

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

Policy Name:	2040 – OFFICE PETS		
Approval Authority:	SPMUD BOARD OF DIRECTORS	Adopted:	
Resolution No.	21--xx	Revised:	

PURPOSE

The purpose of this policy is to promote a positive employment experience by allowing appropriate pets in the office. A pet may be allowed in the office if its health and behavior are acceptable within an office setting and if it does not adversely affect office operations.

POLICY STATEMENT

Section 1. General

The District is responsible for assuring the health and safety of all employees. In keeping with this objective, the District has formulated a policy balancing these concerns with the desire to promote a positive employment experience by allowing appropriate pets in the office. A pet may be allowed in the office if its health and behavior are acceptable within an office setting and if it does not adversely affect office operations.

Section 2. Permissions

A pet owner wishing to bring a pet to the office must first obtain written permission from the General Manager. Prior to any decision by the General Manager, the employee must provide an evaluation or screening from an approved third-party provider to ensure suitability of the pet for an office environment. Any cost incurred to provide the evaluation/screening will be at the sole cost to the employee. Any decision to allow a pet to come to the office, or to exclude a pet from the office, will be made by the District General Manager in his or her sole and exclusive discretion. That decision will be final, except in cases involving service animals, which should be referred to the Human Resources department.

Employees will not be permitted to bring a pet to work when the majority of their assigned tasks require work away from the office.

Section 3. Service Animals

An employee who requires the help of a service animal (defined by 28 CFR 36.104 as "any dog that is individually trained to do work or perform tasks for the benefit of an individual with a disability") will be permitted to bring a service animal to the office, provided that the animal's presence does not create a danger to others and does not impose an undue hardship upon the ~~company~~District.

Emotional Support Animals are not considered Service Animals.

Section 4. Liability

An employee who brings an animal to the office is completely and solely liable for any injuries or any damage to District or personal property caused by the animal. Any repair or cleaning/maintenance costs incurred by an animal will be charged in full to the owner.

The District may, at its discretion, require the animal owner to maintain a liability insurance policy covering damage or injuries caused by the animal while at the office. The District may specify minimum coverage amounts under such a policy and may require the owner to pay for such coverage.

The District shall not be liable for the loss of, or injury to, any animal brought to the office.

All animals must be in the continuous full control of their owners. They should be in the physical presence of the owner, in the owner's office, or in the space around the owner's desk at all times. Owners are expected to clean up, completely and immediately, after their animals. If required, dogs must be leashed.

Section 5. Restrictions

The privilege of bringing a pet to work is subordinate to the health, safety, and comfort of persons who may come into contact with animals at the office. An animal may be excluded from the office if it:

- causes any person to experience allergic reactions, fear, or any other physical or psychological discomfort.
- distracts any employee from their work, or
- reduces an employee's productivity or quality of work.

In addition, the following animals may not be brought to the workplace:

- sick animals.
- animals with fleas or any disease that is communicable to other animals in the office or to humans.
- animals that have not been properly vaccinated, or that have internal or external parasites. Proof of immunizations, especially rabies, must be provided before any animal is allowed on the premises.
- dogs that bark or behave aggressively.
- animals that foul the inside or outside of the building. Animals that are not house-broken will not be allowed in the offices.
- animals that have not been spayed or neutered will not be permitted to come to the office in season.
- Reptiles.
- birds that squawk or speak.
- animals that are not legal in the State of California such as ferrets, hedgehogs, or monkeys.
- animals weighing over 100 lbs., or
- livestock farm animals, hooved or cloven foot animals including but not limited to miniature pigs, horses, rabbits, or animals that otherwise would be considered wildlife, such as squirrels, blue jays, ducks etc.

Animals will not be allowed in breakrooms, common areas, conference rooms, the Board room, District vehicles or other areas where food is present. Animals must remain in a confined area (such as an office) and under the owner's constant control and supervision.

Section 6. Grievances

Any individual with a grievance regarding an animal at the office may, at the employee's option, submit a grievance anonymously or by bringing the matter to the attention of the employee's immediate supervisor and/or the General Manager. Anonymous grievances may be submitted in writing to the inbox of the Administrative Services Manager.

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Policy Name:	3175 – REFUND POLICY		
Approval Authority:	SPMUD BOARD OF DIRECTORS	Adopted:	
Resolution No.	21--xx	Revised:	

PURPOSE

The purpose of this policy is to establish criteria for issuing refunds of overpayments made to the District.

POLICY STATEMENT

Section 1: General

Sewer service accounts shall remain in the name of and be the sole responsibility of the real property owner. The real property owner shall remain liable for the monthly service charge (billed quarterly) as long as the building sewer is connected to the public sewer system, regardless of vacancy.

Section 2: Policy Statement

- A. *Refunds on Active Accounts.* Refunds on active accounts will be made upon request only.
- B. *Refunds on Inactive Accounts.* Sewer service is not disconnected or “shut off” but merely transfers with a change in ownership. It is the responsibility of the property owner to notify the District upon transfer of legal ownership. Service transfers are effective upon the recording of the real property deed or other title document transferring ownership with the Placer County Recorder’s Office.

Upon transfer of ownership, a new sewer service account shall be created; however, all unpaid sewer service charges will remain with the property that received the service and therefore become the responsibility of the new owner of record. Overpayments on an inactive sewer service account will automatically be refunded if the District has an updated mailing address on file or if the property owner’s address is different than the service address (e.g. a landlord selling a rental property or uses a P.O. Box).

- C. *Unclaimed Property.* When a refund balance exists on an inactive account where the District does not have an updated mailing address for the account holder, the District will send a letter to the last known address regarding the refund balance and requesting an updated mailing address. If the refund balance remains unclaimed after two (2) years, a second letter will be sent to the last known address notifying the account holder that their property may be referred to the State Controller’s Office. Unclaimed refunds will also be posted to the District website annually. Any refund balance that is unclaimed after the required dormancy period of three (3) years will be transferred to the California State Controller’s Office.

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SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

Policy Name:	3130 – RESERVE POLICY		
Approval Authority:	SPMUD BOARD OF DIRECTORS	Adopted:	09/03/15
Resolution No.	15-23, 20-08, 21--xx	Revised:	03/06/2020

PURPOSE

The purpose of this policy is to ensure that the South Placer Municipal Utility District will at all times have sufficient funding available to meet its operating and capital needs, anticipate and prepare for future funding requirements, as well as plan for disasters and other unforeseen events.

POLICY STATEMENT

Section 1. General

Reserve funds will be accumulated and maintained in a manner that allows the funding of costs and capital investments consistent with the District’s Capital and Financial Plans while avoiding significant rate fluctuations due to changes in cash flow requirements. The District will also maintain an emergency reserve position that may be utilized to fund disasters or unanticipated major failures. The classification of these reserve fund balances shall be in conformance with Government Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

Section 2. Definitions

Per GASB 54, fund balance will be displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources can be used:

- *Non-spendable fund balance*—amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund).
- *Restricted fund balance*—amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- *Committed fund balance*—amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.
- *Assigned fund balance*—amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
- *Unassigned fund balance*—amounts that are available for any purpose; these amounts are reported only in the general fund.

Section 3. General Fund (Fund 100)

A. Assigned Fund Balance Reserves

- i. Operation and Maintenance Reserve

The purpose of the Operation and Maintenance (O&M) Reserve Fund is to ensure that the district will have sufficient funding available at all times to meet its operating obligations. Operating revenue is flat rate and consistent over the year. Delinquencies are trued up through tax liens which are recoverable twice a year. Operating expenses are generally incurred uniformly over the year, however, work can be planned or deferred during the year to accommodate minor fluctuations in revenue. The source of funding for this reserve shall be from Sewer Service Charges.

The District shall maintain an O&M Reserve Fund equivalent to 3 months O&M expenses.

ii. Rate Stabilization Reserve

The purpose of the Rate Stabilization Reserve Fund¹ is to establish a means to provide more stable sewer service charges to the District's customers. This fund buffers the impacts of unanticipated fluctuations or revenue shortfalls in sewer revenues and should be capable of defraying the need for an immediate rate increase to cover the cost of an unanticipated rise in expenses. Unexpected fluctuations can include, but are not limited to natural disasters, an economic downturn, and unanticipated increases in other utility expenses and/or other extraordinary circumstances. The source of funding for this reserve shall be from Sewer Service Charges.

The District shall maintain a Rate Stabilization Reserve Fund equivalent to 10% of the annual revenue.

iii. Emergency Reserve

The purpose of the Emergency Reserve Fund is to provide funds for emergency response for potential repair or replacement of capital facilities due to damage from a natural disaster or unanticipated failure. The Emergency Reserve would be used when capital improvement funds have otherwise been purposefully spent down to a preset limit on planned projects. The source of funding for this reserve shall be from Sewer Service Charges.

The District shall maintain an Emergency Reserve equivalent \$3 Million.

Section 4. Capital Funds

A. Committed Fund Balance Reserves

i. Capital Improvement Fund Reserve (Fund 300)

The purpose of the Capital Improvement Reserve is to fund on a pay-as-you-go basis future capital facilities that are expansion or growth related. These capital improvements will be identified in a Wastewater Collection Master Plan, a System Evaluation and Capacity Assurance Plan or other such capital improvement plan designated by the District. These funds are accumulated in an orderly

¹ This Rate Stabilization Reserve fund contemplated by the District should not be confused with the Rate Stabilization Fund (RSF) currently held by the South Placer Wastewater Authority. Bonds sold by SPWA and cash contributed by the SPWA participants funded construction of the Pleasant Grove Treatment Plant. The bond payments are made from the RSF from revenues generated from regional connection fees separate and distinct from the District's Sewer Participation Fee, although they are collected at the same time. SPMUD is liable for 25% of the total annual debt service, which calculates to approximately \$2.6 M annually. The District has covenanted to prescribe and collect rates and charges sufficient to yield net revenues at least equivalent to 110% of its share of debt service.

manner in conformance with State law and drawn down as required by growth related projections. The source of funding for the Capital Improvement Reserve shall be the Sewer Participation Fee.

B. Assigned Fund Balance Reserve

i. Capital Replacement and Rehabilitation Fund (Fund 400)

The purpose of this fund is to accumulate the probable replacement cost of equipment each year over the life of the asset so it can be replaced readily when it becomes obsolete, ~~is fully depreciated, or is scheduled for~~ replacement is needed. Annual depreciation is calculated as a function of the depreciation schedule maintained within the District's Financial Management Software. The source of funding for this reserve shall be in the form of an annual operating expense (transfer) to the Capital Replacement (Depreciation Reserve) Fund.

The District has developed Asset Replacement Funding Projections (Nessie Curves) to determine the Capital Replacement and Rehabilitation Fund balance necessary over time. These curves predict that at the current accumulation rate, Fund 400 will not accumulate enough funds to pay for the necessary future replacements. To correct some of this projected underfunding, the District shall incur an annual expense equivalent to 115% of the annual depreciation and accumulate this balance in a Capital Replacement and Rehabilitation Fund to ~~fund pay for the~~ replacements of assets that have reached their useful life or are fully depreciated. The District shall update funding projections and re-evaluate reserve contributions to Fund 400 no less than every two years.

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Policy Name:	3130 – RESERVE POLICY		
Approval Authority:	SPMUD BOARD OF DIRECTORS	Adopted:	09/03/15
Resolution No.	15-23, 20-08, 21--xx	Revised:	03/06/2020

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REVISIONS