

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

Board of Trustees Meeting

March 14, 2008

7:00 AM

Minutes

Trustees Attending

- 1 Stephen Sham (Alhambra)
- 2 Roger Chandler (Arcadia)
- 3 Joseph Rocha (Azusa)
- 4 Rick Barakat (Bradbury)
- 5 Henry Morgan (Covina)
- 6 Margaret Finlay (Duarte)
- 7 Jeff Parriott (Industry)
- 8 Mark A. Breceda (Irwindale)
- 9 Charles Myers (Glendora)
- 10 Dan Holloway (La Puente)
- 11 Robert Neher (La Verne)
- 12 Dan Kirby (Monrovia)
- 13 Elliott Rothman (Pomona)
- 14 Robert Bruesch (Rosemead)
- 15 Albert Huang (San Gabriel)
- 16 Janice Nelson (Sierra Madre)
- 17 Tom Sykes (Walnut)
- 18 Roger Hernandez (West Covina)
- 19 Frank Hall (County of Los Angeles)

Trustees Absent

- 1 Linda Elderkin (Claremont)
- 2 Ernest Gutierrez (El Monte)
- 3 Dave Barron (Monterey Park)
- 4 Jeffrey Templeman (San Dimas)
- 5 Fernando L. Vizcarra (Temple City)

Staff Attending

- 1 Steve West
- 2 Kenn Fujioka
- 3 Rose Alba
- 4 Kelly Middleton
- 5 Esther Elliott
- 6 Ramona Deacon
- 7 Carol Anne Hagele

Staff Absent

Melvin Cook

1. Call to Order

The meeting was called to order at 7:01 AM by President Roger Chandler. A quorum of Trustees was present. Chuck Myers new Trustee for the City of Glendora and Dan Holloway, new Trustee for the City of La Puente were introduced and welcomed.

2. Pledge of Allegiance and Silent Roll Call

The Pledge of Allegiance was lead by Trustee Sykes from the City of Walnut.

3. Opportunity for Public Comment on Non-Agenda Items

None

4. Consent Calendar

- A. List of Claims for February, 2008
- B. Budget Status Report for February, 2008

- C. Minutes of Board of Trustees Meeting February, 2008
- D. Surveillance and Vector Report
Correction noted in report 4D, Roman number 2, *There are "no" mosquito pools positive in California so far in 2008.*
- E. Abatement Report
- F. Education Program
A motion by Trustee Bruesch to approve the Consent Calendar was seconded and unanimously approved.

5. Monthly Treasurer Report / District Working Balance

A motion by Trustee Sykes to approve the Monthly Treasurer Report and the District Working Balance report was seconded and unanimously approved.

6. Consider the Finance Committee's Recommendation to Approve the FY 2007 Independent Audit by Michael Harrison, CPA, Mayer Hoffman McCann P.C.

Steve West reported that the Finance Committee met with the Auditor after last month's Board meeting, but the Committee lost its quorum prior to a final vote on the Audit.

The Auditor reported the District's finances and financial management were compliant; however, two "procedural" discrepancies were discussed at the Committee meeting: 1) A new series of guidelines promulgated by a national accounting systems organization stipulates that all organizations must be able to prepare financial statements that comply with generally accepted auditing principals (GAAP) and generally accepted auditing standards (GAAS); and, 2) adjustments at year end necessitated by our cash system also do not meet this new standard. District staff was informed of two options related to Item 1: first, in the next several months, train District staff to compile the financial statements outlined by GAAP guidelines; or, second, hire another auditor who would "visit" on a regular basis and prepare these financial statements for us.

In relation to Item 2, the Auditor expressed concern that in continuing to operate on a cash basis, we would not resolve this issue. In general response, Trustee Sham indicated that the size of our budget does not justify conversion to a modified accrual system. Notwithstanding these comments, District staff expressed confidence that we can address this point by providing additional assistance to the Auditor's field team.

In summary on the main issue, the District Manager re-emphasized the District may hire an outside auditor, prepare our own financial statements, or do neither with the result to be noted on all subsequent audits.

District staff indicated it will determine within the next several months if we can prepare the financial statements the Auditor recommended. We will provide our recommendation to the Board at that time. The District Manager concluded that the Treasurer had asked him to survey other Districts to determine their reaction to these issues. In response, he solicited about 20 districts of which 8 responded. The larger districts Greater Los Angeles, Coachella Valley, and Sac/Yolo, which have much

larger budgets and financial staff on board, can accede to these matters in-house. The smaller surveyed districts are considering the same three options and have generally concluded as we have to review them within the next year.

Trustee Bruesch asked if there's a possibility we could form a JPA among other Districts and have an auditor assist multiple Districts. He also asked if that might reduce costs. The District Manager replied that it may likely do so but the issue would be the creation of a Joint Powers Authority which is an elaborate process and incurs costly legal expenses.

Trustee Bruesch asked when these issues had arisen. The District Manager responded that they have in FY 2007 and would continue lacking a District response. The District Manager repeated that the Board has the option to do nothing.

Trustee Bruesch asked what would be the downside of that action. The District Manager replied that he does view that as a material problem.

Motion by Trustee Finlay to approve the FY 2007 Independent Audit by Michael Harrison, CPA, Mayer Hoffman McCann P.C. was seconded and unanimously approved.

7. Consider Resolution 93-06, SGVMVCD Articles and By-Laws Governing District Meetings and Minutes of Board of Trustees Meetings on May 8, 1998 and September 10, 1998 and Resolution 2002-05, A Resolution of the SGVMVCD Board Approving Legislative Policy and Resolution 2008-02 amending Resolution 2002-05 reducing the Legislative Committee membership to 6 Trustees

District Manager Steve West provided the staff report relating to the various documents and his request to re-organize the Trustee Committee System. Among several issues presented, principal among them to place a limit of no more than six members on any one Committee, the Board discussed the District's Managers report and several adjustments were made to move individuals on and off certain Committees.

A motion by Trustee Holloway to approve a change to Resolution 93-06, Articles and By-laws, Governing Meetings, and the May 8, 1998 meeting minutes to limit committee members to a maximum of six members was seconded and unanimously approved.

A motion by Trustee Hernandez to approve Resolution 2008-02 amending Resolution 2005-02 reducing the number of members on the Legislature Committee from eight members to six members and approving the Board President as chairman of the Policy Committee was seconded and unanimously approved.

8. Consider Resolution No. 2008-03 Declaring April 21 – 25, 2008 as West Nile Virus and Mosquito and Vector Control Awareness Week

A motion by Trustee Sykes to approve Resolution 2008-03 declaring April 21 – 25, 2008 as West Nile Virus and Mosquito and Vector Control Awareness Week was seconded and unanimously approved.

Kelly Middleton, Public Information Officer advised Trustee Nelson that letters to City Managers would go out today.

9. Consider a vote for the Office of Special District Representative for the Local Agency Formation Commission for Los Angeles County (LAFCO) Board of Directors

After presentations by candidates Donald Dear and Robert Apodaca, a hand vote of 17 Trustee votes for Donald Dear and 2 votes for Robert Apodaca with 5 Trustees absent was recorded as the Board's vote for appointment as special district representative for the Los Angeles Local Agency Formation Commission.

A motion by Trustee Rothman to send in the Board's vote for Donald Dear as special district representative for the Los Angeles Local Agency Formation Commission was seconded and unanimously approved.

10. District Administration

A. VCJPA 20th Annual Workshop, Aptos, CA

District Manager Steve West reported that at the VCJPA annual workshop Bickmore Risk Management Services discussed insurance terminology and rates, and announced insurance rates would be reduced. The District will receive reimbursements for our and other District's effective risk management.

B. AMCA Annual Meeting in Reno, NV

Assistant Manager Kenn Fujioka reported he is currently on the American Mosquito Control Association's Pesticide Environmental Stewardship Program Committee. This Committee works with the Environmental Protection Agency (EPA) to inform the public how and why we use pesticides. Public health pesticides represent a very small amount of the total pesticides used in the United States. Fewer are available for our purposes because of resistance and other factors; it costs \$80 to \$100 million to develop a pesticide. Working on behalf of the MVCAC, Kenn provides data to the EPA. He informed the Board that vector control districts in California do a good job of using the least invasive pesticides possible. Bacterial agents and the synthetic hormones are our primary choice where other agencies in the rest of the United States are more prone to use adulticides and/or chemical pesticides which are perceived by the public as bad for the environment.

10. Honey Bee, Avian Flu and West Nile Virus Update

Assistant Manager Kenn Fujioka announced that the World Health Organization considers avian flu at phase three in their epidemic hierarchy which means no or limited human transmissions.

Influenza in the United States has exceeded the Centers for Disease Control's epidemic threshold for the last eight weeks. Since influenza is a significant cause of mortality, he will continue to report until the end of the season.

Kenn also reported that WNV showed up in California and in L.A. County for the first time in 2008. Temperature data shows it is cooler this year than in 2007. The cooler it is the better it is for us.

11. Trustee Reports

Trustee Finlay donated a book entitled *Jo-Jo the Mosquito* to the District's Education Program.

Trustee Rothman requested the meeting be adjourned in honor of Nancy McCracken from the Pomona Unified School District who recently passed away.

12. New Business

At the request of Trustee Hall, District Manager Steve West reported that neither Baldwin Park or South Pasadena have contracted for vector control services.

13. Adjournment

Trustee Rothman moved to adjourn the meeting in memory Nancy McCracken, member and past president of the Pomona Unified School District Board, having served the school district for 26 years. The motion was seconded and unanimously approved. The meeting was adjourned at 7:47 am.