

San Gabriel Valley Mosquito & Vector Control District
1145 N. Azusa Canyon Road, West Covina, California 91790

Board of Trustees Meeting
December 14, 2018

7:00 AM
Agenda

1. **Call to Order**
(Board President Corey Calaycay)
2. **Pledge of Allegiance and Silent Roll Call**
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.
 - A. **List of Claims for the month of November 2018 ***
 - B. **Budget Status Report for November 2018***
 - C. **Minutes of Board of Trustees Meeting November 2018***
 - D. **Operations Report 2018***
 - E. **Surveillance Report 2018***
 - F. **Communications Report 2018***
 - G. **October 2018 Monthly Treasurer Report / District Working Balance for December 2018 ***
5. **Presentation of Trustee Service Pins**
(Board President)

Robert Neher, City of La Verne	30 years of service
Margaret Finlay, City of Duarte	25 years of service
Rick Barakat, City of Bradbury	25 years of service
Dan Holloway, City of La Puente	10 years of service
Mike Spence, City of West Covina	5 years of service

6. **Consider the Finance Committee’s Recommendation to Approve the District’s Audit for Fiscal Year 2017-2018 as prepared by Henry Eng, CPA District Auditor ***
(District Manager) (Action Required) (Approve / Disapprove)
7. **Consider the Finance Committee’s Recommendation to Approve the Amended Resolution 94-02, Fiscal Policy, Article XIII, Investment Policy for Board Approval**
(District Manager) (Action Required) (Approve / Disapprove)
8. **District’s Administration**
(District Manager Jared Dever)
 - A. **Flea-borne Typhus Southern California Meeting, December 5th**
 - B. **MVCAC Southern Region Invasive *Aedes* Forum, December 1th**
9. **Department Reports**
(Verbal Reports)
 - A. **Operations**
(Jason Farned, Operations Manager)
 - B. **Surveillance**
(Melissa Doyle, Scientific Programs Manager)
 - C. **Public Information**
(Levy Sun, Public Information Officer)
10. **Trustee Reports**
(Verbal Report)
11. **New Business**
Opportunity for Trustees to request future agenda items
(Verbal Report)
12. **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.”



Esther Elliott
Clerk of the Board, San Gabriel Valley MVCD
Board of Trustees

SAN GABRIEL VALLEY MVCD

Claims List

November 1, 2018

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
EFT	11/01/2018	AMERICAN FIDELITY ASSURANCE	6070 Premiums, life - Cafeter (Voluntary Insurance l	114.08
			6070 Premiums, life - Cafeter (Voluntary Insurance l	298.33
B819594			6070 Premiums, life - Cafeter (Voluntary Insurance l	1,279.60
			6070 Premiums, life - Cafeter (Voluntary Insurance l	219.76
			6070 Premiums, life - Cafeter (Voluntary Insurance l	51.81
				<u>1,963.58</u>
EFT	11/01/2018	CAL PERS	6070 Med premiums - Cafeteria (Medical premiums)	558.13
			6070 Med premiums - Cafeteria (Medical premiums)	4,101.77
100000015466934			6070 Med premiums - Cafeteria (Medical premiums)	2,924.85
			6070 Med premiums - Cafeteria (Medical premiums)	1,813.31
			6072 MEDICAL PREMIUM-Retired EE (Medical prei	266.00
			6070 ADMIN FEE (Admin fee)	32.05
				<u>9,696.11</u>
EFT	11/01/2018	PERS	6200 RETIREMENT - CLASSIC (Employer Contribu	521.33
			6200 RETIREMENT - CLASSIC (Employer Contribu	938.12
PR of 11/1/18			6200 RETIREMENT - CLASSIC (Employer Contribu	1,930.72
			6200 RETIREMENT - CLASSIC (Employer Contribu	299.81
			6200 RETIREMENT - CLASSIC (Employer Contribu	122.32
			6201 RETIREMENT - PEPRA (Employer Contributic	106.90
			6201 RETIREMENT - PEPRA (Employer Contributic	1,981.47
			6201 RETIREMENT - PEPRA (Employer Contributic	442.98
			6201 RETIREMENT - PEPRA (Employer Contributic	365.03
			6201 RETIREMENT - PEPRA (Employer Contributic	164.59
				<u>6,873.27</u>
EFT	11/01/2018	PRINCIPAL DENTAL	6070 Premiums, life - Cafeter (Voluntary Insurance l	86.95
			6070 Premiums, life - Cafeter (Voluntary Insurance l	352.61
1085590-10001			6070 Premiums, life - Cafeter (Voluntary Insurance l	1,465.76
			6070 Premiums, life - Cafeter (Voluntary Insurance l	262.63
			6070 Premiums, life - Cafeter (Voluntary Insurance l	265.66
				<u>265.66</u>

SAN GABRIEL VALLEY MVCD

Claims List

November 1, 2018

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
				2,433.61
15874	11/01/2018	A-1 ROOTER	6040 Building Maintenance	2,000.00
				2,000.00
10369 Bal due				
15875	11/01/2018	ADAPCO, INC	6250 LABORATORY SUPPLIES	2,014.80
				2,014.80
118914				
15876	11/01/2018	AIRGAS USA, LLC	6302 Supplies, Safety	1,840.80
			6302 Supplies, Safety	175.37
9081584454			6302 Supplies, Safety	97.55
				2,113.72
15877	11/01/2018	APPLE STORE FOR GOVERNMENT	6035 COMPUTER HARDWARE	11,868.88
			6035 COMPUTER HARDWARE	2,373.77
6766246758				14,242.65
15878	11/01/2018	ATHENS SERVICES	6040 Building Maintenance	18.92
			6040 Building Maintenance	225.33
5778280,5852731				244.25
15879	11/01/2018	AZUSA LIGHT & WATER	6343 Meter # 99172930 (Account # 303-0190.300)	91.68
			6343 Meter # 45169724 (Account # 303-0191.300 C	46.33
03-0190-300				138.01
15880	11/01/2018	BARNEYS LOCKSMITH SERVICE	6040 Building Maintenance	43.21
				43.21
37282				

SAN GABRIEL VALLEY MVCD

Claims List

November 1, 2018

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
15881	11/01/2018	CALOLYMPIC SAFETY	6302 Supplies, Safety	25.00
			6302 Supplies, Safety	12.42
373889			6302 Supplies, Safety	49.28
			6302 Supplies, Safety	8.24
			6302 Supplies, Safety	11.69
				<u>106.63</u>
15882	11/01/2018	CHEVRON	6262 Fuel for Trucks (Fuel for Trucks)	6,357.21
4544832				<u>6,357.21</u>
15883	11/01/2018	COPIES & INK	6186 Printing	656.90
			6186 Printing	32.99
35574				<u>689.89</u>
15884	11/01/2018	FIDELITY SECURITY LIFE INSURANCE CO.	6070 Vision Premiums (Vision Premiums)	12.30
			6070 Vision Premiums (Vision Premiums)	81.03
163687404			6070 Vision Premiums (Vision Premiums)	249.40
			6070 Vision Premiums (Vision Premiums)	24.60
			6070 Vision Premiums (Vision Premiums)	58.91
				<u>426.24</u>
15885	11/01/2018	GREEN'S AUTO TECH	6260 SUPPLIES, MECHANICAL	32.89
			6260 SUPPLIES, MECHANICAL	41.87
48584, 48585, 48600			6260 SUPPLIES, MECHANICAL	214.29
				<u>289.05</u>
15886	11/01/2018	INTERSTATE BATTERY SYSTEM	6260 SUPPLIES, MECHANICAL	215.70
10166200				<u>215.70</u>

SAN GABRIEL VALLEY MVCD

Claims List

November 1, 2018

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
15887	11/01/2018	IRWINDALE INDUSTRIAL CLINIC	6302 Supplies, Safety	<u>420.01</u> 420.01
387840-103035	11/01/2018			
15888	11/01/2018	KENN K. FUJIOKA	6072 MEDICAL PREMIUM-Retired EE (Medical pre)	<u>440.21</u> 440.21
Medical reimburse				
15889	11/01/2018	LAND'S END BUSINESS OUTFITTERS	6332 Uniforms (Uniforms)	<u>221.25</u> 221.25
SIN6799460				
15890	11/01/2018	LIEBERT CASSIDY WHITMORE	6130 Profess Serv rendered (Professional Services)	<u>182.00</u> 182.00
467528				
15891	11/01/2018	MAIL FINANCE, INC.	6073 EQUIPMENT LEASE	<u>272.25</u> 272.25
N7385652				
15892	11/01/2018	READYREFRESH BY NESTLE	6170 Arrowhead Water (Arrowhead Water)	<u>268.05</u> 268.05
18J0024588535				
15893	11/01/2018	ROBERT KENNEDY	6072 MEDICAL PREMIUM-Retired EE (Medical pre)	<u>183.34</u> 183.34
Medical reimburse				
15894	11/01/2018	ROSALIA ALBA	6232 Travel Expenses (Travel Expenses)	<u>116.63</u> 116.63
Mileage-CalPERS				

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Claims List

November 1, 2018

Num	Date	Name	Item	Original Amount
15895	11/01/2018	STREAMLINE	6037 WEBSITE AND EMAIL SERVICE	200.00
				200.00
98634				
15896	11/01/2018	THERMAL COMBUSTION INNOVATORS	6250 LABORATORY SUPPLIES	96.10
				96.10
199726				
15897	11/01/2018	TIRE ZONE	6260 SUPPLIES, MECHANICAL	581.51
				581.51
45664				
15898	11/01/2018	TOM'S CLOTHING & UNIFORM	6280 SUPPLIES, OPERATIONS	192.00
			6280 SUPPLIES, OPERATIONS	58.50
434			6280 SUPPLIES, OPERATIONS	23.80
				274.30
15899	11/01/2018	US BANK	6232 Travel Expenses (Travel Expenses)	16.00
			6232 Travel Expenses (Travel Expenses)	15.89
Alba			6232 Travel Expenses (Travel Expenses)	359.41
			6185 POSTAGE	24.70
			6232 Travel Expenses (Travel Expenses)	202.55
			6036 COMPUTER SOFTWARE	29.97
Dever			6185 POSTAGE	13.62
			6232 Travel Expenses (Travel Expenses)	5.71
Doyle			6010 AWARDS	48.35
			6280 SUPPLIES, OPERATIONS	17.48
			6250 LABORATORY SUPPLIES	7.08
			6281 MOSQUITO FISH SUPPLIES	11.83
			6250 LABORATORY SUPPLIES	32.82
			6030 BOARD EXPENSES	30.00
			6030 BOARD EXPENSES	23.97

SAN GABRIEL VALLEY MVCD

Claims List

November 1, 2018

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
			6030 BOARD EXPENSES	13.91
Elliott			6232 SEMINARS AND MEETINGS	13.98
			6232 Travel Expenses (Travel Expenses)	205.40
			6280 SUPPLIES, OPERATIONS	199.00
Farned			6280 SUPPLIES, OPERATIONS	10.00
			6232 Travel Expenses (Travel Expenses)	5.71
			6290 Supplies, Public Informati	5.46
Sun			6003 ADVERTISING	496.09
			6290 Supplies, Public Informati	50.18
			6232 Travel Expenses (Travel Expenses)	143.06
			6003 ADVERTISING	90.44
			6290 Supplies, Public Informati	10.31
			6186 Printing	91.95
			6185 POSTAGE	21.84
			6037 WEBSITE AND EMAIL SERVICE	4.99
			6010 AWARDS	258.48
			6010 AWARDS	29.39
Tanaka			6010 AWARDS	26.28
			6232 REGISTRATION - SEMINARS (REGISTRATI	179.00
			6040 Building Maintenance	43.69
			6040 Building Maintenance	16.39
Van der Heyden			6030 BOARD EXPENSES	36.17
			6170 MISCELLANEOUS EXPENSES	26.35
			6270 OFFICE SUPPLIES	110.50
			6280 SUPPLIES, OPERATIONS	81.07
			6270 OFFICE SUPPLIES	20.00
			6170 MISCELLANEOUS EXPENSES	40.90
			6270 OFFICE SUPPLIES	2.49
			6270 OFFICE SUPPLIES	10.00
				<u>3,082.41</u>
15901	11/01/2018	WINDOWASHERS, LLC.	6046 PROFESSIONAL SERVICES - IT	<u>3,100.00</u>
				3,100.00

SAN GABRIEL VALLEY MVCD

Claims List

November 1, 2018

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
1036				
Total Accounts Payable for November 1, 2018				59,285.99

SAN GABRIEL VALLEY MVCD
Claims List

November 15, 2018

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
EFT	11/15/2018	CALPERS CERBT	6200 RETIREMENT - CLASSIC (Employer Contribu	9,115.17
			6200 RETIREMENT - CLASSIC (Employer Contribu	59.48
100000015478577				<u>9,174.65</u>
EFT	11/15/2018	PERS	6200 RETIREMENT - CLASSIC (Employer Contribu	521.33
			6200 RETIREMENT - CLASSIC (Employer Contribu	938.12
PR of 11/15/18			6200 RETIREMENT - CLASSIC (Employer Contribu	1,656.88
			6200 RETIREMENT - CLASSIC (Employer Contribu	299.81
			6201 RETIREMENT - PEPRA (Employer Contributic	106.90
			6201 RETIREMENT - PEPRA (Employer Contributic	1,901.39
			6201 RETIREMENT - PEPRA (Employer Contributic	442.98
			6201 RETIREMENT - PEPRA (Employer Contributic	365.03
			6201 RETIREMENT - PEPRA (Employer Contributic	80.08
				<u>6,312.52</u>
EFT	11/15/2018	TEXAS LIFE INSURANCE COMPANY	6070 CAFETERIA BENEFIT	56.92
SM09BT20181113001				<u>56.92</u>
15902	11/15/2018	ABRAHAM N. CRUZ	6030 BOARD EXPENSES	100.00
BM of 11/9/18				<u>100.00</u>
15903	11/15/2018	AMERICAN FIDELITY AKA FLEX ACCOUNT ADM	6070 CAFETERIA BENEFIT	220.83
			6070 CAFETERIA BENEFIT	262.50
2023053			6070 CAFETERIA BENEFIT	441.66
			6070 CAFETERIA BENEFIT	83.33
				<u>1,008.32</u>
15904	11/15/2018	ARAMARK UNIFORM SERVICES INC.	6332 Uniforms (Uniforms)	663.92
			6040 Mats, Towels (Mats, Towels, Lockers, etc.)	270.28
				<u>270.28</u>

SAN GABRIEL VALLEY MVCD

Claims List

November 15, 2018

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
792287099				934.20
15905	11/15/2018	BECKY A. SHEVLIN	6030 BOARD EXPENSES	100.00
				100.00
BM of 11/9/18				
15906	11/15/2018	CALOLYMPIC SAFETY	6302 Supplies, Safety	51.03
			6302 Supplies, Safety	81.53
372917,374184				132.56
15907	11/15/2018	CHARLES MYERS	6030 BOARD EXPENSES	100.00
				100.00
BM of 11/9/18				
15908	11/15/2018	COREY CALAYCAY	6030 BOARD EXPENSES	100.00
				100.00
BM of 11/9/18				
15909	11/15/2018	DAN HOLLOWAY	6030 BOARD EXPENSES	100.00
				100.00
BM of 11/9/18				
15910	11/15/2018	EMMETT G. BADAR	6030 BOARD EXPENSES	100.00
				100.00
BM of 11/9/18				
15911	11/15/2018	ENTERPRISE	6007 - AUTOMOBILE LEASE	6,148.86
				6,148.86
407595				
15912	11/15/2018	ENVIRONMENT CONTROL	6040 Building Maintenance	1,100.00

SAN GABRIEL VALLEY MVCD

Claims List

November 15, 2018

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
				1,100.00
5434-411				
15913	11/15/2018	HAROLD J. BISSNER III	6030 BOARD EXPENSES	100.00
				100.00
BM of 11/9/18				
15914	11/15/2018	HENRY M. MORGAN	6030 BOARD EXPENSES	149.50
				149.50
BM of 11/9/18				
15915	11/15/2018	HOME DEPOT	6040 Building Maintenance	17.50
			6250 LABORATORY SUPPLIES	10.93
7284616			6281 MOSQUITO FISH SUPPLIES	46.32
			6040 Building Maintenance	45.38
			6044 MAINTENANCE, GROUNDS	13.65
			6010 AWARDS	22.54
			6044 MAINTENANCE, GROUNDS	239.81
			6290 Supplies, Public Informati	5.44
			6040 Building Maintenance	10.38
				411.95
15916	11/15/2018	JERRY VELASCO	6030 BOARD EXPENSES	100.00
				100.00
BM of 11/9/18				
15917	11/15/2018	JOHN CAPOCCIA	6030 BOARD EXPENSES	100.00
				100.00
BM of 11/9/18				
15918	11/15/2018	JOSEPH LEON	6030 BOARD EXPENSES	100.00

SAN GABRIEL VALLEY MVCD

Claims List

November 15, 2018

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
				100.00
BM of 11/9/18				
15919	11/15/2018	JOSEPH ROCHA	6030 BOARD EXPENSES	100.00
				100.00
BM of 11/9/18				
15920	11/15/2018	JULI COSTANZO	6030 BOARD EXPENSES	100.00
				100.00
BM of 11/9/18				
15921	11/15/2018	MANUEL GARCIA	6030 BOARD EXPENSES	100.00
				100.00
BM of 11/9/18				
15922	11/15/2018	MARC MITCHELL	2100 EMPLOYEE RETIREMENT	203.73
				203.73
Deduction reimburse	11/14/2018			
15923	11/15/2018	MARGARET E. FINLAY	6030 BOARD EXPENSES	100.00
				100.00
BM of 11/9/18				
15924	11/15/2018	MARY W. SU	6030 BOARD EXPENSES	100.00
				100.00
BM of 11/9/18				
15925	11/15/2018	MEGA DISTRIBUTION	6260 SUPPLIES, MECHANICAL	600.00
				600.00
MD-2685				
15926	11/15/2018	MIKE SPENCE	6030 BOARD EXPENSES	100.00
				100.00

SAN GABRIEL VALLEY MVCD

Claims List

November 15, 2018

Num	Date	Name	Item	Original Amount
BM of 11/9/18				
15927	11/15/2018	MISSION FENCE & PATIO BUILDERS	6040 Building Maintenance	950.00
				<u>950.00</u>
1018-12T				
15928	11/15/2018	RICHARD BARAKAT	6030 BOARD EXPENSES	100.00
				<u>100.00</u>
BM of 11/9/18				
15929	11/15/2018	ROBERT NEHER	6030 BOARD EXPENSES	100.00
				<u>100.00</u>
BM of 11/9/18				
15930	11/15/2018	ROGER CHANDLER	6030 BOARD EXPENSES	100.00
				<u>100.00</u>
BM of 11/9/18				
15931	11/15/2018	SANDRA ARMENTA	6030 BOARD EXPENSES	100.00
				<u>100.00</u>
BM of 11/9/18				
15932	11/15/2018	SOCALGAS	6341 Utilities (Acc # 057 518 2100 9 Acc # 059 618	108.98
			6341 Utilities (Acc # 057 518 2100 9 Acc # 059 618	19.36
				<u>128.34</u>
05751821009				
15933	11/15/2018	SOUTHERN CALIFORNIA EDISON	6340 UTILITIES - ELECTRIC	2,090.31
				<u>2,090.31</u>
2-03-760-7223				
15934	11/15/2018	STAPLES CREDIT PLAN	6270 OFFICE SUPPLIES	67.86
				<u>67.86</u>

SAN GABRIEL VALLEY MVCD

Claims List

November 15, 2018

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
2176160741				
15935	11/15/2018	STEPHEN SHAM	6030 BOARD EXPENSES	100.00
				<u>100.00</u>
BM of 11/9/18				
15936	11/15/2018	TIM SANDOVAL	6030 BOARD EXPENSES	100.00
				<u>100.00</u>
BM of 11/9/18				
15937	11/15/2018	TPx COMMUNICATIONS	6315 Monthly Internet Charges (Monthly Internet Ch	998.30
			6320 TELEPHONE OFFICE	1,013.75
				<u>2,012.05</u>
109854168-0				
15938	11/15/2018	VERIZON WIRELESS	6312 Monthly District Field Ph (Monthly District Fielc	797.43
			6312 Monthly District Field Ph (Monthly District Fielc	1,239.47
				<u>2,036.90</u>
9818093938				
15939	11/15/2018	WELLS FARGO VENDOR FIN SERV	6073 EQUIPMENT LEASE	1,424.64
				<u>1,424.64</u>
90136779571	11/04/2018			
15940	11/15/2018	WEST VALLEY MVCD	6250 LABORATORY SUPPLIES	648.00
				<u>648.00</u>
2421				
		Total Accounts Payable for November 15, 2018		37,791.31

SAN GABRIEL VALLEY MVCD

Claims List

November 29, 2018

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
1085590-10001	11/29/2018	PRINCIPAL DENTAL	6070 Premiums, life - Cafeter (Voluntary Insurance l	86.95
			6070 Premiums, life - Cafeter (Voluntary Insurance l	352.61
			6070 Premiums, life - Cafeter (Voluntary Insurance l	1,370.08
			6070 Premiums, life - Cafeter (Voluntary Insurance l	262.63
			6070 Premiums, life - Cafeter (Voluntary Insurance l	265.66
				<u>2,337.93</u>
EFT B831282	11/29/2018	AMERICAN FIDELITY ASSURANCE	6070 Premiums, life - Cafeter (Voluntary Insurance l	114.08
			6070 Premiums, life - Cafeter (Voluntary Insurance l	298.33
			6070 Premiums, life - Cafeter (Voluntary Insurance l	1,279.60
			6070 Premiums, life - Cafeter (Voluntary Insurance l	219.76
			6070 Premiums, life - Cafeter (Voluntary Insurance l	51.81
				<u>1,963.58</u>
EFT 100000015497206	11/29/2018	CAL PERS	6070 Med premiums - Cafeteria (Medical premiums)	558.13
			6070 Med premiums - Cafeteria (Medical premiums)	4,101.77
			6070 Med premiums - Cafeteria (Medical premiums)	2,924.85
			6070 Med premiums - Cafeteria (Medical premiums)	1,813.31
			6072 MEDICAL PREMIUM-Retired EE (Medical prei	266.00
			6070 ADMIN FEE (Admin fee)	32.05
				<u>9,696.11</u>
EFT	11/29/2018	LINCOLN FINANCIAL GROUP	6065 GROUP TERM LIFE	358.40
			6070 Premiums, life - Cafeter (Voluntary Insurance l	356.00
				<u>714.40</u>
EFT PR of 1/29/18	11/29/2018	PERS	6200 RETIREMENT - CLASSIC (Employer Contribu	521.33
			6200 RETIREMENT - CLASSIC (Employer Contribu	938.12
			6200 RETIREMENT - CLASSIC (Employer Contribu	1,656.88
			6200 RETIREMENT - CLASSIC (Employer Contribu	299.81
			6201 RETIREMENT - PEPRA (Employer Contributic	106.90
				1,912.18

SAN GABRIEL VALLEY MVCD
Claims List

November 29, 2018

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
			6201 RETIREMENT - PEPRA (Employer Contributic	442.98
			6201 RETIREMENT - PEPRA (Employer Contributic	365.03
			6201 RETIREMENT - PEPRA (Employer Contributic	80.08
				<u>6,323.31</u>
EFT	11/29/2018	LINCOLN FINANCIAL GROUP	6065 GROUP TERM LIFE	318.78
Dec premiums			6070 Premiums, life - Cafeter (Voluntary Insurance I	356.00
				<u>674.78</u>
15941	11/29/2018	AMAZON.COM	6290 Supplies, Public Informati	82.51
			6280 SUPPLIES, OPERATIONS	28.02
6045787810575999			6302 Supplies, Safety	75.46
			6270 OFFICE SUPPLIES	459.47
			6270 OFFICE SUPPLIES	12.21
			6270 OFFICE SUPPLIES	23.84
			6270 OFFICE SUPPLIES	193.24
			6280 SUPPLIES, OPERATIONS	64.94
				<u>939.69</u>
15942	11/29/2018	COPIES & INK	6186 Printing	695.00
			6186 Printing	109.03
35581				<u>804.03</u>
15943	11/29/2018	DIAMONDBACK TRUCK COVERS	6260 SUPPLIES, MECHANICAL	1,849.00
				<u>1,849.00</u>
172467				
15944	11/29/2018	FIDELITY SECURITY LIFE INSURANCE CO.	6070 Vision Premiums (Vision Premiums)	12.30
			6070 Vision Premiums (Vision Premiums)	81.03
163719847			6070 Vision Premiums (Vision Premiums)	249.40
			6070 Vision Premiums (Vision Premiums)	24.60
			6070 Vision Premiums (Vision Premiums)	58.91
				<u>426.24</u>

SAN GABRIEL VALLEY MVCD

Claims List

November 29, 2018

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
15945	11/29/2018	IRWINDALE INDUSTRIAL CLINIC	6302 Supplies, Safety	335.06
				335.06
366024-103568-81063				
15946	11/29/2018	JARED DEVER	6232 Per Diem (Per Diem)	120.00
				120.00
Per Diem				
15947	11/29/2018	LOZANO SMITH, LLP	6130 Profess Serv rendered (Professional Services	1,003.47
				1,003.47
2066491				
15948	11/29/2018	PRAXAIR DISTRIBUTION	6250 LABORATORY SUPPLIES	34.89
				34.89
8593989				
15949	11/29/2018	THERMAL COMBUSTION INNOVATORS	6250 LABORATORY SUPPLIES	96.12
				96.12
200493	11/06/2018			
15950	11/29/2018	TNT WINDOW TINTING	6260 SUPPLIES, MECHANICAL	600.00
				600.00
2202268	11/20/2018			
15951	11/29/2018	US BANK	6232 SEMINARS AND MEETINGS	653.91
			6030 BOARD EXPENSES	35.97
Alba			6036 COMPUTER SOFTWARE	29.97
			6232 SEMINARS AND MEETINGS	114.06
Dever			6232 SEMINARS AND MEETINGS	175.18
			6036 COMPUTER SOFTWARE	372.00
			6281 MOSQUITO FISH SUPPLIES	289.73
			6232 SEMINARS AND MEETINGS	290.00

SAN GABRIEL VALLEY MVCD

Claims List

November 29, 2018

Num	Date	Name	Item	Original Amount
Doyle			6232 SEMINARS AND MEETINGS	324.39
			6232 SEMINARS AND MEETINGS	203.11
			6232 SEMINARS AND MEETINGS	435.00
			6030 BOARD EXPENSES	73.15
			6030 BOARD EXPENSES	77.77
Elliott			6232 SEMINARS AND MEETINGS	23.00
			6232 SEMINARS AND MEETINGS	290.00
Farned			6232 SEMINARS AND MEETINGS	324.39
			6232 SEMINARS AND MEETINGS	42.23
			6280 SUPPLIES, OPERATIONS	199.00
			6232 SEMINARS AND MEETINGS	200.01
			6232 SEMINARS AND MEETINGS	203.11
			6280 SUPPLIES, OPERATIONS	10.00
			6010 AWARDS	64.98
			6290 Supplies, Public Informati	10.68
			6290 Supplies, Public Informati	132.44
Hagele			6332 Uniforms (Uniforms)	137.82
			6260 SUPPLIES, MECHANICAL	44.88
			6260 SUPPLIES, MECHANICAL	11.34
Niffenegger			6185 POSTAGE	9.09
			6186 Printing	142.31
Sun			6003 ADVERTISING	89.02
			6270 OFFICE SUPPLIES	33.68
			6037 WEBSITE AND EMAIL SERVICE	8.17
			6270 OFFICE SUPPLIES	96.71
			6290 Supplies, Public Informati	31.76
			6270 OFFICE SUPPLIES	9.29
			6290 Supplies, Public Informati	131.95
			6037 WEBSITE AND EMAIL SERVICE	4.99
			6290 Supplies, Public Informati	108.93
Van der Heyden			6037 WEBSITE AND EMAIL SERVICE	339.98
			6010 AWARDS	16.01
			6270 OFFICE SUPPLIES	25.02

SAN GABRIEL VALLEY MVCD
Claims List

November 29, 2018

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
				5,815.03
15952		WINDOWASHERS, LLC.	6046 PROFESSIONAL SERVICES - IT	2,800.00
				2,800.00
1040				
		Total Accounts Payable for November 29, 2018		36,533.64
		Total Accounts Payable for November 2018		133,610.94
		Total Payroll for November 2018		279,021.29
		see attached		
		Total Claims List for November 2018		412,632.23

**San Gabriel Valley MVCD
Payroll for November 2018**

Department	Nov 1, 2018	Nov 15, 2018	Nov 29, 2018	Nov 30, 2018 Term	TOTAL
EXECUTIVE	5,540.80	5,540.80	5,540.80		16,622.40
ADMINISTRATION	11,528.89	11,632.80	11,532.80		34,694.49
OPERATIONS	48,375.12	46,522.32	45,635.60	12,555.90	153,088.94
SURVEILLANCE	8,267.68	8,317.68	8,267.68		24,853.04
COMMUNICATIONS	8,521.60	8,571.60	8,521.60		25,614.80
SEASONAL WORKERS	<u>923.34</u>	<u>2,083.04</u>	<u>1,617.84</u>		<u>4,624.22</u>
Gross Payroll	83,157.43	82,668.24	81,116.32	12,555.90	259,497.89
Employer Taxes	1,367.99	1,356.61	1,319.94	1,457.59	5,502.13
Car Allowance	500.00	-	-	-	500.00
Employee Benefit-Med	<u>4,634.23</u>	<u>4,429.68</u>	<u>4,429.68</u>	<u>27.68</u>	<u>13,521.27</u>
TOTAL PAYROLL	89,659.65	88,454.53	86,865.94	14,041.17	279,021.29

SGVMVCD
Comparative YTD Actual to Full Year Budget
Current Period 42% of Year Completed
November 30, 2018

	Current Period Actual	Year-To-Date Actual	Budget Full Year	Remaining Budget	% Of Budget Utilized	
PERSONNEL EXPENSES						
Salaries, Exempt	52,460.63	202,769.77	483,738.58	280,968.81	41.92	
Salaries - Non Exempt	143,117.58	582,862.93	1,680,573.54	1,097,710.61	34.68	
Salaries - Overtime	0.00	2,074.51	19,700.00	17,625.49	10.53	
Salaries - Vacation	22,269.46	61,170.95	89,770.00	28,599.05	68.14	Retirement payout
Salaries-Holiday	25,535.60	43,549.46	123,207.00	79,657.54	35.35	
Salaries, Sick Pay	11,490.40	34,673.88	93,635.00	58,961.12	37.03	
Salaries, Part-time - XH	4,624.22	103,436.28	348,686.00	245,249.72	29.66	
Management Car Allowance	500.00	2,500.00	6,000.00	3,500.00	41.67	
Cafeteria Benefit	43,665.99	142,258.44	316,800.00	174,541.56	44.90	
Hlth Benefits, Ret Emps	1,155.55	4,713.75	12,000.00	7,286.25	39.28	
Medicare	3,900.32	15,505.01	40,745.00	25,239.99	38.05	
Retirement - Classic	19,760.94	87,445.73	110,980.00	23,534.27	78.79	Unfunded liability
Retirement - Pepra	8,731.46	34,855.10	95,065.00	60,209.90	36.66	
Social Security	163.34	3,636.52	7,385.00	3,748.48	49.24	Seasonal expense
Group Term Life Ins	677.18	1,962.22	4,300.00	2,337.78	45.63	
Tuition Reimbursement	0.00	0.00	8,000.00	8,000.00	0.00	
Insurance, unemployment	163.34	2,409.85	19,200.00	16,790.15	12.55	
TOTAL PERSONNEL EXPENSES	338,216.01	1,325,824.40	3,459,785.12	2,133,960.72	38.32	
OPERATING EXPENSES						
Awards	444.55	1,226.84	2,000.00	773.16	61.34	Service pins
Advertising	675.55	9,484.48	30,000.00	20,515.52	31.61	
Bank Charges	557.60	2,258.71	5,000.00	2,741.29	45.17	
Board expenses	2,640.44	11,069.61	35,000.00	23,930.39	31.63	
Computer Hardware	14,242.65	18,499.81	19,000.00	500.19	97.37	iPads-Ops
Computer Software	431.94	12,357.10	20,400.00	8,042.90	60.57	Neogov renewal
Website/Email Service	558.13	978.09	3,195.00	2,216.91	30.61	
Building maintenance	4,741.08	19,762.54	37,500.00	17,737.46	52.70	Water heater replacement
Maintenance, equipment	0.00	484.47	9,000.00	8,515.53	5.38	
Maintenance, grounds	253.46	754.76	4,000.00	3,245.24	18.87	
Lease Equipment	1,696.89	24,728.11	38,000.00	13,271.89	65.07	Telephone annual lease payment
Fees & Assessments	200.00-	2,783.38	4,000.00	1,216.62	69.58	Void check
Hiring expenses	0.00	1,330.76	5,600.00	4,269.24	23.76	

SGVMVCD
Comparative YTD Actual to Full Year Budget
Current Period 42% of Year Completed
November 30, 2018

	Current Period Actual	Year-To-Date Actual	Budget Full Year	Remaining Budget	% Of Budget Utilized	
VCJPA General Fund	0.00	10,697.00	9,656.00	(1,041.00)	110.78	One time expense
Insurance, liability	0.00	66,602.00	65,411.00	(1,191.00)	101.82	One time expense
Workers Comp Insurance	0.00	111,370.00	111,546.00	176.00	99.84	One time expense
Automobile Insurance	0.00	1,648.00	1,648.00	0.00	100.00	One time expense
Other Insurance	0.00	367.74	2,000.00	1,632.26	18.39	
Insurance, property	0.00	3,196.00	3,258.00	62.00	98.10	One time expense
Legal	1,185.47	10,529.99	35,000.00	24,470.01	30.09	
Memberships	0.00	18,227.00	25,000.00	6,773.00	72.91	MVCAC dues
Miscellaneous expenses	335.30	1,774.33	3,000.00	1,225.67	59.14	Increaseed water delivery
Postage	69.25	843.15	9,904.00	9,060.85	8.51	
Prof. Services, Auditor	0.00	14,062.50	20,000.00	5,937.50	70.31	One time expense
Professional Services	0.00	1,440.00	5,000.00	3,560.00	28.80	
Professional Services-IT	5,900.00	17,701.05	35,000.00	17,298.95	50.57	Exchange server service
Printing & Reproduction	1,728.18	7,412.32	11,000.00	3,587.68	67.38	Communication fliers
Research	0.00	0.00	1,000.00	1,000.00	0.00	
Seminars and meetings	4,661.73	9,711.82	29,710.00	19,998.18	32.69	
Supplies, laboratory	2,679.62	13,073.28	16,100.00	3,026.72	81.20	Mosquito testing
Supplies, mechanical	4,191.48	28,579.09	25,000.00	(3,579.09)	114.32	Transmission replacement
Supplies, gasoline	6,357.21	31,332.42	50,000.00	18,667.58	62.66	Extra trucks for seasonals
Supplies, office	1,064.31	3,033.10	13,000.00	9,966.90	23.33	
Supplies, Mosquito Fish	347.88	770.88	30,000.00	29,229.12	2.57	
Supplies, operations	883.81	5,099.19	18,000.00	12,900.81	28.33	
Supplies, pesticides	0.00	21,841.81	50,000.00	28,158.19	43.68	Annual replenishment
Supplies, Communications	586.61	2,435.33	11,200.00	8,764.67	21.74	
Supplies, Education Program	0.00	187.34	700.00	512.66	26.76	
Supplies, safety	3,183.44	10,019.58	20,000.00	9,980.42	50.10	
Benefit Assesment Admin Cost	0.00	11,827.60	115,000.00	103,172.40	10.28	
Communications, field	2,036.90	10,280.00	28,000.00	17,720.00	36.71	
Telephone, Internet	998.30	4,850.98	24,500.00	19,649.02	19.80	
Telephone , Office	1,013.75	4,891.40	14,000.00	9,108.60	34.94	
Training , CEU's	0.00	3,938.00	4,000.00	62.00	98.45	Recertification fees
Uniforms and clothing	895.12	3,889.84	27,000.00	23,110.16	14.41	
Utilities, Electric	2,090.31	20,060.94	39,000.00	18,939.06	51.44	A/C use
Utilities, Natural Gas	128.34	723.31	3,000.00	2,276.69	24.11	
Utilities, Water	138.01	840.05	2,000.00	1,159.95	42.00	
Automobile Lease	6,148.86	29,444.30	73,800.00	44,355.70	39.90	

SGVMVCD
Comparative YTD Actual to Full Year Budget
Current Period 42% of Year Completed
November 30, 2018

	Current Period Actual	Year-To-Date Actual	Budget Full Year	Remaining Budget	% Of Budget Utilized
TOTAL OPERATING EXPENSES	72,666.17	588,420.00	1,145,128.00	556,708.00	51.38
TOTAL EXPENSES	410,882.18	1,914,244.40	4,604,913.12	2,690,668.72	41.57

SGVMVCD
Comparative YTD Actual to Full Year Budget
Current Period 42% of Year Completed
November 30, 2018

	Current Period Actual	Year-To-Date Actual	Budget Full Year	Remaining Budget	% Of Budget Utilized	
RESERVES						
Reserve, Unallocated Gene	0.00	0.00	0.00	0.00	0.00	Transferred to Building/Facilities
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	612,923.00	612,923.00	0.00	
Reserve, Pension Liability	0.00	0.00	200,258.00	200,258.00	0.00	
Reserve, Building/Facilities	0.00	0.00	100,000.00	100,000.00	0.00	From Unallocated General Reserves
Reserve, Vehicle Replacement	0.00	0.00	0.00	0.00	0.00	
TOTAL RESERVES	0.00	0.00	2,239,381.00	2,239,381.00	0.00	

San Gabriel Valley Mosquito & Vector Control District
Board of Trustees Meeting
November 9, 2018

Minutes

Trustees Attending

- 1 Stephen Sham (Alhambra)
- 2 Roger Chandler (Arcadia)
- 3 Joseph Rocha (Azusa)
- 4 Rick Barakat (Bradbury)
- 5 Corey Calaycay (Claremont)
- 6 Henry Morgan (Covina)
- 7 Margaret Finlay (Duarte)
- 8 Jerry Velasco (El Monte)
- 9 Charles Myers (Glendora)
- 10 Abraham Cruz (Industry)
- 11 Manuel Garcia (Irwindale)
- 12 Dan Holloway (La Puente)
- 13 Robert Neher (La Verne)
- 14 Jamie Bissner (L. A. County)
- 15 Becky Shevlin (Monrovia)
- 16 Joseph Leon (Monterey Park)
- 17 Rachel Janbek (Pasadena)
- 18 Tim Sandoval (Pomona)
- 19 Sandra Armenta (Rosemead)
- 20 Emmett Badar (San Dimas)
- 21 Juli Costanzo (San Gabriel)
- 22 John Capoccia (Sierra Madre)
- 23 Mary Su (Walnut)
- 24 Mike Spence (West Covina)

Trustees Absent

1. Cruz Baca (Baldwin Park)
2. Marina Khubesrian (So. Pasadena)
3. Cynthia Sternquist (Temple City)

Staff Attending

Jared Dever
Melissa Doyle
Levy Sun
Esther Elliott
Jason Farned
Gilbert Holguin
Rose Alba

Guest

Henry P. Eng, CPA, Auditor

1. Call to Order

President Calaycay called the meeting to order at 7:02 AM.

2. Pledge of Allegiance and Silent Roll Call

Trustee Costanzo led the Pledge of Allegiance.

3. Opportunity for Public Comment on Non-Agenda Items

None

4. Consent Calendar

Correction to Agenda: Item 9, District's Administration, E, District Holiday Schedule: Tuesday New Year's Day year changed to 2019 as well as Friday, January 11th Board meeting year changed to 2019.

- A. List of Claims for the month of October
- B. Budget Status Report for October
- C. Minutes of Board of Trustees Meeting October
- D. Operations Report
- E. Surveillance Report
- F. Communications Report
- G. September 2018 Monthly Treasurer Report / District Working Balance for November 2018

A motion by Trustee Morgan to approve the Consent Calendar as submitted was seconded by Trustee Chandler and unanimously approved.

5. **Presentation: “Underground Storm Drain Mosquito Control Program”**
Presented by Vector Control Specialist III, Gilbert Holguin.

Underground Storm Drain (USD) systems in San Gabriel Valley are designed to move water through storm drain channels and into an open flood channel. These storm-water conveyance systems are often comprised of aging pipes and concrete structures that hold pockets of stagnant water conducive to mosquito growth.

The District’s USD Program started in 2015 with three technicians working one day a week. The team geo-coded 800 miles of underground pipes, located approximately 8,492 manhole covers, 27,525 catch basins, and 396 miles of open flood channels.

Today there are two teams comprised of six technicians working 4 days a week. However, in order to effectively inspect and treat areas with mosquito activity every 30 to 45 days, additional resources and staffing are vital.

6. **Consider Rescinding Resolution 2002-05 District Legislative Advocacy Policy as recommended by the Legislative Committee**

A motion by Trustee Morgan to rescind Resolution 2002-05 District Legislative Advocacy Policy as recommended by the Legislative Committee was seconded and unanimously approved.

7. **Consider Adopting Resolution 2018-03 District Legislative Advocacy Policy as recommended by the Legislative Committee**

A motion by Trustee Finlay to adopt Resolution 2018-03 District Legislative Advocacy Policy as recommended by the Legislative Committee was seconded by Trustee Morgan and unanimously approved.

8. **Consider Approving the 2019 Cooperative Agreement with the State of California Health and Human Services Agency, Department of Public Health**

A motion by Trustee Morgan to approve the 2019 Cooperative Agreement with the State of California Health and Human Services Agency, Department of Public Health was seconded by Trustee Costanzo and unanimously approved.

9. District's Administration

A. Reappointment as MVCAC Southern Region Representative
District Manager Jared Dever announced he has been reappointed as MVCAC Southern Region Representative for the next calendar year.

B. Southern Region Invasive *Aedes* Forum on December 11, 2018

Jared announced that the MVCAC Southern Region will host a special meeting on Tuesday, December 11, 2018 to discuss strategies and the issue of invasive *Aedes* control, education and surveillance. .

C. City of Pasadena Flea-borne Typhus Education Campaign Update

Trustee Janbek reported that the City of Pasadena has sent out informational brochures to residents in flea-borne typhus cluster areas. She reported a meeting would be held on Wednesday, December 5, 2018 in Long Beach to discuss outbreaks flea-borne typhus in Southern California.

D. Facility Security Enhancement Update – Security gate

Operations Manager Jason Farned reported that part of the District security enhancement has been completed. A privacy screen has been added to the rear gate of the property.

E. District Holiday Schedule: (*Resolution 92-11 Personnel and Salary, Article XIII, Holidays, Section 1, Holidays Observed, A*)

Veteran's Day	Monday November 12, 2018
Thanksgiving Day	Thursday, November 22, 2018
Day after Thanksgiving Day	Friday, November 23, 2018
Board of Trustees' Meeting	Friday December 14, 2018
Christmas Eve	Monday, December 24, 2018
Christmas Day	Tuesday, December 25, 2018
New Year's Eve Day	Monday, December 31, 2018
New Year's Day	Tuesday, January 1, 2019
Board of Trustees' Meeting	Friday, January 11, 2019

10. Department Reports

A. Operations

Operations Manager Jason Farned stated that Vector Control Specialists III Gilbert Holguin has presented a report of the District's underground storm drain program.

B. Surveillance

Scientific Programs Manager Melissa Doyle reported that the Surveillance team has trapped 76,000 mosquitoes.

C. Public Information

Public Information Officer Levy Sun stated that the Public Relations Committee of the MVCAC is conducting a statewide survey to determine residents' knowledge of mosquitoes, mosquito-borne disease, and bite prevention techniques.

11. Trustee Reports

None

12. New Business

None

13. Adjournment

The meeting adjourned at 7:28 AM.

The Finance Committee convened immediately after the Board adjourned.

Finance Committee

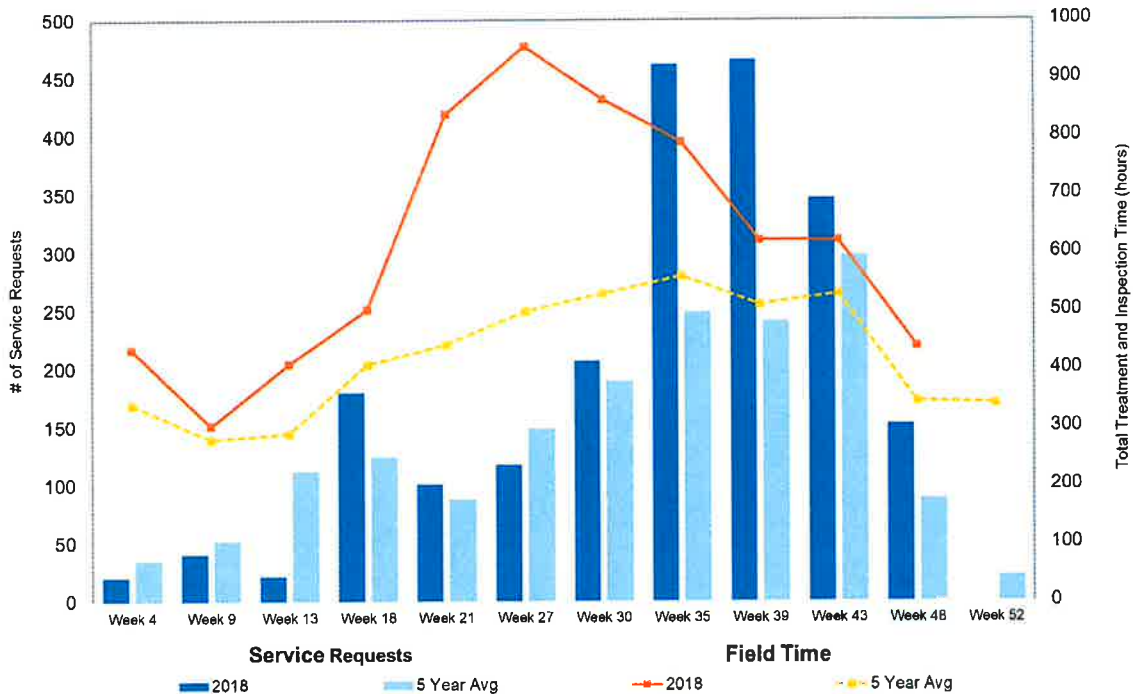
Richard Barakat
John Capoccia
Roger Chandler
Margaret Finlay, Chair
Joseph Leon

Henry M. Morgan
Tim Sandoval
Becky Shevlin
Mike Spence

Operations Report

Week 44- 48 2018

Operations Workflow:



Operations Summary:

Fleet Mechanic, Mike Niffenegger retired at the end of November after 20+ years of dedicated service. His duties included the maintenance and repair of the District’s vehicles, equipment, and the facility. A cost comparison analysis showed that contracting out our fleet services would be more cost effective than hiring a full time fleet mechanic. After an evaluation of proposals received in response to a formal RFP for fleet management services, the District chose Fleet Solutions Center (FSC) for its vehicle preventative maintenance program. FSC is a local firm located in Azusa and may also perform emergency service, fabrication and specialized vehicle modification. The remaining duties previously performed by the Fleet Mechanic have been distributed among existing staff.

The cool weather has reduced the amount of service requests (SRs) from residents and the reprieve has allowed the Vector Control Specialists to focus on known breeding sources and preventative measures. The rain has slightly limited field time but gives the District an opportunity to provide the Continuing Education Credits necessary to maintain the Vector Control Technician Certification that is mandatory for a majority of the full-time staff.

The District initiated a follow-up meeting with the scoping committee for the North Barn Project at Santa Anita Park and after a thorough property inspection, provided a report that highlighted infrastructure improvements and maintenance guidelines to prevent mosquito habitat.

Chemical Usage:

Larvicides/Pupicides			
Method of Action	Target	Amount	Area Treated
Larvicide Oils (Surface Film)			
Suffocation	Mosquitoes	3.42 gal.	26776 sq.ft.
Insect Growth Regulators (IGR's)			
Inhibits metamorphosis	Mosquitoes	11.52 lbs.	8696 sq.ft.
Bacterials			
Ingestion, toxicant	Mosquitoes	7.65 gal.	242352 sq.ft.
Ingestion, toxicant	Mosquitoes	22.27 lbs.	270193 sq.ft.
Ingestion, toxicant	Black flies	9.52 gal.	2643 m ³
Biologicals			
Mosquito fish	Mosquitoes	395 ea.	1744 sq.ft.

Zone Specialists:

Zone	Specialist	Cities
1	Marc Mitchell	Alhambra, Monterey Park, San Gabriel and South Pasadena
2	Leslie Conner	Altadena, Pasadena
3	Darrin Jones	Arcadia, Sierra Madre, Temple City
4	Jon Halili	Baldwin Park, El Monte and 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

Surveillance Activities – Disease Weeks 44 - 48

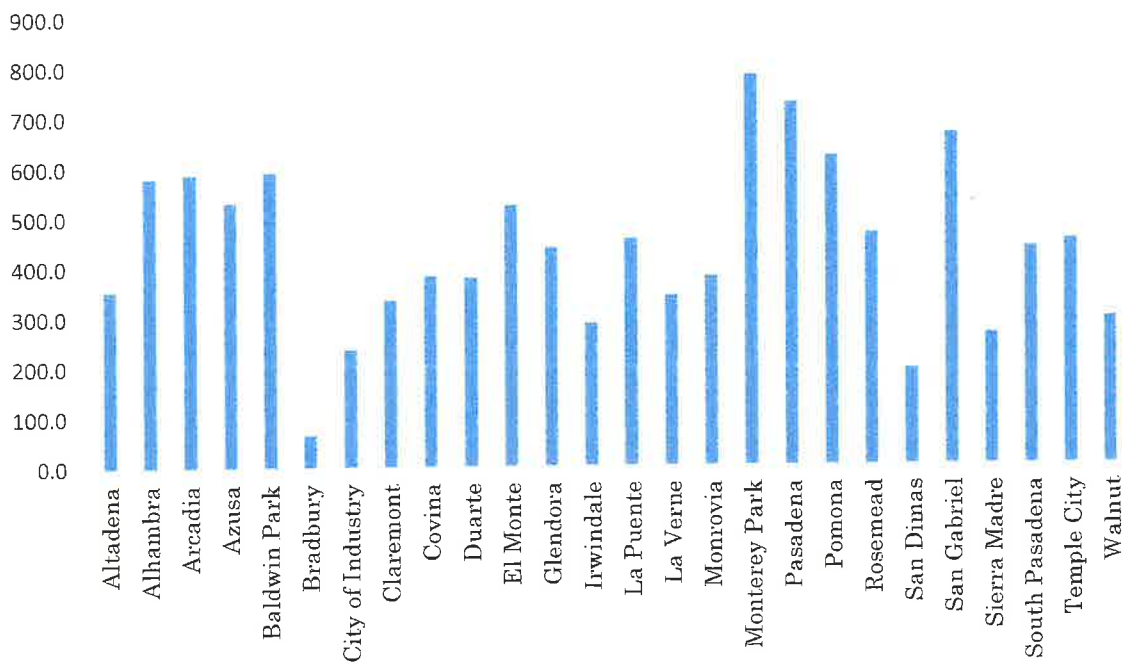
I. Mosquito Collections and Mosquito Pools for Arbovirus Surveillance

The surveillance department completed trapping for the 2018 season in week 44.

Surveillance Activities

Traps were placed in a variety of location types to provide optimal surveillance for disease-carrying mosquitoes weekly April – October.

Monthly Average Trap Capture 2018



II. Disease Surveillance

The surveillance department began submitting mosquito pools for viral testing in week 18 and one sample submitted in week 35 tested positive for West Nile virus. The surveillance department has captured 82,639 adult mosquitoes and submitted 675 mosquito samples for viral testing in 2018. Also, 37 samples of *Aedes aegypti* mosquitoes were submitted to the California Department of Public Health for pesticide resistance testing.

III. Notes

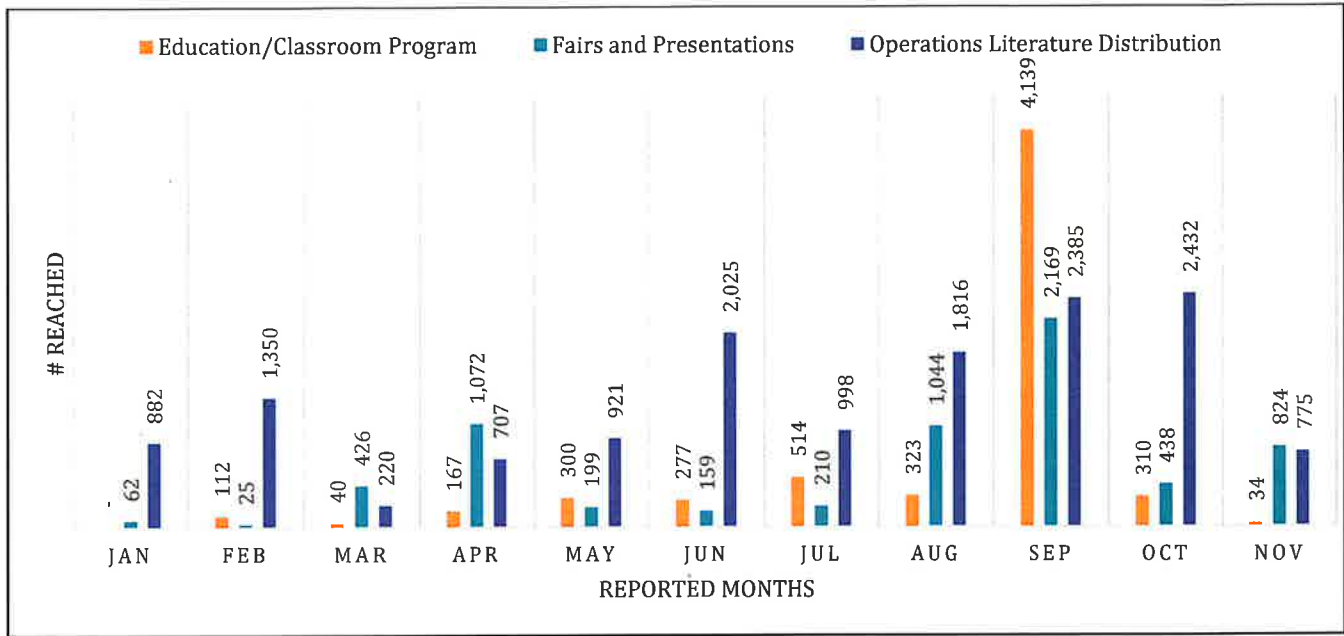
The surveillance department has begun planning for the 2019 season. The surveillance department collaborated with researchers at the University of California, Riverside on a project exploring mosquito breeding in water holding

plants. The poster presentation, "Bromeliads as habitat for *Aedes* mosquitoes in southern California" was presented at the Entomological Society of America proceedings in Vancouver, Canada. The surveillance department also collaborated with the Pasadena Public Health Department on a study evaluating the effectiveness of flea-borne typhus outreach materials.

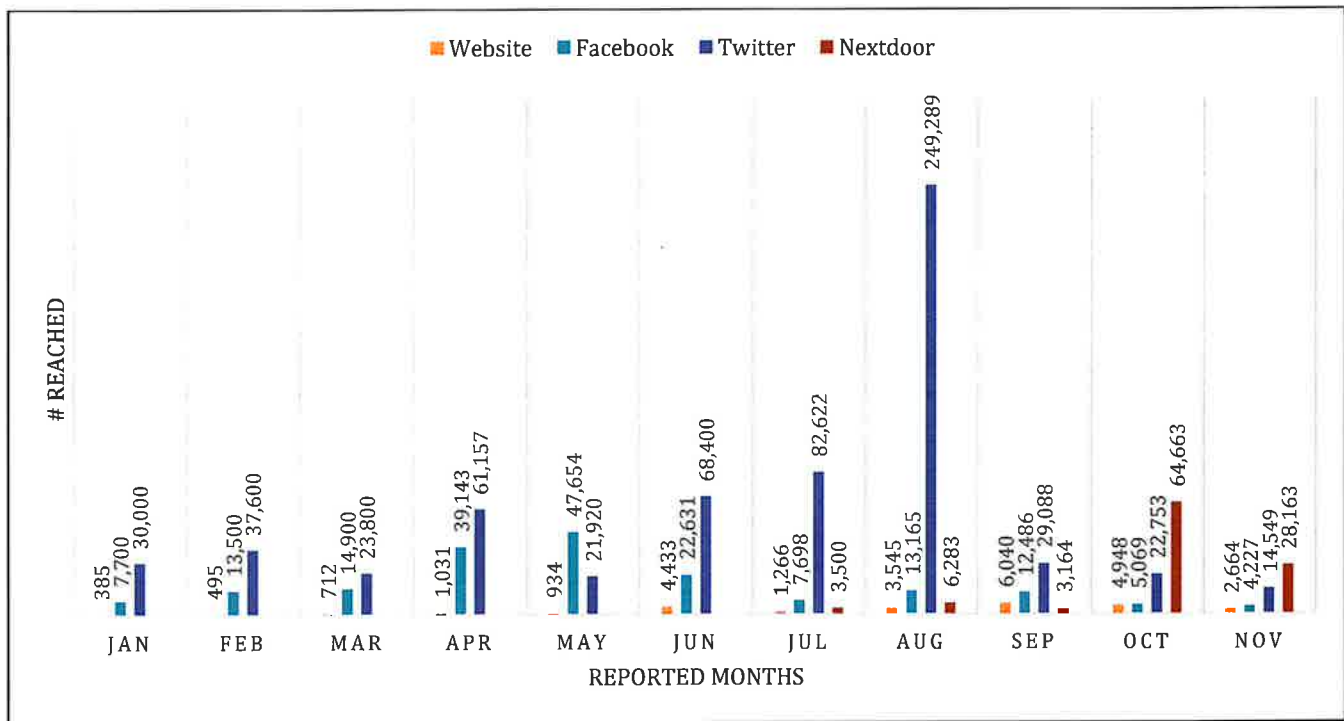
Communications Department

October 28, 2018 – November 24, 2018 | Disease Weeks 44-47

Outreach Activities:



Digital Activities:



Media Activity:

Date	Media Outlet	Headline
11/7	Pasadena Living	Eliminating Mosquitoes Takes Everyone to Make it Work

Press Releases and E-blasts:

Date	Headline
10/26	E-blast to Residents: Bite Back Campaigns in Pasadena, Altadena, Monterey Park
11/20	E-blast: Wishing residents and educators Happy Thanksgiving

Programmatic:

EcoHealth Program:

1. Conception and creation of new material for STEAM Event (How our agency uses Science, Technology, Engineering, Arts, and Math to control mosquitoes)
2. Assisted with the production of a PSA
3. Finalized Interview for Winter E-newsletter
4. Assisted with initial research for winter programs concepts
5. Assisted with interview questions and approach for Teacher/Student VIP Interview

Marketing Campaigns:

- 1) “Don’t Fall for Summer Mosquito Tricks” – Autumn campaign ongoing
- 2) Creating content for “Winter Wipeout” campaign
- 3) Repellent Booths
 - a. Improved signage and design of repellent bottle holders
- 4) Continued Targeted Ads and Social Posts:
 - a. Posted content to “hot spots” determined by Surveillance and Operations data.
 - b. Posted content based on holidays and events
- 5) Bite Back Campaign
 - a. Continue to improve web pages to reflect growing needs of Bite Back Champions
- 6) Set up Mailchimp as an email marketing tool
 - a. Piloting the low-cost resource to help cut costs

December 14, 2018

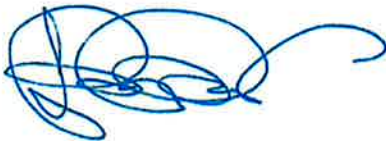
**HONORABLE PRESIDENT
AND MEMBERS OF THE BOARD OF TRUSTEES,
SAN GABRIEL VALLEY MOSQUITO & VECTOR CONTROL DISTRICT**

SUBJECT: December 1, 2018 District Working Fund Balance

November 1, 2018 balance:	\$796,720.50
November 1- November 30, 2018 expenditures:	\$412,632.23

December 1, 2018 Working Fund Balance: \$384,088.27

Respectfully Submitted:



**Jared Dever
District Manager**

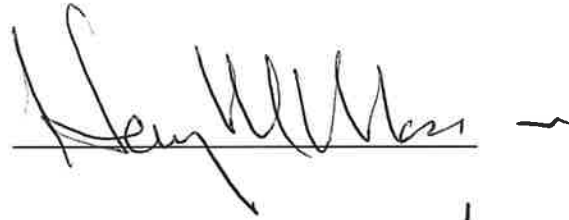
**Treasurer's Report-October 2018
San Gabriel Valley Mosquito and Vector Control District**

The attached Treasurer's Report is for October 2018.

The Total of All Funds Balance is \$3,036,101.50

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 black ink, appearing to read "Henry Williams", is written over a horizontal line. To the right of the signature is a small, stylized flourish.

Authorized Board of Trustee Member

**San Gabriel Valley Mosquito and Vector Control District
Treasurer's Report (based on Balance Sheet Detail Activity Report,
Period 4, FY 2018 received on November 1, 2018**

Item 4G

Investment Vehicle	Yield	Beginning Balance	Transaction	Deposit (Withdrawal)	Source	Ending Balance
Local Agency Investment Fund (LAIF)	2.14%	\$1,358,835.73	interest	\$7,383.04	LAIF Statement (Oct 2018)	\$1,366,218.77

Maturity Date: Perpetual
Interest rate as of Nov 2018

Investment Vehicle	Yield	Beginning Balance	Transaction	Deposit (Withdrawal)	Source	Ending Balance
Los Angeles County Pool	1.84%	\$1,735,558.72	interest Trust Warrant #677	\$2,422.05 (\$380,538.80)	ND 24 Per 4 ND 24 Per 4	\$1,357,441.97

Maturity Date: Perpetual
Interest rate as of Oct 2018

Investment Vehicle	Beginning Balance	Transaction	Deposit (Withdrawal)	Source	Ending Balance
Citizens Bank Revolving Fund	\$202,515.27	Deb Activity-Oct 2018 Sweep Trust Warrant #677	(\$760,277.56) \$377,223.49 \$380,538.80	CB Statement October 2018	\$200,000.00

Investment Vehicle	Beginning Balance	Transaction	Deposit (Withdrawal)	Source	Ending Balance
Citizens Bank Sweep Account	\$202,506.30	Deb Activity-Oct 2018 Deposit	(\$377,223.49) \$287,157.95	CB Statement October 2018	\$112,440.76

Total Beginning Balance	\$3,499,416.02			Total End Balance	\$3,036,101.50
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San Gabriel Valley Mosquito and Vector Control District District Manager's Report

Date: December 14, 2018 **Item 6**

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

Subject Consider the Finance Committee's Recommendation to
Approve the District's Audit for Fiscal Year 2017-2018 as
prepared by Henry Eng CPA, District Auditor

Reference: Attached

Background

At their meeting on November 9, 2018 the Board's Finance Committee approved a draft of the Audit Report for Fiscal Year 2017-2018 as presented Mr. Henry P. Eng, CPA District Auditor.

Manager's Recommendation

Review and approve the draft audit report.

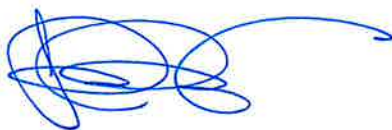
Alternative

Do not approve the audit and reconsider the revised version at another meeting of the Board.

Fiscal Impact

There is no fiscal impact for approving the draft audit.

Respectfully submitted,



Jared Dever
District Manager



October 17, 2018

Board of Trustees
San Gabriel Valley
Mosquito & Vector Control District
1145 No. Azusa Canyon Road
West Covina, CA 91790

We have audited the financial statements of the San Gabriel Valley Mosquito and Vector Control District (District) for the year ended June 30, 2018, and have issued our report thereon dated October 17, 2018. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Auditing Standards Generally Accepted in the United States of America

Our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance about whether the financial statements are free of material misstatement and are fairly presented in accordance with accounting standards generally accepted in the United States of America. Because an audit is designed to provide reasonable, but not absolute assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

As part of our audit, we considered the internal control of the District. Such considerations are solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Significant Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the District are described in the notes to the financial statements. We noted no transactions entered into by the District during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you of, or transactions for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. No accounting estimates were utilized by the District in accomplishing its financial reporting.

Audit Adjustments

For purposes of this letter, professional standards define an audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on the financial reporting process (that is, cause future financial statements to be materially misstated). In our judgment, none of the adjustments we proposed, whether recorded or unrecorded, either individually or in the aggregate, indicate matters that could have a significant effect on the financial reporting process.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Issues Discussed Prior to Retention of Independent Auditors

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.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing our audit.

Board of Trustees
San Gabriel Valley Mosquito and
Vector Control District
Page 3

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

Very truly yours,

A handwritten signature in cursive script that reads "Anne Tahim".

Tahim & Associates,
a Professional Corporation

**SAN GABRIEL VALLEY MOSQUITO AND
VECTOR CONTROL DISTRICT
FINANCIAL STATEMENTS
JUNE 30, 2018**

**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
JUNE 30, 2018**

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TAHIM & ASSOCIATES

An Accountancy, Advisory & Financial Planning Firm

INDEPENDENT AUDITORS' REPORT

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

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities of the General Fund of the San Gabriel Valley Mosquito and Vector Control District (the District), as of and for the year ended June 30, 2018, 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.

Auditor's 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 assessment of the risks of material misstatement of the financial statement, 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 of the effectiveness of the District'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 opinions.

Opinions

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 the San Gabriel Valley Mosquito and Vector Control District as of June 30, 2018, and the respective changes in financial position thereof and the respective budgetary comparison of the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Member of CalCPA and AICPA

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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 consists of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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 of the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Tahim & Associates,
a Professional Corporation

Anaheim, California
October 17, 2018

San Gabriel Valley Mosquito and Vector Control District Management's Discussion and Analysis for Fiscal Year 2017/18

This narrative is an overview and analysis of the financial activities and performance of the San Gabriel Valley Mosquito and Vector Control District (District) for the fiscal year ended on June 30, 2018. It is read best with the financial statements which follow this section.

Financial Highlights

The District's net position decreased \$184,260 (-3.07 percent) as a result of actuarial reporting of recognized pension costs and operational capital expenditures.

During the year, the District's revenue from its benefit assessment increased \$28,571 (.72 percent).

Total revenues from all sources increased \$53,616 (1.4 percent) from the prior year, which is primarily the result of increased successful benefit assessment collections and improved interest income.

Total expenditures increased \$305,879 (7.8 percent) due to increased cost of salaries, additional personnel, and operational capital expenditures.

Total savings to the District's general fund was \$103,060 (2.55 percent) under the FY 2017/18 adopted budget.

Using This Financial Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities and performance of the District using accounting methods similar to those of agencies in the private sector.

The Statement of Net Position includes all District assets and liabilities. It also provides the basis for computing a rate of return, evaluates the capital structure of the District, and assesses its liquidity and financial flexibility.

The Statement of Activities describes the District's revenue and expenses for the year. It measures the success of the District's operations over the past year and can be used to determine the District's net operating reserves and credit worthiness.

District Activities

The District is an independent special district, formed in 1989 specifically to control mosquitoes, but expanded in 1999 to manage Africanized honey bees and other vectors, e.g., black flies. The District began its efforts to prevent human infections with West Nile virus in 2003 when the virus first appeared in California. Because of this, the District ceased its program to manage bees in 2005, but has been working since 2011 to control *Aedes aegypti*, *Aedes albopictus*, and *Aedes notoscriptus* (invasive *Aedes*), and prevent the diseases these invasive species can transmit. Our staff modified and enhanced disease surveillance, increased efforts to identify and remove sources of water, and realigned assignments to maximize their efficiency.

The District continues to manage its funds prudently and base its vector control operations on data which are derived scientifically, and within a budget based on revenue from our benefit assessment. The

**San Gabriel Valley Mosquito and Vector Control District
Management's Discussion and Analysis for Fiscal Year 2017/18**

benefit assessment is collected by the County Treasurer and received by the District according to a disbursement schedule administered by the County.

Government-wide Financial Statements

Statement of Net position and Statement of Activities

The Statement of Net Position and the Statement of Activities use the accrual basis of accounting to assess the District's financial position in terms of the difference between its assets and liabilities. All of the current year's revenues and expenses are considered regardless of when the cash is received or paid. Other non-financial factors; e.g., changes in the District's assessment base must be included to assess the overall health of the District.

Governmental Funds Financial Statements

Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance

Governmental funds financial statements are similar to governmental activities in government-wide financial statements. However, governmental fund financial statements focus on near-term in- and outflows of spendable resources, and balances of spendable resources available at the end of the fiscal year. Comparing government-wide financial statements to governmental activities in the government-wide financial statements help assess the long-term impact of the government's near-term financing decisions. The governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison.

Notes to the Basic Financial Statements

The notes help explain the data provided in the government-wide and fund financial statements. They can be found on pages 16 through 18. The basic financial statements as follows describe the District's budget and compliance.

Government-wide Financial Analysis

	2018	2017	Change
Assets:			
Current assets	\$ 4,777,868	\$ 4,729,401	\$ 48,467
Capital assets, net	2,906,367	2,964,805	(58,438)
Total Assets	7,684,235	7,694,206	(9,971)
Deferred Outflows of Resources:			
Deferred pension-related items	400,146	589,041	(188,895)
Total Assets and Deferred Outflows	\$ 8,084,381	\$ 8,283,247	\$ (198,866)
Liabilities:			
Current and non-current liabilities	\$ 2,195,441	\$ 1,980,595	\$ 214,846
Deferred Inflows of Resources:			
Deferred pension-related items	62,157	291,609	(229,452)
Net Position:			
Invested in capital assets	2,906,367	2,964,805	(58,438)
Unrestricted	2,920,416	3,046,238	(125,822)
Total net position	5,826,783	6,011,043	(184,260)
Total Liabilities, Deferred Inflows, and Net Position	\$ 8,084,381	\$ 8,283,247	\$ (198,866)

**San Gabriel Valley Mosquito and Vector Control District
Management's Discussion and Analysis for Fiscal Year 2017/18**

Condensed Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets of the District exceeded liabilities by \$5,826,783.

A portion of the District's net position (\$2,906,367) reflects its investment in capital assets. The District uses these capital assets for operations; consequently, these assets are not available for future spending. At the end of fiscal year 2018, the District reflected a positive balance in its unrestricted net position of \$2,920,416 that may be utilized in future years.

The District has committed use of its fund balance as follows:

Committed for public health emergencies	\$ 1,326,200
Committed for capital assets	612,923
Committed for contingencies	100,000
Pension Liability	200,258
	<u>\$ 2,239,381</u>

The District receives a bulk of its funding from the Los Angeles Tax Collector at the end of the months of December and April, which coincides with the property tax payment dates of December 10 and April 10. The District will need to utilize its six-month operating reserve until this funding is received.

Condensed Statement of Activities

	<u>2018</u>	<u>2017</u>	<u>Change</u>
Revenue	\$ 4,015,359	\$ 3,961,743	\$ 53,616
Expenditures	4,223,668	3,917,789	305,879
Change in net position	(208,309)	43,954	(252,263)
Net Position-beginning of period	6,011,043	6,020,791	(9,748)
Adjustments	24,049	(53,702)	(82,787)
Net Position-end of period	<u>\$ 5,826,783</u>	<u>\$ 6,011,043</u>	<u>\$ (344,798)</u>

The statement of activities shows how the District's net position changed during the fiscal year. In the case of the District, net position decreased by \$184,260 during the fiscal year ended June 30, 2018.

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 unassigned fund balance may serve as a useful measure of the government's net resources for spending at the end of the fiscal year. These statements can be found on pages 8 through 11.

As of June 30, 2018, the District's General Fund reported a fund balance of \$4,595,728. An amount of \$4,591,474 constitutes the District's spendable fund balance, which is further classified as committed or unassigned.

**San Gabriel Valley Mosquito and Vector Control District
Management's Discussion and Analysis for Fiscal Year 2017/18**

General Fund Budgetary Highlights

The final actual expenditures for the General Fund at year-end were \$133,457 less than budgeted. The variance is a result of employee medical absences, elimination of unnecessary or redundant program elements, and improved vehicle acquisition practices. Actual revenues were greater than the anticipated budget by \$53,616. The General Fund budget to actual comparison schedule can be found on page 10.

Capital Asset Administration

	Balance 2017	Additions	Deletions/ Transfers	Balance 2018
Non-depreciable assets	\$ 897,864	\$ 0	\$ (87,523)	\$ 810,341
Depreciable assets	4,390,264	242,066	(25,719)	4,606,611
Accumulated depreciation	(2,323,323)	(212,981)	25,719	(2,510,585)
Total capital assets, net	<u>\$ 2,964,805</u>	<u>\$ 29,085</u>	<u>\$ (87,523)</u>	<u>\$ 2,906,367</u>

Changes in capital assets for the year were as follows:

At the end of fiscal year 2018, the District's invested in capital assets amounted to \$2,906,367 (net of accumulated depreciation). This investment in capital assets includes buildings and improvements, vehicles, equipment, machinery and furniture and fixtures. Major capital asset additions and adjustments during the year of \$242,066, included vehicles, various equipment, furniture, and machinery items.

Conditions Affecting Current Financial Position

West Nile Virus is now endemic to Southern California and to date the District has been able to control the spread of this disease with dedicated funding and the creation of a \$1,326,200 dedicated reserve for Public Health Emergencies. However, in future years, this disease, as well as other vector borne diseases, may potentially require much greater expenditures to suppress spreading disease throughout the District, thus creating the need to increase property assessments to fund major disease outbreaks.

The District has implemented a TIER II benefit structure for all employees hired after February 1, 2009 in an effort to control and reduce ever increasing benefit costs. This effort has materially reduced employee benefit costs for the 17 TIER II employees hired since February 1, 2009 as additional employees are hired to replace existing staff, future savings will accrue mitigating rising costs. Effective January 1, 2013 a TIER III was established for new hires that were not previously in the California Public Employees' Retirement System prior to coming to the District. TIER III employees will now be subject to the new pension rules established under the Public Employees' Pension Reform Act (PEPRA). PEPRA will result in substantial savings in future pension cost for the District.

Requests for Information

The District's basic financial statements provide a general overview of the District's finances and demonstrate the District's accountability. If you have any questions about the report or need additional information, please contact the District Manager, Jared Dever, at the San Gabriel Valley Mosquito and Vector Control District 626.814.9466.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET
JUNE 30, 2018

Exhibit A

	General Fund	Adjustments	Statement of Net Position
Assets:			
Cash and investments	\$ 4,565,322	\$ -	\$ 4,565,322
Accounts receivable:			
Assessments	204,617	-	204,617
Interest	11,475	-	11,475
Prepaid expenses	4,254	-	4,254
Capital assets, net of accumulated depreciation	-	2,906,367	2,906,367
Post employment benefits asset	-	(7,800)	(7,800)
Deferred Outflows of Resources:			
Deferred Pension Outflows:	-	400,146	400,146
Total Assets	\$ 4,785,668	\$ 3,298,713	\$ 8,084,381
Liabilities:			
Accrued liabilities	\$ 66,460	\$ -	\$ 66,460
Compensated absences		18,161	18,161
Capital lease obligation	-	61,927	61,927
Total Current Liabilities	66,460	80,088	146,548
Long Term Liabilities:			
Compensated absences	-	163,453	163,453
Capital lease obligation	-	63,711	63,711
Net Pension Liability	-	1,821,729	1,821,729
Total Liabilities	66,460	2,128,981	2,195,441
Deferred Inflows of Resources:			
Deferred tax revenue	123,480	(123,480)	-
Deferred Pension Inflows	-	62,157	62,157
Total Deferred Inflows of Resources	123,480	(61,323)	62,157
Total Liabilities and Deferred Inflows	189,940	2,067,658	2,257,598
Fund Balances/Net Position:			
Fund Balances:			
Nonspendable	4,254	(4,254)	-
Committed	2,239,381	(2,239,381)	-
Unassigned	2,352,093	(2,352,093)	-
Total Fund Balances	4,595,728	(4,595,728)	-
Total Liabilities and Fund Balances	\$ 4,785,668	\$ (2,528,070)	\$ 2,257,598
Net Position:			
Invested in capital assets, net of related debt		2,906,367	2,906,367
Unrestricted		2,920,416	2,920,416
Total Net Position		\$ 5,826,783	\$ 5,826,783

See Notes to Financial Statements

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
STATEMENT OF ACTIVITIES AND GOVERNMENTAL
FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2018

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues:			
Assessments	\$ 3,962,672	\$ 2,942	\$ 3,965,614
Interest	49,745	-	49,745
Total Revenues	4,012,417	2,942	4,015,359
Expenditures:			
Salaries	2,229,174	23,440	2,252,614
Payroll Taxes	60,196		60,196
Employee benefits	542,742	246,772	789,514
Post retirement cost	-	48,667	48,667
Automobile leases	73,148	(60,643)	12,505
Awards	1,887		1,887
Bank charges	4,464		4,464
Board expenses	28,227		28,227
Communications	49,743		49,743
Computer	42,483		42,483
Equipment lease	33,004	(16,132)	16,872
Fees & assessments	(2,344)		(2,344)
Hiring expenses	5,430		5,430
Insurance	121,097		121,097
Interest on capital leases	-	13,769	13,769
Maintenance	48,870		48,870
Memberships	19,513		19,513
Miscellaneous	2,950		2,950
Postage	4,865		4,865
Professional services	61,567		61,567
Research	2,700		2,700
Seminars and meetings	19,703		19,703
Supplies	225,379		225,379
Surveillance	23,118		23,118
Tax collection	99,279		99,279
Training	6,636		6,636
Uniforms and clothing	11,914		11,914
Utilities	39,069		39,069
Capital outlay	154,543	(154,543)	-
Depreciation	-	212,981	212,981
Total Expenditures	3,909,357	314,311	4,223,668
Excess (Deficiency) of Revenues Over (Under) Expenditures	103,060	(311,369)	(208,309)
Fund Balances/Net Position:			
Beginning of year	4,492,668	1,518,375	6,011,043
Adjustment-GASB 75 OPEB Obligation	-	24,049	24,049
End of year	\$ 4,595,728	\$ 1,231,055	\$ 5,826,783

See Notes to Financial Statements

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

**BUDGETARY COMPARISON STATEMENT
GENERAL FUND
YEAR ENDED JUNE 30, 2018**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 4,492,668	\$ 4,492,668	\$ 4,492,668	\$ -
Resources (Inflows):				
Assessments	4,558,366	3,854,165	3,962,672	108,507
Interest	28,800	28,800	49,745	20,945
Miscellaneous revenue	120,000	159,849	-	(159,849)
Amounts Available for Appropriation	<u>9,199,834</u>	<u>8,535,482</u>	<u>8,505,085</u>	<u>(30,397)</u>
Charges to Appropriation (Outflow):				
Salaries	2,755,663	2,221,311	2,229,174	(7,863)
Payroll Taxes	79,115	69,115	60,196	8,919
Employee benefits	660,420	540,420	542,742	(2,322)
Automobile leases	106,900	106,900	73,148	33,752
Awards	1,800	1,800	1,887	(87)
Bank charges	4,500	4,500	4,464	36
Board expenses	32,600	32,600	28,227	4,373
Communications	56,000	56,000	49,743	6,257
Computer	57,500	57,500	42,483	15,017
Equipment lease	38,000	38,000	33,004	4,996
Fees & assessments	4,400	4,400	(2,344)	6,744
Hiring expenses	5,000	5,000	5,430	(430)
Insurance	194,168	194,168	121,097	73,071
Maintenance	55,700	55,700	48,870	6,830
Memberships	25,000	25,000	19,513	5,487
Miscellaneous	3,000	3,000	2,950	50
Postage	5,500	5,500	4,865	635
Professional services	81,000	81,000	61,567	19,433
Research	8,000	8,000	2,700	5,300
Seminars and meetings	40,000	40,000	19,703	20,297
Supplies	292,500	292,500	225,379	67,121
Surveillance	25,000	25,000	23,118	1,882
Tax collection	100,000	100,000	99,279	721
Training	6,000	6,000	6,636	(636)
Uniforms and clothing	25,000	25,000	11,914	13,086
Utilities	44,400	44,400	39,069	5,331
Capital outlay	-	-	154,543	(154,543)
Total Charges to Appropriations	<u>4,707,166</u>	<u>4,042,814</u>	<u>3,909,357</u>	<u>133,457</u>
Budgetary Fund Balance, June 30	<u>\$ 4,492,668</u>	<u>\$ 4,492,668</u>	<u>\$ 4,595,728</u>	<u>\$ 103,060</u>

See Notes to Financial Statements

**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
FIDUCIARY FUND
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2018**

Southern Region MVCAC

Assets

Cash	<u><u>\$11,775</u></u>
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Liabilities

Deposits payable	<u><u>\$11,775</u></u>
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See Notes to Financial Statements

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements (Continued)

Note 1: Organization and Summary of Significant Accounting Policies

a. Description of the Reporting Entity

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 San Gabriel Valley Mosquito and Vector Control District is organized and operated under a fund accounting concept. The records are maintained on a modified cash basis. At year-end, the records are converted to an accrual basis for statement purposes. The budget to actual comparison for revenues and expenditures is presented on the accrual basis upon which the District's budget is prepared.

The General Fund's primary source of revenues is Pre-Prop. 218 assessments levied on real and personal property within the District and interest revenue earned on cash deposited with the County Treasurer and the Local Agency Investment Fund (LAIF). Cities not currently members of the District and within its sphere of influence may contract with the District for services. All operating expenses and capital improvements are paid from the General Fund.

The District has adopted a method of accounting for Pre-Prop. 218 assessments in accordance with the generally accepted accounting principles which indicate that property tax revenues and benefit assessments are recognized when they are "due, or past due and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Such time thereafter shall not exceed 60 days." The District therefore recognizes as assessment revenue all assessments receivable for which receipt is expected within 60 days of fiscal year-end. Assessments receivable not expected to be received within 60 days are designated as deferred revenue.

The District implemented the provisions of GASB Statement No. 34, which requires a new financial statement presentation. The details of the reporting model are stated in the following paragraphs.

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all activities of the San Gabriel Valley Mosquito and Vector Control District.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements (Continued)

reported separately from certain legally separate component units for which the primary government is financially accountable. The District has no business-type activities or discretely presented component units and therefore, the statements reflect only activity from governmental activities.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The District has no business-type activities or discretely presented component units and therefore, the statements reflect only activity from governmental activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirement of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund financial statements are provided for governmental and proprietary funds and are presented after the government-wide financial statements. These statements display information about major funds individually and non-major funds in the aggregate for governmental funds. Fiduciary statements include financial information for fiduciary funds and similar component units. The Fiduciary Fund of the District primarily represents assets held by the District in a custodial capacity for other organizations.

The District has only one governmental fund and reports it as a major governmental fund as follows:

GOVERNMENTAL FUND TYPE:

General Fund - The primary fund of the District is used to account for all revenue and expenditures of the District not legally restricted as to use.

FIDUCIARY FUND TYPE:

Agency Fund - The Agency Fund is used to account for assets that the District holds for others in an agency capacity. The fund is custodial in nature (assets equal liabilities) and does not involve measurements of results of operations.

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

All governmental fund types of the District are accounted for on a "spending" measurement focus. Accordingly, only current assets and current liabilities are included on the balance sheets, and the reported fund balance provides an indication of available spendable resources. Operating statements for governmental fund types report increases (revenues) and decreases (expenditures) in available, spendable resources.

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 when a liability is incurred, regardless of the timing of related cash flows. Benefit assessments are recognized as revenues in the year for

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements (Continued)

which they are levied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Assessments and investment income are the primary revenue sources susceptible to the measurable and available criteria. All other revenue items are considered to be measurable and available only when cash is received by the government.

Taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when the government receives cash.

The District reports the following major governmental fund:

The General Fund is the general operating fund of the District. All general tax receipts and fee revenue not allocated by law, Board policy or contractual agreement to other funds are accounted for in the General Fund. General Fund expenditures include operations traditionally associated with activities, which are not required to be accounted for, or paid by another fund.

Private-sector standards of accounting and financial reporting issued prior to December 1989, generally are followed in the government-wide fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

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

d. Assets, Liabilities and Net Position or Equity

Cash

All cash and investments of the District are invested by the County Treasurer and the State Local Agency Investment Fund. The District also maintains accounts with a local bank. Investments are reported at fair value.

Investments

As required by Governmental Accounting Standards Board (GASB) Pronouncement Number 31, investments are reported in the accompanying balance sheets at fair value. Changes in fair value that occur during a fiscal year are recognized as *investment income* reported for that fiscal year. *Investment income* includes interest income, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements (Continued)

Prepaid Costs

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The fund balances in the governmental fund types have been reported as nonspendable for amounts equal to the prepaid items in the fund-level statements, since these amounts are not available for appropriation.

Capital Assets

Capital assets, which include land, buildings and building improvements, vehicles and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building and improvements	50
Computer equipment	5
Vehicles	5
Furniture, fixture and other equipment	5

Compensated Absences

It is the District's policy to allow vacation pay of twelve working days for each of the first five full years of employment, fifteen days for the sixth year of employment to the eighth year, eighteen days for the ninth to thirteenth year, nineteen and one-half days for fourteenth to nineteenth year, and twenty-four days thereafter. Vacation time may accumulate from year to year to a maximum of thirty days for each employee. A non-current amount of vacation liability will be recorded as fund expenditures in the year in which they are paid or become due on demand to terminated employees.

Employees may accumulate up to 240 hours of sick leave. Employees who accumulate hours in excess of 240 hours during the fiscal year shall be compensated for each hour at 50% of the current pay rate and the hours shall be removed from the books at the end of the fiscal year. 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.

**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements (Continued)**

Self Insurance

The District is a member of the Vector Control Joint Powers Authority (VCJPA) which was formed to provide member districts with liability, property damage, and errors and omissions risk financing as well as worker's compensation coverage.

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. The San Gabriel Valley Mosquito and Vector Control District accrues revenue only for those assessments, which are received within 60 days after year-end.

Claims Payable

The District records a liability for litigation, judgments and claims when it is probable that an asset has been impaired or a liability has been incurred prior to years end and the probably amount of loss (net of any insurance coverage) can be reasonably estimated. The liability is also increased by the amount of claims for accidents incurred before June 30 but not reported.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles required 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 expenses, during the reporting period. Actual results could differ from those estimates.

e. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position:

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements (Continued)

The governmental fund balance sheet includes reconciliation between fund balance - governmental funds and net position of governmental activities as reported in the government-wide statement of net position.

A reconciliation of governmental fund balances to net position is as follows:

Governmental Funds - Ending Fund Balances	<u>\$ 4,595,728</u>
Capital Assets:	
Capital Assets, Not Being Depreciated	810,341
Capital Assets, Being Depreciated	4,606,609
Accumulated Depreciation	<u>(2,510,583)</u>
	<u>2,906,367</u>
Deferred Inflows and Outflows:	
Deferred revenue recognized as current revenue, since revenue recognition is not based upon availability criteria	123,480
Deferred pension Inflows	(62,157)
Deferred pension Outflows	400,146
	<u>461,469</u>
Other Adjustments - Not payable in current year:	
Net Pension Liability	(1,821,729)
Compensated absences	(181,614)
Post retirement health benefits	(7,800)
Capitalized lease obligations	(125,638)
	<u>(2,136,781)</u>
Net adjustment to increase fund balances of governmental funds to arrive at Statement of Net Assets	<u>1,231,055</u>
Government-Wide Statement of Net Position - Total Net Assets	<u><u>\$ 5,826,783</u></u>

Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities:

The governmental fund statement of revenues, expenditures and changes in fund balances includes reconciliation between net changes in fund balances - of total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. The reconciliation of the changes in fund balance with the changes in net position is as follows:

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements (Continued)

Governmental Funds - Changes in Fund Balance	<u>\$ 103,060</u>
Capital outlay which is capitalized rather than expensed	154,543
Depreciation expense	(212,981)
Compensated absences reported in the Statement of Activities and not requiring additional expenditures in the Governmental funds	(23,440)
Deferred tax revenue recognized as current revenue because revenue recognition is not based on availability criteria	2,942
Postretirement health care benefits	(48,667)
Recognition of Pension Asset	(246,772)
Interest on capitalized leases	(13,769)
Lease payments on capital leases recorded as operating leases	<u>76,775</u>
Statement of Activity - Changes in Net Position	<u>\$ (208,309)</u>

f. Pensions

For the purpose of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to and deductions from the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained from CalPERS.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2016
Measurement Date	June 30, 2017
Measurement Period	July 1, 2016 to June 30, 2017

Note 2: Stewardship, Compliance and Accountability

a. General Budget Policies

The Board of Trustee's approves each year's preliminary budget submitted by the District prior to the beginning of the new fiscal year. The Board conducts public hearings prior to adoption of the final budget on or before October 1 of each year. The Board, where required during the period, also approves supplemental appropriations. In most cases, expenditures may not exceed appropriations at the department level. All operating budget appropriations lapse at the end of the fiscal year.

b. Budget Basis of Accounting

Budgets for governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements (Continued)

Note 3: Cash and Investments

As of June 30, 2018, cash and investments were reported in the accompanying financial statements as follows:

Cash on deposit with County Treasurer	\$ 2,842,579
Cash on deposit with Local Agency Investment Fund	1,352,418
Cash in bank	370,209
Cash on hand	<u>116</u>
 Total	 <u><u>\$ 4,565,322</u></u>

The District maintains a cash and investment pool that is available for use in the general fund. The District has adopted an investment policy that authorizes it to invest with the County Treasurer, a bank or the Local Agency Investment Fund.

Deposits

At June 30, 2018, the total carrying amounts of the District's deposits with banks were \$370,209 and the bank balances were \$427,636.

The California Government Code requires California banks and savings and loan associations to secure an entity's deposits by pledging government securities with a value of 110% of an entity's deposits. California law also allows financial institutions to secure an entity's deposits by pledging first trust deed mortgage notes having a value of 150% of an entity's total deposits. The entity's Treasurer may waive the collateral requirement for deposits which are fully insured up to \$100,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public District depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by maintaining a significant portion of District investments in short-term investments with the State investment pool (LAIF) and the County investment pool, which provides adequate cash flow and liquidity as needed for operations. At June 30, 2018 the District's funds were invested in accounts held by the investment institutions at various interest rates. There are no investments with a maturity date exceeding than one year thereby minimizing the risk of lower interest rates.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements (Continued)

Cash on deposit with County Treasurer and the Local agency Investment Fund cannot be assigned a credit risk category because the District does not own specific securities. However, the County Treasurer's and the State's investment policies and practices with regard to the credit and market risks have been determined acceptable to the District's investment policies.

	<u>Fair Value</u>
Cash on deposit with Los Angeles County Treasurer	<u>\$ 2,842,579</u>
Cash on deposit with Local Agency Investment Fund	<u>\$ 1,352,418</u>

GASB Statement No. 31

The District adopted GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. GASB Statement No. 31 establishes fair value standards for investments and accordingly, the District reports its investments at fair value in the balance sheet. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statement.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

As of June 30, 2018, the District's deposits were exposed to custodial credit risk to the amount of \$227,636 over the bank's FDIC limit. The banks are required to collateralize the District's deposits by pledging government securities, as previously described under "Deposits".

Concentration of Credit Risk

The District's investment policy does not impose restrictions for certain types of investments with any one issuer, however GASB Statement No. 40 requires a separate disclosure if any single issuer comprises more than 5% of the total investment value. As of June 30, 2018, all of the District's deposits were with Citizens Bank, the Bank of America, the County of Los Angeles and the Local Agency Investment Fund of California.

Investment in State Investment Pool (LAIF)

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts 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 portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements (Continued)

Investment in LA County Pooled Surplus Investments (LA County Pool)

The District is an involuntary participant in the Los Angeles County Pooled Surplus Investments (LA County Pool) which is under the direct authority of the Los Angeles Treasurer and Tax Collector and governed by the California Government Code. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LA County for the entire LA County Pooled Surplus Investment portfolio (in relation to the amortized cost of the portfolio). The balance available for withdrawal is based on the accounting records maintained by the Los Angeles County Auditor Controller, which are recorded on an amortized cost basis.

Note 4: Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

	Beginning Balance	Adjustments	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:						
Capital assets, not being depreciated:						
Land	\$ 810,341	\$ -	\$ 810,341	\$ -	\$ -	\$ 810,341
Construction in progress	87,523	-	87,523	-	87,523	-
Total Capital Assets, Not Being Depreciated	<u>897,864</u>	<u>-</u>	<u>897,864</u>	<u>-</u>	<u>87,523</u>	<u>810,341</u>
Capital assets, being depreciated:						
Building and Improvements	2,876,387	-	2,876,387	116,071	-	2,992,458
Vehicles	773,446	-	773,446	51,670	-	825,116
Furniture, fixtures & equipment	740,431	-	740,431	74,325	25,719	789,037
Total Capital Assets, Being Depreciated	<u>4,390,264</u>	<u>-</u>	<u>4,390,264</u>	<u>242,066</u>	<u>25,719</u>	<u>4,606,611</u>
Total Capital Assets	<u>5,288,128</u>	<u>-</u>	<u>5,288,128</u>	<u>242,066</u>	<u>113,242</u>	<u>5,416,952</u>
Less accumulated depreciation:						
Building and improvements	1,214,289	-	1,214,289	67,653	-	1,281,942
Vehicles	619,420	-	619,420	55,424	-	674,844
Furniture, fixtures & equipment	489,614	-	489,614	89,904	25,719	553,799
Total Accumulated Depreciation	<u>2,323,323</u>	<u>-</u>	<u>2,323,323</u>	<u>212,981</u>	<u>25,719</u>	<u>2,510,585</u>
Total Capital Assets, Being Depreciated, Net	<u>2,066,941</u>	<u>-</u>	<u>2,066,941</u>	<u>29,085</u>	<u>-</u>	<u>2,096,026</u>
Governmental Activities Capital Assets, Net	<u>\$ 2,964,805</u>	<u>\$ -</u>	<u>\$ 2,964,805</u>	<u>\$ 29,085</u>	<u>\$ 87,523</u>	<u>\$ 2,906,367</u>

Note 5: Fund Equity

In the fund financial statements, government funds report the following fund balance classifications:

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements (Continued)

Nonspendable includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted includes amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws of regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

Committed includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest authority, the Board of Trustees. The formal action that is required to be taken to establish, modify or rescind a fund balance commitment is through Board resolution. The governing board has adopted, by various resolutions, commitments of fund equity in the follow amounts.

<u>Purpose</u>	<u>Amount</u>
Public Health	\$ 1,326,200
Capital Assets	612,923
Contingencies	100,000
Pension Liability	200,258
	<u>\$ 2,239,381</u>

Assigned includes amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The Board of Trustees is authorized to assign amounts to a specific purpose.

Unassigned includes the residual amounts that have not been restricted, committed or assigned to specific purposes.

An individual governmental fund could include Nonspendable resources and amounts that are restricted or unrestricted (committed, assigned or unassigned) or any combination of those classifications. Restricted or unrestricted amounts are considered spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

Note 6: MVCAC

The changes which occurred in this program for the year were as follows:

	<u>Balance</u>			<u>Balance</u>
	<u>July 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2018</u>
<u>So. Region MVCAC</u>				
Cash and deposit payable	<u>\$ 11,405</u>	<u>\$ 33,980</u>	<u>\$ 33,610</u>	<u>\$ 11,775</u>

Note 7: Pension Plan Obligations

The District contributes to the California Public Employees' Retirement System (CalPERS),

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements (Continued)

an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State of California.

All full-time District employees participate in CalPERS. Benefits vest after five years of service. Employees who were hired before January 1, 2013 and retire at or after the age of fifty-five with five years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to two percent per year of employment of their highest twelve month salary. Employees who were hired on or after January 1, 2013 and retire at or after the age of sixty-two with five years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to two percent per year of employment, of their highest average annual pensionable compensation earned during any certain 36 month period. The District, through CalPERS, also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute and action of the District's Board of Trustees.

District employees must pay the seven percent employees' contribution to CalPERS. The District is required to contribute the remaining amounts necessary to fund the benefits for its members using the actuarial basis adopted by the CalPERS Board of Administration.

General Information about the Pension Plan

Plan description - The Plan is a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS).

Benefits provided – Eligible employees hired before January 1, 2013 (classic employees) are provided a "2% at 55" retirement benefit formula. The monthly retirement allowance is determined by age at retirement, years of service credit, and final compensation. The basic benefit is 2% of final compensation for each year of credited service upon retirement at age 55. If retirement is earlier than age 55, the percentage of final compensation decreases for each quarter year of attained age. If the retirement is deferred beyond age 55, the percentage of final compensation increases for each quarter year to age 63; final compensation is the average monthly pay rate (full time rate excluding overtime) during the highest paid consecutive 12 months of employment.

Eligible employees hired after December 31, 2012 (PEPRA employees) are provided a "2% at 62" retirement benefit formula. The monthly retirement allowance is determined by age at retirement, years of service credit, and final compensation. The basic benefit is 2% of final compensation for each year of credited service upon retirement at age 62. If retirement is between ages 52 and 62, the percentage of final compensation decreases for each quarter year of attained age. If the retirement is deferred beyond age 62, the percentage of final compensation increases for each quarter year to age 67; final compensation is the employee's highest average annual pensionable compensation earned during any certain 36 month period.

Contributions – Section 20814(c) of the California Public Employees' Retirement Law 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 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. For the year ended June 30, 2018, the active employee contribution rates ranged from 6.25% to 7.00% of annual pay, The employer's contribution rates for classic

**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements (Continued)**

employees was 8.92% of annual payroll and 6.53% for PEPRA employees. Employer contribution rates may change if plan contracts are amended.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2018, the District reported a pension liability of \$1,821,729 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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 special districts, actuarially determined.

For the year ended June 30, 2018, the District recognized pension cost of \$246,772. At June 30, 2018, the District reported deferred outflows of resources of \$400,146 and deferred inflow of resources of \$62,157.

Actuarial assumptions – For the period ended June 30, 2018, the total pension liability was determined by rolling forward the June 30, 2017 total pension liability. Both the June 30, 2018 and 2017 total pension liabilities were based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal in accordance with the GASB 68
Actuarial Assumptions	
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.50% net of investment and administrative expenses
Mortality Rate Table	Based on CalPERS membership data
Payroll Growth Rate	3.00%
Retirement Age	Based on CalPERS experience study

Note 8: Postemployment Healthcare Benefits

Plan Description

The District provides other postemployment benefits (OPEB) through the Public Employees' Medical and Hospital Care Act (PEMHCA), an agent multiple-employer defined benefit health-care plan administered by the California Public Employees Retirement System (PERS). The plan provides lifetime healthcare insurance for eligible retirees. The plan does not issue a publicly available financial report.

During the year, the District implemented Governmental Accounting Standards Board pronouncement 75 (GASB 75) which requires the recording of the total actuarially determined liability of future postemployment benefits instead of the actuarial liability of the required annual payments that GASB 45 previously required. A prior period adjustment was made to record the effects on prior years. GASB 75 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2017
Measurement Date	June 30, 2017
Measurement Period	July 1, 2017 to June 30, 2018

**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements (Continued)**

Funding Policy

In 2013, the District opened a non refundable trust account with CalPERS, California Employers Retiree Benefit Trust Fund (CERBT), and has made contributions to this account to pre-fund these benefits. This fund covers the OPEB benefits for all full-time, vested District employees.

Employees Covered

As of the June 30, 2017 actuarial valuation, the following current and former employees were covered by the benefit terms under the plan:

Participating Active Employees	24
Inactive Employees Receiving Benefits	2
Inactive Employees Entitled to But Not Receiving Benefits	0

Actuarial Assumptions

The following assumptions were used in the June 30, 2017 valuation.

Investment Return /Discount Rate	6.50%
Inflation	2.75%
Payroll Increases	2.75% per year
Trend	4.00% per year

OPEB Expense (Income)

The following items comprise the OPEB Expense (Income) for the year:

Service Cost	\$ 50,663
Interest on Total OPEB Liability	37,599
Investment Income	(40,075)
Administrative Expense	<u>480</u>
OPEB Expense (Income)	<u>\$ 48,667</u>

Changes in OPEB Liability

Because San Gabriel Valley Mosquito and Vector Control District concluded that it would be too expensive and time-consuming to rerun prior valuations under GASB 75, the District used Paragraph 244 of GASB 75 for the transition. Consequently, in order to determine the beginning Net OPEB Liability (NOL), the District used a "roll-back" technique. The following table shows the results of the roll-back.

SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements (Continued)

	<u>Total OPEB Liability</u>	<u>Fiduciary Net Position</u>	<u>Fiduciary Net Position</u>
Roll back balance at June 30, 2016	<u>\$ 559,978</u>	<u>\$ 538,518</u>	<u>\$ 21,460</u>
Service Cost	50,663	-	50,663
Interest on TOL	37,599	-	37,599
Employer Contributions	-	62,327	(62,327)
Employee Contributions	-	-	-
Investment Income	-	40,075	(40,075)
Administrative Expense	-	(480)	480
Benefit Payments	(12,327)	(12,327)	-
Other	-	-	-
Net Change during 2016-17	<u>75,935</u>	<u>89,595</u>	<u>(13,660)</u>
Balance at June 30, 2017	<u>\$ 635,913</u>	<u>\$ 628,113</u>	<u>\$ 7,800</u>

Deferred Inflows and Outflows

Certain types of TOL charges are subject to deferral, as are investment gains and losses. Since the District's prior valuation was performed in accordance with GASB 45, it was not possible to calculate compliant gains and losses. Therefore, valuation-based deferred items will not begin until the next actuarial valuation.

Note 9: 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 VCJPA is a consortium of 35 mosquito abatement and/or vector control districts in the State of California. 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. 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 (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, 2018. 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, 2018.

Note 10: Long-Term Debt

The following is a summary of changes in long-term debt of the District for the year ended June 30, 2018:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Compensated Absences	\$ 158,174	\$ 23,440	\$ -	\$ 181,614	\$ 18,161
Capital Leases	188,644		63,006	125,638	61,927
Total	<u>\$ 346,818</u>	<u>\$ 23,440</u>	<u>\$ 63,006</u>	<u>\$ 307,252</u>	<u>\$ 80,088</u>

The District currently leases eight vehicles and their telephone system under capital leases. The leases are each for a sixty month period. The monthly payments on these eight vehicles total \$4,563. The annual payment on the telephone system is \$16,132. The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of June 30, 2018:

Year ending June 30:	Principal	Interest	Total
2019	\$ 61,927	\$ 8,956	\$ 70,883
2020	35,617	4,566	40,183
2021	28,094	1,583	29,677
Total minimum future rentals	<u>\$ 125,638</u>	<u>\$ 15,105</u>	140,743
Less: Amount representing interest			<u>15,105</u>
Present value of net minimum lease payments			<u>\$ 125,638</u>

Note 11: Operating Leases

The District leases various pieces of office equipment and two vehicles under operating leases.

The following is a schedule by years of minimum future rentals on noncancelable operating leases as of June 30, 2018:

Year ending June 30:	
2019	<u>\$ 11,468</u>

**SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Financial Statements (Continued)**

Note 12: Potential Litigation

There are currently two pending lawsuits against the District resulting from a personnel matter. The cases are in the early stages and the District's legal counsel cannot estimate a range of potential loss to the District. Counsel feels that the best estimate at this time is a verdict ranging between \$0 to \$1,500,000. The District has insurance to cover these type of lawsuits. The District's insurance carrier has indicated that all losses resulting from these suits, if any, are covered by the District's insurance policy after the District's payment of their retention limit of \$25,000 per incident or a total potential payment of \$50,000 resulting from these two cases.

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

Date: December 14, 2018 **Item 7**

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

Subject Consider the Finance Committee's Recommendation to Approve the Amended Resolution 94-02, Fiscal Policy, Article XIII, Investment Policy for Board Approval

Reference: attached

Background

At the May 11, 2018 Board of Trustees Finance Committee Meeting, committee members directed District Manager Jared Dever to review Resolution 94-02, Fiscal Policy, Investment Policy to ensure it met current regulatory investment standards and opportunities available to public agencies.

The amended draft investment policy is presented to the Board for discussion and consideration.

Manager's Recommendation

Approve the amended, Resolution 94-02, Fiscal Policies, Investment Policy, Article XIII.

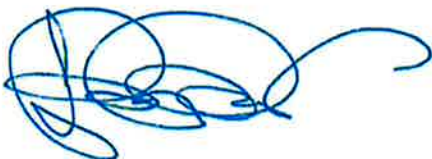
Alternative

Provide direction to District staff on further amendments to policy language.

Fiscal Impact

Investments carry inherent risk, as well as, potential future gains. Therefore, significant negative and/or positive financial impacts are possible.

Respectfully submitted,



**Jared Dever
District Manager**

ARTICLE XIII

INVESTMENTS

SECTION 1. Purpose

The Board of Trustees of the San Gabriel Valley Mosquito and Vector Control District has a fiduciary responsibility to maximize the use of public funds entrusted to its care, manage those monies wisely and prudently, and protect those monies from financial catastrophes.

The objective of the District's investment program shall be to maintain a level of investment of all temporary idle funds as near 100% as possible, with due consideration given to safety, liquidity, yield, and cash flow requirements.

SECTION 2. Investment Authority and Guidelines

- A. District funds not required for foreseeable near term expenditures shall be designated for a long term use and shall be fully invested or deposited to maximize investment returns. Section 53601 of the Government Code provides authorization for investment of funds of local agencies.
- B. The District's Treasurer shall invest funds of the District under the prudent person rule (Civil Code §2261 et seq.) exercising judgment and care as it deems wise or expedient as allowable under current legislation of the State of California and other imposed legal restrictions.
- C. All District investments shall conform to the restrictions set forth in Section 53601 of the Government Code. The District's Treasurer shall utilize only those eligible investment instruments set forth below under Section 4, Allowable Investment Instruments.
- D. The Finance Committee shall serve as an oversight Committee to recommend investment instruments to the District Treasurer and review investment performance.
- E. No investment shall be made to mature for a period greater than two (2) years except for notes, bonds or other obligations of a state or federal governmental entity unless otherwise provided for in Government Code §53601. No more than fifty percent (50%) of the District's funds shall be kept in one institution except the Los Angeles County Pooled Investment Fund and Local Agency Investment Fund. Certificates of Deposit at any financial institution shall not exceed \$250,000.

Any funds identified in the monthly report as necessary to meet

expenditure requirements for the next six months shall be kept in the Los Angeles County Pooled Investment Fund and the Local Agency Investment Fund. If sufficient funds are not available in the Los Angeles County Pooled Investment Fund and the Local Agency Investment Fund to meet expenditure requirements for the next six months, then investments shall be sold pursuant to Section 5., below, for cash flow purposes and deposited in the Local Agency Investment Fund or the Los Angeles County Pooled Investment Fund.

- F. The District's Treasurer shall report monthly to the Board of Trustees the type of investments, issuers, date of purchase and maturity, dollar amount invested, yield, and current market value for all securities, investments, and moneys held by the District that are not held by a local agency or the State of California Local Agency Investment Fund and source of valuation. The monthly report shall state compliance of the portfolio with the adopted investment policy or the manner in which the portfolio is not in compliance, and shall include a statement denoting the ability of the District to meet its expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall, or may, not be available. The District's Treasurer shall sign the monthly report as the preparer of the report.
- G. District investments in the Local Agency Investment Fund and Los Angeles County Pooled Investment Fund shall be reported monthly by providing the Board of Trustees with the most recent statement received by the District from these institutions. The fair market value of pool investments shall be calculated based on the total value of the pool and reported on the monthly reports.
- H. The Finance Committee, which shall be chaired by the District's Treasurer, shall meet quarterly to review all types of investments, issuers, date of purchase and maturity, dollar amount invested, yield, and current market value for all securities to ensure safety of District funds.

SECTION 3. Criteria for Selecting Investments and the Order of Priority

- A. **Safety**
The safety and risk associated with an investment refers to the potential loss of principal, accrued interest, or a combination of these. The District's Treasurer shall employ investment instruments which are considered very safe.
- B. **Liquidity**
Liquidity refers to the ability to convert investment holds to cash immediately with a minimal loss of principal or accrued interest. The District's Treasurer shall only invest those funds which are not required within a 12 month period from date of investment. For the purpose of this

section, investments in the Los Angeles County Pooled Investment Fund and the Local Agency Investment Fund are considered liquid and funds invested are available upon demand with no or minimal loss of principal or accrued interest.

- C. **Yield**
Yield is the dollar earnings the investment provides. The yield of the investment shall be considered after the fundamental requirements of safety and liquidity have been met.
- D. **Maturity**
Projected cash flow requirements shall be the primary factor used in determining investment maturity terms. Yield consideration shall be the secondary factor used in determining maturity terms, with the expectation that longer maturity periods will generally yield greater returns on investments.

SECTION 4. Allowable Investment Instruments

The following are allowable investment instruments as provided for in Section 53601 of the Government Code and are the only investments specifically allowable as authorized investments for the District.

- A. **County Treasurer Accounts**
All service charge and benefit assessment revenue shall be collected by the Los Angeles County Treasurer and shall be deposited into the Los Angeles County Treasury for use by the District. The Board of Trustees may rely on the County Treasurer to invest all surplus funds.
- B. **Local Agency Investment Fund**
The Local Agency Investment Fund is managed by the Treasurer's Office, State of California. The total investment may not exceed the maximum allowed by the State.
- C. **Negotiable Certificates of Deposit**
Negotiable Certificates of Deposit shall be made only with financial institutions which are fully insured by the Federal Deposit Insurance Corporation or the Federal Savings & Loan Insurance Corporation and issued by a nationally or state-chartered bank or a state or federal savings and loan association. The amount of deposit in any one institution shall not exceed the insured amount or 30% of surplus funds, whichever is less.
- D. **United States Treasury Notes, Bonds, Bills or Certificate of Indebtedness**
Investments may be made in United States Treasury notes, bonds, bills,

or certificates of indebtedness having the full faith and credit of the federal government pledged for the payment of principle and interest.

E. Federally Sponsored Credit Agency Securities

Investments may be made in the debt securities of the following U.S. Government sponsored corporation agencies:

Banks for cooperatives, federal land banks, federal intermediate credit banks, federal home loan banks

Federal Home Loan Bank Board

Tennessee Valley Authority

Obligations, participation, or other instruments of or issued by or fully guaranteed as to the principal and interest by the Federal National Mortgage Association

Guaranteed portions of Small Business Administration notes

Other instruments issued by a federal agency or a United States government-sponsored enterprise.

F. California State and Municipal bonds

Investments may be made in instruments issued by the State of California and its municipalities with consideration given to dates of maturity, yield, and whether such bonds are insured.

G. Medium-Term Notes

Investments may be made in medium-term notes of a maximum of five years maturity issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any State operating within the United States. Notes eligible for investment shall be rated in a rating category of "A" or its equivalent or better by a nationally recognized service. Purchase of medium term notes may not exceed thirty percent (30%) of the District's surplus money.

H. CalTRUST – Short to Medium Term Fund

Investments may be made in this voluntary, local government, joint investment pool with a multi-billion dollar asset portfolio. Oversight is provided by a Board of Trustees and investment funds are managed by a contracted CalTRUST Asset Management Institution. All CalTRUST funds are in compliance with the California investment guidelines for public agencies.

I. 115 Trust – GASB 45 Compliant IRS approved 115 OPEB Trust

Funds may be deposited in this Trust in accordance with Section 115 of the Internal Revenue Code (IRC), an irrevocable trust (115 Trust) through which eligible California public agency employers may prefund their future annual pension contributions. A 115 Trust may be administered by the California Public Employees Retirement System (CalPERS) or through a private market.

Only those instruments listed above are allowable. The purchase of "derivatives" such as inverse floaters, dual index floaters, or inverse securities which produce higher than market rates of interest at purchase date (when interest rates are low) but have the possibility of producing low or no coupon rates as market interest rates rise through the life of the investment are strictly prohibited.

SECTION 5. Sale of Investments

Although the District invests with the intent to hold investments to maturity, sale of investments may be required prior to maturity.

- A. Investments may be sold prior to maturity for cash flow purposes.
- B. Losses on a sale before maturity are acceptable if the earnings from the reinvested proceeds will exceed the income that would have been generated by the old investment considering any capital loss of foregone interest on the original investment.
- C. Sale of investments prior to maturity must be authorized by the Finance Committee.

SECTION 6. Safekeeping

All broker-dealers shall be pre-qualified by completing a broker-dealer questionnaire provided by the District. All broker-dealers doing business with the District shall be required to read and acknowledge in writing that they have read and understood the investment policy. Investment transactions with a broker-dealer shall be conducted on a delivery versus payment method with the District's third party custodian.

Securities shall be delivered and held in third party safe-keeping by the District's bank. Local agency funds, under the direction of a trustee, will be held in the name of the District with the trustee executing investment transactions as directed by the Finance Committee.

SECTION 7. Investment Policy Revision

This Investment Policy shall be reviewed and adopted annually by the Board of Trustees for relevance to ensure that all investments made are in compliance with state and local codes and laws and are consistent with current financial trends.