



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Helgeson, Brown, Mital, Simpson and Carlson
FROM: Frank Lawson, General Manager
DATE: September 25, 2017
SUBJECT: Proposed Update to Board Policy EL3, Public Requests for Board Expenditures
OBJECTIVE: Board Direction

Issue

Management requests Board feedback and direction on proposed changes to EL3, Public Requests for Board Expenditures. If appropriate, depending on Board guidance, approval of these changes will be requested via Consent Calendar in November.

Background

In accordance with EWEB's Strategic Plan, we will focus our efforts on maximizing the broadest benefits of our essential services for all customers. The plan further stipulates that EWEB will emphasize programs and leverage partnerships with other institutions that support vulnerable members of our community. The October board meeting will be an opportunity to further engage in dialog on the subject of community investment processes.

We plan to continue to define priorities and the appropriate level of financial support for endeavors that benefit our customer-owners. Some of these commitments will be inclusive of the annual budgetary process. For example, education grants are contingent upon annual budget approval by the EWEB Board. Language in the 2015 IGAs provide EWEB with the ability to increase or decrease grant payments, as part of the annual budgeting process approved by the Board. EWEB Finance Staff have included the assumption in the budget memorandum describing 2018 budget assumptions.

Board Policy EL3, Public Requests for Board Expenditures, provides direction for discretionary expenditures. The attachment proposed revisions to the policy for your consideration.

Requested Board Action

Guidance and comments on the recommended changes to EL3, attached.

Policy Number: EL3
Policy Type: Executive Limitations
Policy Title: Public Requests for Board Expenditures
Effective Date: ~~October 4, 2016~~ Proposed October 3, 2017

The Board authorizes the expenditure of funds or in-kind services for purposes of research, community support, sponsorships, education programs and other activities as part of the annual budget-setting process. The General Manager or, Executive Team Member, ~~or appropriate division manager~~ is authorized to expend these funds as needed. The General Manager's Office shall accept, review and authorize requests for sponsorships, donations and in-kind services that align with EWEB's mission, vision and values, in accordance with authorized annual budgets. ~~Utility Management also has established a Community Investment Team to accept, review and authorize requests for sponsorships, donations and in-kind services that align with EWEB's mission, vision and values, in accordance with authorized annual budgets.~~

However, the Board may wish to review individual community sponsorship requests that are made outside of utility programs (such as Education Grants, Watershed Protection and Greenpower) that are funded through the annual budgeting process. In doing so, the Board shall consider such requests for funding under the following guidelines:

- The request is in excess of \$10,000. Requests of \$10,000 or lower will be considered by the General Manager's Office or Executive Team staff as part of the utility's normal operational procedures.
- For requests above that amount, the Board must determine that the request for financial support meets EWEB's established Community Investment priorities, which focus on the social, environmental or economic benefit to the community.
- The General Manager will make a recommendation to the Board for approval or denial. The recommendation shall include a clear and detailed written description of the proposal, a description and quantification of benefits to EWEB or its customer-owners, utility consumers, and a description of how research findings or services will be distributed and used.
- The Board must determine that funds are available within the appropriated budget. If not, the Board may authorize additional expenditures through a Budget Amendment or other appropriate procedures.
- The Board is not obligated to consider requests in excess of the established limit. Any request may be referred to the General Manager staff for consideration and approval.

At its discretion, the Board may impose additional requirements, including contractual agreements, upon any proposer as a condition of funding or continued funding.

The General Manager shall provide the Board with notice of any sponsorship, donation, grant or in kind service that is extraordinary in nature or value. ~~an annual report of all sponsorships, donations, grants and in-kind services provided to the community. The report shall include requests that were approved and denied by staff and the Board.~~

Source: Board Approved 04/13/1987; Ratified 04/19/2005; Revised and Ratified 04/05/2016
Resolution No. 1605. Revised 10/04/2016, Resolution No. 1627, Proposed 10/03/17.