

**WATER AND POWER EMPLOYEES' RETIREMENT PLAN
AUDIT COMMITTEE CHARTER
EFFECTIVE OCTOBER 12, 2022**

I. PURPOSE

The Board of Administration (Board) of the Water and Power Employees' Retirement Plan (Plan) has delegated authority to the Audit Committee (Committee) to assist the Board in overseeing the integrity of the Plan's financial statements. The Committee shall engage and preside over the annual financial statements audit process, and review any audit related issues. A free and open communication between the Committee, Plan's management, and the independent auditors must be maintained to achieve such purpose.

II. COMMITTEE MEMBERSHIP

The Committee shall consist of three (3) members of the Board selected and appointed by the Board President. Each appointment shall serve a term of one year from July 1st through June 30th of the following year. The Board President shall designate a Chairperson to preside over Committee meetings.

Any member may be removed by the Board President or an affirmative vote of the majority of the Board.

Vacancies on the Committee mid-year shall be filled by appointment made by the Board President for the remainder of the term.

III. RESPONSIBILITIES

1. Committee Members must commit to attending and participating in Committee meetings.
2. The Committee Chair will preside over the meeting and call the meeting to order.
3. The Plan's Chief Accounting Employee and independent auditors shall convene with the Committee throughout the financial statements audit engagement. Discussions shall cover, but are not limited to:
 - Annual audit scope and program detail
 - Significant accounting and reporting issues, including any recent professional and regulatory pronouncements, or any complex or unusual transactions
 - Any problems or difficulties the independent auditors encountered during the course of the audit, including any restrictions on the scope of the auditors' activities or on access to requested information, and any significant disagreements with management, together with management's response
 - The results of the audit, including the annual financial statements and required communications under the Generally Accepted Auditing Standards

4. Board Secretary will compile and post Committee agendas, minutes, and resolutions.

IV. POLICY REVIEW

1. The Committee shall review this policy at least every five (5) years to ensure that it remains relevant and appropriate.
2. Changes to this policy shall require an affirmative vote of at least two (2) members of the Committee, which shall then be presented to the Board for an affirmative vote of at least four (4) members to pass.

V. POLICY HISTORY

April 13, 2022: A standing Audit Committee was created by the Board pursuant to Resolution No. 22-77.

October 12, 2022: This Charter was adopted pursuant to Resolution No. 23-22.

**RESOLUTION TO ADOPT THE WATER AND POWER EMPLOYEES' RETIREMENT PLAN
AUDIT COMMITTEE CHARTER**

WHEREAS, the Board of Administration (Retirement Board) of the Water and Power Employees' Retirement Plan (Plan) created a standing Audit Committee at its Regular meeting held on April 13, 2022; and

WHEREAS, a Committee Charter serves to formalize Committee governance and responsibilities; and

WHEREAS, at its meeting on September 21, 2022, the Audit Committee reviewed the draft "*Audit Committee Charter*" and has provided the attached document for adoption.

NOW, THEREFORE, BE IT RESOLVED that the Retirement Board hereby adopts the "***Audit Committee Charter, Effective October 12, 2022***".

I HEREBY CERTIFY that the forgoing is a full, true, and correct copy of the resolution adopted by the Retirement Board at its meeting held on October 12, 2022.



Linda P. Le
Retirement Plan Manager