

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

June 26, 2018

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 Bob Cable, Jose Sanchez and Tom Thomas. Also in attendance were SAWCo's General Manager Charles Moorrees, Assistant General Manager Teri Layton, and Accounting and Personnel Specialist Salena Holley. Mr. Thomas presided.

1. Recognitions and Presentations:
2. Additions-Deletions to the Agenda:
3. Public Comments: None.
4. Approval of Committee Meeting Minutes: Mr. Sanchez moved and Mr. Cable seconded, to approve the meeting minutes of April 24, 2018. Motion carried.

5. Administrative and Financial Issues:

- A. **Whistle Blower Policy** – Mr. Moorrees explained Federal law prohibits all corporations, including non-profits, from retaliating against employees who “blow the whistle” on their employers’ financial management and accounting practices. He presented a whistle blower policy to provide a means through which all workers are able to raise concerns with regard to malpractice, illegal or underhand practices in the work place.

The committee discussed revisions to the draft Whistle Blower Policy. Mr. Sanchez was chosen to make the revisions and submit them to the committee prior to going to the Board for approval in July.

- B. **ICMA RC Employee Retirement Health Savings Program** – Due to the representative from ICMA-RC not attending the meeting the item was tabled until the next AFC meeting.

- C. **IEUA Water Rates & Charges** – Mr. Moorrees presented IEUA’s Meter Equivalent Unit (MEU) rate to the committee. The charge is intended to recover IEUA’s costs for water resources and water use efficiency programs. The current MEU rate for FY2018-2019 is \$0.99/meter per month. The rate increases to \$1.04/meter per month for FY2019-2020. SAWCo has 1,862 meters which equates to a monthly bill amount of \$1,843.38 and annual amount of \$22,120.56.

The committee decided to forgo any recommendation to the Board and instead asked that a representative from IEUA attend the next Board meeting to provide more information on the IEUA services and programs SAWCo benefits from.

- D. **Stock Auction – October 2018** – Mr. Moorrees advised there are currently 26 shareholder’s stock certificates eligible for auction. Staff has proposed auctioning 12 of those this October and the remaining 14 next May. A timeline for the October auction process was given in the Committee packet.

Ms. Layton informed the Committee that of the stocks being auctioned off, one is a ½ share certificate and the remaining are ¼ share certificates.

There was consensus on the Committee to recommend the Board approve the proposed stock auction and timeline as presented.

6. Closed Session:

Personnel Issues [subdivision 9b) of Section 54957, CGC].

The Committee went into closed session at 3:34 p.m. and returned from closed session at 3:47 p.m. During closed session the Committee approved the General Manager's contract extension through September as needed.

7. Committee Comments and Future Agenda Items: None.

8. Adjournment: The committee determined there was no further business and adjourned the meeting at 3:47 p.m.

The next regular Administration and Finance Committee meeting is scheduled for August 28, 2018 at 3:00 p.m.

Assistant Secretary
Charles Moorrees