



MEMORANDUM
APRIL 1, 2018

TO: CRWCD BOARD OF DIRECTORS

FROM: ANDY MUELLER, GENERAL MANAGER

SUBJECT: *CRWCD POLICY REGARDING DIRECTOR COMPENSATION*

I have been asked by one of our Directors to seek clarification from the Board regarding the payment to Board members for participating in meetings.

The River District Organic statute provides the following related to Director compensation:

The board of directors of the district shall receive as compensation a sum not to exceed one hundred dollars per day while actually engaged in the business of said district, and, in addition, said directors shall be entitled to their actual traveling and transportation expenses when away from their respective places of residence on district business.

C.R.S. § 37-46-105.

This Board has adopted guidelines regarding Director compensation and reimbursement, a full copy of which is attached to this Memorandum. The pertinent part of the guidelines are set forth here:

GUIDELINES:

A Director is to be paid \$100 per day for participating in physical meetings.

A Director is to be paid \$75 per day for participating in teleconferences.

When meals are provided by the River District and a Director chooses to eat elsewhere the Director should not seek reimbursement (example: the Quarterly Tuesday night dinner).

A Director should only seek reimbursement for meetings attended on behalf of and at the request of the River District. If a Director is already attending or speaking at a meeting, a workshop, or a conference as a representative of another entity, that Director should

not seek reimbursement.

If a director must travel three hours or more to attend a physical meeting on a day before or after such meeting, then a Director is to be paid \$100 for such travel day.

When possible, a Director should give River District staff at least 24 hour notice for a room cancellation.

Expense vouchers must be submitted within 60 days of a meeting in order to be in compliance with the IRS. Publication 535 states that 60 days is a “reasonable period of time” for the fixed date method Accountable (expense reimbursement) Plans.

(Emphasis supplied).

There has been a consistent practice of compensating Directors \$100.00 per day for physical attendance at quarterly and special meetings of the Board itself. There has also been a consistent practice of compensating Directors \$75.00 per day for Board meetings held by phone call. Additionally, the Staff has traditionally requested Board members attend the Colorado Water Congress and the Colorado River Water Users Association annual meetings and many, but not all Directors have requested and received compensation for attending those meetings. Where there is not consistent practice is when Board members attend meetings other than the official Board meetings of the District such as the Tamarisk Coalition, State Water Plan Meetings, Colorado Ag Water Alliance meetings, meetings with their own county’s Board of County Commissioners and/or county legal counsel. Some Directors have sought and/or would like to be reimbursed for these other water related meetings. Staff is not in a position to deny a Director’s request for reimbursement, but we do seek the Board’s clarification on exactly what is meant in the current policy by the phrase: ***“A Director should only seek reimbursement for meetings attended on behalf of and at the request of the River District.”***

As this discussion does have potential budget ramifications, I provide the following information for the Board to review prior to its discussion:

Year	Total Director Compensation (fees)	Total Director Expenses (mileage, etc.)
2014	\$17,350	\$11,267
2015	\$16,950	\$13,296
2016	\$19,900	\$12,551
2017	\$19,525	\$13,042

COLORADO RIVER WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS' EXPENSE GUIDELINES

OBJECTIVE:

The purpose of these guidelines is to assist the members of the Colorado River District Board in determining appropriate expenses to claim on their vouchers. Adherence to a consistent set of guidelines will aid staff in expediting reimbursements, assist Directors in being consistent, and avert public confusion. The IRS clearly defines a reimbursable expense as one that is attributable to the entity's business activities and to the extent that the individual represents said entity.

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- If a director must travel three hours or more to attend a physical meeting on a day before or after such meeting, then a Director is to be paid \$100 for such travel day.
- When possible, a Director should give River District staff at least 24 hour notice for a room cancellation.
- Expense vouchers must be submitted within 60 days of a meeting in order to be in compliance with the IRS. Publication 535 states that 60 days is a "reasonable period of time" for the fixed date method Accountable (expense reimbursement) Plans.
- Expenses shall be supported by receipts in accordance with staff policy.