



San Gabriel Valley Mosquito and Vector Control District
Board of Trustees Meeting
August 14, 2020 – 7:00 a.m.
1145 N. Azusa Canyon Road, West Covina, CA 91790

**IMPORTANT NOTICE REGARDING COVID-19 AND TELECONFERENCE
MEETINGS:**

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

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

HOW TO OBSERVE THE MEETING:

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

Enter the Meeting ID# 658 616 453 followed by the pound (#) key. More phone numbers can be found on Zoom's website at <https://zoom.us/j/658616453> if the line is busy.

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

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

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

HOW TO SUBMIT PUBLIC COMMENTS:

Before the Meeting: Please email your comments to district@sgvmosquito.org, write "Public Comment" in the subject line. In the body of the email, include the agenda item number and title, as well as your comments. If you would like your comment to be read aloud at the meeting (not to exceed three minutes at staff's cadence), prominently write "Read Aloud at Meeting" at the top of the email. All comments received before 5:00 AM the day of the meeting will be included as an agenda supplement on the District's website under the relevant meeting date and provided to the Trustees at the meeting. Comments received after this time will be treated as contemporaneous comments.

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

1. Call to order

2. Pledge of Allegiance and Roll Call Attendance

3. Opportunity for Public Comment on Non-Agenda Items

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

4. Consent Calendar

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

4.1. List of Claims for the month of July 2020*

4.2. Budget Status Report for July 2020*

4.3. Minutes of Board of Trustees Meeting July 2020*

4.4. Operations Report July 2020*

4.5. Surveillance Report July 2020*

4.6. Communications Report July 2020*

4.7. June 2020 Monthly Treasurer Report / District Working Balance for August 2020*

5. Presentation: Ada Eez Reveal

(Public Information Officer, Levy Sun)

- 6. Distribution of Template Pool Maintenance Ordinance for Consideration of Municipal Adoption (Exhibit 6A)***
(District Manager, Jared Dever) (Discussion)
- 7. Review of Actuarial Valuation of Other Post-Employment Benefit Programs as of June 30, 2019, Development of OPEB Prefunding Levels and GASB 75 (Exhibit 7A)***
(Committee Chair, Joseph Leon) (Catherine MacLeod, MacLeod and Watts) (Discussion)
- 8. Consider Amendment to Personnel and Salary Resolution 92-11, Article XXII, SECTION 7 Telecommuting/Remote Work (Exhibit 8A)***
(Board President, Becky Shevlin) (Approve/Deny)
- 9. Consider Candidates for Los Angeles Local Agency Formation Commission (LAFCO) Independent Special District Alternate (Exhibit 9A)***
(Board President, Becky Shevlin) (Approve/Deny)
- 10. Selection of Ad Hoc Legal Counsel Committee**
(Board President, Becky Shevlin)
- 11. Committee Reports**
 - 11.1 Personnel and Policy Committee Meeting of July 21, 2020**
(Committee Chair, Richard Barakat) (Discussion)
- 12. District Administration**
(Verbal Report)
- 13. Trustee Reports**
- 14. New Business**
- 15. Adjournment**

**The Public Information Committee will meet
Tuesday, August 18, 2020 at 9:00 a.m.**

Juli Costanzo	Joseph Rocha
Manuel Garcia	Stephen Sham
Dan Holloway	Jerry Velasco
Charles Myers	Allen Wu
Elyse Rasmussen	

CERTIFICATE OF POSTING

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

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



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

Notice to the Public

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

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

SAN GABRIEL VALLEY MVCD
Claims List
June 30, 2020

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
EFT	06/30/2020	LINCOLN FINANCIAL GROUP	6070	29.86
				<u>29.86</u>
4073410058				
17313	06/30/2020	AIRGAS USA, LLC	6280 SUPPLIES, OPERATIONS	277.06
			6280 SUPPLIES, OPERATIONS	502.06
9102296896				<u>779.12</u>
17314	06/30/2020	ARAMARK	6040 Mats, Towels (Mats, Towels, Lockers, etc.)	105.23
			6332 Uniforms (Uniforms)	265.03
792287099			6040 Mats, Towels (Mats, Towels, Lockers, etc.)	105.23
			6332 Uniforms (Uniforms)	179.80
			6040 Mats, Towels (Mats, Towels, Lockers, etc.)	105.23
			6332 Uniforms (Uniforms)	253.39
			6040 Mats, Towels (Mats, Towels, Lockers, etc.)	105.23
			6332 Uniforms (Uniforms)	361.90
				<u>1,481.04</u>
17315	06/30/2020	CALOLYMPIC SAFETY	6302 Supplies, Safety	269.76
386502	06/30/2020			<u>269.76</u>
17316	06/30/2020	FLEET SOLUTIONS CENTER	6260 SUPPLIES, MECHANICAL	74.95
			6260 SUPPLIES, MECHANICAL	74.95
see attached list	06/30/2020		6260 SUPPLIES, MECHANICAL	152.50
			6260 SUPPLIES, MECHANICAL	152.50
			6260 SUPPLIES, MECHANICAL	21.51
			6260 SUPPLIES, MECHANICAL	257.85
			6260 SUPPLIES, MECHANICAL	152.50
			6260 SUPPLIES, MECHANICAL	85.00
			6260 SUPPLIES, MECHANICAL	199.00
			6260 SUPPLIES, MECHANICAL	578.91

SAN GABRIEL VALLEY MVCD
Claims List
June 30, 2020

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
			6260 SUPPLIES, MECHANICAL	356.13
			6260 SUPPLIES, MECHANICAL	402.82
			6260 SUPPLIES, MECHANICAL	302.91
			6260 SUPPLIES, MECHANICAL	247.60
			6260 SUPPLIES, MECHANICAL	660.80
			6260 SUPPLIES, MECHANICAL	615.66
				<u>4,335.59</u>
17317	06/30/2020	IRWINDALE INDUSTRIAL CLINIC	6302 Supplies, Safety	155.41
			6080 Physical - Hiring (Physical Exam)	140.00
422200-115128-966236	06/30/2020			
4438-978154	06/30/2020			
			6080 Physical - Hiring (Physical Exam)	100.00
			6080 Physical - Hiring (Physical Exam)	140.00
				<u>535.41</u>
17318	06/30/2020	OFFICE & ERGONOMIC SOLUTIONS INC	6270 OFFICE SUPPLIES	365.00
				<u>365.00</u>
21582				
17319	06/30/2020	PRAXAIR DISTRIBUTION	6250 LABORATORY SUPPLIES	157.20
				<u>157.20</u>
98538420				
17320	06/30/2020	SOUTHERN CALIFORNIA EDISON	6340 UTILITIES - ELECTRIC	3,226.90
				<u>3,226.90</u>
2-03-760-7223				
17321	06/30/2020	TIRE ZONE	6260 SUPPLIES, MECHANICAL	338.00
				<u>338.00</u>
55541				
17322	06/30/2020	US BANK	6080 Hiring Expenses	79.95

SAN GABRIEL VALLEY MVCD

Claims List

June 30, 2020

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
			6232 SEMINARS AND MEETINGS	175.00
Alba	06/30/2020		6080 Hiring Expenses	84.95
			6232 SEMINARS AND MEETINGS	100.00
			6080 Hiring Expenses	84.95
			6080 Hiring Expenses	84.95
			6040 Building Maintenance	164.24
			6232 SEMINARS AND MEETINGS	50.00
			6270 OFFICE SUPPLIES	100.18
			6036 COMPUTER SOFTWARE	158.00
			6036 COMPUTER SOFTWARE	50.00
Dever	06/30/2020		6332 Uniforms (Uniforms)	29.75
			6281 MOSQUITO FISH SUPPLIES	52.93
Doyle	06/30/2020		6281 MOSQUITO FISH SUPPLIES	8.37
			6281 MOSQUITO FISH SUPPLIES	49.90
			6251 ARBOVIRUS TESTING SUPPLIES	71.09
			6270 OFFICE SUPPLIES	24.19
			6332 Uniforms (Uniforms)	29.60
			6251 ARBOVIRUS TESTING SUPPLIES	29.51
			6281 MOSQUITO FISH SUPPLIES	60.00
			6332 Uniforms (Uniforms)	37.45
			6251 ARBOVIRUS TESTING SUPPLIES	149.56
			6281 MOSQUITO FISH SUPPLIES	177.39
			6251 ARBOVIRUS TESTING SUPPLIES	5.85
			6270 OFFICE SUPPLIES	35.96
			6270 OFFICE SUPPLIES	17.42
			6251 ARBOVIRUS TESTING SUPPLIES	218.97
			6332 Uniforms (Uniforms)	41.82
			6280 SUPPLIES, OPERATIONS	229.00
			6003 ADVERTISING	97.20
Farned	06/30/2020		6037 WEBSITE AND EMAIL SERVICE	30.34
Sun	06/30/2020		6186 Printing	209.16
			6037 WEBSITE AND EMAIL SERVICE	4.99
Tanaka	06/30/2020		6185 POSTAGE	54.95

SAN GABRIEL VALLEY MVCD
Claims List
June 30, 2020

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
				2,797.62
17323	06/30/2020	VECTOR CONTROL JPA	6111 OTHER INSURANCE	367.74
				367.74
VCJPA-020-083				
17324	06/30/2020	WEX/CHEVRON	6262 Fuel for Trucks (Fuel for Trucks)	4,827.95
				4,827.95
66365240				
17397	06/30/2020	AMAZON.COM	6280 SUPPLIES, OPERATIONS	56.60
			6035 COMPUTER HARDWARE	102.93
				159.53
83887495575				
17398	06/30/2020	LIEBERT CASSIDY WHITMORE	6130 Profess Serv rendered (Professional Services	370.00
				370.00
1502284				
17399	06/30/2020	LOZANO SMITH, LLP	6130 Profess Serv rendered (Professional Services	3,643.19
				3,643.19
2112434				
17400	06/30/2020	STAPLES CREDIT PLAN	6270 OFFICE SUPPLIES	32.83
				32.83
2560720301				
17401	06/30/2020	WEST VALLEY MVCD	6251 ARBOVIRUS TESTING SUPPLIES	2,304.00
				2,304.00
2588	06/30/2020			
Total Accounts Payable for July 9, 2020				26,020.74

SAN GABRIEL VALLEY MVCD
Claims List
July 10, 2020

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
EFT	07/10/2020	AMERICAN FIDELITY AKA FLEX ACCOUNT ADM	6070 FLEX PREMIUMS (Flex Premiums)	433.32
			6070 FLEX PREMIUMS (Flex Premiums)	150.00
2074219			6070 FLEX PREMIUMS (Flex Premiums)	275.00
			6070 FLEX PREMIUMS (Flex Premiums)	150.00
				<u>1,008.32</u>
EFT	07/10/2020	CAL PERS	6070 Med premiums - Cafeteria (Medical premiums)	981.24
			6070 Med premiums - Cafeteria (Medical premiums)	4,541.23
100000016076956			6070 Med premiums - Cafeteria (Medical premiums)	5,616.48
			6070 Med premiums - Cafeteria (Medical premiums)	2,386.64
			6070 Med premiums - Cafeteria (Medical premiums)	417.00
			6070 ADMIN FEE (Admin fee)	51.98
				<u>13,994.57</u>
EFT	07/10/2020	CALPERS CERBT	6202 UNFUNDED LIABILITY CLASSIC	146,402.00
100000016092975	07/01/2020		6203 UNFUNDED LIABILITY PEPRA	8,065.00
100000016092985	07/01/2020			<u>154,467.00</u>
EFT	07/10/2020	FIDELITY SECURITY LIFE INSURANCE CO.	6070 Vision Premiums (Vision Premiums)	12.30
			6070 Vision Premiums (Vision Premiums)	57.67
164398464			6070 Vision Premiums (Vision Premiums)	285.06
			6070 Vision Premiums (Vision Premiums)	84.86
			6070 Vision Premiums (Vision Premiums)	57.67
				<u>497.56</u>
EFT	07/10/2020	LINCOLN FINANCIAL GROUP	6065 GROUP TERM LIFE	367.64
			6070 Dental premiums - Cafeter	425.60
				<u>793.24</u>

SAN GABRIEL VALLEY MVCD
Claims List
July 10, 2020

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
EFT	07/10/2020	NATIONWIDE RETIREMENT	6066 457 CONTRIBUTION	120.42
				<u>120.42</u>
EFT	07/10/2020	PERS	6200 RETIREMENT - CLASSIC (Employer Contribu	664.15
			6200 RETIREMENT - CLASSIC (Employer Contribu	1,391.54
PR of 7/9/20			6200 RETIREMENT - CLASSIC (Employer Contribu	1,564.82
			6200 RETIREMENT - CLASSIC (Employer Contribu	360.27
			6201 RETIREMENT - PEPRA (Employer Contributi	131.51
			6201 RETIREMENT - PEPRA (Employer Contributi	2,527.49
			6201 RETIREMENT - PEPRA (Employer Contributi	998.08
			6201 RETIREMENT - PEPRA (Employer Contributi	1,068.51
			6201 RETIREMENT - PEPRA (Employer Contributi	466.21
				<u>9,172.58</u>
EFT	07/10/2020	PRINCIPAL DENTAL	6070 Dental premiums - Cafeter	90.00
			6070 Dental premiums - Cafeter	414.48
1085590-10001			6070 Dental premiums - Cafeter	1,647.61
			6070 Dental premiums - Cafeter	452.76
			6070 Dental premiums - Cafeter	320.43
				<u>2,925.28</u>
EFT	07/10/2020	TEXAS LIFE INSURANCE COMPANY	6070 Premiums, life - Cafeter (Voluntary Insurance	191.87
			6070 Premiums, life - Cafeter (Voluntary Insurance	100.00
SM09BT20200614001			6070 Premiums, life - Cafeter (Voluntary Insurance	42.25
				<u>334.12</u>
17334	07/10/2020	ADAPCO, INC	6283 PESTICIDES SUPPLIES	8,920.00
			6283 PESTICIDES SUPPLIES	2,918.88
125656			6283 PESTICIDES SUPPLIES	1,528.00
			6283 PESTICIDES SUPPLIES	1,269.85
				<u>1,269.85</u>

Item 4.1

SAN GABRIEL VALLEY MVCD
Claims List
July 10, 2020

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
				14,636.73
17335	07/10/2020	ARCHIVE SOCIAL	6037 WEBSITE AND EMAIL SERVICE	2,388.00
				<u>2,388.00</u>
11025				
17336	07/10/2020	CALIF CHAMBER OF COMMERCE	6150 MEMBERSHIPS	798.00
				<u>798.00</u>
674877				
17337	07/10/2020	CLARKE MOSQUITO CONTROL	6283 PESTICIDES SUPPLIES	774.55
			6283 PESTICIDES SUPPLIES	73.97
3871, 3872			6283 PESTICIDES SUPPLIES	174.11
3873, 3874			6283 PESTICIDES SUPPLIES	1,939.20
			6283 PESTICIDES SUPPLIES	18,334.80
			6283 PESTICIDES SUPPLIES	1,936.17
			6283 PESTICIDES SUPPLIES	194.03
				<u>23,426.83</u>
17338	07/10/2020	ENTERPRISE	6090 Automobile	2,490.00
				<u>2,490.00</u>
2653				
17339	07/10/2020	ENVIRONMENT CONTROL	6040 Building Maintenance	1,299.00
				<u>1,299.00</u>
8653-411				
17340	07/10/2020	FLEET SOLUTIONS CENTER	6042 EQUIPMENT MAINTENANCE	130.34
			6260 SUPPLIES, MECHANICAL	1,485.00
2854, 2927				<u>1,615.34</u>
17341	07/10/2020	KENN K. FUJIOKA	6072 MEDICAL PREMIUM-Retired EE (Medical pre	296.74
				<u>296.74</u>

Item 4.1

SAN GABRIEL VALLEY MVCD
Claims List
July 10, 2020

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
				296.74
July Reimburse				
17342	07/10/2020	MACLEOD WATTS INC	6000 ACCOUNTING SERVICES	6,600.00
200707SGVMV				<u>6,600.00</u>
17343	07/10/2020	MARY ANGELA BRISCO	6072 MEDICAL PREMIUM-Retired EE (Medical pre	525.39
July Reimburse				<u>525.39</u>
17344	07/10/2020	MIKE NIFFENEGGER	6072 MEDICAL PREMIUM-Retired EE (Medical pre	571.29
July Reimburse				<u>571.29</u>
17345	07/10/2020	NEGOV	6036 COMPUTER SOFTWARE	9,754.78
INV-14845				<u>9,754.78</u>
17346	07/10/2020	RED WING SHOE STORE	6334 BOOTS	123.17
			6334 BOOTS	133.04
995-1-2625				<u>256.21</u>
17347	07/10/2020	SSD SYSTEMS INC/MC NEILL SECURITY SYSTE	6040 Monit & Maint (Monitoring & Maintenance)	1,703.91
R-00194197				<u>1,703.91</u>
17348	07/10/2020	STREAMLINE	6037 WEBSITE AND EMAIL SERVICE	200.00
105793				<u>200.00</u>
17349	07/10/2020	VECTOR CONTROL JPA	6110 WORKERS COMP	114,515.00
			6100 LIABILITY	84,115.00
VCJPA-2020-111			6090 Automobile	2,257.00
VCJPA-2020-143			6120 PROPERTY INSURANCE	6,143.00

Item 4.1

SAN GABRIEL VALLEY MVCD

Claims List

July 10, 2020

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
			6085 VCJPA GENERAL	7,517.00
			6111 OTHER INSURANCE	889.00
			6111 OTHER INSURANCE	269.00
			6111 OTHER INSURANCE	222.89
			6111 OTHER INSURANCE	16.72
				<u>215,944.61</u>
		Total Accounts Payable for July 10, 2020		465,819.90

SAN GABRIEL VALLEY MVCD
Claims List
July 23, 2020

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
EFT	07/23/2020	CAL PERS	6070 Med premiums - Cafeteria (Medical premiums)	981.24
			6070 Med premiums - Cafeteria (Medical premiums)	4,541.23
100000016113290			6070 Med premiums - Cafeteria (Medical premiums)	4,952.09
			6070 Med premiums - Cafeteria (Medical premiums)	2,386.64
			6072 MEDICAL PREMIUM-Retired EE (Medical pre	417.00
			6070 ADMIN FEE (Admin fee)	44.61
				<u>13,322.81</u>
EFT	07/23/2020	NATIONWIDE RETIREMENT	6066 457 CONTRIBUTION	120.42
PR of 7/23/20				<u>120.42</u>
EFT	07/23/2020	PERS	6200 RETIREMENT - CLASSIC (Employer Contribu	664.15
			6200 RETIREMENT - CLASSIC (Employer Contribu	1,391.54
PR of 7/23/20			6200 RETIREMENT - CLASSIC (Employer Contribu	1,578.06
			6200 RETIREMENT - CLASSIC (Employer Contribu	360.27
			6200 Employer Cont - PEPRA (Employer Contributi	139.30
			6200 Employer Cont - PEPRA (Employer Contributi	3,001.44
			6200 Employer Cont - PEPRA (Employer Contributi	998.08
			6200 Employer Cont - PEPRA (Employer Contributi	1,068.51
			6200 Employer Cont - PEPRA (Employer Contributi	561.53
				<u>9,762.88</u>
EFT	07/23/2020	PRINCIPAL DENTAL	6070 Dental premiums - Cafeter	2,632.75
10855920-10001				<u>2,632.75</u>
EFT	07/23/2020	TEXAS LIFE INSURANCE COMPANY	6070 Premiums, life - Cafeter (Voluntary Insurance	334.12
SM09BT20200714001				<u>334.12</u>

SAN GABRIEL VALLEY MVCD
Claims List
July 23, 2020

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
17351	07/23/2020	ADDRESSERS	6185 POSTAGE	964.86
				964.86
82225				
17352	07/23/2020	ALL AMERICAN ELECTRIC	6040 Building Maintenance	2,584.34
				2,584.34
17353	07/23/2020	ALLEN WU	6030 BOARD EXPENSES	100.00
				100.00
17354	07/23/2020	AMAZON.COM	6250 LABORATORY SUPPLIES	40.62
			6251 ARBOVIRUS TESTING SUPPLIES	41.22
457777737968	07/10/2020			81.84
17355	07/23/2020	BECKY A. SHEVLIN	6030 BOARD EXPENSES	100.00
				100.00
BM of 7/10/20				
17356	07/23/2020	CALOLYMPIC SAFETY	6302 Supplies, Safety	225.60
			6302 Supplies, Safety	39.76
387696				265.36
17357	07/23/2020	CARUSO FORD LINCOLN	8000 CAPITAL OUTLAY (Capital Outlay)	32,261.45
			8000 CAPITAL OUTLAY (Capital Outlay)	123.75
Ford Transit	07/08/2020		8000 CAPITAL OUTLAY (Capital Outlay)	3,072.91
				35,458.11
17358	07/23/2020	CATHERINE MARCUCCI	6030 BOARD EXPENSES	100.00
				100.00
BM of 7/10/20	07/08/2020			

Item 4.1

SAN GABRIEL VALLEY MVCD
Claims List
July 23, 2020

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
17359	07/23/2020	CHARLES MYERS	6030 BOARD EXPENSES	<u>100.00</u> 100.00
17360	07/23/2020	COREY CALAYCAY	6030 BOARD EXPENSES	<u>100.00</u> 100.00
BM of 7/10/20				
17361	07/23/2020	CYNTHIA STERNQUIST	6030 BOARD EXPENSES	<u>100.00</u> 100.00
Bm of 7/10/20				
17362	07/23/2020	DAN HOLLOWAY	6030 BOARD EXPENSES	<u>100.00</u> 100.00
BM of 7/10/20				
17363	07/23/2020	ELYSE RASMUSSEN	6030 BOARD EXPENSES	<u>100.00</u> 100.00
BM of 7/10/20				
17364	07/23/2020	EMMETT G. BADAR	6030 BOARD EXPENSES	<u>100.00</u> 100.00
BM of 7/10/20				
17365	07/23/2020	FLEET SOLUTIONS CENTER	6260 SUPPLIES, MECHANICAL	613.48
			6260 SUPPLIES, MECHANICAL	<u>124.00</u>
2940, 2938				737.48
17366	07/23/2020	HAROLD J. BISSNER III	6030 BOARD EXPENSES	<u>100.00</u> 100.00
BM of 7/10/20				

Item 4.1

SAN GABRIEL VALLEY MVCD
Claims List
July 23, 2020

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
17367	07/23/2020	INTERSTATE BATTERY SYSTEM	6260 SUPPLIES, MECHANICAL	145.10
				<u>145.10</u>
10176344				
17368	07/23/2020	JERRY VELASCO	6030 BOARD EXPENSES	100.00
				<u>100.00</u>
BM of 7/10/20				
17369	07/23/2020	JOHN CAPOCCIA	6030 BOARD EXPENSES	100.00
				<u>100.00</u>
BM of 7/10/20				
17370	07/23/2020	JOSEPH LEON	6030 BOARD EXPENSES	100.00
				<u>100.00</u>
BM of 7/10/20				
17371	07/23/2020	JOSEPH ROCHA	6030 BOARD EXPENSES	100.00
				<u>100.00</u>
BM of 7/10/20				
17372	07/23/2020	JULI COSTANZO	6030 BOARD EXPENSES	100.00
				<u>100.00</u>
BM of 7/10/20				
17373	07/23/2020	KENN K. FUJIOKA	6072 MEDICAL PREMIUM-Retired EE (Medical pre	296.74
				<u>296.74</u>
17374	07/23/2020	LAND'S END BUSINESS OUTFITTERS	6333 BRANDED CLOTHING	132.86
				<u>132.86</u>

Item 4.1

SAN GABRIEL VALLEY MVCD
Claims List
July 23, 2020

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
SIN8526261				
17375	07/23/2020	MARGARET E. FINLAY	6030 BOARD EXPENSES	100.00
				<u>100.00</u>
BM of 7/10/20				
17376	07/23/2020	MARINA KHUBESRIAN, MD	6030 BOARD EXPENSES	100.00
				<u>100.00</u>
BM of 7/10/20				
17377	07/23/2020	MARY ANGELA BRISCO	6072 MEDICAL PREMIUM-Retired EE (Medical pre	525.39
				<u>525.39</u>
Premium Reimburse				
17378	07/23/2020	MEGA DISTRIBUTION/VOLTEX LIGHTS	8000 CAPITAL OUTLAY (Capital Outlay)	2,250.00
			8000 CAPITAL OUTLAY (Capital Outlay)	213.75
				<u>2,463.75</u>
MD-2706				
17379	07/23/2020	MIKE NIFFENEGGER	6072 MEDICAL PREMIUM-Retired EE (Medical pre	571.29
				<u>571.29</u>
Premium Reimburse				
17380	07/23/2020	MVCAC	6150 Membership Dues (Membership Dues, Memb	11,000.00
				<u>11,000.00</u>
7361867				
17381	07/23/2020	NIGRO & NIGRO PC	6000 ACCOUNTING SERVICES	5,850.00
				<u>5,850.00</u>
12730				

SAN GABRIEL VALLEY MVCD
Claims List
July 23, 2020

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
17382	07/23/2020	OFFICE & ERGONOMIC SOLUTIONS INC	8000 CAPITAL OUTLAY (Capital Outlay)	3,231.83
				<u>3,231.83</u>
21633				
17383	07/23/2020	QUADIENT /NEOPOST	6185 LEASE NO (Lease No N13082075)	272.25
				<u>272.25</u>
N8395966				
17384	07/23/2020	READYREFRESH BY NESTLE	6170 Arrowhead Water (Arrowhead Water)	246.75
				<u>246.75</u>
10G0024588535				
17385	07/23/2020	RICHARD BARAKAT	6030 BOARD EXPENSES	100.00
				<u>100.00</u>
BM of 7/10/20				
17386	07/23/2020	ROGER CHANDLER	6030 BOARD EXPENSES	100.00
				<u>100.00</u>
BM of 7/10/20				
17387	07/23/2020	SANDRA ARMENTA	6030 BOARD EXPENSES	100.00
				<u>100.00</u>
BM of 7/10/20				
17388	07/23/2020	SOCALGAS	6341 Utilities (Acc # 057 518 2100 9 Acc # 059 61E	105.71
			6341 Utilities (Acc # 057 518 2100 9 Acc # 059 61E	26.15
				<u>131.86</u>
05751821009				
17389	07/23/2020	STEPHEN SHAM	6030 BOARD EXPENSES	100.00
				<u>100.00</u>
BM of 7/10/20				

Item 4.1

SAN GABRIEL VALLEY MVCD
Claims List
July 23, 2020

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
17390	07/23/2020	TIM SANDOVAL	6030 BOARD EXPENSES	<u>100.00</u>
				100.00
BM of 7/10/20				
17391	07/23/2020	TIRE ZONE	6260 SUPPLIES, MECHANICAL	<u>20.16</u>
				20.16
17392	07/23/2020	TPx COMMUNICATIONS	6315 Monthly Internet Charges (Monthly Internet Ch	<u>2,134.46</u>
				2,134.46
17393	07/23/2020	UNIVAR	6283 PESTICIDES SUPPLIES	7,524.00
LA791226			6283 PESTICIDES SUPPLIES	714.78
			6283 PESTICIDES SUPPLIES	4,514.40
LA791305			6283 PESTICIDES SUPPLIES	<u>428.87</u>
				13,182.05
17394	07/23/2020	VERIZON WIRELESS	6000 ACCOUNTING SERVICES	78.50
			6312 Monthly District Field Ph (Monthly District Fiel	2,033.83
272560553-00001	07/10/2020		6312 Monthly District Field Ph (Monthly District Fiel	<u>1,244.90</u>
				3,357.23
17395	07/23/2020	WELLS FARGO VENDOR FIN SERV	6073 EQUIPMENT CANON (Canon Graphics Equip	<u>1,500.16</u>
				1,500.16
5010990515				
17396	07/23/2020	CARUSO FORD LINCOLN	8000 CAPITAL OUTLAY (Capital Outlay)	32,873.32
F200565, F200566			8000 CAPITAL OUTLAY (Capital Outlay)	<u>32,873.32</u>
				65,746.64
Total Accounts Payable for July 25, 2020				179,273.50

SAN GABRIEL VALLEY MVCD
Claims List
July 23, 2020

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Original Amount</u>
		Total Accounts Payable for July 2020		671,114.14
		Total Payroll for July 2020		235,841.25
		see attached		
		Total Claims List for July 2020		906,955.39

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

Department	July 9, 2020	July 24, 2020	July 24 Correction	TOTAL
EXECUTIVE	9,023.76	9,014.40		18,038.16
ADMINISTRATION	11,587.71	11,613.20		23,200.91
OPERATIONS	45,328.16	49,614.76	(2,651.40)	92,291.52
SURVEILLANCE	16,146.07	16,246.07		32,392.14
COMMUNICATIONS	13,847.35	13,997.35		27,844.70
SEASONAL WORKERS	<u>9,388.40</u>	<u>10,012.24</u>		<u>19,400.64</u>
Gross Payroll	105,321.45	110,498.02	(2,651.40)	213,168.07
Employer Taxes	2,491.28	2,568.69	(55.79)	5,004.18
Car Allowance	500.00	-		500.00
Employee Benefit-Med	<u>8,248.89</u>	<u>8,920.11</u>		<u>17,169.00</u>
TOTAL PAYROLL	116,561.62	121,986.82	(2,707.19)	235,841.25

SGVMVCD
 Comparative YTD Actual to Full Year Budget
 Current Period 8% of Year Completed
 July 31, 2020

	Current Period Actual	Year-To-Date Actual	Budget Full Year	Remaining Budget	% Of Budget Utilized	
PERSONNEL EXPENSES						
Salaries, Exempt	52,865.81	52,865.81	605,545.00	552,679.19	8.73	
Salaries - Non Exempt	130,110.87	130,110.87	1,915,927.00	1,785,816.13	6.79	
Salaries - Overtime	169.08	169.08	14,500.00	14,330.92	1.17	
Salaries - Vacation	3,158.28	3,158.28	84,149.00	80,990.72	3.75	
Salaries-Holiday	7,465.77	7,465.77	109,279.00	101,813.23	6.83	
Salaries, Sick Pay	2,903.90	2,903.90	87,127.00	84,223.10	3.33	
Salaries, Part-time - XH	19,372.37	19,372.37	197,580.00	178,207.63	9.80	
Management Car Allowance	500.00	500.00	6,000.00	5,500.00	8.33	
Cafeteria Benefit	48,829.98	48,829.98	364,800.00	315,970.02	13.39	July & Aug premiums
Hlth Benefits, Ret Emps	3,203.84	3,203.84	26,000.00	22,796.16	12.32	July & Aug premium reimbursements
Employer, 457 Contribution	240.84	240.84	3,150.00	2,909.16	7.65	
Medicare	3,282.27	3,282.27	45,790.00	42,507.73	7.17	
Retirement - Classic	7,974.80	7,974.80	223,650.00	215,675.20	3.57	
Retirement - Pepra	10,960.66	10,960.66	295,800.00	284,839.34	3.71	
Retirement - Classic-Unfunded Liability	146,402.00	146,402.00	151,439.00	5,037.00	96.67	One time fee
Retirement - Pepra-Unfunded Liability	8,065.00	8,065.00	8,342.00	277.00	96.68	One time fee
Social Security	351.92	351.92	8,170.00	7,818.08	4.31	
Group Term Life Ins	367.64	367.64	4,300.00	3,932.36	8.55	
Tuition Reimbursement	0.00	0.00	4,000.00	4,000.00	0.00	
Insurance, unemployment	1,549.75	(1,549.75)	25,000.00	26,549.75	(6.20)	Paychex adj -Covid pay
Post Retirement Benefits	0.00	0.00	0.00	0.00	0.00	
TOTAL PERSONNEL EXPENSES	444,675.28	444,675.28	4,180,548.00	3,735,872.72	10.64	
OPERATING EXPENSES						
Event Participation Fees	0.00	0.00	4,000.00	4,000.00	0.00	
Arbovirus Testing Supplies	41.22	41.22	26,000.00	25,958.78	0.16	
Branded Clothing	100.32	100.32	8,600.00	8,499.68	1.17	
Boots	159.35	159.35	4,500.00	4,340.65	3.54	
Misc. Rentals	0.00	0.00	2,000.00	2,000.00	0.00	

SGVMVCD
 Comparative YTD Actual to Full Year Budget
 Current Period 8% of Year Completed
 July 31, 2020

Professional Development	0.00	0.00	2,000.00	2,000.00	0.00	
Awards	0.00	0.00	3,000.00	3,000.00	0.00	
Advertising	0.00	0.00	30,000.00	30,000.00	0.00	
Bank Charges	1,232.40	1,232.40	15,000.00	13,767.60	8.22	
Board expenses	2,200.00	2,200.00	38,000.00	35,800.00	5.79	
Computer Hardware	0.00	0.00	42,500.00	42,500.00	0.00	
Computer Software	9,754.78	9,754.78	61,000.00	51,245.22	15.99	Neogov renewal
Website/Email Service	2,588.00	2,588.00	5,700.00	3,112.00	45.40	Annual service
Facility maintenance	5,587.25	5,587.25	40,000.00	34,412.75	13.97	Electrical work, Alarm service
Maintenance, equipment	130.34	130.34	4,000.00	3,869.66	3.26	
Maintenance, grounds	0.00	0.00	10,000.00	10,000.00	0.00	
Lease Equipment	1,500.16	1,500.16	21,000.00	19,499.84	7.14	
Fees & Assessments	0.00	0.00	4,300.00	4,300.00	0.00	
Hiring expenses	0.00	0.00	4,000.00	4,000.00	0.00	
VCJPA General Fund	7,517.00	7,517.00	9,248.00	1,731.00	81.28	One time fee
Insurance, liability	84,115.00	84,115.00	79,056.00	(5,059.00)	106.40	One time fee
Workers Comp Insurance	114,515.00	114,515.00	114,890.00	375.00	99.67	One time fee
Automobile Insurance	4,747.00	4,747.00	2,257.00	(2,490.00)	210.32	One time fee
Other Insurance	1,397.61	1,397.61	3,500.00	2,102.39	39.93	Bus travel ins, crime, cyber
Insurance, property	6,143.00	6,143.00	6,423.00	280.00	95.64	One time fee
Legal	0.00	0.00	25,000.00	25,000.00	0.00	
Memberships	11,798.00	11,798.00	28,000.00	16,202.00	42.14	MVCAC, Cal Chamber
Miscellaneous expenses	246.75	246.75	3,500.00	3,253.25	7.05	
Postage	1,237.11	1,237.11	6,700.00	5,462.89	18.46	Postage machine lease
Accounting Services, Auditor	12,528.50	12,528.50	22,000.00	9,471.50	56.95	Progress payments-auditor
Professional Services , Other	0.00	0.00	2,000.00	2,000.00	0.00	
Professional Services-IT	0.00	0.00	50,000.00	50,000.00	0.00	
Printing & Reproduction	0.00	0.00	16,500.00	16,500.00	0.00	
Research	0.00	0.00	500.00	500.00	0.00	
Seminars and meetings	0.00	0.00	47,600.00	47,600.00	0.00	
Supplies, Surveillance	40.62	40.62	10,000.00	9,959.38	0.41	
Supplies, Vehicle Maintenance	2,387.74	2,387.74	60,000.00	57,612.26	3.98	
Supplies, Gasoline	0.00	0.00	65,000.00	65,000.00	0.00	
Supplies, Office	0.00	0.00	11,600.00	11,600.00	0.00	
Supplies, Mosquito Fish	0.00	0.00	5,000.00	5,000.00	0.00	

SGVMVCD
 Comparative YTD Actual to Full Year Budget
 Current Period 8% of Year Completed
 July 31, 2020

Supplies, Operations	0.00	0.00	15,000.00	15,000.00	0.00	
Supplies, Pesticides	51,245.61	51,245.61	75,000.00	23,754.39	68.33	Pesticides for season
Supplies, Communications	0.00	0.00	10,000.00	10,000.00	0.00	
Supplies, Education Program	0.00	0.00	14,000.00	14,000.00	0.00	
Supplies, Safety	265.36	265.36	20,000.00	19,734.64	1.33	
Supplies, Media Production	0.00	0.00	6,000.00	6,000.00	0.00	
Benefit Assesment Admin Cost	0.00	0.00	118,000.00	118,000.00	0.00	
Communications, field	3,278.73	3,278.73	42,000.00	38,721.27	7.81	
Telephone, Internet	2,134.46	2,134.46	14,000.00	11,865.54	15.25	Increase in fees
Telephone , Office	0.00	0.00	15,500.00	15,500.00	0.00	
Training , CEU's	0.00	0.00	6,000.00	6,000.00	0.00	
Uniforms and clothing	0.00	0.00	12,000.00	12,000.00	0.00	
Utilities, Electric	0.00	0.00	30,000.00	30,000.00	0.00	
Utilities, Natural Gas	131.86	131.86	3,100.00	2,968.14	4.25	
Utilities, Water	0.00	0.00	2,200.00	2,200.00	0.00	
Automobile Lease	0.00	0.00	30,000.00	30,000.00	0.00	
Surveillance, Aerial	0.00	0.00	25,500.00	25,500.00	0.00	
TOTAL OPERATING EXPENSES	327,023.17	327,023.17	1,332,674.00	1,005,650.83	24.54	
TOTAL EXPENSES	771,698.45	771,698.45	5,513,222.00	4,741,523.55	14.00	
CAPITAL OUTLAY EXPENSES						
Capital Outlay	106,900.33	106,900.33	242,000.00	135,099.67	44.17	
TOTAL CAPITAL EXPENSES	106,900.33	106,900.33	242,000.00	135,099.67	44.17	
RESERVES						
Reserve, Public Health Em	0.00	0.00	1,326,200.00	1,326,200.00	0.00	
Reserve, Capital Projects	0.00	0.00	459,849.00	459,849.00	0.00	
Reserve, Pension Liability	0.00	0.00	200,258.00	200,258.00	0.00	
Reserve, Building/Facilities	0.00	0.00	49,000.00	49,000.00	0.00	
Reserve, Vehicle Replacement	0.00	0.00	0.00	0.00	0.00	
TOTAL RESERVES	0.00	0.00	2,035,307.00	2,035,307.00	0.00	

**MINUTES of the San Gabriel Valley Mosquito and Vector Control District
Board of Trustees Meeting
1145 N. Azusa Canyon Road, West Covina, CA 91790
July 10, 2020**

TRUSTEES ATTENDING

Stephen Sham (Alhambra)
Roger Chandler (Arcadia)
Joseph Rocha (Azusa)
Rick Barakat (Bradbury)
Corey Calaycay (Claremont)
Jerry Velasco (El Monte)
Margaret Finlay (Duarte)
Charles Myers (Glendora)
Catherine Marcucci (Industry)
Dan Holloway (La Puente)
Elyse Rasmussen (La Verne)
Jamie Bissner (Los Angeles Co.)
Becky Shevlin (Monrovia)
Joseph Leon (Monterey Park)
Rachel Janbek (Pasadena)
Tim Sandoval (Pomona)
Sandra Armenta (Rosemead)
Emmett Badar (San Dimas)
Juli Costanzo (San Gabriel)
John Capoccia (Sierra Madre)
Marina Khubesrian (So. Pasadena)
Cynthia Sternquist (Temple City)
Allen Wu (Walnut)

TRUSTEES ABSENT

Manuel Lozano (Baldwin Park)
Henry Morgan (Covina)
Manuel Garcia (Irwindale)
Lloyd Johnson (West Covina)

STAFF PRESENT

Jared Dever
Rose Alba
Jason Farned
Levy Sun
Melissa Doyle
Marta Tanaka

GUESTS PRESENT

Greg Mills
Stacy Taylor

- 1. Call to Order**
The meeting was called to order at 7:00 a.m.
- 2. Pledge of Allegiance and Roll Call**
Trustee Corey Calaycay led the Pledge of Allegiance and Roll Call Attendance was taken.

3. Opportunity for Public Comment on Non-Agenda Items

None.

4. Consent Calendar

A motion made by Trustee Margaret Finlay, seconded by Trustee Joseph Leon, to approve the Consent Calendar was approved by roll call vote.

5. Consider Candidate for California Special District Association, Board of Directors Vacancy - Special Election Seat C, Southern Network

District Manager Jared Dever advised that the California Special District Association is holding an election for Seat C, and that multiple candidates have submitted election packets for board consideration. Dever requested the board review all candidates and select the individual that best serves the interests of the district.

Greg Mills, Director for Serrano Water District and a candidate for the vacant seat on the CSDA Board of Directors, addressed the board highlighting his experience on various boards, business experience, educational background, community involvement and participation with volunteer organizations. Mr. Mills thanked the board for the opportunity to speak, and their consideration of him as candidate for Seat C.

Stacy Taylor, Mesa Water District, offered her support of Greg Mills as a candidate for Seat C.

A motion made by Trustee Corey Calaycay and seconded by Trustee Jamie Bissner, to Nominate Greg Mills for the California Special District Association Board of Directors, Seat C, was approved by roll call vote.

6. Consider Nomination of Candidate for Alternate seat to Los Angeles Local Agency Formation Commission

District Manager Jared Dever outlined reasons for the vacancy on the Los Angeles Local Agency Formation Commission, stating that nominations of volunteers for the vacant seat would be considered, but are not mandatory.

Trustee Margaret Finlay described the responsibilities, time commitment and location of meetings for the commission.

Board President Becky Shevlin advised that the application is in the board package and nominations must be submitted by July 24, 2020. Shevlin recommended that anyone interested should submit his or her application to the district before the deadline.

District Manager Dever confirmed that he would verify any trustee as an eligible member and submit the application on his or her behalf.

7. Committee Reports

7.1. Executive Meeting held on June 23, 2020 – Discussion of District Legal Counsel and Consideration of Committee Recommendation

District Manager Dever reported that he convened the Executive Committee to discuss the resignation of William Curley from the legal firm Lozano Smith, Attorneys at Law. Dever stated the firm has temporarily assigned another attorney to represent the district.

Dever explained the two options available to the Board:

- Release a Request for Proposal for general legal counsel services
- Release two separate Request for Proposals for general legal counsel and labor/employment legal services.

Dever advised that an Ad Hoc Legal Counsel Selection Committee be appointed to conduct interviews and make an award recommendation to the Board.

A motion made by Trustee Corey Calaycay and seconded by Trustee Tim Sandoval to release a Request for Proposal for general legal counsel services, was approved by roll call vote.

8. District Administration

District Manager Dever shared news of several closures of neighboring vector control agencies due to COVID-19 illnesses and exposures. Dever advised that district policies and procedures, including daily health checks and contact tracing, have been refined to help prevent exposures. He reported that Vector Control District Managers in Southern California have been working on a Mutual Aid Agreement, allowing districts to request resources during designated emergencies. Dever advised this is a legal document requiring approval of the board, and expects to have it ready soon for board consideration.

Dever reported on the announcement this past week of the first Los Angeles County human case of West Nile virus, occurring in Long Beach. He stated that June 21-27 was National Mosquito Control Awareness Week and complemented Levy Sun on the outstanding outreach efforts and social media events conducted by Communications Department staff members.

District Manager Dever, as chair of the Mosquito and Vector Control Association of California Legislative Committee, provided an update on pending legislation. House of Representative's bill 7073 "Special District Provide Essential Services Act" seeks to make special districts eligible for future COVID-19 relief funds. Dever stressed the importance of this bill and encouraged support, citing special districts are not recognized in federal statute, and this bill would correct that national oversight.

9. Trustee Reports

None

10. New Business

Board President Becky Shevlin requested that Ada Eez, the district developed character representing the San Gabriel Valley *Aedes* mosquito population, make an appearance at the next board meeting.

Trustee Roger Chandler requested all cities adopt the Out-of-Service Swimming Pool Ordinance, allowing Code Enforcement Officers to issue citations for unacceptable pool conditions, and speed up the process of correcting unmaintained pools.

Board President Becky Shevlin directed district staff to send the ordinance template to Trustees for distribution to their respective cities.

Trustee Corey Calaycay requested convening the Public Information Committee to review the district Out-of-Service Swimming Pool Violation notice for language modification.

Operations Department
Disease Weeks [27-31] | [June 28 - August 1, 2020]

Chemical Usage:

Larvicides/Pupicides					
Method of Action	Target	Amount		Area Treated	
Larvicide Oils (Surface Film)					
Suffocation	Mosquitoes	3.31	gal.	30392	sq.ft.
Insect Growth Regulators (IGR's)					
Inhibits metamorphosis	Mosquitoes	12.68	lbs.	320895	sq.ft.
Bacterials					
Ingestion, toxicant	Mosquitoes	3.78	gal.	1929302	sq.ft.
Ingestion, toxicant	Mosquitoes	91.67	lbs.	3898379	sq.ft.
Ingestion, toxicant	Black flies	33.57	gal.	9317	m ³
Biologicals					
Mosquito fish	Mosquitoes	1356	ea.	6123	sq.ft.

Zone Specialists:

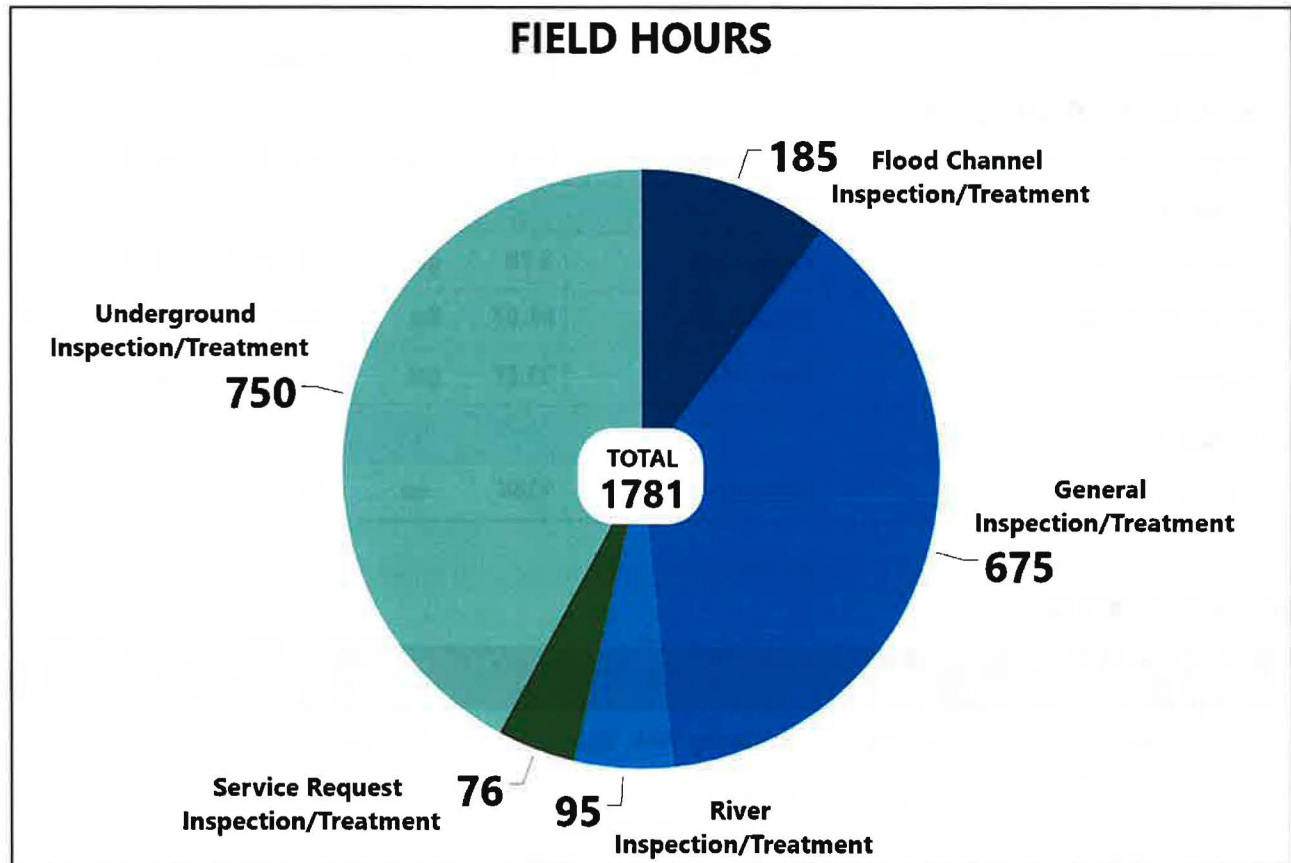
Zone	Specialist	Cities
1	Marc Mitchell	Alhambra, Monterey Park, San Gabriel, South Pasadena
2	Leslie Conner	Altadena, Pasadena
3	Darrin Jones	Arcadia, Sierra Madre, Temple City
4	Jon Halili	Baldwin Park, El Monte, Rosemead
5	Ignacio Ureña	Azusa, Bradbury, Duarte, Irwindale, Monrovia
6	Marco Gaytan	Industry,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

Field Statistics:

4,007
SITES VISITED

217 +0.46%
2019
SERVICE REQUESTS

99 +4.2%
2019
CONSULTATIONS



Operation Summary:

As a result of annual aerial surveillance, the District identified 916 unmaintained swimming pools that appear to be in violation of the California health and safety code. Violation notices have been sent to each property, and since the beginning of July the District has confirmed compliance in 590 cases. The District will attempt to contact outstanding violators in two more rounds of notification before city code enforcements are notified and/or inspection warrants are requested.

The District is accepting and responding to all types service requests. A strict no-contact response protocol has been implemented to allow for safe and effective property inspections, consultations, and neighborhood canvassing efforts. In July, the operations department saw a 5% increase over 2019 in consultation demand and .5% increase in overall service requests. The development of new procedures and programs as a response to COVID-19 has been a priority of the District in order to maintain the support services that residents rely on.

Surveillance Department
 Disease Weeks [27 - 31] | [June 28 – August 1, 2020]

Insect Surveillance Activities

The Surveillance Department set traps weekly for mosquitoes and biweekly for black fly. The department has implemented a system of rotating the trapping locations. This strategy provides detailed information regarding the species present and population density for any given area in the District. The map below indicates the locations trapped and the size of the colored circles indicate the level of mosquito activity.

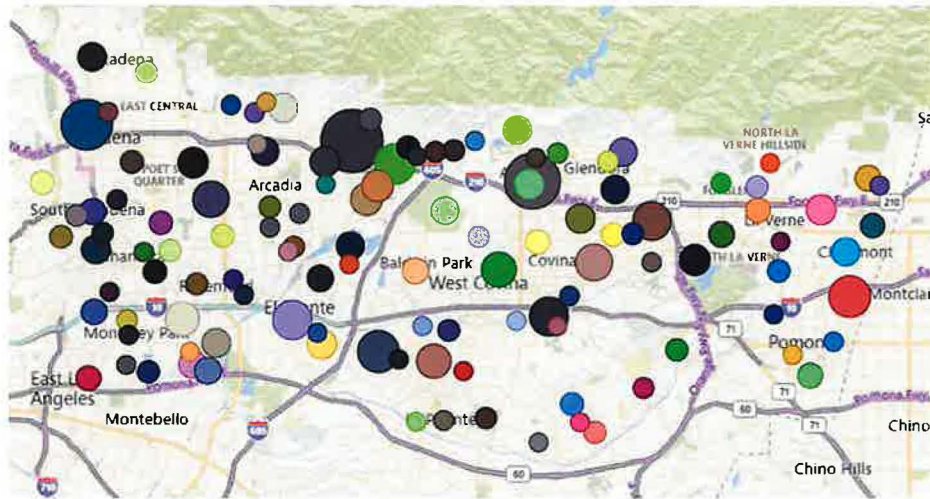


Figure 1 Mosquito Activity in the San Gabriel Valley Weeks 27 to 31

San Gabriel Valley Mosquito Activity

Mosquito activity was low overall during weeks 27 – 31. Mosquito traps were placed weekly and 216 mosquito samples were tested for virus. No dead birds have tested positive for West Nile virus (WNV) in the San Gabriel Valley. On 7/28/2020, a sample of *Culex quinquefasciatus* from a trap set in Pomona tested positive for West Nile virus. *Aedes* mosquito populations will continue to increase through September, with their populations decreasing as temperatures decrease in the fall.

Week	Mosquito Activity	2020 Average / Trap
27	High	127
28	Elevated	60
29	Low	38
30	Low	43
31	Low	32

Mosquito activity is lower in comparison to activity in 2018 and 2019.

- The average number of mosquitoes observed in Weeks 27 to 31, 2020 was 12% lower than in the same weeks in 2018
- The average number of mosquitoes observed in Weeks 27 to 31, 2020 was 29% lower than in the same weeks in 2019

- The average number of mosquitoes observed in Weeks 27 to 31, 2020 was 15% lower than the three year average

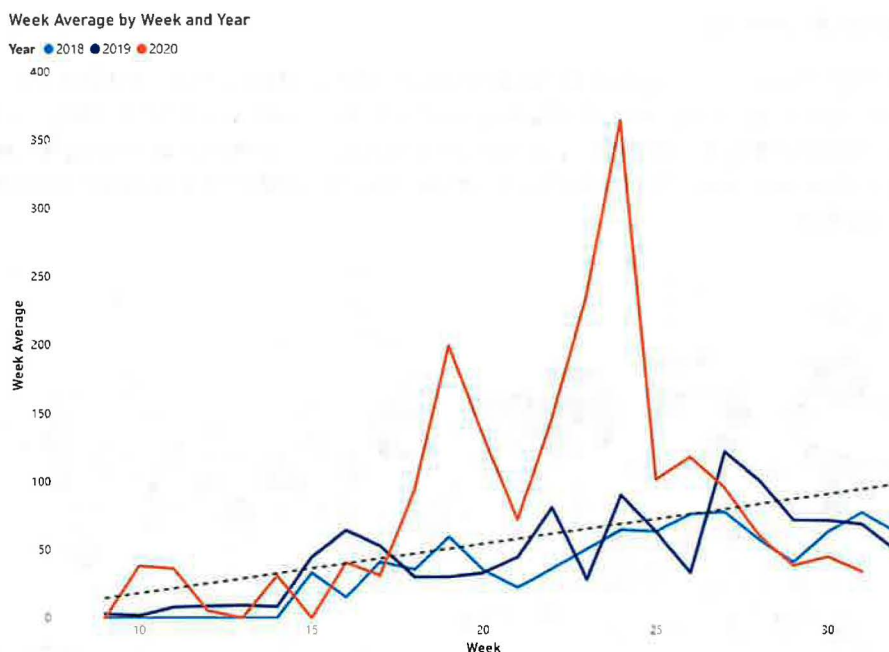


Figure 2 Average Number of Mosquitoes Captured by Week and Year

Arbovirus Activity in California

There have been three human cases of West Nile virus reported in Los Angeles County in 2020. In Los Angeles County, 47 mosquito samples have tested positive (including one sample in the San Gabriel Valley). Eight dead birds have tested positive for West Nile virus, none in the San Gabriel Valley.

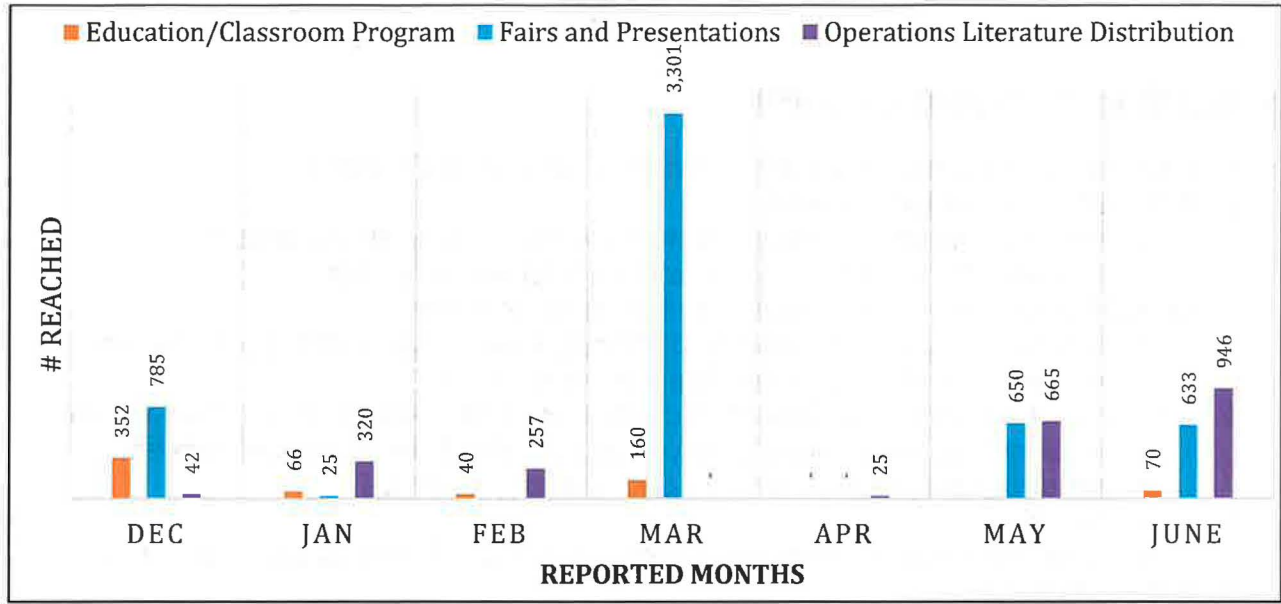
Department News

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

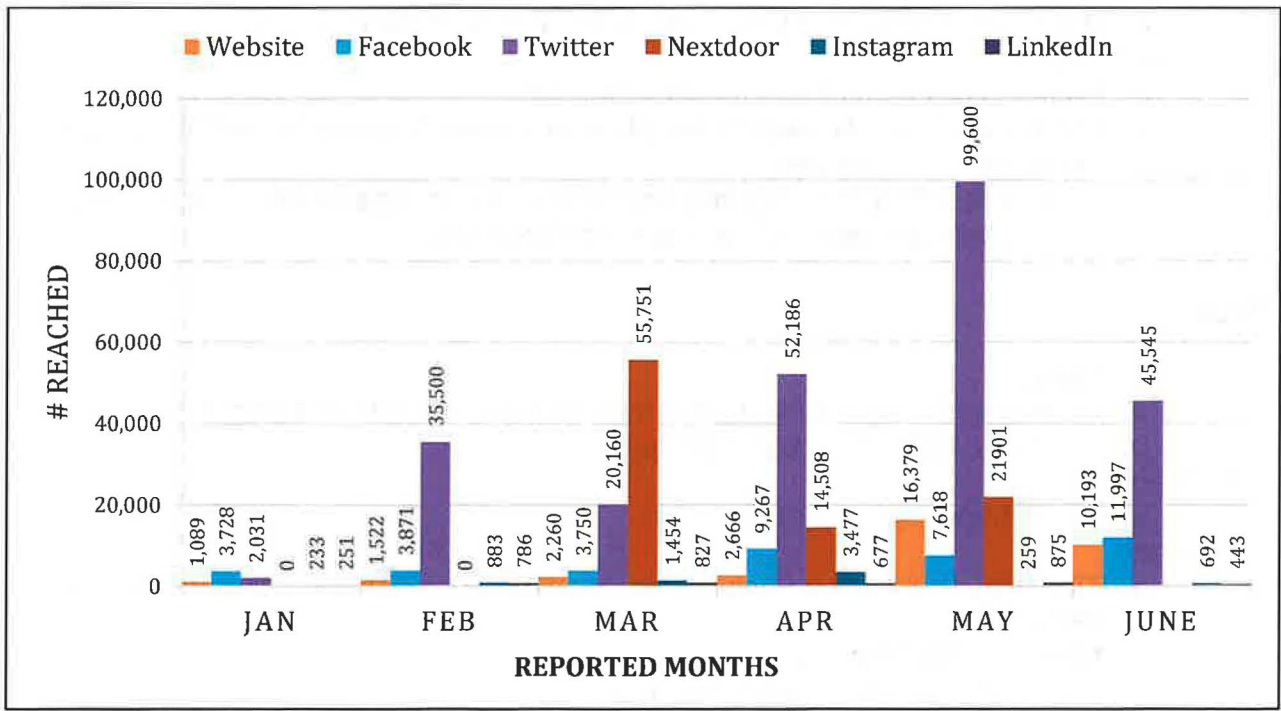
- Quantifying the environmental factors associated with traps that capture high numbers of mosquitoes
- Improving lures to target specific species, including *Culex tarsalis*
- Collaborating with a researcher at the University of Pennsylvania for a population genetics study of *Culex tarsalis*
- Standardizing and improving the placement of ovitraps to aid in the detection of *Aedes* mosquitoes
- Identifying the diversity of bird species surrounding areas that have a history of West Nile virus positive mosquito samples
- Quantifying the role of natural breeding habitats in supporting populations of *Aedes* mosquitoes
- Collaborating with the Communications and Operations department in citizen science projects and the evaluation of control techniques

Communications Department
 Disease Weeks [27-31] | [June 28 – August 1, 2020]

Outreach Activities:



Digital Activities:



E-blast and Media Activities

Name of Activity/Media	Date	Headline
Pasadena Now	7/27	Officials Recruiting Community Members to Help Fight Mosquitoes

EcoHealth Vector Education Program

1. Preschool and Library Little Larva Learning Time program revamp
2. K-6 Grades Curriculum Refresh
 - a. Finalized additional online classroom videos for Google Classroom
 - b. Finalized Part 1 of EcoHealth program's art with illustrator
3. Digital Escape Rooms for middle and high school students
 - a. Researched a new method for delivering a live, virtual vector-borne disease escape room for middle and high school students
4. Operation Mosquito GRID (Growth Reduction and Insect Identification) development
 - a. New, collaborative citizen science program with Surveillance Department
 - b. Produced script and recorded video and voiceover files
5. Grant Proposal
 - a. Seek additional aid from Entomological Society of America's Chrysalis Grant
6. Special Projects
 - a. Identified contractor for "Journey of the Germ" activity which will display the path of a pathogen through the body of a mosquito and hosts.
7. Website
 - a. Began development of EcoHealth website revamp via Wix.com.
8. Events Highlight
 - a. Arcadia Wilderness Park Summer Program
 - b. Los Angeles County Department of Public Health Two-day Virtual Public Health Youth Leaders program
 - i. Presented to nearly forty high school and college students on mosquito-borne disease and careers in vector control

Design

1. Social Media
 - a. Developed Instagram highlight covers for SGV and Ada Eez pages
 - b. Tip, Toss, Protect campaign content
2. Website
 - a. Short Bites blog teaser thumbnails
3. Video
 - a. Tip, Toss, Protect and Pass the Repellent collaboration with other Vector Control Districts
 - b. Mosquito GRID filming
 - c. Bite Back Champion welcome videos

General Outreach

1. Bite Back Champions Campaign
 - a. Ongoing revamp: automation and improving volunteer experience
 - b. Block the Bite Property Inspections in South Pasadena
 - c. Finalized and published Altadena Bites Back video
2. Short Bites website blog development
3. Development of pre-recorded presentations for virtual outreach
4. California Native Plant Virtual Zoom presentation series development
5. MVCAC
 - a. Finalized video of inaccessible storm drain / trash capture devices

Administrative/Trainings

1. Data Collection
 - a. Front Yard Inspection (FYI) data collection project development and SurveyMonkey data collection forms for future door-to-door FYI
2. Trainings and Webinars
 - a. 7/8 - Webinar: Creating a Culture of Volunteer Engagement Confirmation
 - b. 7/14 - Webinar: Walking the Walk: Engage Volunteers in your Volunteer Engagement Program Confirmation
 - c. 7/15 – Webinar: How to Write a Clear and Effective Fact Sheet
 - d. 7/23 - Online escape room to research methods for EcoHealth's own simulation
 - e. 7/28 - Webinar: Beyond Virtual Facilitation: How to Maximize Engagement and Tackle Problems in Your Virtual Meeting

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

The attached Treasurer's Report is for June 2020.

The Total of All Funds Balance is \$5,963,264.05

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

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

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

Authorized Board of Trustee Member

**San Gabriel Valley Mosquito and Vector Control District
Treasurer's Report (based on Balance Sheet Detail Activity Report,
Period 12, FY 2019-2020 received on July 1, 2020**

Item 4.7

Investment Vehicle	Yield	Beginning Balance	Transaction	Deposit (Withdrawal)	Source	Ending Balance
Local Agency Investment Fund (LAIF)	1.65%	\$1,415,021.60	interest	\$0.00	LAIF Statement (June 2020)	\$1,415,021.60

Maturity Date: Perpetual
Interest rate as of May 2020

Investment Vehicle	Yield	Beginning Balance	Transaction	Deposit (Withdrawal)	Source	Ending Balance
Los Angeles County Pool	0.95%	\$3,988,333.56	interest Trust Warrant #697 Sec Mst 2019-20 3rd pd	\$3,835.28 (\$321,525.24) \$92,858.93	ND 24 Per 12 ND 24 Per 12 ND 24 Per 12	\$3,763,502.53

Maturity Date: Perpetual
Interest rate as of June 2020

Investment Vehicle	Yield	Beginning Balance	Transaction	Deposit (Withdrawal)	Source	Ending Balance
VCJPA Contingency Fund	2.25%	\$100,772.00	interest	\$2,669.00	VCJPA Statement (March 2020)	\$103,441.00

Maturity Date: Perpetual
Interest rate as of March 2020

Investment Vehicle	Beginning Balance	Transaction	Deposit (Withdrawal)	Source	Ending Balance
Citizens Bank Revolving Fund	\$200,000.00	Deb Activity-June 20 Sweep Trust Warrant #697 McLarens-Claims US Bank Rebate L. Sun-Reimbursement Paychex-Void Check	(\$710,794.24) \$328,574.28 \$321,525.24 \$59,677.98 \$365.66 \$200.81 450.27	CB Statement June 2020	\$200,000.00

Investment Vehicle	Beginning Balance	Transaction	Deposit (Withdrawal)	Source	Ending Balance
Citizens Bank Sweep Account	\$452,530.28	Deb Activity-June 2020 Deposit	(\$328,574.28) \$357,342.92	CB Statement June 2020	\$481,298.92

Total Beginning Balance

\$6,156,657.44

Total End Balance

\$5,963,264.05

August 14, 2020

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

SUBJECT: August 1, 2020 District Working Fund Balance

August 1, 2020 balance:	\$3,364,046.05
July 1- July 31, 2020 expenditures:	\$906,955.39

August 1, 2020 Working Fund Balance: \$2,457,090.066

Respectfully Submitted:



**Jared Dever
District Manager**

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

Date: August 14, 2020

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

Subject: **Distribution of Template Pool Maintenance Ordinance for Consideration of Municipal Adoption**

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

Background

In 2017, the District launched a new aerial surveillance initiative to identify non-functional swimming pools in the San Gabriel Valley. The purpose of this program is to pinpoint non-compliant swimming pools that pose health risks within the region and issue notices for the residents to address their unmaintained swimming pools. These swimming pools serve as breeding grounds for mosquitoes and therefore pose a significant public health risk to the residents of the San Gabriel Valley.

The annual aerial surveillance program identifies approximately 7,500 potentially unmaintained and non-functional swimming pools. On average, 1,500 of those identified are deemed to be a risk to public health. Homeowners of those properties are mailed violation notices that require their swimming pools be returned to functional state or be completely drained.

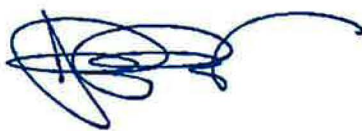
For residents that fail to respond to violation notification letters, the District seeks to partner with city code enforcement officers to help immediately resolve the public health threat. In order for code enforcement officers to exercise their entry and citation powers to expedite access and correction, each partner city must adopt an ordinance defining the acceptable condition of swimming pools, and the consequences for non-compliance.

The proposed template ordinance (**EXHIBIT 6A**) provides the legal authority cities may adopt to enhance their code enforcement authority by including specific language of the proper operational status and maintenance of swimming pools. The ordinances would also allow for the cities to collaborate with the district to remove public health risks and problems in an expedited manner.

Fiscal Impact

There is no financial impact associated with receiving the template pool maintenance ordinance.

Respectfully submitted,



Jared Dever
District Manager

Chapter ____ - POOL MAINTENANCE

#-##-### - Title.

This chapter shall be known as the city of _____ Pool Maintenance ordinance.

(Ord. No. ____, § _____)

#-##-###- Findings and purpose.

The city council finds and declares as follows:

- A. Stagnant sources of water create breeding grounds for mosquitoes, which are capable of transmitting the causative agents of human diseases.
- B. Inadequately maintained swimming pools are a significant source of stagnant or standing bodies of water within the city.
- C. It is the purpose and intent of this chapter to protect public health, safety and welfare by developing regulations that will promote the maintenance of swimming pools in the city in a healthful, sanitary and safe condition.
- D. It is further the purpose and intent of this chapter to establish administrative procedures to cause the swift abatement of inadequately maintained swimming pools.

(Ord. No. ____, § _____)

#-##-###- Definitions.

"City" means the city of _____.

"Code" means the _____ Municipal Code, and laws incorporated therein by reference, as well as any adopted and uncodified ordinances.

"City manager" means the _____ City Manager and/or his or her authorized designee(s).

"Owner" means and includes any person having legal title to any real property in the city, including all persons shown as owners on the last equalized assessment roll of the county assessor's office. Owner also includes any person with powers of attorney, executors of estates, trustees, or who are court appointed administrators, conservators, guardians or receivers.

"Person," for purposes of this chapter, means and includes any individual, partnership of any kind, corporation, limited liability company, association, joint venture or other organization or entity, however formed, as well as trustees, heirs, executors, administrators, assigns and any public entity or agency that acts as an owner in the city.

"Pool" means any swimming pool, whether above-ground or in-ground. For purposes of this chapter, "pool" also includes any above-ground or in-ground hot tub or spa, ornamental pond, fountain, bird bath, or any other man-made structure or fixture capable of collecting water.

"Property" or "premises" means any privately-owned real property in the city on which a pool, as defined in this chapter, is present.

"Responsible person" means any person, whether an owner as defined in this chapter, or a person who leases, rents, occupies or has charge, control or possession of property, who allows, causes, creates, maintains, suffers or permits the presence of a pool that is not maintained in compliance with the provisions

of this chapter, by any act or the omission of an act or duty. The actions or inactions of a responsible person's agent, employee, representative or contractor may be attributed to that responsible person.

(Ord. No. ____, § _____)

###-###- Enforcement; administration.

- A. The city manager is hereby authorized and directed to enforce the provisions of this chapter.
- B. The city manager is authorized to designate certain city personnel to assist in the enforcement of this chapter. The designees shall have such enforcement powers as are delegated by the city manager.
- C. The city manager is authorized to promulgate rules, regulations, policies and procedures to implement the provisions of this chapter, including, but not limited to, administrative policies and procedures for the city's use, independently and/or in conjunction with the San Gabriel Valley Mosquito and Vector Control District, to investigate, identify and abate pools that are not maintained in compliance with the provisions of this chapter.

(Ord. No. ____, § _____)

###-###- Inspections; right of entry.

- A. The city manager is authorized to make such inspections and take such actions as may be required to enforce the provisions of this chapter. Authorized inspections shall be limited to exterior portions of premises.
- B. When it is necessary to make an inspection to enforce the provisions of this chapter, or when the city manager has reasonable cause to believe that there exists on a premises a pool that is not maintained in compliance with the provisions of this chapter, the city manager may enter the premises at reasonable times to inspect.
 - 1. If the property is occupied, the city manager shall, before entering the premises, present proper credentials and request entry, explaining his or her reasons for the inspection.
 - 2. If the property is unoccupied, the city manager shall first make a reasonable effort to locate the owner or other responsible person, as defined in this chapter, and request entry, explaining his or her reasons for the inspection.
 - 3. If consent to entry is refused or otherwise cannot be obtained, the city manager shall have recourse to every remedy provided by law to secure lawful entry and inspect the premises, including, but not limited to, securing an inspection warrant pursuant to California Code of Civil Procedure Sections 1822.50 through 1822.57.
 - 4. Notwithstanding the foregoing, if the city manager has reasonable cause to believe that a pool is in such a condition as to pose an imminent hazard to public health and safety, the city manager shall have the right to immediately enter and inspect the premises, and may use any reasonable means required to effectuate the entry and inspection.

(Ord. No. ____, § _____)

###-###- Pool maintenance required; maintenance standards; owners' responsibility.

- A. Owners, as defined in this chapter, shall, at all times, regularly and continuously maintain a pool in one of the following manners:
 - 1. The pool shall be filtered and treated so the water remains clear and circulating;

- 2. The pool shall be fully drained and kept dry at all times.
- B. Any pool that is not maintained in conformance with subsection A. shall be deemed an "unmaintained pool."
- C. Notwithstanding any provision of a lease or rental agreement, or other occupancy contract or agreement, which assigns pool maintenance duties to a lessee, tenant or occupant, an owner shall be deemed responsible for the regular and continuous maintenance of his or her pool in accordance with subsection A.

(Ord. No. __, § _____)

###-###- Violation; public nuisance; penalty.

- A. The city council finds and declares that it is unlawful for any responsible person, as defined in this chapter, to allow, cause, create, suffer or permit the presence of an unmaintained pool on his or her property.
- B. The city council finds and declares that an unmaintained pool constitutes a public nuisance subject to abatement.
- C. Any person violating the provisions of this chapter is subject to the penalty provisions set forth in chapter ###.

(Ord. No. __, § _____)

###-###- Abatement; emergency abatement of an imminently hazardous unmaintained pool.

- A. The city manager may cause an unmaintained pool to be abated, in accordance with the procedures set forth in chapter ###.
- B. The city manager may utilize the procedures set forth in section ###-### for the emergency abatement of an unmaintained pool if it is determined that the pool creates an imminent hazard to public health, safety or welfare. Evidence of an imminently hazardous pool shall include, but not be limited to, the presence of mosquitoes, mosquito larvae, bacterial growth or algae, or water which is unclear, murky, clouded, green or discolored.

(Ord. No. __, § _____)

###-###- Administrative citations.

- A. The city manager may issue an administrative citation to a responsible person who causes, allows, suffers or permits the presence of an unmaintained pool. Issuance of a citation shall be in accordance with and as provided in chapter ###.
- B. Notwithstanding any other provisions in this code, the penalty amount of an administrative citation issued for a violation of this chapter shall be assessed as follows:
 - 1. For the first administrative citation, the penalty shall be five hundred dollars (\$500.00).
 - 2. For the second administrative citation, the penalty shall be one thousand dollars (\$1,000.00).
 - 3. For the third administrative citation, the penalty shall be one thousand five hundred dollars (\$1,500.00).

(Ord. No. __, § _____)

###-###- Remedies not exclusive.

Any administrative citation pursuant to this chapter shall not prejudice or adversely affect any other civil, administrative or criminal action that may be brought to abate an unmaintained pool or to seek compensation for damages suffered. A civil or criminal action may be brought concurrently with any other process regarding the same violation.

(Ord. No. __, § _____)

###-###- Applicability of other laws.

This chapter is not the exclusive regulation of pool maintenance or penalty for allowing, causing, creating or permitting the presence of an unmaintained pool. It supplements, and is in addition to, other regulatory codes, statutes and ordinances heretofore or hereafter enacted by the city, San Gabriel Valley Mosquito and Vector Control District, state or any other legal entity or agency having jurisdiction, including but not limited to the provisions of Division 3 of the Health and Safety Code (Section 2000, et seq.), as well as administrative regulations adopted pursuant to those laws.

(Ord. No. __, § _____)

###-###- Severability.

If any section, subsection, paragraph, sentence, clause or phrase of this chapter is declared by a court of competent jurisdiction to be unconstitutional or otherwise invalid, such decision shall not affect the validity of the remaining portions of this chapter. The city council declares that it would have adopted this chapter, and each section, subsection, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections, phrases, or portions be declared invalid or unconstitutional.

(Ord. No. __, § _____)

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

Date: August 14, 2020

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

Subject: **Review of Actuarial Valuation of Other Post-Employment Benefit Programs as of June 30, 2019, Development of OPEB Prefunding Levels and GASB 75**

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

Background

The Finance and Audit Committee met on July 27, 2020 via Zoom Teleconference to review the Actuarial Valuation of Other Post-Employment Benefit Programs as of June 30, 2019, Development of OPEB Prefunding Levels and GASB 75, and to perform the annual review of Article XIII, District Investment Policy.

The District engaged MacLeod Watts, Inc. to perform the mandatory Actuarial Valuation of Other Post-Employment Benefit (OPEB) Programs and GASB 75 report (**EXHIBIT 7A**). Catherine MacLeod provided an overview of significant changes, methodologies, and assumptions for committee members. Recent changes to reporting standards require future benefit assumptions take in to account the likelihood of higher claims than insurance premiums may cover for each benefit recipient be reported in biannual actuarial reports (Implicit Subsidy Liability). The actuarial report also considers recent CalPERS investment discount rate changes, and the addition of full-time staff members to the district debt obligation since the last actuarial study was performed for year ending June 30, 2017.

These new assumptions result in a significant reduction in OPEB funding position for the district. This reduction of funding position for future obligations will require dramatically higher annual contributions to OPEB prefunding investment pools such as CERBT to ensure health benefits are funded for future district retirees.

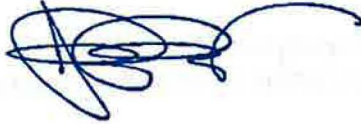
At the conclusion of the presentation, Committee members asked District Manager, Jared Dever, to perform a FY2020/21 annual budget analysis and determine if additional funds are available to be committed to OPEB obligations. If it is determined that the current District annual operating budget cannot support additional contributions, then District Manager Dever was instructed to present a benefit assessment increase proposal and/or normal operating cost reduction strategies that would help fund additional contributions.

The Committee also performed the annual review of Article XIII, District Investment Policy. Considering the Actuarial Valuation report presentation, the committee directed District Manager Dever to reevaluate the feasibility of GASB 45 Compliant IRS Approved 115 OPEB Trust participation to reduce future pension debt obligations.

Fiscal Impact

There is no direct financial impact associated with receiving and considering the Actuarial Valuation of Other Post-Employment Benefit Programs as of June 30,2019, Development of OPEB Prefunding Levels and GASB 75.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Jared Dever", with a stylized flourish extending to the right.

Jared Dever
District Manager

MacLeod Watts

July 16, 2020

Ms. Rose Alba
Office Manager
San Gabriel Valley Mosquito and Vector Control District
1145 N. Azusa Canyon Road
West Covina, CA 91790

Re: June 30, 2019 Actuarial Valuation and GASB 75 Report for Fiscal Year Ending June 30, 2020

Dear Ms. Alba:

We are pleased to enclose the results of our June 30, 2019 actuarial valuation and other relevant information regarding the other post-employment benefit (OPEB) liability of the San Gabriel Valley Mosquito and Vector Control District. The report's text describes our analysis and assumptions in detail.

The primary purposes of this report are to:

- 1) Remeasure plan liabilities as of June 30, 2019, in accordance with GASB 75's biennial valuation requirement,
- 2) Develop Actuarially Determined Contribution levels for prefunding plan benefits,
- 3) Provide information to be submitted to the California Employers' Retiree Benefit Trust (CERBT) to satisfy filing requirements for the trust, and
- 4) Provide information required by GASB 75 ("Accounting and Financial Reporting for Postemployment Benefits Other Than Pension") to be reported in the District's financial statements for the fiscal year ending June 30, 2020.

The information included in this report reflects our assumption that the District will continue contributing \$50,000 or more to the OPEB trust each year, in addition to paying retiree medical benefits. If this assumption is not correct, please let us know as results could change significantly.

We based the valuation on the employee data, details on plan benefits and retiree benefit payments reported to us by the District. As with any analysis, the soundness of the report is dependent on the inputs. Please review our summary of this information to be comfortable that it matches your records.

We appreciate the opportunity to work on this analysis and acknowledge the efforts of District employees who provided valuable time and information to enable us to perform this valuation. Please let us know if we can be of further assistance.

Sincerely,



Catherine L. MacLeod, FSA, FCA, EA, MAAA
Principal & Consulting Actuary



San Gabriel Valley
Mosquito & Vector Control District

Actuarial Valuation of Other
Post-Employment Benefit Programs
As of June 30, 2019

Development of OPEB Prefunding Levels
& GASB 75 Report for the Fiscal Year Ending June 30, 2020

Submitted July 2020

MacLeod Watts

Table of Contents

A.	Executive Summary	1
	OPEB Obligations of the District.....	1
	OPEB Funding Policy.....	1
	Actuarial Assumptions.....	2
	Important Dates for GASB 75 in this Report	2
	Significant Results and Differences from the Prior Valuation.....	3
	Impact on Statement of Net Position and OPEB Expense for Fiscal 2020	3
	Important Notices	3
B.	Valuation Process	4
C.	Basic Valuation Results as of June 30, 2019	6
D.	Accounting Information (GASB 75)	8
	Components of Net Position and Expense.....	8
	Change in Net Position During the Fiscal Year	9
	Change in Fiduciary Net Position During the Measurement Period	10
	Expected Long-term Return on Trust Assets.....	10
	OPEB Funding Policy and Selection of Discount Rate for Accounting Purposes	11
	Recognition Period for Deferred Resources.....	12
	Deferred Resources as of Fiscal Year End and Expected Future Recognition.....	12
	Sensitivity of Liabilities to Changes in the Discount Rate and Healthcare Cost Trend Rate	13
	Schedule of Changes in the District's Net OPEB Liability and Related Ratios	14
	Schedule of Contributions.....	15
	Detail of Changes to Net Position	16
	Schedule of Deferred Outflows and Inflows of Resources.....	17
	District Contributions to the Plan.....	18
	Projected Benefit Payments (15-year projection).....	19
	Sample Journal Entries	20
E.	Funding Information.....	21
	Supporting Information	25
	Section 1 - Summary of Employee Data.....	25
	Section 2 - Summary of Retiree Benefit Provisions.....	27
	Section 3 - Actuarial Methods and Assumptions	29
	Addendum 1: Important Background Information.....	35
	Addendum 2: MacLeod Watts Age Rating Methodology	40
	Addendum 3: MacLeod Watts Mortality Projection Methodology	41
	Glossary.....	42



A. Executive Summary

This report presents the results of the June 30, 2019 actuarial valuation of the other post-employment benefit (OPEB) program of the San Gabriel Valley Mosquito and Vector Control District (the District). The purposes of this valuation are to: 1) summarize the results of the valuation; 2) develop Actuarially Determined Contribution (ADC) levels for prefunding plan benefits; 3) provide information required by the California Employers' Retiree Benefit Trust (CERBT); and 4) assess the OPEB liabilities and provide disclosure information as required by Statement No. 75 of the Governmental Accounting Standards Board (GASB 75) for the fiscal year ending June 30, 2020.

Important background information regarding the valuation process can be found in Addendum 1. We recommend users of the report read this information to familiarize themselves with the process and context of actuarial valuations, including the requirements of GASB 75. The pages following this executive summary present various exhibits and other relevant information appropriate for financial reporting and plan funding.

The results of the June 30, 2019 valuation may be applied to prepare the District's GASB 75 report for the fiscal year ending June 30, 2021. If there are any significant changes in the employee population, plan benefits, or to the District's funding policy, an earlier valuation might be required or appropriate.

OPEB Obligations of the District

The District provides continuation of medical coverage to its retiring employees. Access to this coverage may create one or more of the following types of OPEB liabilities:

- **Explicit subsidy liabilities:** An "explicit subsidy" exists when the employer contributes directly toward the cost of retiree healthcare. In this program, the District pays a portion of the medical premiums for qualifying retirees. Details are provided in Supporting Information, Section 2.
- **Implicit subsidy liabilities:** An "implicit subsidy" exists when the premiums charged for retiree coverage are lower than the expected retiree claims for that coverage. In the CalPERS medical program, the same monthly premiums are charged for active employees and for pre-Medicare retirees. CalPERS has confirmed that the claims experience of these members is considered together in setting premium rates. As is the nature of group premium rate structures, at some ages, retirees may be expected to experience higher claims than the premiums they pay. We determine the implicit rate subsidy for pre-Medicare retirees as the projected difference between (a) retiree medical claim costs by age and (b) premiums charged for retiree coverage. For more information see Section 3 and Addendum 2: MacLeod Watts Age Rating Methodology.

Different monthly premiums are charged for Medicare-eligible members. CalPERS confirmed that only the claims experience of these members is considered in setting Medicare-eligible premium rates. As such, there is no implicit subsidy by active employee premiums. We assumed that the Medicare Supplement premium structure is adequate to cover their expected retiree claims.

OPEB Funding Policy

The District's OPEB funding policy affects the calculation of GASB 75 liabilities by impacting the discount rate used to develop the plan liability and expense. "Prefunding" is the term used when an agency consistently contributes at or above an actuarially determined contribution (ADC) each year. Pay-as-you-go, or "PAYGO", is the term used when an agency only contributes the required retiree benefits.



Executive Summary

(Continued)

OPEB Funding Policy - continued

- When an agency finances retiree benefits on a pay-as-you-go basis, GASB 75 requires the use of a discount rate equal to a 20-year high grade municipal bond rate.
- When the agency contributes 100% or more of each year's ADC, then GASB 75 allows the trust rate of return to be used to develop the OPEB liability.
- When contributions are greater than the current year retiree benefit payments but less than the ADC, a discount rate is developed by blending together the municipal bond rate and the expected rate of return on trust assets.

For accounting information in this report, we applied a municipal bond index rate (3.51% as of June 30, 2019) to develop the District's implicit subsidy liability and we applied a "blended" discount rate of 5.16% to determine the explicit subsidy liability. We developed Actuarially Determined Contribution levels using a 6.5% discount rate. More information about the Expected Return on Trust Assets is provided on page 10; additional background about the determination of the discount rates is provided on page 11.

Actuarial Assumptions

The actuarial "demographic" assumptions (i.e. rates of retirement, death, disability or other termination of employment) used in this report were chosen, for the most part, to be the same as the actuarial demographic assumptions used for the most recent valuation of the retirement plan(s) covering District employees. Other assumptions, such as age-related healthcare claims, healthcare trend, retiree participation rates and spouse coverage, were selected based on demonstrated plan experience and/or our best estimate of expected future experience. All these assumptions, and more, impact expected future benefits. Please note that this valuation has been prepared on a closed group basis. This means that only employees and retirees present as of the valuation date are considered. We do not consider replacement employees for those we project to leave the current population of plan participants until the valuation date following their employment.

We emphasize that this actuarial valuation provides a projection of future results based on many assumptions. Actual results are likely to vary to some extent and we will continue to monitor these assumptions in future valuations. See Section 3 for a description of assumptions used in this valuation.

Important Dates for GASB 75 in this Report

GASB 75 allows reporting liabilities as of any fiscal year end based on: (1) a *valuation date* no more than 30 months plus 1 day prior to the close of the fiscal year end; and (2) a *measurement date* up to one year prior to the close of the fiscal year. The following dates were used for this report:

Fiscal Year End	June 30, 2020
Measurement Date	June 30, 2019
Measurement Period	June 30, 2018 to June 30, 2019
Valuation Date	June 30, 2019



Executive Summary
(Concluded)**Significant Results and Differences from the Prior Valuation**

This is MacLeod Watts' first valuation and report prepared for the District. No changes were reported in projected retiree medical premium benefits relative to those in place at the time the July 2017 valuation was prepared. However, we did introduce a liability for the implicit subsidy benefits described on page 1. We also reviewed and updated many of the assumptions used to project the OPEB liability. We also estimated differences between actual and expected results based on updated census and premium data since July 2017, which are referred to as "plan experience". Overall, the Total OPEB Liability on the current measurement date is significantly higher than that reported one year ago.

Section C. Basic Valuation Results as of June 30, 2019 provides additional information on the impact of the new assumptions and plan experience. Assumption changes are described at the end of Section 3.

Impact on Statement of Net Position and OPEB Expense for Fiscal 2020

The plan's impact to Net Position will be the sum of difference between assets and liabilities as of the measurement date plus the unrecognized net outflows and inflows of resources. Different recognition periods apply to deferred resources depending on their origin. The plan's impact on Net Position on the measurement date can be summarized as follows:

Items	For Reporting At Fiscal Year Ending June 30, 2020
Total OPEB Liability	\$ 1,579,285
Fiduciary Net Position	764,394
Net OPEB Liability (Asset)	814,891
Deferred (Outflows) of Resources	(806,422)
Deferred Inflows of Resources	12,803
Impact on Statement of Net Position	\$ 21,272
 OPEB Expense, FYE 6/30/2020	 \$ 120,435

Important Notices

This report is intended to be used only to present the actuarial information relating to other postemployment benefits for the District's financial statements. The results of this report may not be appropriate for other purposes, where other assumptions, methodology and/or actuarial standards of practice may be required or more suitable. We note that various issues in this report may involve legal analysis of applicable law or regulations. The District should consult counsel on these matters; MacLeod Watts does not practice law and does not intend anything in this report to constitute legal advice. In addition, we recommend the District consult with their internal accounting staff or external auditor or accounting firm about the accounting treatment of OPEB liabilities.



B. Valuation Process

The June 30, 2019 valuation has been based on employee census data and benefits initially submitted to us by the District and clarified in various related communications. A summary of the employee data is provided in Section 1 and a summary of the benefits provided under the Plan is provided in Section 2. While individual employee records have been reviewed to verify that they are reasonable in various respects, the data has not been audited and we have otherwise relied on the District as to its accuracy. The valuation described below has been performed in accordance with the actuarial methods and assumptions described in Section 3 and is consistent with our understanding of the Actuarial Standards of Practice.

In projecting benefit values and liabilities, we first determine an expected premium or benefit stream over the employee's future retirement. Benefits may include both direct employer payments (explicit subsidies) and/or an implicit subsidy, arising when retiree premiums are expected to be subsidized by active employee premiums. The projected benefit streams reflect assumed trends in the cost of those benefits and assumptions as to the expected date(s) when benefits will end. We also apply assumptions regarding:

- The probability that each individual employee will or will not continue in service with the District to receive benefits.
- To the extent assumed to retire from the District, the probability of various possible retirement dates for each retiree, based on current age, service and employee type; and
- The likelihood that future retirees will or will not elect retiree coverage (and benefits) for themselves and/or their dependents.

We then calculate a present value of these benefits by discounting the value of each future expected benefit payment back to the valuation date using the discount rate. These benefit projections and liabilities have a very long time horizon. Final payments for younger active employees may not be made for 60 years or more.

Projections over such long periods that are dependent on numerous assumptions regarding future economic and demographic variables are subject to substantial revision as future events unfold. While we believe that the assumptions and methods used in this valuation are reasonable for the purposes of this report, the cost to the District of sponsoring this plan is subject to future revision risk, perhaps materially. Demonstrating the range of potential future results was beyond the scope of our assignment.

The key outputs from an actuarial valuation are described below:

Actuarial Present Value of Projected Benefits (PVPB): PVPB refers to the discounted total value of all future benefits expected to be provided to current retirees and beneficiaries and to current active employees after they retire. In calculating the PVPB, the amount of each future payment is projected, multiplied by a probability that it will be paid and then discounted from the future payment date back to the valuation date using the assumed discount rate.

After the PVPB is calculated, the next step in the valuation process is to apportion the PVPB into

- the value of benefits already *earned by prior service* of current employees and retirees and
- the value of benefits expected to be *earned by future service* of current employees.



Valuation Process
(Concluded)

Key valuation outputs (continued)

Actuarial Accrued Liability (AAL): The value of benefits deemed earned by service worked prior to the valuation date is called the Actuarial Accrued Liability (in actuarial terminology) and **Total OPEB Liability (TOL)** (in GASB terminology). The AAL/TOL represents the portion of the PVPB that is deemed to have been earned by prior service of employees. The AAL for current retirees equals their PVPB because their service is complete. For active employees, the AAL is less than the PVPB because there is always some future service possible.

Normal cost (NC): Normal cost (actuarial terminology), or service cost (in GASB terminology) represents the portion of the PVPB that is deemed to be earned by active employees over a single year. The present value of all future normal costs for the periods after the valuation date plus the AAL will be equal to the PVPB. Only active members have a current service cost.

Where contributions have been made to an irrevocable OPEB trust, the accumulated value of trust assets is applied to offset the AAL. In this valuation, we set the Actuarial Value of Assets equal to the market value of assets invested in in the District’s CERBT OPEB trust. The portion of the AAL not covered by assets is referred to as the **unfunded actuarial accrued liability** (or UAAL in actuarial terminology), or **Net OPEB Liability** (in GASB terminology).

If the actuarial cost method used for plan funding is the same as that required by GASB 75, the terms may often be used interchangeably:

Actuarial Funding Terminology

Present Value of Projected Benefits (PVPB)
 Actuarially Accrued Liability (AAL)
 Market Value of Assets
 Unfunded Actuarially Accrued Liability (UAAL)
 Normal Cost

GASB 75 Terminology

N/A; typically not reported for accounting purposes
 Total OPEB Liability (TOL)
 Fiduciary Net Position
 Net OPEB Liability
 Service Cost

Specific results from this valuation are provided in the following Section C. Plan contributions for fiscal years 2021 and 2022 based on this 2019 valuation are developed in Section E.

For the District’s OPEB plan, trust assets expressed as a percentage of the Actuarially Accrued Liability as of the June 30, 2019 valuation date and developed using a 6.5% discount rate are shown here. These are the results that were applied to develop the Actuarially Determined Contributions and assume the District would contribute 100% or more of the ADC level each year.

PVPB	MVA	Funded %
\$ 2,685,756	\$ 764,394	28%
AAL	MVA	Funded %
\$ 1,246,506	\$ 764,394	61%

The ratio of assets to liability *for accounting (GASB 75) purposes* is shown below the chart on the next page.



Other Post-Employment Benefit Program of the San Gabriel Valley Mosquito & Vector Control District
June 30, 2019 Actuarial Valuation, Funding and GASB 75 Report for Fiscal Year Ending June 30, 2020

C. June 30, 2019 Valuation Results

This chart compares the results measured as of June 30, 2018 (based on the July 1, 2017 valuation) with the results measured as of June 30, 2019, (based on the June 30, 2019 valuation). The current valuation results assume a 6.6% long term trust rate of return (*for accounting purposes*) and develop the explicit subsidy liability using a blended discount rate of 5.16% and the implicit subsidy liability using the 3.51% municipal bond index rate.

Valuation date	6/30/2017	6/30/2019		
Fiscal Year Ending	6/30/2019	6/30/2020		
Measurement Date	6/30/2018	6/30/2019		
	Explicit	Explicit	Implicit	Total
Subsidy Discount rate	6.50%	5.16%	3.51%	
Number of Covered Employees				
Actives	24	34	34	34
Retirees	2	3	3	3
Total Participants	26	37	37	37
Actuarial Present Value of Projected Benefits				
Actives	Not Provided	\$ 2,516,090	\$ 1,088,089	\$ 3,604,179
Retirees	Not Provided	393,185	89,930	483,115
Total APVPB	Not Provided	2,909,275	1,178,019	4,087,294
Total OPEB Liability (TOL)				
Actives	Not Provided	827,711	268,459	1,096,170
Retirees	Not Provided	393,185	89,930	483,115
TOL	758,905	1,220,896	358,389	1,579,285
Fiduciary Net Position	665,907	764,394	-	764,394
Net OPEB Liability	92,998	456,502	358,389	814,891
Service Cost				
For the period following the measurement date	54,959	143,295	58,488	201,783

The "explicit only" funded ratio (the ratio of the Assets to the explicit portion of the Total OPEB Liability or AAL) is 62.6% on June 30, 2019. This is down from 87.7% on June 30, 2018, because of the increase in the liability. The change in the Total OPEB Liability, Fiduciary Net Position and Net OPEB Liability are discussed on the following page.



June 30, 2019 Valuation Results**(Concluded)**

Change in plan assets: The actual (audited) trust value on that date was \$764,394. Trust earnings were \$509 lower than expected between June 30, 2018 and June 30, 2019, the current measurement date.

Change in TOL: The TOL has increased by \$820,380 from that reported one year ago. While we did not prepare the prior valuation, we estimated that the TOL would have increased by \$91,596 from normal plan operation and the passage of time. Unexpected increases of \$728,784 further increased the TOL beyond what was expected. Unexpected changes may arise from any of the following:

- *Benefit changes:* No changes were reported to benefits since June 30, 2017.
- *Plan experience* includes differences between what was assumed would occur and what actually occurred since the prior valuation. We estimate that about \$(12,000) of the favorable plan experience is the result of lower medical premiums than previously projected (particularly for Medicare Supplement plans).
- *Changes in actuarial assumptions or methodology:* Changes made are shown below; collectively these assumption changes increased the TOL by \$740,712, mainly attributable to adding the implicit subsidy liability, decreasing the discount rate and updating the assumed medical premium increase rate. For more on the assumption changes, see the last page of Supporting Information, Section 3.

This chart reconciles the TOL reported as of June 30, 2019 to the TOL to be reported as of June 30, 2020.

Reported Total OPEB Liability at June 30, 2019 Measurement Date June 30, 2018	\$ 758,905
Expected Changes:	
Normal Cost	54,959
Benefit Payments	(15,752)
Interest Cost	52,389
Total Expected Change	91,596
Expected Total OPEB Liability at June 30, 2020 Measurement Date June 30, 2019	\$ 850,501
Unexpected Changes:	
Plan experience different than previously assumed	(11,928)
Initial recognition of the implicit subsidy liability	358,389
Decrease in assumed spouse coverage of future retirees	(8,611)
Updated retiree participation rate	235
Changed medical trend to Getzen model	171,266
Changed discount rate	247,111
Change in demographic and economic assumptions and mortality	(26,313)
Updated salary increase assumption	(4,895)
Added disability retirement assumption	3,530
Total Unexpected Change	728,784
Actual Total OPEB Liability at June 30, 2020 Measurement Date June 30, 2019	\$ 1,579,285



D. Accounting Information (GASB 75)

The following exhibits are designed to satisfy the reporting and disclosure requirements of GASB 75 for the fiscal year end June 30, 2020. The District is classified for GASB 75 purposes as a single employer.

Components of Net Position and Expense

The exhibit below shows the development of Net Position and Expense as of the Measurement Date.

Plan Summary Information for FYE June 30, 2020 <i>Measurement Date is June 30, 2019</i>	Explicit	Implicit	Total
Items Impacting Net Position:			
Total OPEB Liability	\$ 1,220,896	\$ 358,389	\$ 1,579,285
Fiduciary Net Position	764,394	-	764,394
Net OPEB Liability (Asset)	456,502	358,389	814,891
Deferred (Outflows) Inflows of Resources Due to:			
Assumption Changes	(353,026)	(330,926)	(683,952)
Plan Experience	(23,958)	-	(23,958)
Investment Experience	1,789	-	1,789
Deferred Contributions	(73,251)	(14,247)	(87,498)
Net Deferred (Outflows) Inflows of Resources	(448,446)	(345,173)	(793,619)
Impact on Statement of Net Position, FYE 6/30/2020	\$ 8,056	\$ 13,216	\$ 21,272
Items Impacting OPEB Expense:			
Service Cost	\$ 54,959	\$ -	\$ 54,959
Cost of Plan Changes	-	-	-
Interest Cost	52,389	-	52,389
Expected Earnings on Assets	(44,904)	-	(44,904)
Admin Expense	145	-	145
Recognized Deferred Resource items:			
Assumption Changes	29,297	27,463	56,760
Plan Experience	1,434	-	1,434
Investment Experience	(348)	-	(348)
OPEB Expense, FYE 6/30/2020	\$ 92,972	\$ 27,463	\$ 120,435



Accounting Information
(Continued)**Change in Net Position During the Fiscal Year**

The exhibit below shows the year-to-year changes in the components of Net Position.

For Reporting at Fiscal Year End Measurement Date	6/30/2019 6/30/2018	6/30/2020 6/30/2019	Change During Period
Total OPEB Liability	\$ 758,905	\$ 1,579,285	\$ 820,380
Fiduciary Net Position	665,907	764,394	98,487
Net OPEB Liability (Asset)	92,998	814,891	721,893
<i>Deferred Resource (Outflows) Inflows Due to:</i>			
Assumption Changes	-	(683,952)	(683,952)
Plan Experience	(37,320)	(23,958)	13,362
Investment Experience	(1,591)	1,789	3,380
Deferred Contributions	(65,752)	(87,498)	(21,746)
Net Deferred (Outflows) Inflows	(104,663)	(793,619)	(688,956)
Impact on Statement of Net Position	\$ (11,665)	\$ 21,272	\$ 32,937

Change in Net Position During the Fiscal Year

Impact on Statement of Net Position, FYE 6/30/2019	\$ (11,665)
OPEB Expense (Income)	120,435
Employer Contributions During Fiscal Year	(87,498)
Impact on Statement of Net Position, FYE 6/30/2020	<u>\$ 21,272</u>

OPEB Expense

Employer Contributions During Fiscal Year	\$ 87,498
Deterioration (Improvement) in Net Position	32,937
OPEB Expense (Income), FYE 6/30/2020	<u>\$ 120,435</u>



Other Post-Employment Benefit Program of the San Gabriel Valley Mosquito & Vector Control District
June 30, 2019 Actuarial Valuation and GASB 75 Report for Fiscal Year Ending June 30, 2020

Accounting Information
(Continued)

Change in Fiduciary Net Position During the Measurement Period

	Explicit	Implicit	TOTAL
Fiduciary Net Position at Fiscal Year Ending 6/30/2019 <i>Measurement Date 6/30/2018</i>	\$ 665,907	\$ -	\$ 665,907
Changes During the Period:			
Investment Income	48,632	-	48,632
Employer Contributions	65,752	-	65,752
Admin Expense	(145)	-	(145)
Benefit Payments	(15,752)	-	(15,752)
Net Changes During the Period	98,487	-	98,487
Fiduciary Net Position at Fiscal Year Ending 6/30/2020 <i>Measurement Date 6/30/2019</i>	\$ 764,394	\$ -	\$ 764,394

Expected Long-term Return on Trust Assets

The expected long-term return on trust assets was derived from information published by CalPERS for CERBT Strategy 2. CalPERS determined its returns using a building-block method and best-estimate ranges of expected future real rates of return for each major asset class (expected returns, net of OPEB plan investment expense and inflation). The target allocation and best estimates of geometric real rates of return published by CalPERS for each major class are summarized in the following table:

CERBT Strategy 2		Years 1-10			Years 11+		
Major Asset Classification	Target Allocation	General Inflation Rate Assumption	1-10 Year Expected Real Rate of Return*	Compound Return Yrs 1-10	General Inflation Rate Assumption	11+ Year Expected Real Rate of Return*	Compound Return Years 11+
Global Equity	40%	2.00%	4.80%	6.80%	2.92%	5.98%	8.90%
Fixed Income	43%	2.00%	1.10%	3.10%	2.92%	2.62%	5.54%
Global Real Estate(REITs)	8%	2.00%	3.20%	5.50%	2.92%	5.00%	7.92%
Treasury Inflation Protected Securities	5%	2.00%	0.25%	2.25%	2.92%	1.46%	4.38%
Commodities	4%	2.00%	1.50%	3.50%	2.92%	2.87%	5.79%
Volatility	9.24%		weighted	5.22%		weighted	7.49%

*Real rates of return come from a geometric representation of returns that assume a general inflation rate of 2.00%.

CalPERS' expected returns are split for years 1-10 and years 11 and thereafter. To derive the expected return specifically for the District, we projected plan benefits in each future year. Then applying the plan specific benefit payments to CalPERS' bifurcated return expectations, we determined the single equivalent long-term rate of return to be 6.6%. To develop the Actuarially Determined Contributions for prefunding the plan, we decreased the expected trust return by an additional 10 basis points (.1%) to 6.5% to accommodate expected trust administrative fees.



Accounting Information

(Continued)

OPEB Funding Policy and Selection of Discount Rate for Accounting Purposes

The District's OPEB funding policy affects the calculation of GASB 75 liabilities by impacting the discount rate used to develop the plan liability and expense.

- Pay-as-you-go, or "PAYGO", is the term used when an agency only contributes the required retiree benefits when due. When an agency finances retiree benefits on a pay-as-you-go basis, GASB 75 requires the use of a discount rate equal to a 20-year high grade municipal bond rate. Where such a bond rate must be applied, the District approved use of the Bond Buyer General Obligation 20-Bond Municipal Bond Index. On the June 30, 2019 measurement date, use of this index results in a discount rate of 3.51%.
- "Prefunding" is the term used when an agency consistently contributes an amount greater than or equal to an Actuarially Determined Contribution (ADC) each year. GASB 75 allows sufficiently prefunded plans to use a discount rate which reflects the expected earnings on trust assets. The District has established an irrevocable OPEB trust with assets dedicated toward paying future retiree medical benefits. Based on information published by CalPERS and our projection of annual retiree benefit cash flows by year, we project that trust assets will yield 6.6% per year over the long term. For additional information, see Expected Return on Trust Assets on the preceding page.
- When the agency has established an irrevocable OPEB trust, but total OPEB contributions are consistently *less than* the ADC, the discount rate must be adjusted to determine the portion of future benefits expected to be prefunded (payable from the trust) and the portion not being prefunded (because the trust contribution level is too low). The expected trust rate of return is applied to discount the prefunded portion of future benefits and the municipal bond index rate is applied to the remaining (unfunded) portion. A single 'blended' discount rate is the determined from blending these two separate portions.

Based on recent prior and upcoming future trust contribution levels, the District's OPEB funding will be less than the Actuarially Determined Contribution amounts. Using the process outlined above, we determined the District's OPEB liability for accounting purposes as follows:

- 1) We assumed the implicit subsidy liability would not be prefunded and we applied the municipal bond index rate of 3.51% on June 30, 2019 to determine this portion of the liability.
- 2) For the explicit subsidy portion of the liability, we applied the projected trust return rate of 6.6% per year for the portion expected to be prefunded based on current trust assets and projected future trust contributions of \$50,000 per year. We determined the balance of the explicit subsidy liability using the bond index rate of 3.51%. Based on our analysis, we believe a discount rate of 5.16% represents an appropriate single equivalent rate for measuring the explicit subsidy portion of the OPEB liability as of June 30, 2019.

Note that this analysis and resulting discount rates above are a technical requirement of GASB 75 and are not an opinion of the District's nor the signing actuary's assessment of capacity to make future promised payments. In addition, Actuarially Determined Contributions (ADC) developed using a long-term trust rate of return, even if contributed to the trust, do not guarantee that the plan's unfunded liability will decrease over the near and intermediate terms given the potential for adverse investment and other plan experience.



Accounting Information
(Continued)**Recognition Period for Deferred Resources**

Liability changes due to plan experience which differs from what was assumed in the prior measurement period and/or from assumption changes during the period are recognized over the plan's Expected Average Remaining Service Life ("EARSL"). The EARSL of 13.05 years is the period used to recognize such changes in the OPEB Liability arising during the current measurement period.

Changes in the Fiduciary Net Position due to investment performance different from the assumed earnings rate are always recognized over 5 years.

Liability differences due to benefit changes occurring during the period are recognized immediately.

Deferred Resources as of Fiscal Year End and Expected Future Recognition

The exhibit below shows deferred resources as of the fiscal year end June 30, 2020.

San Gabriel Valley Mosquito & Vector Control District	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 683,952	\$ -
Differences Between Expected and Actual Experience	34,972	11,014
Net Difference Between Projected and Actual Earnings on Investments	-	1,789
Deferred Contributions	87,498	-
Total	\$ 806,422	\$ 12,803

The District will recognize the Deferred Contributions in the next fiscal year. In addition, future recognition of these deferred resources is shown below.

For the Fiscal Year Ending June 30	Recognized Net Deferred Outflows (Inflows) of Resources
2021	\$ 57,846
2022	57,846
2023	57,845
2024	57,450
2025	58,194
Thereafter	416,940



Accounting Information

(Continued)

Sensitivity of Liabilities to Changes in the Discount Rate and Healthcare Cost Trend Rate

The discount rate used for accounting purposes for the fiscal year end 2020 is 5.16% for the explicit subsidy portion of the liability and 3.51% for the implicit subsidy portion. Healthcare Cost Trend Rate was assumed to start at 5.4% (increase effective January 1, 2021) and grade down to 4% for years 2076 and later. The impact of a 1% increase or decrease in these assumptions is shown in the chart below.

Sensitivity to:			
Change in Discount Rate	Current Rate - 1%	Current Rate	Current Rate + 1%
Total OPEB Liability	1,859,645	1,579,285	1,355,746
Increase (Decrease)	280,360		(223,539)
% Increase (Decrease)	17.8%		-14.2%
Net OPEB Liability (Asset)	1,095,251	814,891	591,352
Increase (Decrease)	280,360		(223,539)
% Increase (Decrease)	34.4%		-27.4%
Change in Healthcare Cost Trend Rate	Current Trend - 1%	Current Trend	Current Trend + 1%
Total OPEB Liability	1,313,785	1,579,285	1,927,103
Increase (Decrease)	(265,500)		347,818
% Increase (Decrease)	-16.8%		22.0%
Net OPEB Liability (Asset)	549,391	814,891	1,162,709
Increase (Decrease)	(265,500)		347,818
% Increase (Decrease)	-32.6%		42.7%



Accounting Information
(Continued)**Schedule of Changes in the District's Net OPEB Liability and Related Ratios**

GASB 75 requires presentation of the 10-year history of changes in the Net OPEB Liability. Only results for years since GASB 75 was implemented (fiscal years 2018, 2019 and 2020) are shown in the table.

Fiscal Year Ending	2020	2019	2018
Measurement Date	6/30/2019	6/30/2018	6/30/2017
Discount Rate on Measurement Date	5.16%/3.51%	6.50%	6.50%
Total OPEB liability			
Service Cost	\$ 54,959	\$ 53,488	\$ 50,663
Interest	52,389	42,656	37,599
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(11,928)	39,668	-
Changes of assumptions	740,712	-	-
Benefit payments	(15,752)	(12,820)	(12,327)
Net change in total OPEB liability	820,380	122,992	75,935
Total OPEB liability - beginning	758,905	635,913	559,978
Total OPEB liability - ending (a)	\$ 1,579,285	\$ 758,905	\$ 635,913
Plan fiduciary net position			
Contributions - employer	\$ 65,752	\$ 12,820	\$ 62,327
Net investment income	48,632	40,790	40,075
Benefit payments	(15,752)	(12,820)	(12,327)
Administrative expenses	(145)	(1,007)	(480)
Net change in plan fiduciary net position	98,487	37,794	89,595
Plan fiduciary net position - beginning	665,907	628,113	538,518
Plan fiduciary net position - ending (b)	\$ 764,394	\$ 665,907	\$ 628,113
Net OPEB liability - ending (a) - (b)	\$ 814,891	\$ 92,998	\$ 7,800
Covered-employee payroll	\$ 2,437,349	\$ 2,227,488	\$ 1,976,734
Net OPEB liability as a % of covered-employee payroll	33.43%	4.18%	0.39%



Other Post-Employment Benefit Program of the San Gabriel Valley Mosquito & Vector Control District
June 30, 2019 Actuarial Valuation and GASB 75 Report for Fiscal Year Ending June 30, 2020

Accounting Information
(Continued)

Schedule of Contributions

Since establishing the OPEB trust, the District has consistently contributed a level dollar amount to the trust and confirmed its intention to continue contributing at or above this level. Based on the results of this valuation, it appears that the prior trust contribution level (plus explicit and implicit retiree benefit payments) will be less than 100% of the full ADC. This chart shows the contributions for the years since GASB 75 was implemented. Note: We were not provided with ADCs for the prior fiscal years.

Fiscal Year Ending	2020	2019	2018
Actuarially Determined Contribution	\$ 172,813	Not Provided	Not Provided
Contributions in relation to the actuarially determined contribution	87,498	65,752	12,820
Contribution deficiency (excess)	\$ 85,315	Not Provided	Not Provided
Covered employee payroll	\$ 2,536,899	\$ 2,437,349	\$ 2,227,488
Contributions as a percentage of covered employee payroll	3.45%	2.70%	0.58%

Notes to Schedule

Valuation Date	6/30/2019	6/30/2017	6/30/2017
Actuarial cost method	Entry Age Normal Level % of pay	Entry Age Normal Level % of pay	Entry Age Normal Level % of pay
Amortization method	Level % of Pay Closed 30 years	Not Provided	Not Provided
Amortization period	30 years remain	Not Provided	Not Provided
Asset valuation method	Market Value	Market Value	Market Value
Inflation	2.50%	2.75%	2.75%
Healthcare cost trend rates	5.4% in 2021 fluctuating down to 4% in 2076	4% per year	4% per year
Salary increases	3.00%	2.75%	2.75%
Investment rate of return	6.50%	6.50%	6.50%
Retirement age	From 50 to 75	From 50 to 75	From 50 to 75
Mortality	CalPERS 2017 Experience Study	CalPERS 2014 Experience Study	CalPERS 2014 Experience Study
Mortality Improvement	MW Scale 2018	Scale BB	Scale BB



Other Post-Employment Benefit Program of the San Gabriel Valley Mosquito & Vector Control District
June 30, 2019 Actuarial Valuation and GASB 75 Report for Fiscal Year Ending June 30, 2020

Accounting Information
(Continued)

Detail of Changes to Net Position

The chart below details changes to all components of Net Position.

San Gabriel Valley Mosquito & Vector Control District	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)	(d) Deferred Outflows (Inflows) Due to:				Impact on Statement of Net Position (e) = (c) - (d)
				Assumption Changes	Plan Experience	Investment Experience	Deferred Contributions	
Balance at Fiscal Year Ending 6/30/2019 <i>Measurement Date 6/30/2018</i>	\$ 758,905	\$ 665,907	\$ 92,998	\$ -	\$ 37,320	\$ 1,591	\$ 65,752	\$ (11,665)
Changes During the Period:								
Service Cost	54,959		54,959					54,959
Interest Cost	52,389		52,389					52,389
Expected Investment Income		44,904	(44,904)					(44,904)
Employer Contributions		65,752	(65,752)					(65,752)
Changes of Benefit Terms	-		-					-
Admin Expense		(145)	145					145
Benefit Payments	(15,752)	(15,752)	-					-
Assumption Changes	740,712		740,712	740,712				-
Plan Experience	(11,928)		(11,928)		(11,928)			-
Investment Experience		3,728	(3,728)			(3,728)		-
Recognized Deferred Resources				(56,760)	(1,434)	348	(65,752)	123,598
Employer Contributions in Fiscal Year							87,498	(87,498)
Net Changes in Fiscal Year 2019-2020	820,380	98,487	721,893	683,952	(13,362)	(3,380)	21,746	32,937
Balance at Fiscal Year Ending 6/30/2020 <i>Measurement Date 6/30/2019</i>	\$ 1,579,285	\$ 764,394	\$ 814,891	\$ 683,952	\$ 23,958	\$ (1,789)	\$ 87,498	\$ 21,272



Other Post-Employment Benefit Program of the San Gabriel Valley Mosquito & Vector Control District
June 30, 2019 Actuarial Valuation and GASB 75 Report for Fiscal Year Ending June 30, 2020

Accounting Information

(Continued)

Schedule of Deferred Outflows and Inflows of Resources

A listing of all deferred resource bases used to develop the Net Position and OPEB Expense is shown below. Deferred Contributions are not shown.

Measurement Date: June 30, 2019

Deferred Resource					Balance as of Jun 30, 2019	Recognition of Deferred Outflow or Deferred (Inflow) in Measurement Period:						
Date Created	Cause	Initial Amount	Period (Yrs)	Annual Recognition		2018-19 (FYE 2020)	2019-20 (FYE 2021)	2020-21 (FYE 2022)	2021-22 (FYE 2023)	2022-23 (FYE 2024)	2023-24 (FYE 2025)	Thereafter
Loss Due To												
6/30/2018	Plan Experience	\$ 39,668	16.89	\$ 2,348	\$ 34,972	\$ 2,348	\$ 2,348	\$ 2,348	\$ 2,348	\$ 2,348	\$ 2,348	\$ 23,232
Investment Earnings												
6/30/2018	Less than Expected	1,989	5.00	398	1,193	398	398	398	397	-	-	-
Gain Due To												
6/30/2019	Plan Experience	(11,928)	13.05	(914)	(11,014)	(914)	(914)	(914)	(914)	(914)	(914)	(6,444)
Loss Due To												
6/30/2019	Assumption Changes	382,323	13.05	29,297	353,026	29,297	29,297	29,297	29,297	29,297	29,297	206,541
Investment Earnings												
6/30/2019	Greater than Expected	(3,728)	5.00	(746)	(2,982)	(746)	(746)	(746)	(746)	(744)	-	-
Loss Due To												
6/30/2019	Assumption Changes	358,389	13.05	27,463	330,926	27,463	27,463	27,463	27,463	27,463	27,463	193,611



Accounting Information
(Continued)**District Contributions to the Plan**

District contributions to the Plan occur as benefits are paid to retirees and/or to the OPEB trust. Benefit payments may occur in the form of direct payments for premiums and taxes ("explicit subsidies") and/or indirect payments to retirees in the form of higher premiums for active employees ("implicit subsidies"). Note that the implicit subsidy contribution does not represent cash payments to retirees, but reclassification of a portion of active healthcare cost to be treated as a retiree healthcare expense.

Benefits and other contributions paid by the District during the measurement period are shown below.

Benefit Payments During the Measurement Period, Jul 1, 2018 thru Jun 30, 2019	Explicit	Implicit	Total
Benefits Paid by Trust	\$ -	\$ -	\$ -
Benefits Paid by Employer (not reimbursed by trust)	15,752	-	15,752
Implicit benefit payments	-	-	-
Total Benefit Payments During the Measurement Period	\$ 15,752	\$ -	\$ 15,752

Employer Contributions During the Measurement Period, Jul 1, 2018 thru Jun 30, 2019	Explicit	Implicit	Total
Employer Contributions to the Trust	\$ 50,000	\$ -	\$ 50,000
Employer Contributions in the Form of Direct Benefit Payments (not reimbursed by trust)	15,752	-	15,752
Implicit contributions	-	-	-
Total Employer Contributions During the Measurement Period	\$ 65,752	\$ -	\$ 65,752

Benefits payments and other District contributions expected to be made in the year following the measurement period but prior to the end of the fiscal year are shown below.

Employer Contributions During the Fiscal Year, Jul 1, 2019 thru Jun 30, 2020	Explicit	Implicit	Total
Employer Contributions to the Trust	\$ 50,000	\$ -	\$ 50,000
Employer Contributions in the Form of Direct Benefit Payments (not reimbursed by trust)	23,251	-	23,251
Implicit contributions	-	14,247	14,247
Total Employer Contributions During the Fiscal Year	\$ 73,251	\$ 14,247	\$ 87,498



Accounting Information

(Continued)

Projected Benefit Payments (15-year projection)

The following is an estimate of other post-employment benefits to be paid on behalf of current retirees and current employees expected to retire from the District. Expected annual benefits have been projected on the basis of the actuarial assumptions outlined in Section 3.

These projections do not include any benefits expected to be paid on behalf of current active employees *prior to* retirement, nor do they include any benefits for potential *future employees* (i.e., those who might be hired in future years).

Projected Annual Benefit Payments							
Fiscal Year Ending June 30	Explicit Subsidy			Implicit Subsidy			Total
	Current Retirees	Future Retirees	Total	Current Retirees	Future Retirees	Total	
2020	\$ 23,251	\$ -	\$ 23,251	\$ 14,247	\$ -	\$ 14,247	\$ 37,498
2021	22,159	5,735	27,894	13,374	5,470	18,844	46,738
2022	22,100	7,690	29,790	8,912	5,873	14,785	44,575
2023	23,085	12,081	35,166	10,285	8,065	18,350	53,516
2024	24,096	17,163	41,259	11,830	10,795	22,625	63,884
2025	25,144	22,670	47,814	13,569	15,916	29,485	77,299
2026	20,810	24,830	45,640	7,304	14,790	22,094	67,734
2027	21,713	26,275	47,988	8,291	12,045	20,336	68,324
2028	22,647	32,208	54,855	9,398	14,346	23,744	78,599
2029	23,613	40,376	63,989	10,632	20,918	31,550	95,539
2030	18,588	49,312	67,900	-	29,356	29,356	97,256
2031	19,326	55,152	74,478	-	30,211	30,211	104,689
2032	20,071	65,043	85,114	-	41,033	41,033	126,147
2033	20,817	68,916	89,733	-	36,065	36,065	125,798
2034	21,561	83,177	104,738	-	50,723	50,723	155,461

The amounts shown in the Explicit Subsidy table reflect the expected payment by the District toward retiree medical premiums in each of the years shown. The amounts are shown separately, and in total, for those retired on the valuation date ("current retirees") and those expected to retire after the valuation date ("future retirees").

The amounts shown in the Implicit Subsidy table reflect the expected excess of retiree medical and prescription drug claims over the premiums expected to be charged during the year for retirees' coverage. These amounts are also shown separately and in total for those currently retired on the valuation date and for those expected to retire in the future.



Other Post-Employment Benefit Program of the San Gabriel Valley Mosquito & Vector Control District
June 30, 2019 Actuarial Valuation and GASB 75 Report for Fiscal Year Ending June 30, 2020

Accounting Information
(Concluded)

Sample Journal Entries

Beginning Account Balances

As of the fiscal year beginning 7/1/2019

	Debit	Credit
Net OPEB Liability		92,998
Deferred Resource -- Assumption Changes	-	
Deferred Resource -- Plan experience	37,320	
Deferred Resource -- Investment Experience	1,591	
Deferred Resource -- Contributions	65,752	
Net Position		11,665

* The entries above assume nothing is on the books at the beginning of the year. So to the extent that values already exist in, for example, the Net OPEB Liability account, then only the difference should be adjusted. The entries above represent the values assumed to exist at the start of the fiscal year.

Journal entry to recharacterize retiree benefit payments not reimbursed by a trust, and record cash contributions to the trust during the fiscal year

	Debit	Credit
OPEB Expense	23,251	
Premium Expense		23,251
OPEB Expense	50,000	
Cash		50,000

* This entry assumes a prior journal entry was made to record the payment for retiree premiums. This entry assumes the prior entry debited an account called "Premium Expense" and credited Cash. This entry reverses the prior debit to "Premium Expense" and recharacterizes that entry as an "OPEB Expense". Also, the entry for cash contributions to the trust is shown.

Journal entries to record implicit subsidies during the fiscal year

	Debit	Credit
OPEB Expense	14,247	
Premium Expense		14,247

* This entry assumes that premiums for active employees were recorded to an account called "Premium Expense". This entry reverses the portion of premium payments that represent implicit subsidies and assigns that value to OPEB Expense.

Journal entries to record other account activity during the fiscal year

	Debit	Credit
Net OPEB Liability		721,893
Deferred Resource -- Assumption Changes	683,952	
Deferred Resource -- Plan experience		13,362
Deferred Resource -- Investment Experience		3,380
Deferred Resource -- Contributions	21,746	
OPEB Expense	32,937	



E. Funding Information

The employer's OPEB funding policy and level of contributions to an irrevocable OPEB trust directly affects the discount rate which is used to calculate the OPEB liability to be reported in the employer's financial statements. Prefunding (setting aside funds to accumulate in an irrevocable OPEB trust) has certain advantages, one of which is the ability to (potentially) use a higher discount rate in the determination of liabilities for GASB 75 reporting purposes. Prefunding also improves the security of benefits for current and potential future recipients and contributes to intergenerational taxpayer equity by better matching the cost of the benefits to the service years in which they are "earned" and which correspond to years in which taxpayers benefit from those services.

Paying Down the UAAL

Once an entity decides to prefund, a decision must be made about how to pay for benefits related to accumulated prior service that have not yet been funded (the UAAL¹). This is most often, though not always, handled through structured amortization payments. The period and method chosen for amortizing this unfunded liability can significantly affect the Actuarially Determined Contribution (ADC) or other basis selected for funding the OPEB program.

Much like paying off a mortgage, when the AAL exceeds plan assets, choosing a longer amortization period to pay off the UAAL means smaller payments, but the payments will be required for more years; plan investments will have less time to work toward helping reduce required contribution levels. When the plan is in a surplus position, the reverse is true, and a longer amortization period may be preferable.

There are several ways the amortization payment can be determined. The most common methods are calculating the amortization payment as a level dollar amount or as a level percentage of payroll. The employer might also choose to apply a shorter period when the UAAL only when it is positive, i.e., when trust assets are lower than the AAL, but opt for a longer period or to exclude amortization of a negative UAAL, when assets exceed the AAL. The entire UAAL may be amortized as one single component or may be broken into multiple components reflecting the timing and source of each change, such as those arising from assumption changes, benefit changes and/or liability or investment experience.

The amortization period(s) should not exceed the number of years which would allow current trust assets plus future contributions and earnings to be sufficient to pay all future benefits and trust expenses each year. Prefunding of OPEB is optional and contributions at any level are permitted. However, if trust sufficiency is not expected, a discount rate other than the assumed trust return will likely be required for accounting purposes.

Some Current Economic Factors

Return on Trust Assets: On page 10 of this report, we describe the selection of the 6.5% long term return on trust assets for plan funding purposes. This expected return is based on CalPERS' long term capital market projections mapped against our year-by-year projections of the agency's future retiree benefits. However, the social and economic situation in recent months has been extreme. Trust assets fell significantly between December 31, 2019 and March 31, 2020. Values appear to be rebounding somewhat in May and early June and CalPERS currently projects a net positive return by June 30, 2020, though it may fall somewhat short of the expected return this year.

¹ We use actuarial, rather than accounting, terminology to describe the components used to develop the ADCs.



OPEB Funding Information**(Continued)**

Medical premiums: Another variable sensitive to the current public health situation is the potential impact on future CalPERS medical premium rates. Looking ahead, should premiums increase *more* than we expect in the next year or two, some loss (liability increase) could occur with somewhat higher future ADCs from this as well. Health experts have expressed mixed opinions about how employer health plans will be impacted by COVID-19. There is clear evidence that some medical services are being deferred and some annual services may be skipped altogether. This decrease in current utilization must then be contrasted against the potentially high cost of care for those who contract COVID-19. Current information indicates there has been little difference in access to prescription drugs.

Funding and Prefunding of the Implicit Subsidy

An implicit subsidy liability is created when retiree medical claims are expected to exceed the premiums charged for retiree coverage. Recognition of the estimated implicit subsidy each year is handled by an accounting entry, reducing the amount paid for active employees and shifting that amount to be treated as a retiree healthcare expense/contribution (see Sample Journal Entries). The implicit subsidy is a true benefit to the retiree but can be difficult to see when medical premiums are set as a flat rate for both actives and pre-Medicare retirees. This might lead some employers to believe the benefit is not real or is merely an accounting construct, and thus to forgo prefunding of retiree implicit benefits.

Consider what would happen if the retiree premiums were based only on expected retiree claims experience. Almost certainly, retiree premiums would increase while premiums for active employees would go down if the active premiums no longer had to help support the higher retiree claims. *Who would pay the increases in retiree premiums?* Current plan documents and bargaining agreements would have to be consulted. Depending on circumstances, the increase in retiree premiums might remain the responsibility of the employer, pass entirely to the retirees, or some blending of the two. The answer would determine whether separate retiree-only premium rates would result in a higher or lower employer OPEB liability. In the current premium structure, with blended active and pre-Medicare retiree premiums, the employer is clearly, though indirectly, paying the implicit retiree cost.

The prefunding decision is complex. OPEB materiality, budgetary concerns, desire to use the full trust rate in developing the liability for GASB 75, and other factors must be weighed by each employer. Since prefunding OPEB benefits is not required, each employer's OPEB prefunding strategy will depend on how they balance these competing perspectives.

Development of the Actuarially Determined Contributions

The District has approved development of ADCs based on the following two components, which are then adjusted with interest to each fiscal year end:

- The amounts attributed to service performed in the current fiscal year (the normal cost) and
- Amortization of the unfunded actuarial accrued liability (UAAL) over a closed 30 year period. Amortization payments are determined on a level % of pay basis.

Actuarially Determined Contributions, developed as described above for the District's fiscal years ending June 30, 2020, 2021 and 2022 are shown in the exhibit on the next page. Contributions applied toward meeting the ADC each year include: (1) contributions to the OPEB trust, plus (2) retiree benefits paid by the District (to the extent not reimbursed by the trust, plus (3) each year's implicit subsidy.



Other Post-Employment Benefit Program of the San Gabriel Valley Mosquito & Vector Control District
June 30, 2019 Actuarial Valuation and GASB 75 Report for Fiscal Year Ending June 30, 2020

OPEB Funding Information

(Continued)

These ADCs incorporate both explicit (cash benefit) and implicit subsidy benefit liabilities and are developed *as if* the District were to contribute the full ADC amount.

Valuation date	6/30/2019		
For fiscal year beginning	7/1/2019	7/1/2020	7/1/2021
For fiscal year ending	6/30/2020	6/30/2021	6/30/2022
Expected long-term return on assets	6.50%	6.50%	6.50%
Discount rate	6.50%	6.50%	6.50%
Number of Covered Employees			
Actives	34	34	34
Retirees	3	3	3
Total Participants	37	37	37
Actuarial Present Value of Projected Benefits			
Actives	\$ 2,274,159	\$ 2,416,677	\$ 2,562,192
Retirees	411,597	403,651	393,201
Total APVPB	2,685,756	2,820,328	2,955,393
Actuarial Accrued Liability (AAL)			
Actives	834,909	1,030,033	1,235,957
Retirees	411,597	403,651	393,201
Total AAL	1,246,506	1,433,684	1,629,158
Actuarial Value of Assets	764,394	865,705	1,062,228
Unfunded AAL (UAAL)	482,112	567,979	566,930
UAAL Amortization method	Level % of Pay	Level % of Pay	Level % of Pay
Remaining amortization period (years)	30	29	28
Amortization Factor	19.2623	18.8828	18.4905
Actuarially Determined Contribution (ADC)			
Normal Cost	\$ 137,236	\$ 141,353	\$ 145,593
Amortization of UAAL	25,029	30,079	30,660
Interest to fiscal year end	10,548	11,143	11,456
Total ADC	172,813	182,575	187,709

Funding of the ADC

1 Implicit subsidy contribution	\$ 14,247	\$ 18,844	\$ 14,785
Additional payments needed to meet ADC	158,566	163,731	172,924
2 Projected agency paid premiums for retirees	23,251	27,894	29,790
3 Expected agency contribution to OPEB trust	50,000	135,837	143,134
Total Expected Employer Contributions (1+2+3)	\$ 87,498	\$ 182,575	\$ 187,709

In the lower section, we show actual trust contributions and estimated retiree benefit payment for FYE 2020. The total contributions are less than the ADC of \$172,813 for this year. For the next two years, we estimate the contributions needed (the sum of 1 + 2 + 3) to satisfy the ADC for that year.



F. Certification

The primary purposes of this report are: (1) to provide actuarial information of the other postemployment benefits (OPEB) provided by the San Gabriel Valley Mosquito and Vector Control District (the District) in compliance with Statement 75 of the Governmental Accounting Standards Board (GASB 75); and (2) to provide Actuarially Determined Contributions for prefunding of this program in conformity with the District's OPEB funding policy. The District is not required to contribute the ADC shown in this report and we make no representation that it will, in fact, fund the OPEB trust at any particular level).

In preparing this report we relied without audit on information provided by the District. This information includes, but is not limited to, plan provisions, census data, and financial information. We performed a limited review of this data and found the information to be reasonably consistent. The accuracy of this report is dependent on this information and if any of the information we relied on is incomplete or inaccurate, then the results reported herein will be different from any report relying on more accurate information.

We consider the actuarial assumptions and methods used in this report to be individually reasonable under the requirements imposed by GASB 75 and taking into consideration reasonable expectations of plan experience. The results provide an estimate of the plan's financial condition at one point in time. Future actuarial results may be significantly different due to a variety of reasons including, but not limited to, demographic and economic assumptions differing from future plan experience, changes in plan provisions, changes in applicable law, or changes in the value of plan benefits relative to other alternatives available to plan members.

Alternative assumptions may also be reasonable; however, demonstrating the range of potential plan results based on alternative assumptions was beyond the scope of our assignment except to the limited extent required by GASB 75 and in accordance with the District's stated OPEB funding policy. Results for accounting purposes may be materially different than results obtained for other purposes such as plan termination, liability settlement, or underlying economic value of the promises made by the plan.

This report is prepared solely for the use and benefit of the District and may not be provided to third parties without prior written consent of MacLeod Watts. Exceptions are: The District may provide copies of this report to their professional accounting and legal advisors who are subject to a duty of confidentiality, and the District may provide this work to any party if required by law or court order. No part of this report should be used as the basis for any representations or warranties in any contract or agreement without the written consent of MacLeod Watts.

The undersigned actuary is unaware of any relationship that might impair the objectivity of this work. Nothing within this report is intended to be a substitute for qualified legal or accounting counsel. The actuary is a member of the American Academy of Actuaries and meets the qualification standards for rendering this opinion.

Signed: July 16, 2020



Catherine L. MacLeod, FSA, FCA, EA, MAAA



Cody J. Simrell, Actuarial Analyst



Supporting Information

Section 1 - Summary of Employee Data

Active employees: The District reported 34 active members in the data provided to us for the June 2019 valuation. Of these, 17 were reported as currently enrolled in the medical program and 17 employees were waiving coverage.

Distribution of Benefits-Eligible Active Employees								
Current Age	Years of Service						Total	Percent
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 & Up		
Under 25	1	1					2	6%
25 to 29	2	2	1				5	15%
30 to 34	2	5					7	21%
35 to 39	1		2				3	9%
40 to 44		2	1				3	9%
45 to 49		4	1			1	6	18%
50 to 54		1	1			1	3	9%
55 to 59			1	1	1		3	9%
60 to 64					1		1	3%
65 to 69							0	0%
70 & Up		1					1	3%
Total	6	16	7	1	2	2	34	100%
Percent	18%	47%	21%	3%	6%	6%	100%	

<u>Valuation</u>	<u>June 2017</u>	<u>June 2019</u>
Average Attained Age for Actives	Not provided	41.4
Average Years of Service	Not provided	5.1

Retirees: There were 3 retirees receiving benefits on the June 2019 valuation date. All 3 retirees are currently under the age of 65. Though 1 of these retirees is married, spousal coverage was not elected. The average age at retirement was 57.9 and their current average age is 58.8.

Summary of Plan Member Counts: GASB 75 requires that the following information be disclosed about OPEB members:

Summary of Plan Member Counts	
Number of active plan members	34
Number of inactive plan members currently receiving benefits	3
Number of inactive plan members entitled to but not receiving benefits	1



Supporting Information

(Continued)

Section 1 - Summary of Employee Data

(continued)

Change in plan members: The chart below compares the number of actives and retirees included in the June 30, 2017 valuation (not prepared by MacLeod Watts) with those included in the June 30, 2019 valuation:

Reconciliation of District Plan Members Between Valuation Dates			
Status	Actives	Retirees	Total
Number reported as of June 30, 2017	24	2	26
Number reported as of June 30, 2019	34	3	37
Increase (decrease) from prior valuation	10	1	11

There has been a substantial increase in the number of covered members, with actives increasing by 10 (42%) and the retiree count increasing by 1 (33%). Some of the increase in the past service liability and annual service cost (normal cost) relates to these increases in the plan members.



Supporting Information

(Continued)

Section 2 - Summary of Retiree Benefit Provisions

OPEB provided: The District reported to us that the only OPEB provided is retiree medical coverage.

Access to coverage: Medical coverage is currently provided through CalPERS as permitted under the Public Employees' Medical and Hospital Care Act (PEMHCA). This coverage requires the employee to satisfy the requirements for retirement under CalPERS: either (a) attainment of age 50 (age 52, if a miscellaneous employee new to PERS on or after January 1, 2013) with 5 years of State or public District service or (b) an approved disability retirement.

The employee must begin his or her retirement (pension) benefit within 120 days of terminating employment with the District to be eligible to continue medical coverage and be entitled to the benefits described below. In other words, it is the timing of initiating retirement benefits and not timing of enrollment in the medical program which determines whether the retiree qualifies for lifetime medical coverage and any benefits defined in the PEMHCA resolution.

If an eligible employee is not already enrolled in the medical plan, he or she may enroll within 60 days of retirement, during any future open enrollment period or with a qualifying life event. Once eligible, coverage may be continued at the retiree's option for his or her lifetime. A surviving spouse and other eligible dependents may also continue coverage.

Benefits provided: Employers contracting with CalPERS to provide medical coverage are required to execute a "PEMHCA Resolution" defining the health benefits the employer will provide for active employees and retirees under the contract. The District is obligated to contribute toward the cost of retiree medical coverage for all employees who retire from the District for the retiree's lifetime or until CalPERS medical coverage is discontinued.

- All employees who retire from the District who are eligible to continue coverage in retirement will receive the required PEMHCA minimum employer contribution (the MEC).² Benefits continue to a covered surviving spouse as well, if eligible for survivor benefits under the retirement program. The MEC is \$136 per month in 2019 and increased to \$139 per month in 2020.
- Employees who retire from the District at age 50 or older having worked at least 10 years with the District are eligible to receive an enhanced benefit. This enhanced benefit, which includes the PEMHCA minimum benefit above, is equal to 100% of the monthly premium for the retiree (single coverage) *but not more than:*
 - (a) the highest single rate plan in CalPERS Region 3 multiplied by
 - (b) the vested percent based on the retiree's years of District services; see the chart on the next page.

The maximum amounts paid in 2020 are: \$931.12 (PERS Care) before Medicare and \$388.15 (Anthem Traditional) for Medicare-eligible retirees.

² It is our understanding that (a) there exists (or will exist) a pre-tax flexible benefit plan in place for active employees which provides medical premiums in excess of the MEC and other District healthcare benefits and (b) such additional payments are not required to be provided to retired employees to meet PEMHCA requirements.



Supporting Information
(Continued)**Section 2 - Summary of Retiree Benefit Provisions**

The vesting for enhanced benefits is determined according to this schedule:

District Retiree Medical Benefit Schedule			
Years of District Service	% of Full Benefit Paid	Years of District Service	% of Full Benefit Paid
Less than 10	0%	15	75%
10	50%	16	80%
11	55%	17	85%
12	60%	18	90%
13	65%	19	95%
14	70%	20 or more	100%

Current premium rates: The 2020 CalPERS monthly medical plan rates in the Region 3 rate group are shown in the table below. If different rates apply where the member resides outside of this area, those rates are reflected in the valuation, but not listed here. The additional CalPERS administration fee is assumed to be separately expensed each year and has not been projected as an OPEB liability in this valuation.

Region 3 2020 Health Plan Rates						
Plan	Actives and Pre-Med Retirees			Medicare Eligible Retirees		
	Ee Only	Ee & 1	Ee & 2+	Ee Only	Ee & 1	Ee & 2+
Blue Shield Access+ HMO	813.17	1,626.34	2,114.24	<i>Not Available</i>		
Health Net Salud y Más HMO	392.31	784.62	1,020.01	<i>Not Available</i>		
Kaiser HMO	664.39	1,328.78	1,727.41	339.43	678.86	1,077.49
PERS Choice PPO	710.29	1,420.58	1,846.75	351.39	702.78	1,128.95
PERS Select PPO	435.74	871.48	1,132.92	351.39	702.78	964.22
UnitedHealthcare HMO	668.31	1,336.62	1,737.61	327.03	654.06	1,055.05

Please note: Health Net Salud y Más is not available to retirees.



Supporting Information
(Continued)**Section 3 - Actuarial Methods and Assumptions**

The ultimate real cost of an employee benefit plan is the value of all benefits and other expenses of the plan over its lifetime. These payments depend only on the terms of the plan and the administrative arrangements adopted. The actuarial assumptions are used to estimate the cost of these benefits; the funding method spreads the expected costs on a level basis over the life of the plan.

Valuation Date	June 30, 2019
GASB 75 Measurement Date	Last day of prior fiscal year (June 30, 2019)
Funding Method	Entry Age Normal Cost, level percent of pay
Asset Valuation Method	Market value of assets
Municipal Bond Index	Bond Buyer General Obligation 20-Bond Municipal Bond Index
Trust Administrative Expenses	.10% of trust assets
Long Term Return on Assets	
For Accounting	6.6% on June 30, 2019, with inflation net of investment expenses
To develop ADCs for funding	6.5% for fiscal year ends 2020, 2021 and 2022, net of investment and trust administrative expenses and including inflation
Discount Rates	
For Accounting	3.51% (bond index) for the implicit subsidy liability on 6/30/19 5.16% (blended rate) for the explicit subsidy liability on 6/30/19
To develop ADCs for funding	6.5% for fiscal year ends 2020, 2021 and 2022
Participants Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation.
Salary Increase	3.0% per year; since benefits do not depend on salary, this is used to allocate the cost of benefits between service years and to develop the amortization payment component of the ADC
General Inflation Rate	2.5% per year

Demographic actuarial assumptions used in this valuation are based on the 2017 experience study of the California Public Employees Retirement System using data from 1997 to 2015, except for a different basis used to project future mortality improvements. Rates for selected age and service are shown below and on the following pages. The representative mortality rates were the published CalPERS rates, adjusted to back out 15 years of Scale MP 2016 to central year 2015, then projected as described on the following page.



Supporting Information
 (Continued)

Section 3 - Actuarial Methods and Assumptions

Mortality Improvement

MacLeod Watts Scale 2018 applied generationally from 2015 (see Addendum 3)

Mortality Before Retirement
 (before improvement applied)

CalPERS Public Agency Miscellaneous Non-Industrial Deaths		
Age	Male	Female
15	0.00019	0.00004
20	0.00027	0.00008
30	0.00044	0.00018
40	0.00070	0.00040
50	0.00135	0.00090
60	0.00288	0.00182
70	0.00693	0.00438
80	0.01909	0.01080

Mortality After Retirement
 (before improvement applied)

Healthy Lives

Disabled Miscellaneous

CalPERS Public Agency Miscellaneous, Police & Fire Post Retirement Mortality		
Age	Male	Female
40	0.00070	0.00040
50	0.00431	0.00390
60	0.00758	0.00524
70	0.01490	0.01044
80	0.04577	0.03459
90	0.14801	0.11315
100	0.35053	0.30412
110	1.00000	1.00000

CalPERS Public Agency Disabled Miscellaneous Post-Retirement Mortality		
Age	Male	Female
20	0.00027	0.00008
30	0.00044	0.00018
40	0.00070	0.00040
50	0.01371	0.01221
60	0.02447	0.01545
70	0.03737	0.02462
80	0.07218	0.05338
90	0.16585	0.14826

Termination Rates

These rates reflect the assumed probability that an employee will leave the District in the next 12 months for reasons other than a service or disability retirement or death.

Miscellaneous Employees: Sum of Vested Terminated & Refund Rates From CalPERS Experience Study Report Issued December 2017						
Attained Age	Years of Service					
	0	3	5	10	15	20
15	0.1812	0.0000	0.0000	0.0000	0.0000	0.0000
20	0.1742	0.1193	0.0654	0.0000	0.0000	0.0000
25	0.1674	0.1125	0.0634	0.0433	0.0000	0.0000
30	0.1606	0.1055	0.0615	0.0416	0.0262	0.0000
35	0.1537	0.0987	0.0567	0.0399	0.0252	0.0184
40	0.1468	0.0919	0.0519	0.0375	0.0243	0.0176
45	0.1400	0.0849	0.0480	0.0351	0.0216	0.0168



Supporting Information
 (Continued)

Section 3 - Actuarial Methods and Assumptions

Service Retirement Rates

The following miscellaneous retirement formulas apply:

Classic: 2% @ 55

Each rate in these tables reflects the assumed probability that an employee with that age and service will take a service retirement from the District in the next 12 months.

Miscellaneous Employees: 2% at 55 formula						
From CalPERS Experience Study Report Issued December 2017						
Current Age	Years of Service					
	5	10	15	20	25	30
50	0.0080	0.0130	0.0180	0.0210	0.0220	0.0330
55	0.0400	0.0400	0.0560	0.0930	0.1090	0.1540
60	0.0580	0.0750	0.0930	0.1260	0.1430	0.1690
65	0.1450	0.1730	0.2010	0.2330	0.2660	0.2890
70	0.1500	0.1710	0.1920	0.2390	0.3040	0.3300
75 & over	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

PEPRA: 2% @ 62

Miscellaneous "PEPRA" Employees: 2% at 62 formula						
From CalPERS Experience Study Report Issued December 2017						
Current Age	Years of Service					
	5	10	15	20	25	30
50	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
55	0.0100	0.0190	0.0280	0.0360	0.0610	0.0960
60	0.0310	0.0510	0.0710	0.0910	0.1110	0.1380
65	0.1080	0.1410	0.1730	0.2060	0.2390	0.3000
70	0.1200	0.1560	0.1930	0.2290	0.2650	0.3330
75 & over	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Disability Retirement Rates

CalPERS Public Agency Miscellaneous Disability From Dec 2017 Experience Study Report		
Age	Male	Female
20	0.00017	0.00010
25	0.00017	0.00010
30	0.00019	0.00024
35	0.00039	0.00071
40	0.00102	0.00135
45	0.00151	0.00188
50	0.00158	0.00199
55	0.00158	0.00149
60	0.00153	0.00105

Medicare Eligibility

Absent contrary data, all individuals are assumed to be eligible for Medicare Parts A and B at age 65.



Supporting Information
 (Continued)

Section 3 - Actuarial Methods and Assumptions

Healthcare Trend

Medical plan premiums and claims costs by age are assumed to increase once each year. The increases over the prior year's levels are assumed to be effective on the dates shown below:

Effective January 1	Premium Increase	Effective January 1	Premium Increase
2020	Actual	2060-66	4.80%
2021	5.40%	2067	4.70%
2022	5.30%	2068	4.60%
2023-26	5.20%	2069	4.50%
2027-46	5.30%	2070-71	4.40%
2047	5.20%	2072	4.30%
2048-49	5.10%	2073-74	4.20%
2050-53	5.00%	2075	4.10%
2054-59	4.90%	2076 & later	4.00%

The required PEMHCA minimum employer contribution (MEC) is assumed to increase by 4.0% annually.

Participation Rate

Active participants: Both active and active waiving employees are assumed to enroll in District medical plans in retirement on a graded scale which varies based on years of service. This scale is shown below:

Assumed Participation Rates for Future Retirees			
Years of PERS Service	Assumed % to Enroll	Years of PERS Service	Assumed % to Enroll
At least 5 but less than 10	50%	12	85%
		13	90%
	75%	14	95%
	80%	15 or more	100%

Retired participants: Existing medical plan elections are assumed to be maintained until death.

Spouse Coverage

Active employees: 50% are assumed to be married and to elect coverage for their spouse in retirement. Surviving spouses are assumed to retain coverage until their death. Husbands are assumed to be 3 years older than their wives.

Retired participants: Existing elections for spouse coverage are assumed to be maintained until the spouse's death. Actual spouse ages are used, where known; if not, husbands are assumed to be 3 years older than their wives.

Spouse gender is assumed to be the opposite of the employee.



Supporting Information

(Continued)

Section 3 - Actuarial Methods and Assumptions**Development of Age-related****Medical Premiums**

Actual premium rates for retirees and their spouses were adjusted to an age-related basis by applying medical claim cost factors developed from the data presented in the report, "Health Care Costs – From Birth to Death", sponsored by the Society of Actuaries. A description of the use of claims cost curves can be found in MacLeod Watts's Age Rating Methodology provided in Addendum 2 to this report.

Representative claims costs derived from the dataset provided by CalPERS for non-Medicare retirees are shown below. Monthly baseline premium costs were set equal to the active single premiums shown in the chart at the bottom of Section 2.

Expected Monthly Claims by Medical Plan for Selected Ages						
Region	Medical Plan	Male				
		50	53	56	59	62
Region 3	Blue Shield Access+ HMO	\$ 769	\$ 907	\$ 1,053	\$ 1,207	\$ 1,373
	Kaiser HMO	675	796	924	1,059	1,204
	PERS Choice PPO	618	729	847	971	1,103
	PERS Select PPO	464	547	636	729	828
	UnitedHealthcare HMO	703	829	963	1,104	1,255
Region	Medical Plan	Female				
		50	53	56	59	62
Region 3	Blue Shield Access+ HMO	\$ 953	\$ 1,047	\$ 1,126	\$ 1,217	\$ 1,342
	Kaiser HMO	836	919	988	1,068	1,177
	PERS Choice PPO	766	841	905	978	1,079
	PERS Select PPO	575	632	680	735	810
	UnitedHealthcare HMO	871	957	1,030	1,113	1,227

All current and future Medicare-eligible retirees are assumed to be covered by plans that are rated based solely on the experience of Medicare retirees. Therefore, no implicit subsidy is calculated for Medicare-eligible retirees.

Changes reflected in the current measurement period:**Demographic Assumptions**

Assumed mortality after retirement, termination, and retirement rates were updated from those provided in the 2014 experience study report to those provided in the 2017 experience study report of CalPERS. In our opinion, the District's plan population would not produce credible rates based only solely on its experience. We believe rates from the CalPERS experience study provide a reasonable estimate of the District's future demographic experience.

General Inflation Rate

Decreased from 2.75% to 2.5% per year



Supporting Information
(Continued)**Section 3 - Actuarial Methods and Assumptions****Changes reflected in the current measurement period (continued):**

Salary Increase	Increased from 2.75% to 3.0% per year
Trust rate of return and discount rate	<p>(a) <i>for accounting purposes:</i></p> <ol style="list-style-type: none"> 1) The assumed future trust rate of return was increased from 6.5% to 6.6% based on the expected returns from CERBT Strategy 2 applied to the District's projected cashflows to derive a single equivalent expected return. 2) No implicit subsidy was included in the prior valuation; we developed this using the municipal bond index rate since it is not being prefunded. 3) The explicit subsidy liability for accounting was developed using a blended 5.16% discount rate, down from 6.5% in the prior valuation. The blended rate reflects the portion of future benefits expected to be financed from trust assets and those expected to be financed on a pay-as-you-go basis. <p>(b) <i>for plan funding purposes:</i> No change from the previous valuation. A 6.5% trust return and discount rate were applied again to develop the Actuarially Determined Contribution levels.</p>
Mortality Improvement	The mortality improvement scale was updated from Scale BB to MacLeod Watts Scale 2018 (see Addendum 3), reflecting continued updates in available information.
Participation Rate	Changed from 100% at all ages to a graded scale which begins at 50% assumed enrollment with less than 10 years of District service to 100% election at 15 years or more of service.
Spouse coverage	We decreased the percentage of future retirees assumed to elect spouse coverage from 80% to 50%, based on a review of current active members nearing retirement age and on our experience with other plans with similar benefit levels.
Medical Trend	Updated to use the Getzen healthcare trend model sponsored by the Society of Actuaries
PEMHCA MEC Increases	Decreased from 4.5% to 4.0% per year based on recent historical and expected future increases in CPI-medical.
Implicit Subsidy Liability	First time recognition of the implicit subsidy liability, which accounts for the excess of projected retiree claims over the premiums charged for retiree coverage.



Addendum 1: Important Background Information

General Types of Other Post-Employment Benefits (OPEB)

Post-employment benefits other than pensions (OPEB) comprise a part of compensation that employers offer for services received. The most common OPEB are medical, prescription drug, dental, vision, and/or life insurance coverage. Other OPEB may include outside group legal, long-term care, or disability benefits outside of a pension plan. OPEB does not generally include COBRA, vacation, sick leave (unless converted to defined benefit OPEB), or other direct retiree payments.

A direct employer payment toward the cost of OPEB benefits is referred to as an “explicit subsidy”.

In addition, if claims experience of employees and retirees are pooled when determining premiums, retiree premiums are based on a pool of members which, on average, are younger and healthier. For certain types of coverage such as medical insurance, this results in an “implicit subsidy” of retiree premiums by active employee premiums since the retiree premiums are lower than they would have been if retirees were insured separately. GASB 75 and Actuarial Standards of Practice generally require that an implicit subsidy of retiree premium rates be valued as an OPEB liability.

Expected retiree claims		
Premium charged for retiree coverage		Covered by higher active premiums
Retiree portion of premium	Agency portion of premium Explicit subsidy	Implicit subsidy

This chart shows the sources of funds needed to cover expected medical claims for pre-Medicare retirees. The portion of the premium paid by the Agency does not impact the amount of the implicit subsidy.

Valuation Process

The valuation was based on employee census data and benefits provided by the District. A summary of the employee data is provided in Section 1 and a summary of the benefits provided under the Plan is provided in Section 2. While individual employee records have been reviewed to verify that they are reasonable in various respects, the data has not been audited and we have otherwise relied on the District as to its accuracy. The valuation was also based on the actuarial methods and assumptions described in Section 3.

In developing the projected benefit values and liabilities, we first determine an expected premium or benefit stream over the employee’s future retirement. Benefits may include both direct employer payments (explicit subsidies) and/or an implicit subsidy, arising when retiree premiums are expected to be subsidized by active employee premiums. The projected benefit streams reflect assumed trends in the cost of those benefits and assumptions as to the expected date(s) when benefits will end. We then apply assumptions regarding:

- The probability that each individual employee will or will not continue in service to receive benefits.



Important Background Information**(Continued)**

- The probability of when such retirement will occur for each retiree, based on current age, service and employee type; and
- The likelihood that future retirees will or will not elect retiree coverage (and benefits) for themselves and/or their dependents.

We then calculate a present value of these benefits by discounting the value of each future expected benefit payment, multiplied by the assumed expectation that it will be paid, back to the valuation date using the discount rate. These benefit projections and liabilities have a very long time horizon. The final payments for currently active employees may not be made for many decades.

The resulting present value for each employee is allocated as a level percent of payroll each year over the employee's career using the entry age normal cost method and the amounts for each individual are then summed to get the results for the entire plan. This creates a cost expected to increase each year as payroll increases. Amounts attributed to prior fiscal years form the "Total OPEB Liability". The OPEB cost allocated for active employees in the current year is referred to as "Service Cost".

Where contributions have been made to an irrevocable OPEB trust, the accumulated value of trust assets ("Fiduciary Net Position") is applied to offset the "Total OPEB Liability", resulting in the "Net OPEB Liability". If a plan is not being funded, then the Net OPEB Liability is equal to the Total OPEB Liability.

It is important to remember that an actuarial valuation is, by its nature, a projection of one possible future outcome based on many assumptions. To the extent that actual experience is not what we assumed, future results will differ. Some possible sources of future differences may include:

- A significant change in the number of covered or eligible plan members
- A significant increase or decrease in the future premium rates
- A change in the subsidy provided by the Agency toward retiree premiums
- Longer life expectancies of retirees
- Significant changes in expected retiree healthcare claims by age, relative to healthcare claims for active employees and their dependents
- Higher or lower returns on plan assets or contribution levels other than were assumed, and/or
- Changes in the discount rate used to value the OPEB liability



Important Background Information

(Continued)

Requirements of GASB 75

The Governmental Accounting Standards Board (GASB) issued GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This Statement establishes standards for the measurement, recognition, and disclosure of OPEB expense and related liabilities (assets), note disclosures, and, required supplementary information (RSI) in the financial reports of state and local governmental employers.

Important Dates

GASB 75 requires that the information used for financial reporting falls within prescribed timeframes. Actuarial valuations of the total OPEB liability are generally required at least every two years. If a valuation is not performed as of the Measurement Date, then liabilities are required to be based on roll forward procedures from a prior valuation performed no more than 30 months and 1 day prior to the most recent year-end. In addition, the net OPEB liability is required to be measured as of a date no earlier than the end of the prior fiscal year (the "Measurement Date").

Recognition of Plan Changes and Gains and Losses

Under GASB 75, gains and losses related to changes in Total OPEB Liability and Fiduciary Net Position are recognized in OPEB expense systematically over time.

- *Timing of recognition:* Changes in the Total OPEB Liability relating to changes in plan benefits are recognized immediately (fully expensed) in the year in which the change occurs. Gains and Losses are amortized, with the applicable period based on the type of gain or loss. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.
- *Deferred recognition periods:* These periods differ depending on the source of the gain or loss.

Difference between projected
and actual trust earnings:

5 year straight-line recognition

All other amounts:

Straight-line recognition over the expected average remaining service lifetime (EARSL) of all members that are provided with benefits, determined as of the beginning of the Measurement Period. In determining the EARSL, all active, retired and inactive (vested) members are counted, with the latter two groups having 0 remaining service years.



Important Background Information

(Continued)

Implicit Subsidy Plan Contributions

An implicit subsidy occurs when expected retiree claims exceed the premiums charged for retiree coverage. When this occurs, we expect part of the premiums paid for active employees to cover a portion of retiree claims. This transfer represents the current year's "implicit subsidy". Because GASB 75 treats payments to an irrevocable trust *or directly to the insurer* as employer contributions, each year's implicit subsidy is treated as a contribution toward the payment of retiree benefits.

The following hypothetical example illustrates this treatment:

Hypothetical Illustration of Implicit Subsidy Recognition	For Active Employees	For Retired Employees
<i>Prior to Implicit Subsidy Adjustment</i>		
Premiums Paid by Agency During Fiscal Year	\$ 411,000	\$ 48,000
Accounting Treatment	Compensation Cost for Active Employees	Contribution to Plan & Benefits Paid from Plan
<i>After Implicit Subsidy Adjustment</i>		
Premiums Paid by Agency During Fiscal Year	\$ 411,000	\$ 48,000
Implicit Subsidy Adjustment	(23,000)	23,000
Accounting Cost of Premiums Paid	\$ 388,000	\$ 71,000
Accounting Treatment Impact	Reduces Compensation Cost for Active Employees	Increases Contributions to Plan & Benefits Paid from Plan

The example above shows that total payments toward active and retired employee healthcare premiums is the same, but for accounting purposes part of the total is shifted from actives to retirees. This shifted amount is recognized as an OPEB contribution and reduces the current year's premium expense for active employees.



Important Background Information**(Continued)****Discount Rate**

When the financing of OPEB liabilities is on a pay-as-you-go basis, GASB 75 requires that the discount rate used for valuing liabilities be based on the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). When a plan sponsor makes regular, sufficient contributions to a trust in order to prefund the OPEB liabilities, GASB 75 allows use of a rate up to the expected rate of return of the trust. Therefore, prefunding has an advantage of potentially being able to report overall lower liabilities due to future expected benefits being discounted at a higher rate.

Actuarial Funding Method and Assumptions

The “ultimate real cost” of an employee benefit plan is the value of all benefits and other expenses of the plan over its lifetime. These expenditures are dependent only on the terms of the plan and the administrative arrangements adopted, and as such are not affected by the actuarial funding method.

The actuarial funding method attempts to spread recognition of these expected costs on a level basis over the life of the plan, and as such sets the “incidence of cost”. GASB 75 specifically requires that the actuarial present value of projected benefit payments be attributed to periods of employee service using the Entry Age Actuarial Cost Method, with each period’s service cost determined as a level percentage of pay.

The results of this report may not be appropriate for other purposes, where other assumptions, methodology and/or actuarial standards of practice may be required or more suitable.



Addendum 2: MacLeod Watts Age Rating Methodology

Both accounting standards (e.g. GASB 75) and actuarial standards (e.g. ASOP 6) require that expected retiree claims, not just premiums paid, be reflected in most situations where an actuary is calculating retiree healthcare liabilities. Unfortunately, the actuary is often required to perform these calculations without any underlying claims information. In most situations, the information is not available, but even when available, the information may not be credible due to the size of the group being considered.

Actuaries have developed methodologies to approximate healthcare claims from the premiums being paid by the plan sponsor. Any methodology requires adopting certain assumptions and using general studies of healthcare costs as substitutes when there is a lack of credible claims information for the specific plan being reviewed.

Premiums paid by sponsors are often uniform for all employee and retiree ages and genders, with a drop in premiums for those participants who are Medicare-eligible. While the total premiums are expected to pay for the total claims for the insured group, on average, the premiums charged would not be sufficient to pay for the claims of older insureds and would be expected to exceed the expected claims of younger insureds. An age-rating methodology takes the typically uniform premiums paid by plan sponsors and spreads the total premium dollars to each age and gender intended to better approximate what the insurer might be expecting in actual claims costs at each age and gender.

The process of translating premiums into expected claims by age and gender generally follows the steps below.

1. *Obtain or Develop Relative Medical Claims Costs by Age, Gender, or other categories that are deemed significant.* For example, a claims cost curve might show that, if a 50 year old male has \$1 in claims, then on average a 50 year old female has claims of \$1.25, a 30 year male has claims of \$0.40, and an 8 year old female has claims of \$0.20. The claims cost curve provides such relative costs for each age, gender, or any other significant factor the curve might have been developed to reflect. Section 3 provides the source of information used to develop such a curve and shows sample relative claims costs developed for the plan under consideration.
2. *Obtain a census of participants, their chosen medical coverage, and the premium charged for their coverage.* An attempt is made to find the group of participants that the insurer considered in setting the premiums they charge for coverage. That group includes the participant and any covered spouses and children. When information about dependents is unavailable, assumptions must be made about spouse age and the number and age of children represented in the population. These assumptions are provided in Section 3.
3. *Spread the total premium paid by the group to each covered participant or dependent based on expected claims.* The medical claims cost curve is used to spread the total premium dollars paid by the group to each participant reflecting their age, gender, or other relevant category. After this step, the actuary has a schedule of expected claims costs for each age and gender for the current premium year. It is these claims costs that are projected into the future by medical cost inflation assumptions when valuing expected future retiree claims.

The methodology described above is dependent on the data and methodologies used in whatever study might be used to develop claims cost curves for any given plan sponsor. These methodologies and assumptions can be found in the referenced paper cited as a source in the valuation report.



Addendum 3: MacLeod Watts Mortality Projection Methodology

Actuarial standards of practice (e.g., ASOP 35, Selection of Demographic and Other Noneconomic Assumptions for Measuring Pension Obligations, and ASOP 6, Measuring Retiree Group Benefits Obligations) indicate that the actuary should reflect the effect of mortality improvement (i.e., longer life expectancies in the future), both before and after the measurement date. The development of credible mortality improvement rates requires the analysis of large quantities of data over long periods of time. Because it would be extremely difficult for an individual actuary or firm to acquire and process such extensive amounts of data, actuaries typically rely on large studies published periodically by organizations such as the Society of Actuaries or Social Security Administration.

As noted in a recent actuarial study on mortality improvement, key principles in developing a credible mortality improvement model would include the following:

- (1) Short-term mortality improvement rates should be based on recent experience.
- (2) Long-term mortality improvement rates should be based on expert opinion.
- (3) Short-term mortality improvement rates should blend smoothly into the assumed long-term rates over an appropriate transition period.

The **MacLeod Watts Scale 2018** was developed from a blending of data and methodologies found in two published sources: (1) the Society of Actuaries Mortality Improvement Scale MP-2017 Report, published in October 2017 and (2) the demographic assumptions used in the 2017 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, published July 2017.

MacLeod Watts Scale 2018 is a two-dimensional mortality improvement scale reflecting both age and year of mortality improvement. The underlying base scale is Scale MP-2017 which has two segments – (1) historical improvement rates for the period 1951-2013 and (2) an estimate of future mortality improvement for years 2014-2016 using the Scale MP-2017 methodology but utilizing the assumptions obtained from Scale MP-2015. The MacLeod Watts scale then transitions from the 2016 improvement rate to the Social Security Administration (SSA) Intermediate Scale linearly over the 10-year period 2017-2026. After this transition period, the MacLeod Watts Scale uses the constant mortality improvement rate from the SSA Intermediate Scale from 2026-2040. The SSA's Intermediate Scale has a final step down in 2041 which is reflected in the MacLeod Watts scale for years 2041 and thereafter. Over the ages 95 to 115, the SSA improvement rate is graded to zero.

Scale MP-2017 can be found at the SOA website and the projection scales used in the 2017 Social Security Administrations Trustees Report at the Social Security Administration website.



Glossary

Actuarial Funding Method – A procedure which calculates the actuarial present value of plan benefits and expenses, and allocates these expenses to time periods, typically as a normal cost and an actuarial accrued liability

Actuarial Present Value of Projected Benefits (APVPB) – The amount presently required to fund all projected plan benefits in the future. This value is determined by discounting the future payments by an appropriate interest rate and the probability of nonpayment.

CalPERS – Many state governments maintain a public employee retirement system; CalPERS is the California program, covering all eligible state government employees as well as other employees of other governments within California who have elected to join the system

Defined Benefit (DB) – A pension or OPEB plan which defines the monthly income or other benefit which the plan member receives at or after separation from employment

Deferred Contributions – When an employer makes contributions after the measurement date and prior to the fiscal year end, recognition of these contributions is deferred to a subsequent accounting period by creating a deferred resource. We refer to these contributions as Deferred Contributions.

Defined Contribution (DC) – A pension or OPEB plan which establishes an individual account for each member and specifies how contributions to each active member's account are determined and the terms of distribution of the account after separation from employment

Discount Rate - Interest rate used to discount future potential benefit payments to the valuation date. Under GASB 75, if a plan is prefunded, then the discount rate is equal to the expected trust return. If a plan is not prefunded (pay-as-you-go), then the rate of return is based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Expected Average Remaining Service Lifetime (EARSLS) – Average of the expected remaining service lives of all employees that are provided with benefits through the OPEB plan (active employees and inactive employees), beginning in the current period

Entry Age Actuarial Cost Method – An actuarial funding method where, for each individual, the actuarial present value of benefits is levelly spread over the individual's projected earnings or service from entry age to the last age at which benefits can be paid

Excise Tax – The Affordable Care Act created an excise tax on the value of employer sponsored coverage which exceeds certain thresholds ("Cadillac Plans"). This tax was repealed in December 2019.

Explicit Subsidy – The projected dollar value of future retiree healthcare costs expected to be paid directly by the Employer, e.g., the Employer's payment of all or a portion of the monthly retiree premium billed by the insurer for the retiree's coverage

Fiduciary Net Position – The value of trust assets used to offset the Total OPEB Liability to determine the Net OPEB Liability.

Government Accounting Standards Board (GASB) – A private, not-for-profit organization which develops generally accepted accounting principles (GAAP) for U.S. state and local governments; like FASB, it is part of the Financial Accounting Foundation (FAF), which funds each organization and selects the members of each board



Glossary (Continued)

Health Care Trend – The assumed rate(s) of increase in future dollar values of premiums or healthcare claims, attributable to increases in the cost of healthcare; contributing factors include medical inflation, frequency or extent of utilization of services and technological developments.

Implicit Subsidy – The projected difference between future retiree claims and the premiums to be charged for retiree coverage; this difference results when the claims experience of active and retired employees are pooled together and a ‘blended’ group premium rate is charged for both actives and retirees; a portion of the active employee premiums subsidizes the retiree premiums.

Net OPEB Liability (NOL) – The liability to employees for benefits provided through a defined benefit OPEB. Only assets administered through a trust that meet certain criteria may be used to reduce the Total OPEB Liability.

Net Position – The Impact on Statement of Net Position is the Net OPEB Liability adjusted for deferred resource items

OPEB Expense – The OPEB expense reported in the Agency’s financial statement. OPEB expense is the annual cost of the plan recognized in the financial statements.

Other Post-Employment Benefits (OPEB) – Post-employment benefits other than pension benefits, most commonly healthcare benefits but also including life insurance if provided separately from a pension plan

Pay-As-You-Go (PAYGO) – Contributions to the plan are made at about the same time and in about the same amount as benefit payments and expenses coming due

PEMHCA – The Public Employees’ Medical and Hospital Care Act, established by the California legislature in 1961, provides community-rated medical benefits to participating public employers. Among its extensive regulations are the requirements that a contracting Agency contribute toward medical insurance premiums for retired annuitants and that a contracting Agency file a resolution, adopted by its governing body, with the CalPERS Board establishing any new contribution.

Plan Assets – The value of cash and investments considered as ‘belonging’ to the plan and permitted to be used to offset the AAL for valuation purposes. To be considered a plan asset, GASB 75 requires (a) contributions to the OPEB plan be irrevocable, (b) OPEB assets to dedicated to providing OPEB benefit to plan members in accordance with the benefit terms of the plan, and (c) plan assets be legally protected from creditors, the OPEB plan administrator and the plan members.

Public Agency Miscellaneous (PAM) – Non-safety public employees.

Select and Ultimate – Actuarial assumptions which contemplate rates which differ by year initially (the select period) and then stabilize at a constant long-term rate (the ultimate rate)

Service Cost – Total dollar value of benefits expected to be earned by plan members in the current year, as assigned by the actuarial funding method; also called normal cost

Total OPEB Liability (TOL) – Total dollars required to fund all plan benefits attributable to service rendered as of the valuation date for current plan members and vested prior plan members; a subset of “Actuarial Present Value”

Vesting – As defined by the plan, requirements which when met make a plan benefit nonforfeitable on separation of service before retirement eligibility



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

Date: August 14, 2020

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

Subject: **Consider Amendment to Personnel and Salary Resolution 92-11, Article XXII, SECTION 7 Telecommuting/Remote Work**

Exhibit(s): **EXHIBIT 8A**

Background

The COVID-19 pandemic has required employers to rapidly adopt alternative work localities and conditions and embrace new technologies to maintain productivity from employees eligible and capable of performing remote work. Many district staff members have been assigned to telecommuting status since the beginning of the health crisis to reduce the total occupancy of the administration building.

Management staff members have closely monitored telecommuting employees for strict adherence to rules defining communication and responsiveness, tracking of work hours and break periods, and overall work quality and productivity. After more than 4 months of telecommuting, the level of productivity and work quality has not declined. In fact, telecommuting employees are exceeding expectations of independent and collaborative work assignments.

In anticipation that the current health crisis will continue to impact our ability to fully reoccupy the administration building, it is prudent to formally adopt rules of conduct for those employees eligible for remote work status. **(Exhibit 8A)** The proposed amendment to Personnel and Salary Resolution 92-11, would add a new section under Article XXII, Rules of Conduct, defining the parameters of eligibility, employee responsibilities, and rights of the district to assign, revoke, and terminate telecommuting/remote work privileges. The policy also defines district equipment use and information security rules, and any costs and reimbursement entitlements.

The adoption of a Telecommuting/Remote Work policy will also serve the District after the current pandemic has subsided, as government agencies and corporations alike realize the mutual benefits, both financial and psychological, of offering remote work assignments to eligible job classifications.

Fiscal Impact

There is no financial impact associated with the adoption of Personnel and Salary Resolution 92-11, Article XXII, SECTION 7 Telecommuting/Remote Work.

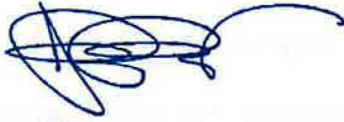
Manager's Recommendation

It is the recommendation of the District Manager to approve the adoption of Personnel and Salary Resolution 92-11, Article XXII, SECTION 7 Telecommuting/Remote Work **(Exhibit 8A)**

Alternative

Do not approve the adoption of Personnel and Salary Resolution 92-11, Article XXII, SECTION 7
Telecommuting/Remote Work

Respectfully submitted,

A handwritten signature in blue ink, appearing to be 'Jared Dever', written in a cursive style.

Jared Dever
District Manager

ARTICLE XXII**RULES OF CONDUCT**
Adopted August 14, 2020**SECTION 7. Telecommuting/Remote work**

In general, telecommuting pursuant to this rule is a privilege. Thus, the District is not obligated to approve telecommuting for employees. Each telecommuting arrangement may be terminated at any time and at will by the employee or the District Manager.

A. Definitions

For the purpose of this section, the following definitions shall apply:

Alternative Work Location – Approved work sites, other than the employee’s central workplace, where the telecommuting employee performs usual job duties. Such locations may include, but are not necessarily limited to, the employee’s home.

Central Workplace – The employee’s work site at the District.

Telecommuting – A temporary work arrangement in which District management authorizes permanent part-time and full-time employees to perform their usual job duties away from their central workplace, in accordance with the telecommuting agreement.

Telecommuting Agreement – The written agreement between the District and telecommuting employee that outlines the terms and conditions of the employee’s work at the alternative work location.

Work Schedule – The telecommuting employee’s hours of work.

B. Policy

1. Telecommuting is a voluntary option and is considered and approved on a case-by-case basis consistent with the mission of the District and the respective Department. The District is not obligated to approve telecommuting for employees.
2. Telecommuting must be approved before it commences. Any telecommuting agreement is only valid for the time period specified in the agreement. The agreement is invalid after this time unless the District approves an extension in writing.
3. Each telecommuting agreement may be terminated at any time and at will by the employee or the District Manager. The decision to terminate telecommuting is not subject to any grievance procedure or appeal process.

4. An employee wishing to telecommute must initiate the request and obtain support and approval from his/her immediate supervisor and the District Manager. Considerations for approval of telecommuting include, but are not limited to the following:
 - a. Operational needs of the District and the respective Department.
 - b. The ability of the employee to perform his or her specific job duties from a location separate from his or her District worksite without diminishing the quantity or quality of the work performed.
 - c. The degree of face-to-face interaction with other District employees and the public that the employee's position requires.
 - d. Effect on the rest of the work group, unit, Department or District.
 - e. The portability of the employee's work.
 - f. The risk factors associated with performing the employee's job duties from a location separate from his or her central workplace.
 - g. The ability to measure the employee's work performance from a location separate from his or her central workplace.
 - h. The employee's supervisory responsibilities.
 - i. The employee's need for supervision.
 - j. Availability and costs of needed equipment.
 - k. Adequate and appropriate workspace at the employee's designated alternative work location.
 - l. Employee's current and past job performance.
 - m. Duration of the request to telecommute.
 - n. Other considerations deemed necessary and appropriate by the employee's immediate supervisor, the Department Head, and/or the District Manager.
5. Telecommuting employees are subject to the same job responsibilities and standards of performance and productivity as if they were working at their central workplace. Telecommuting employees are required to be accessible in the same manner as if they were working at their central workplace during the established telecommuting work schedule.

6. Employees are required to maintain an accurate record of all hours worked at the alternate work location and make that record available to his or her supervisor upon request. Employees shall record all non-productive work time on his/her timesheet.
7. All periods of employees' unavailability must be approved in advance by management in accordance with department policy and documented on the appropriate leave of absence slip.
8. Employees shall continue to abide by practices, policies and procedures for requests of sick, vacation and other leaves of absences. Requests to work overtime, declare vacation, or take other time off from work must be pre-approved in writing by each employee's supervisor. If an employee becomes ill while working under a telecommuting agreement, he/she shall notify his/her supervisor immediately and record on his/her timesheet any hours not worked due to incapacitation.
9. Employees must notify their supervisor promptly when unable to perform work assignments because of equipment failure or other unforeseen circumstances.
10. Telecommuting is not intended to allow for employees to pursue outside employment, run their own businesses or engage in personal activities during working hours. Telecommuting employees shall comply with the District's outside employment policy and may be subject to disciplinary action, up to and including termination, for violating the policy.
11. Telecommuting employees must manage personal responsibilities such as childcare and other dependent care at their own expense and in a manner that allows job responsibilities to be successfully met as if they were working at their central workplace.
12. Telecommuting employees understand that effective communication is essential for the telecommuting arrangement to be successful. The telecommuting employee will be available by phone and email during the established telecommuting work schedule. Teleconferencing may be considered a reliable means of communication and may substitute for actual attendance at some meetings with advanced approval of the employee's supervisor.
13. The address, telephone number, and description of the alternative work location shall be outlined in the telecommuting agreement.
14. Telecommuting employees agree to furnish and maintain the alternative work location in a safe manner consistent with the requirements of the District, state and federal safety regulations. The alternative work location shall be subject to safety compliance inspection by Human Resources staff and/or other authorized individuals during the telecommuting work schedule as necessary.
15. Telecommuting employees should be available to report to the central workplace in a reasonable amount of time, if directed, should exigent circumstances arise.

16. The work schedule of the telecommuting employee will be determined by the employee's immediate supervisor and will be documented in the telecommuting agreement. The work schedules of non-exempt employees who receive overtime shall include rest and meal breaks. Any deviation from the work schedule must be approved in advance, in writing, by management. Non-exempt employees must take meal and rest breaks while telecommuting, just as they would if they were reporting to work at their District worksite. Non-exempt employees may not telecommute outside their normal work hours without prior written authorization from their supervisor. A non-exempt employee who fails to secure written authorization before telecommuting outside his or her normal work hours may face discipline in accordance with the District's policy for working unauthorized overtime.
17. On a non-telecommuting day, the telecommuting employee shall not work at the alternative work location unless the employee receives advanced supervisor approval.
18. Employees authorized to perform work at an alternate work location must meet the same standards of performance and professionalism expected of District employees in terms of job responsibilities, work product, timeliness of assignments, and contact with other District employees and the public.
19. Telecommuting employees understand that all obligations, responsibilities, codes of conduct, laws, policies, and terms and conditions of employment apply in the same manner during telecommuting as if the employees were working at the central worksite, unless specifically addressed in this policy or the telecommuting agreement. Any breach of the telecommuting agreement by the employee may result in modification or withdrawal of telecommuting privileges, termination of the telecommuting arrangement, and/or disciplinary action, up to and including termination of employment.
20. Equipment and Information Security
 - a. Telecommuting employees are not entitled to use District-provided equipment at the alternative work location. Depending on the situation, equipment needs for telecommuting employees will vary and are determined by the employee's immediate supervisor and the District Manager.
 - b. Telecommuting employees using District-provided computer hardware and software at the alternative work location must abide by the District's policies covering information security, software licensing, internet access and data privacy. Please refer to Article XXII Section 5.
 - c. District-owned equipment shall be used for work-related purposes only and is limited to use by the telecommuting employee. Telecommuting employees are responsible for ensuring that District-owned equipment is properly and responsibly used, maintained, and secured.

- d. Maintenance of District-owned equipment will be performed by District Manager authorized staff or contract IT personnel. The telecommuting employee will be responsible for timely reporting maintenance needs to their supervisor and bringing the equipment to the District-designated repair location, if applicable. Necessary maintenance and repairs on District-owned equipment will be performed at the District's expense unless the need for maintenance or repairs resulted from non-work related use.
- e. Telecommuting employees must return all District-owned equipment to the District when requested by their supervisor, when the telecommuting agreement ends, or when employment is terminated.
- f. Telecommuting employees using personal equipment and resources to perform work at the alternative work location are responsible for the expenses and costs of the equipment and resources. Accordingly, maintenance and repair of personal equipment is the responsibility of the employee. The District is not responsible for costs, expenses or liability associated with personal equipment or resources, even if the employee is engaged in District work at the time.

21. Costs/Expenses

- a. Basic office supplies shall be obtained through the normal departmental procurement procedures.
- b. Any other expense reimbursement related to telecommuting requires prior approval by the employee's immediate supervisor.
- c. Any costs related to remodeling and/or furnishing the alternative work location shall be non-reimbursable and the sole responsibility of the employee.
- d. Normal household expenses associated with the alternative work location, such as heating, electricity, internet connectivity, shall be non-reimbursable.

22. The District generally discourages telecommuting employees from taking confidential District information to the alternative work location. If workload necessitates use of confidential District information, telecommuting employees must request advance approval from his/her immediate supervisor, Department Director, and the District Manager in order to take confidential District information to the alternative work location.

23. Employees shall exercise the same precautions to safeguard electronic and paper information, protect confidentiality, and adhere to the District's records retention policies, especially as it pertains to the Public Records Act. Employees must safeguard all sensitive and confidential information (both on paper and in electronic form) relating to District work they access from the alternative work location or transport from their District worksite to the alternative work location. Employees must also take reasonable

precautions to prevent third parties from accessing or handling sensitive and confidential information they access from the alternative work location or transport from their District worksite to the alternate work location. Employees must return all records, documents, and correspondence to the District at the termination of the telecommuting agreement or upon request by their supervisor, Department Head or Human Resources.

24. Employees' salary and benefits remain unchanged. Telecommuting employees will be eligible for workers' compensation benefits for any injury or illness that arises out of and in the course of employment as defined by Workers' Compensation law, and occurs at the specified area of the alternative work location during the work schedule specified in the telecommuting agreement. A job related accident/illness during the telecommuting work schedule must be reported to the employee's immediate supervisor or his/her designee immediately or no later than 24 hours after the accident/illness. The District shall not be responsible for injuries or property damage unrelated to such work activities, including injuries to third persons when said injuries occur at the alternative work location.

25. Tax implications of telecommuting are the responsibility of the employee. The telecommuting employee may consult independent professionals for advice in this area.

APPROVED AND ADOPTED this 14th day of August, 2020, by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

Becky Shevlin
President, Board of Trustees

ATTEST:

Lloyd Johnson
Secretary-Treasurer, Board of Trustees

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

Date: August 14, 2020
Meeting of: San Gabriel Valley Mosquito and Vector Control District Board of Trustees
Subject: **Consider Candidates for Los Angeles Local Agency Formation Commission (LAFCO) Independent Special District Alternate**
Exhibit(s): **EXHIBIT 9A**

Background

The ballot and supplementary materials (**EXHIBIT 9A**) are attached for the Independent Special District Alternate representative to the Los Angeles Local Agency Formation Commission for the term expiring in May 2022.

Staff will return the completed ballot by September 25, 2020 if the Board chooses to vote in the election.

Manager's Recommendation

No recommendation is provided as the Board must decide which candidate, if any, they choose to endorse.


Alternative(s)

The Board may decide to not vote for a candidate.

Fiscal Impact

None

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Jared Dever', with a stylized flourish extending to the right.

Jared Dever
District Manager

Lagerlof, LLP

301 NORTH LAKE AVENUE, 10TH FLOOR
PASADENA, CALIFORNIA 91101
PHONE: (626) 793-9400 ! FAX (626) 793-5900

William F. Kruse
E-MAIL: WFKRUSE@lagerlof.com

TO: PRESIDING OFFICER OF EACH INDEPENDENT SPECIAL DISTRICT IN
LOS ANGELES COUNTY

FROM: WILLIAM F. KRUSE, SPECIAL COUNSEL

RE: BALLOT; LAFCO INDEPENDENT SPECIAL DISTRICT ALTERNATE

DATE : JULY 29, 2020

Enclosed is the Ballot and the supplementary materials submitted for each of the candidates for the LAFCO INDEPENDENT SPECIAL DISTRICT ALTERNATE REPRESENTATIVE for the term expiring in May 2022. Nominations closed as of 5:00 p.m. on July 24, 2020.

Please vote for ONE candidate. The marked ballots should be placed in the envelope marked "Ballot Envelope." Please write the name of your agency and sign your name on the outside of the ballot envelope and return the completed ballots by mail to:

William F. Kruse, Esq.
Lagerlof, LLP
301 N. Lake Avenue, Suite 1000
Pasadena, CA 91101

No ballot will be counted if it is missing the name of the voting agency and the signature of the Presiding Officer on the ballot envelope.

The candidate receiving the highest number of votes will be declared the Independent Special District Alternate Representative to LAFCO.

Ballots must be returned by 5:00 p.m. on Friday, September 25, 2020.

WFK/drb
Enclosures

cc: Paul Novak (w/enclosures)

BALLOT

LAFCO INDEPENDENT SPECIAL DISTRICT ALTERNATE

Please vote for no more than one candidate.

ROBERT W. LEWIS

Occupation: Water District Director

Sponsor: Rowland Water District

DAN MEDINA

Occupation: Board of Trustee Member

Sponsor: The Greater Los Angeles County Vector Control District

MELVIN L. MATTHEWS

Occupation: Water District Director

Sponsor: Foothill Municipal Water District

SHARON S. RAGHAVACHARY

Occupation: Water District Director

Sponsor: Crescenta Valley Water District

NOMINATION
OF
INDEPENDENT SPECIAL DISTRICT ALTERNATE
TO THE
LOS ANGELES COUNTY LOCAL AGENCY FORMATION COMMISSION

To: Independent Special District Selection Committee

From: ROWLAND WATER DISTRICT

Date: JULY 15, 2020

Name of Candidate: ROBERT W. LEWIS

ROWLAND WATER DISTRICT is pleased to nominate
ROBERT W. LEWIS as a candidate for appointment as special district alternate
representative to the Los Angeles Local Agency Formation Commission. The nominee is an elected
official or a member of the board of an independent special district appointed for a fixed term. For your
consideration, we submit the following additional information together with a resume of the candidate's
qualifications.

Elective office: DIRECTOR, DIVISION IV

Agency: ROWLAND WATER DISTRICT

Type of Agency: SPECIAL DISTRICT WATER AGENCY

Term Expires: DECEMBER 2, 2022

Residence Address: 2231 S. FULLERTON ROAD, UNIT #8

ROWLAND HEIGHTS, CA 91748

Telephone: (626) 964-0875

PLEASE ATTACH RESUME OR CANDIDATE STATEMENT (limit one page)

ROWLAND WATER DISTRICT

(Name of Agency)

By: 
TOM COLEMAN

Its: GENERAL MANAGER

Robert W. Lewis



(626) 964-0875 | rlewis@rowlandwater.com

Experienced public servant and proven leader seeking to apply management and collaboration skills and knowledge of California special districts as the designated alternate representing special districts on the Los Angeles County LAFCO.

PROFESSIONAL EXPERIENCE

ROWLAND WATER DISTRICT, ROWLAND HEIGHTS, CA

Board of Directors, December 1993 – Present

- Current Board President leading five-member team of Directors
- Develop short- and long-term planning initiatives related to water supply, financials and strategic plan
- Oversee \$27.7 million annual budget
- Implement plans and projects to position District as industry leader

PUENTE BASIN WATER AGENCY, WALNUT, CA

Board of Commissioners, 1993-1997; 2004 – Present

- Identify and pursue projects to optimize local water supplies
- Integrate plans to improve regional water quality
- Facilitate and coordinate regional projects
- Secure supplemental funding and influence legislation for the region

REGIONAL CHAMBER OF COMMERCE OF SAN GABRIEL VALLEY, ROWLAND HEIGHTS, CA

Government Affairs Committee, 2016 – Present

- Monitor public policy and legislative actions related to business growth
- Advocate for the interests of the business community
- Review business development issues

ASSOCIATION OF CALIFORNIA WATER AGENCIES/JOINT POWERS INSURANCE AUTHORITY (ACWA/JPIA), ROSEVILLE, CA

Voting representative, 2011 – Present

- Develop tactics, services and programs to meet the insurance needs of water agencies
- Monitor legislative and regulatory issues
- Oversee annual operating budget

ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA), SACRAMENTO, CA *Region 8 Board of Directors, Representative and Chairman, 2002-2012*

- Monitor state and federal legislation and policy agenda affecting regional agencies

LOS ANGELES COUNTY SPECIAL DISTRICTS AD HOC COMMITTEE, LOS ANGELES, CA

Member, 1994-1995

- Successfully lobbied to secure special district representation on Los Angeles County LAFCO

EMMERSON GLOBAL, NORTH AMERICA

Field Service Project Engineer, 1975-2004

- Installed, monitored and repaired machinery, systems, and processes across various industries

EXPERTISE

- Leadership
- Governance
- Brown Act
- Fairness
- Public policy

MILITARY SERVICE

UNITED STATES ARMY
(1970-1973)

Fort Belvoir, Virginia
Intelligence Analyst

EDUCATION

**CALIFORNIA STATE
UNIVERSITY,**
Fullerton (1979)

*Technical Studies –
Industrial Process
Control Engineering
Certification*

**FULLERTON
COLLEGE** (1973)

Associate degree,
Electronics



NOMINATION
OF
INDEPENDENT SPECIAL DISTRICT ALTERNATE
TO THE
LOS ANGELES COUNTY LOCAL AGENCY FORMATION COMMISSION

To: Independent Special District Selection Committee

From: Mary-Joy Coburn, Director of Community Affairs

Date: July 20, 2020

Name of Candidate: Dan Medina

The Greater Los Angeles County Vector Control District is pleased to nominate

Dan Medina as a candidate for appointment as special district alternate

representative to the Los Angeles Local Agency Formation Commission. The nominee is an elected official or a member of the board of an independent special district appointed for a fixed term. For your consideration, we submit the following additional information together with a resume of the candidate's qualifications.

Elective office: Board Of Trustee Member

Agency: Greater Los Angeles County Vector Control District

Type of Agency: Vector Control - Mosquito Abatement

Term Expires: January 2022

Residence Address: 15403 S. Wilton Place, Gardena, CA 90249

Telephone: 310-339-9919

PLEASE ATTACH RESUME OR CANDIDATE STATEMENT (limit one page)

Greater Los Angeles County Vector Control District
(Name of Agency)

Mary-Joy Coburn
By: _____
Director of Community Affairs / Board Liaison
Its: _____

15403 S. Wilton Place
Gardena CA 90249

Dan Medina

310-339-9919
danmedina1@aol.com

Business Development – Project Management
Government and Community Affairs

PROFILE

Government and Community Relations Officer with extensive public, municipal and private business experience managing initiatives, projects, and operations resulting in increased revenue, improved community relations and budget savings. Initiated strategic planning for numerous projects working with local, municipal leaders and residents. Accounting background with good understanding of market and social media strategies for new business development and retention. Effective bilingual Spanish/English communication skills to build and maintain critical relationships. Demonstrated ability to meet established goals and objectives. Future-oriented executive, focused on public sector growth and sustainability. Veteran.

CORE COMPETENCIES

Strategic Planning
Credible and Authentic

Business and Government Liaison
Creative Thinker and Contributor

Public Relations/Marketing
Reliable and Results-Driven

EXPERIENCE

Gardena City Councilman

City of Gardena CA

2008 to 04/2020

Projects

- Recycled Water Project, City of Gardena, 2013
- Brought in \$92 Million of revenue to the city thru "Measure R" as President of the South Bay COG
- \$22 Million to up-grade Rosecrans Avenue from Vermont to Crenshaw
- Initiated the "Military Recognition Program" for all Veterans in Gardena
- Started the "Drug Drop-off Program"
- Initiated Litigation against the State Water Quality Board (MS-4) in 2015 and won in 2019, resulting in a \$20 Billion savings for Los Angeles County
- Immediate Past President of the Greater Los Angeles Vector Control Foundation
- Metro Service Council Former Board Member
- Regional Council Representative for District 28, Southern California Association of Governments for Inglewood, Hawthorne and Gardena regarding transportation and airport access and egress

Public Relations Director

Normandie Casino, Gardena CA

01/2000 to 01/2008

- Represented Normandie Casino and Hustler Casino with local, regional, and State representatives, interacting and collaborating with respect to gaming issues
- Met with regional leaders: Congresswoman Maxine Waters and Jennie Oropeza to advocate gaming issues that could potentially affect the Normandie and Hustler Casinos.
- Met with State legislators: Rod Wright and Curren Price to promote relevant gaming issues.
- Attended and reported at City of Gardena City Council meetings to stay updated and relevant on issues and regulations that may affect Normandie Casino.
- Represented and advocated for employee's reduction of work permit fees with Gardena Police Department, ultimately winning the case for Casino Employees
- Attended and reported at Human Resource Meetings; Provided translation assistance to limited English speaking employees on health benefits and policies.
- Developed press releases for print media, tv and radio spots marketing Casino services.

EDUCATION

Bachelor's Degree Program in Accounting, University of Southern California-USC, Los Angeles CA
Theodore Roosevelt High School Graduate, Los Angeles CA

COMMUNITY SERVICE/VOLUNTEER WORK

Past President, Gardena/Carson Rotary Club, Gardena Valley Lion's Club,
Gardena Sports Advisory Board
Gardena Mexican American Democratic Club
South Bay Cities Council of Governments
Member, South Bay Environmental Services Center
Board of Managers and Publicity Director, YMCA
Board Member, SBWIB One-Stop Employment and Business Center, Gardena CA

EXHIBIT 9A

OF
INDEPENDENT SPECIAL DISTRICT ALTERNATE
TO THE
LOS ANGELES COUNTY LOCAL AGENCY FORMATION COMMISSION

To: Independent Special District Selection Committee

From: Richard Atwater

Date: July 22, 2020

Name of Candidate: _____

Foothill Municipal Water District is pleased to nominate
Melvin L Matthews as a candidate for appointment as special district alternate
representative to the Los Angeles Local Agency Formation Commission. The nominee is an elected
official or a member of the board of an independent special district appointed for a fixed term. For your
consideration, we submit the following additional information together with a resume of the candidate's
qualifications.

Elective office: Director, Division 2

Agency: Foothill Municipal Water District

Type of Agency: Special District

Term Expires: 12/2023

Residence Address: 2121 Glen Springs Rd, Pasadena, CA 91107

Telephone: 626-622-9137

PLEASE ATTACH RESUME OR CANDIDATE STATEMENT (limit one page)

Foothill Municipal Water District

(Name of Agency)

By: Richard Atwater
Richard Atwater
Its: President



Mr. Matthews is the General Manager of Kinneloa Irrigation District (KID), a water purveyor serving the Kinneloa Ranch area east of Altadena, CA and portions of Pasadena, California. Before becoming General Manager, he served as Treasurer and Chairman of the Board of Directors for KID. Mr. Matthews is also the founder and president of KDM Services, which provides property management and business consulting services. Mr. Matthews also serves on the Board of the Foothill Municipal Water District as Vice President and Chairman of the Finance Committee and is active in professional organizations dedicated to special district management and governance.

Previously, Mr. Matthews was in the cable television business for 32 years as founder and president of KTS Corporation and later with Charter Communications serving as the Director of Government and Community Relations after selling his cable systems to Charter in 1993. Mr. Matthews left Charter in 2002 to establish KDM Services.

Prior to his cable television career, he worked for Rockwell International and was a member of the engineering group that performed the certification testing of the Environmental Control System of the Apollo Command Module.

Mr. Matthews is a graduate of the University of California, Berkeley and holds a BS in Chemical Engineering. He also holds an MBA in Operations Management from the Anderson Graduate School of Business at UCLA. He is a native of Pasadena, California and still lives there with his wife, Donna. They have five children and 12 grandchildren.

NOMINATION
OF
INDEPENDENT SPECIAL DISTRICT ALTERNATE
TO THE
LOS ANGELES COUNTY LOCAL AGENCY FORMATION COMMISSION

To: Independent Special District Selection Committee
From: President Kerry D. Erickson and Member of the the Board of Directors
Date: June 4, 2020
Name of Candidate: Sharon S. Raghavachary

The Board of Directors of the Crescenta Valley Water District is pleased to nominate
Sharon S. Raghavachary as a candidate for appointment as special district alternate
representative to the Los Angeles Local Agency Formation Commission. The nominee is an elected
official or a member of the board of an independent special district appointed for a fixed term. For your
consideration, we submit the following additional information together with a resume of the candidate's
qualifications.

Elective office: Director of Board of Directors of

Agency: Crescenta Valley Water District

Type of Agency: Water and Sewer District

Term Expires: December 2020

Residence Address: 2209 Maurice Avenue

La Crescenta, CA 91214

Telephone: 818 541-9071

PLEASE ATTACH RESUME OR CANDIDATE STATEMENT (limit one page)

Crescenta Valley Water District

(Name of Agency)

By: 

Its: Chairman of the Board of Directors



Crescenta Valley Water District

2700 Foothill Boulevard, La Crescenta, California 91214
Phone (818) 248-3925 Fax (818) 248-1659

Directors

Judy L. Tejeda
James D. Bodnar
Kerry D. Erickson
Kenneth R. Putnam
Sharon Raghavachary

Officers

Nemesiano Ochoa, P.E.
General Manager
James Lee
Director of Finance & Administration

Director Raghavachary has been active in the La Crescenta Community for 20 years and has a background in accounting and computer systems.

Ms. Raghavachary is a founder of the Crescenta Valley Community Association. She served for seven years on the Crescenta Valley Town Council, during which time she was co-chair of the Foothill Design Committee that wrote design standards for Foothill Boulevard and was a member of Supervisor Antonovich's Library Committee. She also served as Council Vice President and Land Use Committee Chair.

Additionally, Director Raghavachary served three years on the Parent Advisory Council for Children's Hospital Los Angeles, providing input for the new hospital tower. She has been a volunteer for the Los Angeles County Sheriff's Department and Treasurer of the Crescenta Valley Arts Council, as well as a Girl Scout troop leader for ten years. For over five years she wrote a featured column for the Glendale New Press and the Crescenta Valley Weekly. She is currently serving her second year on the Clark Magnet High School's School Site Council.

Ms. Raghavachary has teenage twins, a boy and a girl, who attend Clark Magnet and Crescenta Valley High Schools.