

Valley Water Collaborative

POLICY FOR CONTRIBUTION MANAGEMENT

Adopted by the VWC Board of Directors on June 4, 2025.

- 1) Annually, each Basin Advisory Committee reviews and subsequently votes on the contribution allocation per industry sector as it pertains to the upcoming year's budget.
- 2) Annually, the Board of Directors approves the contribution allocation per industry sector submitted to the Board by each Advisory Committee as it pertains to the upcoming year's budget.
- 3) Sector Allocation Process
 - a. Sent annually to the sector lead in each basin by VWC staff:
 - i. list of participating entities for each sector
 - ii. total amount each industry sector is responsible for covering based on #2 above
 - b. Sector leads are responsible for working with entities within the sector to determine the contribution amount needed from each entity.
 - c. Within 30 days, the sector lead sends the contribution information for each entity to VWC staff.
- 4) VWC emails the Request for Contribution Statement to each entity in the industry sector.
 - a. If a contribution by an entity is not received, the following process will be followed:
 - i. After 90 days a final notice is mailed to the entity
 - ii. After 120 days from the date of the initial Request for Contribution Statement, VWC will notify the Regional Water Board that the entity is considered delinquent and no longer a participant in VWC.

CONTRIBUTION SHORTFALL:

If an industry sector does not cover their portion of the approved budget in a calendar year (due to non-payment by one or more entities), the sector carries over the contribution shortfall into the following year industry sector budget.

At the beginning of the budget year, VWC will provide the industry sector lead with:

- a list of participating entities
- total commitment for previous year

- total collected in the previous year
- amount paid/unpaid per entity in previous year
- total contributions needed for the upcoming year

The industry sector is responsible for determining among its participants how to make up the contribution shortfall in the following year's budget.

CONTRIBUTION SURPLUS:

If sector participants contribute more than the amount needed to cover the sector's budget commitments in a year, the amount over-contributed will be subtracted from the total amount needed to cover the sector's commitment in the subsequent year.

At the beginning of the budget year, VWC will provide the industry sector lead with:

- a list of participating entities
- total commitment for previous year
- total collected in the previous year
- amount paid per entity in previous year
- total contributions needed for the upcoming year

The industry sector is responsible for determining how to allocate over-contribution among its participants.