

Linne Community Services District

Records Retention and Disposal Policy

Board Adoption Draft | Initial Draft (v1.0 October 2026)

1. Purpose

This policy establishes the requirements for retaining, maintaining, and disposing of records of the Linne Community Services District (District). The policy ensures compliance with applicable California laws and regulations, protects the District's financial and administrative records, and establishes a consistent process for the authorized destruction of records.

2. Financial Records Retention

The District shall retain all financial records for a **minimum of seven (7) years** following the close of the fiscal year to which the records pertain.

Financial records include, but are not limited to:

- General ledgers and accounting records
- Bank statements and bank reconciliations
- Invoices, receipts, and supporting expenditure documentation
- Property tax distributions from the County and special assessment records
- Annual budgets and financial reports
- State Controller's financial transaction reports
- Audit reports and supporting audit documentation
- Contracts, payments, and financial documentation related to road maintenance projects
- Grant and reimbursement records, including FEMA-funded projects

The seven-year retention period shall apply unless a longer period is required by applicable law, regulation, contractual obligation, grant agreement, or other legally binding requirement.

3. Permanent Records

The District shall permanently retain records only when permanent retention is required by applicable California or federal law or regulation.

Records subject to statutory permanent retention requirements shall not be destroyed.

All other records shall be retained for the period established by this policy or an applicable statutory requirement, whichever is longer.

4. Special Retention Requirements

Records associated with grants, FEMA reimbursements, litigation, audits, investigations, or other regulatory proceedings shall be retained for the longer of the District's established retention period or the applicable legal or program-specific retention requirement.

No records shall be destroyed while they are subject to an outstanding audit, pending or reasonably anticipated litigation, investigation, public records request, or other legal preservation obligation.

For grant-funded projects, including FEMA projects, the applicable retention period shall not begin before the date specified by the governing grant requirements.

5. Electronic Records

Electronic records shall be subject to the same retention requirements as paper records.

The District shall maintain electronic records in a manner that preserves their accessibility, integrity, and readability throughout the required retention period.

Records maintained electronically shall be protected against unauthorized alteration, deletion, or loss.

6. Authority for Records Disposal

The District Treasurer shall be responsible for administering this policy and identifying records eligible for disposal.

Prior to disposing of any District records, the Treasurer shall:

1. Review the records to confirm that the applicable retention period has expired.
2. Verify that the records are not subject to any outstanding audit, litigation, investigation, public records request, grant requirement, or other preservation obligation.
3. Prepare a list identifying the records proposed for destruction, including the record type, applicable fiscal years, and basis for disposal.
4. Present the proposed disposal list to the Board of Directors for review and concurrence.

Upon receiving Board concurrence, the Treasurer is authorized to dispose of the identified records, provided that all applicable statutory requirements governing records destruction have been satisfied.

Board concurrence shall be documented in the official meeting minutes. Any additional approvals or written consents required by law shall be obtained before destruction.

Records approved for disposal shall be destroyed securely to protect confidential or sensitive information.

The Treasurer shall maintain a permanent record of authorized disposals, including the description of records destroyed, dates covered, date of destruction, and Board authorization.

7. Administration and Compliance

The Treasurer shall be responsible for implementing and maintaining compliance with this policy.

All District officers and Board members shall ensure that District records in their possession are preserved in accordance with the established retention requirements.

In the event of a conflict between this policy and applicable law, regulation, or contractual requirements, the more restrictive retention requirement shall govern.

8. Policy Adoption

This policy shall become effective upon adoption by the Linne Community Services District Board of Directors and shall remain in effect until amended or repealed by the Board.

Adopted by the Board of Directors: _____

Resolution No: _____

Board President: _____