

# South Fork Estates Mutual Water Company

## Record Retention and Destruction Policy

Adopted on 1.22.26

### 1. Purpose

This policy establishes guidelines for the retention, storage, and destruction of company records to ensure compliance with California law, operational efficiency, and protection of shareholder rights.

### 2. Legal Framework

This policy is based on:

- California Corporations Code §§14300–14310
- AB 240 (Mutual Water Company Open Meeting Act)
- California Secretary of State Records Management Handbook
- Public Records Act (Gov. Code §6250 et seq.)

### 3. Record Categories & Retention Periods

Record Type	Retention Period	Notes
Board Meeting Agendas & Minutes	7 years	Required under AB 240
Annual Budgets	7 years	Must be distributed to shareholders
Financial Statements & Reviews	7 years	Reviewed annually by CPA
Water Quality Reports	10 years	Required by Health & Safety Code
Shareholder Records	Permanent	Includes stock ledger and ownership history
Contracts (e.g., vendor, service)	7 years after expiry	Legal reference and audit purposes
Employee Records	7 years after termination	Includes payroll and performance
Tax Returns & Supporting Documents	7 years	IRS and state compliance
Insurance Policies & Claims	10 years after expiry	Liability protection

Record Type	Retention Period	Notes
Lien Notices & Collection Records	10 years	Authorized under AB 240

#### 4. Storage & Access

- Records may be stored in physical or electronic format.
- Access is limited to authorized personnel.
- Eligible persons (shareholders, tenants, elected officials) may inspect certain records upon written request.

#### 5. Destruction Procedures

Records may be destroyed only when:

- They have met their retention period.
- They are not flagged for archival preservation.
- Destruction is documented in a **Records Destruction Log**.

#### Destruction Methods:

- Paper: Shredding or confidential disposal.
- Electronic: Secure deletion or data wiping.
- Confidential records must be destroyed with a witness present (per SAM 1623).

#### 6. Archival Transfer

Records flagged as historically significant (e.g., founding documents, major infrastructure plans) must be transferred to the California State Archives upon reaching the end of their retention period.

#### 7. Policy Review

This policy shall be reviewed every **five years** or upon changes in applicable laws.

#### Review & Revision History

Date	Action	By
7.19.25	New Policy	Patricia Pliskin, Secretary SFEMWC