



MEETING AGENDA
for
ADMINISTRATIVE & FINANCE COMMITTEE
August 27, 2019 @ 3pm
At Company Office 139 N. Euclid Avenue, Upland, CA

- Call to Order

1. Recognitions and Presentations:

2. Additions-Deletions to the Agenda:

3. Public Comments

This is the time for any shareholder or member of the public to address the committee members on any topic under the jurisdiction of the Company, which is on or not on the agenda. Please note, pursuant to the Brown Act the Committee is prohibited from taking actions on items not listed on the agenda. For any testimony, speakers are requested to keep their comments to no more than four (4) minutes, including the use of any visual aids, and to do so in a focused and orderly manner. Anyone wishing to speak is requested to voluntarily fill out and submit a speaker's form to the manager prior to speaking.

4. Approval of Committee Meeting Minutes

Regular Committee Minutes of June 25, 2019.

5. Administrative and Financial Issues:

A. Proposed Policy for On-line Payment Transaction Charge

Proposed policy regarding transaction charge for on-line payments

6. Closed Session: None

7. Committee Comments and Future Agenda Items:

- This is the time for committee's comments and consideration on future agenda items relative to the interests and business of the company and its shareholders.

8. Adjournment:

The next regular Administration and Finance Committee meeting is scheduled for October 22, 2019, at 3:00 p.m.

NOTE: All agenda report items and back-up materials are available for review and/or acquisition at the Company Office (139 N. Euclid Avenue, Upland, CA.) during regular office hours, Monday through Thursday [7:00 – 11:30 and 12:30 – 5:00] and alternating Fridays [7:00 – 11:30 and 12:30 – 4:00]. The agenda is also available for review and copying at the Upland Public Library located at 450 N. Euclid Avenue.

POSTING STATEMENT: On August 22, 2019, a true and correct copy of this agenda was posted at the entry of the Water Company's office (139 N. Euclid Avenue), on the public bulletin boards at 450 N. Euclid Avenue (Upland Public Library) and 460 N. Euclid Avenue (Upland City Hall), and on the Water Company's website.

SAN ANTONIO WATER COMPANY
ADMINISTRATION and FINANCE COMMITTEE (AFC)
MINUTES

June 25, 2019

An open meeting of the Administration and Finance Committee (AFC) of the San Antonio Water Company (SAWCo) was called to order at 3:00 p.m. on the above date at the Company office located at 139 N. Euclid Ave., Upland, California. Committee Members present were Jose Sanchez, Rudy Zuniga, and ex officio Tom Thomas. Also in attendance were SAWCo's General Manager Brian Lee and Senior Administrative Specialist Kelly Mitchell. Mr. Sanchez presided.

1. Recognitions and Presentations: None.
2. Additions-Deletions to the Agenda: Mr. Lee advised the Committee of faxes received from Dr. Gattas in relation to Agenda Item 5A.
3. Public Comments: None.
4. Approval of Committee Meeting Minutes: Mr. Thomas moved and Mr. Zuniga seconded to approve the meeting minutes of April 23, 2019. Motion carried.

Mr. Sanchez appreciated the thorough meeting minutes.

5. Administrative and Financial Issues:

- A. ***Shareholder Request for Reimbursement*** – Mr. Lee advised the Committee that Dr. Gattas' request for reimbursement had increased to include a refund for the water stock transfer fees he had paid. Though his faxed request listed \$290 as the total requested reimbursement amount, the calculated total equaled \$240.

Mr. Lee then explained his and staff's interactions with Dr. Gattas in regards to the water stock transfers and the need for a lost instrument bond. As such, the Committee discussed the information provided by the shareholder and the Company's water stock transfer procedure.

Mr. Thomas moved and Mr. Zuniga seconded to deny Dr. Gattas' request for a refund of the stock transfer fees as all stock transfers requested were completed and to deny request for reimbursement of the cost of the lost instrument bond as the shareholder was responsible for the whereabouts of the original stock certificate. Motion carried.

The Committee then directed Mr. Lee to respond to Dr. Gattas with the Committee's findings.

- B. ***Goals and Objectives for General Manager*** – Mr. Lee advised the Committee that he would not only be asking them but also the Planning, Resources, and Operations Committee to compile goals and objectives for his position in time for his September annual performance review. Provided to the AFC was Mr. Lee's proposed goals and objectives for 2019-2020.

It was agreed that the original members of the Ad Hoc Personnel Committee for Executive Recruitment would complete the annual performance review of the General Manager. Their recommendations would then be presented to the Board.

June 25, 2019

Mr. Lee asked that the Ad Hoc Personnel Committee reach out to staff regarding working with him over the past year as well as thoughts on goals and objectives for the future.

At the next AFC meeting the Committee members bring forward their list of goals and objectives whether they be the same as presented today, modified, or entirely different.

The Committee then discussed the items on Mr. Lee's proposed goals and objectives list. Mr. Lee will place an action item on the July Board meeting agenda for development of proposed goals and objectives for 2019-2020.

6. Closed Session: None.
7. Committee Comments and Future Agenda Items: Mr. Sanchez requested, if completed, the two accounting reports he had been working on with staff to be presented at the next AFC meeting. The Committee agreed that if the reports are completed prior to the July Board meeting they should go directly to the Board for approval.
8. Adjournment: The committee determined there was no further business and adjourned the meeting at 3:34 p.m.

The next regular Administration and Finance Committee meeting is scheduled for August 27, 2019 at 3:00 p.m.

Assistant Secretary
Brian Lee

Agenda Item No. 5A

Item Title: Policy for Online Payment Transaction Charge

Purpose:

To discuss and possibly recommend a transaction charge for all on-line water bill payments made with a credit card or debit card.

Issue:

Should the Company charge a transaction fee to recover (partially or wholly) fees charged by both the online payment processing company and billing software company?

Manager's Recommendation:

That the AFC recommends the Board approve initiating a per transaction charge of \$3.00 to all payments made using credit card or debit card on the Company's website to offset Company costs effective January 1, 2020.

Background:

The Company currently accepts on-line credit card payments up to \$1,500.00 for shareholder's water bills. Online payment processing company ETS/Elavon charges a fee based on a percentage of the payment. Billing software company Tyler charges a flat \$1.25 fee per transaction.

To date the Company has been absorbing these additional fees.

Over the last 17 months:

- An average of 106 shareholders have used the on-line payment option per month (~9% of shareholders).
- The average per transaction fee charge by ETS/Elavon is \$2.12.
- The flat per transaction fee charged by Tyler is \$1.25.
- Therefore, the average charge per transaction \$3.37.
- The average yearly total cost of these additional fees is approximately \$4,300.

Impact on the Budget:

A yearly revenue increase of ~\$3,800, helping to offset a yearly expense of ~\$4,300.

Net result would reduce Company on-line fee expenses from ~\$4,300 per year down to ~\$500 per year.

Previous Actions:

None.