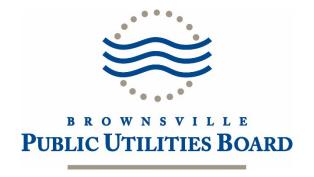


### Regulatory/Policy Committee

WEDNESDAY, OCTOBER 30, 2024



## **Call Meeting To Order**



#### **Public Comments**

# Items for Presentation and Discussion

- 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

REGULATORY/POLICY COMMITTEE

#### **Current Policy**

- 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**

- 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.

# Questions?





### Policy No. 10 – Holiday Leave

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

• REGULATORY/POLICY COMMITTEE

#### **Current Policy**

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

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



### **Proposed Policy Changes**

#### 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**

#### 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

• REGULATORY/POLICY COMMITTEE

#### **Proposed Policy**

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**

#### **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**

#### **Request and Approval Criteria**

- <u>Performance Requirements:</u> 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**

REGULATORY/POLICY COMMITTEE

#### **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?



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10/30/2024



## Adjournment