

**MINUTES OF REGULAR MEETING
October 19, 2017
RUBIDOUX COMMUNITY SERVICES DISTRICT**

DIRECTORS PRESENT: Bernard Murphy
F. Forest Trowbridge
Christopher Barajas
Hank Trueba, Jr.

DIRECTORS ABSENT: Armando Muniz

STAFF PRESENT: Dave Lopez, General Manager
Steve Appel, Assistant General Manager
Krysta Krall, Manager Fiscal Services
Brian Jennings, Budgeting/Accounting Manager

Call to order: the meeting of the Board of Directors of the Rubidoux Community Services District by Director Murphy, at 4:00 P.M., Thursday, October 19, 2017, at the District Office, 3590 Rubidoux Boulevard, Jurupa Valley, California.

ITEM 4. APPROVAL OF MINUTES

Approval of Minutes for Regular Board Meeting, October 5, 2017.

Director Trueba moved and Director Murphy seconded to approve the October 5, 2017 Minutes.

The motion was carried unanimously.

**Ayes – 4 (Barajas, Murphy, Trowbridge, Trueba)
Noes - 0**

ITEM 5. Consider to Approve the October 20, 2017, Salaries, Expenses and Transfers.

Approve October 20, 2017, Salaries, Expenses and Transfers.

Director Trueba moved and Director Trowbridge seconded to approve the October 20, 2017, Salaries, Expenses and Transfers.

The motion was carried unanimously.

**Ayes – 4 (Barajas, Trowbridge, 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 announcement was that SAWPA has appointed Mr. Richard Haller as the new General Manager. He has been serving as Interim General Manager since July 1, 2017. The next news release was from ACWA on October 10, 2017, regarding MWD board approving funding for California WaterFix, as well as Kern County and Coachella Valley voted to support CA WaterFix.

ITEM 8. MANAGER'S REPORT

Operations Report:

There was not much to report. JCSD is purchasing approximately 2.2 mgd of water. Everything is running smoothly.

Emergency and Fire Report:

The Incident Report for September 1 – September 30, 2017, there were a total of 223 calls, in comparison to the same period in 2016, there were a total of 236 calls. The year to date total is 2,364, compared to 2,357 in 2016.

ITEM 9. DM 2017-50. Consideration to Approve Resolution No. 2017-838, a Resolution Supporting California Water Fix Proposal.

Vice President Murphy deferred this item to the November 2, 2017 meeting.

ITEM 10. DM 2017-51. Consideration to Adopt Resolution No. 2017-837, a Resolution Which Updates the Investment Policy of the Rubidoux Community Services District as Originally Presented.

At the September 7, 2017, regular meeting of the Rubidoux Community Services District Staff presented DM 2017-44, which recommended updates to the District Investment Policy. Director Murphy provided Staff with suggested text to be incorporated into the policy as well. While the suggested text was well intended, Staff believed the appropriateness was not within the Investment Policy. As a resolution, District Staff asked to defer this item to allow John R. Harper, District General Counsel for a review and respond opportunity.

Mr. Harper's response is attached and concludes *"...the reporting of potential conflicts of interest is not directly related to the Investment Policy itself, the purpose of which is to set forth the limitations on the investment of District Funds and is more appropriately included in the District's Board procedures and/or employee rules and regulations."*

Further, the above recommendations have been incorporated and highlighted into the Rubidoux Community Services District Investment Policy for your review. If acceptable, the attached Resolution No. 2017-837 is presented for the Board of Directors adoption this afternoon.

With respect to our banking and investment institutions, Staff is requesting to keep active, for investments purposes, those banking institutions listed on attached Resolution No. 799. Consequently, no changes are recommended this year.

Director Barajas moved and Director Trueba seconded Adopt Resolution No. 2017-837 as presented which modifies and updates the Rubidoux Community Services District Investment Policy.

Ayes – 4 (Trowbridge, Trueba, Barajas, Murphy)

Noes – 0

Absent – 0

ITEM 11. DM 2017-52. Consideration to Approve 2016-2017 Annual Audit of the Rubidoux Community Services District.

Attached for the Board of Directors' review and consideration is the annual Financial Statement Report ending June 30, 2017, for the Rubidoux Community Services District. This year's report was prepared by Rogers Anderson Mallody & Scott (RAMS), CPA's and includes all revenue funds, physical assets, expenses, debt service and depreciation schedules. Staff believes it is vital for the Board of Directors to receive the annual report in advance to tonight's meeting: consequently, the Board Members were transmitted the enclosed draft audit report with your September 21, Board packet. This affords the Board Members the opportunity to review the financial information at your leisure. Further, any questions that may arise during your review may be thoughtfully drafted for response at tonight's presentation.

Mr. Scott Manno, CPA, and Partner with RAMS was one of the principal auditors and will be in attendance tonight to make his presentation to the Board of Directors. Mr. Manno gave a detailed presentation to the Board on the 2016-2017 audit.

Director Barajas moved and Director Trueba seconded the Board of Directors accept the work performed by RAMS, CPA's and receive and file the 2016-2017 Financial Statement Report for the Rubidoux Community Services District.

Ayes – 4 (Trowbridge, Trueba, Barajas, Murphy)

Noes – 0

Absent – 0

ITEM 12. DM 2017-53. Receive and File Cash Asset Report Ending September 2017 for All District Fund Accounts.

The year-to-date Interest ending September 30, 2017, is \$38,110.00 for District controlled accounts. With respect to District "Funds in Trust", we show \$1,679.00 which

has been earned and posted. The District has a combined YTD total of \$39,789.96 as of September 30, 2017.

With respect to the District's Operating Funds (Excluding Operating Reserves), we show a balance of \$4,775,077.00 ending September 30, 2017. That is **\$195,995.00 LESS** than July 1, 2017, beginning balance of \$4,971,073.00.

The District's Field/admin Fund continues to grow and current fund balance nears \$298,000.00.

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

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

The motion was carried unanimously.

Ayes – (Trowbridge, Barajas, Murphy, Trueba)

Noes – 0

Absent – 0

ITEM 13. Directors Comments – Non action.

Director Murphy adjourned the October 19, 2017, Regular Board meeting.