

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

August 23, 2016

An open meeting of the Administration and Finance Committee (AFC) of the San Antonio Water Company (SAWCo) was called to order at 3:10 p.m. on the above date at the Company office located at 139 N. Euclid Ave., Upland, California. Committee Members present were Sue Sundell, Glenn Bozar, and Tom Thomas. Also in attendance were SAWCo's General Manager Charles Moorrees, Assistant General Manager Teri Layton, and 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. Bozar moved and Mr. Thomas seconded to approve the meeting minutes of June 7, 2016 as presented. Motion carried.
5. Administrative and Financial Issues:
 - A. ***Water Utility Overcharge*** - Mr. Moorrees reported that on Friday, July 29th a shareholder visited the office and stated she has a full share of water stock but only half has been applied to her water account since opening it in 2006. Staff verified shareholdings but was unable to determine why the account was set up utilizing only a portion of the shareholdings. Staff is only able to search back two years in the current billing system but the customer submitted physical copies of all her water bills since 2006. In reviewing the records, the amount of overcharges totals \$1,643.43. Staff spoke with legal counsel who advised the statute of limitations is 2 years. Up to 4 years can be granted by a judge if taken to claims court. SAWCo does not have a procedure in place for accidental overcharges.

Mr. Moorrees suggested the committee recommend the Board approve reimbursement of the \$1,643.43 overcharge and approve the policy for limitation to four years for reimbursement for customer overcharge as shown below:

Policy for Reimbursement of Overcharges – “DRAFT”

Overcharges can result from any variety of errors, including incorrect water delivery meter reads; or assignment of shareholdings; or rate classification. This can also occur if the shareholder provides incorrect or incomplete information when applying for water service or if information provided is incorrectly recorded.

The potential for errors due may be attributed to inadequacies of utility record keeping and billing system which can make it difficult to detect such errors. In some cases, such mistakes may have been made years before a shareholder(s) or Water Company personnel discover them.

When such an error is verified and adequate historical records are available to document overcharges, it is the policy of the San Antonio Water Company to reimburse the current shareholder from the most recent billing back for as many as four years. This surpasses the statute of limitations to pay no more two years of documented overcharges.

Mr. Bozar felt the wording in the paragraph explaining how errors can occur should be eliminated or made more general.

Mr. Thomas moved and Mr. Bozar seconded to approve recommending to the Board the reimbursement of overcharges in the amount of \$1,643.43 and the adoption of the procedure for reimbursement of future overcharges with amendment of the paragraph explaining how errors can occur. Motion carried.

Ms. Mitchell exited the meeting.

- B. *Administrative Positions – Career Track Progression*** – Mr. Moorrees offered a career track progression for the administrative positions in the office much like that which is currently available for operations staff. The concern by the committee was creating the “pigeon” hole effect or compartmentalize assignments that may be too rigid or exclusive and suggested labeling it career opportunity instead.

One example of career opportunity was presented for the Administrative Specialist position. The Committee suggested staff formulate career opportunity descriptions for all administrative positions and resubmit to the advisory committee for consideration.

- C. *Employee Transition Program*** – Ms. Layton provided a PowerPoint presentations on Employee Transition Progression which offered those within a certain age near retirement to work on a part time basis while mentoring new employees.

The Committee wanted to see a succession plan and deferred this item to the next AFC meeting.

- D. *CY2016 Mid-Year Budget Review*** – Mr. Moorrees reviewed the CY2016 Mid-Year Budget with the committee. SAWCo is currently experiencing a \$136,386 deficit and is projected to end the year with a \$332,603 deficit.

6. Closed Session: The committee went into closed session at 3:45 p.m. for the General Manager’s Performance Review [subdivision 9b) of Section 54957, CGC]. Closed session ended at 4:18 p.m.

7. Committee Comments and Future Agenda Items: None.

Adjournment: The committee determined there was no further business and adjourned the meeting at 4:20 p.m.

Assistant Secretary
Charles Moorrees