

SMUD BOARD POLICY

<p>Category: Board-Staff Linkage</p>	<p>Title: Board-Chief Executive Officer and General Manager Relationship</p>
	Policy Number: BL-1
Date of Adoption: December 19, 2002	Resolution No. 02-12-14
Revision: October 16, 2003	Resolution No. 03-10-14
Revision: May 6, 2004	Resolution No. 04-05-05
Revision: December 6, 2007	Resolution No. 07-12-02
Revision: December 20, 2007	Resolution No. 07-12-13
Revision: October 16, 2008	Resolution No. 08-10-09
Revision: January 21, 2010	Resolution No. 10-01-07
Revision: February 18, 2010	Resolution No. 10-02-11
Revision: January 20, 2011	Resolution No. 11-01-09
Revision: July 16, 2015	Resolution No. 15-07-02

The Board of Directors governs the Sacramento Municipal Utility District and is the policy-making body of SMUD. The Board 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.

- a) The Board of Directors is responsible for the following:
 - i) Identify and define the purpose, values and vision of SMUD, along with the results that are acceptable and not acceptable for SMUD to achieve, and communicate them in the form of policy.
 - ii) Make certain operational decisions as are designated by law.
 - iii) Hire, evaluate, and terminate the Chief Executive Officer and General Manager.

- b) The Chief Executive Officer and General Manager is responsible for the following:
- i) Manage all operations and business affairs of SMUD.
 - ii) Achieve the results established by the Board within the appropriate and ethical standards of business conduct set by the Board.
 - iii) Prepare and submit to the Board for approval each year a budget to achieve the Board's strategic directives.
 - iv) Enforce SMUD ordinances, administer the civil service system (including hiring and terminating of all officers and employees except the Chief Legal Officer and General Counsel and the Board Special Assistant), attend meetings of the Board and report on the general affairs of SMUD, and keep the Board advised as to the needs of SMUD.
 - v) Establish and enforce a code of ethics applicable to all employees, which provides clear guidelines for ethical standards and conduct.
 - vi) Implement and maintain an integrated enterprise risk management process that identifies, assesses, prudently manages and mitigates a variety of risks facing SMUD.
 - vii) Ensure the smooth continuous operation of SMUD in the event of the planned or unplanned absence of the Chief Executive Officer and General Manager.
 - viii) Interact with the public and other utilities and government agencies, pursuant to policies adopted by the Board. The Chief Executive Officer and General Manager shall assure, in cooperation and consultation with the Board, that SMUD is appropriately represented in the community it serves.
 - ix) Perform other responsibilities as may be delegated by the Board either by resolution or through the Chief Executive Officer and General Manager's contract of employment.

Monitoring Method: Board Report
Frequency: Annual