

MINUTES OF REGULAR MEETING
July 20, 2017
RUBIDOUX COMMUNITY SERVICES DISTRICT

DIRECTORS PRESENT: Armando Muniz
Bernard Murphy
F. Forest Trowbridge
Christopher Barajas
Hank Trueba

DIRECTORS ABSENT:

STAFF PRESENT: Dave Lopez, General Manager
Steve Appel, Asst. General Manager
Brian Jennings, Manager Budgeting/Accounting

Call to order: the meeting of the Board of Directors of the Rubidoux Community Services District by Director Muniz, at 4:00 P.M., Thursday, July 20, 2017, at the District Office, 3590 Rubidoux Boulevard, Rubidoux, California.

ITEM 4. APPROVAL OF MINUTES

Approval of Minutes for Regular Board Meeting, June 15, 2017.

Director Trowbridge moved and Director Trueba seconded to approve the June 15, 2017 Minutes.

The motion was carried unanimously.

Ayes – 5 (Barajas, Muniz, Murphy, Trowbridge, Trueba)
Noes - 0

ITEM 5. Consider to: A) Ratify the July 7, 2017, Salaries, Expenses and Transfers; B) Approve the July 21, 2017, Salaries, Expenses and Transfers.

A) Ratify July 7, 2017 Salaries, Expenses and Transfers.

B) Approve July 21, 2017 Salaries, Expenses and Transfers.

Director Trowbridge moved and Director Trueba seconded to ratify the July 7, 2017 Salaries, Expenses and Transfers; and approve the July 21, 2017, Salaries, Expenses and Transfers.

The motion was carried unanimously.

Ayes – 5 (Barajas, Trowbridge, Muniz, Murphy, Trueba)

Noes - 0

ITEM 6. PUBLIC ACKNOWLEDGE OF NON-AGENDA MATTERS

There were no members of the public to address the Board.

ITEM 7. CORRESPONDENCE AND RELATED INFORMATION

The first article from the L.A. Times regarding “The next crisis for California will be the affordability of water”. It talks about infrastructure repairs and the need for California infrastructure repair. The next article was from the SF Gate, regarding California reservoirs holding nearly twice as much water as at the drought’s height. The final article was from the Sacramento Bee regarding the water wars in California and nationwide, between fish or farms.

ITEM 8. MANAGER’S REPORT

Operations Report:

There was nothing to report.

Emergency and Fire Report:

The Incident Report for June 1 – June 30, 2017 there were a total of 228 calls, in comparison to the same period in 2016, there were a total of 284 calls. The year to date total is 1,572, compared to 1,598 in 2016.

ITEM 9. DM 2017-32. Receive and File Cash Asset Report Ending June 2017 for All District Fund Accounts.

The year-to-date Interest ending June 30, 2017, is \$120,389.00 for District controlled accounts. With respect to District “Funds in Trust”, we show \$4,749.00 which has been earned and posted. The District has a combined YTD total of \$125,139.31 as of June 30, 2017.

With respect to the District’s Operating Funds (Excluding Operating Reserves), we show a balance of \$4,971,073.00 ending June 30, 2017. That is **\$129,075.00 MORE** than July 1, 2016, beginning balance of \$4,841,998.00.

The District’s Field/admin Fund continues to grow and current fund balance nears \$275,100.00.

Submitted for the board of directors consideration is the June 2017, *Statement of Cash Asset Schedule Report* for your review and acceptance this evening.

Director Trueba moved and Director Trowbridge seconded to Receive and File the Statement of Cash for the Month of June 2017 for the Rubidoux Community Services District.

The motion was carried unanimously.

Ayes – 5 (Trowbridge, Muniz, Barajas, Murphy, Trueba)

Noes – 0

Absent – 0

ITEM 10. DM 2017-37. Consideration to Pay Cal PERS Unfunded Liability as Annual Payment without Interest.

The last several years the District received a projected Employer contribution schedule from Cal PERS for the District's employer's contribution portion. Again this year, the District received from Cal PERS an annual Unfunded Accrued Liability for the Rubidoux Community Services District. This unfunded liability is Cal PERS Trueing up District annual contributions, with investment returns against Actuarial Valuations for specific plans. Going forward, Cal PERS intends to project the unfunded actuarial liability on an annual basis. For planning and budgeting purposes, Staff has budgeted this annual unfunded Cal PERS cost (See attached Water Fund Budget, Line No. 15).

The District is presented with two options to pay Cal PERS unfunded liability for FY 2017-2018:

- **Option 1:** Pay over time the \$157,788.00 including interest (3.68%) in twelve payments of \$13,149.00 per month in addition to our normal Cal PERS monthly contributions.
- **Option 2:** Pay annually Lump Sum without interest. That amount would be \$152,184.00 and due on or before July 30, 2017. That is an interest savings of \$5,604.00.

Given our current rate of return for investments portfolio (.7% - .5%), Staff believes it prudent to pay our unfunded actuarial liability as an annual payment thus saving 3.68% in accrued interest for FY 2017-2018. This Cal PERS expense was anticipated and budgeted as part of our 2017-2018 Budget.

Director Trowbridge moved and Director Barajas seconded Option 2 for the Rubidoux Community Services District to pay Cal PERS annual unfunded actuarial liability as a lump sum payment of \$152,184.00 for FY 2017-2018, saving \$5,604.00 in interest payments. The District is also responsible for District firemen retired under the District's Cal PERS retirement contract (prior to 1990 transfer with Cal Fire/County of Riverside). That amount annual lump sum is \$40,131.00. This resulting in an annual combined payment obligation of \$192,315.00 for FY 2017-2018.

The motion was carried unanimously.

Ayes – 5 (Muniz, Murphy, Barajas, Trueba, Trowbridge)
Noes – 0
Abstain - 0

ITEM 11. DM 2017-38. Consideration to Issue District Emails and Order Agency Cards for Official Use of the Rubidoux Community Services District Board of Directors.

As requested, attached are Board Member email addresses to be utilized as official communications for the Rubidoux Community Services District elected members. The email addresses cited on the attached list will also be printed on Agency business cards unless otherwise excluded by a Board Member. As adopted at your April 20th, 2017, Board meeting, general use of District email are more fully outlined and contained in Section 23 of the RCSD Board *Policies and Procedures Manual*. As a general rule, email communications should be used for District related matters with Staff, RCSD constituents, and other public officials. In other words, District email addresses are not for personal use.

Further, as stated in Mr. Harper’s letter dated July 13, 2017, *the California Supreme Court (recently) has held that emails from elected officials and related to the public agency’s business may be public records subject to disclosure, even if the email is on a private email server or computer or uses as a personal email address.”*

Finally, District Staff will contact all Board members to establish a time and date convenient to provide instructional assistant for District emails use and access.

No action necessary.

ITEM 12. Directors Comments – Non action.

Director Muniz adjourned the July 20, 2017, Regular Board meeting.