



**BEAUMONT CHERRY VALLEY RECREATION & PARK DISTRICT  
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**Wednesday, September 11, 2019**

**MINUTES**

**DISTRICT CLOSED SESSION** – None.

**BEAUMONT CHERRY VALLEY RECREATION AND PARK IMPROVEMENT CORPORATION (BCVRPIC):** None

**WORKSHOP SESSION:** None.

**REGULAR SESSION:** Regular Session to Begin at 5:02 pm

The meeting was opened in remembrance of all the victims and emergency personnel of September 11, 2001.

**Roll Call:**

Director De La Cruz   X   Director Ward   X   Treasurer Diercks   X    
Vice-Chair/Secretary Flores   X   Chairman Hughes   X  

**Invocation:** Pastor Henry Lundy gave the invocation

**Pledge of Allegiance:** Chairman Hughes led the pledge of allegiance

**Presentations:**

**PARS:** Rachael Sanders from PARS (Public Agency Retirement Services) was introduced by Duane Burk. Rachael commented that today's presentation is about a tool called 115 irrevocable trust offered by PARS, PARS is the 3<sup>rd</sup> largest multiple employer trust retirement system in the State after CalPERS and CalSTRS they have 35 years of experience working with 900+ Public Agencies with an asset value of 3.6B they help design implement and do the ongoing administration for different types of retirement plans based on the Agency that they talk to, they are not a finance institution and they do not hold any of the money or do any of the Investing this is where their partners US Bank and High Mark Capital Management come in, US Bank is the Trustee with 156 years of experience with a 5.0T asset value they are the custodian of the asset and oversee the safeguard and protection of the plan. High Mark Capital Management is their Investment Manager with 100 years of experience and a 15.9B asset value they Manage plan investments and policies. Rachael then explain that PARS is a IRS-Approved Combination 115 Trust, what that means is that with the trust you can fund OPEB and PRSP these are accounted for separately, so you can fund one or the other or both at the same time. One of the benefits of having a 115 trust IRS private letter ruling is that any income derived is tax exempted so you know your plan is safeguarded, another benefit of the trust is any money derived or put in can only be used for it intended purpose the district can do this in two ways either reimburse the agency directly or transfer the funds directly to CalPERS to pay down your unfunded liability at any point in time, agencies really like this because it shows that you have set aside money to address those specific liabilities and the irrevocable trust insure it

will be used for those intended purposes. A lot of agencies are seeing their CalPERS cost rise and that is because of their lower discount rate which is their expected rate of turn over time and they have changed their amortization schedule they have shortened it and any other number of assumptions that will impact what you are paying. As she looks at the Districts CalPERS as of June 30, 2017 you are 75% funded which is above average for most agencies, but you can see that your employer contribution is going to increase within the next 7 years and as you can see it is expected to increase by 110K by 18/19 FY and by 24/25 FY an increase of 150K and this is why we are talking about this tool so you can proactively address the rise in costs. Agencies are looking for control over their funds with CalPERS if you send additional contributions you have lost all control of it you can't get the money back and you have no say in how it is invested or how it is amortized and CalPERS invest the money very aggressively and once you send it to them it is lost in the black hole you may be addressing your liabilities in the short term but once the assumptions change again they go right back up, so with a 115 trust you will get that control you determine how much money you put into the trust the frequency when you take it out to send to CalPERS and how it is Invested.

Chairman Hughes asked when you assign a plan administrator what is the length of time for that administrator?

Rachael commented that it is usually set by position or title so no matter who is in the position they are the administrator, and at any time the Board will have the authority to change the administrator.

Chairman Hughes asked on the Investment strategy can they invest on multiple levels?

Rachael commented that yes that is something they can do they would set up separate accounts for the different strategies.

Chairman Hughes commented that he has looked the plan over and feels that Board owes it to the constitution's to look into investing in this trust because just looking at the savings and interest fees alone will save the District.

Duane asked that after this presentation today does the Board want to or not to have council look at the resolution for it be on a upcoming Board Agenda?

Duane asked that by the way of the next Board meeting would the Board want him to put on the agenda the adoptions of the PARS resolution after legal review, is this something they are interested in or not interested in? Both Chairman Hughes and Treasurer Diercks commented they feel it should be on the agenda.

Director Ward asked when presented for adoption at next Board meeting is that when we decide what to put the plan into for investment, Duane commented that no this resolution would only to be to open the account with PARS and that we do not have to put anything into until we are ready too at no cost to the District.

**GovInvest:** Duane commented that GovInvest is a program and model that will help the District see how the money grows and how we are investing for example when you give raises it impacts your PERS and we will be able to see the impact months ahead and will be

able to present it to the Board and the Finance Committee monthly and asked the Board to review the package and come back with questions.

Chairman Hughes called for a five (5) minute break at 5:41pm

**Adjustments to Agenda:** None.

**1. PUBLIC COMMENT:**

- Sue Feenstra: Sue thanked the Board to allow her to speak here today and she is here after speaking to multiple Equestrian users at Bogart Park about public safety in the equestrian camp ground the past holiday weekend the campground was full of none equestrian campers this creates a huge safety hazard for equestrians, example: a horse trainer with her clients was there for day use and a picnic in the park while they were there the children that were not familiar with being around horses were crawling under the horses going behind the horses even after being asked repeatedly not to they just were not aware that there is a danger for them to do that, the trainer also commented that one of the kids came close to being crushed by a horse. So she is here today to ask the Board to consider a policy for the park that they make the equestrian exclusively for equestrian because it is a safety issue with the public.

**2. CONSENT CALENDAR:**

- 2.1 Minutes of August 14, 2019
- 2.2 Bank Balances August 2019
- 2.3 Warrants for August 2019

Motion was made to accept items 2.1, 2.2 and 2.3.

**Initial Motion:** Treasurer Diercks

**Second:** Vice Chair/Secretary Flores

**Result of Motion:** Carried 5-0

**Director De La Cruz:** Aye

**Director Ward:** Aye

**Treasurer Diercks:** Aye

**Vice Chair/Secretary Flores:** Aye

**Chairman Hughes:** Aye

**3. ACTION ITEMS/BIDS & PUBLIC HEARING/REQUESTS:**

- 3.1 Approval of Final Fiscal Year 17/18 Audit

General Manager Duane Burk commented that we are asking the Board to approve the 17/18 audit, we have presented a copy at the last Board meeting, we have presented it to the Finance Committee and we have not received any questions back and we are asking for approval tonight.

Opened public comment at 5:53pm. No public comment made. Closed public comment at 5:53pm.

Motion was made to accept item 3.1 approving the Final 17/18 fiscal year audit as presented

**Initial Motion:** Treasurer Diercks

**Second:** Director Ward

**Result of Motion:** Carried 5-0

**Director De La Cruz:** Aye

**Director Ward:** Aye

**Treasurer Diercks:** Aye  
**Vice Chair/Secretary Flores:** Aye  
**Chairman Hughes:** Aye

3.2 Authorize for Submittal of Community Development Block Grant Application 2020/2021.

General Manager Duane Burk commented that this the third time we have asked the Board in the last three years for the opportunity to submit for the Grant last (2) years we were not considered but we are asking again this year to submit for the Restroom Renovation here at Noble Creek Community Center for ADA accessibility, and we are just asking the Board to let staff move forward to submit the Grant.

Opened public comment at 5:54pm. No public comment made. Closed public comment at 5:54pm.

Motion was made to accept item 3.2 authorizing the submittal of the 20/21 Community Development Block grant application.

**Initial Motion:** Treasurer Diercks

**Second:** Director De La Cruz

**Result of Motion:** Carried 5-0

**Director De La Cruz:** Aye

**Director Ward:** Aye

**Treasurer Diercks:** Aye

**Vice Chair/Secretary Flores:** Aye

**Chairman Hughes:** Aye

3.3 Approval of Fiscal Year 18/19 Gann Appropriations Limit

Finance Technician Nancy Law commented that in the past years we have had our auditors complete these appropriations for us, last year with review of the new auditors they presented her a templet and the process on how to come up with the Gann Appropriation Limits herself, so you see before you we are within our limits and would like approval.

Opened public comment at 5:55pm. No public comment made. Closed public comment at 5:55pm.

Motion was made to accept item 3.3 as presented

**Initial Motion:** Chairman Hughes

**Second:** Treasurer Diercks

**Result of Motion:** Carried 5-0

**Director De La Cruz:** Aye

**Director Ward:** Aye

**Treasurer Diercks:** Aye

**Vice Chair/Secretary Flores:** Aye

**Chairman Hughes:** Aye

3.4 Approval of the Roll Forward Valuation dated August 21, 2019

General Manager Duane Burk commented that Janet was not here and she completed this report, and this is standard operation procedures for valuation of GASB 74/75, we use Total Compensation who puts the report together for \$1,500.00 and were asking your approval of the expenditure and the valuation.

Opened public comment at 5:57pm. No public comment made. Closed public comment at 5:57pm.

Motion was made to accept item 3.4 as presented

**Initial Motion:** Director Ward  
**Second:** Director De La Cruz  
**Result of Motion:** Carried 5-0  
**Director De La Cruz:** Aye  
**Director Ward:** Aye  
**Treasurer Diercks:** Aye  
**Vice Chair/Secretary Flores:** Aye  
**Chairman Hughes:** Aye

### 3.5 Approval to fund Long Term Unfunded Liabilities

General Manager Duane Burk commented that this is what we have been working on for the last year or so regarding the District Health and Retirement obligation to PERS, on the Health side we have been able to get that under control, but on the Retirement side as you heard tonight from PARS/GovInvest the tools we could use. Here you have a 10/8/5 year amortization payments what he is asking is for the Board to tell us what direction they want to go, do you want to pay down that unfunded liability in a 10/8/5 year amortization currently we are on a 19 year and these options will save us anywhere between 200,000 – 500,000 of interest.

Opened public comment at 6:00pm. No public comment made. Closed public comment at 6:00pm.

Director Ward commented with looking at our Budget we have dedicated \$80,000.00 a year to fund this liability so if we pay off sooner that would increase our budget to 96,000.00. Duane commented that yes, but let's go to the recommendations on the 2<sup>nd</sup> page. What we are trying to do is plan for the budget if you do a 5 year which I pretty aggressive but you would save 500,000.00 in interest; He recommends the 8 year plan.

Director Ward commented with changing this plan would we adjust the budget at midyear? Duane commented that they are already heading down that path and he will bring it to them at midyear budget but does not feel they will need to change the amount.

Chairman Hughes commented that his opinion is to go with the 8 year plan.

Treasurer Diercks commented that he feels we should go with the 8 year plan with PARS and a year from now review plan again.

Vice Chair/Secretary commented that he is in agreement that we should go with a 8 year program, that we as the Board owe it to future Board Members to not pass on that debt.

Motion was made to accept item 3.5 committing to fund the unfunded pension liabilities over a period of eight years.

**Initial Motion:** Treasurer Diercks  
**Second:** Vice Chair/Secretary Flores  
**Result of Motion:** Carried 5-0  
**Director De La Cruz:** Aye  
**Director Ward:** Aye

**Treasurer Diercks:** Aye  
**Vice Chair/Secretary Flores:** Aye  
**Chairman Hughes:** Aye

### 3.6 Approval of Notice of Completion, Bogart Park Water Tank

General Manager Duane Burk commented that the water tank at Bogart Park has been completed and would like to the approval to file the Notice of Completion.

Opened public comment at 6:12pm. No public comment made. Closed public comment at 6:12pm.

Motion was made to accept item 3.6 as presented

**Initial Motion:** Chairman Hughes

**Second:** Director De La Cruz

**Result of Motion:** Carried 5-0

**Director De La Cruz:** Aye

**Director Ward:** Aye

**Treasurer Diercks:** Aye

**Vice Chair/Secretary Flores:** Aye

**Chairman Hughes:** Aye

### 3.7 Approval of Bogart Park Water Line Replacement

General Manager Duane Burk commented there is a 2" water line that goes across the creek and at the top of the mesa is the domestic water line meter and to service or maintain the line would be extremely dangerous and costly, he would like to proactivity relocation of the line, would like direction and or approval of the expenditures of 24,000.00 for material and 65,000.00 in labor and equipment.

Opened public comment at 6:19pm. public comment was made by Tim Cooke that he has attempted to repair the line before and it's was a temporary repair. Closed public comment at 6:19pm.

Vice Chair/Secretary Flores asked if the 65,000.00 expenditures is not to exceed? Duane Burk commented that is correct it is not to exceed.

Motion was made to accept item 3.7 as presented

**Initial Motion:** Treasurer Diercks

**Second:** Director Ward

**Result of Motion:** Carried 5-0

**Director De La Cruz:** Aye

**Director Ward:** Aye

**Treasurer Diercks:** Aye

**Vice Chair/Secretary Flores:** Aye

**Chairman Hughes:** Aye

### 3.8 Acceptance of Ownership of four (4) "Welcome to Cherry Valley" Signs donated from the Cherry Valley Chamber

General Manager Duane Burk commented that these signs are located in the Cherry Valley area, with the passing of Stella Parks she left the signed to be donated to the District for our use, he does comment that he does not know how legal the document is and talk to council regarding them, he did look up the locations and they are on private property with the exception of Beaumont Ave it

is in the County right away. Duane would like the Boards direction on if they would like to maintain and claim these signs for our use bearing any legal actions. Opened public comment at 6:26pm. No public comment made. Closed public comment at 6:26pm.

Legal Counsel Joe Ortiz commented that technically speaking the District would want some type of document showing there is an easement entitlement for these signs, sounds to him that it was a hand shake deal and put on private property and to consider that.

Motion was made to accept item 3.8 as presented

**Initial Motion:** Director Ward

**Second:** Director De La Cruz

**Result of Motion:** Carried 5-0

**Director De La Cruz:** Aye

**Director Ward:** Aye

**Treasurer Diercks:** Aye

**Vice Chair/Secretary Flores:** Aye

**Chairman Hughes:** Aye

Chairman Hughes called for a five (5) minute break at 6:29pm

Director Ward left meeting at 6:33pm.

#### **4. DEPARTMENT REPORTS:**

Human Resources Administrator/Clerk of the Board: Janet Covington

Janet was absent from the meeting. Her report was read by Nancy Law.

**Employees:** One Special Project Associate completed her assignment and we hired three casual recreation assistants.

We have 31 employees.

#### **Reports:**

- Submitted to CAPRI the Final Workers Comp Payroll Calculations for FY 2018-2019
- Submitted to CalPERS the Roll Forward Valuation with the following supporting documents.
  - Certification of OPEB Actuarial Information
  - Certification of OPEB Funding Policy & GASB Standards Reporting Compliance
  - Summary of Actuarial Information for CalPERS CERBT Program

**Workers Compensation Cases/Incidents/Accidents** – We closed the workers comp case dated July 22, 2019. We have no other cases.

#### **Training:**

- The Safety Compliance Company provided “Back Safety” training on August 28, 2019.

#### **Other:**

- Rodrigo Camacho was selected the July employee of the month celebrated on August 17 during the field competitions.
- Save the Date for the Annual Holiday Party Friday, December 13, 2019 at the Grange Community Center. We have booked a comedian show for entertainment and secured

Famous Daves for dinner. Everyone is invited to bring a guest. Additional details will be provided at the October Board Meeting.

- The CAPRI visitation is scheduled for Monday, September 23, 2019.

Financial Services Technician/Office Manager: Nancy Law

- Nancy reported the Finance Committee met Thursday September 5<sup>th</sup>, 2019 to review August 2019 Financial Report for FY 19/20.
- The Financial Services Technician has not received deposits into the Riverside County Fund for August 2019 as of yet.
- Finance Services transferred the \$5,000 to Reserve fund bring the balance to \$360,035.99.
- Finance and the GM attended a Compliance and Transparency Workshop.
- Finance and the GM met with the City of LaQuinta to view and discuss the installation and process of their Nation Fitness Campaign outside fitness center.
- Nancy reported she attended the State of the City
- Finance met with Polished Images regarding the Bogart entrance gate.
- Finance completed the minutes for Collaborative agency.

Activities Coordinator: Kyle Simpson

- Kyle reported that Facility rentals have been picking up for the fall season.
- He is in the process and ready for Oktoberfest on September 20<sup>th</sup> – 22<sup>nd</sup>, 2019, all the bands have been secured beer order and pour's has been confirmed, Advertisement has gone out, they have acquired 8 food vendors and 12 craft vendors, Dance spectrum is scheduled to perform, Bergermeister and King are ready to go, and he hopes to see everyone there.
- He reported the next event will be Pumpkin Carve and it is on October 26<sup>th</sup>, 2019, and he has Dance Spectrum scheduled to dance.

Athletic Coordinator: Dodie Carlson

- Dodie reported Summer Slow Pitch season is wrapping up and Fall season will be starting 9/6/2019.
- We will be hosting an Oktoberfest Slow Pitch Tournament Friday, September 20<sup>th</sup>, 2019 at 6:30pm on field 5 & 6 to please stop by.
- She stated the ball field calendar is 95% full thru January 2020, and all the users are excited to hear and see the improvements that are taken place along with a lot of good comments on the park and its condition.
- BYB's fall ball season has gotten started with 19 teams across both Baseball and Softball.

Maintenance Foreman: Frank Flores

Frank was absents from the meeting his report was read by Duane Burk



- Maintenance was focused on weed abatement, irrigation, and ADA standards
- ADA Concrete walkways were installed at the horseshoe pits connecting to field 6 and restrooms, along with a concrete pad at field#7 for the new tuff shed
- At Bogart the Tank has been completed and the park now has accessible water to the irrigation system, and all valves that are working are watering the turf.
- Frank would like to thank the Board and General Manger for allowing him to continue his education.

Maintenance Foreman: Aaron Morris

- Aaron reported he held their first “Field Wars” and the winning team was Angelica Dale, Kristine Carlson and Ryann Flores
- The Tuff Shed at Field #7 was installed and stocked with field tools.
- He met with Rain Bird for a Demo on Field #4 to test out their products.
- Installed Rain Bird IQ timer on Equestrian Center
- Received the new Lely Spreader for large application and (2) small Lesco spreaders for smaller applications.
- Applied Gypsum and Potassium to the ball fields
- Registered for the Field Maintenance Academy call with CPRS on October 10<sup>th</sup>.

Vice Chair/Secretary Flores left meeting at 7:01pm

General Manager: Duane Burk

Duane reported he met with Chief of Police Thuilliez regarding the park and all the things going on in the world with active shooters and asked if they could patrol this year’s Oktoberfest. He also commented about the incident on social media and the security company has been resolved, he attended the Collaborative meeting and it was well attended talked a lot about the construction happening on the other side of Highland Springs and all business that will be going in there. He attended the transparency workshop with Nancy which includes ADA online training and the requirements for our website and social media and that he would like to see the District and Board get the transparency certificate letting the public know we are transparent. Duane mentioned at the end of the month he will be attending the CSDA conference in Anaheim this is their 50<sup>th</sup> Anniversary.

**5. CALENDAR OF EVENTS:**

5.1 Committee Meetings

- Collaborative Agency – First Wednesday Bi-Monthly, 5:00pm NCCC
- Finance – 1<sup>st</sup> Thursday of Every Month 5:00 pm NCCC.
- Facility Use Ad Hoc- Second & Fourth Tuesday Monthly @ 5:30 pm
- BCVRPD Board Meeting Schedule, NCCC
  - October 9, 2019
  - November 13, 2019
  - December 11, 2019

5.2. Upcoming Holidays

Monday, November 11, 2019 Veteran's Day  
Thursday & Friday, November 28 & 29, 2019 Thanksgiving  
Tuesday & Wednesday, December 24 & 25, 2019 Christmas  
Tuesday, December 31, 2019 New Year's Eve

5.3. Events

Oktoberfest, September 20-22, 2019

**DIRECTORS MATTERS/COMMITTEE REPORTS**

**Director De La Cruz:**

Armando thanked Duane, the Chairman, Board and Staff for all their work and dedication to the park District he does visit Bogart quite often and has seen the new kiosk and gate in the front, he also attended the field wars and it was nice to see the staff enjoying themselves while he was there he got to see all the improvements going on down in the park like the new walkways and commented that Frank and Aaron are doing a great job. He also met with Duane yesterday and they went over the Woman's Club to see it for the first time and he is looking forward to Oktoberfest and serving beer.

**Director Ward:**

Not Present

**Treasurer Diercks:**

Chris would like to congratulate everyone for their hard work the facilities are looking fantastic keep up the good work and let's have a great Oktoberfest.

**Vice Chair/Secretary Flores:**

Not Present

**Chairman Hughes:**

Dan commented that he attended the State of the City for Calimesa and it was a good event, he also talked about how he is in collaboration with local City Governments like Fire and Police to work on projects he would like to see at the District. Dan commented that they as a Board are working towards and receiving the District of Distinction and hopes to see everyone at Oktoberfest.

**6. ADJOURNMENT:**

Treasurer Diercks made a motion to adjourn the meeting. Second by Director De La Cruz. The meeting was adjourned 7:08 pm.