

Exhibit to Agenda Item #5

Board Policy Committee and Special SMUD Board of Directors Meeting

Wednesday, January 17, 2018, scheduled to begin at 5:30 p.m.

Customer Service Center, Rubicon Room

GP-1 Purpose of the Board

5 Board members responded

The Board is the legislative body of the Sacramento Municipal Utility District. It operates under the provisions of the Municipal Utility District Act of the State of California (the MUD Act) and all other applicable statutes and laws.

The purpose of the Board of Directors is to: a) Identify and define the purpose, values and vision of SMUD, along with the quantitative and qualitative results that SMUD is to achieve, and communicate them in the form of policy.

b) Identify and define those results or conditions of SMUD that are acceptable and not acceptable to the Board and communicate them in the form of policy.

Compliance Scores:

High 4

Med 1

Low

Comment:

I think (b) could be worded better. - GF

- c) Monitor the organization's performance against the results that the Board has established for SMUD.
- d) Make certain operational decisions as designated by law.
- e) Hire, evaluate and, when necessary, discharge the General Manager.

Compliance Scores:

High 5

Med

Low

GP-3 Board Job Description

5 Board members responded

The specific job duty of Board members as elected representatives is to ensure appropriate organizational performance. Specifically, the Board shall: a) Produce and maintain written policies that ensure high quality of governance and clear roles in decision-making between Board and staff.

b) Regularly monitor and evaluate the performance of the General Manager. c) Seek to understand the strategic viewpoints and values of our customers, owners, the community and other interested stakeholders. d) Develop and adopt Strategic Directive policies for SMUD that define the outcomes the Board wants SMUD to achieve. e) Conduct a comprehensive review of the Strategic Directives every three years (or sooner, if circumstances warrant) commencing in 2013. Review the Strategic Directives regularly, on the timetable specified in each policy, and communicate to the General Manager whether the Board finds SMUD to be in compliance. For the purpose of this policy, compliance is defined as substantially meeting the requirements of the Strategic Directive.

Compliance Scores:

High 5

Med

Low

f) Adopt the SMUD budget on an annual basis. g) Serve as ambassadors for SMUD and build relationships throughout SMUD's service territory and the region. h) Contract with an external independent auditor to audit SMUD's finances and procedures; such audits are to be performed on an annual basis. i) Set the rates, rules and regulations for services and commodities provided by SMUD. j) Take such other actions as may be required by law.

Compliance Scores:

High 5

Med

Low

GP-13 Core and Key Values

5 Board members responded

In articulating its values, the Board distinguishes between “core” values and “key” values. Core values are deemed essential for the success of SMUD and for serving SMUD’s customers. Key values provide added value to our customers. Key values are subordinate to the core values.

Compliance Scores:

High 5

Med

Low