

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

February 27, 2018

An open meeting of the Administration and Finance Committee (AFC) of the San Antonio Water Company (SAWCo) was called to order at 3:12 p.m. on the above date at the Company office located at 139 N. Euclid Ave., Upland, California. Committee Members present were Sue Sundell, Bob Cable and Tom Thomas. Also in attendance were SAWCo's General Manager Charles Moorrees, Assistant General Manager Teri Layton, and Senior Administrative Specialist Kelly Mitchell. Ms. Sundell presided.

1. Recognitions and Presentations: None.
2. Additions-Deletions to the Agenda: None.
3. Public Comments: None.
4. Approval of Committee Meeting Minutes: Mr. Moorrees made a correction to the meeting minutes by removing Ms. Layton's attendance at the meeting since she was not present.

Mr. Cable moved and Mr. Thomas seconded to approve the meeting minutes of October 24, 2017 as corrected. Motion carried.

5. Administrative and Financial Issues:

- A. ***Amendment to Water Company 401(K) Plan*** – Mr. Moorrees explained the Water Company became sole sponsor and Trustee of its 401(k) Plan and contracted with a Third Party Administrator (TPA) in December 2010. In January of 2011 the Board adopted Resolution No. 2011-01-01, a qualified retirement plan for the Water Company, and appointed the General Manager, Mr. Moorrees, as the Trustee to perform actions necessary to implement and administer the Plan.

With Mr. Moorrees retiring in June it is necessary to appoint a new Trustee for the 401(k) Plan. Mr. Moorrees recommended designating Ms. Layton as Trustee. A "draft" resolution and Trustee Declaration was provided in the agenda packet for review and comment.

Mr. Thomas moved and Mr. Cable seconded to recommend the Board approve Assistant General Manager, Teri Layton, as the 401(k) Plan Trustee. Motion carried.

- B. ***Salary Range Adjustment*** – Mr. Moorrees reported in 2013 the Committee suggested consideration of annual cost of living adjustments (COLA) for salary range adjustments be determined by the Consumer Price Index (CPI). The amount was to be calculated by the Bureau of Labor Statistics using the 12-month difference from December to December.

According to the Bureau, in December the CPI for urban wage earners and clerical workers (CPI-W) was 245.357 in December 2016 and 250.189 in December 2017 showing a 2.18 percent increase in the cost of living.

Mr. Thomas moved and Mr. Cable seconded to recommend the Board approve adjusting the salary range 2.18%. Motion carried.

6. Closed Session: None.

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7. Committee Comments and Future Agenda Items: The committee discussed the forming of the AdHoc Personnel Committee and the upcoming facilities tour for the new Board members and guests.

Adjournment: The committee determined there was no further business and adjourned the meeting at 3:34 p.m.

Assistant Secretary
Charles Moorrees