



GENERAL ADMINISTRATIVE POLICY

Date Approved: December 10, 2025

Approved By: Dale Mancino - General Manager and the Board of Directors

ORGANIZATIONAL STRUCTURE

Board of Directors

Clear Creek Community Services District, hereinafter referred to as “CCCSD,” is governed by a five-member Board of Directors, hereinafter referred to as “The Board.” The Board is responsible for the oversight of the organization through the following functions:

1. Planning for the future and setting CCCSD goals
2. Establishing policies and procedures
3. Setting the budget
4. Identifying and proactively addressing emerging issues
5. Establishing and maintaining programs and systems to ensure compliance with contract and grant terms
6. Engaging with government officials on issues affecting CCCSD
7. Appointing a representative to ACWA/JPIA
8. Voting for the LAFCO Special District Representative
9. Appointing an EAGSA representative

The Board does not perform administrative duties; these responsibilities fall to the General Manager. The Board acts by enacting ordinances, adopting resolutions, and passing motions with the affirmative vote of at least three (3) Directors.

The Board is responsible for hiring the General Manager, providing an Employment Agreement, and conducting an annual evaluation. The General Manager is charged with the oversight and management of CCCSD and may be assigned specific authorities and duties by the Board.

Each Director must receive training every two years in the following:

- a) Brown Act
- b) Ethics
- c) Sexual Harassment

Each Director must file the Statement of Economic Interests (Form 700) as follows:

- Annually (due no later than April 1st of each year)
- Assuming Office Statement
- Leaving Office Statement

Board Meetings

The Board of Directors shall hold regularly scheduled meetings on the third Wednesday of each month at 6:00 p.m. This regular meeting schedule may be modified only by an Ordinance of the Board. Both regular and special meetings will be conducted in compliance with the Brown Act.

- Typed meeting minutes will serve as action minutes, documenting those present, matters discussed, motions made, and votes taken.
- Meetings will be audio recorded, and the recordings shall be retained for seven (7) years.

COMMITTEE STRUCTURE

Standing Committees

The Board of Directors shall form Standing Committees in order to assist the Board in fulfilling its responsibilities. These committees shall be composed of two Directors and up to three Community Members and shall review issues for the purpose of making recommendations to the full Board. Officers of the Board may fill vacancies on a Standing Committee until the Committee vacancy is filled. Standing committees of CCCSD consist of the following:

1. Agricultural Committee
2. Financial Committee
3. Planning and Steering Committee
4. Personnel Committee

Every January the Board will call for applications from the Community for committee membership. Community members must reside within the District boundaries and must be able to regularly attend scheduled committee meetings in order to be eligible to serve on a committee. Applicants will be invited to the following Regular Board Meeting to be interviewed regarding their qualifications as they pertain to the committee to which they applied. The Board shall select up to three community members to serve for a term of one (1) year on each of the Standing Committees. Existing community committee members must reapply each January in order to be considered for reappointment to their committee position.

Committee Responsibilities

1. The Board's standing Agricultural Committee shall be concerned with promoting and preserving agricultural customers and assisting them with regulatory compliance, such as Annual Crop Reports. The Agricultural Committee shall meet a minimum of twice a year.
2. The Board's standing Financial Committee shall be concerned with the financial management of the CCCSD, including the preparation and oversight of an annual budget, and the Rates and Fee Schedule, quarterly General Ledger review and oversight of reserve accounts, review of the annual audit, major expenditures and

customer water rates. The Financial Committee shall meet a minimum of once a quarter.

3. The Board's Standing Planning and Steering Committee shall be concerned with the formulation and oversight of plans, future capital planning and policies and updating and reviewing policies for arranging, realizing, and/or achieving CCCSD daily operations and goals. The Planning and Steering Committee shall meet a minimum of once a quarter.
4. The Board's Standing Personnel Committee shall be concerned with oversight of CCCSD personnel-related policies and practices, including reviewing employment policies, compensation structures, staffing strategies, and organizational planning in alignment with collective bargaining agreements and applicable labor laws. Participating, reviewing, updating and/or assisting with Employee MOU, Personnel Policies and manuals. The committee will assist in developing job descriptions in line with the needs of the District. The committee's involvement is to help ensure the primary duties address the interest of both management and employees effectively. The Committee may participate in labor negotiations if designated by the Board and shall support the evaluation process for the General Manager. The Personnel Committee shall meet a minimum of once a quarter.

Ad Hoc Committees

In compliance with the Brown Act, the Board may appoint an Ad Hoc Committee when deemed necessary. An Ad Hoc Committee is established for a limited purpose and duration or assigned a specific task. When the work of the Ad Hoc Committee is completed, the committee is dissolved.

The creation of an Ad Hoc Committee will be placed on the Board's regular meeting agenda for discussion and action. Appointment of members to the Ad Hoc Committee will be made by the Board Chair, subject to Board confirmation.

Examples of Ad Hoc Committees include:

- Recruitment of a new General Manager or resolution of a personnel issue
- MOU (Memorandum of Understanding) negotiations
- Planning or dedicating a new facility
- Addressing a specific legislative or regulatory issue

Roles of the General Manager and Staff

The Board hires the General Manager and maintains direct oversight of their performance. The General Manager reports directly to the Board of Directors and provides updates on all relevant matters during the monthly Board meetings through the General Manager's Report.

The General Manager is responsible for hiring and evaluating the employees who supervise the District's three departments: Administration, Distribution, and Treatment.

The Water Treatment Chief Plant Operator (Supervisor of the Treatment Department) and the Distribution Supervisor (Supervisor of the Distribution Department) oversee the employees within their respective departments. These Department Supervisors are responsible for hiring, in coordination with the General Manager, the employees within their departments. They are also responsible for conducting performance evaluations of department staff and report directly to the General Manager.

In addition, Department Supervisors are responsible for preparing budget requests and tracking expenditures for their departments.

The General Manager directly supervises and manages the employees within the Administration Department.

Ethics and Whistleblower

Refer to the current Ethics policy on file.

ACCOUNTS PAYABLE MANAGEMENT

Overview

CCCSD strives to maintain efficient business practices and strong cost control. It is the policy of the District that the employee responsible for recording assets or expenses, along with the related liabilities, must be independent of those responsible for ordering and receiving goods or services.

All amounts recorded are based on the original vendor invoice. Each vendor invoice should be supported by an approved purchase order, when applicable, and must be approved by the Department Supervisor overseeing the purchase.

Invoices and corresponding general ledger account numbers are reviewed by both the Bookkeeper and the General Manager prior to being posted to the Accounts Payable system.

The primary objective for accounts payable and cash disbursements is to ensure that:

1. Disbursements are properly reviewed and approved
2. Invoices are processed in a timely manner to take advantage of any cash discounts
3. Manage vendor credit terms and operating cash for maximum benefits

Recording Accounts Payable

All payables, properly supported by the required documentation, shall be recorded in a timely manner.

Payables are processed on a semi-monthly basis. Information is entered into the system directly from approved invoices, with all necessary supporting documentation attached. Only original invoices will be processed for payment, unless duplicate copies have been verified as unpaid through a review of vendor records. Vendor statements shall not be used for processing payments.

Timely Receipt/Approval/Payment

All vendor invoices that are received, approved, and supported by adequate documentation by the 25th of the month shall be paid by the 1st of the following month. Invoices received, approved, and properly documented by the 10th of the month shall be paid by the 15th of that month.

With the exception of payroll-related expenses, all other invoices shall not be processed until the next scheduled payable date (the 1st or 15th). These timelines support the timely preparation of monthly financial statements by the 10th of the following month for presentation at the regular Board meeting.

Approval by Department Supervisors indicates their acknowledgment of satisfactory receipt of the goods and/or services, agreement with the contents of the invoice and the assigned general ledger coding, and authorization for full payment. Invoices must be initialed by the approving party.

Vendor Discounts

To the extent practical, it is the policy of CCCSD to take advantage of all prompt payment discounts offered by vendors. When such discounts are available and all required documentation is in place, payments will be scheduled to ensure full utilization of these discounts.

Expense Reimbursement/Travel and Entertainment

Refer to the current Employee Travel Guidelines and Reimbursement Policy on file and the CCCSD Directors Compensation and Expense Reimbursement Policy on file.

CASH DISBURSEMENTS

Payment Preparation

Vendor checks and expense reimbursement checks shall be prepared on a semi-monthly basis. Checks shall be prepared by the Bookkeeper or Administrative Assistant and approved by the General Manager or the Department Supervisors. The entire payable package shall be reviewed and approved by a Board Director, and checks shall be signed by two (2) authorized check signers.

All vendor and expense reimbursement checks shall be produced in accordance with the following guidelines:

1. Expenditures must be supported in conformity with the applicable sections described in this policy.
2. Timing of disbursements shall be scheduled to take advantage of all discounts offered by vendors.
3. Generally, all vendors shall be paid within thirty (30) days of submitting a proper invoice upon delivery of goods or services.
4. Total cash requirements associated with each accounts payable run shall be monitored in conjunction with available cash in the general bank account prior to releasing any checks.

5. Supporting documentation shall be attached to the invoice and corresponding check to allow the authorized check signer final approval and signature.
6. Checks shall be used in numerical order. Unused checks shall be secured in a locked office. Voided checks shall be marked through with red ink and kept with monthly payable information for auditor review.
7. Checks shall never be made payable to "bearer" or "cash."
8. Checks shall never be signed prior to proper preparation.
9. Upon preparation of checks, vendor invoices and supporting documentation shall be stamped and filed to prevent duplicate payment.
10. All Electronic Funds Transfers (EFTs) must be approved prior to processing the payment.

Check Signing

All checks, regardless of amount, shall require two signatures from authorized signers. Checks shall never be signed prior to complete preparation (no signing of blank checks).

Ideally, an individual other than the one who approved the transaction for payment shall sign each check. In all cases, a Board Director shall review and approve all disbursements.

Check signers shall examine all original documentation to ensure each item has been properly reviewed prior to signing. Checks should not be signed if supporting documentation is missing or if there are any questions regarding the disbursement.

Mailing Checks

After checks are signed, they should be returned to the individual who prepared them, who will then mail the checks immediately. Individuals who authorized the expenditures shall not be responsible for mailing the checks.

Voided Checks and Stop Payments

Checks may be voided due to processing errors by making appropriate notations in the check register and defacing the check by clearly marking it "VOID" in red ink. All voided checks shall be retained to assist in bank reconciliation and be available for auditor review upon request.

Stop payment orders may be issued for checks lost in the mail or for other valid reasons. Stop payments are processed online or by telephone instruction, accompanied by written authorization to the bank from accounting personnel authorized for this purpose. A journal entry shall be made to record the stop payment and any related bank fees.

Petty Cash

It is the District's policy to maintain a petty cash and cash-on-hand fund for valid transactions, with periodic replenishment up to an authorized balance of \$650. Of this amount, \$250 will be maintained as cash on hand in the cash drawer, and the remaining \$400 will be allocated to the petty cash fund. The Administrative Assistant or Bookkeeper is responsible for ensuring that the petty cash fund is kept secure at all times.

All disbursements from the petty cash fund must be accompanied by a completed and approved petty cash voucher. Receipts are required for all petty cash disbursements.

A separate General Ledger account number shall be maintained for petty cash. Petty cash balances should be reconciled at the end of each month, with the physical cash counted to ensure it matches the General Ledger balance.

Record Keeping Associated with Independent Contractors

CCCSO shall obtain a completed Form W-9 or equivalent substitute documentation from all vendors receiving payments. A record shall be maintained of all vendors for whom a Form 1099 is required to be issued at year-end. Payments to these vendors shall be accrued throughout the calendar year.

PAYROLL AND RELATED POLICIES

Classification of Workers as Independent Contractors or Employees

An independent contractor is in business for themselves and is not an employee of the District. They control how they perform their work and operate under limited oversight. Independent contractors set their own schedules and hours, typically use their own tools and equipment, and may work for more than one (1) company at a time.

If an individual qualifies as an independent contractor, they will be issued a Form 1099 if the total compensation paid to them during the calendar year, on a cash basis, is \$600 or more. The amount reported on the Form 1099 reflects the compensation paid during the calendar year, excluding reimbursements for business expenses that have been properly documented with receipts and business explanations provided by the contractor.

Payroll Administration

CCCSO produces a bi-weekly payroll. All employees shall have an established personnel file that is maintained with current documentation as outlined throughout this section. The District pays employees bi-weekly in accordance with the provisions described in the MOU.

The following forms, documents, and information shall be obtained and included in the personnel files for all new employees:

1. Employment application and resume
2. Signed Offer of Employment
3. Signed Job Description

4. Signed Acknowledgment of MOU/Employee Handbook
5. W-4 Federal Withholding Certificate
6. State Withholding Certificate
7. I-9 Employment Eligibility Verification (copy of verifying documents)
8. Signed Benefit Enrollment Application
9. Signed Union Dues Enrollment/Waiver
10. Signed Acknowledgment of Social Security Windfall Elimination Provisions
11. Authorization for voluntary withholdings, direct deposit, etc.
12. Employee Evaluations
13. Disciplinary Actions Documents
14. Training Records and Training Certificates

Documentation of all changes in payroll status shall be maintained both in each employee's personnel file and in the payroll software system.

Changes In Payroll Data

All changes in payroll data shall be authorized in writing prior to implementation, including but not limited to:

1. New hires
2. Terminations
3. Changes in compensation
4. Voluntary payroll deductions
5. Changes in income tax withholding status
6. Court-ordered payroll deductions

The appropriate Department Supervisor shall authorize new hires, terminations, and changes in compensation. These changes must also be approved in writing by the General Manager before implementation and will be reported in the General Manager Memo.

Voluntary payroll deductions and changes in income tax withholding status shall be authorized in writing by the individual employee.

Payroll Taxes

It is the responsibility of the Bookkeeper/Accountant or Administrative Assistant who processes payroll to ensure that all required tax forms are properly completed and submitted, and that all required taxes are withheld and paid within the mandated timelines. Each employee shall submit a new W-4 form annually in January. Federal income tax withholding shall be based on the most current W-4 submitted by each employee.

Preparation of Timecards

Each employee must approve their timecards no later than 9:00 a.m. the morning following the end of the pay period. Timecards shall be prepared in accordance with the following guidelines:

1. Timecards must accurately reflect all hours worked and compensated hours during the pay period. The pay period runs from Friday through Thursday, covering two (2) weeks, and is generally expected to total approximately 80 hours.
2. Timecards must be approved by both the employee and the Department Supervisor.
3. The Administrative Assistant will review timecards for accuracy and confirmation of recorded hours.
4. Timecards requiring corrections will be returned to the Department Supervisor for review and discussion with the employee.
5. Any changes made to timecards after submission must be initialed by both the Department Supervisor and the employee.
6. Payroll preparers correcting errors shall make changes using ink by crossing out the incorrect entries and writing the new entries clearly.
7. Department or job number coding must be used to identify all hours worked.
8. Compensated absences, such as vacation, holidays, and sick leave, should be clearly identified as such on the timecard.

Employees who are on leave or ill on the day timecards are due may submit their hours by phone or email to the Department Supervisor or designated alternate.

Tampering with, altering, falsifying timecards, or willfully violating any timesheet policy or procedure may result in disciplinary action.

Payroll Distribution

Per the MOU the Payroll Checks will be distributed by the Thursday following the end of the pay period.

In 2023 CCCSD implemented direct deposit and strongly encourage the employees to use it, due to the efficiencies created.

SPECIFIC ASSET AND LIABILITY ACCOUNTS

Cash Accounts

General Checking Account:

The primary operating account is used for routine business cash disbursements, including payroll. All cash payments received at the office or by mail are deposited into this account. Any excess funds in the account shall be managed in accordance with the CCCSD Investment Policy on file.

Cash transfers from this account are made on an “as needed” basis to cover disbursements, capital expenditures, or payments on assessment district debt.

Bank Accounts Reconciliation

Bank account statements are received by the 10th of each month for the preceding month. Accounts shall be reconciled by the 25th of the month. Any unusual or unexplained items must be promptly investigated and, if necessary, reported to the General Manager and the Financial Committee.

Bank reconciliations, including any adjusting journal entries resulting from the reconciliation process, are reviewed annually by two Directors.

Additionally, bank account reconciliations should be performed and reviewed by an individual other than the employee responsible for entering invoices and processing checks. This separation of duties applies to payroll processing as well.

Stale Checks

The District will write off uncashed checks in the amount of \$500 or less if they have not cleared the bank after six months. Uncashed checks exceeding \$500 and older than six months will be investigated by contacting the payee to determine the appropriate course of action.

All stale checks written off within the same fiscal year in which they were issued will be credited back to the original expense account charged. Checks written off in a fiscal year subsequent to the year of issuance will be credited to the miscellaneous income account.

DISTRICT EQUIPMENT AND FACILITIES

To minimize the District’s liability for non-work-related injuries and accidents, and to protect the public’s investment in District property, the following policy is established:

1. The use of District equipment and materials is authorized exclusively for paid, work-related activities.
2. District facilities may not be used by employees for unauthorized activities without prior approval from the General Manager.
3. Any violations of this policy must be promptly reported to the General Manager.

RECORD RETENTION

CCCSO retains records in accordance with legal requirements and will destroy them according to the following Records Retention Schedule. The destruction of records must be approved by the General Manager or the Finance Committee and documented in the "Purged Records Log."

The CCCSO record retention policy is based on retention periods expressed in years. An asterisk (*) indicates records that must be kept permanently. Any records not specifically addressed in this policy shall be retained for a minimum of two (2) years.

CCCSO RECORDS RETENTION SCHEDULE

<u>TITLE</u>	<u>RETENTION PERIOD IN YEARS</u>
Accident Reports/Claims (Settled)	7
Accounts Payable Ledgers/Schedules	7
Accounts Receivable/Schedules	7
Audit Reports	*
Bank Reconciliations	3
Bank Statements	3
Board of Directors Records	5
Chart of Accounts	*
Cancelled Checks	7
Contracts, Mortgages, Notes and Leases:	
Expired	7
Current	*
Correspondence:	
General	2
Legal and important matters only	*
Routine with customers and/or vendors	2
Deeds, Mortgages and Bills of Sale	*
Depreciation Schedules	*
Duplicate Deposit Slips	3
Employment application	3
Expense Analyses/Expense Distribution Schedule	7
Financial Statements:	
Year End	*
Other	7
Garnishments	7
General Ledgers/Year End Trial Balance	*
Insurance Policies (Expired)	*
Insurance Records (Policies, Claims etc.)	*
Internal Audit Reports	3
Internal Reports	3
Inventories of products, materials, supplies	7
Invoices (To Customers/From Vendors)	7
Journals	*

Minutes, Bylaws and Charters	*
Recorded Meeting Minutes	7
Notes Receivable Ledgers and Schedules	7
Payroll Records and Summaries	7
Personnel Records (Terminated)	7
Petty Cash Vouchers	3
Physical Inventory Tag	3
Property Records	*

CCCSO RECORDS RETENTION SCHEDULE CONTINUED

<u>TITLE</u>	<u>RETENTION PERIOD IN YEARS</u>
Purchase Orders:	
District Copies	7
Other	2
Receiving Sheets	2
Retirement and Pension Records	*
Requisitions	2
Sales Records	7
Subsidiary Ledgers	7
Tax Returns and Worksheets, Examination Records and other	*
Documentations related to determinations of Income Tax Liability	*
Timecards	*
Training Manuals	7
Vehicle Mileage and Maintenance Records	3
Withholding Tax Statements	7

POLICIES

All policies for CCCSD will be compiled into one document with an index.

Currently CCCSD has the following policies:

- Board of Directors Compensation and Expense Reimbursement Policy and Required Ethics Training
- Delinquencies and Water Service Disconnect
- District Vehicle
- Drought Planning and Water Shortage
- Employee Travel Guidelines and Reimbursement
- Ethics
- Fraud Prevention
- General Administration
- General Manager's Reimbursement Policy
- Investment of District Funds
- Procurement, Competitive Bidding and Emergency Contracting
- Reserve Fund
- Surplus Property Disposal
- Tools and Equipment Inventory Control
- Trespassers on CCCSD Property
- Water Theft
- Will Serve Letter