

# ALPINE SPRINGS COUNTY WATER DISTRICT

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**Policy Number: 2.0.0**

**Title: BUDGET & FINANCE COMMITTEE POLICY OF OPERATION**

**Introduction:**

This policy has been developed to establish the scope of the Budget & Finance Committee and provide parameters under which it operates.

**Ends:**

It is the objective of this Committee to oversee all aspects of the finances of the District and to recommend policy to the District Board of Directors regarding the following issues: (1) Operating Budget, (2) Finance, (3) Investment, (4) Accounting, (5) Capital Improvement Projects and Budgets and (6) Asset Management.

In this regard, the Budget & Finance Committee reviews and recommends to the Board of Directors for its approval:

1. Annual Operating Budget
2. Capital Improvement Projects and Budgets
3. Reserves for Recapitalization and Capital Improvements
4. Format of Monthly and Annual Financial Reports
5. Monthly and Annual Financial Reports
6. Classification of Expenditures (Capital or Expense)
7. Investment Strategy
8. Selection of Auditors
9. Annual Audit Report including the Management Letter and Management Responses thereto
10. Unbudgeted Expenditures
11. Rate Increases
12. Billing Adjustments

**Responsibility:**

It is the responsibility of the members of this Committee to meet, discuss, evaluate, draft, edit or revise policy under the legitimate categories outlined above. Meetings shall be held at the direction of the President of the Board of Directors and/or scheduled by the Chair of the Committee. The Chair of the Committee shall preside over Committee meetings and prepare a written report, to be included in the District Board of Directors Agenda Package.

The Committee will have no more than six members including:

1. Two representative of the District Board of Directors
2. The General Manager of the District
3. One or more residents of the community who have appropriate qualifications to perform the responsibilities set forth above.

The District's accountant shall be available to the Committee for advice and clarification but shall not be a member of the Committee. The District's Treasurer shall be available to the Committee for advice.

The General Manager, working on concert with the District's accountant, shall have responsibility for providing to the Committee on a monthly basis, where necessary, all financial information necessary to assess the financial condition of the District. Moreover, the General Manager shall be responsible for implementing the policies recommended by the Committee and approved by the Board of Directors.