

South Fork Estates Mutual Water Company

Reimbursement Policy

Adopted on 1.22.26

1. Purpose

To establish procedures for reimbursing directors, officers, and volunteers for reasonable and necessary expenses incurred while conducting company business.

2. Legal Basis

This policy is adopted pursuant to:

- **California Corporations Code §14300–14310**
- **AB 240** (Mutual Water Company Open Meeting Act)
- IRS guidelines for nonprofit expense reimbursement
- Company bylaws and board resolutions

3. Eligible Expenses

Reimbursement may be requested for the following types of expenses:

- **Travel:** Mileage, tolls, parking, airfare, lodging for approved meetings or training
- **Meals:** Reasonable meal costs during travel or official company functions
- **Training & Conferences:** Registration fees, materials, and travel costs
- **Supplies:** Office supplies, postage, printing, or other approved purchases
- **Professional Services:** Costs incurred for legal, accounting, or consulting services (if paid personally)
- **Annual Shareholders Meeting** expenses for food, materials, and printing

4. Approval & Documentation

To be reimbursed, the following must be submitted within **30 days** of the expense:

- Completed **Expense Reimbursement Form**
- Original itemized receipts
- Description of the purpose and benefit to the company
- Approval signature from the **Board Treasurer or President**

Mileage Reimbursement shall be calculated at the IRS standard rate.

5. Non-Reimbursable Expenses

The following are not eligible for reimbursement:

- Alcoholic beverages
- Personal entertainment or gifts
- Expenses without documentation
- Costs exceeding reasonable limits or not pre-approved

6. Board Oversight

- All reimbursements shall be reviewed by the **Board Treasurer** and reported at the next board meeting.
- Reimbursements to board members must be approved by a majority vote of the board.
- Annual reimbursement totals shall be included in the **financial review** required under AB 240.

7. Policy Review

This policy shall be reviewed **every three years** or upon changes in applicable laws or IRS guidelines.

Review & Revisions History

Date	Action	By
7.19.25	New Policy	Patricia Pliskin, Secretary SFEMWC