

General Manager West gave the staff report as provided in the agenda packet noting some statistics regarding debt repayments: A total of \$348,472 have been placed on the secured tax rolls since 2012 with about 80% being paid; In fiscal year 2019/20 outstanding lien accounts collected between 30% and 60% of the remaining balance owed.

Under generally accepted accounting principles the lien receivable for any given fiscal year is only retained on the books for seven years. Thereafter, it is considered "lost" income and it is "written off". Last year the estimate for "allowance for lien bad debt" was \$2,200 and the amount to be written off is \$1,292.99. GM West noted that the write off does not actually remove the debt from the property taxes owed and it is likely the money will eventually be received. If the account has been inactivated, then the funds are credited to non-operating income.

GM West concluded that the item would be moved to the next Board meeting for formal adoption unless the Committee requested any additional information.

GM West answered questions of the Committee members.

No Public comment.

2. Review "True Bad Debt" for Write-off from Fiscal Year 2018/19 and Status of Current "True Bad Debt" for Fiscal Year 2019/20

General Manager West gave the staff report as presented in the agenda packet pointing out that the "true bad debt" exceeds the budgeted about by approximately \$390. She also reviewed the policy on bad debt processing and the various reasons a debt is not able to be sent to the secured tax roll.

For fiscal year 2018/19 (prior fiscal year bad debt) there were a total of twenty (20) accounts written off as true bad debt. Sixteen (16) of those accounts had a balance below \$125. Three (3) accounts were properties that sold and the old owner did not pay the closing bill after any deposits were applied. The final account was for a property the Agency acquired in the tax sale of 2018 which had an "inactive" meter accruing monthly fees.

GM West concluded that the item would be moved to the next Board meeting for formal adoption unless the Committee requested any additional information.

No Public comment.

3. Review Proposed Changes to Employee Handbook Language to Conform to Requirements from Special Districts Risk Management Authority Regarding the Agency's Definition of a "Domestic Partner" and Discuss Increasing Safety Boot Allowance for Applicable Employee Positions

General Manager West gave the staff report as provided in the agenda packet noting the current definition of *Domestic Partner* was not sufficient to satisfy our insurance provider,

Special Districts Risk Management Authority (SDRMA). The proposed Article 7.17 will satisfy this requirement.

The other topic proposed by GM West was for the Committee to consider increasing the boot allowance for safety sensitive positions. She reviewed the existing language in the Employee Handbook which pays up to \$150 per year. She noted that the average cost of durable, well built, steel toe boots between 2018 and today has been \$200 to \$250. Therefore, staff has been paying a portion of the boot cost themselves. GM West suggested since this is "required safety attire" or Personal Protective Equipment (PPE) then the Agency should be responsible for the entire cost. Therefore, GM West recommended language that does not set a limit on the cost. She felt the opportunity for abuse of the policy would be minimal and could be addressed if it materialized.

GM West concluded that the item would be moved to the next Board meeting for formal adoption unless the Committee requested any additional information.

GM West answered questions of the Committee and the Committee agreed to a reimbursement of \$250 per year per employee.

No Public comment.

4. Agency Water Rate and Capacity Fee Study Update

General Manager West updated the Committee on the progress of the rate and capacity fee study noting the team had a "kick-off" meeting and staff has submitted approximately 90% of the requested information. The final items to be submitted to NBS include two years of SCE data; several years of consumption data broken out by billing cycle; and production data by well by month for the same time period.

No Public comment.

- 5. Consent Items** – The following items are expected to be routine and non-controversial and will be acted on by the Board at one time without discussion, unless a member of the Public or member of the Board requests that the item be held for discussion or further action.

- a. FPREP Committee Meeting Minutes, May 20, 2020

Recommended Action:

Approve as presented (Items a)

No Public comment.

Committee members approved the minutes as presented.

6. Public Comment Period

No Public comment.

7. Verbal Reports - Including Reports on Courses/Conferences/Meetings.

1. Committee Members' Comments/Reports - none
2. General Manager's Report – none

8. Adjournment - Chairman McBride adjourned the meeting at 4:42 pm.

Approved by:

Michael H. McBride

Michael McBride, Committee Chair



Official Seal