

MINUTES OF THE FINANCE COMMITTEE MEETING
RUNNING SPRINGS WATER DISTRICT
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA
FEBRUARY 1, 2017

A Finance Committee Meeting of the Running Springs Water District was held on Wednesday, February 1, 2017, at the hour of 9:00 A.M. at the District office located at 31242 Hilltop Boulevard, Running Springs, California.

Committee Members present:

Pam Bennett, Vice President
Errol Mackzum, Director

District Staff Present:

Ryan Gross, General Manager
Isaiah Hall, Wastewater Collection Division Supervisor
Trevor Miller, Wastewater Treatment Division Supervisor

There were no members of the public present:

1. The meeting was called to order at 9:01 A.M.
2. Public Comment – There was no public comment.
3. Review Draft Wastewater Collection and Treatment Draft Fiscal Year 2017/2018 Budgets – Committee members provided various input on the draft budgets. Discussed allocation of upstream costs and fixed versus variable O&M costs, using depreciation expense in lieu of actual CIP expense for upstream to make equal with Running Springs' rate payers, filling vacant wastewater treatment operator position, recommend increasing allocation of administrative expenses from 2% to 4% of each departments operating expenses as an interim plan until the actual allocation can be determined. Current allocation of administrative expenses is unbalanced and most of the burden (70%+) is in the water department. Footnotes will be added to various expense account detail sheets to clarify discrepancies in budget to actual amounts. Recommendation for new upstream cost allocation methodology is to allocate variable O&M costs based on flow proportion and fixed O&M and capital improvements on EDU proportion.
4. Meeting Adjournment – The meeting was adjourned at 1:50 P.M.