

SANTA YNEZ COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors
FROM: Loch Dreizler, General Manager
DATE: November 20, 2024
SUBJECT: Board Compensation

Proposed Motion / Recommendation

The recommendation is to discuss the procedures and requirements for increasing the compensation payable to the Santa Ynez Community Services District's Board of Directors. The discussion could lead to adopting a new Ordinance pending a Public Hearing.

If decided upon, the motion would approve staff to prepare and post a Public Notice about the Public Hearing for increasing the compensation payable to the Santa Ynez Community Services District's Board of Directors.

Policy Implications

Section 21 of the District's Board Policy Manual provides as follows concerning Director compensation:

- Directors shall be compensated \$175.00 for attendance at all regularly scheduled Board meetings and special Board meetings.
- Directors shall be compensated \$87.50 for attendance at standing and ad hoc committee meetings and any expense incident thereto.
- Directors shall be compensated at the rate of \$87.50 for attending and participating in meetings of other agencies and organizations where matters that pertain to or affect the District are to be discussed and acted upon, together with any expenses incident thereto.
- A Director's maximum compensation for attending board and committee meetings and rendering other services is \$1,050.00 monthly.

Fiscal Implications

Depending on an approved increase in compensation, it is expected that the financial implications will be minimal.

Alternatives Considered

Do not increase Board compensation.

Discussion

The Community Services District Act provides at Government Code Section 61047 that the Board of Directors of a community services district may provide, by ordinance, that each of its members may receive compensation in an amount not to exceed \$175 for each day of service, up to a maximum of six days of service per month. Section 61047 also provides that the Board may increase the amount of such compensation (but not the number of meetings) by an ordinance adopted according to Chapter 2 (commencing with Section 20200) of Division 10 of the Water Code.

Water Code Section 20200 defines "water district" as community services districts. Water Code Section 20201 authorizes water districts, by ordinance, to provide compensation to Board members in an amount not to exceed \$175 per day for each day's attendance at meetings of the Board or for

each day's service rendered as a Board member by request of the Board. Section 20201 further authorizes water districts, by ordinance, to increase the compensation received by Board members above \$175 per day. Under Section 20202, the increase may not exceed an amount equal to 5 percent for each calendar year following the operative date of the last adjustment of the compensation, which is received when the ordinance is adopted.

Under Water Code Section 20203, an ordinance setting or increasing Board member compensation can only be adopted following a public hearing. According to Section 6066 of the Government Code, a notice of the hearing must be published in a newspaper of general circulation. Water Code Section 20204 provides that the ordinance becomes effective 60 days from its final passage.

Section 20204 also grants the voters of the district the right to petition for a referendum on the ordinance. If a petition protesting the adoption of the ordinance is presented before the effective date of the ordinance, the ordinance must be suspended, and the Board must reconsider the ordinance. The petition must be signed by at least 10 percent of the entire vote cast within the district's boundaries for all candidates for Governor at the last gubernatorial election. (Water Code Section 20205) If the Board does not entirely repeal the ordinance against which a petition is filed, it must submit the ordinance to the voters either at a regular election or a special election called for that purpose. The ordinance does not become effective until a majority of the votes cast at the election favor it. If the voters do not approve the ordinance, no new ordinance may be adopted by the Board for at least one year following the election date. (Water Code Section 20206)

Below is a table showing the steps the District needs to take to approve an increase in Director compensation per the requirements mentioned above.

LAW	ACTION
Water Code §20203; Gov't Code §6066	<ul style="list-style-type: none"> • Before adopting an ordinance increasing Director compensation, the District must schedule a public hearing and publish notice of the hearing once a week for two successive weeks. Two publications in a newspaper published once a week or oftener, with at least five days intervening between the respective publication dates, not counting such publication dates, are sufficient. The notice period commences upon the first day of publication and terminates at the end of the fourteenth day, including the first day.
Water Code §§20202 and 20203; Gov't Code §§6066 and 25121	<ul style="list-style-type: none"> • Not less than 15 days after the commencement of the publication of the notice, the Board conducts a public hearing and adopts an ordinance increasing Director compensation. • The ordinance should address compensation for regular meetings, special meetings, committee meetings, and other Director activities. • The increases may not exceed an amount equal to 5 percent for each calendar year following the operative date of the last adjustment. • The ordinance is signed by the President and attested by the Secretary

N/A	<ul style="list-style-type: none"> • The Board adopts a resolution amending Section 21 of the Board Policy Manual to make it consistent with the ordinance.
Gov't Code §§25122 and 25124	<ul style="list-style-type: none"> • The passage of the ordinance and votes are entered in the District's minutes, and the entire ordinance is entered in the District's ordinance book. • Within 15 days after passage, the ordinance is published once, with the names of the members voting for and against the ordinance, in a newspaper published in the county.
Water Code §20204	<ul style="list-style-type: none"> • The ordinance takes effect sixty (60) days from its adoption unless a petition protesting the adoption of the ordinance is signed by at least 10 percent of the voters and presented to the District before the ordinance's effective date.

Proposed Calculations:

Committee = \$87.50 * 1.05 = **\$91.88**

Board Meeting = \$175 * 1.05 = **\$183.75**

Max Monthly = \$1,050 * 1.05 = **\$1,102.50**