



# Regulatory/Policy Committee

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# Call Meeting To Order

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# Public Comments

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# Items for Presentation and Discussion

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1. Presentation and Discussion of Revisions to the Brownsville Public Utilities Board Corporate Credit Card Policy – J. Santillan
2. Presentation and Discussion to the Brownsville Public Utilities Board Personnel Policies & Procedures Policy No. 10-- Holidays - E. Guerra
3. Presentation and Discussion of Addition to the Brownsville Public Utilities Board Personnel Policies & Procedures Policy No. TBD- Community Partnership Leave - E. Guerra
4. Presentation, Discussion, and Possible Recommendation of the Brownsville Public Utilities Board's Utility Financial Reserve Policy - M. Perez



# Corporate Credit Card Policy

PRESENTATION AND DISCUSSION OF REVISIONS TO THE BROWNSVILLE  
PUBLIC UTILITIES BOARD CORPORATE CREDIT CARD POLICY– JORGE  
SANTILLAN

● ● ● R E G U L A T O R Y / P O L I C Y   C O M M I T T E E

# Current Policy

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- Current policy approved on June 13, 2016.
- Improves efficiency and flexibility for the receipt of goods and services, including travel. Provides an alternative acquisition and payment system by which the Brownsville Public Utilities Board (BPUB) uses a corporate credit card.

# Proposed Policy Changes

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- Changed document to new policy format.
- Purpose and Scope sections combined and renamed Policy Statement.
- Previous Policy section combined with the Roles and Responsibilities section.
- Removed Definitions section. Definitions are included in the Procedures document.
- Updated department name from Accounting to Accounting & Treasury.
- Expanded Procedures section to include:
  - Exemption Tax Certificate
  - Sales Tax Refund Request
  - Reimbursement of Charged Taxes
  - Card Cancellations
- Removed Boundaries and Limitations section. Boundaries and limitations are described in the Procedures section of the Procedures document and in the Corporate Credit Card Cardholder Acknowledgment form.



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# Questions?



# Policy No. 10 – Holiday Leave

PRESENTATION AND DISCUSSION OF REVISIONS TO THE BROWNSVILLE PUBLIC UTILITIES BOARD PERSONNEL POLICIES & PROCEDURES – DR. EMILIA GUERRA

● ● ● R E G U L A T O R Y / P O L I C Y   C O M M I T T E E

# Current Policy

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Last revised & approved by the Board on March 12, 2007.

Establishes BPUB's provisions for paid time off during holidays.



# Proposed Policy Changes

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## General Changes:

- The policy was reviewed and updated to ensure it is current and in compliance with federal, state, and local regulations.
- Introduced new sections to provide a clear and detailed outline of the eligibility criteria and conditions for holiday pay.
- Revised and merged sections to more accurately represent and outline the provisions.

# Proposed Policy Changes

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## Main Changes:

- Added a provision that supports management in scheduling work during holidays and encourages employees assigned to holiday shifts to adhere to their schedules.



# Policy – BPUB Community Partnership Leave

PRESENTATION AND DISCUSSION OF ADDITION TO THE BROWNSVILLE PUBLIC UTILITIES BOARD PERSONNEL POLICIES & PROCEDURES – DR. EMILIA GUERRA

● ● ● R E G U L A T O R Y / P O L I C Y C O M M I T T E E

# Proposed Policy

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The proposed policy establishes guidelines to support the civic engagement of BPUB employees who participate in initiatives that benefit the community and strengthen our organization's community relationships.

## Benefits:

- Employee Well-Being
- Enhanced Employee Engagement
- Skill Development
- Networking Opportunities
- Improved Public Relations
- Stronger Community Ties

# Proposed Policy

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## Eligibility

- Regular full-time exempt employees who serve as volunteers

## General Provisions

- Volunteer Activities: Employees can volunteer with local non-profit, school, or public service organizations.
- Paid Time Off: Up to 10 hours per month, maximum of 40 hours per calendar year.
- Workload Considerations: Leave should not conflict with work responsibilities or other employees' schedules.
- Representation: Employees may speak on behalf of BPUB when authorized.

# Proposed Policy

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## Request and Approval Criteria

- Performance Requirements: Employees must meet performance, attendance, and punctuality expectations.
- Eligible Organizations: Must be formally established legal entities.
- Approval Process: Requests must be approved in advance and align with BPUB's vision, mission, and values.

# Q & A



# UTILITY FINANCIAL RESERVE POLICY

● ● ● R E G U L A T O R Y / P O L I C Y C O M M I T T E E

# Policy Overview

- ❑ In order to maintain stable rates and provide reliable service, BPUB must maintain appropriate financial reserves which can absorb short-term financial variability resulting from unexpected operating results or can reduce the need for debt issuances.
- ❑ This policy will ensure that the BPUB maintains adequate reserve levels for the purpose of providing sufficient cash flow for daily operations, securing and maintaining a higher investment grade bond rating, offsetting significant economic declines or revenue shortfalls, providing funds to meet unforeseen emergency expenditures, and demonstrating a commitment to long-term financial planning objectives.
- ❑ The BPUB shall maintain reserves required by law, ordinance and/or bond covenants.

# Reserves Required by Bond Covenants

## ☐ Operating Reserve

- Meet day-to-day maintenance and operating expenses
- Minimum of 60 days of O&M expenses
- \$17,018,883 as of 9/30/24

## ☐ Senior Lien Reserve

- Payment of senior lien obligations
- 100% of maximum annual debt service
- \$15,810,371 cash plus surety policies as of 9/30/24

## ☐ Junior Lien Reserve

- Payment of senior lien obligations
- 100% of average annual debt service
- \$112,531 as of 9/30/24

## ☐ Capital Reserve

- Meet capital project funding requirements
- Minimum \$15,000,000
- \$15,000,992 as of 9/30/24



# New Reserves Established in FY 2025

## ☐ Decommissioning Reserve

- Adequate funding for decommissioning power generation plants
- Budgeted \$2,000,000 in FY 2025
- Target level of \$10,000,000 to \$15,000,000

## ☐ Power Supply Stabilization Reserve

- Mitigate fluctuations in net power supply costs
- Funding of 90-120 days of net power supply costs
- Target level of \$22,000,000 - \$29,333,333



Questions?



# Adjournment

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