

SAN DIEGO COMMUNITY POWER
Staff Report – Item 7

To: San Diego Community Power Board of Directors

From: Cody Hooven, SDCP Interim Executive Officer
Director/Chief Sustainability Officer, City of San Diego

Subject: Formation and Appointment of the Finance and Risk Management Committee

Date: February 27, 2020

Recommendation

Establish the Finance and Risk Management Committee and appoint two Board Members to serve on the Finance and Risk Management Committee until December 2020.

Background

Section 5.10.2 of the SDCP Joint Powers Authority (JPA) Agreement provides as follows:

The Board shall establish a finance and risk management committee consisting of a subset of its Directors. The primary purpose of the finance and risk management committee is to review and recommend to the Board:

- a) A funding plan;
- b) A fiscal year budget;
- c) Financial policies and procedures to ensure equitable contributions by Parties; and
- d) The Finance and Risk Management Committee may have such other responsibilities as may be approved by the Board, including but not limited to advising the Chief Executive Officer on fiscal and risk management policies and procedures, rules and regulations governing investment of surplus funds, audits to achieve best practices in corporate governance and selection and designation of financial institutions for deposit of Authority funds, and credit/depository matters.

Analysis and Discussion

At its January Board meeting, the Board discussed the formation of the Finance and Risk Management Committee and the potential for alternate Directors to serve on the committee, as well as other standing committees.

As stated above, Section 5.10.2 of the JPA Agreement provides that the Finance and Risk Management Committee will be composed of a subset of the Directors. However, alternate Directors may attend and participate fully in committees when the primary Directors are not present. Accordingly, staff recommends that the Board establish the Finance and Risk Management Committee and appoint two (2) Directors to the committee. The appointed

Directors may attend committee meetings themselves, or request that their alternates regularly attend Committee meetings on their behalf.

Committee members shall serve until the December 2020 meeting. At that December meeting, the Board may appoint or reappoint Directors for the following year. All Finance and Risk Management Committee meetings will be subject to Brown Act noticing and open meeting requirements, including the location information.

Staff anticipates that the Finance and Risk Management Committee will meet monthly, or as needed. Staff assistance will be provided in determining the best time and location to meet.

Fiscal Impact

Cost of this action may include staff time to manage the meetings and a cost for meeting space to host the meetings.