Gold Mountain Community Services District

POLICY HANDBOOK

POLICY TITLE: Budget Preparation
POLICY NUMBER: 2110

2110.1 An annual budget proposal shall be prepared by the General Manager

2110.2 Before review by the Board of Directors, the Board's standing Capital Improvement and Finance Committee shall meet with the General Manager to review his/her annual budget proposal.

2110.3 The proposed annual budget as reviewed and amended by the Capital Improvement and Finance Committee shall be reviewed by the Board at its regular meeting by April/May.

2110.4 The proposed annual budget as amended by the Board during its review shall be adopted at its regular meeting in May/June.

2110.5 A mid-year budget review will be conducted by the General Manager in February, and the Board shall make any adjustments to the budget that are necessary and adopt such changes during this meeting. The General Manager will present and discuss summarized updates of actual spend compared to budget plan at every Board of Directors Meeting.

Gold Mountain Community Services District

POLICY HANDBOOK

POLICY TITLE: Investment of District Funds
POLICY NUMBER: 2130

2130.1 Premise:

a) The Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (California Government Code (GC) §53600.6 and §53630.1); and,

b) Government Code Sections 53601, et seq., allow the legislative body of a local agency to invest surplus monies not required for the immediate necessities of the local agency; and,

c) The Treasurer of the Gold Mountain Community Services District (GMCSD) is required to annually prepare and submit a statement of investment policy, and any changes thereto, is to be considered by the District Board of Directors at a public meeting (GC §53646(a)). The statement shall also be annually presented to the District's Auditor.

d) For these reasons, and to ensure prudent and responsible management of the public's funds, it is the policy of the GMCSD to invest funds in a manner which will provide the District with a high investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all statutes governing the investment of GMCSD funds.

2130.2 Scope:

This investment policy applies to all financial assets of the GMCSD. These funds are as accounted for in the annual audited financial statements of the District and include:

a) Water and Sewer Operating Account

b) Fire Operating Account

c) Capital Restricted Water and Sewer Reserves

d) Water and Sewer Operating Reserves

e) Fire Capital Reserves

f) Special Project Accounts as required

2130.3 Delegation of Authority:

Authority to manage the investment program is derived from CGC Sections 53600, et seq. Management responsibilities for the investment program is hereby delegated to the District Treasurer, who shall establish and maintain written procedures for the operation of the investment program consistent with this investment policy. Such procedures shall include explicit delegation to the designated Financial Director, responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the District Treasurer. The Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of the subordinate officials.

2130.4 Ethics and Conflicts of Interest:

Officers and employees involved in the investment process shall not engage in personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. All such personnel shall meet the requirements for ethics training under AB 1234 and be current under California Code, Government Code - GOV § 87203 Conflict of Interest disclosures.

2130.5 Objectives:

As specified in GC §53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, the primary objectives of the investment activities, in priority order, shall be:

a) **Safety:** Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the whole portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

b) **Liquidity**: The secondary objective shall be to meet the liquidity needs of the District.

c) **Yield:** The third objective shall be to achieve a return on the funds under the District's control.

2130.6 Prudence:

The Board of Directors and persons authorized to make investment decisions subject to these policies are fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a fiduciary shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including but not limited to, the general economic conditions and the anticipated needs of the District, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the District. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. Investment officers acting in accordance with written procedures and the Investment Policy objectives and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from policy or expectations are reported in the next issued quarterly treasury report and appropriate actions are taken to control adverse developments. When a deviation poses a significant risk to the District's financial position, the District Treasurer shall notify the GMCSD Board immediately.

Gold Mountain Community Services District

POLICY HANDBOOK

POLICY TITLE: Records Retention POLICY
NUMBER: 2145

2145.1 The purpose of this policy is to: provide guidelines to staff regarding the retention or disposal of Gold Mountain Community Services District records; provide for the identification, maintenance, safeguarding and disposal of records in the normal course of business; ensure prompt and accurate retrieval of records; and, ensure compliance with legal and regulatory requirements.

2145.2 Vital and important records, regardless of recording media, are those having legal, financial, operational, or historical value to the District.

2145.3 The General Manager is authorized by the Board of Directors to interpret and implement this policy following, the attached Records Retention Schedule marked as Exhibit A, applicable law, and if necessary, after consultation with General Counsel. The General Manager is authorized to cause to be destroyed any or all such records, papers, documents records that meet the qualifications governing the retention and disposal of records.

2145.4 Under the provisions of Government Code §§ 60200 through 60204, and the guidelines prepared by the State Controller's office and the Controller's Advisory Committee for Special Districts, the following qualifications will govern the retention and disposal of records of the District.

> **2145.4.1** Duplicate records, papers and documents may be destroyed at any time without General Manager authorization, advice of the General Counsel, or copying to photographic or electronic media.
>
> **2145.4.2** Originals of records, papers and documents more than two years old that were prepared or received in any manner other than under State or Federal statute may be destroyed without the necessity of copying to photographic or electronic media except for permanent records of the District, as defined in this policy and under applicable law
>
> **2145.4.3** In no instance shall records, papers or documents be destroyed where there is a continuing need for such records for such matters as pending litigation, special projects, etc.
>
> **2145.4.4** Records, papers or documents which are not expressly required by law to be filed and preserved may be destroyed if all of the following conditions are met:
>
> > **2145.4.4.1** The record, paper or document is photographed, micro-photographed, reproduced on film of a type approved for permanent photographic records by the National Institute of Standards and Technology of the U.S. Department of Commerce, or copied to an approved electronic media;

2145.4.4.2 The device used to reproduce such record, paper or document on film, or retrieves and prints the document from the electronic media, is one which accurately reproduces the original thereof in all details; and,

2145.4.4.3 The photographs, micro-photographs, or other reproductions on film are placed in conveniently accessible files and provisions are made for preserving, examining, and using the same, together with documents stored via electronic media.

2145.4.5 Any accounting record except the journals and ledgers which are more than five years old and which were prepared or received in any manner other than pursuant to State statute may be authorized for destruction, provided that:

2145.4.5.1 There is no continuing need for said record, i.e., long-term transactions, special projects, pending litigations, etc., and;

2145.4.5.2 There exists in a permanent file, an audit report or reports covering the inclusive period of said record, and that;

2145.4.5.3 Said audit report or reports were prepared pursuant to procedures outlined in Government Code section 26909 and other State or Federal audit requirements, and that;

2145.4.5.4 Said audit or audits contain the expression of an unqualified opinion.

2145.4.6 Any accounting record created for a specific event or action may be destroyed upon authorization five years after said event or action has in all respects terminated. Any source document detailed in a register, journal, ledger or statement may be authorized for destruction five years from the end of the fiscal period to which it applies. The following may be destroyed at any time without General Manager authorization or consultation with the General Counsel:

2145.4.6.1 Duplicated (original-subject to aforementioned requirements).

2145.4.6.2 Rough drafts, notes or working papers (except audit).

2145.4.6.3 Cards, listings, nonpermanent indices, other papers used for controlling work or transitory files.

2145.4.7 All payroll may be destroyed after seven years. Payroll include the following:

2145.4.7.1 Time cards

2145.4.7.2 Earning records and summaries

2145.4.8 All personnel records may be destroyed seven years after termination of employment. Personnel records include the following:

2145.4.8.1 Applications, changes, and terminations of employees.

2145.4.8.2 Insurance records of employees.

2145.4.8.3 Classification specifications (job descriptions). **2145.4.8.4**

Performance evaluation forms.

2145.4.8.5 Retirements.

2145.4.9 All accident, injury, and workers compensation records shall be retained 7 years following closure of claims resulting from accident or injury. Accident, injury, and workers compensation records include the following:

2145.4.9.1 Accident reports, injury claims and settlements.

2145.4.9.2 Medical histories.

2145.4.9.3 Injury frequency charts.

2145.4.10 Records of proceedings for the authorization of long-term debt, bonds, warrants, loans, etc., after issuance or execution may be destroyed if microfilmed or otherwise electronically duplicated as provided for in section 2145.4.4, above. Terms and conditions of bonds, warrants, and other long-term agreements should be retained until final payment, and thereafter may be destroyed in less than 10 years if microfilmed or otherwise electronically duplilcated as provided for in section

2145.4.4, above. Paid bonds, warrant certificates and interest coupons may be destroyed after six months if detailed payment records are kept for 10 years.

2145.5 Minutes of the meetings of the Board of Directors shall be retained indefinitely in their original form. However, meeting minutes may, upon the General Manager's authorization, be destroyed if they are microfilmed or otherwise electronically duplicated as provided for in section 2145.4.4, above. Recording tapes (or other media) of Board meetings will be kept for a period of two years from the date of the recorded meeting, after which they will be destroyed.

2145.5.1 Construction records, such as bids, correspondence, change orders, etc., shall not be kept in excess of seven years unless they pertain to a project which includes a guarantee or grant and, in that event, they shall be kept for the life of the guarantee or grant plus seven years. As-built plans for any public facility or works shall be retained as long as said facility is in existence.

2145.5.2 Contracts should be retained for their lives plus seven years. Any unaccepted bid or proposal for the construction or installation of any building, structure or other public work which is more than two years old may be destroyed.

2145.5.3 Property records, such as documents of title, shall be kept until the property is transferred or otherwise no longer owned by the District.

2145.6 For records existing in paper form, retention periods apply to the original paper copy only. Drafts (i.e., initial or preliminary versions) may be disposed of at any time. Duplicate copies and electronic copies may be disposed of at any time at the discretion of the District's management, unless the original has been lost. Electronic records will be retained as if they were paper documents. Therefore, any electronic files, including emails that fall into one of the document types in this Policy will be maintained for the appropriate amount of time.

2145.7 Confidentiality. The District is committed to ensuring the security and confidentiality of all records within its custody or control containing personal, confidential, or proprietary information. When such records are due to be destroyed under this Policy, they will be shredded, erased, or otherwise modified or destroyed to make them unreadable or undecipherable through any means.

2145.8 Exceptions.

2145.8.1 Legal Requirements. To the extent that any Applicable Laws exceed the retention periods in this Policy, the Applicable Laws will control.

2145.8.2 Legal Hold. All Records required to be retained due to pending or threatened litigation or investigation shall be retained for so long as the legal hold is active.

2145.8.3 Contractual Requirements. To the extent that contractual records retention requirements exceed the retention periods in this Policy, or specify the retention of Records not listed in the Policy, the contractual requirements will control. No originals of Records related to open contracts and subject to contractual retention requirements may be destroyed without the approval of the General Manager, who will consult with other District personnel as necessary.

Gold Mountain CSD
Records Retention Schedule

RECORD TITLE	TOTAL RETENTION PERIOD	CODE SECTION REMARKS
COPIES or DUPLICATES of documents for which a department is not the office of record	D/R	Duplicates and/or copies distributed for informational purposes may be destroyed when they are no longer useful for reference. No "Request for Records Destruction" form is required.
ELECTRONIC RECORDS		Electronic copies of paper records should be kept no longer than the retention period for specified in this schedule. If electronic documents are also in a paper format both must be destroyed at the same time.
ADMINISTRATION		
District Management		
Blank Forms	S	No "Request for Destruction" form is required
General Manager Reports	5	GC34090
District Generated Informational Brochures, Publications, Newsletters	P	GC34090 Keep one for historical purposes
District-wide Policies and Procedures	P	GC34090 Keep one for historical purposes
Community Organizations	2	GC34090
Complaints	2	GC34090
Correspondence - External	2	GC34090
Correspondence - Internal	2	GC34090
Policies/ Procedures/Reports	S+5	GC34090
General Information	2	GC34090
In-House Committees	CU+5	GC34090 May be kept for research/historical purposes
Professional Associations	2	GC34090
Publications (journals, periodicals)	D/R	Not a public record. No "Request for Destruction" form is required
Staff Meeting Notes	2	GC34090
Board of Directors		
Appeals heard by the Board	P	GC34090
Appeals not heard by the Board	CL+2	GC34090
Audio/Video Recordings of meetings	After 90 days D/R	GC34090.7
Agendas & Packets	CU+10	GC34090
Board Policies & Procedures	P	GC34090 Keep one for historical purposes
Board Vacancies	CU+2	GC34090
Board Committees	CU+8	GC34090
Minutes	P	GC34090(e)
Oaths of Office	P	GC34090
Petitions to the Board	5	GC34090 Advisory, Non-election related
Proclamations	2	GC34090
Prop 218 Protest letters	P	State Constitution
Public Comment and Speaker Slips	2	GC34090
Resolutions & Ordinances	P	GC34090(e)

AE = After Expiration AU = Audit CL = Closed/Completed CU = Current D/R = Destroy when no longer relevant E = After Election P = Permanent S = Superceded T = Terminated

Gold Mountain CSD
Records Retention Schedule

Board Secretary		
Bonds	P	GC34090/CCP337.5/GC53921
Certificates of Destruction	P	GC34090 Legal Record of final disposition
Easements	P	GC34090
Election Correspondence	E+2	GC34090
Election Notices, publications, certificates	E +2	GC34090
FPPC (forms & Correspondence)	T+7	GC81009(b) / 2 CCR 18944.2(c)(3)(G)
Liens	P	GC34090
Minutes	P	GC34090
Ordinances	P	GC40806
Public Records Requests	CL +2	GC34090
Records Retention Schedule	S+5	CCP 343
Resolutions	P	GC34090
Roster of Voters	E +5	EC17300(a)
Statements of Economic Interest (87200 Filers)	T +7	GC81009(e)
Vehicle/Equipment Ownership	AE+3	GC34090
Real Estate Appraisals	CL +2	GC34090
Recorded Documents -Real Estate	P	GC34090(a)
Legal & Legislative		
Affidavits of Publication	CU +4	GC34090
Administrative Files	CU +5	GC34090
Agreements/Contracts (not shown elsewhere in this schedule)	CU +5AE	CCP337
Certificates of Posting	CU +4	GC34090
Civil Litigation	CL +10	CG34090(b)
Civil Litigation regarding Property (including settlement/releases)	P	GC34090(a)
Criminal Cases going to court	CL +5	GC34090(b)
Criminal Citations	CU +2	GC34090
Grand Jury	2	GC34090
Joint Powers Authorities	CL +10	GC34090
California Special Districts Assocition	2	GC34090
Lease Agreements	CL +5	GC34090
Legal Notices, Legal Ads and Display ads	Cu +4	GC34090
Legislative Files	CU +2	GC34090
Liens	P	GC34090(a)
Recorded Documents (abandonments, deeds, easements)	P	CG34090
Subpeona Logs	2	GC34090
Training Certificates (AB1234, AB1825, etc.)	CL +5	CG34090 / GC 2946, / 29 USC 1113
Committees		
Agendas, Agenda Packets	10	GC34090
Membership Files	T +5	GC34090
Meeting Minutes	P	GC34090(e)

Recordings	After 90 days D/R	GC34090.7 / GC 54953.5(b)
Recruitment Files	2	GC34090
Rosters	CU +5	GC34090
Human Resources		
Applications (unsuccessful)	CL +2	GC12946 / 29 CFR 1627.3(b)(i) / 29 CFR 1602.14 et seq. / 2 CCR 7287.0(c)(2)
DMV Records (PULL)	T +2	GC12946
Discrimination Complaint	T +5	29 USC 255(a) / 2 CCR 11013(c) / GC 12946
Employee Benefits	T +5	GC34090 / 9 CFR 1627.3(b)(2) / 29 USC 1027 / 11 CCR 560 / 28 CCR 1300.85.1
Employee Discipline	T +3	GC34090 (c)
Employee Files	T +5	45CFR10686APPA/25CFR1627.3 / 29 CFR 1602.31 & 1627.3(b)(ii) / GC §§12946, / 29
Employee Training Records	T +5	GC34090
Employment Eligibility Verification (I-9)	T +3	GC34090 (c)
Equal Employment Opportunity Reports	3	GC34090 (c)
General Correspondence	2	GC34090
Insurance/Benefits	AU +4	29CR1627.3(b)(2)
Safety	T +3	GC34090 (c)
Temporary Employees	T +5	45CFR10686APPA/25CFR1627.3
Public Information		
General Correspondence	2	GC34090
Press Releases	2	GC34090
FINANCIAL & FISCAL		
Accounts Payable		
Accounts Payable Reports	AU +5	GC34090
Accounts Payable Supporting Documents (voucher, invoice, PO)	AU+5	GC34090
Employee Reimbursements	AU +5	GC34090
Tax Reports - 1099	AU +4	41CFR50-201.501 / IRS Reg31.6001-1(e)(2)/ R&T §19530,
Accounts Receivable		
Assessment Pay-offs	AU +4	GC34090 (c)
Invoices	AU +4	GC34090 (c)
Journal Entries	AU +4	GC34090 (c)
Refunds	AU +4	GC34090(c) / GC945.6
Revenue Backup	AU +4	GC34090 ©
Banking		
Bank Statements	AU +4	GC34090
Cancelled Checks	AU +4	GC34090
Budget		

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Annual Budget	10	GC34090
Budget Amendments (requests)	10	GC34090
Financial Reports		
Audited Financial Statements	P	GC34090
Audit Work Papers	AU +7	GC34090
Bonds Payable and other Long-Term Indebtedness	T +3	GC34090 (c)/CCP337.5/GC53921
Fixed Asset Ledger	AU +5	GC34090 (c)/26CFR301-65-1(f)
Other Financial Reports	AU +4	GC34090 (c)
State Controller Reports	AU +10	GC34090 (c)
Surplus Property List	AU +4	GC34090 (c)
Grants		
Federal Grants, including FEMA/Other Agencies	CL +7	GC34090 (or pursuant to grantor requirements)
State Grants	CL +7	GC34090 (or pursuant to grantor requirements)
Payroll		
Payroll Charges	AU +5	GC34090 (c)/CFR516.2
Payroll Reports	AU +5	GC34090 (c)/CFR516.2
Tax Reports/W-2	AU +5	GC34090 (c)/CFR516.2
Time Sheets	AU +5	GC34090 (c)/CFR516.2
Purchasing & Contracting		
Bids, RFPs, RFQs (unsuccessful)	CU +2	GC34090/CCP337
Bids, RFPs, RFQs (successful)	AU +5	GC34090/CCP337
District Owned Property/Property Management	P	GC34090 (a)
General Infromation	2	GC34090
Surplus Property Auction/Disposal	AU+4	CCP337
Surplus Property Listing	AU +2	GC34090
Contracts	CL +5	GC34090
Billing		
Customer Files	CL +7	GC34090
Meter Reads	AU +4	GC34090
Rate Adoptions pursuant to Prop 218	P	State Constitution
Rates	Au +4	GC34090
Refunds	AU +4	GC34090
Service Requests	AU +4	GC34090
Work Orders	AU +4	GC34090
Risk Management		
Claims against the District	CL +7	GC34090
Coverage Documents	T +2	GC34090
Loss Reports	AU +5	GC34090
SDRMA Training Records	CL +5	GC34090

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Workers Comp	T +30	29CFR1910.20 / 8CCR10102 / 8 CCR3204(d)(1)
OPERATIONS		
General		
Aerial Photos	CU +10	GC34090 Keep one for historical purposes
Cost Estimates - Pubic Improvements	CU +2	GC34090
Encroachment Permits	CL +4	GC34090
Engineering Standards	P	GC34090(a)
General Correspondence/Information	2	GC34090
Hazardous Waste	CL +15	GC3090/CCP337.15
Facilities/Buildings		
Maintenance Building	10	GC34090
Maintenance & Operation	10	GC34090
Water/Wastewater		
Brochures, pamphlets, public information	S +5	GC34090 Keep one for historical purposes
Connections	P	GC34090
General Corresponcence	2	GC34090
Industrial Waste Closed Permit Files	3	40CFR
Laboratory Documentation & Reports	P	40CFR / 22CCR64470 / 22CCR64690.80
Master Plans	S +10	GC34090
NPDES Permit	P	40CRF
Pre-treatment Annual Reports	P	40CFR
Sewer Leach Fields - Maintenance & Operation	CU +5	GC34090
Septic Tanks - Maintenance & Operation	CU +5	GC34090
SWRCB & NMFS Reporting	P	40CFR
SWRCB Grant & Loan Documents	CL +30	GC34090
SWRCB Rights & Permits	P	40CFR
Violations	CL +5	GC34090
Water & Wastewater Management Plans	S +5	40CFR
Water & Wastewater Studies	CL +10	GC34090
Water Quality Reports	P	GC34090
Water Treatment Plant - Dept of Public Health/EPA Reports	P	40CFR
Wells & Groundwater Infromation	P	GC34090

Gold Mountain CSD

Records Retention Schedule

FIRE		
Correspondence	2	GC34090
Contracts	CL =5	GC34090
Training Records	T +5	GC34090.6
Reorts/Logs	5	GC34090
Firewise	5	GC34090
Emergeny Management/Incident Command	CU +5	GC34090

Gold Mountain Community Services District

POLICY HANDBOOK

POLICY TITLE: Reserve of District Funds

POLICY NUMBER: 2150

2150.1 Purpose: Reserves provide foundation for the sustainable delivery of core services. The Gold Mountain Community Services District (the District) shall contribute to and maintain reserve funds to adequately provide for general operations, capital projects, infrastructure replacement and improvement, designated reserve projects (i.e. grant funding), debt service, and maintaining the District's credit worthiness. This policy establishes the fund types, responsibilities, and funding allocations to ensure appropriate reserve management and distribution. Reserve funds include reserve contributions, designated funds, grant funds (as appropriate), and earned interest in the respective account. Reserves strengthen the financial stability of the agency against present and future uncertainties in an ever-changing operating environment. This policy serves to promulgate a shared understanding of the proper level and use of reserves among the Board, staff, and rate payers.

2150.2 Policy: Use of District Reserves is limited to available funds (not obligated by law, contract, or agreement to other uses) to meet reserve requirements defined herein. The District shall account for reserves as required by Statement 54 of the Governmental Accounting Standards Board, which defines the relative strength of the constraints that control how specific amounts can be spent. Reserve Fund types include:

- Restricted Reserves - includes funds that can be spent only for the specific purposes stipulated by external resource providers or through enabling legislation. Restricted reserves to be accounted for by line item in the Districts Capital Reserve account.
- Designated Reserves - includes funds that can be used only for the specific purposes determined by a formal action of the Board of Directors. Funds related to Capacity improvements, or specifically identified Capital Projects will be deposited to a Designated Reserve Fund. Designated reserves to be accounted for by line item in the Districts Capital Reserve account.
- Operating Reserves – the residual classification for the District's enterprise fund for water and sewer operations, and the government fund for fire operations; includes all cash and cash equivalents not Restricted or Designated or otherwise assigned in the respective Operating Checking Account.

2.150.2.1 Responsibilities.

a. Board of Directors:
   i. Establish Designated Reserve Funds to deposit revenues generated by Water and Sewer fees and charges, or Government Fund tax revenues, for specific uses in accordance with this policy and guided by the District's Master Plan and Rate Study.
   ii. In collaboration with the District Treasurer and Financial Advisor, conduct a semi-annual (February and July) review of Designated Reserves and level of funding.
   iii. Approve the transfer of certain Designated Reserves to the Capital Checking Account in support of approved Capital projects or for Board designated projects.

b. Treasurer:
   i. Serve as Chairman of the Finance Committee.
   ii. Provide oversight of all reserve funds through quarterly reviews and reports to the Board of Directors.
   iii. Serve as the backup point of contact (POC) with District's investment agent for the investment of District funds in accordance with (IAW) Policy 2130, Investment of District Funds.
   iv. Work closely with the Accounting Contractor on the allocation and tracking of reserve funds.
   v. Prepare Restricted Fund and Designated Reserve Fund transfer requests for Board action.

c. Financial Advisor:
   i. Serve on the Finance Committee.
   ii. Function as primary POC with District's investment agent for the transfer and investment of reserve dollars IAW Policy 2130.
   iii. Conduct quarterly independent reviews of reserve funds and report to the District Treasurer.
   iv. Conduct a comprehensive Annual Reserve Study of all funds and report to the Board of Directors.

d. Accounting Contractor, in conjunction with District Treasurer
   i. Classify, track, and report fund balances by applying District accounting policies.
   ii. Include disclosure of applicable policies in the notes to financial statements.
   iii. Ensure the assignment of District revenues, where applicable, to the appropriate Reserve fund.
   iv. Initiate fund transfer requests with the Treasurer and Financial Advisor via email or written memorandum.

2.150.2.2 Fund Allocations and Distributions

a. Restricted Reserves

i. Fee revenues accumulated from Water and Sewer Capacity fees paid to join the District's Water and Sewer systems to be accounted for in a Capacity Fund.
ii. Accumulation of debt service as required by bond or loan covenants or requirements of grant awards
iii. Fund distributions approved by the General Manager in coordination with the District Treasurer.

b. Designated Enterprise Fund Reserves
   i. Scheduled fund contributions/transfers for water and sewer capital projects per the approved District budget.
   ii. Designated Reserves are allocated to specific capital infrastructure projects by Board action in accordance with the District Master Plan.
   iii. Fund distribution by request of the General Manager with Board of Directors approval.

c. Enterprise Operating Reserve Fund
   i. Revenues accumulated from water and sewer operating fund annual surpluses.
   ii. Scheduled fund contributions per the approved District budget.
   iii. Fund objective is to maintain a minimum balance equivalent to 3 month's (one fiscal year quarter) water and sewer operational expenses.
   iv. Operating Fund Reserve distributions by order of the General Manager in coordination with the District Treasurer.

d. Government Fire Reserve Fund
   i. Scheduled fund contributions per the approved District budget for designated projects.
   ii. Revenues accumulated from Fire operating fund annual surpluses.
   iii. Fund objective is to maintain a minimum balance equivalent to 3 month's (one fiscal year quarter) fire operational expenses.
   iv. Operating Fund Reserve distributions by order of the General Manager in coordination with the District Treasurer.

2150.3 Reserve Monitoring and Internal Controls

i. The General Manager, Financial Advisor, and Accounting Contractor are collectively responsible for monitoring and accountability of Reserve Funds.
ii. Independent quarterly review conducted by Financial Advisor with report to the General Manager and Treasurer.
iii. Semi-Annual Review of Designated Funds by the Treasurer with project designation recommendations to the Board of Directors.
iv. Annual Comprehensive Reserve Study of all funds by the Financial Advisor with a report and recommendations to the Treasurer and Board of Directors.

Gold Mountain Community Services District

POLICY HANDBOOK

POLICY TITLE: Easement Acceptance
POLICY NUMBER: 2225

2225.1 Acceptance by the District of any interest in public utility easements and other easements dedicated to the District for installation, maintenance, repair, etc., of facilities, shall require approval of the Board of Directors.

2225.2 Commitments to accept easements or assurances that easements will be accepted may be provided by staff only after approval of same by the Board of Directors.

2225.2.1 Acceptance of easements shall be accomplished by the Board of Directors by adoption of a resolution.

Gold Mountain Community Services District

POLICY HANDBOOK

POLICY TITLE: Easement Abandonment
POLICY NUMBER: 2230

2230.1 Abandonment by the District of its interest in public utility easements and other easements dedicated to the District for installation, maintenance, repair, etc., of facilities, shall require approval of the Board of Directors.

2230.2 Commitments to abandon easements or assurances that easements will be abandoned may be provided by staff only after approval of same by the Board of Directors.

2230.2.1 Abandonment of easements shall be accomplished by the Board of Directors by adoption of a resolution.

2230.2.2 District staff will notify the easement grantee in writing of the intent to abandon the easement within 5 working days of the date of the abandonment resolution.

Gold Mountain Community Services District

POLICY HANDBOOK

POLICY TITLE: Customer Identity Theft Prevention & Red Flags
POLICY NUMBER: 2315

2315.1 The District shall implement reasonable policies and procedures to identify, detect, prevent and mitigate the theft of personal account information of its customers in compliance with Part 681 of Title 16 of the Code of Federal Regulations implementing Sections 114 and 315 of the Fair and Accurate Credit Transactions Act (FACTA) of 2003. This policy will identify detectors known as 'red flags' that will alert the District to potential fraudulent misuse or theft of customer account information. The District shall respond appropriately to any red flags that are detected by these procedures. In order to identify relevant Red Flags, the District considers both connected and standby account types that it offers and maintains, the methods it provides to open its accounts, the methods it provides to access its accounts and its previous experience with Identify theft.

2315.1.1 The District shall maintain individual accounts that allow customers to pay for utility services rendered. Customer bills are sent and payments are due on a quarterly basis. These customer accounts are covered subject to this policy.

2315.1.2 The District requires and stores the following information for each customer account:

a. Name
b. Mailing Address
c. Service Address
d. Phone Number
e. Email Address

2315.1.3 The District <u>does not require, request, or record</u> any information for any customer other than provided for in section 2315.1.2. This includes but not limited to: social security account numbers, credit card information, and financial account information.

2315.2 <u>Identification of Relevant Red Flags</u>.
The District identifies the following red flags, in each of the listed categories:

a. Notifications and Warnings from Credit Reporting Agencies:

Report of fraud accompanying a credit report;
Notice or report from a credit agency of a credit freeze on a customer or applicant;
Notice or report from a credit agency of an active duty alert for an applicant;
Indication from a credit report of activity that is inconsistent with a customer's usual activity.

b. Suspicious Documents:
   The District does not require, request, or record any personal identification documents.
c. Suspicious Personal Identifying Information:
   Changes of address or phone number.
d. Suspicious Account Activity or Unusual Use of Account
   Change of address for an account followed by a request to change the account holder's name;
   Payments stop on an otherwise consistently up-to-date account;
   Account used in a way that is not consistent with prior use (example: very high water usage);
   Mail sent to the account holder is repeatedly returned as undeliverable;
   Notice to the District that a customer is not receiving mail sent by the locality;
   Notice to the District that an account has unauthorized activity:
e. Alerts from Others
   Notice to the District from a customer, identity theft victim, law enforcement or other person that it has opened or is maintaining a fraudulent account for a person engaged in identity theft.

2315.2.1 Detection of Red Flags on N**ew** Water and Sewer Accounts. In order to detect Red Flags identified above associated with the opening of any new account, District personnel will only accept documents from title companies that indicate a change of ownership. District personnel may check with previous owners to verify that a property transfer has taken place. If necessary, District personnel may contact the new owner as identified by the title company to verify their contact information.

2315.2.2 Detection of Red Flags on **Existing** Water and Sewer Accounts. In order to detect any of the Red Flags identified above for an existing account, District personnel will verify the identification of customers if they request information, whether in person, via telephone, or via e-mail, and verify the validity of requests to change billing addresses.

2315.2.3 Detection of Red Flags in the collection of parcel fire taxes. Since District parcel fire taxes are collected through County of Plumas tax rolls, the District collects and maintains no data for this purpose.

2315.3 Response to Red Flags and suspect identity theft.
In the event that District personnel detect any identified Red Flags, such personnel shall take one or more of the following steps, depending on the degree of risk posed by the Red Flag:

- Continue to monitor an account for evidence of Identify Theft;
- Contact the customer:
- Not open a new account;
- Close an existing account;
- Reopen an account with a new number;
- Notify the General Manager for determination of the appropriate step(s) to take;
- Notify law enforcement; or
- Determine that no response is warranted under the particular circumstances.

2315.3.1 In order to further prevent the likelihood of identity theft occurring with respect to water and sewer, the District will take the following steps with respect to its internal operating procedures to protect customer identifying information:

- Ensure that its website is secure if that website allows for customers to sign in;
- Ensure complete and secure destruction of paper documents and computer files containing customer information;
- Ensure that the office computers are password protected and that computer screens lock after a set period of time;
- Ensure computer virus protection is up to date; and
- Require and keep only the kinds of customer information that are necessary for utility purposes.

2315.3.2 Updating the Program. The Program shall be updated periodically to reflect changes in risks to customers or to the organization from identity theft based on factors such as:

- The experiences of the organization with identity theft;
- Changes in methods of identity theft;
- Changes in methods to detect, prevent and mitigate identity theft;
- Changes in the types of accounts that the organization offers or maintains;
- Addition in the type of Customer Information that is collected.

2315.3.3 Administration of Program. The Board of Directors shall be responsible for the development, implementation, and oversight of the Program. The District's Office Administrator shall be responsible for continued administration of the Program. The Program shall train staff, as necessary, to effectively implement the Program; and shall exercise appropriate and effective oversight of any service provider arrangements.

Gold Mountain Community Services District

POLICY HANDBOOK

POLICY TITLE: Public Complaints

POLICY NUMBER: 2410

2410.1 The Board of Directors desires that public complaints be resolved at the lowest possible administrative level, and that the method for resolution of complaints be logical and systematic.

2410.2 A public complaint is an allegation by a member of the public of a violation or misinterpretation of a District policy, state, or federal statute of which the individual has been adversely affected.

2410.3 The method of resolving complaints shall be as follows:

2410.3.1 The individual with a complaint shall first discuss the matter with the office personnel, with the objective of resolving the matter informally.

2410.3.2 If the individual registering the complaint is not satisfied with the disposition of the complaint by the Office Manager, the complaint may be filed with the General Manager. Within a reasonable time, the General Manager shall meet with the person filing the complaint to resolve the matter. At the option of the General Manager, he/she may conduct conferences and take testimony or written documentation in the resolution of the complaint. The individual filing the complaint may request a written decision from the General Manager.

2410.3.3 If the individual filing the complaint is not satisfied with the disposition of the matter by the General Manager, a written complaint may be filed with the Board of Directors within ten (10) days of receiving the General Manager's decision. The Board may consider the matter at the next regular meeting, or call a special meeting. The Board will expeditiously resolve the matter. In making the final decision, the Board may conduct conferences, hear testimony, as well as utilize the transcripts of written documentation. The individual filing the complaint may request a written decision from the Board.

2410.4 This policy is not intended to prohibit or deter a member of the community or staff member from appearing before the Board to verbally present a testimony, complaint, or statement in regard to actions of the Board, District programs and services, or impending considerations of the Board.

Gold Mountain Community Services District

POLICY HANDBOOK

POLICY TITLE: Public Records Act Policy

POLICY NUMBER: 2425

2425.1 Purpose. The California Public Records Act (Government Code, section 6250 et seq.) grants California residents important rights to obtain access to records held by public agencies. The District adopts this policy to clarify how it will respond to requests for records under the Public Records Act.

2425.2 All requests for public records shall be in writing on a form approved by the Board of Directors (attached), submitted to the GMCSD District Office and received by the General Manager or in his/her absence, their designee. Board agendas and board packages including meeting minutes for the current and most recent Fiscal Year are available on the District's website at www.GMCSD.org or in the District office. The request for records form is available on the District's website and from the District's business office.

2425.3 Staff will respond to all requests as soon as possible after they are received, but not later than 10 days after receipt to either state whether the District has responsive records or to request an extension of up to 14 additional days to make that determination pursuant to Government Code section 6253(c). It is the expectation of the Board that Staff will cooperate fully with the request and act in a considerate and accommodating manner.

a) Staff shall review each request and determine whether it seeks identifiable records. If not, staff shall offer to help the requestor identify records responsive to the request.
b) Staff shall request all Directors and staff who may have the records requested to search their files. Directors and staff must report whether they have responsive records and, if so, when the records can be made available to the requestor.
c) Staff shall respond to the requestor, advising him or her in writing of the availability of the documents, a description of the medium (paper, electronic format, etc.) and location of the records, and whether any are exempt from disclosure under the Public Records Act. To the

extent feasible, staff will provide suggestions to overcome any practical basis for denying access to the records sought.

d) If a request is made for copies of records, staff shall also advise the requestor of the estimated copying cost. The District shall make any disclosable records it holds in electronic format available in such format when requested.

e) The person requesting the copies shall pay the charges for the requested copies established by the Board. At present those are: $1.00 for the first page, $.05 each additional page, $.10 per page for Political Reform Act materials. Staff shall not release the copies until the actual copying cost is paid.

f) Staff shall provide copy of original form to Requestor upon completion. Original request form will be filed and maintained in the District for a period of no less than 3 years.

2425.4 In accordance with the Public Records Act, staff will provide specific, identifiable records but will not research records for particular types of information or analyze information which may be contained in public records. Staff has no obligation to create records in response to a Public Records Act request.

2425.5 Staff will respond to requests for public records in accordance with the Public Records Act as the Act now exists or may hereafter be amended, and nothing in this Policy is intended nor shall it be construed to conflict with the terms of the Public Records Act.

REQUEST FOR PUBLIC RECORDS

Date requested:	Date required:

Please list each document, file, or record separately

I wish to ☐ Review

☐ Obtain copies of the following public records:

I/We, the undersigned, request documents as indicated and agree to pay the [District] for copies at the rate of $1.00 for the first page and $0.05 for each additional page ($0.10 per page for documents requested pursuant to the Political Reform Act) when I receive or my representative receives them.

Name/Organization: ________________

Mailing Address: ________________

____

Phone Number: ( ) ________ Signature: ________

FAX Number: ( ) ________ Email: ________

FOR INTERNAL USE ONLY

Date Request Received:		
Approved ☐ Denied ☐	Approver's Signature:	
Reason, if denied:		
Disposition of Request: Documents/response provided on (date)		
By: ☐ Mail ☐ Pick-up ☐ FAX ☐ Email ☐ Delivered ☐ Verbal ☐ Phone		
Comments:		
Date Completed:	Staff Member(s):	Staff Time: