



San Gabriel Valley Mosquito and Vector Control District
Board of Trustees Meeting
November 13, 2020 – 7:00 a.m.
1145 N. Azusa Canyon Road, West Covina, CA 91790

IMPORTANT NOTICE REGARDING COVID-19 AND TELECONFERENCED MEETINGS:

Based on the mandates by the Governor in Executive Order 33-20 and the Los Angeles County Public Health Department “Safer at Home” declaration to minimize the spread of the coronavirus, please note the following changes to the District's ordinary meeting procedures:

- The District offices are not open to the public at this time. (See District's Administrative Declaration of Local Emergency)
- The meeting will be conducted via teleconference using Zoom. (See Executive Order 29-20)
- All members of the public seeking to observe and/or to address the local legislative body may participate in the meeting telephonically or otherwise electronically in the manner described below.

HOW TO OBSERVE THE MEETING:

Telephone: Listen to the meeting live by calling Zoom at (669) 900-6833.

Enter the Meeting ID# 658 616 453 followed by the pound (#) key. More phone numbers can be found on Zoom's website at <https://zoom.us/u/ackGc2g5eB> if the line is busy.

Computer: Watch the live streaming of the meeting from a computer by navigating to <https://zoom.us/j/658616453> using a computer with internet access that meets Zoom's system requirements

(see <https://support.zoom.us/hc/en-us/articles/201362023-System-Requirements-for-PC-Mac-and-Linux>)

Mobile: Log in through the Zoom mobile app on a smartphone and enter Meeting ID# 658 616 453.

HOW TO SUBMIT PUBLIC COMMENTS:

Before the Meeting: Please email your comments to district@sgvmosquito.org, write “Public Comment” in the subject line. In the body of the email, include the agenda item number and title, as well as your comments. If you would like your comment to be read aloud at the meeting (not to exceed three minutes at staff's cadence), prominently write “Read Aloud at Meeting” at the top of the email. All comments received before 5:00 AM the day of the meeting will be included as an agenda

supplement on the District's website under the relevant meeting date and provided to the Trustees at the meeting. Comments received after this time will be treated as contemporaneous comments.

Contemporaneous Comments: During the meeting, the Board President or designee will announce the opportunity to make public comments and identify the cut off time for submission. A short recess (generally less than 10 minutes) will take place during the time public comment is open to allow the comments to be collected. Please email your comments to district@sgvmosquito.org, write "Public Comment" in the subject line. In the body of the email, include the agenda item number and title, as well as your comments. Once the public comment period is closed, all comments timely received will be read aloud at the meeting (not to exceed three minutes at staff's cadence). Comments received after the close of the public comment period will be added to the record after the meeting.

1. Call to order

2. Pledge of Allegiance and Roll Call Attendance

3. Opportunity for Public Comment on Non-Agenda Items

(Individual Public Comments may be limited to a 3-minute or less time limit)
During Public Comments, the public may address the Board on any issue within the District's jurisdiction that is not on the agenda. The public may comment on any item on the Agenda at the time that item is before the Board for consideration. There will be no dialog between the Board and the Commenter. Any clarifying questions from the Board must go through the Board President.

4. Consent Calendar

All matters listed under the Consent Calendar are considered by the District to be routine and will be enacted by one motion. Any member of the Board may pull an item from the Consent Calendar for additional clarification or action.

- 4.1. List of Claims for the month of October 2020*
- 4.2. Budget Status Report for October 2020*
- 4.3. Minutes of Board of Trustees Meeting October 2020*
- 4.4. Operations Report October 2020*
- 4.5. Surveillance Report October 2020*
- 4.6. Communications Report October 2020*

4.7. September Monthly Treasurer Report / District Working Balance for November 2020*

5. Presentation of Draft Annual Audit for Fiscal Year 2019/20 as prepared by Nigro and Nigro, PC (EXHIBIT 5A, B)

(Finance and Audit Committee Chair, Joseph Leon and District Auditor, Paul Kaymark, Nigro & Nigro, PC)

6. Consider Resolution of The San Gabriel Valley Mosquito and Vector Control District Authorizing Staff to Access State and Federal Summary Criminal History Information for Employment, Licensing or Certification Purposes* (EXHIBIT 6A)

(Board President, Becky Shevlin) (Approve/Deny)

7. Consider Amendment to Personnel and Salary Resolution 92-11, Article XI Leave Provisions, Section 2. Cash Out Program* (EXHIBIT 7A)

(Personnel and Policy Committee Chair, Richard Barakat) (Approve/Deny)

8. California Department of Public Health Cooperative Agreement* (EXHIBIT 8A)

(Board President, Becky Shevlin) (Approve/Deny)

9. District Administration

(District Manager, Jared Dever)

9.1. 2020 Mosquito Season Review

9.2. Trustee Term of Office Expiring

10. Committee Reports:

(Verbal Reports)

10.1. Executive Committee

10.2. Personnel and Policy Committee

10.3. Finance and Audit Committee

11. Trustee Reports

(Verbal Reports)

12. New Business

13. Adjournment

CERTIFICATE OF POSTING

This agenda shall be made available upon request in alternative formats to persons with a disability as required by the American with Disabilities Act of 1990 (42 U.S.C. §12132) and the Ralph M. Brown Act (California Government Code §54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting should contact the San Gabriel Valley Mosquito and Vector Control District at (626-814-9466) during regular business hours, at least twenty-four hours prior to the time of the meeting.

Materials related to an item on the Agenda submitted after distribution of the agenda packet are available for public inspection in the San Gabriel Valley Mosquito & Vector Control District Office located at 1145 North Azusa Canyon Road, West Covina, CA 91790 during normal business hours.

Marta Tanaka
Clerk of the Board, San Gabriel Valley MVCD
Board of Trustees

Notice to the Public

It is the intention of the San Gabriel Valley Mosquito and Vector Control District (District) to comply with the Americans With Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, the District will attempt to accommodate you in every reasonable manner.

Please contact the Clerk of the Board at (626) 814-9466. Assisted listening devices are available at the meeting for individuals with hearing impairments. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35. 102-35. 104 ADA Title II)

SAN GABRIEL VALLEY MVCD

Claims List

October 1, 2020

| <u>Num</u> | <u>Date</u> | <u>Name</u> | <u>Item</u> | <u>Original Amount</u> |
|-----------------|-------------|--|--|------------------------|
| EFT | 10/01/2020 | FIDELITY SECURITY LIFE INSURANCE CO. | 6070 Vision Premiums (Vision Premiums) | 12.30 |
| | | | 6070 Vision Premiums (Vision Premiums) | 57.67 |
| 164503079 | | | 6070 Vision Premiums (Vision Premiums) | 285.06 |
| | | | 6070 Vision Premiums (Vision Premiums) | 49.20 |
| | | | 6070 Vision Premiums (Vision Premiums) | 93.33 |
| | | | | <u>497.56</u> |
| EFT | 10/01/2020 | LINCOLN FINANCIAL GROUP | 6065 GROUP TERM LIFE | 376.11 |
| | | | 6070 Dental premiums - Cafeter | 425.60 |
| 4140970299 | | | | <u>801.71</u> |
| EFT | 10/01/2020 | NATIONWIDE RETIREMENT | 6066 457 CONTRIBUTION | 120.42 |
| PR of 10/1/2020 | | | | <u>120.42</u> |
| EFT | 10/01/2020 | PERS | 6200 RETIREMENT - CLASSIC (Employer Contribution (| 664.15 |
| | | | 6200 RETIREMENT - CLASSIC (Employer Contribution (| 1,421.63 |
| | | | 6200 RETIREMENT - CLASSIC (Employer Contribution (| 1,578.06 |
| | | | 6200 RETIREMENT - CLASSIC (Employer Contribution (| 360.27 |
| | | | 6201 RETIREMENT - PEPRA (Employer Contribution (7. | 139.30 |
| | | | 6201 RETIREMENT - PEPRA (Employer Contribution (7. | 2,659.35 |
| | | | 6201 RETIREMENT - PEPRA (Employer Contribution (7. | 1,004.27 |
| | | | 6201 RETIREMENT - PEPRA (Employer Contribution (7. | 1,090.22 |
| | | | 6201 RETIREMENT - PEPRA (Employer Contribution (7. | 466.21 |
| | | | | <u>9,383.46</u> |
| 17552 | 10/01/2020 | AIRGAS USA, LLC | 6302 Supplies, Safety | 504.42 |
| | | | 6302 Supplies, Safety | 60.60 |
| 9105223081 | | | | <u>565.02</u> |
| 17553 | 10/01/2020 | AJG ACCOUNTING & BOOKKEEPING SRVCS, INC. | 6000 ACCOUNTING SERVICES | 1,170.00 |
| | | | | <u>1,170.00</u> |
| 2485 | 10/01/2020 | | | |

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October 1, 2020

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|----------------|-------------|---|--|------------------------|
| 17554 | 10/01/2020 | ARAMARK UNIFORM SERVICES INC. | 6332 Uniforms (Uniforms) | 241.94 |
| | | | 6040 Mats, Towels (Mats, Towels, Lockers, etc.) | 110.46 |
| 792287099 | | | 6332 Uniforms (Uniforms) | 242.54 |
| | | | 6040 Mats, Towels (Mats, Towels, Lockers, etc.) | 110.46 |
| | | | 6332 Uniforms (Uniforms) | 242.54 |
| | | | 6040 Mats, Towels (Mats, Towels, Lockers, etc.) | 110.46 |
| | | | 6332 Uniforms (Uniforms) | 242.54 |
| | | | 6040 Mats, Towels (Mats, Towels, Lockers, etc.) | 137.96 |
| | | | | <u>1,438.90</u> |
| 17555 | 10/01/2020 | AZUSA LIGHT & WATER | 6343 Meter # 99172930 (Account # 303-0190.300) | 84.30 |
| | | | 6343 Meter # 45169724 (Account # 303-0191.300 09/19/20 | 48.21 |
| 303-019-300 | | | | <u>132.51</u> |
| 17556 | 10/01/2020 | CALIFORNIA DEPARTMENT OF PUBLIC HEALTH VI | 6330 TRAINING, CEU'S | <u>527.00</u> |
| | | | | 527.00 |
| Exams Nov 2020 | | | | |
| 17557 | 10/01/2020 | CALOLYMPIC SAFETY | 6302 Supplies, Safety | 146.16 |
| | | | 6302 Supplies, Safety | 188.00 |
| 388981 | | | 6302 Supplies, Safety | 55.42 |
| | | | | <u>389.58</u> |
| 17558 | 10/01/2020 | COPIES & INK | 6186 Printing | <u>810.00</u> |
| | | | | 810.00 |
| 35735 | | | | |
| 17559 | 10/01/2020 | CYPRESS HEATING & AIR CONDITIONING | 6042 EQUIPMENT MAINTENANCE | <u>525.00</u> |
| | | | | 525.00 |
| 8787700 | | | | |

SAN GABRIEL VALLEY MVCD

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October 1, 2020

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|----------------|-------------|----------------------------------|--|------------------------|
| 17560 | 10/01/2020 | FLEET SOLUTIONS CENTER | 6260 SUPPLIES, MECHANICAL | 105.00 |
| | | | 6260 SUPPLIES, MECHANICAL | 1,097.14 |
| 3106,3109,3134 | 10/01/2020 | | 6260 SUPPLIES, MECHANICAL | 89.26 |
| | | | | <u>1,291.40</u> |
| 17561 | 10/01/2020 | OFFICE & ERGONOMIC SOLUTIONS INC | 8000 CAPITAL OUTLAY (Capital Outlay) | 1,115.43 |
| 21633-1 | | | | <u>1,115.43</u> |
| 17562 | 10/01/2020 | OFFICE DEPOT | 6270 OFFICE SUPPLIES | 347.28 |
| | | | 6270 OFFICE SUPPLIES | 21.86 |
| 124540062001 | | | | <u>369.14</u> |
| 17563 | 10/01/2020 | READYREFRESH BY NESTLE | 6170 Arrowhead Water (Arrowhead Water) | 186.80 |
| 1010024588535 | | | | <u>186.80</u> |
| 17564 | 10/01/2020 | RESCUE ROOTER/ARS | 6040 Building Maintenance | 585.00 |
| | | | 6040 Building Maintenance | 479.00 |
| 319419, 319566 | | | | <u>1,064.00</u> |
| 17565 | 10/01/2020 | STREAMLINE | 6037 WEBSITE AND EMAIL SERVICE | 200.00 |
| 107179 | | | | <u>200.00</u> |
| 17566 | 10/01/2020 | SYNTECH GROUP INC. | 6046 PROFESSIONAL SERVICES - IT | 775.00 |
| | | | 6046 PROFESSIONAL SERVICES - IT | 585.00 |
| SVC-639 | | | 6046 PROFESSIONAL SERVICES - IT | 620.00 |
| | | | | <u>1,980.00</u> |

SAN GABRIEL VALLEY MVCD

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October 1, 2020

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|------------|-------------|--------------------|---|------------------------|
| 17567 | 10/01/2020 | TIRE ZONE | 6260 SUPPLIES, MECHANICAL | 255.00 |
| | | | | <u>255.00</u> |
| 57219 | | | | |
| 17568 | 10/01/2020 | TNT WINDOW TINTING | 8000 CAPITAL OUTLAY (Capital Outlay) | 100.00 |
| | | | | <u>100.00</u> |
| 2202297 | | | | |
| 17569 | 10/01/2020 | ULINE | 6302 Supplies, Safety | 114.54 |
| | | | | <u>114.54</u> |
| 124111925 | 10/01/2020 | | | |
| 17570 | 10/01/2020 | US BANK | 6260 SUPPLIES, MECHANICAL | 377.55 |
| | | | 6036 COMPUTER SOFTWARE | 50.00 |
| Alba | | | 6035 COMPUTER HARDWARE | 158.00 |
| Dever | | | 6333 BRANDED CLOTHING | 41.48 |
| | | | 6250 LABORATORY SUPPLIES | 4.95 |
| Doyle | | | 6333 BRANDED CLOTHING | 47.60 |
| | | | 6250 LABORATORY SUPPLIES | 7.56 |
| | | | 6250 LABORATORY SUPPLIES | 510.25 |
| | | | 6333 BRANDED CLOTHING | 44.98 |
| | | | 6333 BRANDED CLOTHING | 37.10 |
| | | | 6250 LABORATORY SUPPLIES | 279.90 |
| | | | 6281 MOSQUITO FISH SUPPLIES | 120.00 |
| | | | 6333 BRANDED CLOTHING | 36.05 |
| | | | 6036 COMPUTER SOFTWARE | 229.00 |
| | | | 6036 COMPUTER SOFTWARE | 239.88 |
| Farned | | | 6037 WEBSITE AND EMAIL SERVICE | 9.99 |
| Sun | | | 6003 ADVERTISING | 79.00 |
| | | | 6232 REGISTRATION - SEMINARS (REGISTRATION) | 265.00 |
| | | | 6305 EDUCATION PROGRAM SUPPLIES | 96.00 |
| | | | 6270 OFFICE SUPPLIES | 127.04 |

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|---|-------------|-------------|---------------------------------|------------------------|
| | | | 6037 WEBSITE AND EMAIL SERVICE | 4.99 |
| | | | 6290 Supplies, Public Informati | 100.00 |
| Tanaka | | | 6030 BOARD EXPENSES | 191.59 |
| Van der Heyden | | | 6260 SUPPLIES, MECHANICAL | 11.69 |
| | | | 6270 OFFICE SUPPLIES | 104.45 |
| | | | | <u>412.72</u> |
| 17571 | 10/01/2020 | WAXIE | 6040 Building Maintenance | 71.72 |
| | | | | <u>71.72</u> |
| 79507098 | | | | |
| Accounts Payable for October 1, 2020 | | | | 23,648.95 |

SAN GABRIEL VALLEY MVCD

Claims List

October 15, 2020

| <u>Num</u> | <u>Date</u> | <u>Name</u> | <u>Item</u> | <u>Original Amount</u> |
|-------------------|-------------|--|--|------------------------|
| EFT | 10/15/2020 | AMERICAN FIDELITY AKA FLEX ACCOUNT ADMIN | 6070 FLEX PREMIUMS (Flex Premiums) | 224.99 |
| | | | 6070 FLEX PREMIUMS (Flex Premiums) | 208.33 |
| 2082079 | | | 6070 FLEX PREMIUMS (Flex Premiums) | 425.00 |
| | | | 6070 FLEX PREMIUMS (Flex Premiums) | 150.00 |
| | | | | <u>1,008.32</u> |
| EFT | 10/15/2020 | CAL PERS | 6070 Med premiums - Cafeteria (Medical premiums) | 981.24 |
| | | | 6070 Med premiums - Cafeteria (Medical premiums) | 5,768.59 |
| 100000016202748 | 10/15/2020 | | 6070 Med premiums - Cafeteria (Medical premiums) | 4,952.09 |
| | | | 6070 Med premiums - Cafeteria (Medical premiums) | 2,386.64 |
| | | | 6072 MEDICAL PREMIUM-Retired EE (Medical premiurr | 417.00 |
| | | | 6070 ADMIN FEE (Admin fee) | 47.59 |
| | | | | <u>14,553.15</u> |
| EFT | 10/15/2020 | NATIONWIDE RETIREMENT | 6066 457 CONTRIBUTION | 120.42 |
| | | | | <u>120.42</u> |
| PR of 10/15/2020 | | | | |
| EFT | 10/15/2020 | PERS | 6200 RETIREMENT - CLASSIC (Employer Contribution (| 664.15 |
| | | | 6200 RETIREMENT - CLASSIC (Employer Contribution (| 1,421.63 |
| PR of 10/15/2020 | | | 6200 RETIREMENT - CLASSIC (Employer Contribution (| 1,578.06 |
| | | | 6200 RETIREMENT - CLASSIC (Employer Contribution (| 360.27 |
| | | | 6201 RETIREMENT - PEPRA (Employer Contribution (7. | 139.30 |
| | | | 6201 RETIREMENT - PEPRA (Employer Contribution (7. | 2,659.35 |
| | | | 6201 RETIREMENT - PEPRA (Employer Contribution (7. | 1,004.27 |
| | | | 6201 RETIREMENT - PEPRA (Employer Contribution (7. | 1,099.31 |
| | | | 6201 RETIREMENT - PEPRA (Employer Contribution (7. | 466.21 |
| | | | | <u>9,392.55</u> |
| EFT | 10/15/2020 | TEXAS LIFE INSURANCE COMPANY | 6070 Premiums, life - Cafeter (Voluntary Insurance Premi | 334.12 |
| | | | | <u>334.12</u> |
| SM09BT20201014001 | | | | |
| 17573 | 10/15/2020 | A-1 ROOTER | 6040 Building Maintenance | 250.00 |
| | | | | <u>250.00</u> |

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|---------------------|-------------|------------------|--|------------------------|
| 10774 | | | | |
| 17574 | 10/15/2020 | ALLEN WU | 6030 BOARD EXPENSES | 100.00 |
| | | | | <u>100.00</u> |
| BM of 10/9/2020 | | | | |
| 17575 | 10/15/2020 | AMAZON.COM | 6250 LABORATORY SUPPLIES | 29.99 |
| | | | 6035 COMPUTER HARDWARE | 19.99 |
| Acct ending in 5999 | | | 6250 LABORATORY SUPPLIES | 293.95 |
| | | | 6250 LABORATORY SUPPLIES | 39.99 |
| | | | 6250 LABORATORY SUPPLIES | 28.89 |
| | | | 6250 LABORATORY SUPPLIES | 39.22 |
| | | | 6280 SUPPLIES, OPERATIONS | 22.39 |
| | | | 6280 SUPPLIES, OPERATIONS | 110.10 |
| | | | 6280 SUPPLIES, OPERATIONS | 177.81 |
| | | | 6280 SUPPLIES, OPERATIONS | 27.33 |
| | | | 6250 LABORATORY SUPPLIES | 23.98 |
| | | | 6250 LABORATORY SUPPLIES | 35.56 |
| | | | 6035 COMPUTER HARDWARE | 40.50 |
| | | | 6290 Supplies, Public Informati | 71.45 |
| | | | 6290 Supplies, Public Informati | 86.42 |
| | | | 6270 OFFICE SUPPLIES | 29.54 |
| | | | 6270 OFFICE SUPPLIES | 33.62 |
| | | | 6270 OFFICE SUPPLIES | 16.39 |
| | | | | <u>1,127.12</u> |
| 17576 | 10/15/2020 | ATHENS SERVICES | 6040 Refuse Disposal (Refuse Disposal) | 260.09 |
| | | | | <u>260.09</u> |
| 9300375 | | | | |
| 17577 | 10/15/2020 | BECKY A. SHEVLIN | 6030 BOARD EXPENSES | 100.00 |
| | | | | <u>100.00</u> |

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|-----------------|-------------|------------------------------------|---------------------------|------------------------|
| BM of 10/9/2020 | | | | 100.00 |
| 17578 | 10/15/2020 | CATHERINE MARCUCCI | 6030 BOARD EXPENSES | <u>100.00</u> |
| BM of 10/9/2020 | | | | 100.00 |
| 17579 | 10/15/2020 | CDW GOVERNMENT INC | 6036 COMPUTER SOFTWARE | <u>119.00</u> |
| LRLG381 | | | | 119.00 |
| 17580 | 10/15/2020 | COREY CALAYCAY | 6030 BOARD EXPENSES | <u>100.00</u> |
| BM of 10/9/2020 | | | | 100.00 |
| 17581 | 10/15/2020 | CYNTHIA STERNQUIST | 6030 BOARD EXPENSES | <u>100.00</u> |
| BM of 10/9/2020 | | | | 100.00 |
| 17582 | 10/15/2020 | CYPRESS HEATING & AIR CONDITIONING | 6040 Building Maintenance | <u>397.69</u> |
| 9137876 | | | | 397.69 |
| 17583 | 10/15/2020 | ELYSE RASMUSSEN | 6030 BOARD EXPENSES | <u>100.00</u> |
| BM of 10/9/2020 | | | | 100.00 |
| 17584 | 10/15/2020 | ENTERPRISE | 6007 - AUTOMOBILE LEASE | <u>2,490.00</u> |
| FBN4060247 | | | | 2,490.00 |
| 17585 | 10/15/2020 | ENVIRONMENT CONTROL | 6040 Building Maintenance | <u>1,299.00</u> |
| 9156-411 | | | | 1,299.00 |

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|-----------------|-------------|------------------------|--|------------------------|
| 17586 | 10/15/2020 | FLEET SOLUTIONS CENTER | 6260 SUPPLIES, MECHANICAL | <u>234.93</u> |
| 3135 | | | | 234.93 |
| 17587 | 10/15/2020 | HAROLD J. BISSNER III | 6030 BOARD EXPENSES | <u>100.00</u> |
| BM of 10/9/2020 | | | | 100.00 |
| 17588 | 10/15/2020 | HENRY M. MORGAN | 6030 BOARD EXPENSES | <u>100.00</u> |
| BM of 10/9/2020 | | | | 100.00 |
| 17589 | 10/15/2020 | JERRY VELASCO | 6030 BOARD EXPENSES | <u>100.00</u> |
| BM of 10/9/2020 | | | | 100.00 |
| 17590 | 10/15/2020 | JOHN CAPOCCIA | 6030 BOARD EXPENSES | <u>100.00</u> |
| BM of 10/9/2020 | | | | 100.00 |
| 17591 | 10/15/2020 | JOSEPH LEON | 6030 BOARD EXPENSES | <u>100.00</u> |
| BM of 10/9/2020 | | | | 100.00 |
| 17592 | 10/15/2020 | JOSEPH ROCHA | 6030 BOARD EXPENSES | <u>100.00</u> |
| BM of 10/9/2020 | | | | 100.00 |
| 17593 | 10/15/2020 | JULI COSTANZO | 6030 BOARD EXPENSES | <u>100.00</u> |
| BM of 10/9/2020 | | | | 100.00 |
| 17594 | 10/15/2020 | KENN K. FUJIOKA | 6072 MEDICAL PREMIUM-Retired EE (Medical premium | <u>296.74</u> |

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|-------------------|-------------------|-----------------------------|--|------------------------|
| | | | | 296.74 |
| Nov 2020 Premium | | | | |
| 17595 | 10/15/2020 | LLOYD JOHNSON | 6030 BOARD EXPENSES | <u>149.50</u> |
| | | | | 149.50 |
| BM of 10/9/2020 | | | | |
| 17596 | 10/15/2020 | LOZANO SMITH, LLP | 6130 Profess Serv rendered (Professional Services render | <u>6,024.75</u> |
| | | | | 6,024.75 |
| 2119207 | | | | |
| 17597 | 10/15/2020 | MANUEL GARCIA | 6030 BOARD EXPENSES | <u>100.00</u> |
| | | | | 100.00 |
| BM of 10/9/2020 | | | | |
| 17598 | 10/15/2020 | MARGARET E. FINLAY | 6030 BOARD EXPENSES | <u>100.00</u> |
| | | | | 100.00 |
| BM of 10/9/2020 | | | | |
| 17599 | 10/15/2020 | MARY ANGELA BRISCO | 6072 MEDICAL PREMIUM-Retired EE (Medical premium | <u>525.39</u> |
| | | | | 525.39 |
| Nov. 2020 premium | | | | |
| 17600 | 10/15/2020 | MIKE NIFFENEGGER | 6072 MEDICAL PREMIUM-Retired EE (Medical premium | <u>571.29</u> |
| | | | | 571.29 |
| Nov 2020 Premium | | | | |
| 17601 | 10/15/2020 | PRAXAIR DISTRIBUTION | 6250 LABORATORY SUPPLIES | <u>127.72</u> |
| | | | | 127.72 |
| 99302878 | | | | |
| 17602 | 10/15/2020 | RICHARD BARAKAT | 6030 BOARD EXPENSES | <u>100.00</u> |
| | | | | 100.00 |
| BM of 10/9/2020 | | | | |
| 17603 | 10/15/2020 | ROGER CHANDLER | 6030 BOARD EXPENSES | <u>100.00</u> |

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| <u>Num</u> | <u>Date</u> | <u>Name</u> | <u>Item</u> | <u>Original Amount</u> |
|----------------------|-------------|----------------------------|--|------------------------|
| | | | | 100.00 |
| BM of 10/9/2020 | | | | |
| 17604 | 10/15/2020 | RYAN A. VIENNA | 6030 BOARD EXPENSES | <u>100.00</u> |
| | | | | 100.00 |
| BM of 10/9/2020 | | | | |
| 17605 | 10/15/2020 | SANDRA ARMENTA | 6030 BOARD EXPENSES | <u>100.00</u> |
| | | | | 100.00 |
| Board Meeting of 10/ | | | | |
| 17606 | 10/15/2020 | SOCALGAS | 6341 Utilities (Acc # 057 518 2100 9 Acc # 059 618 2100 5) | 24.85 |
| | | | 6341 Utilities (Acc # 057 518 2100 9 Acc # 059 618 2100 5) | <u>103.17</u> |
| 059-618-2100-5 | | | | 128.02 |
| 17607 | 10/15/2020 | SOUTHERN CALIFORNIA EDISON | 6340 UTILITIES - ELECTRIC | <u>3,505.82</u> |
| | | | | 3,505.82 |
| 2-03-760-7223 | | | | |
| 17608 | 10/15/2020 | STAPLES CREDIT PLAN | 6270 OFFICE SUPPLIES | <u>122.05</u> |
| | | | | 122.05 |
| 98222784327 | | | | |
| 17609 | 10/15/2020 | STEPHEN SHAM | 6030 BOARD EXPENSES | <u>100.00</u> |
| | | | | 100.00 |
| BM of 10/9/2020 | | | | |
| 17610 | 10/15/2020 | TIM SANDOVAL | 6030 BOARD EXPENSES | <u>100.00</u> |
| | | | | 100.00 |
| BM of 10/9/2020 | | | | |
| 17611 | 10/15/2020 | TIRE ZONE | 6260 SUPPLIES, MECHANICAL | 165.00 |

SAN GABRIEL VALLEY MVCD

Claims List

October 15, 2020

| <u>Num</u> | <u>Date</u> | <u>Name</u> | <u>Item</u> | <u>Original Amount</u> |
|--|-------------|--------------------------------|--|------------------------|
| | | | 6260 SUPPLIES, MECHANICAL | 165.70 |
| 57776, 57777 | | | | <u>330.70</u> |
| 17612 | 10/15/2020 | TPx COMMUNICATIONS | 6315 Monthly Internet Charges (Monthly Internet Charges) | 998.30 |
| | | | 6320 Office phones (Office phones) | 719.87 |
| 135452254-0 | | | | <u>1,718.17</u> |
| 17613 | 10/15/2020 | WELLS FARGO VENDOR FIN SERV | 6073 EQUIPMENT CANON (Canon Graphics Equipment/ | 1,770.97 |
| 5012158414 | | | | <u>1,770.97</u> |
| 17614 | 10/15/2020 | WEST VALLEY MVCD | 6251 ARBOVIRUS TESTING SUPPLIES | 2,148.00 |
| 2614 | | | | <u>2,148.00</u> |
| 17615 | 10/15/2020 | WESTERN SCIENTIFIC COMPANY INC | 6250 LABORATORY SUPPLIES | 300.00 |
| 74628 | | | | <u>300.00</u> |
| 17616 | 10/15/2020 | WEX/CHEVRON | 6262 Fuel for Trucks (Fuel for Trucks) | 6,001.44 |
| 67911395 | | | | <u>6,001.44</u> |
| Accounts Payable for October 15, 2020 | | | | 57,406.95 |

**San Gabriel Valley MVCD
Payroll for October 2020**

| Department | October 1, 2020 | October 15, 2020 | October 19, 2020 | October 29, 2020 | October 30, 2020 | TOTAL |
|----------------------|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------|
| EXECUTIVE | 9,014.41 | 9,023.76 | - | 9,014.40 | - | 27,052.57 |
| ADMINISTRATION | 11,689.93 | 11,845.56 | - | 11,695.56 | - | 35,231.05 |
| OPERATIONS | 51,186.39 | 51,262.56 | 838.89 | 51,731.59 | 8,418.56 | 163,437.99 |
| SURVEILLANCE | 16,253.07 | 16,326.07 | - | 16,226.07 | - | 48,805.21 |
| COMMUNICATIONS | 14,124.24 | 15,139.57 | - | 13,989.60 | - | 43,253.41 |
| SEASONAL WORKERS | <u>9,357.10</u> | <u>9,278.59</u> | <u>-</u> | <u>9,548.17</u> | <u>-</u> | <u>28,183.86</u> |
| Gross Payroll | 111,625.14 | 112,876.11 | 838.89 | 112,205.39 | 8,418.56 | 345,964.09 |
| Employer Taxes | 1,882.56 | 1,874.38 | 12.16 | 1,869.70 | 121.23 | 5,760.03 |
| Car Allowance | 500.00 | - | - | - | - | 500.00 |
| Employee Benefit-Med | <u>5,329.27</u> | <u>5,073.40</u> | <u>-</u> | <u>5,372.14</u> | <u>-</u> | <u>15,774.81</u> |
| TOTAL PAYROLL | 119,336.97 | 119,823.89 | 851.05 | 119,447.23 | 8,539.79 | 367,998.93 |

SGVMVCD
 Comparative YTD Actual to Full Year Budget
 Current Period 34% of Year Completed
 October 31, 2020

| | Current Period Actual | Year-To-Date Actual | Budget Full Year | Remaining Budget | % Of Budget Utilized | |
|---|--------------------------|------------------------|---------------------|---------------------|-------------------------|------------------|
| PERSONNEL EXPENSES | | | | | | |
| Salaries, Exempt | 68,009.18 | 197,874.35 | 605,545.00 | 407,670.65 | 32.68 | |
| Salaries - Non Exempt | 221,764.03 | 589,508.63 | 1,915,927.00 | 1,326,418.37 | 30.77 | |
| Salaries - Overtime | 8,442.43 | 8,773.72 | 14,500.00 | 5,726.28 | 60.51 | Inspections |
| Salaries - Vacation | 13,848.79 | 24,835.45 | 84,149.00 | 59,313.55 | 29.51 | |
| Salaries-Holiday | 364.23 | 15,707.76 | 109,279.00 | 93,571.24 | 14.37 | |
| Salaries, Sick Pay | 7,716.70 | 17,508.67 | 87,127.00 | 69,618.33 | 20.10 | |
| Salaries, Part-time - XH | 25,818.69 | 77,540.46 | 197,580.00 | 120,039.54 | 39.25 | Seasonal Expense |
| Management Car Allowance | 500.00 | 1,650.00 | 6,000.00 | 4,350.00 | 27.50 | |
| Cafeteria Benefit | 37,992.45 | 149,841.98 | 364,800.00 | 214,958.02 | 41.08 | Seasonal Expense |
| Hlth Benefits, Ret Emps | 1,810.42 | 9,052.10 | 26,000.00 | 16,947.90 | 34.82 | |
| Employer, 457 Contribution | 361.26 | 1,083.78 | 3,150.00 | 2,066.22 | 0.00 | |
| Medicare | 5,162.55 | 14,039.85 | 45,790.00 | 31,750.15 | 30.66 | |
| Retirement - Classic | 12,080.54 | 34,225.87 | 223,650.00 | 189,424.13 | 15.30 | |
| Retirement - Pepra | 16,206.27 | 45,933.72 | 295,800.00 | 249,866.28 | 15.53 | |
| Retirement - Classic-Unfunded Liability | 0.00 | 154,467.00 | 151,439.00 | (3,028.00) | 102.00 | One time fee |
| Retirement - Pepra-Unfunded Liability | 0.00 | 0.00 | 8,342.00 | 8,342.00 | 0.00 | One time fee |
| Social Security | 575.10 | 1,560.63 | 8,170.00 | 6,609.37 | 19.10 | |
| Group Term Life Ins | 754.60 | 1,874.13 | 4,300.00 | 2,425.87 | 43.58 | |
| Tuition Reimbursement | 0.00 | 0.00 | 4,000.00 | 4,000.00 | 0.00 | |
| Insurance, unemployment | 22.42 | 3,009.97 | 25,000.00 | 21,990.03 | 12.04 | |
| Post Retirement Benefits | | 0.00 | 0.00 | 0.00 | 0.00 | |
| TOTAL PERSONNEL EXPENSES | 421,429.66 | 1,348,488.07 | 4,180,548.00 | 2,832,059.93 | 32.26 | |
| OPERATING EXPENSES | | | | | | |
| Event Participation Fees | 0.00 | 99.00 | 4,000.00 | 3,901.00 | 2.48 | |
| Arbovirus Testing Supplies | 2,172.07 | 8,309.24 | 26,000.00 | 17,690.76 | 31.96 | |
| Branded Clothing | 404.26 | 988.41 | 8,600.00 | 7,611.59 | 11.49 | |
| Boots | 0.00 | 855.96 | 4,500.00 | 3,644.04 | 19.02 | |
| Misc. Rentals | 0.00 | 0.00 | 2,000.00 | 2,000.00 | 0.00 | |
| Professional Development | 0.00 | 0.00 | 2,000.00 | 2,000.00 | 0.00 | |
| Awards | 837.85 | 837.85 | 3,000.00 | 2,162.15 | 27.93 | |
| Advertising | 201.78 | 5,512.78 | 30,000.00 | 24,487.22 | 18.38 | |

SGVMVCD
Comparative YTD Actual to Full Year Budget
Current Period 34% of Year Completed
October 31, 2020

| | Current Period Actual | Year-To-Date Actual | Budget Full Year | Remaining Budget | % Of Budget Utilized | |
|-------------------------------|--------------------------|------------------------|---------------------|---------------------|-------------------------|-----------------------------------|
| Bank Charges | 1,582.10 | 4,952.69 | 15,000.00 | 10,047.31 | 33.02 | |
| Board expenses | 2,441.09 | 9,540.09 | 38,000.00 | 28,459.91 | 25.11 | |
| Computer Hardware | 376.49 | 815.78 | 42,500.00 | 41,684.22 | 1.92 | |
| Computer Software | 1,540.61 | 13,041.53 | 61,000.00 | 47,958.47 | 21.38 | |
| Website/Email Service | 234.95 | 3,394.93 | 5,700.00 | 2,305.07 | 59.56 | Annual service |
| Facility maintenance | 4,465.82 | 26,319.32 | 40,000.00 | 13,680.68 | 65.80 | Electrical work, alarm service |
| Maintenance, equipment | 525.00 | 1,221.21 | 4,000.00 | 2,778.79 | 30.53 | |
| Maintenance, grounds | 0.00 | 19.58 | 10,000.00 | 9,980.42 | 0.20 | |
| Lease Equipment | 1,770.97 | 6,121.43 | 21,000.00 | 14,878.57 | 29.15 | |
| Fees & Assessments | 224.77 | 3,882.01 | 4,300.00 | 417.99 | 90.28 | LAFCO Fees |
| Hiring expenses | 0.00 | 0.00 | 4,000.00 | 4,000.00 | 0.00 | |
| VCJPA General Fund | 0.00 | 7,517.00 | 9,248.00 | 1,731.00 | 81.28 | One time fee |
| Insurance, liability | 0.00 | 84,115.00 | 79,056.00 | (5,059.00) | 106.40 | One time fee |
| Workers Comp Insurance | 0.00 | 114,515.00 | 114,890.00 | 375.00 | 99.67 | One time fee |
| Automobile Insurance | 0.00 | 2,257.00 | 2,257.00 | 0.00 | 100.00 | One time fee |
| Other Insurance | 367.74 | 1,765.35 | 3,500.00 | 1,734.65 | 50.44 | Bus travel, crime, cyber premiums |
| Insurance, property | 0.00 | 6,143.00 | 6,423.00 | 280.00 | 95.64 | One time fee |
| Legal | 6,024.75 | 11,356.25 | 25,000.00 | 13,643.75 | 45.43 | Personnel Issues |
| Memberships | 7,429.00 | 26,109.46 | 28,000.00 | 1,890.54 | 93.25 | MVCAC. Cal Chamber |
| Miscellaneous expenses | 209.86 | 693.45 | 3,500.00 | 2,806.55 | 19.81 | |
| Postage | 628.24 | 2,376.52 | 6,700.00 | 4,323.48 | 35.47 | |
| Accounting Services, Auditor | 1,170.00 | 1,248.50 | 22,000.00 | 20,751.50 | 5.68 | |
| Professional Services , Other | 0.00 | 0.00 | 2,000.00 | 2,000.00 | 0.00 | |
| Professional Services-IT | 1,980.00 | 11,130.00 | 50,000.00 | 38,870.00 | 22.26 | |
| Printing & Reproduction | 1,477.29 | 5,273.42 | 16,500.00 | 11,226.58 | 31.96 | |
| Research | 0.00 | 0.00 | 500.00 | 500.00 | 0.00 | |
| Seminars and meetings | 265.00 | 442.50 | 47,600.00 | 47,157.50 | 0.93 | |
| Supplies, Surveillance | 2,765.10 | 5,418.91 | 10,000.00 | 4,581.09 | 54.19 | New traps |
| Supplies, Vehicle Maintenance | 3,177.64 | 13,137.43 | 60,000.00 | 46,862.57 | 21.90 | |
| Supplies, Gasoline | 6,001.44 | 18,833.63 | 65,000.00 | 46,166.37 | 28.97 | |
| Supplies, Office | 1,180.87 | 2,117.83 | 11,600.00 | 9,482.17 | 18.26 | |
| Supplies, Mosquito Fish | 125.46 | 597.12 | 5,000.00 | 4,402.88 | 11.94 | |
| Supplies, Operations | 455.57 | 3,049.75 | 15,000.00 | 11,950.25 | 20.33 | |
| Supplies, Pesticides | 8,032.06 | 95,981.08 | 75,000.00 | (20,981.08) | 127.97 | Auditor adj. |

SGVMVCD
Comparative YTD Actual to Full Year Budget
Current Period 34% of Year Completed
October 31, 2020

| | Current Period Actual | Year-To-Date Actual | Budget Full Year | Remaining Budget | % Of Budget Utilized | |
|---------------------------------|--------------------------|------------------------|---------------------|---------------------|-------------------------|-------------------------------------|
| Supplies, Communications | 171.45 | 171.45 | 10,000.00 | 9,828.55 | 1.71 | |
| Supplies, Education Program | 276.00 | 6,926.00 | 14,000.00 | 7,074.00 | 49.47 | Illustrations for education program |
| Supplies, Safety | 1,069.14 | 3,522.18 | 20,000.00 | 16,477.82 | 17.61 | |
| Supplies, Media Production | 0.00 | 507.45 | 6,000.00 | 5,492.55 | 8.46 | |
| Benefit Assesment Admin Cost | 0.00 | 12,069.19 | 118,000.00 | 105,930.81 | 10.23 | |
| Communications, field | 2,658.30 | 13,270.86 | 42,000.00 | 28,729.14 | 31.60 | |
| Telephone, Internet | 998.30 | 4,259.41 | 14,000.00 | 9,740.59 | 30.42 | |
| Telephone , Office | 719.87 | 4,224.02 | 15,500.00 | 11,275.98 | 27.25 | |
| Training , CEU's | 527.00 | 4,523.00 | 6,000.00 | 1,477.00 | 75.38 | Certifications fees |
| Uniforms and clothing | 2,174.36 | 4,511.34 | 12,000.00 | 7,488.66 | 37.59 | |
| Utilities, Electric | 3,505.82 | 12,305.38 | 30,000.00 | 17,694.62 | 41.02 | A/C expense |
| Utilities, Natural Gas | 128.02 | 424.87 | 3,100.00 | 2,675.13 | 13.71 | |
| Utilities, Water | 272.05 | 708.25 | 2,200.00 | 1,491.75 | 32.19 | |
| Automobile Lease | 2,490.00 | 9,960.00 | 30,000.00 | 20,040.00 | 33.20 | |
| Surveillance, Aerial | 0.00 | 0.00 | 25,500.00 | 25,500.00 | 0.00 | |
| TOTAL OPERATING EXPENSES | 73,058.09 | 577,373.41 | 1,332,674.00 | 755,300.59 | 43.32 | |
| TOTAL EXPENSES | 494,487.75 | 1,925,861.48 | 5,513,222.00 | 3,587,360.52 | 34.93 | |
| CAPITAL OUTLAY EXPENSES | | | | | | |
| Capital Outlay | 1,215.43 | 118,195.22 | 242,000.00 | 123,804.78 | 48.84 | |
| TOTAL CAPITAL EXPENSES | 1,215.43 | 118,195.22 | 242,000.00 | 123,804.78 | 48.84 | |
| RESERVES | | | | | | |
| Reserve, Public Health Em | 0.00 | 0.00 | 1,326,200.00 | 1,326,200.00 | 0.00 | |
| Reserve, Capital Projects | 0.00 | 0.00 | 459,849.00 | 459,849.00 | 0.00 | |
| Reserve, Pension Liability | 0.00 | 0.00 | 200,258.00 | 200,258.00 | 0.00 | |
| Reserve, Building/Facilities | 0.00 | 0.00 | 49,000.00 | 49,000.00 | 0.00 | |
| Reserve, Vehicle Replacement | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| TOTAL RESERVES | 0.00 | 0.00 | 2,035,307.00 | 2,035,307.00 | 0.00 | |

**MINUTES of the San Gabriel Valley Mosquito and Vector Control District
Board of Trustees Meeting
1145 N. Azusa Canyon Road, West Covina, CA 91790
October 09, 2020**

TRUSTEES ATTENDING

Stephen Sham (Alhambra)
Roger Chandler (Arcadia)
Joseph Rocha (Azusa)
Rick Barakat (Bradbury)
Corey Calaycay (Claremont)
Henry Morgan (Covina)
Margaret Finlay (Duarte)
Jerry Velasco (El Monte)
Catherine Marcucci (Industry)
Manuel Garcia (Irwindale)
vacant (La Puente)
Elyse Rasmussen (La Verne)
Jamie Bissner (Los Angeles Co.)
Becky Shevlin (Monrovia)
Joseph Leon (Monterey Park)
Rachel Janbek (Pasadena)
Tim Sandoval (Pomona)
Sandra Armenta (Rosemead)
Ryan Vienna (San Dimas)
Juli Costanzo (San Gabriel)
John Capoccia (Sierra Madre)
Robert Joe (So. Pasadena)
Cynthia Sternquist (Temple City)
Allen Wu (Walnut)
Lloyd Johnson (West Covina)

TRUSTEES ABSENT

Manuel Lozano (Baldwin Park)
Charles Myers (Glendora)
Robert Joe (So. Pasadena)

STAFF PRESENT

Jared Dever
Rose Alba
Jason Farned
Levy Sun
Melissa Doyle
Marta Tanaka
Pablo Cabrera
Kriztian Luna

GUESTS PRESENT

None

- 1. Call to Order**
Board President Becky Shevlin called the meeting to order at 7:00 a.m.
- 2. Pledge of Allegiance and Silent Roll Call**

Trustee Margaret Finlay led the Pledge of Allegiance, and Roll Call Attendance was taken.

Board President Becky Shevlin welcomed Ryan Vienna, new Trustee for the City of San Dimas.

3. Opportunity for Public Comment on Non-Agenda Items

None

4. Consent Calendar

A Motion made by Trustee Margaret Finlay and seconded by Trustee Corey Calaycay to approve consent calendar was approved by roll call vote.

5. Consider Ad Hoc Legal Counsel Committee Recommendation to Award Contract for Legal Counsel Services

Board President and Committee Chairperson Becky Shevlin reported that at the August 11, 2020 Board of Trustees meeting, a proposal to create a 5 member Ad Hoc Legal Counsel Committee was unanimously approved. The committee was tasked with reviewing the RFP respondent proposals, selecting respondent(s) for interview, and selecting a respondent for consideration of the Board of Trustees on October 09, 2020. At the conclusion of the RFP publish period, six proposals were received on time and all met the requirements of the RFP. Committee members met virtually on September 18, 2020 to review the proposals. After careful consideration, three candidates were selected to participate in the Ad Hoc Committee interviews held on September 28, 2020, September 30, 2020, and October 2, 2020. At the conclusion of the interviews, the committee made a unanimous decision to recommend Lewis Brisbois Bisgaard & Smith LLP for consideration of the Board of Trustees.

A motion made by Trustee Margaret Finlay and seconded by Trustee Cynthia Sternquist to approve the Committee's recommendation to contract with Lewis Brisbois Bisgaard & Smith LLP for legal services was approved unanimously by roll call vote.

6. Auditing Standards Required Communications: Summary of Adjusting Journal Entries for the Fiscal Year Ended June 30, 2019

District Manager Jared Dever reviewed the Summary of Audit, explaining corrections to FY ending June 2019 Annual Audit submitted by Paul Kaymark of Nigro & Nigro PC, the district auditing firm. No action was taken. The document was received and filed.

7. Consider Amendment to Personnel and Salary Resolution 92-11, Article XI Leave Provisions, Section 1. Sick Leave, Section 2. Cash Out Program and Article XII Vacation, Section 3. Cash Out Program

A motion made by Trustee Richard Barakat and seconded by Trustee Corey Calaycay to approve Exhibit 7B, Vacation Cash Out Program, and refer Exhibit 7A, Sick Leave

Cash Out Program to the Personnel and Policy Committee for further review, was approved unanimously by roll call vote.

8. District Administration

8.3 Swimming Pool Maintenance Ordinance Update

District Manager Jared Dever advised that several cities are taking the ordinance under consideration and expressed his appreciation to all Trustees for working with their appointing cities to get the ordinance adopted.

8.4 Trustee Term of Office Expiring

District Manager Jared Dever reminded the Board that Trustees whose terms are expiring December 31, 2020 should have received notification from Board Clerk, Marta Tanaka. Dever stated that trustees do not have to be an elected or appointed official, that any resident of the city may be appointed. He also confirmed that appointments must be renewed at the end of each 2- or 4-year term. Dever requested that Trustees at the end of their appointed term work with city staff to ensure renewal letters are received by the District prior to January 2021.

8.5 Personnel and Policy Committee Meeting Reminder

District Manager Jared Dever reported that the Personnel and Policy Committee will convene prior to the November board meeting, and advised that Board Clerk, Marta Tanaka, will contact committee members for availability and scheduling of the meeting.

Trustee Richard Barakat suggested that Trustees Elyse Rasmussen and Ryan Vienna provide copies of Los Angeles County Sick Leave Policies to the Personnel and Policy Committee for review.

8.6 Finance and Audit Committee Meeting Reminder

District Manager Jared Dever reported that the Finance and Audit Committee will convene prior to the November board meeting, and advised that the Board Clerk, Marta Tanaka, will contact committee members for availability and scheduling the meeting.

Board President requested that staff provide her a list of current Committees to assist her with filling vacancies.

8.7 WNV Update

District Manager Jared Dever reported that the District remains free of any West Nile virus human infections within the District this season, and thanked the staff for their hard work.

9. Trustee Reports

None

10. New Business

None

11. Adjournment

The meeting was adjourned at 7:59 a.m.

Operations Department
Disease Weeks 40 - 44 | September 27 – October 31

Chemical Usage:

September 2020

| Larvicides/Pupicides | | | |
|---|-------------|------------|--------------------|
| Method of Action | Target | Amount | Area Treated |
| Larvicide Oils (Surface Film) | | | |
| Suffocation | Mosquitoes | 2.76 gal. | 25139 sq.ft. |
| Insect Growth Regulators (IGR's) | | | |
| Inhibits metamorphosis | Mosquitoes | 20.43 lbs. | 371674 sq.ft. |
| Bacterials | | | |
| Ingestion, toxicant | Mosquitoes | 4.18 gal. | 2133642 sq.ft. |
| Ingestion, toxicant | Mosquitoes | 96.31 lbs. | 4299247 sq.ft. |
| Ingestion, toxicant | Black flies | 1.40 gal. | 388 m ³ |
| Biologicals | | | |
| Mosquito fish | Mosquitoes | 235 ea. | 994 sq.ft. |

October 2020

| Larvicides/Pupicides | | | |
|---|-------------|-------------|---------------------|
| Method of Action | Target | Amount | Area Treated |
| Larvicide Oils (Surface Film) | | | |
| Suffocation | Mosquitoes | 3.31 gal. | 30075 sq.ft. |
| Insect Growth Regulators (IGR's) | | | |
| Inhibits metamorphosis | Mosquitoes | 27.71 lbs. | 118967 sq.ft. |
| Bacterials | | | |
| Ingestion, toxicant | Mosquitoes | 5.03 gal. | 2567650 sq.ft. |
| Ingestion, toxicant | Mosquitoes | 117.20 lbs. | 5175704 sq.ft. |
| Ingestion, toxicant | Black flies | 17.20 gal. | 4774 m ³ |
| Biologicals | | | |
| Mosquito fish | Mosquitoes | 310 ea. | 2290 sq.ft. |

Zone Specialists:

| Zone | Specialist | Cities |
|------|-----------------|--|
| 1 | Marc Mitchell | Alhambra, Monterey Park, San Gabriel, South Pasadena |
| 2 | Leslie Conner | Altadena, Pasadena |
| 3 | Darrin Jones | Arcadia, Sierra Madre, Temple City |
| 4 | Jon Halili | Baldwin Park, El Monte, Rosemead |
| 5 | Ignacio Ureña | Azusa, Bradbury, Duarte, Irwindale, Monrovia |
| 6 | Marco Gaytan | Industry, La Puente, West Covina |
| 7 | Steven Gallegos | Covina, Glendora, San Dimas |
| 8 | Hendricks Peña | Claremont, La Verne, Pomona, Walnut |

Operations Summary:

The District has resolved all of the 916 unmaintained swimming pools identified in this year's annual aerial surveillance.

Service request demand is up slightly over last year and many residents are taking advantage of our new property consultation program (up nearly 50% over last year). Our new response procedures are working well and the increased demand is still well within our capacity to respond in a timely and meaningful way. The new consultation program has placed a greater emphasis on shared responsibility and is designed to motivate long term habit change among homeowners which will have a greater impact on the suppression of invasive *Aedes* mosquitoes.

Enhanced neighborhood support is being provided through a new program designed to identify and deliver additional support to high impact neighborhoods. Focused target areas that include approximately sixty properties at one time are identified based on mosquito population, service request density, historical data, and disease threat. These neighborhoods receive enhanced support that includes door to door canvassing, property inspections, habitat reduction, and community education.

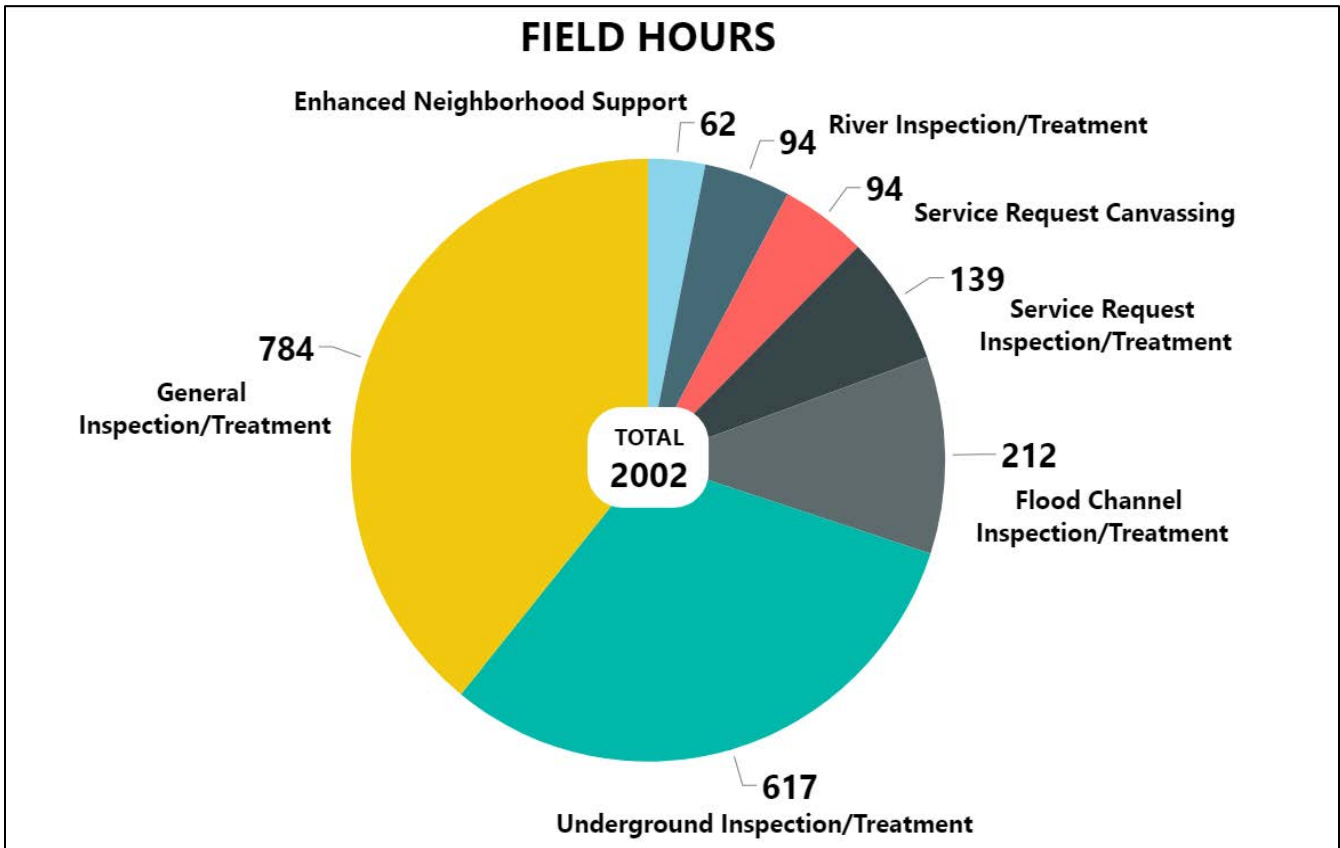
The District is accepting and responding to all types of service requests. A strict no-contact response protocol has been implemented to allow for safe and effective property inspections, consultations, and neighborhood canvassing efforts. The development of new procedures and programs as a response to COVID-19 has been a priority of the District to maintain the support services that residents rely on.

Field Statistics:

2,415
SITES VISITED

213 + 14.5 %
2019
SERVICE REQUESTS

107 + 48.6 %
2019
CONSULTATIONS



Surveillance Department
 Disease Weeks [40 - 44] | [September 27 – October 31, 2020]

Insect Surveillance Activities

The Surveillance Department set traps weekly for mosquitoes and alternating weeks for black fly when conditions permitted. The department has implemented a system of rotating the trapping locations. This strategy provides detailed information regarding the species present and population density for any given area in the District. The map below indicates the locations trapped.

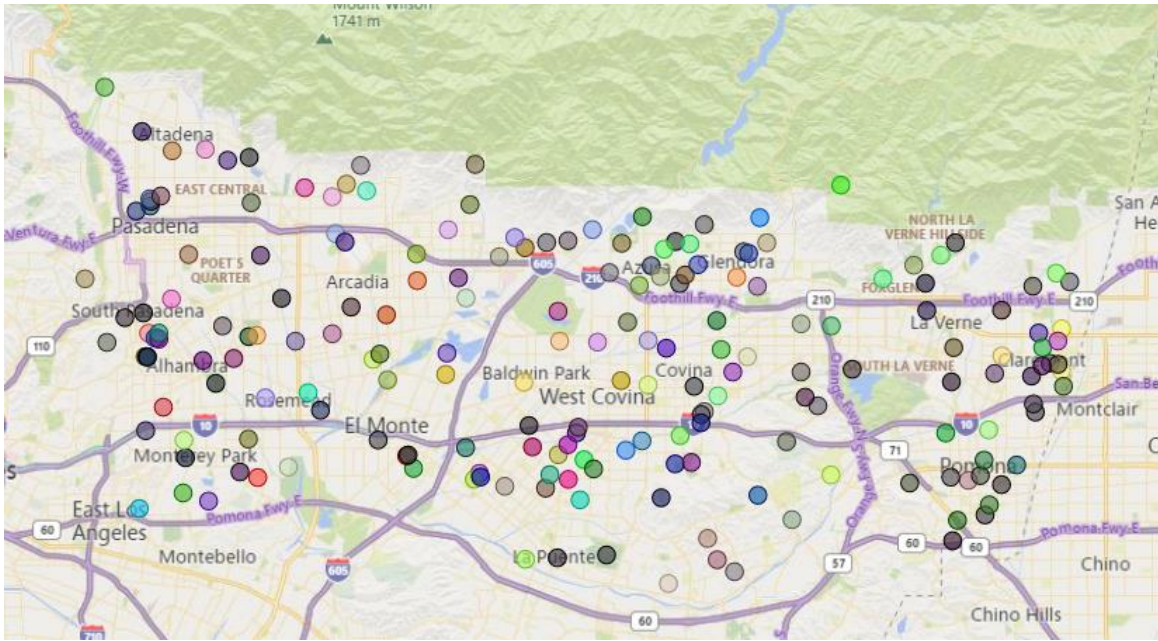


Figure 1 Mosquito Activity in the San Gabriel Valley Weeks 40 - 44

San Gabriel Valley Mosquito Activity

Overall, the mosquito activity was lower than activity observed since 2018.

| Week | Mosquito Activity | 2020 Average / Trap |
|------|-------------------|---------------------|
| 40 | Average | 50 |
| 41 | Average | 31 |
| 42 | Elevated | 72 |
| 43 | Average | 49 |
| 44 | Average | 55 |

Mosquito activity was average in comparison to activity in 2019.

- The number of mosquitoes observed in Weeks 40 - 44, 2020 was 16% higher than in the same weeks in 2019

Mosquito activity was average overall during weeks 40 - 44. Mosquito traps were placed weekly and 193 mosquito samples were tested for virus. Fifteen mosquito samples tested positive for West Nile virus. There have been no reports of human cases in the San Gabriel Valley.

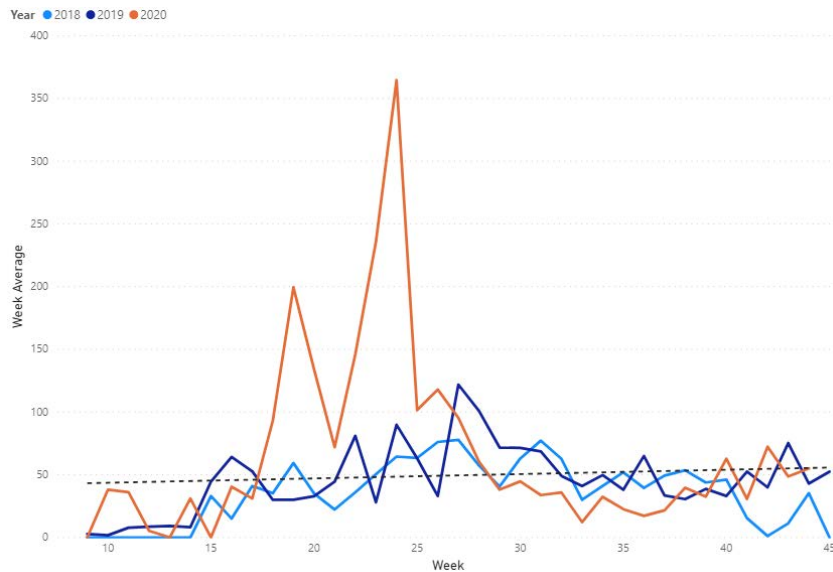


Figure 2 Average Number of Mosquitoes Captured by Week and Year

Arbovirus Activity in San Gabriel Valley

| Date of Collection | City | Sample Type | Virus |
|--------------------|---|--------------|-----------------|
| 9/28/2020 | West Covina | Bird - Raven | West Nile virus |
| 9/29/2020 | Covina | Mosquito | West Nile virus |
| 9/29/2020 | West Covina | Mosquito | West Nile virus |
| 9/29/2020 | Unincorporated LA County - West Valinda | Mosquito | West Nile virus |
| 9/29/2020 | El Monte | Mosquito | West Nile virus |
| 9/29/2020 | Rosemead | Mosquito | West Nile virus |
| 10/7/2020 | Alhambra | Mosquito | West Nile virus |
| 10/7/2020 | Rosemead | Mosquito | West Nile virus |
| 10/13/2020 | Unincorporated LA County - West Valinda | Mosquito | West Nile virus |
| 10/13/2020 | Arcadia | Mosquito | West Nile virus |
| 10/13/2020 | Rosemead | Mosquito | West Nile virus |
| 10/13/2020 | Temple City | Mosquito | West Nile virus |
| 10/13/2020 | Rosemead | Mosquito | West Nile virus |
| 10/20/2020 | Unincorporated LA County - West Valinda | Mosquito | West Nile virus |
| 10/20/2020 | West Covina | Mosquito | West Nile virus |
| 10/20/2020 | Rosemead | Mosquito | West Nile virus |
| 10/20/2020 | Monterey Park | Mosquito | West Nile virus |
| 10/20/2020 | Alhambra | Mosquito | West Nile virus |
| 10/20/2020 | Monterey Park | Mosquito | West Nile virus |
| 10/20/2020 | Alhambra | Mosquito | West Nile virus |
| 10/27/2020 | West Covina | Mosquito | West Nile virus |
| 10/28/2020 | Covina | Mosquito | West Nile virus |
| 10/28/2020 | Unincorporated LA County - West Valinda | Mosquito | West Nile virus |
| 10/28/2020 | Baldwin Park | Mosquito | West Nile virus |
| 10/28/2020 | Rosemead | Mosquito | West Nile virus |
| 10/28/2020 | Alhambra | Mosquito | West Nile virus |

During weeks 40 – 44 there was increased West Nile virus activity in San Gabriel Valley in comparison to the last three years. There were 25 West Nile virus positive samples and one dead bird was collected on 9/28/2020 in West Covina. The LA County Department of Public Health reported 1 human case of West Nile virus located in the city of El Monte.

Arbovirus Activity in California

Year-to-date, there have been 155 human cases of WNV in California, 50 of these were from Los Angeles county. West Nile virus has been isolated from 336 dead bird collections and 2,651 mosquito samples. In Los Angeles county, 426 samples have tested positive, 53 of those samples were collected in the San Gabriel Valley.

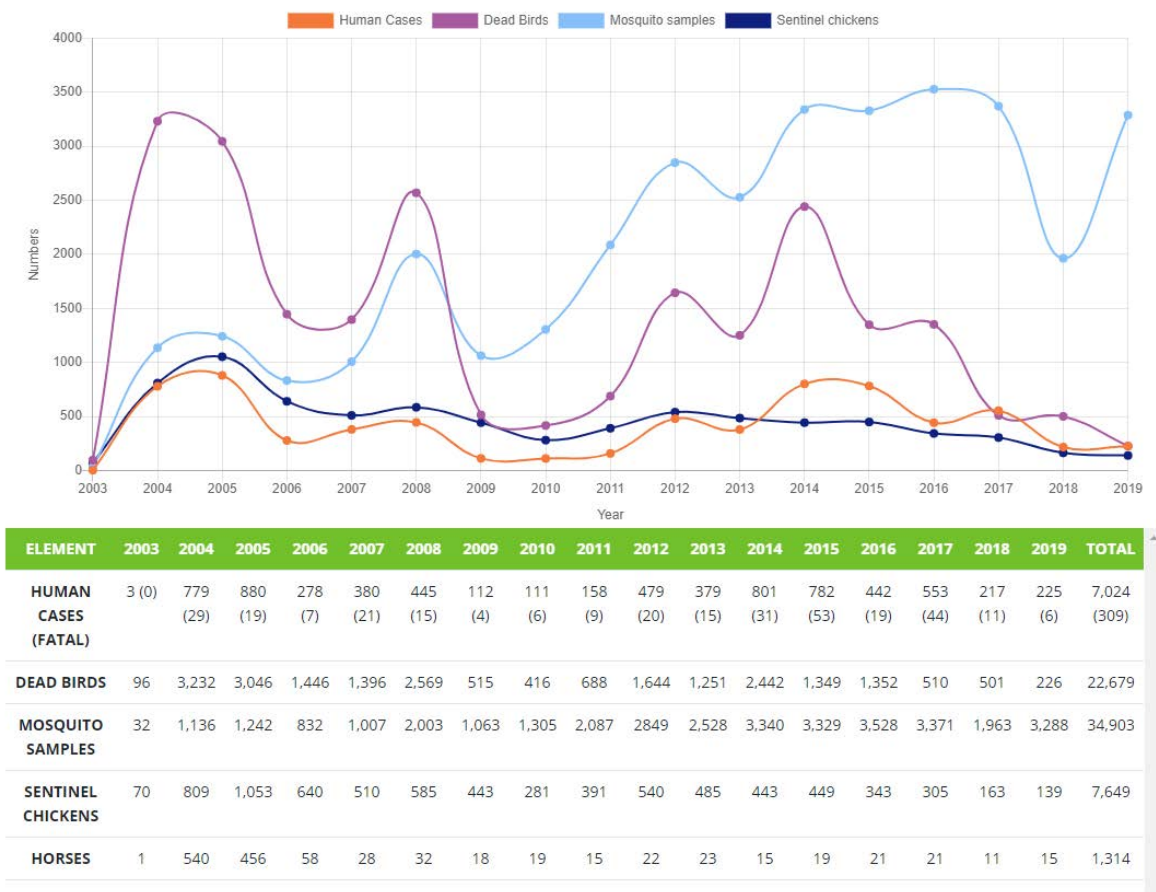


Figure 3 Historical WNV Activity in California 2003 - 2019

Department News

The department is continuing to work on projects to gain further understanding on the ecology of mosquitoes in the San Gabriel Valley. The department is currently working on several projects that support the District’s efforts to control mosquitoes. The current projects include:

- Quantifying the environmental factors associated with traps that capture high numbers of mosquitoes
- Standardizing and improving the placement of ovitraps to aid in the detection of *Aedes* mosquitoes

- Identifying the diversity of bird species surrounding areas that have a history of West Nile virus positive mosquito samples
- Quantifying the role of natural breeding habitats in supporting populations of *Aedes* mosquitoes
- Collaborating with the Communications and Operations department in citizen science projects and the evaluation of control techniques

Ovicup Aging Study

It is common practice for mosquito control districts to place cups lined with paper (ovicups) in areas where there are suspected infestations of *Aedes* mosquitoes to determine if *Aedes* mosquitoes are present. Cups are filled part-way with water and mosquitoes lay their eggs on the dampened papers. Guidelines for placement of the cups vary and the department has been looking at ways to quantify the best practices for placing ovicups in areas infested with *Aedes* mosquitoes.

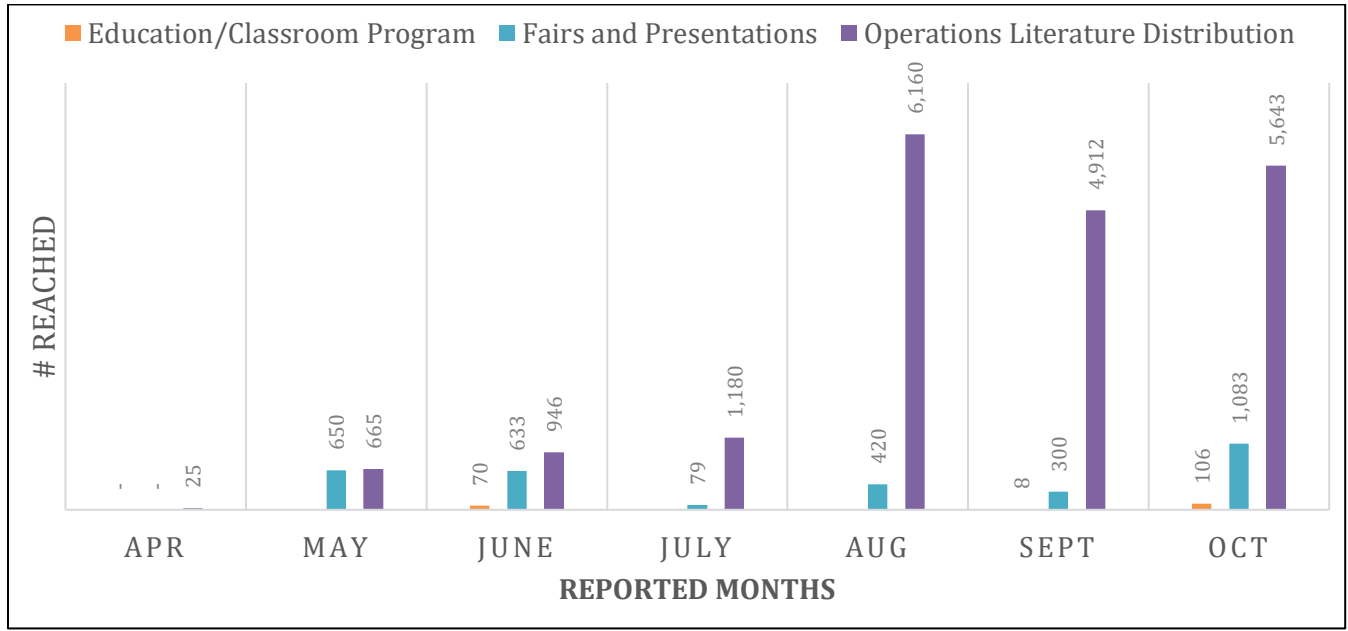
Dr. Aviva Goldmann ran a study to evaluate the commonly held belief that plastic containers must age outdoors for at least 30 days before *Aedes aegypti* and *Aedes albopictus* females use them for oviposition. To investigate this idea, brand new and field-aged (placed outdoors for 30 days) ovicups were placed next to each other at San Gabriel Valley residences for four weeks. No difference in oviposition between aged ovicups and unaged ovicups was observed. These results do not indicate a preference for aged vs. new plastic containers by *Aedes spp.* female mosquitoes.

| Week of experiment | Mean eggs | | Mean Δ between treatments | n (sample size) |
|--------------------|-----------|--------|----------------------------------|-----------------|
| | Aged | Unaged | | |
| 1 | 3.6 | 2.6 | 1 | 3 |
| 2 | 9.3 | 11.0 | -1.7 | 6 |
| 3 | 9.4 | 9.2 | 0.2 | 5 |
| 4 | 14.25 | 16.0 | -1.75 | 4 |

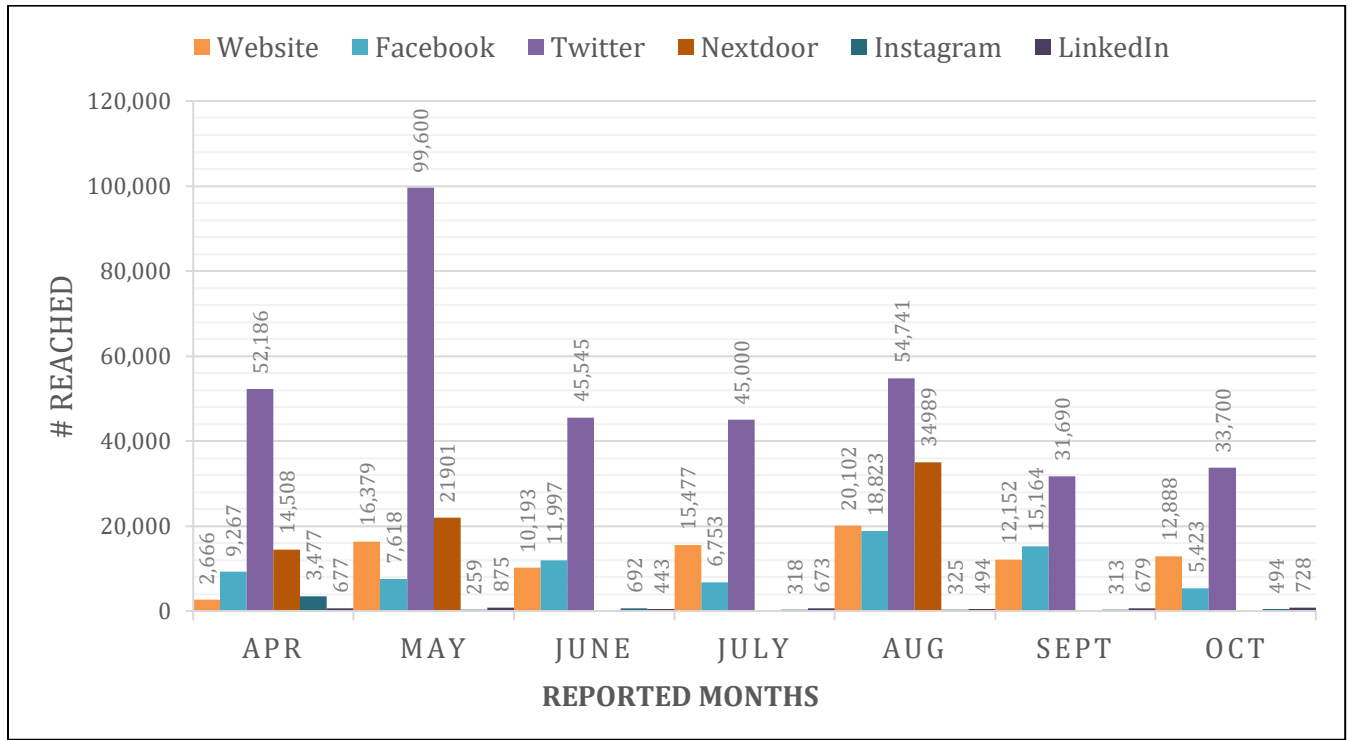
Table 1. Summary of *Aedes* oviposition during the four-week experimental period in high-quality replicates (data problems removed). "Mean Δ between treatments" is the difference in mean egg count between aged and unaged ovicups for each week, calculated as the mean number of eggs in unaged ovicups subtracted from the mean number of eggs in aged ovicups

Communications Department
Disease Weeks [40-44] | [Sep 27 – Oct 31]

Outreach Activities:



Digital Activities:



EcoHealth Vector Education Program

1. Presentation
 - a. Virtual Live Classroom Visits to Cherrylee Elementary in El Monte:
 - i. Mrs. Navarro's Grade 4 Classroom
 - ii. Mrs. Varela & Mrs. Manuel's Grade 3 Classrooms
 - iii. Mrs. Stanton's Grade 6 Classroom
2. Digital Escape Rooms for middle and high school students
 - a. Communication Specialist Pablo Cabrera and Education Specialist Kriztian Luna created additional visual content for Live West Nile Escape Room in preparation for its debut
3. Operation Mosquito GRID (Growth Reduction and Insect Identification) development
 - a. Science students from San Jose Charter Academy in West Covina participating
 - b. Worked with science teachers at San Jose Charter Academy to create an evergreen Mosquito GRID email and Google Classroom on the school's website where we can communicate directly with participants in our citizen science program
4. Special Projects
 - a. Zoom Meeting with Alameda County Mosquito Abatement District's New Education Specialist. Shared tips, materials, and answered questions
 - b. Grant funding was received from the Entomological Society of America for Journey of the Germ and details of the animation continue to be worked out with the vendor
5. Assessment
 - a. Created additional assessments to determine barriers to participation in GRID and barriers to submission of forms and data for citizen science program

Design

1. Website
 - a. Short Bites blog
 - b. Designed departmental highlights and general media posts
2. Video
 - a. Successful launch and promotion of repellent promotion and Halloween themed video featuring Ada Eez
 - b. Ongoing video content for Spanish speakers
 - c. Video subtitle transcription for SGVMVCD videos
 - d. Developing multi-lingual Inspection Access videos to improve communication with non-English speaking residents

General Outreach

1. Social Media
 - a. Halloween themed social media content.
 - b. Promoted online EcoHealth Vector Education programs
 - c. Transferred ongoing and any future media designs from Adobe Spark to Canva

2. Bite Back Program
 - a. Ongoing revamp: automation and improving volunteer experience
 - b. Ongoing revamp Bite Back Program and fine-tune automated emails on Mailchimp
 - c. Designed Repellent Use Assessments
 - d. Summarized monthly board report into a Bite Back Program e-blast
 - e. Began filming Bite Back Champion Multi-Activity Storyboard
 - f. Block the Bite Property Inspections: 9/31 and 10/1 in South Pasadena
3. Operations Department Support
 - a. Combined resources with Operations to improve response and education to residents at home in high-risk areas
4. Short Bites website blog development
5. California Native Plant partnership and content development with Theodore Payne Foundation
 - a. Resumed flyer design for SGV Native Plant Week
6. MVCAC
 - a. Finalized video for CSDA Legislative Tour

Administrative/Trainings

1. Updated department and literature inventory
2. Storyboard design and filming assistance
3. Trainings and Webinars
 - a. 10/13 Webinar: Measuring Success: How to Evaluate Your Volunteer Strategy Confirmation
 - b. 10/21 Webinar: Gamifying Audience Engagement in a Remote World


Treasurer's Report - September 2020
San Gabriel Valley Mosquito and Vector Control District

The attached Treasurer's Report is for September 2020.

The Total of All Funds Balance is \$4,280,435.70

All investments that were made by the District comply with our current investment policy. The District can meet all expenditures for the next six months with funds from the revolving fund, Los Angeles County operating pool, and the LAIF.

I certify that the above statements and attached Treasurer's Report are true and accurate to the best of my knowledge.

A handwritten signature in blue ink, appearing to read "Lloyd J. [unclear]", is written over a horizontal line.

Authorized Board of Trustee Member

November 13, 2020

**HONORABLE PRESIDENT AND MEMBERS OF THE BOARD OF TRUSTEES,
SAN GABRIEL VALLEY MOSQUITO & VECTOR CONTROL DISTRICT**

SUBJECT: November 1, 2020 District Working Fund Balance

| | |
|---|----------------|
| November 1, 2020 balance: | \$2,241,048.34 |
| October 1, October 31, 2020 expenditures: | \$492,298.13 |

November 1, 2020 Working Fund Balance: \$1,748,750.21

Respectfully Submitted:



**Jared Dever
District Manager**

**San Gabriel Valley Mosquito and Vector Control District
Treasurer's Report (based on Balance Sheet Detail Activity Report,
Period 3, FY 2020-2021 received on October 1, 2020**

Item 4.7

| Investment Vehicle | Yield | Beginning Balance | Transaction | Deposit (Withdrawal) | Source | Ending Balance |
|-------------------------------------|-------|-------------------|-------------|----------------------|---------------------------------|----------------|
| Local Agency Investment Fund (LAIF) | 0.92% | \$1,020,184.73 | interest | \$0.00 | LAIF Statement (September 2020) | \$1,020,184.73 |

Maturity Date: Perpetual
Interest rate as of Aug 2020

| Investment Vehicle | Yield | Beginning Balance | Transaction | Deposit (Withdrawal) | Source | Ending Balance |
|-------------------------|-------|-------------------|--------------------------------|----------------------------|----------------------------|----------------|
| Los Angeles County Pool | 0.64% | \$2,594,045.80 | interest Trust Warrant #700 | \$968.02 (\$353,965.48) | ND 24 Per 3 ND 24 Per 3 | \$2,241,048.34 |

Maturity Date: Perpetual
Interest rate as of Sep 2020

| Investment Vehicle | Yield | Beginning Balance | Transaction | Deposit (Withdrawal) | Source | Ending Balance |
|------------------------|-------|-------------------|-------------|----------------------|-----------------------------------|----------------|
| VCJPA Contingency Fund | 2.13% | \$104,965.00 | interest | \$0.00 | VCJPA Statement (June 2020) qtrly | \$104,965.00 |

Maturity Date: Perpetual
Interest rate as of June 2020

| Investment Vehicle | Beginning Balance | Transaction | Deposit (Withdrawal) | Source | Ending Balance |
|------------------------------|-------------------|--|---|--------------------------------|----------------|
| Citizens Bank Revolving Fund | \$200,000.00 | Deb Activity-Sep20 Sweep Trust Warrant #700 US Bank Rebate Uline Reimbursement | (\$792,063.03) \$437,869.21 \$353,965.48 \$166.22 \$62.12 | CB Statement September 2020 | \$200,000.00 |

| Investment Vehicle | Beginning Balance | Transaction | Deposit (Withdrawal) | Source | Ending Balance |
|-----------------------------|-------------------|----------------------------------|--------------------------------|--------------------------------|----------------|
| Citizens Bank Sweep Account | \$820,268.17 | Deb Activity-Sep 2020 Deposit | (\$437,869.21) \$331,838.67 | CB Statement September 2020 | \$714,237.63 |

| | | | | | |
|--------------------------------|-----------------------|--|--|--------------------------|-----------------------|
| Total Beginning Balance | \$4,739,463.70 | | | Total End Balance | \$4,280,435.70 |
|--------------------------------|-----------------------|--|--|--------------------------|-----------------------|

**SAN GABRIEL VALLEY MOSQUITO AND VECTOR
CONTROL DISTRICT
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
For the Fiscal Year Ended
June 30, 2020
(With Comparative Amounts as of June 30, 2019)**



SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
For the Fiscal Year Ended June 30, 2020
Table of Contents

FINANCIAL SECTION

| | <u>Page</u> |
|---|-------------|
| Independent Auditors' Report | 1 |
| Management's Discussion and Analysis..... | 3 |
| Basic Financial Statements: | |
| Government-wide Financial Statements: | |
| Statement of Net Position..... | 10 |
| Statement of Activities..... | 11 |
| Governmental Funds Financial Statements: | |
| Governmental Funds Balance Sheet..... | 12 |
| Reconciliation of the Governmental Funds Balance Sheet to Statement of Net Position | 13 |
| Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund | |
| Fund Balances | 14 |
| Reconciliation of the Statement of Governmental Fund Revenues, Expenditures, and Changes | |
| in Fund Balances to the Statement of Activities..... | 15 |
| Notes to Financial Statements | 16 |

REQUIRED SUPPLEMENTARY INFORMATION

| | |
|---|----|
| Budgetary Comparison Schedule – General Fund | 39 |
| Schedule of Proportionate Share of the Net Pension Liability..... | 40 |
| Schedule of Contributions to the Pension Plan..... | 41 |
| Schedule of Changes in the Net OPEB Liability and Related Ratios..... | 42 |
| Schedule of Contributions to the OPEB Plan..... | 43 |
| Notes to the Required Supplementary Information | 44 |

OTHER INDEPENDENT AUDITORS' REPORTS

| | |
|---|----|
| Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> | 45 |
|---|----|

Financial Section

INDEPENDENT AUDITORS' REPORT

Board of Trustees
San Gabriel Valley Mosquito and Vector Control District
West Covina, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and general fund of San Gabriel Valley Mosquito and Vector Control District (District) as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of San Gabriel Valley Mosquito and Vector Control District, as of June 30, 2020, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information, budgetary comparison information, schedule of proportionate share of the net pension liability, schedule of the pension contributions to the pension plan, schedule of changes in the net OPEB liability and related ratios, and the schedule of OPEB contributions to the OPEB plan be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Prior-Year Comparative Information

The financial statements include partial prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2019, from which such partial information was derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a separate report dated October 31, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Murrieta, California
October 31, 2020

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2020

Management's Discussion and Analysis (MD&A) offers readers of San Gabriel Valley Mosquito and Vector Control District's (District) financial statements a narrative overview of the District's financial activities for the fiscal year ended June 30, 2020. This MD&A presents financial highlights, an overview of the accompanying financial statements, an analysis of net position and results of operations, a current-to-prior year analysis, a discussion on restrictions, commitments and limitations, and a discussion of significant activity involving capital assets and long-term debt. Please read in conjunction with the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's net position increased 7.27%, or \$479,622 from the prior year's net position of \$6,598,533 to \$7,078,155, as a result of this year's operations.
- Total revenues from all sources increased by 14.49%, or \$684,177 from \$4,722,683 to \$5,406,860, from the prior year, primarily due to a \$717,562 increase in the annual property assessment.
- Total expenses for the District's operations increased by 12.84% or \$560,759 from \$4,366,479 to \$4,927,238, from the prior year, primarily due to increases in all expense categories noting primarily that salaries and wages expense increased \$178,401 and employee benefits expense increased \$301,941.

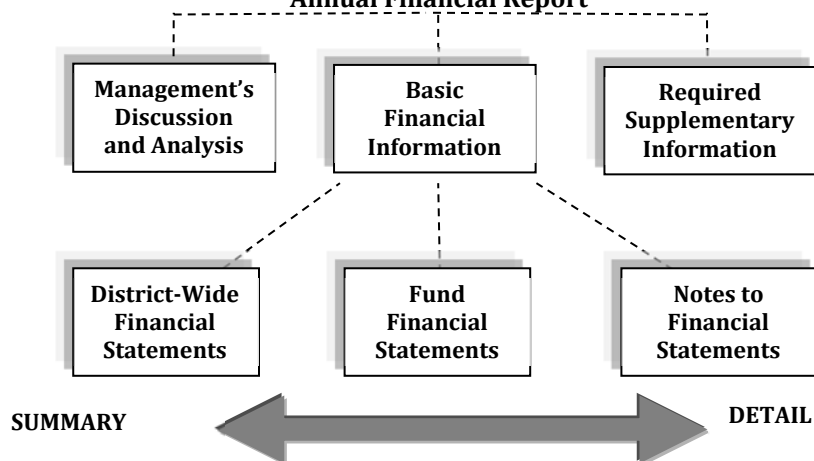
OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – management discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- *District-wide financial statements* provide both short-term and long-term information about the District's overall financial status.
- *Fund financial statements* focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
- *The governmental funds* statements tell how basic services were financed in the short term as well as what remains for future spending.

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1. Organization of San Gabriel Valley Mosquito and Vector Control District's Annual Financial Report



SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2020

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain.

Figure A-2. Major Features of the District-Wide and Fund Financial Statements

| Type of Statements | District-Wide | Governmental Fund |
|---|--|--|
| <i>Scope</i> | Entire District | The activities of the District that are not proprietary or fiduciary, such as fire and ambulance services |
| <i>Required financial statements</i> | <ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities | <ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures & Changes in Fund Balances |
| <i>Accounting basis and measurement focus</i> | Accrual accounting and economic resources focus | Modified accrual accounting and current financial resources focus |
| <i>Type of asset/liability information</i> | All assets and liabilities, both financial and capital, short-term and long-term | Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included |
| <i>Type of inflow/outflow information</i> | All revenues and expenses during year, regardless of when cash is received or paid | Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter |

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2020

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

District-Wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District's net position and how it has changed. Net position – the difference between the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources – is one way to measure the District's financial health, or *position*.

- Over time, increases and decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional nonfinancial factors such as changes in the District's demographics and the condition of buildings and other facilities.
- In the district-wide financial statements, the District's activities are categorized as *Governmental Activities*. Most of the District's basic services are included here, such as weed abatement, landscape maintenance, and administration. State and local programs finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by State law and by grantor requirements.

The District has one fund, the General Fund.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2020

FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION

Analysis of Net Position

Table A-1: Condensed Statement of Net Position

| | <u>June 30, 2020</u> | <u>June 30, 2019</u> | <u>Change</u> |
|---------------------------------------|----------------------|----------------------|-------------------|
| Assets: | | | |
| Current assets | \$ 6,160,887 | \$ 5,233,667 | \$ 927,220 |
| Capital assets, net | 2,791,225 | 2,883,501 | (92,276) |
| Total assets | <u>8,952,112</u> | <u>8,117,168</u> | <u>834,944</u> |
| Deferred outflows of resources | <u>1,448,858</u> | <u>770,264</u> | <u>678,594</u> |
| Liabilities: | | | |
| Current liabilities | 284,243 | 207,724 | 76,519 |
| Non-current liabilities | 2,915,921 | 1,999,630 | 916,291 |
| Total liabilities | <u>3,200,164</u> | <u>2,207,354</u> | <u>992,810</u> |
| Deferred inflows of resources | <u>122,651</u> | <u>81,545</u> | <u>41,106</u> |
| Net position: | | | |
| Net investment in capital assets | 2,755,121 | 2,822,409 | (67,288) |
| Unrestricted | 4,323,034 | 3,776,124 | 546,910 |
| Total net position | <u>\$ 7,078,155</u> | <u>\$ 6,598,533</u> | <u>\$ 479,622</u> |

At the end of fiscal year 2020, the District shows a positive balance in its unrestricted net position of \$4,323,034 that may be utilized in future years.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2020

FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION (continued)

Analysis of Revenues and Expenses

Table A-2: Condensed Statement of Activities

| | <u>June 30, 2020</u> | <u>June 30, 2019</u> | <u>Change</u> |
|---|----------------------------|----------------------------|--------------------------|
| Program revenues | \$ 5,315,340 | \$ 4,596,294 | \$ 719,046 |
| Expenses | <u>(4,927,238)</u> | <u>(4,366,479)</u> | <u>(560,759)</u> |
| Net program revenue | 388,102 | 229,815 | 158,287 |
| General revenues | <u>91,520</u> | <u>126,389</u> | <u>(34,869)</u> |
| Change in net position | 479,622 | 356,204 | 123,418 |
| Net position – beginning of year | <u>6,598,533</u> | <u>6,242,329</u> | <u>356,204</u> |
| Net position – end of year | <u><u>\$ 7,078,155</u></u> | <u><u>\$ 6,598,533</u></u> | <u><u>\$ 479,622</u></u> |

The statement of activities shows how the government's net position changed during the fiscal year. In the case of the District, the operations of the District increased by \$479,622 during the fiscal year ended June 30, 2020.

Table A-3: Total Revenues

| | <u>June 30, 2020</u> | <u>June 30, 2019</u> | <u>Increase (Decrease)</u> |
|-----------------------------------|----------------------------|----------------------------|--------------------------------|
| Program revenues: | | | |
| Property assessments | \$ 5,293,853 | \$ 4,576,291 | \$ 717,562 |
| Penalties and fees on assessments | 15,240 | 13,738 | 1,502 |
| Other revenues | <u>6,247</u> | <u>6,265</u> | <u>(18)</u> |
| Total program revenues | <u>5,315,340</u> | <u>4,596,294</u> | <u>719,046</u> |
| General revenues: | | | |
| Investment earnings | <u>91,520</u> | <u>126,389</u> | <u>(34,869)</u> |
| Total general revenues | <u>91,520</u> | <u>126,389</u> | <u>(34,869)</u> |
| Total revenues | <u><u>\$ 5,406,860</u></u> | <u><u>\$ 4,722,683</u></u> | <u><u>\$ 684,177</u></u> |

Total revenues from all sources increased by 14.49%, or \$684,177 from \$4,722,683 to \$5,406,860, from the prior year, primarily due to a \$717,562 increase in the annual property assessment.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2020

FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION (continued)

Analysis of Revenues and Expenses (continued)

Table A-4: Total Expenses

| | <u>June 30, 2020</u> | <u>June 30, 2019</u> | <u>Increase (Decrease)</u> |
|------------------------|----------------------|----------------------|--------------------------------|
| Expenses: | | | |
| Salaries and wages | \$ 2,564,804 | \$ 2,386,403 | \$ 178,401 |
| Employee benefits | 1,008,602 | 706,661 | 301,941 |
| Materials and services | 920,112 | 825,973 | 94,139 |
| Insurance | 205,037 | 188,524 | 16,513 |
| Depreciation expense | 223,716 | 225,166 | (1,450) |
| Interest expense | 4,967 | 33,752 | (28,785) |
| Total expenses | <u>\$ 4,927,238</u> | <u>\$ 4,366,479</u> | <u>\$ 560,759</u> |

Total expenses for the District's operations increased by 12.84% or \$560,759 from \$4,366,479 to \$4,927,238, from the prior year, primarily due to increases in all expense categories noting primarily that salaries and wages expense increased \$178,401 and employee benefits expense increased \$301,941.

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, the *unreserved fund balance* may serve as a useful measure of the government's net resources for spending at the end of the fiscal year.

As of June 30, 2020, the District reported a total fund balance of \$5,994,770. An amount of \$3,235,379 constitutes the District's *unassigned fund balance*, which is available for future expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

The final budgeted expenditures for the District at year-end were \$1,168,703 more than actual. The variance is principally due to over-budgeting \$790,297 for salaries and benefits expense. Actual revenues were greater than the anticipated budget by \$42,941.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2020

CAPITAL ASSET ADMINISTRATION

Table A-5: Capital Assets at Year End, Net of Depreciation

| | <u>Balance</u> <u>June 30, 2020</u> | <u>Balance</u> <u>June 30, 2019</u> |
|----------------------------------|--|--|
| Capital assets: | | |
| Non-depreciable assets | \$ 810,341 | \$ 810,341 |
| Depreciable assets | 4,434,768 | 4,327,987 |
| Accumulated depreciation | <u>(2,453,884)</u> | <u>(2,254,827)</u> |
| Total capital assets, net | <u>\$ 2,791,225</u> | <u>\$ 2,883,501</u> |

At the end of fiscal year 2019, the District's investment in capital assets amounted to \$2,883,501 (net of accumulated depreciation). This investment in capital assets includes structures, improvements, vehicles and equipment. Major capital asset additions during the year include various vehicles and equipment totaling \$202,300.

See Note 5 for further information on the District's capital assets.

LONG-TERM DEBT ADMINISTRATION

Table A-6: Long-Term Debt at Year End

| | <u>Balance</u> <u>June 30, 2020</u> | <u>Balance</u> <u>June 30, 2019</u> |
|------------------------|--|--|
| Long-term debt: | | |
| Capital lease payable | <u>\$ 36,104</u> | <u>\$ 61,092</u> |

See Note 7 for further information on the District's long-term debt.

FACTORS AFFECTING CURRENT FINANCIAL POSITION

At the end of the first quarter of calendar year 2020, the United States and global economy suffered a major decline due to the impact of the COVID-19 virus. This economic decline may affect the District's operations and investment earnings for the remainder of calendar year 2020 and beyond. However, the potential impact to the District is unknown at this time.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

The District's basic financial statements are designed to present users with a general overview of the District's finances and to demonstrate the District's accountability. If you have any questions about the report or need additional information, please contact the District Manager at (626) 814-9466.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

Statement of Net Position

June 30, 2020

(With Comparative Amounts as of June 30, 2019)

| | <u>Governmental Activities</u> | |
|---|--------------------------------|---------------------|
| | <u>2020</u> | <u>2019</u> |
| ASSETS | | |
| Current assets: | | |
| Cash and investments (Note 2) | \$ 5,796,899 | \$ 4,933,494 |
| Restricted cash and investments for MVCAC (Note 2 and 3) | 29,912 | 10,722 |
| Accrued interest receivable | 14,976 | 25,963 |
| Property assessments receivable | 139,439 | 120,839 |
| Prepaid expenses and inventory items | 74,696 | 40,855 |
| Deposits with Vector Control Joint Powers Agency (VCJPA) (Note 4) | 104,965 | 101,794 |
| Total current assets | <u>6,160,887</u> | <u>5,233,667</u> |
| Non-current assets: | | |
| Capital assets – not being depreciated (Note 5) | 810,341 | 810,341 |
| Capital assets – being depreciated, net (Note 5) | 1,980,884 | 2,073,160 |
| Total non-current assets | <u>2,791,225</u> | <u>2,883,501</u> |
| Total assets | <u>8,952,112</u> | <u>8,117,168</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Deferred amounts related to net OPEB obligation (Note 8) | 806,422 | 104,663 |
| Deferred amounts related to net pension liability (Note 9) | 642,436 | 665,601 |
| Total deferred outflows of resources | <u>1,448,858</u> | <u>770,264</u> |
| LIABILITIES | | |
| Current liabilities: | | |
| Accounts payable and accrued expenses | 44,472 | 49,788 |
| Accrued salaries and benefits | 91,733 | 49,840 |
| Restricted for MVCAC expenses (Note 3) | 29,912 | 10,722 |
| Long-term liabilities – due in one year: | | |
| Compensated absences (Note 6) | 90,574 | 72,386 |
| Capital lease payable (Note 7) | 27,552 | 24,988 |
| Total current liabilities | <u>284,243</u> | <u>207,724</u> |
| Non-current liabilities: | | |
| Long-term liabilities – due in more than one year: | | |
| Compensated absences (Note 6) | 135,861 | 108,578 |
| Capital lease payable (Note 7) | 8,552 | 36,104 |
| Net OPEB obligation (Note 8) | 814,891 | 92,998 |
| Net pension liability (Note 9) | 1,956,617 | 1,761,950 |
| Total non-current liabilities | <u>2,915,921</u> | <u>1,999,630</u> |
| Total liabilities | <u>3,200,164</u> | <u>2,207,354</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| Deferred amounts related to net OPEB obligation (Note 8) | 12,803 | - |
| Deferred amounts related to net pension liability (Note 9) | 109,848 | 81,545 |
| Total deferred inflows of resources | <u>122,651</u> | <u>81,545</u> |
| NET POSITION | | |
| Net investment in capital assets (Note 10) | 2,755,121 | 2,822,409 |
| Unrestricted | 4,323,034 | 3,776,124 |
| Total net position | <u>\$ 7,078,155</u> | <u>\$ 6,598,533</u> |

The notes to financial statements are an integral part of this statement.

10

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2020
(With Comparative Amounts for the Fiscal Year Ended June 30, 2019)

| | Governmental Activities | |
|-----------------------------------|--------------------------------|---------------------|
| | 2020 | 2019 |
| Expenses: | | |
| Mosquito and vector control: | | |
| Salaries and wages | \$ 2,564,804 | \$ 2,386,403 |
| Employee benefits | 1,008,602 | 706,661 |
| Materials and services | 920,112 | 825,973 |
| Insurance | 205,037 | 188,524 |
| Depreciation expense | 223,716 | 225,166 |
| Interest expense | 4,967 | 33,752 |
| Total expenses | 4,927,238 | 4,366,479 |
| Program revenues: | | |
| Charges for services: | | |
| Property assessments | 5,293,853 | 4,576,291 |
| Penalties and fees on assessments | 15,240 | 13,738 |
| Other revenue | 6,247 | 6,265 |
| Total program revenues | 5,315,340 | 4,596,294 |
| Net program revenue | 388,102 | 229,815 |
| General revenues: | | |
| Investment earnings | 91,520 | 126,389 |
| Total general revenues | 91,520 | 126,389 |
| Change in net position | 479,622 | 356,204 |
| Net position: | | |
| Beginning of year | 6,598,533 | 6,242,329 |
| End of year | \$ 7,078,155 | \$ 6,598,533 |

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Balance Sheet – Governmental Funds
June 30, 2020
(With Comparative Amounts as of June 30, 2019)

| | <u>General Fund</u> | |
|--|----------------------------|----------------------------|
| | <u>2020</u> | <u>2019</u> |
| ASSETS | | |
| Assets: | | |
| Cash and investments | \$ 5,796,899 | \$ 4,933,494 |
| Restricted cash and investments for MVCAC | 29,912 | 10,722 |
| Accrued interest receivable | 14,976 | 25,963 |
| Property assessments receivable | 139,439 | 120,839 |
| Prepaid expenses | 74,696 | 40,855 |
| Deposits with Vector Control Joint Powers Agency (VCJPA) | 104,965 | 101,794 |
| Total assets | <u>\$ 6,160,887</u> | <u>\$ 5,233,667</u> |
| LIABILITIES AND FUND BALANCE | | |
| Liabilities: | | |
| Accounts payable and accrued expenses | \$ 44,472 | \$ 49,788 |
| Accrued salaries and benefits | 91,733 | 49,840 |
| Restricted for MVCAC expenses | 29,912 | 10,722 |
| Total liabilities | <u>166,117</u> | <u>110,350</u> |
| Fund balance: (Note 11) | | |
| Nonspendable | 74,696 | 40,855 |
| Assigned | 2,684,695 | 2,323,147 |
| Unassigned | 3,235,379 | 2,759,315 |
| Total fund balance | <u>5,994,770</u> | <u>5,123,317</u> |
| Total liabilities and fund balance | <u>\$ 6,160,887</u> | <u>\$ 5,233,667</u> |

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

*Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2020*

(With Comparative Amounts as of June 30, 2019)

| | <u>2020</u> | <u>2019</u> |
|--|----------------------------|----------------------------|
| Fund Balance – Governmental Funds | \$ 5,994,770 | \$ 5,123,317 |
| Amounts reported for governmental activities in the statement of net position are different because: | | |
| Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those assets as capital assets. | 2,791,225 | 2,883,501 |
| Deferred outflows of resources used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those deferred outflows of resources. | 1,448,858 | 770,264 |
| Long-term liabilities applicable to the District are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities' both current and long-term, are reported in the statement of net position as follows: | | |
| Compensated absences | (226,435) | (180,964) |
| Capital lease payable | (36,104) | (61,092) |
| Net OPEB obligation | (814,891) | (92,998) |
| Net pension liability | (1,956,617) | (1,761,950) |
| Deferred inflows of resources used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those deferred inflows of resources. | <u>(122,651)</u> | <u>(81,545)</u> |
| Total adjustments | <u>1,083,385</u> | <u>1,475,216</u> |
| Net Position – Governmental Activities | <u>\$ 7,078,155</u> | <u>\$ 6,598,533</u> |

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

*Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
For the Fiscal Year Ended June 30, 2020*

(With Comparative Amounts as of June 30, 2019)

| | General Fund | |
|-----------------------------------|---------------------|---------------------|
| | 2020 | 2019 |
| Revenues: | | |
| Charges for services: | | |
| Property assessments | \$ 5,293,853 | \$ 4,576,291 |
| Penalties and fees on assessments | 15,240 | 13,738 |
| Investment earnings | 91,520 | 126,389 |
| Other revenues | 6,247 | 6,265 |
| Total revenues | 5,406,860 | 4,722,683 |
| Expenditures: | | |
| Current: | | |
| Salaries and wages | 2,519,333 | 2,387,053 |
| Employee benefits | 729,530 | 646,719 |
| Materials and services | 920,112 | 825,973 |
| Insurance | 205,037 | 188,524 |
| Capital outlay | 131,440 | 202,300 |
| Debt service: | | |
| Principal | 24,988 | 64,546 |
| Interest | 4,967 | 33,752 |
| Total expenditures | 4,535,407 | 4,348,867 |
| Net change in fund balance | 871,453 | 373,816 |
| Fund balance: | | |
| Beginning of year | 5,123,317 | 4,749,501 |
| End of year | \$ 5,994,770 | \$ 5,123,317 |

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities

For the Fiscal Year Ended June 30, 2020

(With Comparative Amounts as of June 30, 2019)

| | <u>2020</u> | <u>2019</u> |
|--|-------------------|-------------------|
| Net Change in Fund Balance – Governmental Funds | \$ 871,453 | \$ 373,816 |
| Amounts reported for governmental activities in the statement of activities is different because: | | |
| Some expenses reported in the statement of activities do not require the use of current financial resources. Therefore, those expenses are not reported as expenditures in governmental funds as follows: | | |
| Net change in compensated absences | (45,471) | 650 |
| Net change in net OPEB obligation and related deferred resources | (32,937) | 6,645 |
| Net change in net pension liability and related deferred resources | (246,135) | (66,587) |
| Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those capitalized assets is allocated over their estimated useful lives as depreciation expense. | | |
| Capital outlay | 131,440 | 202,300 |
| Depreciation expense | (223,716) | (225,166) |
| Principal repayment of long-term debt is reported as an expenditure in governmental funds. However, principal repayments reduce liabilities in the statement of net position and do not result in expenses in the statement of activities. | | |
| | <u>24,988</u> | <u>64,546</u> |
| Total adjustments | (391,831) | (17,612) |
| Change in Net Position – Governmental Activities | \$ 479,622 | \$ 356,204 |

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Description of Organization

The San Gabriel Valley Mosquito and Vector Control District (District) was originally formed as the San Gabriel Valley Mosquito Abatement District pursuant to Section 2200, et seq. of the Health and Safety Code and incorporated in the State of California in August 1989. The District covers a total of 284 square miles encompassing the cities of Alhambra, Arcadia, Azusa, Baldwin Park, Bradbury, Claremont, Covina, Duarte, El Monte, Glendora, Industry, Irwindale, La Puente, La Verne, Monrovia, Monterey Park, Pasadena, Pomona, Rosemead, San Dimas, San Gabriel, Sierra Madre, South Pasadena, Temple City, Walnut, West Covina, and the unincorporated portions of the County of Los Angeles in the San Gabriel Valley.

The purpose of the District is to provide operational mosquito and vector control and surveillance in order to protect the residents of the District from mosquito-borne disease and from other diseases *and* vectors. The District is governed by a Board of Trustees, which consists of 27 members, one member from each city and a representative of Los Angeles County.

The criteria used in determining the scope of the financial reporting entity is based on the provisions of Governmental Accounting Statements No. 61, The Financial Reporting Entity. The District is the primary governmental unit based on the foundation of a separately elected governing board that is elected by the citizens in a general popular election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The District is financially accountable if it appoints a voting majority of the organization's governing body and: 1) It is able to impose its will on that organization, or 2) There is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. The District has no component units as of year-end.

B. Reporting Entity

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments, and agencies that are not legally separate from the District.

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District, in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete.

The District has identified no organizations that are required to be reported as component units.

C. Basis of Presentation, Basis of Accounting

1. Basis of Presentation

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the primary government (District) and its component units. These statements include the financial activities of the overall government. Governmental activities generally are financed through property assessments, intergovernmental revenues, and other nonexchange transactions.

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation, Basis of Accounting (continued)

1. Basis of Presentation (continued)

Government-Wide Financial Statements (continued)

The statement of activities presents a comparison between direct expenses and program revenues for the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges for services or property assessments paid by the recipients of those goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including investment earnings, are presented as general revenues.

Major Governmental Funds

The District maintains the following major governmental funds:

General Fund: This fund is used to account for all financial resources of the District, except those required to be accounted for in another fund when necessary.

2. Measurement Focus, Basis of Accounting

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and financing from capital leases are reported as other financing sources.

3. Revenues - Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year. Generally, available is defined as collectible within 60 days.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation, Basis of Accounting (continued)

3. Revenues - Exchange and Non-Exchange Transactions (continued)

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, certain grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year in which the taxes are received. Revenue from certain grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include time and purpose requirements. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

1. Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

2. Investments

Investments are reported at fair value except for short-term investments, which are reported at cost, which approximates fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value. Investments in governmental investment pools are reported at fair value based on the fair value per share of the pool's underlying portfolio.

In accordance with fair value measurements, the District categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement.

Financial assets and liabilities recorded on the balance sheet are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical investments, such as stocks, corporate and government bonds. The District has the ability to access the holding and quoted prices as of the measurement date.

Level 2 – Inputs, other than quoted prices, that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active.

Level 3 – Inputs that are unobservable. Unobservable inputs reflect the District's own assumptions about the factors market participants would use in pricing an investment, and is based on the best information available in the circumstances.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements
 June 30, 2020

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

3. Prepaid Items

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

4. Capital Assets

Capital assets are stated at cost or at their estimated fair value at date of donation. It is the District’s policy to capitalize assets costing over \$5,000. The provision for depreciation is computed using the straight-line method over the estimated service lives of the capital assets.

Estimated service lives for the District’s classes of assets are as follows:

| <u>Asset Class</u> | <u>Useful Lives</u> |
|-----------------------------|---------------------|
| Structures and improvements | 15-50 years |
| Equipment and Vehicles | 3-10 years |

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

6. Compensated Absences

The liability for compensated absences reported in the government-wide statements consists of unpaid, accumulated annual and vacation leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

7. Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District’s Retiree Benefit Plan (OPEB Plan) and additions to/deductions from the OPEB Plans’ fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

8. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plan and addition to/deductions from the Plans fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. Net Position

Net position is classified into three components: net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- **Net investment in capital assets** - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- **Restricted** - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted net position** - This component of net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted".

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

10. Fund Balances

The fund balance for governmental funds is reported in classifications based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Nonspendable: Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories and prepaid assets.

Restricted: Fund balance is reported as restricted when the constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provision or by enabling legislation.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

10. Fund Balances (continued)

Committed: The District's highest decision-making level of authority rests with the District's Board. Fund balance is reported as committed when the Board passes a resolution that places specified constraints on how resources may be used. The Board can modify or rescind a commitment of resources through passage of a new resolution.

Assigned: Resources that are constrained by the District's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent may be expressed by either the Board, committees (such as budget or finance), or officials to which the Board has delegated authority.

Unassigned: Unassigned fund balance represents fund balance that has not been restricted, committed, or assigned and may be utilized by the District for any purpose. When expenditures are incurred, and both restricted and unrestricted resources are available, it is the District's policy to use restricted resources first, then unrestricted resources in the order of committed, assigned, and then unassigned, as they are needed.

E. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

F. Property Assessments

The District, as authorized by Health and Safety Code Section 2291.2, levies an assessment on real property within the District. The assessment, as approved by the Board of Trustees, is levied to each assessable parcel in the District, based upon land use and size and is intended to completely cover the cost of providing vector control services within the District.

The assessment is collected by the Los Angeles County Tax Collector on or before the first business day of September of each year. They become a lien on real property on March 1 preceding the fiscal year for which the taxes are levied. These tax payments can be made in two installments; the first is due November 1 and delinquent with penalties after December 10; the second is due February 1 and delinquent with penalties after April 10.

If delinquent taxes are not paid within five years, the property may be sold at public auction. The proceeds are used to pay delinquent amounts due, and any excess, if claimed, is returned to the taxpayer. The amount of assessments due to the District which are uncollectible is negligible and, accordingly, no provision for uncollectible amounts has been recorded.

Property assessments are recognized in the fiscal year for which the assessments have been levied providing they become available. Available means then due, or past due and receivable within the current period, and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements
 June 30, 2020

NOTE 2 – CASH AND INVESTMENTS

Cash and investments were classified in the accompanying financial statements as follows:

| <u>Description</u> | <u>Balance</u> |
|---|---------------------|
| Cash and investments | \$ 5,796,899 |
| Restricted cash and investments for MVCAC | 29,912 |
| Total cash and investments | \$ 5,826,811 |

Cash and investments consisted of the following:

| <u>Description</u> | <u>Balance</u> |
|---|---------------------|
| Cash on hand | \$ 217 |
| Demand deposits with financial institutions | 630,227 |
| Deposits with the California Local Agency Investment Fund (LAIF) | 1,421,973 |
| Deposits with the County of Los Angeles Pooled Investment Fund (LACPIF) | 3,774,394 |
| Total cash and investments | \$ 5,826,811 |

The table below identifies the investment types that are authorized by the California Government Code and the District's investment policy. The table also identifies certain provisions of the District's investment policy that address interest rate risk and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements rather than the general provisions of the California Government Code or the District's investment policy.

| <u>Authorized Investment Type</u> | <u>Maximum Maturity</u> | <u>Maximum Percentage of Portfolio</u> | <u>Maximum Investment in One Issuer</u> |
|--|-------------------------|--|---|
| U.S. Treasury obligations | 5-years | None | None |
| District issued bonds | 5-years | None | None |
| Government sponsored agency securities | 5-years | None | None |
| Certificates-of-deposit | 5-years | 35% | None |
| Money-market funds | N/A | None | None |
| California Local Agency Investment Fund (LAIF) | N/A | None | None |
| County of Los Angeles Pooled Investment Fund | N/A | None | None |

Demand Deposits with Financial Institutions

At June 30 2020, the carrying amount of the District's demand deposits were \$630,227, and the financial institution's balance was \$711,211. The net difference of \$80,984 represents outstanding checks, deposits-in-transit and/or other reconciling items between the financial institution's balance and the District's balance for each year.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 2 – CASH AND INVESTMENTS (continued)

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. Cash balances held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC) and are collateralized by the respective financial institutions. In addition, the California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits.

Local Agency Investment Fund (LAIF)

The California State Treasurer, through the Pooled Money Investment Account (PMIA), invests taxpayers' money to manage the State's cash flow and strengthen the financial security of local governmental entities. PMIA policy sets as primary investment objectives safety, liquidity and yield. Through the PMIA, the Investment Division manages the Local Agency Investment Fund (LAIF). The LAIF allows cities, counties and special districts to place money in a major portfolio and, at no additional costs to taxpayers, use the expertise of Investment Division staff. Participating agencies can withdraw their funds from the LAIF at any time as LAIF is highly liquid and carries a dollar-in dollar-out amortized cost methodology.

The District is a voluntary participant in LAIF. The fair value of the District's investment in this pool is reported at an amount based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of the of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF. LAIF is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis and it is Not Rated under the current credit risk ratings format. For financial reporting purposes, the District considers LAIF a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2020, the District held \$1,421,973 in LAIF.

Los Angeles County Pooled Investment Fund (LACPIF)

The District is a voluntary participant in the Los Angeles County Pooled Investment Fund (LACPIF) pursuant to Government Code Section 53694. The cash flow needs of participants are monitored daily to ensure that sufficient liquidity is maintained to meet the needs of those participants. At the time deposits are made, the Los Angeles County Treasurer may require the depositing entity to provide annual cash flow projections or an anticipated withdrawal schedule for deposits in excess of \$1 million. Projections are performed no less than semi-annually. In accordance with Government Code Section 27136, all request for withdrawal of funds for the purpose of investing or deposits the funds elsewhere shall be evaluated to ensure the proposed withdrawal will not adversely affect the principal deposits of the other participants. Pool detail may be obtained from the County of Los Angeles Treasurer's Office – 225 N. Hill Street – Los Angeles, CA 90012 or the Treasurer and Tax Collector's office website at www.ttc.lacounty.gov.

LACPIF is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis and it is Not Rated under the current credit risk ratings format. For financial reporting purposes, the District considers the LACPIF a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2020, the District held \$3,774,394 in LACPIF.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 2 – CASH AND INVESTMENTS (continued)

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2020, the District's investment in the LACPIF was rated by Standard & Poor's as AA Af/S1.

Concentration of Credit Risk

The District's investment policy contains no limitations on the amount that can be invested in any one governmental agency or non-governmental issuer beyond that stipulated by the California Government Code. There were no investments in any one governmental or non-governmental issuer that represented 5% or more of the District's total investments except for those in the LACPIF.

NOTE 3 – RESTRICTED CASH AND INVESTMENTS FOR MVCAC

The District is holding \$29,912 for the Mosquito and Vector Control Association of California (MVCAC) – Southern Region to be used for Continuing Education Event funding for MVCAC Southern Region District members.

NOTE 4 – DEPOSITS WITH VECTOR CONTROL JOINT POWERS AGENCY (VCJPA)

The District participates with other districts in a joint venture under a joint powers agreement, which established the Vector Control Joint Powers Agency (VCJPA). The relationship between the District and the VCJPA is such that the VCJPA is not a component unit of the District for financial reporting purposes.

The VCJPA is a consortium of thirty-five districts located throughout California. It was established under the provisions of California Government Code Section 6500 et seq. The VCJPA is governed by a Board of Directors, which meets 4-5 times per year, consisting of one member from each of the four regions (Coastal, Sacramento Valley, San Joaquin Valley, and Southern California) and two members from the Trustee Advisory Council.

The VCJPA's purpose is to arrange and administer programs of self-insured losses and to purchase excess or group insurance coverage. The day-to-day business is handled by a risk management group contracted by the VCJPA. See Note 14 for further information.

The District's share of the VCJPA's Members Property Contingency Fund balance as of June 30, 2020 totaled \$104,965. The balance includes interest earnings and may be withdrawn upon leaving the plan with a sixty-day notice. At the termination of the joint-powers agreement and after all claims have been settled, any excess or deficit will be divided among the districts in accordance with its governing documents.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements
 June 30, 2020

NOTE 5 – CAPITAL ASSETS

Changes in capital assets for the year were as follows:

| | <u>Balance July 1, 2019</u> | <u>Additions/ Transfers</u> | <u>Deletions/ Transfers</u> | <u>Balance June 30, 2020</u> |
|---------------------------------------|---------------------------------|---------------------------------|---------------------------------|----------------------------------|
| Non-depreciable capital assets: | | | | |
| Land | \$ 810,341 | \$ - | \$ - | \$ 810,341 |
| Total non-depreciable capital assets | <u>810,341</u> | <u>-</u> | <u>-</u> | <u>810,341</u> |
| Depreciable capital assets: | | | | |
| Structures and improvements | 2,992,458 | 16,300 | - | 3,008,758 |
| Equipment and vehicles | <u>1,335,529</u> | <u>115,140</u> | <u>(24,659)</u> | <u>1,426,010</u> |
| Total depreciable capital assets | <u>4,327,987</u> | <u>131,440</u> | <u>(24,659)</u> | <u>4,434,768</u> |
| Accumulated depreciation: | | | | |
| Structures and improvements | (1,350,356) | (68,578) | - | (1,418,934) |
| Equipment and vehicles | <u>(904,471)</u> | <u>(155,138)</u> | <u>24,659</u> | <u>(1,034,950)</u> |
| Total accumulated depreciation | <u>(2,254,827)</u> | <u>(223,716)</u> | <u>24,659</u> | <u>(2,453,884)</u> |
| Total depreciable capital assets, net | <u>2,073,160</u> | <u>(92,276)</u> | <u>-</u> | <u>1,980,884</u> |
| Total capital assets, net | <u>\$ 2,883,501</u> | <u>\$ (92,276)</u> | <u>\$ -</u> | <u>\$ 2,791,225</u> |

NOTE 6 – COMPENSATED ABSENCES

Changes to compensated absences balances for the year were as follows:

| <u>Balance July 1, 2019</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance June 30, 2020</u> | <u>Current Portion</u> | <u>Long-term Portion</u> |
|---------------------------------|------------------|------------------|----------------------------------|----------------------------|------------------------------|
| \$ 180,964 | \$ 195,969 | \$ (150,498) | \$ 226,435 | \$ 90,574 | \$ 135,861 |

NOTE 7 – CAPITAL LEASE PAYABLE

Changes in the capital lease payable amounts for the year were as follows:

| <u>Balance July 1, 2019</u> | <u>Additions</u> | <u>Payments</u> | <u>Balance June 30, 2020</u> | <u>Current Portion</u> | <u>Long-term Portion</u> |
|---------------------------------|------------------|-----------------|----------------------------------|----------------------------|------------------------------|
| \$ 61,092 | \$ - | \$ (24,988) | \$ 36,104 | \$ 27,552 | \$ 8,552 |

The District leased four vehicles under a capital lease payable. The leases are each for a sixty-month period. The monthly payments on these four vehicles total \$2,490.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements
Years Ended June 30, 2020

NOTE 7 – CAPITAL LEASE PAYABLE (continued)

The following is a schedule by years of the future minimum lease payments under the capital lease agreements together with the present value of the net minimum lease payments as of June 30, 2020:

| <u>Fiscal Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------|------------------|-----------------|--------------|
| 2021 | \$ 27,552 | \$ 2,328 | \$ 29,880 |
| 2022 | 8,552 | 163 | 8,715 |
| Total | 36,104 | \$ 2,491 | \$ 38,595 |
| Current | (27,552) | | |
| Long-term | \$ 8,552 | | |

NOTE 8 – NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) OBLIGATION

Summary

The following balances on the balance sheet will be addressed in this footnote as follows:

| <u>Description</u> | <u>2020</u> |
|---|-------------|
| OPEB related deferred outflows | \$ 806,422 |
| Net other post-employment benefits obligation | 814,891 |
| OPEB related deferred inflows | 12,803 |

Plan Description - Eligibility

The District administers its post-employment benefits plan, a single-employer defined benefit plan (the Plan). The following requirements must be satisfied in order to be eligible for post-employment medical benefits: (1) Attainment of age 50, and 10 years for full-time service, and (2) retirement from the District (the District must be the last employer prior to retirement).

Plan Description - Benefits

The District offers post-employment medical benefits to retired employees who satisfy the eligibility rules. Retirees may enroll in any plan available through the CalPERS medical program. The contribution requirements of plan members and the District are established and may be amended by the Board of Directors. The following is a description of the current retiree benefit plan:

| <u>Description</u> | <u>Participants</u> |
|--------------------------|---|
| Benefit types provided | Medical only |
| Duration of benefits | Lifetime |
| Required service | CalPERS Retirement and 10 years service |
| Minimum age | 50 years and CalPERS Retirement from District |
| Dependent coverage | Surviving spouse may participate subject to PEMHCA |
| District contribution | 50% at 10-years of service, plus 5% for each additional year to 100% at 20 or more years of service |
| District cap on coverage | Highest single-rate |

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements
Years Ended June 30, 2020

NOTE 8 – NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) OBLIGATION (continued)

Employees covered by benefit terms

At June 30, 2020, the following employees were covered by the benefit terms:

| <u>Description</u> | <u>2020</u> |
|---|-------------|
| Inactive plan members or beneficiaries currently receiving benefit payments | 3 |
| Inactive plan members entitled to but not yet receiving benefit payments | 1 |
| Active plan members | 34 |
| Total | <u>38</u> |

A. Total Net OPEB Liability

The District’s total net OPEB liability of \$814,891 as of June 30, 2020 was measured as of June 30, 2019 (Measurement Date), and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs

The total net OPEB liability in the June 30, 2019 (Measurement Date) actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|-----------------------------|---------------|
| Valuation Date | June 30, 2019 |
| Experience Study | N/A |
| Inflation | 2.50% |
| Salary increases | 3.00% |
| Investment rate of return | 6.50% |
| Healthcare cost trend rates | 5.4 percent |

Mortality, Retirement & Turnover Assumptions

The mortality assumptions are based on the 2014 Active Mortality for Miscellaneous Employees table created by CalPERS.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions would be sufficient to fully fund the obligation over a period not to exceed 30 years.

Long-term Expected Rate of Return

The long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. The asset class percentages are taken from the current composition of the California Employers’ Retiree Benefit Trust (CERBT), and the expected yields are taken from a recent CalPERS publication for the pension fund:

| <u>Asset Class</u> | <u>Percentage of Portfolio</u> | <u>Assumed Gross Return</u> |
|--------------------|--------------------------------|-----------------------------|
| Global Equities | 40.0% | 8.90% |
| US Fixed Income | 43.0% | 5.54% |
| Inflation Assets | 5.0% | 4.38% |
| REITs | 8.0% | 7.92% |
| Commodities | 4.0% | 5.79% |

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements
Years Ended June 30, 2020

NOTE 8 – NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) OBLIGATION (continued)

B. Changes in the Total OPEB Liability

The following table is based on the roll-forward of the June 30, 2019 (Measurement Date) actuarial valuation:

| | Increase (Decrease) | | |
|--|-------------------------|--------------------------------|-----------------------|
| | Total OPEB Liability | Plan Fiduciary Net Position | Net OPEB Liability |
| Balance at July 1, 2019 (Measurement date July 1, 2018) | \$ 758,905 | \$ 665,907 | \$ 92,998 |
| Changes for the year: | | | |
| Service cost | 54,959 | - | 54,959 |
| Interest | 52,389 | - | 52,389 |
| Changes in assumptions | 740,712 | - | 740,712 |
| Changes in experience | (11,928) | - | (11,928) |
| Employer contributions | - | 65,752 | (65,752) |
| Actual investment income | - | 48,632 | (48,632) |
| Administrative expense | - | (145) | 145 |
| Benefit payments | (15,752) | (15,752) | - |
| Net changes | 820,380 | 98,487 | 721,893 |
| Balance at June 30, 2020 (Measurement date June 30, 2019) | <u>\$ 1,579,285</u> | <u>\$ 764,394</u> | <u>\$ 814,891</u> |

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

| 1% Decrease 4.16% | Discount Rate 5.16% | 1% Increase 6.16% |
|----------------------|------------------------|----------------------|
| <u>\$ 1,095,251</u> | <u>\$ 814,891</u> | <u>\$ 591,352</u> |

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

| 1% Decrease 3.0% | Healthcare Cost Trend Rates 4.0% | 1% Increase 5.0% |
|---------------------|--|---------------------|
| <u>\$ 549,391</u> | <u>\$ 814,891</u> | <u>\$ 1,162,709</u> |

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements
Years Ended June 30, 2020

NOTE 8 – NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) OBLIGATION (continued)

C. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the District recognized OPEB expense/(credit) of \$120,435.

At June 30, 2020, the District reported \$793,619 of deferred outflows/(inflows) of resources, net for related to the net OPEB obligation as follows:

| <u>Account Description</u> | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| OPEB contributions made after the measurement date | \$ 87,498 | \$ - |
| Changes in assumptions | 683,952 | - |
| Differences between expected and actual experience | 34,972 | (11,014) |
| Differences between projected and actual earnings on OPEB plan investments | - | (1,789) |
| Total Deferred Outflows/(Inflows) of Resources | <u>\$ 806,422</u> | <u>\$ (12,803)</u> |

At June 30, 2020, the District reported \$87,498 of deferred outflows of resources for employer contributions made subsequent to the measurement date which will be used to reduce the net OPEB liability balance in the coming year. Amortization of the \$706,121 of remaining deferred outflows/(inflows) of resources, net related to the net OPEB obligation is as follows:

| <u>Amortization Period Fiscal Year Ended June 30</u> | <u>Deferred Outflows/(Inflows) of Resources</u> |
|--|---|
| 2021 | \$ 57,846 |
| 2022 | 57,846 |
| 2023 | 57,845 |
| 2024 | 57,450 |
| 2025 | 58,194 |
| Thereafter | 416,940 |
| Total | <u>\$ 706,121</u> |

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements
Years Ended June 30, 2020

NOTE 9 – PENSION PLAN

Summary

The following balances on the balance sheet will be addressed in this footnote as follows:

| <u>Description</u> | <u>2020</u> |
|-----------------------------------|-------------|
| Pension related deferred outflows | \$ 642,436 |
| Net pension liability | 1,956,617 |
| Pension related deferred inflows | 109,848 |

The net pension liability balances have a Measurement Date of June 30, 2019 which is rolled-forward for the District’s fiscal year ended June 30, 2020.

Qualified employees are covered under a multiple-employer defined benefit pension plan maintained by agencies of the State of California known as the California Public Employees’ Retirement System (CalPERS), or "The Plan".

The Plan

The District has engaged with CalPERS to administer the following pension plans for its employees (members):

| | <u>Miscellaneous Plans</u> | |
|---|------------------------------------|---------------------------------------|
| | <u>Classic Tier 1</u> | <u>PEPRA Tier 2</u> |
| Hire date | Prior to <u>January 1, 2013</u> | On or after <u>January 1, 2013</u> |
| Benefit formula | 2.0% @ 55 | 2.0% @ 62 |
| Benefit vesting schedule | 5-years of service | 5-years of service |
| Benefits payments | monthly for life | monthly for life |
| Retirement age | 50 - 67 & up | 52 - 67 & up |
| Monthly benefits, as a % of eligible compensation | 1.8% to 2.0% | 1.0% to 2.5% |
| Required member contribution rates | 7.000% | 6.250% |
| Required employer contribution rates – FY 2018 | 9.409% | 6.842% |

A. General Information about the Pension Plan

Plan Description, Benefits Provided and Employees Covered

The Plan is a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS). The District contributes to the miscellaneous risk pool within the Plan. A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes, and membership information is listed in the June 30, 2019 Annual Actuarial Valuation Report. This report is a publicly available valuation report that can be obtained at CalPERS website under Forms and Publications.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements
Years Ended June 30, 2020

NOTE 9 – PENSION PLAN (continued)

A. General Information about the Pension Plan (continued)

Plan Description, Benefits Provided and Employees Covered (continued)

The California Public Employees’ Pension Reform Act (PEPRA), which took effect in January 2013, changes the way CalPERS retirement benefits are applied, and places compensation limits on members. As a result of these changes since PEPRA’s adoption in January 2013, the District now has two unique CalPERS plans to which it makes contributions within the miscellaneous risk pool: the “classic” plan, which includes covered employees who have established membership in a CalPERS plan prior to January 2013, as well as the “PEPRA/new” plan, which includes covered employees who have established membership in a CalPERS plan after January 2013. Each plan or membership contains unique benefits levels, which are enumerated in the June 30, 2019 Annual Actuarial Valuation Reports.

At June 30, 2020, the following members were covered by the benefit terms:

| Plan Members | Miscellaneous Plans | | Total |
|------------------------------------|----------------------------|---------------------|--------------|
| | Classic Tier 1 | PEPRA Tier 2 | |
| Active members | 11 | 23 | 34 |
| Transferred and terminated members | 35 | 17 | 52 |
| Retired members and beneficiaries | 10 | - | 10 |
| Total plan members | 56 | 40 | 96 |

Contribution Description

Section 20814(c) of the California Public Employees’ Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan’s actuarially determined rate is based on the estimated amount necessary to pay the Plan’s allocated share of the risk pool’s costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Contributions for the year ended June 30, 2020, (Measurement Date June 30, 2019) were as follows:

| Contribution Type | Miscellaneous Plans | | Total |
|----------------------------|----------------------------|---------------------|-------------------|
| | Classic Tier 1 | PEPRA Tier 2 | |
| Contributions – employer | \$ 178,987 | \$ 128,565 | \$ 307,552 |
| Contributions – members | 35,825 | 121,300 | 157,125 |
| Total contributions | \$ 214,812 | \$ 249,865 | \$ 464,677 |

Employer contributions rates may change if plan contracts are amended. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any Employer Paid Member Contributions or situations where members are paying a portion of the employer contribution.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements
Years Ended June 30, 2020

NOTE 9 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

Proportionate Share of Net Pension Liability and Pension Expense

The following table shows the plan’s proportionate share of the risk pool collective net pension liability over the measurement period:

Changes in the net pension liability for the year ended June 30, 2020, were as follows:

| <u>Plan Type and Balance Descriptions</u> | <u>Plan Total Pension Liability</u> | <u>Plan Fiduciary Net Position</u> | <u>Change in Plan Net Pension Liability</u> |
|--|-------------------------------------|------------------------------------|---|
| CalPERS – Miscellaneous Plan: | | | |
| Balance as of June 30, 2018 (Measurement Date) | \$ 8,614,488 | \$ 6,852,538 | \$ 1,761,950 |
| Balance as of June 30, 2019 (Measurement Date) | \$ 9,515,434 | \$ 7,558,817 | \$ 1,956,617 |
| Change in Plan Net Pension Liability | \$ 900,946 | \$ 706,279 | \$ 194,667 |

For the year ended June 30, 2020 pension expense was \$553,687

The following is the approach established by the plan actuary to allocate the net pension liability and pension expense to the individual employers within the risk pool.

- (1) In determining a cost-sharing plan’s proportionate share, total amounts of liabilities and assets are first calculated for the risk pool as a whole on the valuation dates (June 30, 2018). The risk pool’s fiduciary net position (“FNP”) subtracted from its total pension liability (TPL) determines the net pension liability (NPL) at the valuation date.
- (2) Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date (June 30, 2019). Risk pool FNP at the measurement date is then subtracted from this number to compute the NPL for the risk pool at the measurement date. For purposes of FNP in this step and any later reference thereto, the risk pool’s FNP at the measurement date denotes the aggregate risk pool’s FNP at June 30, 2019 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (FY 2018-2019).
- (3) The individual plan’s TPL, FNP and NPL are also calculated at the valuation date.
- (4) Two ratios are created by dividing the plan’s individual TPL and FNP as of the valuation date from (3) by the amounts in step (1), the risk pool’s total TPL and FNP, respectively.
- (5) The plan’s TPL as of the Measurement Date is equal to the risk pool TPL generated in (2) multiplied by the TPL ratio generated in (4). The plan’s FNP as of the Measurement Date is equal to the FNP generated in (2) multiplied by the FNP ratio generated in (4) plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.
- (6) The plan’s NPL at the Measurement Date is the difference between the TPL and FNP calculated in (5).

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

Notes to Financial Statements

Years Ended June 30, 2020

NOTE 9 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Proportionate Share of Net Pension Liability and Pension Expense (continued)

As of June 30, 2020, the District reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$1,956,617.

The District’s net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2019, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The District’s proportionate share of the net pension liability for the June 30, 2020, measurement date was as follows:

| | Percentage Share of Risk Pool | | Change Increase/ (Decrease) |
|---|---|---|--|
| | Fiscal Year Ending June 30, 2020 | Fiscal Year Ending June 30, 2019 | |
| | June 30, 2019 | June 30, 2018 | |
| Measurement Date | June 30, 2019 | June 30, 2018 | |
| Percentage of Risk Pool Net Pension Liability | 0.048860% | 0.046752% | 0.002108% |
| Percentage of Plan (PERF C) Net Pension Liability | 0.019094% | 0.018285% | 0.000809% |

The total amount of \$307,552 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| Account Description | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| Pension contributions made after the measurement date | \$ 307,552 | \$ - |
| Difference between actual and proportionate share of employer contributions | 1,320 | (32,037) |
| Adjustment due to differences in proportions | 104,368 | - |
| Differences between expected and actual experience | 135,895 | (10,529) |
| Differences between projected and actual earnings on pension plan investments | - | (34,208) |
| Changes in assumptions | 93,301 | (33,074) |
| Total Deferred Outflows/(Inflows) of Resources | \$ 642,436 | \$ (109,848) |

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements
Years Ended June 30, 2020

NOTE 9 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Proportionate Share of Net Pension Liability and Pension Expense (continued)

Other remaining amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions for the year ended June 30, 2020, will be amortized to pension expense in future periods as follows:

| <u>Amortization Period</u> <u>Fiscal Year Ended June 30</u> | <u>Deferred</u> <u>Outflows/(Inflows)</u> <u>of Resources</u> |
|--|---|
| 2021 | \$ 192,285 |
| 2022 | 2,216 |
| 2023 | 23,623 |
| 2024 | 6,912 |
| Total | \$ 225,036 |

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ending June 30, 2019 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2018 total pension liability. The June 30, 2020 total pension liability was based on the following actuarial methods and assumptions:

| | |
|----------------------------------|---|
| Actuarial Cost Method | Entry Age Normal in accordance with the requirement of GASB Statement No. 68 |
| Actuarial Assumptions: | |
| Discount Rate | 7.15% |
| Inflation | 2.75% |
| Salary Increases | Varies by Entry Age and Service |
| Mortality Rate Table | Derived using CalPERS' Membership Data for all Funds. |
| Post Retirement Benefit Increase | Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter |

Discount Rate

The discount rate used to measure the total pension liability for PERF B was 7.15%. A projection of expected benefit payments and contributions was performed to determine if the assets would run out. The test revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for PERF B. The results of the crossover testing for the Plan are presented in a detailed report that can be obtained on CalPERS' website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

Notes to Financial Statements

Years Ended June 30, 2020

NOTE 9 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Discount Rate (continued)

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

| Investment Type | New Strategic Allocation | Real Return Years 1 - 10 ¹ | Real Return Years 11+ ² |
|------------------|--------------------------|---------------------------------------|------------------------------------|
| Global Equity | 50.0% | 4.80% | 5.98% |
| Fixed Income | 28.0% | 1.00% | 2.62% |
| Inflation Assets | 0.0% | 0.77% | 1.81% |
| Private Equity | 8.0% | 6.30% | 7.23% |
| Real Estate | 13.0% | 3.75% | 4.93% |
| Liquidity | 1.0% | 0.00% | -0.92% |
| | 100.0% | | |

¹ An expected inflation rate-of-return of 2.5% is used for years 1-10.

² An expected inflation rate-of-return of 3.0% is used for years 11+.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability/(asset) of the Plan as of the measurement date, calculated using the discount rate of 7.15%, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15%) or 1 percentage-point higher (8.15%) than the current rate:

Changes in the discount rate for the year ended June 30, 2020, was as follows:

| Plan Type | Plan's Net Pension Liability/(Asset) | | |
|------------------------------|--------------------------------------|--------------------------------|-----------------------------|
| | Discount Rate - 1% 6.15% | Current Discount Rate 7.15% | Discount Rate + 1% 8.15% |
| CalPERS – Miscellaneous Plan | \$ 3,236,472 | \$ 1,956,617 | \$ 900,187 |

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS financial report and can be obtained from CalPERS’ website under Forms and Publications.

C. Payable to the Pension Plans

At June 30, 2020, the District reported no payables for outstanding contributions to the CalPERS pension plan required for the year ended June 30, 2020.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements
Years Ended June 30, 2020

NOTE 10 – NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets consisted of the following as of June 30:

| <u>Description</u> | <u>Balance</u> |
|---|-----------------------------------|
| Capital assets – not being depreciated | \$ 810,341 |
| Capital assets – being depreciated, net | 1,980,884 |
| Capital lease – current portion | (27,552) |
| Capital lease – non-current portion | (8,552) |
| Total net investment in capital assets | <u><u>\$ 2,755,121</u></u> |

NOTE 11 – FUND BALANCE

A detailed schedule of fund balances and their funding composition at June 30, 2020 is as follows:

| <u>Description</u> | <u>Balance</u> |
|--------------------------------|-----------------------------------|
| Nonspendable: | |
| Prepaid expenses | \$ 74,696 |
| Assigned: | |
| Public health emergencies | 1,326,200 |
| Capital projects and purchases | 1,132,060 |
| Compensated absences | 226,435 |
| Total assigned | <u>2,684,695</u> |
| Unassigned: | |
| Unassigned | <u>3,235,379</u> |
| Total fund balances | <u><u>\$ 5,994,770</u></u> |

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

Notes to Financial Statements

Years Ended June 30, 2020

NOTE 12 – DEFERRED COMPENSATION SAVINGS PLAN

For the benefit of its employees, the District participates in an IRS Code Section 457 Deferred Compensation Program. The purpose of this Program is to provide deferred compensation for public employees that elect to participate in the Program. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District, and are not subject to claims of the District's general creditors.

The District has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not shown on the statement of net position.

NOTE 13 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District, as a member of the Vector Control Joint Powers Authority (VCJPA) participates in self-insured pools to manage the potential liabilities that may occur from the previously named sources.

The District participates in the liability and property programs of the VCJPA as follows:

- General and auto liability, public officials and employees' errors and omissions
- Workers' compensation
- Property damage
- Auto physical damage
- Business travel (optional insurance policy)
- Group fidelity (optional insurance policy)

The District is covered for the first \$1,000,000 of each general liability claim and \$500,000 of each workers compensation claim through the VCJPA. The District has the right to receive dividends, if declared by the Board of Directors for a program year in which the District participated, and the obligation to pay assessments based on a formula which, among other expenses, charges the District's account for liability losses under \$10,000 and worker's compensation losses under \$25,000. The VCJPA participates in an excess pool which provides general liability coverage from \$1,000,000 to \$29,000,000 and in an excess pool which provides worker's compensation coverage over \$500,000 to \$5,000,000 and purchases excess insurance above \$5,000,000 up to the statutory limit. The VCJPA can be contacted directly for additional financial information.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

Notes to Financial Statements

Years Ended June 30, 2020

NOTE 13 – RISK MANAGEMENT (continued)

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years and there were no reductions in the District's insurance coverage during the year ended June 30, 2020. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payables as of June 30, 2020.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

Grant Awards

Grant funds received by the District are subject to audit by the grantor agencies. Such audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. Management of the District believes that such disallowances, if any, would not be significant.

Litigation

The District is involved in routine litigation incidental to its business and may be subject to claims and litigation from outside parties. After consultation with legal counsel, management believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

NOTE 15 – SUBSEQUENT EVENT

At the end of the first quarter of calendar year 2020, the United States and global economy suffered a major decline due to the impact of the COVID-19 virus. This economic decline may affect the District's operations and investment earnings for the remainder of calendar year 2020 and beyond. However, the potential impact to the District is unknown at this time.

Required Supplementary Information

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Budgetary Comparison Schedule – General Fund
For the Fiscal Year Ended June 30, 2020

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|-------------------------|---------------------|---|
| Revenues: | | | |
| Charges for services: | | | |
| Property assessments | \$ 5,296,419 | \$ 5,293,853 | \$ (2,566) |
| Penalties and fees on assessments | - | 15,240 | 15,240 |
| Investment earnings | 67,500 | 91,520 | 24,020 |
| Other revenues | - | 6,247 | 6,247 |
| Total revenues | <u>5,363,919</u> | <u>5,406,860</u> | <u>42,941</u> |
| Expenditures: | | | |
| Current: | | | |
| Salaries and wages | 3,293,525 | 2,519,333 | 774,192 |
| Employee benefits | 745,635 | 729,530 | 16,105 |
| Materials and services | 1,162,790 | 920,112 | 242,678 |
| Insurance | 205,160 | 205,037 | 123 |
| Capital outlay | 267,000 | 131,440 | 135,560 |
| Debt service: | | | |
| Principal | 25,000 | 24,988 | 12 |
| Interest | 5,000 | 4,967 | 33 |
| Total expenditures | <u>5,704,110</u> | <u>4,535,407</u> | <u>1,168,703</u> |
| Net change in fund balance | <u>\$ (340,191)</u> | <u>\$ 871,453</u> | <u>\$ (1,125,762)</u> |
| Fund balance: | | | |
| Beginning of year | | <u>5,123,317</u> | |
| End of year | | <u>\$ 5,994,770</u> | |

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Schedule of Proportionate Share of the Net Pension Liability
For the Fiscal Year Ended June 30, 2020

Last Ten Fiscal Years

California Public Employees' Retirement System (CalPERS) Miscellaneous Plan

| Measurement Date: | <u>June 30, 2019¹</u> | <u>June 30, 2018¹</u> | <u>June 30, 2017¹</u> | <u>June 30, 2016¹</u> | <u>June 30, 2015¹</u> | <u>June 30, 2014¹</u> |
|---|---|---|---|---|---|---|
| District's Proportion of the Net Pension Liability | <u>0.019094%</u> | <u>0.018285%</u> | <u>0.018369%</u> | <u>0.017732%</u> | <u>0.017324%</u> | <u>0.018740%</u> |
| District's Proportionate Share of the Net Pension Liability | <u>\$ 1,956,617</u> | <u>\$ 1,761,950</u> | <u>\$ 1,821,729</u> | <u>\$ 1,534,400</u> | <u>\$ 1,189,096</u> | <u>\$ 1,166,412</u> |
| District's Covered-Employee Payroll | <u>\$ 2,068,327</u> | <u>\$ 2,227,488</u> | <u>\$ 1,976,734</u> | <u>\$ 1,931,831</u> | <u>\$ 1,742,656</u> | <u>\$ 1,533,370</u> |
| District's Proportionate Share of the Net Pension Liability as a Percentage of Covered-Employee Payroll | <u>94.60%</u> | <u>79.10%</u> | <u>92.16%</u> | <u>79.43%</u> | <u>68.23%</u> | <u>76.07%</u> |
| Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability | <u>79.44%</u> | <u>79.55%</u> | <u>76.55%</u> | <u>76.23%</u> | <u>80.19%</u> | <u>80.18%</u> |

¹ Historical information is required only for measurement periods for which GASB No. 68 is applicable.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Schedule of the Pension Contributions to the Pension Plan
For the Fiscal Year Ended June 30, 2020

California Public Employees' Retirement System (CalPERS) Miscellaneous Plan

| Fiscal Year: | 2019-20¹ | 2018-19¹ | 2017-18¹ | 2016-17¹ | 2015-16¹ | 2014-15¹ | 2013-14¹ |
|--|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Actuarially Determined Contribution ² | \$ 307,552 | \$ 277,852 | \$ 248,384 | \$ 231,319 | \$ 205,245 | \$ 178,455 | \$ 167,417 |
| Contribution in Relation to the Actuarially Determined Contribution ² | <u>(307,552)</u> | <u>(277,852)</u> | <u>(248,384)</u> | <u>(231,319)</u> | <u>(205,245)</u> | <u>(178,455)</u> | <u>(167,417)</u> |
| Contribution Deficiency (Excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| District's Covered-Employee Payroll ³ | <u>\$ 2,523,841</u> | <u>\$ 2,068,327</u> | <u>\$ 2,227,488</u> | <u>\$ 1,976,734</u> | <u>\$ 1,931,831</u> | <u>\$ 1,742,656</u> | <u>\$ 1,533,370</u> |
| Contributions as a Percentage of Covered-Employee Payroll | <u>12.19%</u> | <u>13.43%</u> | <u>11.15%</u> | <u>11.70%</u> | <u>10.62%</u> | <u>10.24%</u> | <u>10.92%</u> |

¹ Historical information is required only for measurement periods for which GASB No. 68 is applicable.

² Employers are assumed to make contributions equal to the actuarially determined contributions (which is the actuarially determined contribution). However, some employers may choose to make additional contributions towards their side-fund or their unfunded liability. Employer contributions for such plan exceed the actuarial determined contributions. CalPERS has determined that employer obligations referred to as *side-funds* are not considered separately financed specific liabilities.

³ Covered-Employee Payroll represented above is based on pensionable earnings provided by the employer. However, GASB No. 68 defines covered-employee payroll as the total payroll of employees that are provided pensions through the pension plan. Accordingly, if pensionable earnings are different than total earnings for covered-employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll-related ratios.

Notes to the Schedule:

Change in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013 as they have minimal cost impact. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes)

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Schedule of Changes in the Net OPEB Liability and Related Ratios
For the Fiscal Year Ended June 30, 2020

| Fiscal Year End - Measurement Date | June 30, 2019 | June 30, 2018 | June 30, 2017 |
|--|----------------------|----------------------|----------------------|
| Total OPEB liability | | | |
| Service cost | \$ 54,959 | \$ 53,488 | \$ 50,663 |
| Interest | 52,389 | 42,656 | 37,599 |
| Changes of assumptions | 740,712 | - | - |
| Differences between expected and actual experience | (11,928) | 39,668 | - |
| Benefit payments | (15,752) | (12,820) | (12,327) |
| Net change in total OPEB liability | 820,380 | 122,992 | 75,935 |
| Total OPEB liability - beginning | 758,905 | 635,913 | 559,978 |
| Total OPEB liability - ending | \$ 1,579,285 | \$ 758,905 | \$ 635,913 |
| Plan fiduciary net position | | | |
| Contributions - employer | \$ 65,752 | \$ 12,820 | \$ 62,327 |
| Net difference in earnings | - | (1,989) | - |
| Net investment income | 48,632 | 40,790 | 40,075 |
| Benefit payments | (15,752) | (12,820) | (12,327) |
| Administrative expense | (145) | (1,007) | (480) |
| Net change in plan fiduciary net position | 98,487 | 37,794 | 89,595 |
| Plan fiduciary net position - beginning | 665,907 | 628,113 | 538,518 |
| Plan fiduciary net position - ending | \$ 764,394 | \$ 665,907 | \$ 628,113 |
| District's net OPEB liability | \$ 814,891 | \$ 92,998 | \$ 7,800 |
| Plan fiduciary net position as a percentage of the total OPEB liability | 48.40% | 87.75% | 98.77% |
| Covered-employee payroll | \$ 2,068,327 | \$ 2,227,488 | \$ 1,976,734 |
| District's net OPEB liability as a percentage of covered-employee payroll | 39.40% | 4.18% | 0.39% |

This schedule is required to show information for ten years; however, until a full ten year trend is compiled, information is presented for those years for which information is available.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Schedule of the OPEB Contributions to the OPEB Plan
For the Fiscal Year Ended June 30, 2020

| | Last Ten Fiscal Years | | | |
|---|------------------------------|----------------------|----------------------|----------------------|
| Fiscal Year: | <u>June 30, 2020</u> | <u>June 30, 2019</u> | <u>June 30, 2018</u> | <u>June 30, 2017</u> |
| Actuarially Determined Contribution | \$ 27,248 | \$ 21,407 | \$ 15,552 | \$ 12,820 |
| Contribution in Relation to the Actuarially Determined Contribution | <u>(23,251)</u> | <u>(13,731)</u> | <u>(12,820)</u> | <u>(12,327)</u> |
| Contribution Deficiency (Excess) | <u>\$ 3,997</u> | <u>\$ 7,676</u> | <u>\$ 2,732</u> | <u>\$ 493</u> |
| District's Covered-Employee Payroll | <u>\$ 2,523,841</u> | <u>\$ 2,068,327</u> | <u>\$ 2,227,488</u> | <u>\$ 1,976,734</u> |
| Contributions as a Percentage of Covered-Employee Payroll | <u>1.08%</u> | <u>1.03%</u> | <u>0.70%</u> | <u>0.65%</u> |

This schedule is required to show information for ten years; however, until a full ten year trend is compiled, information is presented for those years for which information is available.

See notes to the required supplementary information.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

Notes to the Required Supplementary Information

For the Fiscal Year Ended June 30, 2020

NOTES TO SCHEDULE

Budgetary Comparison Schedule

The District follows specific procedures in establishing the budgetary data reflected in the financial statements. Each year the District prepares and submits an operating budget to the Board of Trustees no later than June of each year. The basis used to prepare the budget does not differ substantially from the modified accrual basis of accounting. The adopted budget becomes operative on July 1. The Board of Trustees must approve all supplemental appropriations to the budget and transfers between major accounts.

Schedule of Proportionate Share of the Net Pension Liability

This schedule is required by GASB Statement No. 68 and is required for all employers in a cost-sharing pension plan. The schedule reports the following information:

- The proportion (percentage) of the collective net pension liability (similar to the note disclosure)
- The proportionate share (amount) of the collective net pension liability
- The employer's covered-employee payroll
- The proportionate share (amount) of the collective net pension liability as a percentage of the employer's covered-employee payroll
- The pension plan's fiduciary net position as a percentage of the total pension liability

Schedule of the Pension Contributions to the Pension Plan

This schedule is required by GASB Statement No. 68 and is required for all employers in a cost-sharing pension plan. The schedule reports the following information:

- If an employer's contributions to the plan are actuarially determined or based on statutory or contractual requirements: the employer's actuarially determined contribution to the pension plan (or, if applicable, its statutorily or contractually required contribution), the employer's actual contributions, the difference between the actual and actuarially determined contributions (or statutorily or contractually required), and a ratio of the actual contributions divided by covered-employee payroll.

Schedule of Changes in the District's Total OPEB Liability and Related Ratios

This schedule is required by GASB Statement No. 75 and is required for all employers in a cost-sharing OPEB plan. The schedule reports the following information:

- The employer's proportion (percentage) of the collective net OPEB liability
- The employer's proportionate share (amount) of the collective net OPEB liability
- The employer's covered-employee payroll
- The employer's proportionate share (amount) of the collective net OPEB liability as a percentage of the employer's covered-employee payroll
- The OPEB plan's fiduciary net position as a percentage of the total OPEB liability.

Schedule of the OPEB Contributions to the OPEB Plan

This schedule is required by GASB Statement No. 75 and is required for all employers in an OPEB plan. The schedule reports the following information:

- If an employer's contributions to the plan are actuarially determined or based on statutory or contractual requirements: the employer's actuarially determined contribution to the OPEB plan (or, if applicable, its statutorily or contractually required contribution), the employer's actual contributions, the difference between the actual and actuarially determined contributions (or statutorily or contractually required), and a ratio of the actual contributions divided by covered-employee payroll.

Other Independent Auditors' Report



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Trustees
San Gabriel Valley Mosquito and Vector Control District
West Covina, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of San Gabriel Valley Mosquito and Vector Control District as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise San Gabriel Valley Mosquito and Vector Control District's basic financial statements, and have issued our report thereon dated October 31, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered San Gabriel Valley Mosquito and Vector Control District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the San Gabriel Valley Mosquito and Vector Control District's internal control. Accordingly, we do not express an opinion on the effectiveness of the San Gabriel Valley Mosquito and Vector Control District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether San Gabriel Valley Mosquito and Vector Control District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Murrieta, California
October 31, 2020

**SAN GABRIEL VALLEY
MOSQUITO AND VECTOR CONTROL DISTRICT
Report to the Board of Trustees
For the Fiscal Year Ended
June 30, 2020**



SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

Table of Contents

For the Fiscal Year Ended June 30, 2020

| | <u>Page</u> |
|--|-------------|
| Letter to Board of Trustees..... | 1 |
| Required Communications..... | 2 |
| Summary of Adjusting Journal Entries..... | 4 |



Board of Trustees
San Gabriel Valley Mosquito and Vector Control District
Covina, California

We are pleased to present this report related to our audit of the financial statements of the San Gabriel Valley Mosquito and Vector Control District (District) as of and for the year ended June 30, 2020. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the District's financial reporting process.

This report is intended solely for the information and use of the Board of Trustees and management and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to the District.

Very truly yours,

Murrieta, California
October 31, 2020

Required Communications

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

Required Communications

For the Fiscal Year Ended June 30, 2020

Generally accepted auditing standards (AU-C 260, *The Auditor’s Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

| Area | Comments |
|---|--|
| <p>Our Responsibilities with Regard to the Financial Statement Audit</p> | <p>Our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our arrangement letter dated May 1, 2020. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.</p> |
| <p>Overview of the Planned Scope and Timing of the Financial Statement Audit</p> | <p>An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involved judgment about the number of transactions and the account-type of areas tested. There were no changes to the planned scope and timing of our audit testwork.</p> |
| <p>Accounting Policies and Practices</p> | <p>Accounting Policies and Practices Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. During our audit, no such circumstances were noted.</p> <p>Adoption of, or Change in, Significant Accounting Policies or Their Application Management has the ultimate responsibility for the appropriateness of the accounting policies used by the District. The District did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period.</p> <p>Significant or Unusual Transactions We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</p> <p>Management’s Judgments and Accounting Estimates Accounting estimates are an integral part of the preparation of financial statements and are based upon management’s current judgement. No such significant accounting estimates were noted or estimate applications were changed from the previous year.</p> |
| <p>Audit Adjustments</p> | <p>Audit adjustments are summarized in the attached Summary of Adjusting Journal Entries.</p> |
| <p>Uncorrected Misstatements</p> | <p>We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.</p> |

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Required Communications
For the Fiscal Year Ended June 30, 2020

| Area | Comments |
|---|---|
| Discussions With Management | We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention. |
| Disagreements With Management | We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements. |
| Consultations With Other Accountants | We are not aware of any consultations management had with other accountants about accounting or auditing matters. |
| Significant Issues Discussed With Management | No significant issues arising from the audit were discussed or the subject of correspondence with management. |
| Significant Difficulties Encountered in Performing the Audit | No significant difficulties were encountered in performing our audit. |
| Required Supplementary Information | <p>We applied certain limited procedures to the:</p> <ol style="list-style-type: none"> 1. Management's Discussion and Analysis 2. Budget to Actual Comparison 3. Required Pension Plan Disclosures 4. Required OPEB Plan Disclosures <p>Which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.</p> |

This information is intended solely for the information and use of Board of Trustees and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Summary of Adjusting Journal Entries

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Summary of Adjusting Journal Entries
For the Fiscal Year Ended June 30, 2020

None Noted During the Audit Work.

San Gabriel Valley Mosquito and Vector Control District
District Manager's Report

Date: November 13, 2020

Meeting of: San Gabriel Valley Mosquito and Vector Control District Board of Trustees

Subject: **Consider Resolution 2020-03 of The San Gabriel Valley Mosquito and Vector Control District Authorizing Staff to Access State and Federal Summary Criminal History Information for Employment, Licensing or Certification Purposes**

Exhibit(s): **EXHIBIT 6A**

Background

The District currently utilizes the pre-employment background check services of a company called Hire Right. The service relies on the stated information from an applicant to validate their Social Security number and produce information about any convictions or other criminal activity for the past 7 years. However, the service does not include applicant fingerprint submission to the California or Federal (FBI) Departments of Justice Live Scan background check program. The District seeks to enhance our background check process and gain the ability to receive automated updates of any future violations and convictions for staff members.

The proposed Resolution 2020-03 authorizes District executive and administrative staff to access local, state and federal summary criminal history for employment, licensing, and certification purposes. It further authorizes the transmission of fingerprint images to the Federal Department of Justice, and subsequently to the Federal Bureau of Investigation.

As stated in the proposed Resolution, under Penal Code Sections 11105(b)(11) the Board of Trustees must authorize access to summary criminal history information for employment, licensing, or certification purposes.

Manager's Recommendation:

It is recommended that the Board approve Resolution 2020-03 of The San Gabriel Valley Mosquito and Vector Control District Authorizing Staff to Access State and Federal Summary Criminal History Information for Employment, Licensing or Certification Purposes.

Alternative

Do not approve Resolution 2020-03 of The San Gabriel Valley Mosquito and Vector Control District Authorizing Staff to Access State and Federal Summary Criminal History Information for Employment, Licensing or Certification Purposes.

Fiscal Impact

The rate for our current background check provider, Hire Right, is \$87 per submission.

If the resolution is approved, the District has two options for acquiring valid fingerprints for submission to the Live Scan program. The first option is to utilize third party Live Scan fingerprint

rolling services (UPS, Police Station) at approximately \$35 per person. The second option is to purchase a digital fingerprint scanner at an approximate one-time cost of \$2,500. The Live Scan program also charges a general processing fee of \$32 per person, and an FBI charge of \$17 per person, bringing the total Live Scan per person cost to \$84.

If the District acquires a digital fingerprint scanner, the total cost per person would be reduced to \$49. However, given the initial purchase price of the scanner, the district would not realize the savings until after 3 years, or 72 persons scanned for Live Scan submission. The district submits approximately 20 background checks per year.

Respectfully submitted,



Jared Dever
District Manager

RESOLUTION NO. 2020-03

RESOLUTION OF THE SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT AUTHORIZING STAFF TO ACCESS STATE AND FEDERAL SUMMARY CRIMINAL HISTORY INFORMATION FOR EMPLOYMENT, LICENSING OR CERTIFICATION PURPOSES

WHEREAS, Penal Code Sections 11105(b)(11) authorize districts to access state and local summary criminal history information for employment, licensing or certification purposes: and

WHEREAS, Penal Code Section 11105(b)(11) authorizes districts authorities to access federal level criminal history information by transmitting fingerprint images and related information to the Department of Justice to be transmitted to the Federal Bureau of Investigation; and

WHEREAS, Penal Code Sections 11105(b)(11) and 13300(b)(11) require that there be a requirement or exclusion from employment, licensing, or certification based on specific criminal conduct on the part of the subject of the record; and

WHEREAS, Penal Code Sections 11105(b)(11) require the governing body of a district authority to specifically authorized access to summary criminal history information for employment, licensing, or certification purposes.

NOW THEREFORE, BE IT RESOVED, by the Board of Trustees of the district are hereby authorized to access state and federal level summary criminal history information for employment (including volunteers and contract employees) purposes and may not disseminate the information to a private entity.

ADOPTED November 13, 2020, by the Board of Trustees of the San Gabriel Valley Mosquito and Vector Control District by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: _____

ATTEST: _____

APPROVED AS TO FORM: _____

San Gabriel Valley Mosquito and Vector Control District
District Manager's Report

Date: November 13, 2020

Meeting of: San Gabriel Valley Mosquito and Vector Control District Board of Trustees

Subject: **Consider Amendment to Personnel and Salary Resolution 92-11, Article XI Leave Provisions, Section 2. Cash Out Program**

Exhibit(s): **EXHIBIT 7A**

Background

The unforeseen continuation of COVID-19 travel restrictions and prohibition of public recreational activities have challenged our current personnel policies and procedures. These restrictions combined with the fact that our staff are considered essential public health workers during a declared public health emergency, has resulted in many staff members reaching their defined maximum accrual rates of sick and vacation leave.

To help alleviate the immediate accrual issue, and enhance future cash out flexibility for district employees, changes to the vacation and sick leave cash out policies were proposed during the regular Board of Trustees Meeting held on October 9, 2020. Upon review and discussion of the proposed policy changes, the Board of Trustees requested that Article XI Leave Provisions, Section 2. Cash Out Program be reviewed by the Personnel and Policy Committee.

The Personnel and Policy Committee convened on October 30, 2020 to consider amendments to the proposed sick leave cash out policy. Several sick leave cash out policy options were considered by committee members. A consensus of opinion was reached that the proposed minimum retained sick leave of eighty (80) hours was not adequate if an employee required extended medical leave. Therefore, by majority vote, the committee proposes for Board consideration that the minimum number of retained sick leave hours be increased to one hundred twenty (120) (**EXHIBIT 7A**).

In preparing these policy amendments I have consulted with District auditor, Paul Kaymark CPA, Nigro & Nigro PC, to ensure the proposed cash out policy is compliant with current IRS auditing rules and standards. Of particular concern is the issue of constructive receipt (distribution/receipt of income accrued or earned in a previous taxable year) of accrued sick leave. To avoid this issue, irrevocable sick leave cash out election forms are required to be submitted by employees wishing to participate in the program during the prior calendar year to which it will be accrued and distributed. In addition, the IRS allows for three narrowly defined exemptions to constructive receipts that have been referenced in the policy. One additional policy amendment is also proposed in Article XI, Section 1. Sick Leave, A. Accumulation of Sick Leave, Subsection 5. The amended sick leave provision for part-time and extra help employees has been added in ensure District compliance with California labor law.

Manager's Recommendation:

It is recommended that the Board approve the Personnel and Policy Committee proposed amendment to Personnel and Salary Resolution 92-11, Article XI Leave Provisions, Section 2. Cash Out Program.

Alternative

Do not approve the Personnel and Policy Committee proposed amendment to Personnel and Salary Resolution 92-11, Article XI Leave Provisions, Section 2. Cash Out Program.

Fiscal Impact

Annual projections of employee sick leave use and cash out are included in their respective departmental budgets. The addition of irrevocable leave cash out election forms will aid in preparing more accurate annual budget line item projections. In addition, the ability for employees to draw down their accrued time can help reduce the stated debt obligations of the district during our annual audit, and potentially help improve our overall financial position statement.

Respectfully submitted,



Jared Dever
District Manager

ARTICLE XI

LEAVE PROVISIONS (Amended November 13, 2020)

SECTION 1. Sick Leave

A. Accumulation of Sick Leave

1. For the purpose of this Section, each bi-weekly pay period for which a full-time employee receives his or her full bi-weekly salary shall be considered the equivalent of eighty (80) scheduled paid hours.
2. During the first three (3) years of employment, regular, probationary, and limited-term full-time employees shall earn 0.03462 hours of sick leave with pay for each paid hour in a regularly scheduled workweek or period to a maximum of eighty (80) hours in a pay period
3. After an employee has been paid for six thousand two hundred forty (6,240) scheduled hours exclusive of overtime hours, regular, probationary, and limited-term full-time employees shall earn 0.0462 hours of sick leave with pay for each paid hour in a regularly scheduled workweek or period to a maximum of eighty (80) hours in a pay period.
4. Sick leave earned shall be added to the employee's sick leave account upon the completion of the pay period. No credit shall be applied during the progress of the pay period or for a portion of the pay period during which the employee terminated District service.
5. All part-time and extra help employees who work 30 or more days within a year from the commencement of employment with the District shall receive three (3) days or twenty-four (24) hours of paid sick leave, whichever is greater, at the beginning of each 12-month period under the front load method. Any unused and applied paid sick leave will not carry over year to year.

B. Permitted Uses of Sick Leave

Sick Leave may only be applied to:

1. An absence necessitated by employee's personal illness, injury, or disability due to pregnancy or childbirth.
2. Medical and dental office appointments when absence during working hours for this purpose is authorized by the District.
3. During each calendar year, employees may use up to one-half of their yearly sick leave accrual for the purpose of attending to a child, parent, or spouse who is ill. Leave for this purpose may not be taken until sick leave has been accrued. Furthermore, any hours

that would otherwise be available and are not used, do not carry over from year to year. For example, if an employee earns 96 hours of sick leave per year, 48 hours may be used during the calendar year to attend to an ill child, parent, or spouse. If an employee only uses 40 hours during the calendar year, the employee will not be able to carry over the remaining 8 hours into the following calendar year, and then have 56 hours of leave (48 new hours plus 8 carried over) in the subsequent year. For the purposes of this Section child means a biological, foster, or adopted child, a stepchild, a legal ward, or a child of a person standing in loco parentis, a parent means a biological, foster, or adoptive parent, a stepparent, or a legal guardian, and a spouse means a legal spouse according to the laws of California.

4. In addition to the leave provided in Section b. 3. above, an absence because of a serious illness of an immediate family member may be taken, up to a maximum of three (3) working days for each serious illness occurrence. "Serious illness" includes inpatient care, continuing treatment by a health care provider, childbirth, a period of incapacity of more than three consecutive days which requires subsequent treatment or subsequent periods of incapacity relating to the same condition, incapacity due to a chronic serious health condition such as asthma, diabetes, or epilepsy, incapacity due to a permanent or long-term conditions which may or may not be treatable, or absences to receive multiple treatments such as chemotherapy or radiation. For purposes of this Section, immediate family shall mean father, father-in-law, mother, mother-in-law, step-parent, brother, sister, spouse, child, grandchild, grandparent, or legal guardian.
5. Illness while on paid vacation shall be charged to sick leave rather than vacation only under the following conditions:
 - a. The illness or injury precludes the effective use of vacation and prevents the employee from performing his or her normal duties.
 - b. The employee shall notify his or her supervisor within four (4) calendar days of the beginning of the illness or prior to the end of his or her vacation leave, whichever is sooner, to request that his or her illness on vacation be charged to sick leave.
 - c. The District shall not be obligated to extend the vacation beyond the original scheduled ending date.
 - d. Upon return to work, the employee shall furnish the District with a certificate signed by a licensed physician or registered nurse stating the nature of the medical condition and the period of disablement.
6. Absence from duty because of personal business shall not exceed sixteen (16) working hours during the fiscal year.

C. Prohibited Uses of Sick Leave

Sick Leave shall not be applied to absences other than those listed above.

D. General Provisions

1. In any use of sick leave, an employee's account shall be charged to the nearest quarter hour.
2. An employee may be required to furnish a certificate issued by a licensed physician or registered nurse or other satisfactory evidence of illness, injury, medical condition, or medical or dental office calls when the District has notified the employee in advance of such a requirement or when the employee has been under the care of a physician.
3. An employee shall be required to furnish a certificate issued by a licensed physician or registered nurse in the event that three (3) or more consecutive days (or 24 hours) of sick leave pay are charged. An employee absent due to personal illness, injury, or disability for two weeks or more shall be required to furnish a release to "return-to-work" from the health care provider stating the employee is able to resume work.
4. Any conditions or restrictions placed on an employee's use of sick leave apply also to sick leave used because of a serious illness of an immediate family member and for care of an ill child, parent, or spouse.
5. Employees may accumulate up to 240 hours of sick leave.
6. Upon official retirement from District service, the employee shall be compensated for accumulated sick leave not to exceed 240 hours at fifty percent (50%) of the employee's current rate of pay. In order to receive payment for accumulated sick leave upon retirement, the employee must be at least 50 years of age and have worked for the District with no break in service for a minimum of five (5) year.
7. If an employee dies due to a work-related injury while in the employ of the District, his or her survivors shall receive payment for all accumulated sick leave not to exceed 240 hours at one hundred percent (100%) of the employee's current rate of pay.
8. Upon separation from District service for reasons other than retirement or death, no employee shall be paid for any accumulated sick leave.

Section 2: Cash Out Program

1. On an annual basis and pursuant to the requirements stated below, eligible employees may elect to receive payment of accrued sick leave at the end of the following year. Eligible employees may elect to cash out up to a maximum of forty (40) sick leave hours at fifty percent (50%) of current rate of pay, by submitting an irrevocable leave cash out election form to Human Resources or designee by no later than December 10. Employees must maintain one hundred twenty (120) hours of sick leave to be eligible for the sick leave cash out program. The leave hours

identified in the irrevocable leave cash out election form to be cashed out shall be deducted from sick leave hours accrued in the following calendar year and shall be paid out in the first pay period of December of the following calendar year at fifty percent (50%) rate of the employee's base hourly rate of pay at the time of cash out. The remaining unused sick leave shall remain in the sick leave bank. At the time of cash out in December of the following year, if the employee has less sick leave hours in the sick leave bank than the amount identified in the irrevocable leave cash out form, then the amount of sick leave remaining in the sick leave bank shall be cashed out.

The irrevocable leave cash out election form is available in the Human Resources Department. Once the employee submits the leave cash out election form, the form is final and irrevocable, and the employee may not make any changes to it. Employees who do not submit irrevocable leave cash out election forms by December 10 will have been deemed to have elected to forgo participation in the annual vacation leave cash out program. Late irrevocable leave cash out election forms will not be accepted.

In addition to annual sick leave cash out, an employee shall be entitled to make one written request per calendar year to the District Manager for a cash-out of accrued sick leave for one of the following reasons: Declaration of local emergency, catastrophic medical emergency or military leave. Such request must be submitted on the emergency leave cash out form and must be reviewed by the District Manager to determine eligibility. Authorization of emergency cash out request shall be at the discretion of the District Manager.

San Gabriel Valley Mosquito and Vector Control District
District Manager's Report

Date: November 13, 2020
Meeting of: San Gabriel Valley Mosquito and Vector Control District Board of Trustees
Subject: **California Department of Public Health Cooperative Agreement**
Exhibit(s): **EXHIBIT 8A**

Background

The California Department of Public Health Cooperative Agreement pursuant to section 116180, Health and Safety Code, seeks to ensure that local vector control agencies comply with Part. 1 Pesticides and Part II. Environmental Modifications of the California Health and Safety Code.

Part I. defines the equipment calibration, material use and reporting of pesticides, the requirements of pesticide applicator certification maintenance, and the subjectivity to County Agricultural Commissioner inspection.

Part II. defines signatory agency compliance with any general permit requirements issued to the California Department of Public Health for environmental modification to achieve pest and vector prevention.

Manager's Recommendation:

It is recommended that the Board authorize the District Manager to endorse the California Department of Public Health Cooperative Agreement on behalf of the San Gabriel Valley Mosquito and Vector Control District.

Alternative

Do not authorize the District Manager to endorse the California Department of Public Health Cooperative Agreement on behalf of the San Gabriel Valley Mosquito and Vector Control District.

Fiscal Impact

None.

Respectfully submitted,



Jared Dever
District Manager



SANDRA SHEWRY, MPH, MSW
Acting Director

State of California—Health and Human Services Agency
California Department of Public Health



GAVIN NEWSOM
Governor

October 6, 2020

TO: Agencies Signatory to the Cooperative Agreement with the California Department of Public Health

SUBJECT: COOPERATIVE AGREEMENT WITH THE DEPARTMENT OF PUBLIC HEALTH

Please find enclosed a copy of the Cooperative Agreement between local agencies applying pesticides for public health purposes and the California Department of Public Health. The current Cooperative Agreement between our agencies shall expire on December 31, 2020. If your agency is interested in renewing this Cooperative Agreement for another year (through December 31, 2021), please return the enclosed form by December 31, 2020 to the Vector-Borne Disease Section (VBDS). Include the agency manager's signature in the appropriate space and the operator ID and/or license number to be listed on Monthly Summary Pesticide Use Reports (PR-ENF-060) for 2021. Please email the signed copy to Michael Niemela Michael.Niemela@cdph.ca.gov or mail to:

Department of Public Health
Vector-Borne Disease Section
1616 Capitol Avenue, MS-7307
P.O. Box 997377
Sacramento, CA 95899-7377

VBDS will endorse the Cooperative Agreement and return a copy to your agency immediately. If your agency is not interested in continuing the Cooperative Agreement, please notify VBDS as soon as possible.

Thank you for your cooperation in this matter. If you require additional information or clarification, please contact your VBDS regional office or the Sacramento headquarters at (916) 552-9730.

Vicki L. Kramer, Ph.D., Chief
Vector-Borne Disease Section

Enclosure

CDPH Vector-Borne Disease Section, MS 7307 • P.O. Box 997377
Sacramento, CA 95899-7377
(916) 552-9730 • (916) 552-9725 FAX
Internet Address: www.cdph.ca.gov



COOPERATIVE AGREEMENT
(PURSUANT TO SECTION 116180, HEALTH AND SAFETY CODE)

Date _____

This Agreement between the California Department of Public Health and

(name and address of local vector control agency)

is effective on January 1, 2021 or on the subsequent date shown above, and expires December 31, 2021. It is subject to renewal by mutual consent thereafter.

Operator ID and/or license number to be listed on Monthly Summary Pesticide Use Reports (PR-ENF-060) for 2021:

Operator ID # _____ License # _____

This agreement may be canceled for cause by either party by giving 30 days advance notice in writing, setting forth the reasons for the termination.

Part I. Pesticides

The vector control agency named herein agrees:

1. To calibrate all application equipment using acceptable techniques before using, and to maintain calibration records for review by the County Agricultural Commissioner.
2. To seek the assistance of the County Agricultural Commissioner in the interpretation of pesticide labeling.
3. To maintain for at least two years for review by the County Agricultural Commissioner a record of each pesticide application showing the target vector, the specific location treated, the size of the source, the formulations and amount of pesticide used, the method and equipment used, the type of habitat treated, the date of the application, and the name of the applicator(s).
4. To submit to the County Agricultural Commissioner each month a Pesticide Use Report, on Department of Pesticide Regulation form PR-ENF-060. The report shall include the manufacturer and product name, the EPA registration number from the label, the amount of each pesticide used, the number of applications of each pesticide, and the total number of applications, per county, per month.
5. To report to the County Agricultural Commissioner and the California Department of Public Health, in a manner specified, any conspicuous or suspected adverse effects upon humans, domestic animals and other non-target organisms, or property from pesticide applications.
6. To require appropriate certification of its employees by the California Department of Public Health in order to verify their competence in using pesticides to control pest and vector organisms, and to maintain continuing education unit information for those employees participating in continuing education.
7. To be inspected by the County Agricultural Commissioner on a regular basis to ensure that local agency activities are in compliance with state laws and regulations relating to pesticide use.

Part II. Environmental Modification

The vector control agency named herein agrees:

To comply with requirements, as specified, of any general permit issued to the California Department of Public Health as the lead agency, pertaining to physical environmental modification to achieve pest and vector prevention.

For California Department of Public Health

For Local Agency

Vicki Kramer, Ph.D.
Chief, Vector-Borne Disease Section

Print Name and Title

Signature