

RESOLUTION NO. 2022-22
OF THE BOARD OF DIRECTORS OF THE
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
APPROVING AN AMENDMENT TO DISTRICT POLICY 2021-1012 ON THE
ROLE AND RESPONSIBILITIES OF THE FINANCE COMMITTEE

WHEREAS, the Board of Directors adopted District Policy 2021-1012 that includes a section on membership:

Section 2. Membership; Quorum: The Committee shall be comprised of no fewer than three (3) and no more than five (5) public members. A quorum shall consist of a simple majority of the total number of members currently appointed to the Committee, but no less than three (3) public members.

WHEREAS, during the regular board meeting of March 8, 2022, the Board appointed two additional public members to the Committee and directed Staff to amend the policy to increase the number of public members to seven (7). **Exhibit A** is the amended District policy No. 2021-1012.01.


NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT THAT the amended District Policy on the Role and Responsibilities of the Finance Committee is adopted.

PASSED AND ADOPTED by the Board of Directors of the Georgetown Divide Public Utility District at a meeting of said Board held on the 12th day of April 2022, by the following vote:

AYES: THORNBROUGH, MACDONALD, SEAMAN, STEWART, SAUNDERS

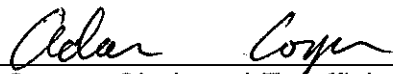
NOES: None.

ABSENT/ABSTAIN: None.



Michael Saunders, President, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT


Attest:



Adam Cohan, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

CERTIFICATION

I hereby certify that the foregoing is a full, true, and correct copy of Resolution 2022-22 duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, County of El Dorado, State of California, on this 12th day of April 2022.



Adam Cohan, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

POLICY TITLE: Role and Responsibilities of the Finance Committee

POLICY NUMBER: 2021-1012.01

BACKGROUND:

The Board of Directors (“Board”) of the Georgetown Divide Public Utility District (“District”) formally established the Finance Committee (“Committee”) under District Policy 5000.3 which requires the committee to comply the Ralph M. Brown Act, California’s “Open Meetings Laws” adopted by the Legislature in 1953. Commonly referred to as the Brown Act, these provisions are contained in Government Code Section 54950 et seq. The Brown Act is broadly construed, and compliance is constitutionally mandated. Committee members must be knowledgeable about Brown Act provisions and are required to take annual and bi-annual training.

The Board rescinded the resolution establishing the role and responsibilities of the Finance Committee during the regular meeting of June 9, 2020. At the regular meeting of January 12, 2021, the Board created an ad hoc committee to work on a new Finance Committee Policy. The roles and responsibilities of the Finance Committee is set forth below:

1. **Purpose.** The Finance Committee was established as an advisory body to the Board on matters related to the District’s finances, budgeting, auditing, financial policies, and reports. Due to the Committee’s advisory nature, the Committee and its members have no authority to set policy, expend funds, or make obligations on behalf of the Board and/or the District.
2. **Membership; Quorum.** The Committee shall be comprised of no fewer than three (3) and no more than seven (7) public members. A quorum shall consist of a simple majority of the total number of members currently appointed to the Committee, but no less than three (3) public members.
3. **Board Liaison.** The Board Treasurer and another Director, for a total of two (2) Directors, shall be assigned to the Committee as Board Liaison members.
 - (a) The duties of the Board Liaison include presenting relevant data to the Board and arranging for any presentation of important progress on projects to the Board by the Committee Chairperson.
 - (b) The Board Liaison’s role will be advisory to the Committee.
 - (c) The Board Liaison will not have a vote on the Committee.
 - (d) Only two (2) Board of Directors can be present at any of the Committee meetings
 - (e) If a regular Liaison cannot attend a meeting, that member will contact the Board President and the Board President will arrange for another member to attend the meeting. If there

- (f) are three members present, the Board Liaison is authorized to request the non-liaison Board member to leave.

4. Selection of Committee Members.

- (a) A Notice of a Vacancy on the Finance Committee shall be posted on the District's website and social media sites, and must be published in a newspaper of general circulation in the District with instructions for applying, including a deadline for submittal.
- (b) All applicants who reside within the District boundaries will be eligible for consideration by the Board. It is recommended that applicants have experience in finance, budgeting, accounting, management, and/or related fields.
- (c) Applications must be submitted by the stated deadline and must include a Statement of Interest and resume. Applicants can be mailed or hand-delivered to the General Manager at the District Office, located at 6425 Main Street, Georgetown, CA 95634, or transmitted by email to gm@gd-pud.org.
- (d) The General Manager will distribute all applications to the Board of Directors.
- (e) All applicants shall make a personal presentation of their qualifications to the Board of Directors during a Board meeting.
- (f) The Board of Directors will ask questions of the applicants during the Board meeting and will publicly vote on each applicant to be appointed. In the case where there are more applicants than Committee seats, Directors will submit their ranking of the applicants to the Board President after the questioning period. The applicant(s) with the highest number of first place, then second place, etc., (if needed) rankings shall be selected and announced as the appointee(s).
- (g) Those Finance Committee members who resign or who do not renew their two-year commitment shall provide a letter of resignation to the Finance Committee Chair, the President of the Board of Directors, and the General Manager.
- (h) The Board of Directors will confirm appointments and resignations by Resolution of the Board.

5. Role of the Committee. The primary role of the Committee is to provide recommendations to the Board of Directors from their direction, or in response to Board approved proposals made by staff on matters related to the District's finances. It shall be the responsibility of the committee to adhere to the Board approved Conceptual Budget Timeline (Exhibit A) and to:

- (a) Review annual operating budget proposed by staff and make recommendations to the Board prior to the Board receiving the annual operating budget for approval.
- (b) Review emergency, short-range, long-range strategic financial plans and quarterly financial reports proposed by staff and make recommendations to the Board prior to the Board receiving the proposed financial plans and reports for approval.
- (c) Review the audited annual financial data and statements available when the audit is presented to the Board of Directors.
- (d) Review and monitor all District financial reports including, quarterly reports, request for proposal budgets, Capital and Reserve funds, monthly cash balances, fund transfers, investments, source of funding, and make any recommendations to the Board.
- (e) Present alternative options with recommendations to the Board.
- (f) Present all Committee identified financial goals and proposals to the Board for approval.

- (g) Accept all projects requested by the Board.
- 6. Meetings.** The committee shall meet monthly, and more often if needed or requested by the Board. Meetings shall be held at the District's offices unless otherwise stipulated by an emergency or Executive Order.
- (a) At any meeting of the Finance Committee, the majority of the members currently appointed show constitute a quorum for purposes of conducting business or meetings. Unless otherwise posted, a majority vote of those present and voting shall be sufficient to adopt any motion. A quorum cannot be under three (3) members.
 - (b) All meetings of the Committee shall be open and public, and all persons shall be permitted to attend any meeting of the Committee as provided by Government Code Section 54950 et seq.
 - (c) All meetings of the Committee shall be held in the GDPUD offices at 6425 Main Street, Georgetown, CA 95634, unless there is a special need to hold a meeting at a different location.
 - (d) The proceedings of all meetings of the Committee shall be conducted in accordance with GDPUD Board Policy Numbers 5000, 5030 and 5040.
 - (e) The Committee shall follow the order of business for the conduct of its meetings by the agenda. The order can be changed during the Adoption of the Agenda by majority vote.
 - (f) Any meeting may be adjourned to a time and place stated in the Order of Adjournment. Less than a quorum may also adjourn from time to time. If all members are absent, the Secretary may declare the meeting adjourned to a stated time and place and shall cause each notice to be given in the same manner as for special meetings.
 - (g) Special meetings may be called at any time at the direction of the Chairperson or by a majority of the Committee. However, scheduling must be coordinated with the General Manager and Board President to ensure there are no conflicts with other scheduled Committee, Board, County, Regional, or Legislative meetings. A minimum of Forty-Eight (48) hours advance written notice of special meetings shall be provided by the Chairperson to the Board President and General Manager stating the date, time, and business to be transacted. The public shall be notified through the district regular communications and procedures, in accordance with Government Code Section 54950 et seq – at least twenty-four (24) hours prior to the meeting.
 - (h) The Board Clerk shall maintain meeting minutes, including a complete record of all transactions, findings, and determinations, and present a full statement to the General Manager for the Board prior to the next Board meeting. A signed copy of meeting minutes shall be filed with the Staff Liaison.
- 7. Terms.** The terms of office shall be two (2) years. Committee members may be reappointed to subsequent terms by providing their resume to the Board and the General Manager, and then the Board voting on the Committee members reappointed during a Board meeting.

8. Removal. All committee members serve at the will of the Board, and any member may be removed by an affirmative vote of three (3) members of the Board. The removal of a Finance Committee member shall follow procedures that will be outlined in a District Policy on Board Committees.

9. Officers. The committee shall designate from among its members a Chair, Vice-Chair, and Secretary. The Chair shall preside over the meetings, and in the Chair's absence, the Vice-Chair shall preside. If both the Chair and the Vice-Chair are absent, the remaining members, if a quorum exists, shall select from among themselves a person to preside over the meeting. The Board Clerk, or Staff designee, shall prepare agendas and minutes of every meeting and shall be responsible for transmitting the agenda and the final copy

of all minutes to the General Manager or designee. Items needing Board action shall be transmitted as soon as possible to the General Manager or designee for inclusion on the next available Board agenda.

10. Agenda.

- (a) The General Manager, in cooperation with the Board President and the Chair of the Finance Committee, shall prepare an agenda for each regular and special meetings of the Finance Committee Meeting in accordance with the Ralph M. Brown Act (California Government Code Section 54950).
- (b) All items on the agenda must have been approved or directed by the Board of Directors. These items may come from either the Board, Staff, or Finance Committee requests.
- (c) There is a conceptual timeline which should be automatically incorporated each month at the direction of the Board.
- (d) During the last item of the Finance Committee agenda before adjournment, a Committee member may bring up items they would like the Committee to review and for what purpose. Requests affirmed by a majority vote of the Committee shall be reported to the Board of Directors by the Committee Chair at the next meeting of the Board of Directors.
- (e) Reports will be prepared each month based on the conceptual timeline for the Finance Committee and any other monthly financial committee reports or agendized items.
- (f) Requests for additional information by Committee members should be directed to the Finance Committee Chair. The Chair will provide the Board Treasurer with these requests. The requests will then be given and discussed with the General Manager by the Treasurer with a copy to the Board President. Only the General Manager can direct staff for reports. Only the Board can direct the General Manager. Committee members must be aware of the conceptual timeline and reports required for the agenda when requesting additional information.

11. Board Reports. The Committee shall report on its activities to the Board at least monthly and more often if needed or requested by the Board. The Board Report shall be either oral or written and shall include a description of the activities of the Committee for the proceeding, and any on-going or outstanding activities or tasks. The Board Report will be given at the

next Regular Board Meeting by the Finance Committee Chair or Vice-Chair. Committee member minutes can be used to satisfy this requirement if the Chair or Vice-Chair is not present at the Board of Directors meeting.

- 12. Board Liaison and Staff Support.** The Committee shall have a following Board and/or staff members to assist it with its work from time to time as may be necessary or desired by the Committee and/or the Board: Board Treasurer who will serve as the Board Liaison, and a Staff Liaison designated by the General Manager. The Board Liaison and Staff Liaison shall (a) not be regular or ex officio members of the committee; (b) not have the right to vote; and (c) not be counted for purposes of determining the presence of a quorum.

Adopted by the Board of Directors on the 12th day of October, 2021.

Amended by the Board of Directors on the 12th day of April, 2022 (Section 2, Membership).

Attest:

Adam Coyan, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

EXHIBIT A

Georgetown Divide Public Utility District Finance Committee

The Finance Committee shall accept direction from the Board of Directors to provide financial reviews, make recommendations, and report on its activities to the Board at least monthly, or more often if needed or requested by the Board. The Board Report can be either oral or written and shall include a description of Committee activities per this timeline, and on any ongoing or outstanding activities or tasks. The Board Report is given during the Regular Board meeting during Committee Reports by the Committee Chair. Committee meeting minutes may be used to satisfy the reporting requirement if the Chair will not be present.

January – Review Second Quarter Budget Report, Comparison of Mid-Year Budget Report.

February – Capital/Reserve Budget Review, ALT Wastewater Rate to Budget Review.

March – Begin Review Next FY Budget

April – Review Next FY Draft Budget, Review Third Quarter Budget Report.

May – Review Next FY Final-Draft Budget, Audit Prep Review.

June – Joint Budget Workshops with the Board of Directors

July – Review Fourth Quarter Budget Report, FY-End Actuals Review.

August – Review Investment Policy, Water Rate to Budget Review.

September – Fund Transfer Tracking Review.

October – Review First Quarter Budget Report.

November – Review CalPERS Unfunded Liabilities, Compare Prior FY Budgets with Matching Prior FY Audits.

December – Develop Finance Committee’s Annual Work Report for the Board of Directors.