthly distribution.
- 5.) In accordance with resolution 190, Los Trancos will deposit with Cal Water the amount equivalent to at least 6 months of refunds.
- 6.) The accounts to which this unregulated tariff applies will be coded with the Tax Code "Los Trancos"
- 7.) Cal Water will provide a monthly balance statement which will include a report showing the initial deposit on balance, amount paid to customers as a water credit, amount of fees paid to Cal Water, and an ending balance.
- 8.) Annually, Cal Water will provide a statement indicating total consumption by address and total credit to each account.
- 9.) In the event of a customer service line leak, the full credit will be automatically applied to the customer's bill. Should Cal Water grant a credit in accordance with our leak credit policy, the amount of the refund will be credited back to the Los Trancos deposit.
- 10.) This rebate applied only to domestic services and not fire or irrigation services.

Submitted By:


Darin Duncan
Bear Gulch District Manager

11/23/2005
Date

Acknowledged By:


Stan Gage
General Manager Los Trancos
County Water District

11/30/2005
Date

Issued By: _____ Title: _____ Effective Date: _____

DISTRICT: **Bear Gulch**
 CONTRACT WITH: **Los Trancos County Water District (LTCWD)**

DISTRICT SHEET # **03**
 PERIOD: **MONTHLY**

Amendment 2 to Water Discount Management Contract

COLLECT	FROM	DIRECTIVE	EFFECTIVE DATES	RATE SCHEDULE
Property Tax Revenue	Los Trancos County Water District	Los Trancos Board of Directors Resolution # 200 and email dated June 5, 2009	Jul 1, 2009	Discount /month per authorized service. Fixed Portion: 5/8" meter: Discount Current rate to \$10/ mo. 3/4" meter: Discount Current rate to \$10/ mo. 1" meter: Discount Current rate to \$10/ mo. 1 1/2" meter: Discount Current rate to \$10/ mo. 2" meter: Discount Current rate to \$10/ mo. Variable portion: \$1.90 discount per month per CCF from each authorized service.

CWS Utility Services and the LTCWD hereby amend the Water Discount Management Contract, as follows:

SPECIAL CONDITIONS:

- 1.) Annually, by June 30th, Cal Water will furnish all information on new services in the Los Trancos area to Los Trancos. Cal Water will make every effort to communicate to Los Trancos when new services in the Los Trancos area are established.
- 2.) Annually, by July 15th, Los Trancos County Water District will:
 - a. After receiving the new service information, identify all new properties that qualify for this water discount and get this information back to Cal Water.
 - b. Notify Cal Water of any customers to be placed on Water Use Efficiency discount suspension – capping their variable portion until they qualify through installation of minimum WUE equipment.
 - c. Identify the cap value and the new CCF variable amount for the next year.
- 3.) Cal Water will administer a 2% fee on each monthly distribution.
- 4.) In accordance with resolution 199, Los Trancos will deposit with Cal Water the amount equivalent to at least 6 months of discounts, in \$30,000.00 increments.
- 5.) The accounts to which this unregulated tariff applies will be coded with the Tax Code "Los Trancos"
- 6.) Cal Water will provide a monthly balance statement which will include a report showing the initial deposit on balance, amount paid to customers as a water credit, amount of fees paid to Cal Water, and an ending balance.
- 7.) Annually, Cal Water will provide a report with total consumption by address and total credit to each account.
- 8.) In the event of a customer service line leak, Cal Water will grant a credit in accordance with our leak credit policy, the amount of the variable portion of the discount will be credited back to the Los Trancos deposit.
- 9.) This discount is applied only to domestic services and not fire or irrigation services.
- 10.) There will be an annual variable cap per household (value established in #3 above). Customers who exceed 250 CCFs will be removed from the variable portion of the discount program until the beginning of the next fiscal year.
- 11.) Non CCF portion of discounts (fixed amount) will be based on meter size and current approved service charge rate such that each customer will be billed a flat rate of \$10/mo. Discounts will change effective the same date that rate changes are effective.

The Water Management Discount Contract dated Feb 5, 2008 is otherwise reaffirmed.

Submitted By: *Erin McCauley* Date 6/29/09

Erin McCauley, Bear Gulch District Manager

Acknowledged By: *T. Michael Ward* June 19th 2009

T. Michael Ward, Board President 2009, Los Trancos County Water District

Los Trancos County Water District
POLICIES AND PROCEDURES MANUAL



Draft September 2010

Contents:

1. Foundation documents
 - a. Mission
2. Annual Calendar
3. Standing Committees and Permanent Programs
4. Financial Procedures
 - a. Financial Procedures and Finance Manger responsibilities
 - b. Budget Preparation (tbd)
 - i. Program 3 year Forecast
 - c. Equipment Transfer Form
 - d. Finance Manager Consultant Agreement
5. Recording Secretary procedures
 - a. Proposed process for agenda, packet and minutes
 - b. Website Instructions (without password)
 - c. Recording Secretary Consultant Agreement
6. Duties of the President (advisory only)
7. Public Communications (tbd)



Mission

The Los Trancos County Water District provides services of value to our constituents under the California State Water Code in the following areas:

- Promoting and supporting efficient water usage
- Setting the effective water rates
- Maintaining and upgrading District land as open space
- Supporting of Emergency preparedness activities

In fulfilling these services, the District:

- Seeks cooperation with other agencies
- Responsibly manages long term debt

87 % of 2006 survey respondents support continuation of the Water District

STANDING COMMITTEES AND PERMENENT PROGRAMS

From time to time the Board of LTCWD will create Standing Committees and Permanent Programs to carry out its mission. All are authorized by an official Board vote, and are recorded in the minutes of Board meetings.

As of September 2010, we have the following Standing Committees

<u>Name</u>	<u>Board Members</u>	<u>Community representative(s)</u>
Financial Committee	Charles Krenz Mike Ward	Richard Swan

And Permanent Programs:

- **Lands Management** David Smernoff, Charles Krenz Karen Tate
- **Saving Water** Mike Ward Stan Gage
- **Emergency Preparedness & Fire Safety initiative** Charles Krenz, Tracy Sherman
- **Water Movement Control** Tom Uridel, David Smernoff

Financial Procedures
Last updated -- 5 September 2010

FINANCE COMMITTEE:

In 2006 the Board appointed a standing Finance Committee to:

- Assure that sound financial practices are employed by the Los Trancos County Water District Board members and its staff –
(such that we comply with the Management Letter that Finance committee and Financial Manager sign that goes with the audit is adhered to -- See next page for applicable excerpts)
- Advise the Financial Manager
- Assist the President In preparation of the annual budget
- Assist the Financial Manager in preliminary approval of the external audit
- From time to time propose operational rules to accomplish this (see below)
- Select and procure software and equipment so that these responsibilities can be carried out
- Implement Audit Findings

Initial members are Charles Krenz and Mike Ward

SPENDING AUTHORITY:

- In 2008, the board unanimously approved a motion to allow board members to spend up to or equal \$250 without board approval.
- (An alternative of \$500 was considered, and may be re-evaluated at a future time.)
- Note that larger expenses should not be broken down into smaller increments to avoid Board oversight, and that all purchases are reported to the Secretary.
- Budgeted items may be exercised as planned in the budget

SIGNING CHECKS:

- All checks under \$1000 that are approved by a board member may be signed by the Financial Manager.
- All Checks over \$1000 must be signed by a member of the Finance Committee
- A finance committee member may not sign checks for his or her own program.

MOVING FUNDS WITHIN A PROGRAM.

- In 2010, the board voted that Program managers may move up to 10% of their program funds to other elements in their program without board approval.

Excerpts from the Management Letter signed and sent by LTCWD to our auditors.

. . . for the purpose of expressing an opinion as to whether the financial statements present fairly, . . . the business-type activities of the Los Trancos County Water District

.

8.) We have a process to track the status of audit findings and recommendations. . . .

13) There are no—

Violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), . . .

14) . . . We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have made all management decisions and performed all management functions.

18) Deposits and investment securities are properly classified as to risk, and investments are properly valued.

INTENDED AUDIENCE AND SCOPE

This procedure is designed to document the District's good business practices, and the expectations of its Finance Manager who carries out most of the activities. It covers the procedures that are to be followed every week, every month, every quarter and every year. It also covers security and document storage measures that are to be observed.

Brief descriptions of how to make the appropriate entries in Quick Books, our financial accounting package. Full details are not included.

For security purposes, only the last 3 digits of account numbers are recorded here. Passwords are not to be recorded in this document.

WEEKLY EVENTS**CHECK MAIL BOX FOR BILLS**

Each week the finance manager is to retrieve all bills and finance related materials from the district's mail box at 162 Los Trancos Circle. A mail box key is to be issued to the finance manager.

PAY BILLS – DEPOSIT FUNDS

After retrieving the bills, the Finance manager is to review each invoice, and pay as needed.

- Recurring bills from utilities, law firms and the like are to be paid without consultation with a board member
 - Checks up to and including \$1000 may be signed solely by Treasurer.
- All bills \$1000 or over must be signed by a Finance Committee member.
- Finance manger, Finance Committee members have signatures on file at the bank
- Bills that are atypical and-non recurring should be checked with the responsible board member prior to payment per the following:
 - Saving Water, conservation etc: Mike Ward
 - Lands management: David Smernoff or Charles Krenz
 - Emergency Preparedness and Fire Safety initiative: Charles Krenz, Tracy Sherman
 - Water Movement Control: Tom Uridel or David Smernoff
 - Other bills: Finance committee members, Mike Ward and Charlie Krenz
 - A Finance Committee member may not sign the over \$1K checks for their own program, unless specific written instructions are provided by the other member (usually due to physical unavailability) So, Charlie signs Cal Water payments; Mike signs large Emergency Prep contractor bills.

As each check is written, the finance manager is to also fill out the "stub" in the check book. These stubs are part of the district's permanent financial records.

- Deposit of all checks
 - Apportionments received from San Mateo Country are mailed to the District mailbox and should be deposited to the Union Bank Checking Account within 30 days of receipt.
 - After deposit, the amount of each Apportionment should be recorded in QuickBooks.
 - Treasurer may use an ATM card so that depositing checks is more convenient

MAKE ENTRIES IN QUICK BOOKS – AND MONITOR CASH BALANCES.

After each check is written or deposited, the finance manager is to make a corresponding entry in quick books and then observe whether adequate cash balances are available to cover the check. (Menu Paths: Banking > Write checks and Banking > Use Register, to determine balance.)

ADJUST BALANCES AS NEEDED

If adequate funds are not available to cover the check they are not to be mailed or delivered until the situation has been rectified using one of the following procedures:

- 1) Call the LAIF account manger at 916,xxx-xxxx and request that the funds be transferred to Union Bank of California, Account ~189. Typically these transfers become effective the next business day, but the clerk should be asked when the funds will be available. Checks are not to be released until this date.
- 2) [need to add para. About depositing excess funds to LAIF, and min balance 3K? 5k?]

MONTHLY EVENTS**PREPARE FINANCIAL STATEMENTS**

The board meets on the first Thursday of each month. For this meeting the following statements should be prepared and sent to the Recording Secretary at least 3 days before the meeting:

Income statement

Menu path: Reports>Memorized Reports>Income Statement Actual v Budget by Account

Adjust "From" date to beginning of the period you want to report for, usually the beginning of the previous month.

Adjust "To" date to date of report. Usually the end of the previous month.

Sanity check numbers, investigate anomalies.

If acceptable, save file as pdf.
Menu Path: File>Save As PDF

Name = LTCWD Income Statement *from date – To date* r1.pdf. Example
LTCWDIncomeStmnt12-1-08To1-5-09rev1.pdf

Balance sheet:

Menu path: Reports>Company and Financial>Balance Sheet Standard
Sanity check numbers, investigate anomalies.

If acceptable, save file as pdf.
Menu Path: File>Save As PDF

Name = LTCWD Balance sheet *dater*1.pdf. Example
LTCWDBalancesheet1-5-09rev1.pdf

Statements are accessible via the Reports>Company & Financial menu path.
The statements should include all of the previous month's deposits from San Mateo County. Because the month's closing statement is typically mailed several days after the end of the month it will be necessary to go to www.UnionBank.com to determine if the county has made any more deposits into the District's checking account.

Statements are to be electronically delivered to the recording secretary for inclusion in “the Packet” by noon on the third day prior to the meeting date.. For those months in which the first Thursday falls on the 1st, 2nd or 3rd. Statements are to be electronically delivered to all board members by 5:00 pm on the day of the meeting.

The Recording Secretary will send a link to the document via the yahoo groups.

RECONCILE STATEMENT

Within a week of receiving the monthly statements from Union Bank of California, the accounts are to be reconciled using the Quick Books reconciliation facility. (menu path: Banking>Reconcile)

BACK UP FILES

After financial statements are created each month, the Finance manager is to back up the Quick books data files using the district’s external hard drive. The external hard drive is not to be stored with or near the computer system.

QUARTERLY EVENT

At the beginning of each quarter, the finance manager is to email the members of the finance committee a copy of the Districts quick books data files:

- Los Trancos County Water District.QBW
- Los Trancos County Water District.QBW.nd
- Los Trancos County Water District.QBW.TLG

If file transfer problems occur because these files have grown excessively large, the files may be burned on to a dvd or cd and delivered to the finance committee members at the first meeting of each quarter.

- Query county on what checks they think they have sent us, reconcile to quick books.
Contact person is: _____

ANNUAL EVENTS**ANNUAL BUDGET**

With the Finance Committee, help the President prepare the annual budget

- In April, each Program manager presents a three year forecast for the board to approve
- In May, present preliminary budget for Board discussion
- In June Present the final budget for Board Approval

AUDIT SUBMITTAL

Each year in the month of August. our accounting firm, Uhlenberg LLP requires a submittal consisting of the following:

- An electronic quick books file containing data for all financial transactions that took place in the previous year.
- All banking statements for the previous year
- All invoices,

Auditor works with Finance manager, Finance Committee and President to resolve issues.

Then sends in (or directs the auditor to send in) the State Controller’s report electronically by September This complies with the State Requirement.

- Auditor prepares a “Management Representation Letter” for President’s or Finance Committee’s signature; and queries all of our suppliers to see if any claims are outstanding against the district. If none are found (usually there are none) President or

Finance committee signs letter taking responsibility for the financial procedures and documents submitted by the District and sends physical copy to Auditor

- Auditor prepares the hardcopy and electronic copy of the Auditor's report for Board Acceptance and approval. (There is no hard deadline for this; but it is good to have done by calendar year end.) Each Director gets one copy and a bound copy is maintained by the Finance Manager
- Final approved Auditor's Report is posted on the LTCWD website by Recording secretary.

SECURITY PROCEDURES

Account numbers, PIN's, passwords etc are to be kept secure.

When corresponding electronically with Union Bank of California or any other entity or person, only the last 3 digits of any account number are to be used.

Passwords are even more critical. It is the responsibility of the Finance manager to devise his or her own system for keeping these numbers secure. Under no circumstances is the Finance manager to disclose these passwords to anyone other than board members on the finance committee.

- Document the location and condition of District-owned equipment on loan to staff or board members

DOCUMENT STORAGE

To facilitate the occasional system review by members of the finance committee, the manager is to maintain a hard plastic files storage box or brief case containing the following items:

- Files and documents
 - The current year's bank statements
 - The current year's bills
- Computer system
 - HP Lap top
 - Charger
 - External Backup Hard Drive
- Maintain a physical file system for financial records previous years identified by board, Finance Manger or contract auditor as requiring preservation.

Equipment Transfer Agreement:
Documentation for Transfer of District Equipment to Board or Staff Member
Los Trancos County Water District, San Mateo County

Please complete the following form at the time of transfer

Equipment Description

Model and Serial Numbers

Purchased By:

Date and Location of purchase:

Total Purchase Costs including Taxes:

Proof of Purchase or LTCWD check number:

Date Approved by LTCWD Board:

Date Transferred:

Recipient Name:

Recipient's Association with the District:

Location of Equipment:

Comments:

Please print completed agreement and sign, and date

Equipment Recipient:

Date

Board or Staff Member Witness:

Date

Note to recipient: This equipment was purchased by the LTCWD and therefore any emails and/or documents produce, read, copied, sent or received on the Equipment may be considered public records, see Resolution No. 201 for more details.

**CONSULTING AGREEMENT
FINANCE MANAGER**

This Consulting Agreement Treasurer (“Agreement”) is made this ___ day of September, 2010, by and between the Los Trancos County Water District (“District”) and Keri Tate (“Consultant”).

RECITAL

The following recital is a substantive part of this Agreement:

A. The District wishes to contract for certain financial services. Consultant is qualified by virtue of experience, training, education, and expertise to accomplish these services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. TERM OF AGREEMENT. This Agreement shall cover services rendered from July 1st 2010 until terminated as set forth below.

2. SERVICES AND COMPENSATION. The services (“Services”) to be performed by Consultant are set out in Exhibit A attached hereto. Consultant’s compensation for Services is set out in Exhibit B attached hereto.

2.1 Payment. Payment shall be made by District within thirty (30) days of District’s receipt of an invoice. Invoices shall be submitted for Services on a monthly basis and shall include descriptions of the work performed.

2.2 Records. Consultant shall keep accurate records of work performed and expenses. These records shall be made available to District upon request and shall be kept for at least three (3) years after performance of the Services.

3. TERMINATION. District and Consultant shall each have the right to terminate this Agreement, without cause, by giving no less than thirty (30) days written notice to the other party. Upon termination, all rights of the parties shall terminate, except as to payment for Consultant’s Services performed prior to such termination.

4. INDEMNIFICATION. Consultant agrees to indemnify, defend, and hold harmless District and its elective or appointive boards, officers, agents, and employees from claims, liabilities, expenses, or damages of any nature, including attorneys’ fees,

for injury or death of any person, or damage to property, arising out of, or in connection with, the performance of the Agreement by Consultant.

5. INSURANCE REQUIREMENTS. Consultant shall maintain automobile insurance against claims and liabilities for personal injury, death, or property damage, providing protection as required in California Insurance Code §11580.1b.

6. INDEPENDENT CONTRACTOR. Consultant, in the performance of Services under this Agreement, shall act as and be an independent contractor and not an agent or employee of District. Consultant shall receive no premium or enhanced pay for work normally understood as overtime, nor shall Consultant receive holiday pay, sick leave, administrative leave, or pay for any other time not actually worked. The intent of the parties is that Consultant shall not be eligible for benefits and shall receive no compensation from District except as expressly set forth in this Agreement. Consultant shall be responsible for payments of all taxes due as a result of its compensation under this Agreement.

7. COMPLIANCE WITH LAW. Consultant shall comply with all applicable laws, ordinances, codes, and regulations of federal, state, and local governments.

8. OWNERSHIP OF WORK PRODUCT. All documents or other information developed or received by Consultant shall be the property of District. Consultant shall provide District with the originals (or copies, if no originals exist) of these items upon demand or upon termination of this Agreement.

9. CONFLICT OF INTEREST AND REPORTING. Consultant shall at all times avoid conflict of interest or appearance of conflict of interest in performance of this Agreement.

10. NOTICES. All notices shall be in writing and delivered by U.S. mail, postage prepaid, via first class mail to the addresses listed below.

Consultant:
Keri Tate
200 Ramona Road
Portola Valley, CA 94028

District: Board President
Los Trancos County Water District
162 Los Trancos Circle
Portola Valley, CA 94028

Notice shall be deemed communicated on the earlier of actual receipt or forty-eight (48) hours after deposit in the U.S. mail.

11. NO ASSIGNMENT. The parties agree that the expertise and experience of Consultant are material considerations for this Agreement. Consultant shall not

assign, transfer, or subcontract any interest in this Agreement, nor the performance of any of Consultant's obligations hereunder, without the prior written consent of District.

12. MODIFICATION. This Agreement constitutes the entire agreement between the parties and supersedes any previous agreements, oral or written. This Agreement may be modified only by subsequent mutual written agreement executed by District and Consultant.

13. CALIFORNIA LAW. This Agreement shall be construed in accordance with the laws of the State of California.

14. WAIVER. The waiver by either party of any breach or violation of any provision of this Agreement by the other party shall not be deemed to be a waiver or a continuing waiver of any subsequent breach or violation of the same or any other provision of this Agreement.

15. SEVERABILITY. Should any provision of this Agreement be found invalid or unenforceable, the decision shall affect only the provision interpreted, and all remaining provisions shall remain enforceable.

16. SUCCESSORS. This Agreement is binding on successors, legal representatives, and assigns.

17. ATTORNEYS' FEES. In any legal action or proceeding brought for enforcement of this Agreement, the successful party shall be entitled to recover reasonable attorneys' fees and other costs incurred in addition to any other relief to which the successful party may be entitled.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year shown below.

ATTEST:

LOS TRANCOS COUNTY
WATER DISTRICT:

District Counsel

By: _____
President

CONSULTANT:

By: _____
Keri Tate

**EXHIBIT A
SCOPE OF SERVICES
FINANCE MANAGER**

Perform the following services per the LTCWD policies and procedures manual

Weekly:

- Check of mailbox for all bills and other finance-related materials.
- Pay all bills
- Monitor and adjust balances as needed
- Receive and deposit all checks
- Track all transactions in “Quick Books,”

Monthly:

- Prepare monthly financial statements
- Reconcile bank statement
- Back-up files

Quarterly:

- Submit Quick Books data to Finance Committee

Annually:

- With the Finance Committee, help the President prepare the annual budget
- Prepare and submit audit materials and letters

General:

- Maintain account security
- Securely store key financial documents
- Verify location and condition of District-owned equipment on loan to staff or board members

**EXHIBIT B
COMPENSATION
FINANCE MANAGER**

- Monthly compensation for performance of above described services: \$500.00 (Five Hundred)
- Compensation for the provision of other finance-related services requested by board and agreed to by consultant: \$50.00 (Fifty) per hour
- Compensation for use of personal vehicle: 50 cents per vehicle mile based on submission of written claim.
- Compensation for other incidental expenses: At reasonable cost based on submission of written claim and supporting documentation.

Proposal for LTCWD Agenda/Minutes/Packet process

Background:

- Legal requirements are to post the agenda a minimum of 3 days in advance for regular meetings and a minimum of 1 day in advance for special meetings.
- Current process for regular meetings:
 - Draft minutes are sent to Directors about 4 days after meeting. Directors email revisions to Recording Secretary (RS). RS updates draft minutes on the web site from time to time.
 - One week prior to meeting, RS emails Directors asking for agenda items.
 - Noon 3 days before meeting, deadline for agenda items from Directors. RS edits agenda document, posts paper copies of agenda at kiosks, uploads it to website, and sends agenda as email to Yahoo group to meet “3 days before meeting” legal requirement.
 - Noon of meeting day = deadline for packet items from Directors. RS assembles packet and uploads packet to web site, deadline is 3 hours before meeting. Also, RS uploads latest greatest revision of draft minutes with Directors’ comments and corrections to be used for approval at meeting.
- Critique of the current process:
 - Agenda details can be unclear and contents can be a bit rough.
 - President should do final revision/editing on agenda.
 - Packet can be quite large (17 files in March 2010!) and there is not enough time for Directors to read and consider the contents.
 - Draft minute process is okay, since final revisions can happen at meeting, but is 3 hours enough time Directors to read the contents for approval?

Proposal of change to process:



- Agenda:
 - About 11 days before meeting, RS solicits Agenda items from Directors.
 - 9 days before meeting = deadline for Directors’ input to RS. RS assembles proposed agenda with Director input.
 - 8 days before meeting, President reviews and possibly revises agenda.
 - 7 days before meeting, RS “publishes” agenda.
- Packet and Minutes:
 - 5 days before meeting, RS emails Directors for packet material.
 - Deadline for materials to RS = 4 days before meeting.
 - RS assembles and “publishes” 3 days before meeting.
- Summary of Directors’ deadlines for input to RS:
 - 9 days before meeting = input for Agenda
 - 4 days before meeting = packet input
 - 4 days before meeting = draft minute revisions.

How to do routine uploads and edits to Itc wd.org

1. Go to web site networksolutions.com
2. Click on blue box in upper right corner that says **MANAGE ACCOUNT**
3. Login **Userid** ***** **Password** *****
4. Select **Edit My Website** from the pulldown menu where it says **Log in to** (under the password).
5. Click on blue box that says **Login**
6. On the next page, under **My Hosting Packages** click on **Website Builder Tool**
7. On the next page, click on blue box that says **Edit Website**. This will bring up ImageCafe in a separate window.

8. To upload a file, click on **Photos and Files** along the top of the page.
9. The folders are shown in yellow along the left side of the page. Click on the appropriate one, such as *Meeting Documents 2010* – that is, the folder where you want the uploaded file to go.
10. Above the list of folders, click on **Upload Files**. There will be a noticeable delay while it validates certificates (just meaning that it does security checking to make sure everything is okay.) If a popup window asks you to trust the certificate, say yes.
11. There are two ways to upload files. To do it the way that I usually do, click on **NOTE: If you are still having trouble, click here**. Clicking on the **Browse** buttons will bring up a finder window so that you can navigate to the file you want to upload. Repeat if multiple files. Click green box marked **Continue** and files will be uploaded.
12. To avoid problems, give unique names to all files that you upload, appending them with `_rev1` or something to make each file version have a unique name. Trust me, this will make things easier. But as you can see on the page, there are ways to rename, move, and delete files if you want to do so.
13. Above the list of folders, notice that there is a way to create a New Folder if you ever need to do that.

14. To edit web pages and link to files, click on **Web Site Pages** along the top of the page.
15. Let's do an example of adding a new month to the agenda/packet/minutes page. Assume that you have already uploaded the agenda file as described above.
16. On the **Web Site Pages** page, **Current Pages in the Web Site Menu** appears on the left. Click on the *Agendas, minutes* page to get a pull down menu, select **Edit page**.
17. The page is divided into segments, called frames. Click on the button that says **EDIT TEXT** in the frame with the previous months' data.
18. Click in the box with the most recent month. Click on the icon above that says **Insert row before** when you put the mouse over it (it looks like a box with an

- arrow over some other boxes ). Notice that all the icons will give a little explanation as you pause the cursor over them.
19. Move the cursor to the new line. Type the date in the first box. Move the cursor to the next column. Type Agenda then highlight by clicking or selecting with the mouse. When it is selected, the word Agenda will be highlighted with blue.
 20. Click on the **Insert/edit link** icon (it looks like a globe with a chain link ). This will pop up a window called **Create a Link**. Under **Create a Text Link to**, select **A file in your Photos and Files** from the pull down menu. Under **Photos and Files**, find the name of the Agenda file that you already uploaded. Then click the green box that says **SAVE**. (This means that once published, clicking the word Agenda will download a copy of the file.) Click the green box **CONTINUE** to save your work. This will return you to the page so you can see how it will look.
 21. But you have not published yet! This is good because you can make other edits, etc. before changing the public web site.
 22. To make your work appear at Itcwd.org (publish), click on **Publish Web Site** along the top of the page.
 23. On the next page, click on the green box marked **PUBLISH >>**. (Until you do this, Itcwd.org will not change.)
 24. Once you are told that the website is published, point your browser to Itcwd.org and check to see that it looks okay. To test, try clicking on Agenda to make sure the right file downloads.
 25. Security questions – NetworkSolutions recently required some questions (maybe if you forget the password) to use for security. Here is what I set up:
 - Q. Tom’s last name? A. Uridel
 - Q. Tracy’s last name? A. Sherman
 - Q. Mike’s last name? A. Ward

**CONSULTING AGREEMENT
RECORDING SECRETARY**

This Consulting Agreement Recording Secretary ("Agreement") is made this ____ day of _____, 2010, by and between the Los Trancos County Water District ("District") and _____ ("Consultant").

RECITAL

The following recital is a substantive part of this Agreement:

A. The District wishes to contract for certain recording secretarial services. Consultant is qualified by virtue of experience, training, education, and expertise to accomplish these services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. TERM OF AGREEMENT. This Agreement shall cover services rendered from _____, 2010 until terminated as set forth below.

2. SERVICES AND COMPENSATION. The services ("Services") to be performed by Consultant are set out in Exhibit A attached hereto. Consultant's compensation for Services is set out in Exhibit B attached hereto.

2.1 Payment. Payment shall be made by District within thirty (30) days of District's receipt of an invoice. Invoices shall be submitted for Services on a monthly basis and shall include descriptions of the work performed.

2.2 Records. Consultant shall keep accurate records of work performed and expenses. These records shall be made available to District upon request and shall be kept for at least three (3) years after performance of the Services.

3. TERMINATION. District and Consultant shall each have the right to terminate this Agreement, without cause, by giving no less than thirty (30) days written notice to the other party. Upon termination, all rights of the parties shall terminate, except as to payment for Consultant's Services performed prior to such termination.

4. INDEMNIFICATION. Consultant agrees to indemnify, defend, and hold harmless District and its elective or appointive boards, officers, agents, and employees from claims, liabilities, expenses, or damages of any nature, including attorneys' fees, for injury or death of any person, or damage to property, arising out of, or in connection with, the performance of the Agreement by Consultant.

5. INSURANCE REQUIREMENTS. Consultant shall maintain automobile insurance against claims and liabilities for personal injury, death, or property damage, providing protection as required in California Insurance Code §11580.1b.

6. INDEPENDENT CONTRACTOR. Consultant, in the performance of Services under this Agreement, shall act as and be an independent contractor and not an agent or employee of District. Consultant shall receive no premium or enhanced pay for work normally understood as overtime, nor shall Consultant receive holiday pay, sick leave, administrative leave, or pay for any other time not actually worked. The intent of the parties is that Consultant shall not be eligible for benefits and shall receive no compensation from District except as expressly set forth in this Agreement. Consultant shall be responsible for payments of all taxes due as a result of its compensation under this Agreement.

7. COMPLIANCE WITH LAW. Consultant shall comply with all applicable laws, ordinances, codes, and regulations of federal, state, and local governments.

8. OWNERSHIP OF WORK PRODUCT. All documents or other information developed or received by Consultant shall be the property of District. Consultant shall provide District with the originals (or copies, if no originals exist) of these items upon demand or upon termination of this Agreement.

9. CONFLICT OF INTEREST AND REPORTING. Consultant shall at all times avoid conflict of interest or appearance of conflict of interest in performance of this Agreement.

10. NOTICES. All notices shall be in writing and delivered by U.S. mail, postage prepaid, via first class mail to the addresses listed below.

Consultant:

District: Board President
Los Trancos County Water District
162 Los Trancos Circle
Portola Valley, CA 94028

Notice shall be deemed communicated on the earlier of actual receipt or forty-eight (48) hours after deposit in the U.S. mail.

11. NO ASSIGNMENT. The parties agree that the expertise and experience of Consultant are material considerations for this Agreement. Consultant shall not assign, transfer, or subcontract any interest in this Agreement, nor the performance of any of Consultant's obligations hereunder, without the prior written consent of District.

12. MODIFICATION. This Agreement constitutes the entire agreement between the parties and supersedes any previous agreements, oral or written. This Agreement may be modified only by subsequent mutual written agreement executed by District and Consultant.

13. CALIFORNIA LAW. This Agreement shall be construed in accordance with the laws of the State of California.

14. WAIVER. The waiver by either party of any breach or violation of any provision of this Agreement by the other party shall not be deemed to be a waiver or a continuing waiver of any subsequent breach or violation of the same or any other provision of this Agreement.

15. SEVERABILITY. Should any provision of this Agreement be found invalid or unenforceable, the decision shall affect only the provision interpreted, and all remaining provisions shall remain enforceable.

16. SUCCESSORS. This Agreement is binding on successors, legal representatives, and assigns.

17. ATTORNEYS' FEES. In any legal action or proceeding brought for enforcement of this Agreement, the successful party shall be entitled to recover reasonable attorneys' fees and other costs incurred in addition to any other relief to which the successful party may be entitled.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year shown below.

ATTEST:

LOS TRANCOS COUNTY
WATER DISTRICT:

District Counsel

By: _____
President

CONSULTANT:

Consultant

EXHIBIT A
SCOPE OF SERVICES
RECORDING SECRETARY

Minute Keeping

- Record minutes at all regular and special Board meetings
- Post draft meeting minutes on the website
- Make corrections as needed for final approval at the next Board meeting

Other Recording Secretary Duties

- Co-sign with the President all Board Resolutions and Ordinances
- Respond to County government offices requests for information
- Process required government forms, and make the appropriate filings.
- Bi-annually, notify the community of elections and request for candidates

Record Keeping

- Maintain paper records of minutes and all Resolutions and Ordinances
- Maintain files on major events

Meeting Place, Notification

- Assure that space is available and ready for each month's official meeting
- Post notices of all meetings in the district in 3 public places and on the community email bulletin board

Web site maintenance www.ltcwd.org

- Post information that will be presented in the meeting in the monthly Packet
- Post the draft minutes
- Update the minutes following approval
- Add any materials presented at the meeting to the Packet
- Assist program managers with their sections on the website
- Remove obsolete material as appropriate

Qualifications and Limitations

- Broad understanding of public agencies functioning
- Able to gather and consolidate the essence of discussions and translate into concise, meaningful minutes

**EXHIBIT B
COMPENSATION
RECORDING SECRETARY**

- Monthly compensation for performance of above described services: \$400.00 (Four Hundred)
- Compensation for the provision of other finance-related services requested by board and agreed to by consultant: \$40.00 (Fourty) per hour
- Compensation for use of personal vehicle: 50 cents per vehicle mile based on submission of written claim.
- Compensation for other incidental expenses: At reasonable cost based on submission of written claim and supporting documentation.

Duties of the office of President, Los Trancos County Water District Draft March 2010

Thoughts by Tracy Sherman and Mike Ward - adds by David Smernoff

Note, many of these tasks may be delegated, but the President is responsible to see that they are done.

Specific Tasks

1. Before each regular meeting:
 - Set the meeting agenda one week in advance; see that it is posted 3 days in advance.
Recommendation for sequence:
 - First: Required portions; public comment, minutes approval, regular financial report.
 - Second, exciting topics; guest presenters, controversial subjects;
 - -- have a short Break ---
 - Third then standing committee reports (Programs),
 - Fourth, closing elements, Calendar, Communications, and set next meeting.
 - Assure the meeting venue is available
 - Provide light refreshments for break
2. During the meeting:
 - Set the tone for each meeting
 - Embrace differing viewpoints respectfully – leave room for healthy debate.
 - Truncate debate/discussion only when repetition occurs, or time is truly running out; consider postponing agenda items if need be (subject to Director's concurrence)
 - Hover above the issues as much as possible. If the topic is your own program, consider handing over the chair to the vice president for that topic's duration
 - Draw out each Director's opinion before any vote
 - For major votes, consider a preliminary reading, followed by a formal vote the following month
 - Appoint ad hoc committees as needed, Standing committees need a Resolution.
Minutes are required for all publicly noticed meetings (regular, special and committees)
3. As needed:
 - Generate/compose Resolutions (more formal than a motion – changes in policy) and Ordinances (Laws – very rare now that we do not deliver water, or meeting frequency or location)
 - Hire and manage staff
 - Review staff performance and compensation (at least biannually) Secretary and Treasurer positions
 - Provide communications to the community about District Programs, Progress, Issues; ie, LTW-VV newsletter, annual or semi-annual reports, etc.
 - Manage the annual calendar of events
 - Land Stewardship oversight (*more details on this responsibility?*)

Leadership

1. Manage to the LTCWD Mission
 - See that each major program provides a 3 year forecast; that each committee works within approved budget, and performs to plans.
 - Ensure that all programs present an annual review
 - Do surplus (cash) management review on a bi-annual basis
2. Represent LTCWD to the public
 - Be the representative to LAFCO
 - Be the representative to any Grand Jury or other official inquiries
 - Respond to community comments; factually, promptly and without defensiveness; in a venue that matches the conveyance of the comments (i.e. private, Yahoo Groups, letter, etc)
3. Assure that Governance is maintained; Record keeping, timely minutes, archives, website currency, project plans, financials, committee reports
4. Call Executive meetings (not open to the public) as needed and as relates only to personnel issues or, if the Board is being sued.

Unanswered Questions:

1. Sign all checks over \$1000?
2. Possibly including a glossary of terms and, a list of timeframes for various notifications that need to be made to the public (email and how many postings?):
 - a. Regularly scheduled Board meetings – 72 hours in advance
 - b. Committee meetings – 24 hours in advance
 - c. Special meetings – 24 hours in advance
 - d. Calendar with all filing dates (audit, Form 700, other?)
 - e. What else???