Number: **BP 001**

Authority: Board of Directors
Adopted: October 15, 2024
Revised: January 20, 2026
Dept./Div.: Administration

BOARD POLICY

BOARD COMMITTEES

PURPOSE

To establish Board committees, adopt general committee guidelines, and adopt charters for each standing committee. The term "Committee" as used in this Policy refers to both Standing and Ad Hoc Committees.

POLICY

In accordance with Article 6 of the District Bylaws, when the Board considers it necessary for the efficient transaction of business, it may approve the creation of a committee to review, investigate, and recommend a particular matter. This may include standing committees and ad hoc committees.

1. **Standing Committees**

As set forth in Article 6 of the District Bylaws, the Board has determined that the District's current Standing Committees are as follows:

- Finance

The Board may create additional Standing Committees as needed. These Standing Committees shall operate within the General Committee Guidelines set forth below, which define the role of and provide a framework within which Committee Members and staff must operate.

Each Standing Committee shall operate under a Charter approved by the Board as part of this Policy. The Charters set forth below define the mission, policy areas, and scope of each Committee with an emphasis on policy rather than operational matters.

2. **Ad Hoc Committees**

Where expediency is required, the Board President shall recommend, and the Board may appoint Ad Hoc Committees.

GENERAL COMMITTEE GUIDELINES

1. **Members**

Each Standing Committee and Ad Hoc Committee shall comprise two Board Members, including a Chair. Members of Standing Committees are appointed annually by the Board President in accordance with the following guidelines:

a) The goal is to annually rotate Board Members on the Committees to ensure all Board Members serve on all Standing Committees.

b) The Finance Committee shall be composed of the President as the Chair and the Vice President of the Board as a member.

c) A Board Member shall not serve more than two years on any Standing Committee (one as a Member and one as Chair).

d) Given five Board Members and four Standing Committees, assignments should be made to promote fairness.

e) In the event a Board Member declines to serve on two Standing Committees for a calendar year, the Board President will decide the reassignment while maintaining the above guidelines.

2. **Role**

With the exception relating to the Finance Committee's ability to approve certain procurements without full Board action, all Committees advise the Board and may make recommendations to the full Board. Committees may not direct staff outside of their respective policy areas or expend public resources without formal Board approval or direction.

The Board of Directors has delegated to the Finance Committee the authority to approve purchases and procurements in an amount not to exceed $100,000.

3. **Agendas**

The General Manager and staff generate Committee meeting agendas.

The General Manager will assign items to the appropriate Committee as they arise. When certain topics span two Committees, the General Manager may confer with the

Board President for guidance.

4. **Staff Recommendations**

Staff will specify on Committee agendas what is needed from the Committee for each agenda item (e.g., the Committee recommendation for Board approval, receiving the report/update, providing input for staff, etc.).

5. **Committee Action**

For those items for which a Committee recommendation to the Board is requested, staff will proceed as follows, depending on the Committee vote:

a. *Committee recommendation of Board approval:*
- Routine items will generally be put on the Board Consent Calendar.
- Non-routine items will be agendized for a presentation and Board discussion.

b. *Split Committee vote:* The item will proceed to the full Board (not on the Consent Calendar), and the reason for the split vote will be reflected in both the Committee minutes and staff report. For efficiency within the Committee process, should the two Committee Members find themselves at an early impasse regarding their position on any Committee matter, it is the policy of this Board to bring that matter to the full Board as early in the process as possible.

c. *Committee votes against approval*: The item will generally proceed to the full Board (not on the Consent Calendar), and the Committee's position will be reflected in both the Committee minutes and the staff report.

6. **Informational Reports**

The General Manager will determine which informational reports (e.g., NPDES annual report, Recycled Water annual report, Sanitary Sewer Overflow annual report, mentorship presentations, etc.) that do not require Committee recommendation or input will be submitted directly to the Board, and which will be scheduled for Committee review first.

7. **Scheduling, Rescheduling, and Cancelling Committee Meetings**

Committee meetings may be scheduled, rescheduled, or canceled at the request of a Committee Member or staff. The Committee Chair will be consulted before any meeting is canceled.

8. **Appointment of Alternates**

The Board President may appoint an alternate based on Board Member availability.

9. **Compensation/Meeting Stipend**

Board Members attending Standing Committee meetings and Ad Hoc Committee meetings shall be eligible to receive the meeting stipend in accordance with District Bylaws Article 3.6 – *Directors' Compensation*.

Committee Charter appear on the following pages.

[Original Retained by the Secretary of the District]

CHARTER
FINANCE COMMITTEE

Members	Chair, Member
Meeting Schedule	Monthly or as needed (subject to rescheduling or cancellation)
Mission	Provide input and recommendations to the Board regarding the Policy Areas listed below that support the District's Mission, Vision and Values, and Strategic Plan.
Policy Areas	• Fiscal sustainability • Fiscal regulatory compliance • Appropriate levels of internal controls • Investment reserves • Financial reporting and budget documents • Risk Management
Scope	Review and address staff recommendations. May direct the General Manager to conduct additional research within the Committee's Policy Areas. The Committee is tasked to: • Oversee proper use of financial resources • Ensure compliance with federal, state, and public financing requirements • Review of financial reports for completeness, accuracy, and clarity • Review development, implementation, and oversight of investment policies and practices • Provide recommendations related to the annual budget, its implementation, and future projections • Review expenditures *(to the extent possible, Committee Members are encouraged to provide their questions on expenditures in advance of the meeting)* • Oversee Risk Management and associated legal matters • Approve contracts up to $100,000.