



# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

*Rely on us.*

TO: Commissioners Helgeson, Brown, Mital, Simpson and Carlson  
FROM: Sue Fahey, Chief Financial Officer; Susan Eicher, Accounting & Treasury Supervisor  
DATE: January 27, 2017  
SUBJECT: Oregon Depository Accounts  
OBJECTIVE: Board Action – Approval of Resolution No. 1704

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## Issue

EWEB is interested in depositing funds with local banking institutions. Oregon Statute 294 requires the Board approve financial institutions eligible for investment of EWEB funds.

## Background

In December 2016, EWEB issued a Request for Information (RFI) to local financial institutions. Local was defined as headquartered in Oregon and having at least one Eugene area branch. The RFI was presented to 15 institutions, and 10 responses were received.

Responses were received from:

- Bank of the Cascades
- Banner Bank
- EWEB Employees Federal Credit Union
- Northwest Community Credit Union
- OnPoint Community Credit Union
- Oregon Community Credit Union
- Oregon Pacific Bank
- Pacific Cascade Federal Credit Union
- Pacific Continental Bank
- Summit Bank

Respondents provided the following information:

- Qualified depository status with the Oregon State Treasury
- Any regulatory actions taken in the past 36 months
- Deposit threshold preferences
- The process and forms required to open an account
- Current rates and fees for products/services offered

Rates ranged from 0.20% to 1.65% depending on the product and term offered. Currently, investments range from 1.15% for funds deposited with the local government investment pool to approximately 1.5% for three-year Treasuries and agencies.

Pacific Continental Bank was subsequently acquired by a bank headquartered in Washington and no longer qualifies as a local institution.

Prior to opening any accounts, finance staff will perform due diligence to verify responses and research the financial condition of qualifying institutions to ensure safety of EWEB funds. The resolution supports opening depository accounts with each of the responsive, qualified depositories. Initially, staff plan to deposit a total of approximately \$4 million among the three most qualified respondents. Staff will continue to monitor cash balances and rates to determine the proper balance of local funds, earnings and operational efficiency.

### **Recommendation & Requested Board Action**

Management recommends approval of banking Resolution No. 1704 to establish local financial depository accounts.

**RESOLUTION NO. 1704  
FEBRUARY 2017**

**EUGENE WATER & ELECTRIC BOARD  
OREGON DEPOSITORY ACCOUNTS**

RESOLVED, that financial institutions listed below within, EUGENE, OREGON be and hereby are designated as financial depositories for funds of the Eugene Water & Electric Board of the City of Eugene, Oregon.

- BANK OF THE CASCADES - Eugene, Oregon
- BANNER BANK - Eugene, Oregon
- EWEB EMPLOYEES FEDERAL CREDIT UNION – Eugene, Oregon
- NORTHWEST COMMUNITY CREDIT UNION - Eugene, Oregon
- ONPOINT COMMUNITY CREDIT UNION - Eugene, Oregon
- OREGON COMMUNITY CREDIT UNION - Eugene, Oregon
- OREGON PACIFIC BANK - Eugene, Oregon
- PACIFIC CASCADE FEDERAL CREDIT UNION - Eugene, Oregon
- SUMMIT BANK - Eugene, Oregon

RESOLVED further, that signatories for establishment of accounts therewith shall be as shown.

General Manager-Secretary	Frank J. Lawson	_____
Treasurer	Susan K. Fahey	_____
Assistant Treasurer	Susan J. Eicher	_____

RESOLVED further, that the above named are hereby authorized to designate individuals authorized to give instructions concerning transfers of funds of the Eugene Water & Electric Board held by a financial institution as depository. Delegation of authority to designated individuals will be evidenced by financial institution documentation, as required.

RESOLVED further, that the authority hereby conferred upon the above-named persons shall remain in full force and effect until written notice of revocation thereof has been delivered to said financial institutions, and all prior resolutions relative to the foregoing accounts and funds are hereby revoked.

Dated this 7th day of February, 2017.

THE CITY OF EUGENE, OREGON  
Acting by and through the  
Eugene Water & Electric Board

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President

I, ANNE M. KAH, hereby certify that I am the duly appointed, qualified and acting Assistant Secretary of the Eugene Water & Electric Board, and that the attached Resolution is a true and exact copy of a Resolution adopted by the Board at its February 7, 2017 regular board meeting.

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Assistant Secretary