

Marin/Sonoma  
Mosquito & Vector Control District  
595 Helman Lane  
Cotati, California 94931  
1-800-231-3236 (toll free) 707-285-2210 (fax)

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**BOARD OF TRUSTEES  
SPECIAL & REGULAR BOARD MEETING**

DATE: December 9, 2020  
TIME: 6:00 p.m. (Special Board Meeting will continue into Regular Board Meeting at 7:00 p.m.)

LOCATION: **Teleconference – See Below**

Please note that due to the Shelter in Place Orders issued by Sonoma and Marin Counties Health Officers, and the State of California, options for observing the Board Meeting and for submitting communication regarding the meetings have changed. The Board of Trustees will meet remotely via teleconferencing, as authorized by the Governor’s Executive Order N-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

**The Board Meeting Teleconference:**

Click the link on the District’s website, <https://www.msosquito.org/board-meetings>, to watch live-streamed meetings. The unique link for each meeting is found on the first page of the applicable agenda (see Zoom Meeting Link below for this meeting).

**Public Communication:**

The public is welcome to address the Board of Trustees on items listed on the Consent Calendar or on other items not listed on the agenda but within the Board’s jurisdiction during the general Public Comment period. There will also be an opportunity for the public to comment on other agenda items at the time they are discussed. Please raise your hand using the electronic “raise hand” button or provide typed comments via the Q & A button. Both features are available at the bottom of the Zoom screen.

The public may submit comments by:

- 1) Emailing comments to [dawnw@msosquito.org](mailto:dawnw@msosquito.org) or
- 2) Delivering written comments via mail to the District; or
- 3) Participating in the teleconference by calling (669) 900-9128 or joining the videoconference at the link provided below:

**[Zoom Meeting Link](#)**

The Webinar ID is 858 6451 7461

Materials related to an item on this agenda submitted to the Board after distribution of the agenda packet are available for public inspection by contacting the Board Clerk at [dawnw@msosquito.org](mailto:dawnw@msosquito.org) or calling the District’s offices at (707) 285-2200. If, due to a disability, a reasonable accommodation is needed to participate in this meeting, please contact the ADA Coordinator 24 hours in advance of the meeting at (707) 285-2204.

**Agendas and supporting documents are also available for review** on the District’s official noticing bulletin board (595 Helman Lane, Cotati, CA 94931) and at the District’s website at: <https://www.msamosquito.org/board-meetings>

*In accordance with the Americans with Disabilities Act, if you require special assistance to participate in this meeting, please contact the Marin/Sonoma Mosquito & Vector Control District (MSMVCD) at 1-800-231-3236.*

*Translators, American Sign Language interpreters, and/or assistive listening devices for individuals with hearing disabilities will be available upon request. A minimum of 48 hours is needed to ensure the availability of translation service.*

*MSMVCD hereby certifies that this agenda has been posted in accordance with the requirements of the Government Code.*

*Items marked \* are enclosed attachments.*

*Items marked # will be handed out at the meeting.*

**1. CALL TO ORDER**

**2. PLEDGE OF ALLEGIANCE**

**3. ROLL CALL (13 members must be present for a quorum)**

Bruce Ackerman, Fairfax  
Cathy Benediktsson, Tiburon  
Gail Bloom, Larkspur  
Tamara Davis, Sonoma Co. at Large  
Art Deicke, Santa Rosa  
Julia Ettlín, Windsor  
Laurie Gallian, Sonoma  
Pamela Harlem, San Rafael (*First V.P.*)  
Susan Hootkins, Petaluma  
Ranjiv Khush, San Anselmo

Shaun McCaffery, Healdsburg  
Matthew Naythons, Sausalito  
Monique Predovich, Ross  
Diana Rich, Sebastopol  
Herb Rowland, Jr., Novato  
Ed Schulze, Marin Co. at Large  
Richard Snyder, Belvedere (*Secretary*)  
Michael Thompson, Rohnert Park (*Second V.P.*)  
David Witt, Mill Valley  
Carol Pigoni, Cloverdale (*President*)

**Open Seats:**

Corte Madera, Cotati, one Marin County at Large and one Sonoma County at Large

**4. APPOINTMENT OF NEW TRUSTEE**

Please welcome Diana Rich, the new Trustee recently appointed by the City of Sebastopol.

**5. PUBLIC TIME**

*Public Time is time provided by the board so the public may make comment on any item **not on the agenda**.*

*The public will be given an opportunity to speak on each agenda item at the time the item is presented. Once the public comment portion of any item on this agenda has been closed by the Board, no further comment from the public will be permitted unless authorized by the Board President and if so authorized, said additional public comment shall be limited to the provision of information not previously provided to the Board or as otherwise limited by order of the Board.*

*We respectfully request that you state your name and address and provide the Board President with a Speaker Card so that you can be properly included in the consideration of the item.*

*Please limit your comments to three (3) minutes per person or twenty (20) minutes per subject in total so that all who wish to speak can be heard.*

**6. CONSENT CALENDAR**

**A. APPROVAL OF AGENDA**

**B.\* MINUTES** – Minutes for Board Meeting held on October 14, 2020.

**C.\* FINANCIAL**

Warrants – October 2020

October Payroll: \$ 196,169.85

October Expenditures: \$ 893,807.51

Total: \$1,089,977.36

**D.\* FINANCIAL**

Warrants – November 2020

November Payroll: \$191,251.31

November Expenditures: \$299,085.39

Total: \$490,336.70

**ACTION NEEDED**

INFORMATION ENCLOSED

**E. ENDING ACCOUNT BALANCES:**

Operating Fund: \$7,852,765.90

**7. NEW BUSINESS**

**A.\* Presentation of Fiscal Year (FY) 2019-20 Financial Audit by David Alvey, Partner at Maze & Associates.**

Report and recommendation from Audit Committee.

**ACTION NEEDED**

**RECOMMENDED ACTION** by Audit Committee & staff: Receive the presentation by Mr. Alvey and consider a motion to accept the FY 2019-20 Audit.

INFORMATION ENCLOSED

- B.\* Potential Reduction in the Number of Trustees representing the Unincorporated Territories of Marin and Sonoma Counties.**  
Please see attached staff report.

ACTION NEEDED

The Executive Committee and staff recommend that the Board:

1. Discuss this report and decide what actions to take, if any.
2. Consider a motion providing direction to staff.

INFORMATION ENCLOSED

- C.\* Disposal of Surplus Property: Policy 4030**  
Please see attached staff report.

ACTION NEEDED

Recommendation by Policy Committee & staff:

1. Review & discuss the attached draft Disposal of Surplus Property Policy and Resolution 2020/21-04.
2. Consider a motion to adopt the proposed Resolution 2020/21-04, which approves the proposed Surplus Property Policy and adds it to the Board Policy Manual as Section 4030.

INFORMATION ENCLOSED (*Exhibit A*)

- D.\* Investment of District Funds: Policy 4050**  
Please see attached staff report.

ACTION NEEDED

Recommendation by Policy Committee & staff:

1. Review & discuss the attached draft Investment of District Funds Policy and Resolution 2020/21-05.
2. Consider a motion to adopt the proposed Resolution 2020/21-05, which approves the proposed Investment Policy and adds it to the Board Policy Manual as Section 4050.

INFORMATION ENCLOSED (*Exhibit A and B*)

- E.\* Proposed Side Letter of Agreement between Marin/Sonoma Mosquito Vector Control District (MSMVCD) and the Western Council of Engineers (WCE) Regarding: Enrollment in Medicare for Eligible Employees**  
Please see attached staff report.

ACTION NEEDED

RECOMMENDED ACTION: Consider a motion to accept the Side Letter between MSMVCD and WCE re Enrollment in Medicare for Eligible Employees and authorize the Board President to sign it.

INFORMATION ENCLOSED

**8. COMMITTEE & STAFF REPORTS**

**A. Executive Committee**

Report by President Carol Pigoni.

**B. Nomination Committee**

Report by Ed Schulze, Chair

Nominations for Board Officer positions for 2021.

**9.\* MANAGER'S REPORTS**

INFORMATION ENCLOSED

**10.\* WRITTEN COMMUNICATIONS**

Letter from outgoing President Carol Pigoni.

CORRESPONDENCE RECEIVED BY THE DISTRICT FROM RESIDENTS OR ANY OTHER PARTY  
SHALL BE READ ALOUD OR HANDED OUT TO THE BOARD

**11. OPEN TIME FOR BOARD OR STAFF COMMENTS**

**12. ADJOURNMENT**

# Marin/Sonoma Mosquito & Vector Control District

Board of Trustees  
595 Helman Lane  
Cotati, CA 94931

## Meeting Held via Videoconference

October 14, 2020

### SPECIAL & REGULAR BOARD MEETING MINUTES

1. **CALL TO ORDER**

President Pigoni called the meeting to order at 6:04 pm.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL**

**Members present:**

Ackerman, Bruce  
Benediktsson, Cathy  
Bloom, Gail  
Davis, Tamara  
Deicke, Art  
Ettlin, Julia  
Gallian, Laurie  
Harlem, Pamela  
Hootkins, Susan

Khush, Ranjiv *Arrived at 6:19*  
McCaffery, Shaun *Arrived at 6:14*  
Naythons, Matthew *Arrived at 7:04*  
Schulze, Ed  
Snyder, Richard  
Thompson, Michael  
Witt, David  
Pigoni, Carol

**Members absent:**

Glass, Una  
Predovich, Monique  
Rowland Jr., Herb

**Open seats:** Corte Madera, Cotati, one Marin County at Large and one Sonoma County at Large

**Others present:**

Philip Smith, District Manager  
Erik Hawk, Assistant Manager  
Jennifer Crayne, Finance Manager  
Dawn Williams, Confidential Administrative Assistant  
Janet Coleson, General Counsel

A quorum was present, and due notice had been published.

**4. PUBLIC TIME**

Dr. Paul Porter, resident of Sebastopol voiced his appreciation about staff, noting their professionalism, kind demeanor and diligent work.

**5. CONSENT CALENDAR**

**A. CHANGES TO AGENDA/APPROVAL OF AGENDA**

**B. MINUTES** – Minutes for Board Meeting held on August 12, 2020.

**C. FINANCIAL**

Warrants – August 2020

August Payroll: \$ 193,032.90

August Expenditures: \$1,417,891.01

Total: \$1,610,923.91

**D. FINANCIAL**

Warrants – September 2020

September Payroll: \$197,003.80

September Expenditures: \$444,678.83

Total: \$641,682.63

**E. 1<sup>ST</sup> QUARTER FINANCIAL STATEMENT**

**F. ENDING ACCOUNT BALANCES:**

Operating Fund: \$9,496,595.57

*It was M/S Trustee Davis/Trustee Snyder to accept the Consent Calendar:*

*Motion passed with a roll call vote:*

***Ayes:** Trustee Ackerman, Trustee Bloom, Trustee Davis, Trustee Deicke, Trustee Ettlil, Trustee Gallian, Trustee Harlem, Trustee Hootkins, Trustee McCaffery, Trustee Schulze, Trustee Snyder, Trustee Thompson, Trustee Witt and Trustee Pigoni*

***No:** (none)*

***Abstain:** (none)*

***Absent:** Trustee Glass, Trustee Khush, Trustee Naythons, Trustee Predovich and Trustee Rowland*

**6. NEW BUSINESS**

**A. Report by Public Information Officer (PIO) Nizza Sequeira**

Ms. Sequeira, PIO gave a presentation focusing on the updates made to the public outreach program during the COVID-19 pandemic. Additionally, she presented the new Trustee Portal on the District's website, advised of the upcoming new graphics to be applied to District vehicles, and showcased the revised printed & web materials pertaining to invasive *Aedes* mosquitoes.

**B. Report on Implementation of Recommendations regarding the District's Financial Office Continuity of Operations Plan, including plans for a replacement Financial Management System, and Request for Direction to staff.**

*It was M/S Trustee Benediktsson/Trustee Snyder to direct staff to investigate at least five alternative financial management information systems and report back to the Board with costs, analysis and recommendations for further action.*

*Motion passed with a roll call vote:*

*Ayes: Trustee Ackerman, Trustee Bloom, Trustee Davis, Trustee Deicke, Trustee Ettlin, Trustee Gallian, Trustee Harlem, Trustee Hootkins, Trustee Khush, Trustee McCaffery, Trustee Schulze, Trustee Snyder, Trustee Thompson, Trustee Witt and Trustee Pigoni*

*No: (none)*

*Abstain: Trustee Naythons*

*Absent: Trustee Glass, Trustee Predovich and Trustee Rowland*

**C. Mechanic/Facilities Manager Position**

Following the Board's direction at the August 12, 2020 meeting, Manager Smith provided the final salary scale for the Mechanic/Facilities Manager position, along with a report on the job description and recruitment efforts.

**D. Proposed Revision to GASB 54 Fund Classification & Target Fund Balance Policy**

*It was M/S Trustee Gallian/Trustee Schulze to adopt Resolution 2020/21-01, which approved revising the existing Policy 5060 of the Board Policy Manual.*

*Motion passed with a roll call vote:*

*Ayes: Trustee Ackerman, Trustee Bloom, Trustee Davis, Trustee Deicke, Trustee Ettlin, Trustee Gallian, Trustee Harlem, Trustee Hootkins, Trustee Khush, Trustee McCaffery, Trustee Naythons, Trustee Schulze, Trustee Snyder, Trustee Thompson, Trustee Witt and Trustee Pigoni*

*No: (none)*

*Abstain: (none)*

*Absent: Trustee Glass, Trustee Predovich and Trustee Rowland*

**E. Electronic Signature Use: Policy 5070**

*It was M/S Trustee Davis/Trustee Snyder to adopt Resolution 2020/21-02, which approved the Electronic Signature Use Policy, and directed staff to add it to the Board Policy Manual as Section 5070.*

*Motion passed with a roll call vote:*

*Ayes: Trustee Ackerman, Trustee Bloom, Trustee Davis, Trustee Deicke, Trustee Ettlin, Trustee Gallian, Trustee Harlem, Trustee Hootkins, Trustee Khush, Trustee McCaffery, Trustee Naythons, Trustee Schulze, Trustee Snyder, Trustee Thompson, Trustee Witt and Trustee Pigoni*

*No: (none)*

*Abstain: (none)*



*Absent: Trustee Glass, Trustee Predovich and Trustee Rowland*

**F. Minutes of Board Meetings: Policy 5080**

*It was M/S Trustee Schulze/Trustee Deicke to adopt Resolution 2020/21-03, which adopted the Board Meeting Minutes Policy, and directed staff to incorporate it in the Board Policy Manual as Section 5080.*

*Motion passed with a roll call vote:*

*Ayes: Trustee Ackerman, Trustee Bloom, Trustee Davis, Trustee Deicke, Trustee Ettlin, Trustee Gallian, Trustee Harlem, Trustee Hootkins, Trustee Khush, Trustee McCaffery, Trustee Naythons, Trustee Schulze, Trustee Snyder, Trustee Thompson, Trustee Witt and Trustee Pigoni*

*No: (none)*

*Abstain: (none)*

*Absent: Trustee Glass, Trustee Predovich and Trustee Rowland*

**7. COMMITTEE & STAFF REPORTS**

**A. Executive Committee**

President Pigoni noted that the committee met on September 18, 2020 to review all the items set forth on the agenda this evening.

**8. MANAGER'S REPORT**

*Manager Smith and Assistant Manager Hawk offered to answer any questions pertaining to their written reports. Mr. Hawk remarked that the second phase of the Sonoma Creek Enhancement Project finished on time and within budget, meaning that the contingency funds offered by the District were not needed. (Manager's and Assistant Manager's reports were included in the October Board packet)*

**9. WRITTEN COMMUNICATIONS**

No written communications.

**10. OPEN TIME FOR BOARD OR STAFF COMMENTS**

**11. ADJOURNMENT**

There being no further business to come before the Board, it was M/S President Pigoni/Trustee Schulze to adjourn the meeting at 7:37 pm.

\_\_\_\_\_  
*District Representative*  
MSMVCD

\_\_\_\_\_  
*Date of Approval*

\_\_\_\_\_  
*Trustee*  
MSMVCD Board of Trustees

\_\_\_\_\_  
*Date of Approval*

Marin/Sonoma Mosquito & Vector Control District  
Fulltime Payroll  
10/15/2020

| Check/Voucher | Check Type | Check Date | Employee Id | Employee Name         | Net Amount | Dir Dep  |
|---------------|------------|------------|-------------|-----------------------|------------|----------|
| 1104          | Regular    | 10/15/2020 | 114         | Crayne, Jennifer M    | 3,131.91   | 3,131.91 |
| 1105          | Regular    | 10/15/2020 | 83          | Delsid, Paula A       | 1,537.99   | 1,537.99 |
| 1106          | Regular    | 10/15/2020 | 87          | Smith, Philip D       | 5,815.52   | 5,815.52 |
| 1107          | Regular    | 10/15/2020 | 81          | Williams, Dawn A      | 2,086.16   | 2,086.16 |
| 1108          | Regular    | 10/15/2020 | 60          | Brooks, Sarah M       | 3,151.40   | 3,151.40 |
| 1109          | Regular    | 10/15/2020 | 64          | Holt, Kristen A       | 3,059.20   | 3,059.20 |
| 1110          | Regular    | 10/15/2020 | 118         | Liebman, Kelly A      | 3,367.21   | 3,367.21 |
| 1111          | Regular    | 10/15/2020 | 62          | Beardsley, Kevin G    | 2,026.22   | 2,026.22 |
| 1112          | Regular    | 10/15/2020 | 86          | Beck, David G         | 2,850.23   | 2,850.23 |
| 1113          | Regular    | 10/15/2020 | 26          | Cole, Michael S       | 3,079.03   | 3,079.03 |
| 1114          | Regular    | 10/15/2020 | 76          | Engh, Eric S          | 3,080.29   | 3,080.29 |
| 1115          | Regular    | 10/15/2020 | 55          | Hawk, Erik T          | 4,286.11   | 4,286.11 |
| 1116          | Regular    | 10/15/2020 | 93          | Karinen, Kasey L      | 2,423.36   | 2,423.36 |
| 1117          | Regular    | 10/15/2020 | 48          | Leslie, Daniel W      | 3,080.99   | 3,080.99 |
| 1118          | Regular    | 10/15/2020 | 74          | Miller, Steven L      | 2,744.48   | 2,744.48 |
| 1119          | Regular    | 10/15/2020 | 63          | Mohrman Jr, John C    | 2,778.97   | 2,778.97 |
| 1120          | Regular    | 10/15/2020 | 52          | Morton, Robert D      | 2,669.42   | 2,669.42 |
| 1121          | Regular    | 10/15/2020 | 61          | Nadale, Marc A        | 2,860.08   | 2,860.08 |
| 1122          | Regular    | 10/15/2020 | 96          | Newman, Jared K       | 2,291.95   | 2,291.95 |
| 1123          | Regular    | 10/15/2020 | 34          | Ohlinger, Bruce R     | 2,621.76   | 2,621.76 |
| 1124          | Regular    | 10/15/2020 | 58          | Petersen, Jeffery R   | 2,821.65   | 2,821.65 |
| 1125          | Regular    | 10/15/2020 | 67          | Picinich, Nick A      | 2,301.03   | 2,301.03 |
| 1126          | Regular    | 10/15/2020 | 40          | Reed, Nathen C        | 3,196.03   | 3,196.03 |
| 1127          | Regular    | 10/15/2020 | 53          | Russo Jr, Anthony J   | 2,880.24   | 2,880.24 |
| 1128          | Regular    | 10/15/2020 | 45          | Sequeira, Jason A     | 3,162.96   | 3,162.96 |
| 1129          | Regular    | 10/15/2020 | 106         | Smith, James L        | 2,576.97   | 2,576.97 |
| 1130          | Regular    | 10/15/2020 | 68          | Tescalco, Joseph A    | 2,094.68   | 2,094.68 |
| 1131          | Regular    | 10/15/2020 | 56          | Thomas-Nett, Teresa A | 2,472.45   | 2,472.45 |
| 1132          | Regular    | 10/15/2020 | 120         | Tyner, Keith W        | 2,679.99   | 2,679.99 |
| 1133          | Regular    | 10/15/2020 | 54          | Wells, Michael L      | 2,699.13   | 2,699.13 |
| 1134          | Regular    | 10/15/2020 | 104         | McGovern, Robert A    | 3,102.18   | 3,102.18 |
| 1135          | Regular    | 10/15/2020 | 37          | Sequeira, Nizza N     | 3,122.66   | 3,122.66 |

|                           |          |  |           |           |
|---------------------------|----------|--|-----------|-----------|
| Totals for Payroll Checks | 32 Items |  | 92,052.25 | 92,052.25 |
| Summary                   |          |  |           |           |

|  | Check Type | Count | Net Amount | Dir Dep   |
|--|------------|-------|------------|-----------|
|  | Regular    | 32    | 92,052.25  | 92,052.25 |
|  | Totals     | 32    | 92,052.25  | 92,052.25 |

| Report Totals | Check Type | Count | Net Amount | Dir Dep   |
|---------------|------------|-------|------------|-----------|
|               | Regular    | 32    | 92,052.25  | 92,052.25 |
|               | Totals     | 32    | 92,052.25  | 92,052.25 |

Marin/Sonoma Mosquito & Vector Control District  
 Seasonal Payroll  
 10/15/2020

| Check/Voucher             | Check Type | Check Date | Employee Id | Employee Name      | Net Amount | Dir Dep  |
|---------------------------|------------|------------|-------------|--------------------|------------|----------|
| 1096                      | Regular    | 10/15/2020 | 123         | Tomanek, Bonnie S  | 1,181.01   | 1,181.01 |
| 1097                      | Regular    | 10/15/2020 | 124         | Dreyer, Rebecca    | 1,255.32   | 1,255.32 |
| 1098                      | Regular    | 10/15/2020 | 115         | Ball, Bradley A    | 1,358.30   | 1,358.30 |
| 1099                      | Regular    | 10/15/2020 | 125         | O'Donnell, Ty      | 1,039.01   | 1,039.01 |
| 1100                      | Regular    | 10/15/2020 | 119         | Richtik, Raymond M | 1,361.96   | 1,361.96 |
| Totals for Payroll Checks |            | 5 Items    |             |                    | 6,195.60   | 6,195.60 |

Summary

| Check Type | Count | Net Amount | Dir Dep  |
|------------|-------|------------|----------|
| Regular    | 5     | 6,195.60   | 6,195.60 |
| Totals     | 5     | 6,195.60   | 6,195.60 |

Report Totals

| Check Type | Count | Net Amount | Dir Dep  |
|------------|-------|------------|----------|
| Regular    | 5     | 6,195.60   | 6,195.60 |
| Totals     | 5     | 6,195.60   | 6,195.60 |

Marin/Sonoma Mosquito & Vector Control District  
 Full Time Payroll  
 Pay Date: 10/30/20

| Check/Voucher | Check Type | Check Date | Employee Id | Employee Name         | Net Amount | Dir Dep  |
|---------------|------------|------------|-------------|-----------------------|------------|----------|
| 1148          | Regular    | 10/30/2020 | 114         | Crayne, Jennifer M    | 3,131.91   | 3,131.91 |
| 1149          | Regular    | 10/30/2020 | 83          | Delsid, Paula A       | 1,512.85   | 1,512.85 |
| 1150          | Regular    | 10/30/2020 | 87          | Smith, Philip D       | 5,815.52   | 5,815.52 |
| 1151          | Regular    | 10/30/2020 | 81          | Williams, Dawn A      | 2,086.16   | 2,086.16 |
| 1152          | Regular    | 10/30/2020 | 60          | Brooks, Sarah M       | 3,151.40   | 3,151.40 |
| 1153          | Regular    | 10/30/2020 | 64          | Holt, Kristen A       | 3,059.20   | 3,059.20 |
| 1154          | Regular    | 10/30/2020 | 118         | Liebman, Kelly A      | 3,367.21   | 3,367.21 |
| 1155          | Regular    | 10/30/2020 | 62          | Beardsley, Kevin G    | 2,026.22   | 2,026.22 |
| 1156          | Regular    | 10/30/2020 | 86          | Beck, David G         | 2,850.23   | 2,850.23 |
| 1157          | Regular    | 10/30/2020 | 26          | Cole, Michael S       | 3,079.03   | 3,079.03 |
| 1158          | Regular    | 10/30/2020 | 76          | Engh, Eric S          | 3,080.29   | 3,080.29 |
| 1159          | Regular    | 10/30/2020 | 55          | Hawk, Erik T          | 4,344.62   | 4,344.62 |
| 1160          | Regular    | 10/30/2020 | 93          | Karinen, Kasey L      | 2,423.36   | 2,423.36 |
| 1161          | Regular    | 10/30/2020 | 48          | Leslie, Daniel W      | 3,080.99   | 3,080.99 |
| 1162          | Regular    | 10/30/2020 | 74          | Miller, Steven L      | 2,744.48   | 2,744.48 |
| 1163          | Regular    | 10/30/2020 | 63          | Mohrman Jr, John C    | 2,778.97   | 2,778.97 |
| 1164          | Regular    | 10/30/2020 | 52          | Morton, Robert D      | 2,669.42   | 2,669.42 |
| 1165          | Regular    | 10/30/2020 | 61          | Nadale, Marc A        | 2,860.08   | 2,860.08 |
| 1166          | Regular    | 10/30/2020 | 96          | Newman, Jared K       | 2,291.95   | 2,291.95 |
| 1167          | Regular    | 10/30/2020 | 34          | Ohlinger, Bruce R     | 2,621.76   | 2,621.76 |
| 1168          | Regular    | 10/30/2020 | 58          | Petersen, Jeffery R   | 2,821.65   | 2,821.65 |
| 1169          | Regular    | 10/30/2020 | 67          | Picinich, Nick A      | 2,301.03   | 2,301.03 |
| 1170          | Regular    | 10/30/2020 | 40          | Reed, Nathen C        | 3,196.03   | 3,196.03 |
| 1171          | Regular    | 10/30/2020 | 53          | Russo Jr, Anthony J   | 2,880.24   | 2,880.24 |
| 1172          | Regular    | 10/30/2020 | 45          | Sequeira, Jason A     | 3,162.96   | 3,162.96 |
| 1173          | Regular    | 10/30/2020 | 106         | Smith, James L        | 2,576.97   | 2,576.97 |
| 1174          | Regular    | 10/30/2020 | 68          | Tescalco, Joseph A    | 811.95     | 811.95   |
| 1175          | Regular    | 10/30/2020 | 56          | Thomas-Nett, Teresa A | 2,472.45   | 2,472.45 |
| 1176          | Regular    | 10/30/2020 | 120         | Tyner, Keith W        | 2,679.99   | 2,679.99 |
| 1177          | Regular    | 10/30/2020 | 54          | Wells, Michael L      | 2,699.13   | 2,699.13 |
| 1178          | Regular    | 10/30/2020 | 104         | McGovern, Robert A    | 3,102.18   | 3,102.18 |
| 1179          | Regular    | 10/30/2020 | 37          | Sequeira, Nizza N     | 3,122.66   | 3,122.66 |

**Totals for Payroll Checks      32 Items      90,802.89      90,802.89**

**Summary**

| Check Type    | Count     | Net Amount       | Dir Dep          |
|---------------|-----------|------------------|------------------|
| Regular       | 32        | 90,802.89        | 90,802.89        |
| <b>Totals</b> | <b>32</b> | <b>90,802.89</b> | <b>90,802.89</b> |

**Report Totals**

| Check Type    | Count     | Net Amount       | Dir Dep          |
|---------------|-----------|------------------|------------------|
| Regular       | 32        | 90,802.89        | 90,802.89        |
| <b>Totals</b> | <b>32</b> | <b>90,802.89</b> | <b>90,802.89</b> |

Marin/Sonoma Mosquito & Vector Control District  
 Seasonal Payroll  
 Pay date: 10/30/20

| Check/Voucher                    | Check Type | Check Date     | Employee Id | Employee Name      | Net Amount      | Dir Dep         |
|----------------------------------|------------|----------------|-------------|--------------------|-----------------|-----------------|
| 1139                             | Regular    | 10/30/2020     | 123         | Tomanek, Bonnie S  | 1,380.12        | 1,380.12        |
| 1140                             | Regular    | 10/30/2020     | 124         | Dreyer, Rebecca    | 1,483.27        | 1,483.27        |
| 1141                             | Regular    | 10/30/2020     | 115         | Ball, Bradley A    | 1,602.74        | 1,602.74        |
| 1142                             | Regular    | 10/30/2020     | 125         | O'Donnell, Ty      | 1,039.01        | 1,039.01        |
| 1143                             | Regular    | 10/30/2020     | 119         | Richtik, Raymond M | 1,613.97        | 1,613.97        |
| <b>Totals for Payroll Checks</b> |            | <b>5 Items</b> |             |                    | <b>7,119.11</b> | <b>7,119.11</b> |

**Summary**

| Check Type    | Count    | Net Amount      | Dir Dep         |
|---------------|----------|-----------------|-----------------|
| Regular       | 5        | 7,119.11        | 7,119.11        |
| <b>Totals</b> | <b>5</b> | <b>7,119.11</b> | <b>7,119.11</b> |



**Report Totals**

| Check Type    | Count    | Net Amount      | Dir Dep         |
|---------------|----------|-----------------|-----------------|
| Regular       | 5        | 7,119.11        | 7,119.11        |
| <b>Totals</b> | <b>5</b> | <b>7,119.11</b> | <b>7,119.11</b> |

| Account | Date       | Amount     | Check     | Description                         |
|---------|------------|------------|-----------|-------------------------------------|
| H 7487  | 10/07/2020 | 5,910.00   | 806454846 | ADAPCO, INC.                        |
| H 7487  | 10/07/2020 | 5,000.00   | 806454847 | ALDRICH NETWORK CONSULTING          |
| H 7487  | 10/07/2020 | 429.78     | 806454848 | ALDRICH NETWORK CONSULTING          |
| H 7487  | 10/07/2020 | 112.14     | 806454849 | AT & T                              |
| H 7487  | 10/07/2020 | 129.98     | 806454850 | KEVIN BEARDSLEY                     |
| H 7487  | 10/07/2020 | 3,756.83   | 806454851 | CA SURVEYING & DRAFTING SUPPLY INC. |
| H 7487  | 10/07/2020 | 539,750.00 | 806454852 | CALPERS                             |
| H 7487  | 10/07/2020 | 4,867.73   | 806454853 | CALPERS 457 PLAN                    |
| H 7487  | 10/07/2020 | 1,035.28   | 806454854 | CINTAS CORPORATION                  |
| H 7487  | 10/07/2020 | 11,214.99  | 806454855 | CLARKE MOSQUITO CONTROL PRODUCTS, I |
| H 7487  | 10/07/2020 | 2,081.82   | 806454856 | COMPLETE WELDERS SUPPLY, INC.       |
| H 7487  | 10/07/2020 | 3,491.34   | 806454857 | DELTA DENTAL OF CALIFORNIA          |
| H 7487  | 10/07/2020 | 5,511.66   | 806454858 | ES OPCO USA LLC                     |
| H 7487  | 10/07/2020 | 265.86     | 806454859 | THE HARTFORD                        |
| H 7487  | 10/07/2020 | 29.04      | 806454860 | HOME DEPOT CREDIT SERVICES          |
| H 7487  | 10/07/2020 | 437.86     | 806454861 | INTERSTATE BATTERY SYSTEM           |
| H 7487  | 10/07/2020 | 45.01      | 806454862 | LARSENGINES                         |
| H 7487  | 10/07/2020 | 50.00      | 806454863 | MARIN INDEPENDENT JOURNAL           |
| H 7487  | 10/07/2020 | 2,008.28   | 806454864 | MARIN INDEPENDENT JOURNAL           |
| H 7487  | 10/07/2020 | 1,026.64   | 806454865 | MITEL                               |
| H 7487  | 10/07/2020 | 2,424.74   | 806454866 | NATIONWIDE TRUST COMPANY, FSB       |
| H 7487  | 10/07/2020 | 8,544.81   | 806454867 | NORTH BAY PETROLEUM                 |
| H 7487  | 10/07/2020 | 282.63     | 806454868 | NORTH MARIN WATER DISTRICT          |
| H 7487  | 10/07/2020 | 617.21     | 806454869 | SANTA ROSA AUTO PARTS               |
| H 7487  | 10/07/2020 | 500.00     | 806454870 | PHILIP SMITH                        |
| H 7487  | 10/07/2020 | 103.00     | 806454871 | SONOMA MEDIA INVESTMENTS, LLC       |
| H 7487  | 10/07/2020 | 103.00     | 806454872 | SONOMA MEDIA INVESTMENTS, LLC       |
| H 7487  | 10/07/2020 | 1,639.25   | 806454873 | SONOMA MEDIA INVESTMENTS, LLC       |
| H 7487  | 10/07/2020 | 552.07     | 806454874 | TASC                                |
| H 7487  | 10/07/2020 | 782.20     | 806454875 | TEAMSTERS LOCAL UNION NO. 856 HEALT |
| H 7487  | 10/07/2020 | 32.54      | 806454876 | UPS                                 |
| H 7487  | 10/07/2020 | 2,294.02   | 806454877 | VERIZON WIRELESS                    |
| H 7487  | 10/07/2020 | 861.89     | 806454878 | VISION SERVICE PLAN (CA)            |
| Total   |            | 605,891.60 |           |                                     |
| Count   |            | 33         |           |                                     |

A/P 10.07.20

During the signing of these checks  
all supporting documents were provided.

Signature:   
Signature: 

| Account | Date       | Amount     | Check     | Description                         |
|---------|------------|------------|-----------|-------------------------------------|
| H 7487  | 10/21/2020 | 1,279.14   | 806454879 | AFLAC                               |
| H 7487  | 10/21/2020 | 26,505.00  | 806454880 | ALPINE HELICOPTER SERVICE INC       |
| H 7487  | 10/21/2020 | 544.00     | 806454881 | CAGWIN & DORWARD                    |
| H 7487  | 10/21/2020 | 7,805.00   | 806454882 | CALIFORNIA SPECIAL DISTRICTS ASSOC. |
| H 7487  | 10/21/2020 | 4,867.73   | 806454883 | CALPERS 457 PLAN                    |
| H 7487  | 10/21/2020 | 2,029.72   | 806454884 | CINTAS CORPORATION                  |
| H 7487  | 10/21/2020 | 155.05     | 806454885 | COMCAST BUSINESS                    |
| H 7487  | 10/21/2020 | 1,104.60   | 806454886 | COMPLETE WELDERS SUPPLY, INC.       |
| H 7487  | 10/21/2020 | 18,708.53  | 806454887 | COUNTY OF MARIN                     |
| H 7487  | 10/21/2020 | 6,575.97   | 806454888 | ES OPCO USA LLC                     |
| H 7487  | 10/21/2020 | 736.99     | 806454889 | GREAT AMERICA FINANCIAL SERVICES    |
| H 7487  | 10/21/2020 | 5,680.00   | 806454890 | JONES GARAGE DOOR COMPANY, INC.     |
| H 7487  | 10/21/2020 | 52,923.83  | 806454891 | KAISER FOUNDATION HEALTH PLAN       |
| H 7487  | 10/21/2020 | 123,166.62 | 806454892 | MARIN COUNTY EMPLOYEES RETIREMENT A |
| H 7487  | 10/21/2020 | 11,500.00  | 806454893 | MVCAC                               |
| H 7487  | 10/21/2020 | 1,650.00   | 806454894 | MVCAC                               |
| H 7487  | 10/21/2020 | 3,624.74   | 806454895 | NATIONWIDE TRUST COMPANY, FSB       |
| H 7487  | 10/21/2020 | 6,822.27   | 806454896 | NORTH BAY PETROLEUM                 |
| H 7487  | 10/21/2020 | 26.29      | 806454897 | P.G. & E.                           |
| H 7487  | 10/21/2020 | 1,631.40   | 806454898 | P.G. & E.                           |
| H 7487  | 10/21/2020 | 1,500.00   | 806454899 | PATRICK VON ELM                     |
| H 7487  | 10/21/2020 | 79.04      | 806454900 | QUADIENT LEASING USA, INC.          |
| H 7487  | 10/21/2020 | 231.03     | 806454901 | RECOLOGY SONOMA MARIN               |
| H 7487  | 10/21/2020 | 1,642.50   | 806454902 | RICHARD A. SANCHEZ                  |
| H 7487  | 10/21/2020 | 532.57     | 806454903 | SANTA ROSA AUTO PARTS               |
| H 7487  | 10/21/2020 | 552.07     | 806454904 | TASC                                |
| H 7487  | 10/21/2020 | 97.60      | 806454905 | UPS                                 |
| H 7487  | 10/21/2020 | 3,609.89   | 806454906 | US BANK                             |
| H 7487  | 10/21/2020 | 1,844.01   | 806454907 | VANTAGEPOINT TRANSFER AGENTS-803673 |
| H 7487  | 10/21/2020 | 490.32     | 806454908 | VECTOR CONTROL JPA                  |
| Total   |            | 287,915.91 |           |                                     |
| Count   |            | 30         |           |                                     |

A/P 10.21.20

During the signing of these checks  
all supporting documents were provided.

Signature: *Vanora Davis*  
Signature: *Eric Hawk*

Marin/Sonoma Mosquito & Vector Control District  
Fulltime Staff  
Paydate 11.13.20

| Check/Voucher | Check Type | Check Date | Employee Id | Employee Name         | Net Amount | Dir Dep  |
|---------------|------------|------------|-------------|-----------------------|------------|----------|
| 1183          | Regular    | 11/13/2020 | 114         | Crayne, Jennifer M    | 3,131.91   | 3,131.91 |
| 1184          | Regular    | 11/13/2020 | 83          | Delsid, Paula A       | 1,128.05   | 1,128.05 |
| 1185          | Regular    | 11/13/2020 | 87          | Smith, Philip D       | 5,815.52   | 5,815.52 |
| 1186          | Regular    | 11/13/2020 | 81          | Williams, Dawn A      | 2,086.16   | 2,086.16 |
| 1187          | Regular    | 11/13/2020 | 60          | Brooks, Sarah M       | 3,151.40   | 3,151.40 |
| 1188          | Regular    | 11/13/2020 | 64          | Holt, Kristen A       | 3,059.24   | 3,059.24 |
| 1189          | Regular    | 11/13/2020 | 118         | Liebman, Kelly A      | 3,367.21   | 3,367.21 |
| 1190          | Regular    | 11/13/2020 | 62          | Beardsley, Kevin G    | 2,026.22   | 2,026.22 |
| 1191          | Regular    | 11/13/2020 | 86          | Beck, David G         | 2,850.23   | 2,850.23 |
| 1192          | Regular    | 11/13/2020 | 26          | Cole, Michael S       | 3,124.08   | 3,124.08 |
| 1193          | Regular    | 11/13/2020 | 76          | Engh, Eric S          | 3,080.29   | 3,080.29 |
| 1194          | Regular    | 11/13/2020 | 55          | Hawk, Erik T          | 4,352.93   | 4,352.93 |
| 1195          | Regular    | 11/13/2020 | 93          | Karinen, Kasey L      | 2,423.40   | 2,423.40 |
| 1196          | Regular    | 11/13/2020 | 48          | Leslie, Daniel W      | 3,080.99   | 3,080.99 |
| 1197          | Regular    | 11/13/2020 | 74          | Miller, Steven L      | 2,744.48   | 2,744.48 |
| 1198          | Regular    | 11/13/2020 | 63          | Mohrman Jr, John C    | 2,778.97   | 2,778.97 |
| 1199          | Regular    | 11/13/2020 | 52          | Morton, Robert D      | 2,669.46   | 2,669.46 |
| 1200          | Regular    | 11/13/2020 | 61          | Nadale, Marc A        | 2,860.08   | 2,860.08 |
| 1201          | Regular    | 11/13/2020 | 96          | Newman, Jared K       | 2,291.95   | 2,291.95 |
| 1202          | Regular    | 11/13/2020 | 34          | Ohlinger, Bruce R     | 2,621.76   | 2,621.76 |
| 1203          | Regular    | 11/13/2020 | 58          | Petersen, Jeffery R   | 2,821.65   | 2,821.65 |
| 1204          | Regular    | 11/13/2020 | 67          | Picinich, Nick A      | 2,301.03   | 2,301.03 |
| 1205          | Regular    | 11/13/2020 | 40          | Reed, Nathen C        | 3,196.03   | 3,196.03 |
| 1206          | Regular    | 11/13/2020 | 53          | Russo Jr, Anthony J   | 2,880.28   | 2,880.28 |
| 1207          | Regular    | 11/13/2020 | 45          | Sequeira, Jason A     | 3,162.96   | 3,162.96 |
| 1208          | Regular    | 11/13/2020 | 106         | Smith, James L        | 2,576.97   | 2,576.97 |
| 1209          | Regular    | 11/13/2020 | 68          | Tescalco, Joseph A    | 1,681.11   | 1,681.11 |
| 1210          | Regular    | 11/13/2020 | 56          | Thomas-Nett, Teresa A | 2,472.45   | 2,472.45 |
| 1211          | Regular    | 11/13/2020 | 120         | Tyner, Keith W        | 2,679.99   | 2,679.99 |
| 1212          | Regular    | 11/13/2020 | 54          | Wells, Michael L      | 2,699.13   | 2,699.13 |
| 1213          | Regular    | 11/13/2020 | 104         | McGovern, Robert A    | 3,102.18   | 3,102.18 |
| 1214          | Regular    | 11/13/2020 | 37          | Sequeira, Nizza N     | 3,122.66   | 3,122.66 |

**Totals for Payroll Checks      32 Items      91,340.77      91,340.77**

**Summary**

| Check Type    | Count     | Net Amount       | Dir Dep          |
|---------------|-----------|------------------|------------------|
| Regular       | 32        | 91,340.77        | 91,340.77        |
| <b>Totals</b> | <b>32</b> | <b>91,340.77</b> | <b>91,340.77</b> |

**Report Totals**

| Check Type    | Count     | Net Amount       | Dir Dep          |
|---------------|-----------|------------------|------------------|
| Regular       | 32        | 91,340.77        | 91,340.77        |
| <b>Totals</b> | <b>32</b> | <b>91,340.77</b> | <b>91,340.77</b> |



Marin/Sonoma Mosquito & Vector Control District  
 Seasonal Staff  
 Paydate: 11.13.20

| Check/Voucher                    | Check Type | Check Date     | Employee Id | Employee Name      | Net Amount      | Dir Dep         |
|----------------------------------|------------|----------------|-------------|--------------------|-----------------|-----------------|
| 1218                             | Regular    | 11/13/2020     | 123         | Tomanek, Bonnie S  | 1,706.08        | 1,706.08        |
| 1219                             | Regular    | 11/13/2020     | 124         | Dreyer, Rebecca    | 1,596.95        | 1,596.95        |
| 1220                             | Regular    | 11/13/2020     | 115         | Ball, Bradley A    | 1,926.91        | 1,926.91        |
| 1221                             | Regular    | 11/13/2020     | 125         | O'Donnell, Ty      | 1,564.08        | 1,564.08        |
| 1222                             | Regular    | 11/13/2020     | 119         | Richtik, Raymond M | 1,973.94        | 1,973.94        |
| <b>Totals for Payroll Checks</b> |            | <b>5 Items</b> |             |                    | <b>8,767.96</b> | <b>8,767.96</b> |

**Summary**

| Check Type    | Count    | Net Amount      | Dir Dep         |
|---------------|----------|-----------------|-----------------|
| Regular       | 5        | 8,767.96        | 8,767.96        |
| <b>Totals</b> | <b>5</b> | <b>8,767.96</b> | <b>8,767.96</b> |

**Report Totals**

| Check Type    | Count    | Net Amount      | Dir Dep         |
|---------------|----------|-----------------|-----------------|
| Regular       | 5        | 8,767.96        | 8,767.96        |
| <b>Totals</b> | <b>5</b> | <b>8,767.96</b> | <b>8,767.96</b> |

Marin/Sonoma Mosquito & Vector Control District  
Full Time Payroll  
11/30/2020

| Check/Voucher                    | Check Type | Check Date      | Employee Id | Employee Name         | Net Amount       | Dir Dep          |
|----------------------------------|------------|-----------------|-------------|-----------------------|------------------|------------------|
| 1232                             | Regular    | 11/30/2020      | 114         | Crayne, Jennifer M    | 3,131.91         | 3,131.91         |
| 1233                             | Regular    | 11/30/2020      | 83          | Delsid, Paula A       | 589.49           | 589.49           |
| 1234                             | Regular    | 11/30/2020      | 87          | Smith, Philip D       | 5,815.52         | 5,815.52         |
| 1235                             | Regular    | 11/30/2020      | 81          | Williams, Dawn A      | 2,086.16         | 2,086.16         |
| 1236                             | Regular    | 11/30/2020      | 60          | Brooks, Sarah M       | 1,400.38         | 1,400.38         |
| 1237                             | Regular    | 11/30/2020      | 64          | Holt, Kristen A       | 3,059.20         | 3,059.20         |
| 1238                             | Regular    | 11/30/2020      | 118         | Liebman, Kelly A      | 3,367.21         | 3,367.21         |
| 1239                             | Regular    | 11/30/2020      | 62          | Beardsley, Kevin G    | 2,026.22         | 2,026.22         |
| 1240                             | Regular    | 11/30/2020      | 86          | Beck, David G         | 2,850.23         | 2,850.23         |
| 1241                             | Regular    | 11/30/2020      | 26          | Cole, Michael S       | 3,124.08         | 3,124.08         |
| 1242                             | Regular    | 11/30/2020      | 76          | Engh, Eric S          | 3,080.29         | 3,080.29         |
| 1243                             | Regular    | 11/30/2020      | 55          | Hawk, Erik T          | 4,352.93         | 4,352.93         |
| 1244                             | Regular    | 11/30/2020      | 93          | Karinen, Kasey L      | 2,423.36         | 2,423.36         |
| 1245                             | Regular    | 11/30/2020      | 48          | Leslie, Daniel W      | 3,080.99         | 3,080.99         |
| 1246                             | Regular    | 11/30/2020      | 74          | Miller, Steven L      | 2,744.48         | 2,744.48         |
| 1247                             | Regular    | 11/30/2020      | 63          | Mohrman Jr, John C    | 2,778.97         | 2,778.97         |
| 1248                             | Regular    | 11/30/2020      | 52          | Morton, Robert D      | 2,669.42         | 2,669.42         |
| 1249                             | Regular    | 11/30/2020      | 61          | Nadale, Marc A        | 2,860.08         | 2,860.08         |
| 1250                             | Regular    | 11/30/2020      | 96          | Newman, Jared K       | 2,807.74         | 2,807.74         |
| 1251                             | Regular    | 11/30/2020      | 34          | Ohlinger, Bruce R     | 2,621.76         | 2,621.76         |
| 1252                             | Regular    | 11/30/2020      | 58          | Petersen, Jeffery R   | 2,821.65         | 2,821.65         |
| 1253                             | Regular    | 11/30/2020      | 67          | Picinich, Nick A      | 2,301.03         | 2,301.03         |
| 1254                             | Regular    | 11/30/2020      | 40          | Reed, Nathen C        | 3,196.03         | 3,196.03         |
| 1255                             | Regular    | 11/30/2020      | 53          | Russo Jr, Anthony J   | 2,880.24         | 2,880.24         |
| 1256                             | Regular    | 11/30/2020      | 45          | Sequeira, Jason A     | 3,162.96         | 3,162.96         |
| 1257                             | Regular    | 11/30/2020      | 106         | Smith, James L        | 2,576.97         | 2,576.97         |
| 1258                             | Regular    | 11/30/2020      | 68          | Tescallo, Joseph A    | 1,681.11         | 1,681.11         |
| 1259                             | Regular    | 11/30/2020      | 56          | Thomas-Nett, Teresa A | 2,472.41         | 2,472.41         |
| 1260                             | Regular    | 11/30/2020      | 120         | Tyner, Keith W        | 3,074.74         | 3,074.74         |
| 1261                             | Regular    | 11/30/2020      | 54          | Wells, Michael L      | 2,699.17         | 2,699.17         |
| 1262                             | Regular    | 11/30/2020      | 104         | McGovern, Robert A    | 3,102.18         | 3,102.18         |
| 1263                             | Regular    | 11/30/2020      | 37          | Sequeira, Nizza N     | 3,122.66         | 3,122.66         |
| <b>Totals for Payroll Checks</b> |            | <b>32 Items</b> |             |                       | <b>89,961.57</b> | <b>89,961.57</b> |

**Summary**

| Check Type    | Count     | Net Amount       | Dir Dep          |
|---------------|-----------|------------------|------------------|
| Regular       | 32        | 89,961.57        | 89,961.57        |
| <b>Totals</b> | <b>32</b> | <b>89,961.57</b> | <b>89,961.57</b> |

**Report Totals**

| Check Type    | Count     | Net Amount       | Dir Dep          |
|---------------|-----------|------------------|------------------|
| Regular       | 32        | 89,961.57        | 89,961.57        |
| <b>Totals</b> | <b>32</b> | <b>89,961.57</b> | <b>89,961.57</b> |

Marin/Sonoma Mosquito & Vector Control District  
 Seasonal Payroll  
 11/30/2020

| Check/Voucher                    | Check Type | Check Date | Employee Id | Employee Name     | Net Amount      | Dir Dep         |
|----------------------------------|------------|------------|-------------|-------------------|-----------------|-----------------|
| 1227                             | Regular    | 11/30/2020 | 123         | Tomanek, Bonnie S | 1,181.01        | 1,181.01        |
| <b>Totals for Payroll Checks</b> |            |            |             |                   | <b>1,181.01</b> | <b>1,181.01</b> |

**Summary**

| Check Type    | Count    | Net Amount      | Dir Dep         |
|---------------|----------|-----------------|-----------------|
| Regular       | 1        | 1,181.01        | 1,181.01        |
| <b>Totals</b> | <b>1</b> | <b>1,181.01</b> | <b>1,181.01</b> |



**Report Totals**

| Check Type    | Count    | Net Amount      | Dir Dep         |
|---------------|----------|-----------------|-----------------|
| Regular       | 1        | 1,181.01        | 1,181.01        |
| <b>Totals</b> | <b>1</b> | <b>1,181.01</b> | <b>1,181.01</b> |

| Account | Date       | Amount    | Check     | Description                         |
|---------|------------|-----------|-----------|-------------------------------------|
| H 7487  | 11/04/2020 | 34,022.64 | 806454909 | ADAPCO, INC.                        |
| H 7487  | 11/04/2020 | 5,000.00  | 806454910 | ALDRICH NETWORK CONSULTING          |
| H 7487  | 11/04/2020 | 1,161.23  | 806454911 | ALDRICH NETWORK CONSULTING          |
| H 7487  | 11/04/2020 | 112.62    | 806454912 | AT & T                              |
| H 7487  | 11/04/2020 | 19.68     | 806454913 | BAY ALARM COMPANY                   |
| H 7487  | 11/04/2020 | 3,917.50  | 806454914 | BEST BEST & KRIEGER, LLC.           |
| H 7487  | 11/04/2020 | 600.00    | 806454915 | CAGWIN & DORWARD                    |
| H 7487  | 11/04/2020 | 4,867.73  | 806454916 | CALPERS 457 PLAN                    |
| H 7487  | 11/04/2020 | 1,133.78  | 806454917 | CINTAS CORPORATION                  |
| H 7487  | 11/04/2020 | 1,960.92  | 806454918 | CITY OF COTATI                      |
| H 7487  | 11/04/2020 | 445.72    | 806454919 | COMPLETE WELDERS SUPPLY, INC.       |
| H 7487  | 11/04/2020 | 3,491.34  | 806454920 | DELTA DENTAL OF CALIFORNIA          |
| H 7487  | 11/04/2020 | 265.86    | 806454921 | THE HARTFORD                        |
| H 7487  | 11/04/2020 | 26.94     | 806454922 | HOME DEPOT CREDIT SERVICES          |
| H 7487  | 11/04/2020 | 211.18    | 806454923 | INTERSTATE BATTERY SYSTEM           |
| H 7487  | 11/04/2020 | 1,020.00  | 806454924 | LIEBERT CASSIDY WHITMORE            |
| H 7487  | 11/04/2020 | 3,024.74  | 806454925 | NATIONWIDE TRUST COMPANY, FSB       |
| H 7487  | 11/04/2020 | 2,582.09  | 806454926 | NORTH BAY PETROLEUM                 |
| H 7487  | 11/04/2020 | 916.65    | 806454927 | SAN MATEO COUNTY MOSQUITO VECTOR CO |
| H 7487  | 11/04/2020 | 129.72    | 806454928 | SEBASTOPOL BEARING & HYDRAULIC      |
| H 7487  | 11/04/2020 | 4,955.00  | 806454929 | SONOMA MEDIA GROUP                  |
| H 7487  | 11/04/2020 | 2,455.00  | 806454930 | SONOMA MEDIA GROUP                  |
| H 7487  | 11/04/2020 | 552.07    | 806454931 | TASC                                |
| H 7487  | 11/04/2020 | 782.20    | 806454932 | TEAMSTERS LOCAL UNION NO. 856 HEALT |
| H 7487  | 11/04/2020 | 97.62     | 806454933 | UPS                                 |
| H 7487  | 11/04/2020 | 2,445.22  | 806454934 | VERIZON WIRELESS                    |
| H 7487  | 11/04/2020 | 861.89    | 806454935 | VISION SERVICE PLAN (CA)            |
| Total   |            | 77,059.34 |           |                                     |
| Count   |            | 27        |           |                                     |

A/P 11.04.20

During the signing of these checks  
all supporting documents were provided

Signature:   
Signature: 

| Account | Date       | Amount     | Check     | Description                         |
|---------|------------|------------|-----------|-------------------------------------|
| H 7487  | 11/24/2020 | 1,279.14   | 806454936 | AFLAC                               |
| H 7487  | 11/24/2020 | 2,594.61   | 806454937 | BAY ALARM COMPANY                   |
| H 7487  | 11/24/2020 | 544.00     | 806454938 | CAGWIN & DORWARD                    |
| H 7487  | 11/24/2020 | 4,867.73   | 806454939 | CALPERS 457 PLAN                    |
| H 7487  | 11/24/2020 | 1,567.97   | 806454940 | CINTAS CORPORATION                  |
| H 7487  | 11/24/2020 | 155.05     | 806454941 | COMCAST BUSINESS                    |
| H 7487  | 11/24/2020 | 42.57      | 806454942 | COMPLETE WELDERS SUPPLY, INC.       |
| H 7487  | 11/24/2020 | 500.00     | 806454943 | JENNIFER CRAYNE                     |
| H 7487  | 11/24/2020 | 680.07     | 806454944 | GREAT AMERICA FINANCIAL SERVICES    |
| H 7487  | 11/24/2020 | 168.40     | 806454945 | INTERSTATE BATTERY SYSTEM           |
| H 7487  | 11/24/2020 | 95.02      | 806454946 | JAY'S ENGRAVING & RUBBER STAMPS     |
| H 7487  | 11/24/2020 | 55,198.10  | 806454947 | KAISER FOUNDATION HEALTH PLAN       |
| H 7487  | 11/24/2020 | 121,313.89 | 806454948 | MARIN COUNTY EMPLOYEES RETIREMENT A |
| H 7487  | 11/24/2020 | 50.00      | 806454949 | MARIN INDEPENDENT JOURNAL           |
| H 7487  | 11/24/2020 | 1,439.57   | 806454950 | MARIN INDEPENDENT JOURNAL           |
| H 7487  | 11/24/2020 | 2,670.00   | 806454951 | MAZE & ASSOCIATES                   |
| H 7487  | 11/24/2020 | 1,012.00   | 806454952 | MVCAC                               |
| H 7487  | 11/24/2020 | 418.00     | 806454953 | MVCAC                               |
| H 7487  | 11/24/2020 | 1,276.00   | 806454954 | MVCAC                               |
| H 7487  | 11/24/2020 | 3,024.74   | 806454955 | NATIONWIDE TRUST COMPANY, FSB       |
| H 7487  | 11/24/2020 | 4,850.32   | 806454956 | NORTH BAY PETROLEUM                 |
| H 7487  | 11/24/2020 | 24.64      | 806454957 | P.G. & E.                           |
| H 7487  | 11/24/2020 | 1,794.13   | 806454958 | P.G. & E.                           |
| H 7487  | 11/24/2020 | 1,500.00   | 806454959 | PATRICK VON ELM                     |
| H 7487  | 11/24/2020 | 231.03     | 806454960 | RECOLOGY SONOMA MARIN               |
| H 7487  | 11/24/2020 | 1,642.50   | 806454961 | RICHARD A. SANCHEZ                  |
| H 7487  | 11/24/2020 | 52.51      | 806454962 | SANTA ROSA AUTO PARTS               |
| H 7487  | 11/24/2020 | 606.48     | 806454963 | SEBASTOPOL BEARING & HYDRAULIC      |
| H 7487  | 11/24/2020 | 323.92     | 806454964 | SIX ROBBLEES' INC.                  |
| H 7487  | 11/24/2020 | 103.00     | 806454965 | SONOMA MEDIA INVESTMENTS, LLC       |
| H 7487  | 11/24/2020 | 1,422.50   | 806454966 | SONOMA MEDIA INVESTMENTS, LLC       |
| H 7487  | 11/24/2020 | 629.85     | 806454967 | STROUPE PETROLEUM MAINTENANCE, INC. |
| H 7487  | 11/24/2020 | 552.07     | 806454968 | TASC                                |
| H 7487  | 11/24/2020 | 1,294.80   | 806454969 | TASC - CLIENT INVOICES              |
| H 7487  | 11/24/2020 | 500.00     | 806454970 | JOSEPH TESCALLO                     |
| H 7487  | 11/24/2020 | 94.51      | 806454971 | UPS                                 |
| H 7487  | 11/24/2020 | 4,497.12   | 806454972 | US BANK                             |
| H 7487  | 11/24/2020 | 1,844.01   | 806454973 | VANTAGEPOINT TRANSFER AGENTS-803673 |
| H 7487  | 11/24/2020 | 1,165.80   | 806454974 | WILLIAM D. WHITE CO., INC.          |
| Total   |            | 222,026.05 |           |                                     |
| Count   |            | 39         |           |                                     |

A/P 11.24.20

During the signing of these checks  
all supporting documents were provided.

Signature: *Yamara Davis*  
Signature: *T. Escal*

## MEMORANDUM ON INTERNAL CONTROL

Board of Trustees  
Marin/Sonoma Mosquito and Vector Control District  
Cotati, California

In planning and performing our audit of the basic financial statements of the Marin/Sonoma Mosquito and Vector Control District as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

*Maze + Associates*

Pleasant Hill, California  
October 7, 2020

**MARIN/SONOMA MOSQUITO AND  
VECTOR CONTROL DISTRICT  
REQUIRED COMMUNICATIONS  
FOR THE YEAR ENDED JUNE 30, 2020**

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**MARIN/SONOMA MOSQUITO AND  
VECTOR CONTROL DISTRICT**

**REQUIRED COMMUNICATIONS**

**For the Year Ended June 30, 2020**

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## REQUIRED COMMUNICATIONS

To the Board of Trustees  
Marin/Sonoma Mosquito and Vector Control District  
Cotati, California

We have audited the basic financial statements of the Marin/Sonoma Mosquito and Vector Control District (District) for the year ended June 30, 2020. Professional standards require that we communicate to you the following information related to our audit under generally accepted auditing standards.

### Significant Audit Findings

#### *Accounting Policies*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year.

*GASB 95 – Postponement of the Effective Dates of Certain Authoritative Guidance* – This Statement extended the implementation dates for 15 GASB Statements and Implementation Guides by 1 year or more. Of course, many of the Statements could be early implemented, as applicable.

This pronouncement became effective but did not have a material effect on the financial statements.

#### *Unusual Transactions, Controversial or Emerging Areas*

We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

#### *Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the District's financial statements were:

*Estimated Net Pension Liabilities and Pension-Related Deferred Outflows and Inflows of Resources:* Management's estimate of the net pension liabilities and deferred outflows/inflows of resources are disclosed in Note 6 to the financial statements and are based on actuarial studies provided by MCERA. We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

*Estimated Net OPEB Liabilities and OPEB-Related Deferred Outflows and Inflows of Resources:* Management's estimate of the net OPEB liabilities and deferred outflows/inflows of resources are disclosed in Note 7 to the financial statements and are based on actuarial studies determined by a consultant, which are based on the experience of the District. We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

*Estimated Fair Value of Investments:* As of June 30, 2020, the District held approximately \$16.7 million of cash and investments as measured by fair value as disclosed in Note 3 to the financial statements. Fair value is essentially market pricing in effect as of June 30, 2020. These fair values are not required to be adjusted for changes in general market conditions occurring subsequent to June 30, 2020.

*Estimate of Depreciation:* Management's estimate of the depreciation is based on useful lives determined by management. These lives have been determined by management based on the expected useful life of assets as disclosed in Note 4 to the financial statements. We evaluated the key factors and assumptions used to develop the depreciation estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

*Estimate of Compensated Absences:* Accrued compensated absences which are comprised of accrued vacation, holiday, and certain other compensating time is estimated using accumulated unpaid leave hours and hourly pay rates in effect at the end of the fiscal year as disclosed in Note 2F to the financial statements. We evaluated the key factors and assumptions used to develop the accrued compensated absences and determined that it is reasonable in relation to the basic financial statements taken as a whole.

### ***Disclosures***

The financial statement disclosures are neutral, consistent, and clear.

### ***Difficulties Encountered in Performing the Audit***

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

### ***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Professional standards require us to accumulate all known and likely uncorrected misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We have no such misstatements to report to the Board of Trustees.

### ***Disagreements with Management***

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

### ***Management Representations***

We have requested certain representations from management that are included in a management representation letter dated October 7, 2020.

### ***Management Consultations with Other Independent Accountants***

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

### ***Other Audit Findings or Issues***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### **Other Information Accompanying the Financial Statements**

We applied certain limited procedures to the required supplementary information that accompanies and supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the required supplementary information and do not express an opinion or provide any assurance on the required supplementary information.

\*\*\*\*\*

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

*Maze & Associates*

Pleasant Hill, California  
October 7, 2020

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**MARIN/SONOMA MOSQUITO AND  
VECTOR CONTROL DISTRICT**

**COTATI, CALIFORNIA**

**BASIC FINANCIAL STATEMENTS**

**FISCAL YEAR ENDED JUNE 30, 2020**

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**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

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**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT  
BOARD OF TRUSTEES  
JUNE 30, 2020**

|  | Term Expires  |
|--|---------------|
| Carol Pigoni, President .....                          | December 2022 |
| Pamela Harlem, 1 <sup>st</sup> Vice-President .....    | December 2023 |
| Michael Thompson, 2 <sup>nd</sup> Vice-President ..... | December 2020 |
| Richard Snyder, Secretary .....                        | January 2022  |
| Bruce Ackerman .....                                   | January 2022  |
| Gail Bloom .....                                       | December 2023 |
| Tamara Davis .....                                     | December 2022 |
| Art Deicke .....                                       | December 2023 |
| Julia Ettlin.....                                      | January 2022  |
| Laurie Gallian.....                                    | December 2022 |
| Una Glass .....  | December 2021 |
| Susan Hootkins .....                                   | December 2022 |
| Ranjiv Khush.....                                      | December 2022 |
| Shaun McCaffery .....                                  | December 2020 |
| Matthew Naythons .....                                 | December 2020 |
| Monique Predovich.....                                 | December 2022 |
| Herb Rowland .....                                     | December 2020 |
| Ed Schulze.....  | December 2023 |
| David Witt.....  | February 2021 |

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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Marin/Sonoma Mosquito and Vector Control District  
Cotati, California

### *Report on Financial Statements*

We have audited the accompanying financial statements of the governmental activities and each major fund of the Marin/Sonoma Mosquito and Vector Control District, California (District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

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

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

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

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial positions of governmental activities and each major fund of the Marin/Sonoma Mosquito and Vector Control District as of June 30, 2020, and the respective changes in the financial position and budgetary comparisons listed in the Table of Contents as part of the basic financial statements, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and other Required Supplementary Information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Mazze + Associates*

Pleasant Hill, California  
October 7, 2020

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## **MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**

#### **FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

This discussion reflects the District's present and future programs for the fiscal year beginning July 1, 2019 and ending June 30, 2020 and offers its readers a narrative overview and analysis of the financial activities of the District.

#### **FINANCIAL HIGHLIGHTS JULY 1, 2019—JUNE 30, 2020**

- The District's operating fund cash balance (with the County of Marin) at the beginning of the fiscal year was \$10,174,285 and \$11,750,384 at the end of the fiscal year.
- The District's capital replacement fund cash balance (with the County of Marin) at the beginning of the fiscal year was \$3,194,012 and \$2,045,624 at the end of the fiscal year.
- The District's emergency vector control fund cash balance (with the County of Marin) at the beginning of the fiscal year was \$1,196,026 and \$1,999,789 at the end of the fiscal year.
- The District had general revenues and charges for services of \$10,119,949 and program expenses of \$8,898,596. The District's net position was increased by \$1,221,353.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statement is comprised of four (4) components:

- Government-wide Financial Statements
- Fund Financial Statements
- Notes to Basic Financial Statements
- Required Supplementary Information

#### **REPORTING ENTITY**

The Marin Mosquito Abatement District was formed in May of 1915 and later became a California Special District. In the 1990's, to reflect the full range of services it grew to provide, and the territory served, the District was renamed as the "Marin/Sonoma Mosquito & Vector Control District. The District is empowered under the California Health and Safety Code to take all necessary steps to abate mosquitoes and other vectors, such as rats and yellow jackets. The District also provides robust public outreach and an Education Program within the Marin and Sonoma County school systems. The District is governed by a twenty-four (24) member appointed Board of Trustees that represents both counties and each city or town. As of June 30, 2020, there were five vacant seats, Corte Madera, Tiburon, Cotati, one Marin County at Large and one Sonoma County at Large. The District covers an area of almost 2,300 sq. miles and has a payroll of 32 regular, full-time employees.

## GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities include all of the financial activities of the District, including long-term items such as capital assets. The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's activities. Direct expenses are those that are specifically associated with a program or function and therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by recipients of goods or services offered by the programs and (b) funds and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

### STATEMENT OF NET POSITION

|   | FY 2018/19                 | FY 2019/20                 | % CHANGE      |
|---|----------------------------|----------------------------|---------------|
| <b>TOTAL ASSETS</b>                         | <u>\$22,394,369</u>        | <u>\$23,910,995</u>        | 6.77%         |
| <b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b> | <u>5,858,117</u>           | <u>3,730,902</u>           | -36.31%       |
| <b>TOTAL LIABILITIES</b>                    | <u>15,346,201</u>          | <u>10,623,971</u>          | -30.77%       |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>  | <u>1,775,450</u>           | <u>3,859,575</u>           | 117.39%       |
| <b>NET POSITION</b>                         |                            |                            |               |
| Net Investment in Capital Assets            | 5,234,862                  | 5,185,365                  | -0.95%        |
| Unrestricted                                | <u>5,895,973</u>           | <u>7,972,986</u>           | 35.23%        |
| <b>TOTAL NET POSITION</b>                   | <u><b>\$11,130,835</b></u> | <u><b>\$13,158,351</b></u> | <b>18.22%</b> |

As of June 30, 2020, the District reported its proportionate share of the net pension liability (Note 6B) as well as the deferred outflows and inflows of resources related to retiree healthcare (OPEB) (Note 7F). The District's net position for fiscal year 2019/2020 increased by \$2,027,516. In addition, the District's total liabilities decreased by 30.77% in FY 2019/2020, helping to contribute to an 18.22% positive change in total net position.

### STATEMENT OF ACTIVITIES & CHANGES IN NET POSITION

|                              | FY 2018/19                 | FY 2019/20                 | % Change |
|------------------------------|----------------------------|----------------------------|----------|
| <b>GENERAL REVENUE</b>       |                            |                            |          |
| Taxes/Assessments            | \$9,389,137                | \$9,573,670                | 1.97%    |
| Use of Money and Property    | 285,003                    | 332,905                    | 16.81%   |
| Other Revenues               | <u>314,435</u>             | <u>423,815</u>             | 34.79%   |
| <b>TOTAL GENERAL REVENUE</b> | <b>\$9,988,575</b>         | <b>\$10,330,390</b>        | 3.42%    |
| <b>TOTAL PROGRAM REVENUE</b> | <b>\$130,671</b>           | <b>\$134,329</b>           | 2.80%    |
| <b>EXPENSES</b>              | <u><b>\$8,892,909</b></u>  | <u><b>\$8,437,203</b></u>  | -5.12%   |
| Change in Net Position       | 1,226,337                  | 2,027,516                  | 65.33%   |
| Beginning Net Position       | <u>9,904,498</u>           | <u>11,130,835</u>          | 12.38%   |
| Ending Net Position          | <u><b>\$11,130,835</b></u> | <u><b>\$13,158,351</b></u> | 18.22%   |

The District has two main revenue components: Ad valorem taxes and the two Benefit Assessments. The District has experienced an increase in assessments and property tax revenue of 1.97%. Also, use of money and property (investment income) rose by 16.81% over the prior year. Other Revenues include reimbursement for miscellaneous work performed by the District throughout the year, insurance refunds/reimbursements, miscellaneous reimbursements and sale of equipment. Program revenue consists of contract work performed by the District and the amount received is variable from year to year.

## **FUND FINANCIAL STATEMENTS**

The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major individual funds, each of which is displayed in a separate column.

## **MAJOR FUNDS**

GASB Statement No. 34 defines major funds and requires that the District's major governmental type funds be identified and presented separately in the financial statements. Major funds are defined as funds that either have assets, deferred inflows, liabilities, deferred outflows, revenues, or expenditures equal to or greater than ten percent of their fund-type total and five percent of the grand total of all fund types. The District has elected to show all funds as major funds.

The General Fund is the main operating fund of the District. This fund is used to account for financial resources not accounted for in other funds.

The Capital Replacement Fund is used to account for all capital related purchases.

## **ECONOMIC FACTORS AND NEXT YEARS BUDGETS AND RATES**

The projected budget for the 2020-21 Fiscal Year is \$12,179,819 with projected Revenues of \$9,945,224. Due to the projected shortfall of revenue compared with expenses, \$1,234,595 was slated to be drawn from net assets to balance the budget. In addition, \$1,000,000 will be transferred from the Capital Replacement Fund to assist with paying an additional contribution of \$2,159,000 toward legacy benefits. In accordance with the newly adopted Reserve Fund Strategy to fund capital items, \$337,200 was transferred from the Operating Fund to the Capital Replacement Fund. The strategy is to adhere to a funding schedule that would set aside enough funds through flat annual deposits to meet the District's capital replacement needs over the next 20 years. For fiscal year 2020-21 the District's benefit assessments increased as follows: Benefit Assessment (BA) #1 remained flat at \$12.00 per/parcel, BA #2 (Marin County and Zone A) to \$28.26 per/parcel and Zone B to \$27.02 per/parcel. The ad valorem tax collections were forecast to increase by 4.0% for Marin County and 2.50% for Sonoma County.

The following factors were considered in preparing the District's Budget for the fiscal year 2020-21:

- Working with the Budget Committee, staff continued improving methodologies for accurately forecasting both revenues and expenditures while preparing the budget for FY 2020-21. Staff looked closely at past trends in salaries, benefits, services and supplies to arrive at an accurate forecast based on prior year actuals. To forecast income, revenues for the proposed budget for FY 2020-21 were based on actuals from the prior year rather than budgeted amounts from the prior year.
- Staff remains vigilant controlling costs and adhering closely to the adopted budget and continues efforts to plan for the specific needs of individual departments.

- Represented employees entered the first year of a four-year memorandum of understanding with the District and realized a 2.75% cost of living allowance applied to salaries on July 1, 2020. Employees continue to make a 1.75% contribution to the employer paid member contribution to MCERA as well as contributions toward medical premiums.
- For FY 2020-21, employer rates for MCERA contributions increased slightly to 31.21% for the Classic Tier and 24.51% for the PEPRA Tier. The percentage of the budget to be spent on pension contributions is 9.40%. In addition to paying the full Actuarially Determined Contribution, the District will make additional contributions of \$2,159,000 to the OPEB Trust, resulting in a total of \$2,781,000. This should significantly reduce the District's unfunded actuarial accrued liability for the legacy retiree health benefit plan. Consequently, the percentage of the budget spent on OPEB for FY 2020-21 will be 22.84%, which is appreciably higher than in previous years.
- The capital items planned for purchase or replacement this year include:
  - Seven  $\frac{3}{4}$  ton trucks (two carried over from FY 19-20)
  - One van for the Community Outreach Department
  - One  $\frac{1}{2}$  ton truck
  - Phase 2 of storage shed project
  - Two ARGO amphibious vehicles
  - One Guardian Fogger unit
  - One Pro Mist Dura Fogger unit
  - One Mist Blower
  - One Unmanned Aerial System (drone with onboard systems)
  - Total Purchases \$499,852

In February 2020, the District completed a thorough analysis of the capital asset replacement program and target fund balances, resulting in capital cost projections until FY 39-40. The Board adopted a strategy that sets aside an annual flat contribution of \$332,700 into the Capital Replacement Fund, understanding that capital costs will be higher in some years than others. This strategy will aid in budgeting projections and assist in providing funding for those years with increased replacement needs.

### **FUTURE EVENTS THAT WILL FINANCIALLY IMPACT THE DISTRICT**

- Continued robust growth in ad valorem (property tax) revenues has partially offset the flat revenue from Benefit Assessment #1, which supplies the great majority of the benefit assessment revenue, but this factor alone may be insufficient to meet long-term funding needs. Revenue from Assessment District #1 has remained flat since reaching its \$12 cap in 2014 and the assessed amount can never be increased. Consequently, the District is increasingly dependent on ad valorem revenue, which could decrease in the event of an economic recession.
- Demand for services continues to increase each year, taxing the District's operational capacities. In response, the Board approved the restoration of the unfilled third Field Supervisor position, and the addition of a Vector Control Technician.
- Since the prior audit period, invasive *Aedes aegypti* and *albopictus* mosquitoes continued their northward spread, with detections reported in Shasta, Butte and now Yolo Counties. Although surveillance has not yet detected these mosquitoes in the District's service area, it is very possible



that they may spread here in the future. Other mosquito districts' experience has been that substantial additional staffing, equipment, and supplies are needed to contain and attempt to eradicate such an infestation. Accordingly, the District maintained its public health emergency reserve at 20% of annual budgeted expenditures.

- Advanced technology in various forms will present opportunities for increased surveillance and treatment efficacy. Efficiencies may be realized in the future by the application of Unmanned Aerial Vehicle UAV technology to vector control operations, potentially replacing some or all manned helicopter flights and enabling personnel to operate in sensitive habitats with reduced impacts. Several California mosquito districts have moved beyond the demonstration phase to incorporate UAVs in their surveillance and treatment work. Although this technology is very promising and advancing rapidly, its implementation in the field of vector control is still in the relatively early stages. The State Department of Public Health and the Department of Pesticide Regulation promulgated regulations governing the application of mosquito control materials by district personnel. Applicators, including vector control district personnel, must pass a series of state examinations.
- The administrative staff will begin working on a project to replace the current financial management information system (FMIS). This will alleviate the current vulnerabilities of operating with an unsupported legacy system and improve efficiencies by allowing for integration with modern technologies and enhanced training opportunities for staff. Staff acknowledges the system upgrade will have an impact on the operating budget but believes that the benefits will outweigh the cost, especially the improved data visualization and analysis tools offer by state of the art FMIS. Ideally, the draft project timeline proposes to go live with a new FMIS with the start of the new fiscal year (2021-22).
- Staff remains flexible and responsive to the ever-changing challenges presented by the COVID-19 pandemic. Management continues to monitor recommendations and guidance issued by the CDC and local public health officials. Recruitment for several positions has been put on hold until conditions improve, allowing for the safety and wellbeing of potential candidates as well as current staff. The impact to the budget will mostly be reflected in the "as-needed" expense category, seen in items such as acrylic desk shielding, hand sanitizer, remote workspace technology, air purification systems, gloves and masks are made available to staff.
- Over the next fiscal year, Management will diligently monitor the District's financial health as the COVID-19 pandemic and another year of devastating wildfires impact both Marin and Sonoma Counties. Specifically, the impacts to ad valorem taxes and the interest earned on funds invested in the OPEB trust fund at CalPERS CERBT will be tracked and reported.

### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the District's finances for all those with an interest. Questions concerning the information provided in this report or requests for additional financial information should be addressed to the Marin/Sonoma Mosquito and Vector Control District, 595 Helman Lane, Cotati, CA 94931.

MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2020

|  | Governmental<br>Activities |
|--|----------------------------|
| <b>ASSETS</b>                              |                            |
| Current assets:                            |                            |
| Cash and investments (Note 3)              | \$15,801,500               |
| Deposits held by VCJPA (Notes 3 and 8)     | 836,792                    |
| Accounts receivable                        | 1,522,295                  |
| Property taxes receivable                  | 306,702                    |
| Inventory (Note 2E)                        | 258,341                    |
| Total current assets                       | 18,725,630                 |
| Capital assets (Note 4):                   |                            |
| Nondepreciable:                            |                            |
| Land                                       | 675,000                    |
| Depreciable:                               |                            |
| Structures and improvements                | 6,786,957                  |
| Office equipment                           | 387,259                    |
| Office furniture                           | 37,619                     |
| Field equipment                            | 155,024                    |
| Vehicles                                   | 2,163,471                  |
| Less: Accumulated depreciation             | (5,019,965)                |
| Total capital assets, net                  | 5,185,365                  |
| Total Assets                               | 23,910,995                 |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>      |                            |
| Pension related (Note 6B)                  | 2,097,609                  |
| OPEB related (Note 7F)                     | 1,633,293                  |
| Total Deferred Outflows of Resources       | 3,730,902                  |
| <b>LIABILITIES</b>                         |                            |
| Current liabilities:                       |                            |
| Compensated absences (Note 2F)             | 242,778                    |
| Total current liabilities                  | 242,778                    |
| Non-current liabilities:                   |                            |
| Compensated absences (Note 2F)             | 296,729                    |
| Net OPEB liability (Note 7C)               | 6,016,000                  |
| Collective net pension liability (Note 6B) | 4,068,464                  |
| Total non-current liabilities              | 10,381,193                 |
| Total Liabilities                          | 10,623,971                 |
| <b>DEFERRED INFLOWS OF RESOURCES</b>       |                            |
| Pension related (Note 6B)                  | 1,556,575                  |
| OPEB related (Note 7F)                     | 2,303,000                  |
| Total Deferred Inflows of Resources        | 3,859,575                  |
| <b>NET POSITION (Note 5)</b>               |                            |
| Net investment in capital assets           | 5,185,365                  |
| Unrestricted                               | 7,972,986                  |
| Total Net Position                         | \$13,158,351               |

See accompanying notes to financial statements

MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020

| Functions/Programs            | Expenses             | <u>Program Revenues</u><br>Charges for<br>Services | Net (Expense)<br>Revenue and<br>Change in<br>Net Position |
|-------------------------------|----------------------|--|---|
| Governmental Activities:      |                      |  |   |
| Public Health                 | (\$8,437,203)        | \$134,329  | (\$8,302,874)   |
| Total Governmental Activities | <u>(\$8,437,203)</u> | <u>\$134,329</u>                                   | <u>(8,302,874)</u>  |
| General revenues:             |                      |  |   |
| Taxes and assessments         |                      |  | 9,573,670   |
| Use of money and property     |                      |  | 332,905   |
| Other revenues                |                      |  | 423,815   |
| Total General Revenues        |                      |  | <u>10,330,390</u>   |
| Change in Net Position        |                      |  | 2,027,516   |
| Net Position - Beginning      |                      |  | <u>11,130,835</u>   |
| Net Position - Ending         |                      |  | <u><u>\$13,158,351</u></u>                                |

See accompanying notes to financial statements

MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2020

|   | General<br>Fund     | Capital<br>Replacement<br>Fund | Totals              |
|---|---------------------|--------------------------------|---------------------|
| <b>ASSETS</b>   |                     |                                |                     |
| Cash and investments (Note 3)   | \$13,755,876        | \$2,045,624                    | \$15,801,500        |
| Deposits with VCJPA (Notes 3 and 8)   | 836,792             |                                | 836,792             |
| Accounts receivable   | 1,522,295           |                                | 1,522,295           |
| Property taxes receivable   | 306,702             |                                | 306,702             |
| Inventory (Note 2E)   | 258,341             |                                | 258,341             |
| <b>Total Assets</b>   | <b>\$16,680,006</b> | <b>\$2,045,624</b>             | <b>\$18,725,630</b> |
| <b>DEFERRED INFLOWS OF RESOURCES</b>  |                     |                                |                     |
| Unavailable revenue - accounts receivable                                     | \$1,393,065         |                                | \$1,393,065         |
| <b>Total Deferred Inflows of Resources</b>                                    | <b>1,393,065</b>    |                                | <b>1,393,065</b>    |
| <b>FUND BALANCES (Note 5)</b>   |                     |                                |                     |
| Nonspendable: inventory   | 258,341             |                                | 258,341             |
| Committed for dry period funding  | 4,962,329           |                                | 4,962,329           |
| Committed for public health emergencies                                       | 1,999,789           |                                | 1,999,789           |
| Assigned for insurance  | 836,792             |                                | 836,792             |
| Assigned for future capital replacements                                      |                     | \$2,045,624                    | 2,045,624           |
| Unassigned  | 7,229,691           |                                | 7,229,691           |
| <b>Total Fund Balances</b>  | <b>15,286,941</b>   | <b>2,045,624</b>               | <b>17,332,565</b>   |
| <b>Total Liabilities, Deferred Inflows<br/>of Resources and Fund Balances</b> | <b>\$16,680,006</b> | <b>\$2,045,624</b>             | <b>\$18,725,630</b> |

See accompanying notes to financial statements

MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT  
Reconciliation of the  
GOVERNMENTAL FUNDS -- BALANCE SHEET  
with the  
STATEMENT OF NET POSITION  
JUNE 30, 2020

FUND BALANCE OF GOVERNMENTAL FUNDS \$17,332,565

Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds Balance Sheet because of the following:

Capital assets used in Governmental Activities are not current resources, and therefore, are not reported in the Governmental Fund Balance Sheet.

|                                   |              |           |
|-----------------------------------|--------------|-----------|
| Capital assets at historical cost | \$10,205,330 |           |
| Less: accumulated depreciation    | (5,019,965)  | 5,185,365 |

The liabilities and deferred outflows/inflows below are not due and payable in the current period, and therefore, are not reported in the Governmental Fund Balance Sheet.

|                                       |             |             |
|---------------------------------------|-------------|-------------|
| Unavailable revenue                   | 1,393,065   |             |
| Compensated absences payable          | (539,507)   |             |
| Other postemployment benefits payable | (6,016,000) |             |
| Deferred outflows related to pension  | 2,097,609   |             |
| Deferred outflows related to OPEB     | 1,633,293   |             |
| Net pension liability                 | (4,068,464) |             |
| Deferred inflows related to pension   | (1,556,575) |             |
| Deferred inflows related to OPEB      | (2,303,000) | (9,359,579) |

NET POSITION OF GOVERNMENTAL ACTIVITIES \$13,158,351

See accompanying notes to financial statements

MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2020

|  | General<br>Fund     | Capital<br>Replacement<br>Fund | Totals              |
|--|---------------------|--------------------------------|---------------------|
| REVENUES:  |                     |                                |                     |
| Taxes and assessments                                | \$9,573,670         |                                | \$9,573,670         |
| Use of money and property                            | 287,281             | \$45,624                       | 332,905             |
| Other revenues                                       | 213,374             |                                | 213,374             |
| <b>Total Revenues</b>                                | <b>10,074,325</b>   | <b>45,624</b>                  | <b>10,119,949</b>   |
| EXPENDITURES:  |                     |                                |                     |
| Current:   |                     |                                |                     |
| Salaries and benefits                                | 6,230,752           |                                | 6,230,752           |
| General and administrative                           | 2,464,424           |                                | 2,464,424           |
| Capital outlay                                       |                     | 203,420                        | 203,420             |
| <b>Total Expenditures</b>                            | <b>8,695,176</b>    | <b>203,420</b>                 | <b>8,898,596</b>    |
| EXCESS (DEFICIENCY) OF REVENUES<br>OVER EXPENDITURES | 1,379,149           | (157,796)                      | 1,221,353           |
| OTHER FINANCING SOURCES (USES)                       |                     |                                |                     |
| Transfers in   | 1,194,012           | 203,420                        | 1,397,432           |
| Transfers (out)                                      | (203,420)           | (1,194,012)                    | (1,397,432)         |
| <b>Total other financing sources (uses)</b>          | <b>990,592</b>      | <b>(990,592)</b>               |                     |
| NET CHANGE IN FUND BALANCES                          | 2,369,741           | (1,148,388)                    | 1,221,353           |
| BEGINNING FUND BALANCES                              | 12,917,200          | 3,194,012                      | 16,111,212          |
| ENDING FUND BALANCES                                 | <u>\$15,286,941</u> | <u>\$2,045,624</u>             | <u>\$17,332,565</u> |

See accompanying notes to financial statements

MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT  
 Reconciliation of the  
 NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS  
 with the  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2020

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

|   |           |             |
|---|-----------|-------------|
| NET CHANGE IN FUND BALANCES   |           | \$1,221,353 |
| <p>Amounts reported for governmental activities in the Statement of Activities are different because of the following:</p> <p>Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.</p> |           |             |
| Capital outlay expenditures are added back to fund balance  | \$201,221 |             |
| Depreciation expense is not reportable in the governmental fund   | (250,718) | (49,497)    |
| <p>Net Pension Liability is not a current liability, and therefore, governmental funds record pension expense as it is paid. However, in the Statement of Activities those costs are reversed as deferred outflows/(inflows) and an increase/(decrease) in net pension liability.</p>   |           |             |
|   |           | 28,805      |
| <p>Other Post Employment Benefits payable is not a current liability, and therefore, is not recorded in the governmental fund statements. This amount represents the amount of the change in the payable and related deferred outflows/(inflows) in the current period.</p>   |           |             |
|   |           | 502,989     |
| <p>The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources, and therefore, are not reported as revenue or expenditures in governmental fund statements. The net changes are as follows:</p>  |           |             |
| Unearned revenue  |           | 344,770     |
| Compensated absences  |           | (20,904)    |
| CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES   |           | \$2,027,516 |

See accompanying notes to financial statements

MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2020

|                                   | Budget Amounts |             | Actual      | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|-----------------------------------|----------------|-------------|-------------|---|
|                                   | Original       | Final       |             |   |
| <b>REVENUES</b>                   |                |             |             |   |
| Taxes and assessments:            |                |             |             |   |
| Assessments                       | \$3,168,870    | \$3,124,679 | \$3,152,654 | \$27,975  |
| Current secured                   | 4,909,388      | 4,977,812   | 5,212,424   | 234,612   |
| Current unsecured                 | 117,188        | 121,256     | 135,001     | 13,745  |
| Prior unsecured                   | 3,247          | 3,120       | 3,199       | 79  |
| Homeowners' property tax relief   | 29,788         | 28,257      | 27,798      | (459)   |
| Annexation revenue                | 998,570        | 979,609     | 998,043     | 18,434  |
| Supplemental assessments          | 118,829        | 41,808      | 37,424      | (4,384)   |
| Other aid                         |                | 112,598     | 7,127       | (105,471)   |
| Total taxes and assessments       | 9,345,880      | 9,389,139   | 9,573,670   | 184,531   |
| Use of money and property:        |                |             |             |   |
| Interest income                   | 90,931         | 208,543     | 287,281     | 78,738  |
| Other revenues:                   |                |             |             |   |
| Contract work                     | 150,000        | 130,672     | 134,329     | 3,657   |
| Refunds and reimbursements        |                | 102,001     | 79,045      | (22,956)  |
| Total other revenues              | 150,000        | 232,673     | 213,374     | (19,299)  |
| Total Revenues                    | 9,586,811      | 9,830,355   | 10,074,325  | 243,970   |
| <b>EXPENDITURES</b>               |                |             |             |   |
| Current:                          |                |             |             |   |
| Employees' compensation           |                |             |             |   |
| Salaries and compensated absences | 4,015,810      | 3,957,976   | 3,631,955   | 326,021   |
| Employee benefits                 | 2,808,245      | 2,785,972   | 2,598,797   | 187,175   |
| Total employees' compensation     | 6,824,055      | 6,743,948   | 6,230,752   | 513,196   |
| Total expenditures forward        | 6,824,055      | 6,743,948   | 6,230,752   | 513,196   |

(Continued)



MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2020

|   | Budget Amounts |             | Actual      | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|-------------|-------------|---|
|   | Original       | Final       |             |   |
| <b>EXPENDITURES</b>                     |                |             |             |   |
| <b>Current:</b>                         |                |             |             |   |
| Total forward                           | \$6,824,055    | \$6,743,948 | \$6,230,752 | \$513,196   |
| <b>General and administrative:</b>      |                |             |             |   |
| Agriculture                             | 809,475        | 809,475     | 703,212     | 106,263   |
| Pest abatement supplies                 | 12,300         | 12,300      | 11,816      | 484   |
| Spray/field equipment                   | 27,175         | 28,375      | 24,732      | 3,643   |
| Source reduction equipment              | 11,500         | 11,500      | 8,023       | 3,477   |
| Furniture, appliances and equipment     | 1,000          | 5,100       | 5,402       | (302)   |
| Clothing and personal supplies          | 34,145         | 34,145      | 33,793      | 352   |
| Safety equipment                        | 11,500         | 11,750      | 4,896       | 6,854   |
| Communications                          | 51,405         | 53,905      | 47,808      | 6,097   |
| Food                                    | 4,120          | 4,370       | 2,927       | 1,443   |
| District special expense                | 356,088        | 356,088     | 277,534     | 78,554  |
| Household expense                       | 7,810          | 7,810       | 4,898       | 2,912   |
| Insurance                               | 249,710        | 251,460     | 249,384     | 2,076   |
| Projects                                | 1,500          | 1,500       | 227         | 1,273   |
| Maintenance - equipment                 | 96,950         | 96,950      | 75,254      | 21,696  |
| Maintenance - ground/structures         | 20,550         | 32,050      | 27,076      | 4,974   |
| Lab                                     | 14,950         | 14,950      | 9,802       | 5,148   |
| Fish supplies                           | 2,975          | 2,975       | 1,299       | 1,676   |
| Disease surveillance                    | 20,700         | 20,700      | 12,829      | 7,871   |
| Memberships                             | 44,309         | 44,769      | 43,510      | 1,259   |
| Office expense                          | 21,346         | 21,346      | 20,370      | 976   |
| Professional and special services       | 351,400        | 451,455     | 455,045     | (3,590)   |
| Publications and legal notices          | 204,000        | 204,000     | 117,805     | 86,195  |
| Rents and leases                        | 6,450          | 6,450       | 6,082       | 368   |
| Small tools and instruments             | 4,500          | 4,500       | 3,269       | 1,231   |
| Minor construction/improvements         | 36,200         | 43,200      | 97,425      | (54,225)  |
| Video productions                       | 11,600         | 11,600      | 11,500      | 100   |
| Education/public relations and printing | 168,000        | 168,000     | 21,465      | 146,535   |
| Educational supplies                    | 11,550         | 11,550      | 3,996       | 7,554   |
| Education and training for employees    | 18,050         | 22,050      | 12,049      | 10,001  |
| Travel and transportation               | 44,000         | 46,700      | 9,189       | 37,511  |
| Fuel and oil                            | 95,100         | 95,100      | 101,709     | (6,609)   |
| Utilities                               | 38,971         | 38,971      | 60,098      | (21,127)  |
| Total general and administrative        | 2,789,329      | 2,925,094   | 2,464,424   | 460,670   |
| Total Expenditures                      | 9,613,384      | 9,669,042   | 8,695,176   | 973,866   |

(Continued)

MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2020

|                                      | Budget Amounts    |                  | Actual              | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--------------------------------------|-------------------|------------------|---------------------|---|
|                                      | Original          | Final            |                     |   |
| OTHER FINANCING SOURCES (USES)       |                   |                  |                     |   |
| Transfers in (out)                   |                   |                  | \$990,592           | \$990,592   |
| Total other financing sources (uses) |                   |                  | 990,592             | 990,592   |
| NET CHANGE IN FUND BALANCE           | <u>(\$26,573)</u> | <u>\$161,313</u> | 2,369,741           | <u>\$2,208,428</u>                                      |
| BEGINNING FUND BALANCE               |                   |                  | <u>12,917,200</u>   |   |
| ENDING FUND BALANCE                  |                   |                  | <u>\$15,286,941</u> |   |

See accompanying notes to financial statements

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**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**NOTE 1 – GENERAL**

Formed in 1915, the Marin/Sonoma Mosquito and Vector Control District (District) is a California Special District empowered to take all necessary steps for the abatement of mosquito and other vectors such as yellow jackets and rats. The District is also empowered to abate as nuisances all standing water that produces mosquitoes. A twenty-four (24) member appointed Board of Trustees governs the District. As of June 30, 2020, there were five vacant seats.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the District conform with accounting principles generally accepted in the United States of America and are applicable to governments. The following is a summary of the significant policies.

**A. Basis of Presentation**

The District's basic financial statements are prepared in conformity with United States generally accepted accounting principles. The Government Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

These Statements require that the following financial statements be presented:

***District-wide Financial Statements:*** The District's financial statements reflect only its own activities; it has no component units (other government units overseen by the District). The Statement of Net Position and Statement of Activities include the financial activities of the overall District government. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

***Governmental Fund Financial Statements:*** The fund financial statements provide information about the District's funds. Separate statements for each governmental fund are presented. The emphasis of fund financial statements is on major individual funds, each of which is displayed in a separate column.

The District reported the following major governmental funds in the accompanying financial statements:

**General Fund** – The General Fund is the main operating fund of the District. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

**Capital Replacement Fund** – The Capital Replacement Fund is used to account for all capital purchases.

**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Accounting**

The District-wide financial statements are reported using the *economic resources measurement focus* and the full *accrual basis* of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when “measurable and available.” The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as *expenditures* in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Those revenues susceptible to accrual are property taxes, certain charges for services and interest revenue.

Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The District may fund programs with a combination of cost-reimbursement grants and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The District’s policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

**C. Property Taxes**

Revenue is recognized in the fiscal year for which the tax and assessment is levied. The Counties of Marin and Sonoma levy, bill and collect property taxes and benefit assessments for the District; the Counties remit the entire amount levied and handle all delinquencies, retaining interest and penalties. Secured and unsecured property taxes are levied on January 1 of the preceding fiscal year.

Secured property tax is due in two installments, on November 1 and February 1, and becomes a lien on those dates. It becomes delinquent on December 10 and April 10, respectively. Unsecured property tax is due on July 1 and becomes delinquent on August 31.

The term “unsecured” refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the personal property being taxed.

**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Property tax revenue is recognized in the fiscal year for which the tax is levied. Marin and Sonoma Counties distribute property tax (termed “settlements”) under the Teeter Plan, which allows the District to receive all property taxes in the year in which they are levied. The Counties retain any collections of interest, penalties and delinquencies under this plan. Sonoma County’s Teeter Plan includes current year secured and supplemental ad valorem taxes but does not include any direct charges (benefit assessments) or unsecured taxes. A settlement apportionment for 95% of unsecured property taxes is received in October, with the remainder distributed in June. Secured property taxes are received in three settlements and apportioned as follows: 55% in December, 40% in April and 5% in June.

**D. *Budgets and Budgetary Accounting***

The District follows the procedures established by the State of California for special districts in establishing the budgetary data reflected in the financial statements. During the year, the General Fund was the only fund for which a budget was required.

**E. *Inventory***

Inventories consist primarily of pesticides and are stated at cost (first-in, first-out basis) and are recorded as expenditures at the time the inventory is consumed.

**F. *Compensated Absences***

Accumulated unpaid employee vacation and compensated hours, are recognized as liabilities of the District to the extent they vest. Sick leave has also been included as employees receive 50% of their accumulated sick leave upon termination of employment. The liability is recorded in the Statement of Net Position. The General Fund has been used to liquidate compensated absences. At June 30, 2020, the balance of compensated absences was \$539,507, of which \$242,778 was estimated to be the current portion.

**G. *Use of Estimates***

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America and, as such, include amounts based on informed estimates and judgments of management with consideration given to materiality. Actual results could differ from those amounts.

**H. *Deferred Outflows/Inflows of Resources***

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

**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2020**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**I. Fair Value Measurements**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs – other than quoted prices included within level 1 – that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

**NOTE 3 – CASH AND INVESTMENTS**

**A. Policies and Classification**

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the District’s cash on deposit, or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the District’s name and places the District ahead of general creditors of the institution. Deposits with JPA are reserves held by the Vector Control Joint Powers Agency (VCJPA) and are uncollateralized and uninsured (See Note 8).

The District’s investments are carried at fair value, as required by generally accepted accounting principles. The District adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

The District’s cash and investments consist of the following at June 30, 2020:

|                                      |              |
|--------------------------------------|--------------|
| Cash on hand                         | \$350        |
| Deposits with financial institutions | 5,353        |
| County of Marin Treasury             | 15,795,797   |
| Sub-total                            | 15,801,500   |
| Deposits with VCJPA                  | 836,792      |
| Total cash and investments           | \$16,638,292 |

**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**NOTE 3 – CASH AND INVESTMENTS (Continued)**

**B. Permitted Investments**

The District has authorized staff to deposit cash with the Marin County Treasurer in a series of pooled accounts with cash from various other governmental entities within the County, for investment purposes. The County’s investment policies are governed by State statutes. In addition, the County has an investment committee, which prescribes written investment policies regarding the types of investments that may be made. The policies limit amounts that may be invested in any one financial institution or amounts, which may be invested in long-term instruments. Interest earned from such time deposits and investments is allocated quarterly to the District based on its average daily cash balances. The fair value of the account at June 30, 2020 was provided by the County Treasurer.

| Authorized Investment Type                      | Maximum Maturity | Minimum Rating  | Maximum Percentage of Portfolio | Maximum Investment in One Issuer |
|---|------------------|-----------------|---------------------------------|----------------------------------|
| Local Agency Investment Fund (LAIF)             | N/A              | N/A             | None                            | \$60 million                     |
| Certificates of Deposit - Negotiable            | N/A              | None            | 30%                             | None                             |
| Certificates of Deposit - Non-negotiable        | None             | None            | None                            | None                             |
| Money Market Funds                              | N/A              | Highest ranking | 20%                             | 10%                              |
| U.S. Treasury Obligations                       | None             | None            | None                            | None                             |
| U.S. Agency Obligations                         | None             | None            | None                            | None                             |
| U.S. Government Securities                      | None             | None            | None                            | None                             |
| California Local Agency Bonds, Notes & Warrants | None             | None            | None                            | None                             |
| Medium-term Notes                               | 2 years          | A               | 30%                             | None                             |
| County Cash Pool                                | 3 years          | AAA             | None                            | 5%                               |
| Bankers Acceptances                             | 180 days         | None            | 30%                             | None                             |
| Commercial Paper                                | 270 days         | A               | 40%                             | None                             |
| Repurchase Agreements                           | None             | None            | None                            | None                             |

**C. Fair Value Hierarchy**

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The District’s only investment is in the County of Marin Treasury Pool which is classified as Level 2 of the fair value hierarchy and is valued using quoted prices for identical instruments in markets that are not active as provided by the County Treasurer. Fair value is defined as the quoted market value on the last trading day of the period. These prices are obtained from various pricing sources.

**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**NOTE 4 – CAPITAL ASSETS**

Purchased capital assets are stated at historical cost or estimated historical cost when original cost is not available. Donated capital assets are recorded at their acquisition fair value at the date of donation. The District’s policy is to capitalize all capital assets with costs exceeding a minimum threshold of \$5,000. Depreciation is recorded using the straight-line method over the estimated useful lives of capital assets which range from 20 to 50 years for structures and improvements, 3 to 40 years for office equipment, 3 to 20 years for office furniture, 10 to 20 years for field equipment, and 5 to 15 years for vehicles.

Capital asset activity for the fiscal year ended June 30, 2020 was as follows:

|  | Balance<br>June 30, 2019 | Additions  | Deletions &<br>Adjustments | Balance<br>June 30, 2020 |
|--|--------------------------|------------|----------------------------|--------------------------|
| Capital assets not being depreciated:        |                          |            |                            |                          |
| Land   | \$675,000                |            |                            | \$675,000                |
| Total capital assets not being depreciated   | 675,000                  |            |                            | 675,000                  |
| Capital assets being depreciated:            |                          |            |                            |                          |
| Structures and improvements                  | 6,705,661                | \$85,424   | (\$4,128)                  | 6,786,957                |
| Office equipment                             | 387,259                  |            |                            | 387,259                  |
| Office furniture                             | 37,619                   |            |                            | 37,619                   |
| Field equipment                              | 155,024                  |            |                            | 155,024                  |
| Vehicles                                     | 2,047,674                | 115,797    |                            | 2,163,471                |
| Total capital assets being depreciated       | 9,333,237                | 201,221    | (4,128)                    | 9,530,330                |
| Accumulated depreciation:                    |                          |            |                            |                          |
| Structures and improvements                  | (2,523,715)              | (155,001)  | 4,128                      | (2,674,588)              |
| Office equipment                             | (278,561)                | (15,036)   |                            | (293,597)                |
| Office furniture                             | (37,619)                 |            |                            | (37,619)                 |
| Field equipment                              | (104,434)                | (7,065)    |                            | (111,499)                |
| Vehicles                                     | (1,829,046)              | (73,616)   |                            | (1,902,662)              |
| Total accumulated depreciation               | (4,773,375)              | (250,718)  | 4,128                      | (5,019,965)              |
| Total capital assets, being depreciated, net | 4,559,862                | (\$49,497) | -                          | 4,510,365                |
| Capital assets, net                          | \$5,234,862              |            |                            | \$5,185,365              |



**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**NOTE 5 – NET POSITION AND FUND BALANCES**

Net Position is measured on the full accrual basis while Fund Balances are measured on the modified accrual basis.

**A. Net Position**

Net Position is the excess of all the District's assets and deferred outflows over all its liabilities and deferred inflows, regardless of fund. Net Position is divided into three captions which is determined at the District-wide level, and is described below:

*Net Investment in Capital Assets* describes the portion of Net Position which is represented by the current net book value of the District's capital assets.

*Restricted* describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter. The District had no Restricted Net Position as of June 30, 2020.

*Unrestricted* describes the portion of Net Position which is not restricted to use.

**B. Fund Balance**

The District's fund balances are classified in accordance with Governmental Accounting Standards Board Statement Number 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, which requires the District to classify its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the District prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

*Nonspendables* represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact and assets not expected to be converted to cash, such as prepaids, notes receivable, and inventories are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then Nonspendable amounts are required to be presented as a component of the applicable category.

*Restricted* fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

*Committed* fund balances have constraints imposed by formal action of the Board of Trustees which may be altered only by formal action of the Board of Trustees. Encumbrances and nonspendable amounts subject to Board commitments are included along with spendable resources.

**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**NOTE 5 – FUND BALANCES AND NET ASSETS (Continued)**

*Assigned* fund balances are amounts constrained by the District’s intent to be used for a specific purpose but are neither restricted nor committed. Intent is expressed by the Board of Trustees or its designee and may be changed at the discretion of the Board of Trustees or its designee. This category includes encumbrances when it is the District’s intent to use proceeds or collections for a specific purpose, and residual fund balances, if any, of the Capital Replacement Fund which have not been restricted or committed.

*Unassigned* fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual General Fund balance and residual fund deficits, if any, of other governmental funds.

**NOTE 6 – PENSION PLANS**

**A. General Information about the Pension Plans**

**Plan Descriptions** – The District contributes to the Marin County Employees’ Retirement Association (MCERA). The MCERA provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and their beneficiaries. MCERA is a cost sharing multiple-employer plan administered by the County of Marin.

**Benefits Provided** – Employees hired before January 1, 2013 vest after 10 years of service and may receive retirement benefits at the age of 50. Employees hired on or after January 1, 2013 vest after 10 years of service and may receive retirement benefits at age 62. These benefit provisions and all requirements are by the County Employees’ Retirement Law of 1937, as amended and set forth in Section 34150 et. seq. of the government code.

Copies of MCERA’s annual financial reports, which include required supplementary information for each participant in the plan, may be obtained from the Marin County Employees’ Retirement Association, One McInnis Parkway, Suite 100, San Rafael, California 94903.

The Plans’ provisions and benefits in effect at June 30, 2020 are summarized as follows:

|   | Miscellaneous                                   |  |
|---|---|--|
|   | Tier 1 - Classic<br>Prior to<br>January 1, 2013 | Tier 2 - PEPRA<br>On or after<br>January 1, 2013 |
| Hire date   |   |  |
| Benefit formula                                   | 2% @ 55.5                                       | 2% @ 62  |
| Benefit vesting schedule                          | 5 years service                                 | 5 years service                                  |
| Benefit payments                                  | monthly for life                                | monthly for life                                 |
| Retirement age                                    | 50  | 52   |
| Monthly benefits, as a % of eligible compensation | 100%  | 100%   |
| Required employee contribution rates              | 8.32% - 12.90%                                  | 10.99%   |
| Required employer contribution rates              | 32.96%  | 26.26%   |

**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**NOTE 6 – PENSION PLANS (Continued)**

**Contributions** – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by MCERA. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2020, the contributions recognized as part of pension expense for the Plans were as follows:

|                          |               |
|--------------------------|---------------|
|                          | Miscellaneous |
| Contributions - employer | \$981,142     |

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

As of June 30, 2020, the District reported its proportionate share of the net pension liability of each Plan as follows:

|                             |   |
|-----------------------------|---|
|                             | Proportionate Share<br>of Net Pension Liability |
| Miscellaneous               | \$4,068,464                                     |
| Total Net Pension Liability | \$4,068,464                                     |

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

|                              |               |
|------------------------------|---------------|
|                              | Miscellaneous |
| Proportion - June 30, 2018   | 1.5506%       |
| Proportion - June 30, 2019   | 1.1125%       |
| Change - Increase (Decrease) | -0.4381%      |

**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**NOTE 6 – PENSION PLANS (Continued)**

For the year ended June 30, 2020, the District recognized pension expense of \$28,805. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|--|-----------------------------------|----------------------------------|
| Pension contributions subsequent to measurement date                               | \$981,142                         |                                  |
| Differences between actual and expected experience                                 | 139,521                           | \$21,500                         |
| Changes in assumptions   | 226,959                           |                                  |
| Difference between District contributions and proportionate share of contributions | 96,992                            | \$89,693                         |
| Change in proportion   | 652,995                           | \$1,173,514                      |
| Net differences between projected and actual earnings on plan investments          |                                   | 271,868                          |
| Total  | <u>\$2,097,609</u>                | <u>\$1,556,575</u>               |

\$981,142 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

| Year Ended<br>June 30 | Annual<br>Amortization |
|-----------------------|------------------------|
| 2020                  | \$72,251               |
| 2021                  | (225,524)              |
| 2022                  | (369,271)              |
| 2023                  | 82,436                 |
| Total                 | <u>(\$440,108)</u>     |

**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**NOTE 6 – PENSION PLANS (Continued)**

*Actuarial Assumptions* – The total pension liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions applied to all prior periods included in the measurement. The key assumptions in the valuation were:

|                           | Miscellaneous  |
|---------------------------|--|
| Measurement Date          | June 30, 2019  |
| Valuation Date            | June 30, 2018  |
| Actuarial Cost Method     | Entry-Age Normal Cost Method   |
| Actuarial Assumptions:    |  |
| Return on Assets          | 7.00%, net of investment expenses  |
| Discount Rate             | 7.00%  |
| Projected Salary Increase | 3.00% plus merit component based on employee classification and years of service   |
| Price Inflation           | 2.75%  |
| Post Retirement COLA      | Assumed at the rate of 2.7% for members with a 4% COLA cap, 2.6% for members with a 3% COLA cap, and 1.9% for members with a 2% COLA cap   |
| Mortality                 | CalPERS 2017 Pre-Retirement Non-Industrial Death rates (for active members), CalPERS 2017 Post-Retirement Healthy Mortality rates, multiplied by 90% for Males (for retired healthy members), CalPERS 2017 Disability Mortality rates (non-industrial rates) multiplied by 90% for Males and Females (for disabled members) - all with a 20-year static projection used by CalPERS replaced by generational improvements from a base year of 2014 using Scale MP-2017. |

*Discount Rate* – The discount rate used to measure the Total Pension Liability was 7.00%.

We have assumed that the employees will continue to contribute to the Plan at the required rates and the employers will continue the historical and legally required practice of contributing to the Plan based on an actuarially determined contribution, reflecting a payment equal to annual Normal Cost, a portion of the expected Administrative Expenses, an amortization payment for the extraordinary losses from 2009 amortized over a closed period (21 years remaining as of the June 30, 2017 actuarial valuation) and an amount necessary to amortize the remaining Unfunded Actuarial Liability as a level percentage of payroll over a closed period (20 years remaining as of the June 30, 2017 actuarial valuation).

**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**NOTE 6 – PENSION PLANS (Continued)**

The MCERA Board of Retirement has adopted an Investment Policy Statement (IPS), which provides the framework for the management of MCERA’s investments. The IPS establishes MCERA’s investment objectives and defines the principal duties of the Retirement Board, the custodian bank, and the investment managers. The asset allocation plan is an integral part of the IPS and is designed to provide an optimum and diversified mix of asset classes with return expectations to satisfy expected liabilities while minimizing risk exposure. MCERA currently employs external investment managers to manage its assets subject to the provisions of the policy. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the Plan. The following was the Retirement Board’s adopted asset allocation policy as of June 30, 2020:

| Asset Class          | Target Allocation | Long-Term Expected Real Rate of Return |
|----------------------|-------------------|--|
| Domestic Equity      | 23%               | 1.50%                                  |
| International Equity | 32%               | 4.90%                                  |
| Fixed Income         | 22%               | 5.00%                                  |
| Public Real Assets   | 7%                | 3.65%                                  |
| Real Estate          | 8%                | 4.00%                                  |
| Private Equity       | 8%                | 6.25%                                  |
| Total                | <u>100%</u>       |  |

***Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*** – The discount rate used to measure the Total Pension Liability was 7.00%. Related to the discount rate is the funding assumption that employees will continue to contribute to the plan at the required rates and employers will continue the historical and legally required practice of contributing to the plan based on an actuarially determined contribution, reflecting a payment equal to annual normal cost, a portion of the expected administrative expenses, an amortization payment for the extraordinary losses from 2009 amortized over a closed period (21 years remaining as of the June 30, 2017 actuarial valuation) and an amount necessary to amortize the remaining Unfunded Actuarial Liability as a level percentage of payroll over a closed period (13 years remaining as of the June 30, 2017 actuarial valuation).

**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**NOTE 6 – PENSION PLANS (Continued)**

A change in the discount rate would affect the measurement of the TPL. A lower discount rate results in a higher TPL and higher discount rates results in a lower TPL. Because the discount rate does not affect the measurement of assets, the percentage change in the NPL can be very significant for a relatively small change in the discount rate. A one percent decrease in the discount rate increases the TPL by approximately 13% and increases the NPL by approximately 96%. A one percent increase in the discount rate decreases the TPL by approximately 11% and decreases the NPL by approximately 79%.

The following presents the District’s proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

|  | 1%<br>Decrease<br>6.00% | Discount<br>Rate<br>7.00% | 1%<br>Increase<br>8.00% |
|--|-------------------------|---------------------------|-------------------------|
| Total Pension Liability  | \$37,207,729            | \$32,908,754              | \$29,367,885            |
| Fiduciary Net Position   | 28,840,290              | 28,840,290                | 28,840,290              |
| Net Pension Liability  | \$8,367,439             | \$4,068,464               | \$527,595               |
| Fiduciary Net Position as a Percentage<br>of the Total Pension Liability | 77.5%                   | 87.6%                     | 98.2%                   |

***Pension Plan Fiduciary Net Position*** – Detailed information about each pension plan’s fiduciary net position is available in the separately issued MCERA financial reports.

**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2020**

**NOTE 7 – OTHER POST EMPLOYMENT BENEFITS**

**A. Plan Description, Benefits Provided and Funding Policy**

The District’s Post Employment Benefit Plan is an agent multiple employer plan. The following is a summary of Plan benefits as of June 30, 2020:

|                                   | <b>Benefit Summary</b>  |
|-----------------------------------|---|
| <b>Eligibility</b>                | -Hired July 30, 2014 or earlier:<br><br>-Retire directly from the District under Marin County Employees' Retirement Association (Service Retirement at Age 50 or 55 depending on Retirement Tier with 10 years MCERA service or disability retirement)<br>-10 years of District Service<br><br>-Hired after July 30, 2014:<br>-Not eligible for District payment of retiree medical premiums  |
| <b>Benefit</b>                    | -Hired July 30, 2014 or earlier:<br>-District pays the full medical and Medicare B premiums for retirees<br>-For retirees hired prior to July 1, 2009, the District also pays the premium for 1 dependent<br><br>-Hired after July 30, 2014:<br>-No District contributions towards retiree medical premiums, but may participate in District medical plans if pays premium<br><br>-Eligible for Health Reimbursement Account (HRA) contributions after 2 years of service with the District |
| <b>Surviving Spouse Benefit</b>   | -Premium paid for those hired prior to July 1, 2009<br>-Same benefit continues to surviving spouse  |
| <b>Dental, Vision, &amp; Life</b> | -None   |
| <b>Medical Plans</b>              | -County of Marin Medical Plans  |

The District’s policy is to contribute the full Actuarially Determined Contribution (ADC). The District began making contributions to a CERBT trust during fiscal year 2014-2015.

Membership in the plan consisted of the following at June 30, 2020, the date of the latest actuarial valuation:

|  |    |
|--|----|
| Active plan members  | 26 |
| Inactive employees or beneficiaries currently receiving benefit payments | 19 |
| Inactive employees entitled to but not yet receiving benefit payments    | 0  |
| Total  | 45 |



**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**NOTE 7 – OTHER POSTEMPLOYMENT BENEFITS (Continued)**

**B. Net OPEB Liability**

**Actuarial Methods and Assumptions** – The District’s net OPEB liability was measured as of June 30, 2019 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated July 1, 2019 that was rolled forward using standard update procedures to determine the District’s total OPEB liability as of June 30, 2019, based on the following actuarial methods and assumptions:

|   | Actuarial Assumptions  |
|---|--|
| Valuation Date  | July 1, 2019   |
| Measurement Date  | June 30, 2019  |
| Actuarial Assumptions:                                    |  |
| Discount Rate   | 6.50%  |
| Expected Rate of Return on Assets                         | 6.50%  |
| Inflation   | 2.75% per year   |
| Payroll Growth  | Aggregate - 3% annually<br>Merit - MCERA 2014-2017 Experience Study  |
| Mortality, Termination, Service Retirement,<br>Disability | MCERA 2014-2017 Experience Study   |
| Mortality Improvement                                     | Mortality projected fully generational with Scale MP-2018  |
| Medical Trend   | - Non-Medicare - 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076<br>- Medicare - 6.30% for 2021, decreasing to an ultimate rate of 4.0% in 2076 |
| Medicare B Trend  | - 6.5% for 2020 4.4% in 2021, 5.1% in 2022, increasing to Medicare medical trend in 2023 and later years   |
| Participation for future retirees                         | - Hired 7/30/14 or earlier: 100%<br>- Hired after 7/30/14: Ineligible  |

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**NOTE 7 – OTHER POSTEMPLOYMENT BENEFITS (Continued)**

| Asset Class                                   | Target<br>Allocation | Long-Term<br>Expected<br>Real Rate of Return |
|---|----------------------|--|
| Global Equity                                 | 59%                  | 4.82%  |
| Fixed Income                                  | 25%                  | 1.47%  |
| Treasury Inflation-Protected Securities       | 5%                   | 1.29%  |
| Commodities                                   | 3%                   | 0.84%  |
| REITs   | 8%                   | 3.76%  |
| Total   | 100%                 |  |
| Assumed Long-Term Rate of Inflation           |                      | 2.75%  |
| Assumed Long-Term Net Rate of Return, Rounded |                      | 6.50%  |

The Expected Long-Term Rate of Return is provided by CalPERS' Strategic Asset Allocation Overview in August 2011 – Strategy 1.

***Discount Rate***

The discount rate used to measure the total OPEB liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**C. *Change in Net OPEB Liability***

|   | Increase (Decrease)                   |  |
|---|---------------------------------------|--|
| Total OPEB<br>Liability<br>(a)                    | Plan Fiduciary Net<br>Position<br>(b) | Net OPEB<br>Liability/(Asset)<br>(c) = (a) - (b) |
| Balance at June 30, 2019                          | \$10,863,000                          | \$9,706,000                                      |
| Changes Recognized for the Measurement Period:    |                                       |  |
| Service Cost                                      | 237,000                               | 237,000  |
| Interest on the total OPEB liability              | 711,000                               | 711,000  |
| Changes in benefit terms                          | -                                     | -  |
| Difference between expected and actual experience | (2,057,000)                           | (2,057,000)                                      |
| Changes of assumptions                            | (73,000)                              | (73,000)   |
| Contributions from the employer                   | -                                     | (2,355,000)                                      |
| Net investment income                             | -                                     | (153,000)  |
| Administrative expenses                           | -                                     | -  |
| Benefit payments and refunds                      | (298,000)                             | -  |
| Net Changes                                       | (1,480,000)                           | (3,690,000)                                      |
| Balance at June 30, 2020                          | \$9,383,000                           | \$6,016,000                                      |

The benefit payments and refunds include implied subsidy benefit payments in the amount of \$59,000.

**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**NOTE 7 – OTHER POSTEMPLOYMENT BENEFITS (Continued)**

**D. Sensitivity of the Net OPEB Liability to Change in the Discount Rate**

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current discount rate:

| Plan's Net OPEB Liability/(Asset) |                                  |                              |
|-----------------------------------|----------------------------------|------------------------------|
| Discount Rate -1%<br>(5.50%)      | Current Discount<br>Rate (6.50%) | Discount Rate +1%<br>(7.50%) |
| \$7,510,000                       | \$6,016,000                      | \$4,807,000                  |

**E. Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates**

| Plan's Net OPEB Liability/(Asset) |  |                   |
|-----------------------------------|--|-------------------|
| Decrease -1%                      | Current Healthcare Cost<br>Trend Rates | Increase Rate +1% |
| \$4,697,000                       | \$6,016,000                            | \$7,660,000       |

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued plan financial report.

**F. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB**

For the year ended June 30, 2020, the District recognized OPEB expense of \$502,989. At June 30, 2020, the District reported deferred outflows and inflows of resources related to OPEB from the following sources:

|  | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|--|-----------------------------------|----------------------------------|
| Employer contributions made subsequent to the measurement date           | \$955,293                         |                                  |
| Difference between expected and actual experience                        |                                   | \$2,214,000                      |
| Changes in assumptions   | 678,000                           | 59,000                           |
| Net difference between projected and actual earnings on plan investments |                                   | 30,000                           |
| Total  | \$1,633,293                       | \$2,303,000                      |

**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**NOTE 7 – OTHER POSTEMPLOYMENT BENEFITS (Continued)**

\$955,923 reported as deferred outflows of resources related to employer contributions made subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as future OPEB expense as follows:

| Measurement Period<br>Ended June 30 | Annual<br>Amortization |
|-------------------------------------|------------------------|
| 2021                                | (\$365,000)            |
| 2022                                | (366,000)              |
| 2023                                | (369,000)              |
| 2024                                | (405,000)              |
| 2025                                | (120,000)              |
| Total                               | (\$1,625,000)          |

**G. *Deferred Compensation Plan***

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available for full-time employees. The Internal Revenue Services regulations allow an employer to designate a 457(b) Deferred Compensation Plan as an alternative to social security. The plan permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. However, participants are allowed to borrow against their account value, up to 50%.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights (until paid or made available to the employee or other beneficiary) are held in trust by third party administrators for the exclusive benefit of the plan participants and their beneficiaries as prescribed by Internal Revenue Code Section 457 (g). Accordingly, these assets have been excluded from the accompanying financial statements.

**NOTE 8 – RISK MANAGEMENT**

The District participates with other public entities in a joint venture under a joint powers agreement which established the Vector Control Joint Powers Agency (VCJPA) which is a workers' compensation and general liability risk pool. The relationship between the District and VCJPA is such that VCJPA is not a component unit of the District for financial reporting purposes. The District reports all of its risk management activities in its VCJPA Fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Should there be a need for a retrospective adjustment due to adverse claim activity, the District may be assessed additional premiums.

The VCJPA is a consortium of thirty-four (34) mosquito abatement or vector control districts in the State of California. It was established under the provisions of California Government Code section 6500 et seq. The VCJPA is governed by a Board of Directors, which meets four times per year, consisting of one member from each of the four regions as well as two trustees of the Mosquito and Vector Control Association of California (MVCAC). A risk management group employed by the VCJPA handles the day-to-day business.

**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**NOTE 8 – RISK MANAGEMENT (Continued)**

The following is a summary of the insurance policies in force carried by the Authority as of June 30, 2020:

| Type of Coverage                   | District<br>Limits | District<br>Deductibles |
|------------------------------------|--------------------|-------------------------|
| General Liability                  | \$15,000,000       | \$1,000,000             |
| Employment Practices               | 2,000,000          | 25,000                  |
| Workers' Compensation              | Statutory          | 500,000                 |
| Boiler and Machinery               | 100,000,000        | 2,500 to 350,000        |
| All-risk Property                  | 1,000,000,000      | 10,000                  |
| Auto Physical Damage (per vehicle) | 35,000             | 1,000                   |
| Business Travel Accident           | 150,000            | None                    |
| Group Fidelity                     | 1,000,000          | 2,500                   |
| Alliant Deadly Weapon Response     | 500,000            | 10,000                  |

As defined by Government Accounting Standards Board (GASB) Statement 10, the Vector Control Joint Powers Agency is “a claims servicing or account pool.” VCJPA manages separate accounts for each pool member from whom losses and expenses of that member are paid, up to the retention limit. VCJPA purchases commercial excess insurance. The annual assessment of each member includes allocation for loss payments, expenses and excess insurance premiums.

Annually, VCJPA evaluates the assets of each pool member in comparison with expected future liabilities. The “financial risk position” of each member is determined by subtracting case reserves, claims incurred but not reported amounts and claim development from members’ deposit balances. If a negative risk position is found, a supplemental amount is added to the member’s annual assessment.

In accordance with GASB 10, the District has recorded its deposit with VCJPA as an asset at June 30, 2020. The District had no claims losses outstanding at June 30, 2020. Settled claims for the District have not exceeded coverage in any of the past three years.

The District has reserves of \$836,792 on deposit with VCJPA for member contingencies to cover the District’s self-insured retentions (SIR) for two claims in each type of coverage. The VCJPA has also purchased insurance to cover catastrophic losses.

Financial statements may be obtained from Vector Control Joint Powers Agency, 1750 Creekside Oaks Drive, Suite 200, Sacramento, California 95833.

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**REQUIRED SUPPLEMENTARY INFORMATION**

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**MARIN/SONOMA MOSQUITO & VECTOR CONTROL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Last 10 years\***

| <b>Measurement Date</b>  | <b>6/30/2014</b>          | <b>6/30/2015</b>          | <b>6/30/2016</b>          | <b>6/30/2017</b>          | <b>6/30/2018</b>          | <b>6/30/2019</b>          |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| District's proportionate share   | 1.3670%                   | 1.0675%                   | 1.1722%                   | 1.2260%                   | 1.5506%                   | 1.1125%                   |
| Proportionate share of total pension liability                             | \$30,836,408              | \$26,359,459              | \$30,203,230              | \$32,918,302              | \$43,908,650              | \$32,908,754              |
| Proportionate share of fiduciary net position                              | <u>27,458,012</u>         | <u>22,224,119</u>         | <u>24,600,929</u>         | <u>28,397,350</u>         | <u>38,787,052</u>         | <u>28,840,290</u>         |
| <b>Proportionate share of the net pension liability</b>                    | <b><u>\$3,378,396</u></b> | <b><u>\$4,135,340</u></b> | <b><u>\$5,602,301</u></b> | <b><u>\$4,520,952</u></b> | <b><u>\$5,121,598</u></b> | <b><u>\$4,068,464</u></b> |
| Plan fiduciary net position as a percentage of the total pension liability | 89.04%                    | 84.31%                    | 81.45%                    | 86.27%                    | 88.34%                    | 87.64%                    |
| Covered payroll  | \$3,105,278               | \$2,845,790               | \$2,856,069               | \$2,965,789               | \$3,051,566               | \$3,265,466               |
| Net pension liability as a percentage of covered payroll                   | 108.80%                   | 145.31%                   | 196.15%                   | 152.44%                   | 167.84%                   | 124.59%                   |

\* Historical information is required only for the measurement periods for which GASB 68 is applicable.

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**MARIN/SONOMA MOSQUITO & VECTOR CONTROL DISTRICT**  
**Cost-Sharing Multiple Employer Defined Benefit Retirement Plan**  
**Last 10 Years\***  
**SCHEDULE OF CONTRIBUTIONS**

|   | <u>Fiscal Year</u><br><u>2014 - 2015</u> | <u>Fiscal Year</u><br><u>2015 - 2016</u> | <u>Fiscal Year</u><br><u>2016 - 2017</u> | <u>Fiscal Year</u><br><u>2017 - 2018</u> | <u>Fiscal Year</u><br><u>2018 - 2019</u> | <u>Fiscal Year</u><br><u>2019 - 2020</u> |
|---|--|--|--|--|--|--|
| Actuarially determined contribution                                   | \$856,583                                | \$968,417                                | \$994,927                                | \$1,041,782                              | \$990,343                                | \$981,142                                |
| Contributions in relation to the actuarially determined contributions | <u>856,583</u>                           | <u>968,417</u>                           | <u>994,927</u>                           | <u>1,041,782</u>                         | <u>990,343</u>                           | <u>981,142</u>                           |
| Contribution deficiency (excess)                                      | <u>\$0</u>                               | <u>\$0</u>                               | <u>\$0</u>                               | <u>\$0</u>                               | <u>\$0</u>                               | <u>\$0</u>                               |
| Covered payroll   | \$2,845,790                              | \$2,856,069                              | \$2,965,789                              | \$3,051,566                              | \$3,265,466                              | \$3,405,838                              |
| Contributions as a percentage of covered payroll                      | 30.10%                                   | 33.91%                                   | 33.55%                                   | 34.14%                                   | 30.33%                                   | 28.81%                                   |

\* Historical information is required only for the measurement periods for which GASB 68 is applicable.

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**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION (Unaudited)**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**For the Year Ended June 30, 2020**

Last Ten Fiscal Years \*

**Other Post-Employment Benefits (OPEB)**

| Measurement period   | June 30, 2016      | June 30, 2017       | June 30, 2018       | June 30, 2019      |
|--|--------------------|---------------------|---------------------|--------------------|
| <b>Total OPEB liability</b>  |                    |                     |                     |                    |
| Service cost   | \$213,000          | \$212,000           | \$247,000           | \$237,000          |
| Interest   | 618,000            | 659,000             | 672,000             | 711,000            |
| Differences between expected and actual experience                             | -                  | (1,109,000)         | -                   | (2,057,000)        |
| Assumption changes   | -                  | 1,380,000           | -                   | (73,000)           |
| Benefit payments, including refunds of employee contributions                  | (248,000)          | (246,000)           | (282,000)           | (298,000)          |
| <b>Net change in total OPEB liability</b>                                      | <b>583,000</b>     | <b>896,000</b>      | <b>637,000</b>      | <b>(1,480,000)</b> |
| <b>Total OPEB liability - beginning</b>  | <b>8,747,000</b>   | <b>9,330,000</b>    | <b>10,226,000</b>   | <b>10,863,000</b>  |
| <b>Total OPEB liability - ending (a)</b>                                       | <b>\$9,330,000</b> | <b>\$10,226,000</b> | <b>\$10,863,000</b> | <b>\$9,383,000</b> |
| <b>OPEB fiduciary net position</b>   |                    |                     |                     |                    |
| Contributions - employer   | \$417,000          | \$624,000           | \$636,000           | \$2,355,000        |
| Net investment income  | 3,000              | 56,000              | 79,000              | 153,000            |
| Benefit payments, including refunds of employee contributions                  | (248,000)          | (246,000)           | (282,000)           | (298,000)          |
| Administrative expense   | -                  | -                   | (2,000)             | -                  |
| <b>Net change in plan fiduciary net position</b>                               | <b>172,000</b>     | <b>434,000</b>      | <b>431,000</b>      | <b>2,210,000</b>   |
| <b>Plan fiduciary net position - beginning</b>                                 | <b>120,000</b>     | <b>292,000</b>      | <b>726,000</b>      | <b>1,157,000</b>   |
| <b>Plan fiduciary net position - ending (b)</b>                                | <b>\$292,000</b>   | <b>\$726,000</b>    | <b>\$1,157,000</b>  | <b>\$3,367,000</b> |
| <b>Plan net OPEB liability - ending (a) - (b)</b>                              | <b>\$9,038,000</b> | <b>\$9,500,000</b>  | <b>\$9,706,000</b>  | <b>\$6,016,000</b> |
| <b>Plan fiduciary net position as a percentage of the total OPEB liability</b> | <b>3.13%</b>       | <b>7.10%</b>        | <b>10.65%</b>       | <b>35.88%</b>      |
| <b>Covered payroll</b>   | <b>\$2,709,398</b> | <b>\$2,747,596</b>  | <b>\$2,699,763</b>  | <b>\$2,053,078</b> |
| <b>Plan net OPEB liability as a percentage of covered payroll</b>              | <b>333.58%</b>     | <b>345.76%</b>      | <b>359.51%</b>      | <b>293.02%</b>     |

\* Historical information is required only for the measurement periods for which GASB 75 is applicable.

**MARIN/SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION (Unaudited)**  
**SCHEDULE OF CONTRIBUTIONS**  
**For the Year Ended June 30, 2020**

**Last Ten Fiscal Years \***

**Other Post-Employment Benefits (OPEB)**

| <b>Fiscal Year</b>  | <u>2016-17</u>   | <u>2017-18</u>   | <u>2018-19</u>       | <u>2019-20</u>   |
|---|------------------|------------------|----------------------|------------------|
| Actuarially determined contribution                                     | \$817,000        | \$857,000        | \$1,081,000          | \$950,000        |
| Contributions in relation to<br>the actuarially determined contribution | <u>624,000</u>   | <u>635,651</u>   | <u>2,355,304</u>     | <u>955,293</u>   |
| Contribution deficiency (excess)  | <u>\$193,000</u> | <u>\$221,349</u> | <u>(\$1,274,304)</u> | <u>(\$5,293)</u> |
| Covered payroll   | \$2,747,596      | \$2,699,763      | \$2,053,078          | \$2,824,492      |
| Contributions as a percentage of<br>covered payroll                     | 22.71%           | 23.54%           | 114.72%              | 33.82%           |

\* GASB 75 requires this information for plans funding with OPEB trusts be reported in the employer's Required Supplementary Information for 10 years or as many years as are available upon implementation.

**Notes to Schedule:**

Methods and assumptions used to determine contribution rates:

|                        |  |
|------------------------|--|
| Valuation Date         | July 1, 2017   |
| Actuarial Cost Method  | Entry Age Normal, Level Percentage of Payroll  |
| Amortization Method    | Level dollar   |
| Remaining Amortization | 21-year fixed period for 2019/20   |
| Asset Valuation Method | Market value of assets   |
| Discount Rate          | 6.50%  |
| General Inflation      | 2.75%  |
| Medical Trend          | - Non-Medicare - 7.5% for 2018, decreasing to an ultimate rate of 4.0% in 2076<br>- Medicare - 6.5% for 2018, decreasing to an ultimate rate of 4.0% in 2076 |
| Mortality              | MCERA 2011-2014 Experience Study   |
| Mortality Improvement  | Mortality projected fully generational with Scale MP-2016  |

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## STAFF REPORT



DATE: November 18, 2020

TO: The Board of Trustees

FROM: Philip D. Smith, District Manager

SUBJECT: Potential Reduction in the Number of Trustees representing the Unincorporated Territories of Marin and Sonoma Counties.

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### **RECOMMENDATION**

The Executive Committee and staff recommend that the Board:

1. Discuss this report and decide what actions to take, if any.
2. Consider a motion providing direction to staff.

### **REASONS FOR/RESULTS OF RECOMMENDED ACTION**

Earlier this year, the Executive Committee considered a report prepared by staff, noting that the Counties of Marin and Sonoma have largely been unable to recruit and retain appointees to fill the second trustee positions representing the unincorporated areas of each county. These positions were added to the Board in 2007 at the District's request. By contrast, the Counties of Sonoma and Marin have been stably and continuously represented since 2002 and 2006 by Trustees Tamara Davis and Ed Schulze, respectively.

County staff who deal with appointments to Boards and Commissions, report great difficulty in recruiting and retaining trustees for the two second at-large positions, resulting in these seats having been mostly unfilled over the last decade. At times, an appointed second trustee would sporadically attend meetings, eventually resigning during his or her term, and thus creating a vacancy. One consequence of the 2007 addition of the second trustee positions was to increase the difficulty of achieving a quorum at meetings.

Under the current arrangement, the authorized Board trustee positions are two trustees from the County of Marin, two trustees from the County of Sonoma, and one trustee from each incorporated city within the counties. Since there are 20 incorporated cities, this results in a Board of 24 trustees. The state Health and Safety Code requires a majority of the Board (i.e., a quorum) to transact business. Because the Board has 24 authorized seats, the required number of Board members for a quorum rose from 12 to 13 (50% plus one). Partially due to this increase, the Board has failed to achieve a quorum at two meetings in recent years, and at several other meetings has operated with the minimum number of 13 trustees present.

By all accounts, the community representation in recent years provided by one trustee per county unincorporated area has been very good, with no complaints received. Following direction from the Executive Committee, staff is conducting outreach to the counties' elected leadership to obtain their opinions on this matter, which will be followed by a report back to the Board of Trustees.

The Executive Committee and staff recommend that the Board provide direction to staff on the matter of at-large Trustee representation. This could take the form of leaving the number of Board positions status quo, pursuing the option of requesting the counties to adopt resolutions reversing the 2007 action, thus reverting the Board to a total of 22 seats, or giving the matter further consideration.

The Executive Committee and staff note that reducing the number of Board positions would yield cost savings and reduce administrative overhead for the District and the counties. Further, it would lower the number of trustees required to achieve a quorum from 13 to 12.

### **BACKGROUND**

For most of the District's history, the unincorporated territory of each county was represented by one trustee per county. In 2007, the District exercised its option to increase the representation of each county by one additional trustee. Each county adopted a resolution increasing representation of the unincorporated areas to two seats, thus increasing the total number of trustees from 22 to 24. As noted above, despite the efforts of county and District staff, in practice it has proved largely infeasible to attract and maintain two trustee at-large positions representing each county.

### **ANALYSIS**

The legal aspects of this matter are governed by the California Health and Safety Code section 2025, subsections (b)-(d):

(b) A board of trustees may adopt a resolution requesting the board of supervisors of any county that contains territory within the district to increase or decrease the number of members of the board of trustees who represent the unincorporated territory of that county within the district. The resolution shall specify the number of members and the areas of the unincorporated territory for which the board of trustees requests the increase or decrease.

(c) Within 60 days of receiving a resolution adopted pursuant to subdivision (b), the board of supervisors shall order the increase or decrease in the number of members of the board of trustees, consistent with the board of trustees' resolution.

(d) If the board of supervisors orders an increase in the number of members of the board of trustees, the board of supervisors shall appoint a person or persons to the board of trustees and specify their term of office, consistent with the requirements of this chapter. If the board of supervisors orders a decrease in the number of members of the board of trustees, the board of supervisors shall designate the trustee or trustees whose office shall be eliminated at the termination of the trustee's current term of office. Any trustee whose office is designated to be eliminated shall continue to serve until his or her term of office expires.

(Underlining added)

As noted above, if the Board of Trustees elects to pursue a reduction in the number of at-large trustees from two to one per county, this would be achieved by the Board adopting two resolutions (one for each county) requesting each county to order the decrease in the number of members of the Board of Trustees who represent the unincorporated territory of that county. The District would prepare the proposed resolutions and submit draft staff reports to the county administrations.

With respect to the final two sentences of section (d) above, because both of the two additional (post 2007) trustee positions representing each county are currently unfilled, no serving trustee's position would be eliminated if the Board chose to pursue the reduction in the number of trustees.

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## STAFF REPORT



DATE: December 9, 2020  
TO: The Board of Trustees  
FROM: Philip D. Smith, District Manager  
SUBJECT: Proposed Surplus Property Policy (4030)

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### **RECOMMENDED ACTION**

The Executive Committee, Policy Committee and staff recommends that the Board:

1. Review & discuss this report, the attached draft Surplus Property Policy and Resolution 2020/21-04.
2. Consider a motion to adopt the proposed Resolution 2020/21-04, which approves the proposed Surplus Property Policy and adds it to the Board Policy Manual as Section 4030.

### **REASONS FOR RECOMMENDED ACTION**

District staff recommends the implementation of a formal surplus property policy governing the disposition of surplus personal property owned by the District (“Surplus Property Policy”). Surplus personal property includes items such as equipment, vehicles, supplies, goods, and similar property owned by the District. The proposed Surplus Property Policy does not apply to the disposition of surplus real property, over which the Board retains sole authority.

The Mosquito Abatement and Vector Control District Law provides that the District may sell, lease, or otherwise dispose of any real or personal property. Pursuant to Health and Safety Code section 2041, every sale of property must be to the highest bidder and the Board of Trustees must publish notice of the sale pursuant to Government Code section 6066. Government Code section 6066 requires that a notice be published once a week for two successive weeks. Two publications in a newspaper published once a week or more frequently, with at least five days in between the publication dates (not counting the actual publication dates) are sufficient. The period of notice begins the first day of publication and terminates at the end of the fourteenth day.

Alternatively, under Health and Safety Code section 2041, the District may donate any surplus personal property to any public agency or nonprofit organization.

### **ANALYSIS**

Over time, the District accumulates equipment, vehicles, supplies, and goods, some of which become technologically obsolete or are otherwise no longer useful to the District. Therefore, staff recommends that the Board establish procedures to sell surplus personal property and generate revenue from property it no longer uses or needs. The District desires to use an independent auctioneer to sell surplus vehicles and heavy equipment as this has proved a satisfactory means of liquidating these assets. Other surplus property with a recoverable fair market value will be sold by internet auction or to the highest bidder pursuant to Health and Safety Code section 2041. For property for which the cost to the District to hold an auction or conduct a sealed bid exceeds the Property’s estimated resale value, the District may donate the property to public agencies and charitable organizations that could use the property for their purposes.

Under the proposed policy, the Board of Trustees must approve the disposition of any property that had an initial purchase price of \$10,000, or more.

If the Board takes the recommended actions, District staff would add the proposed Surplus Property Policy to the Board Policy Manual as Section 4030.



**POLICY TITLE: Disposal of Surplus Property****NUMBER: 4030**

---

**4030.10 Purpose**

To establish procedures for the fair and equitable disposition of surplus personal property and to ensure internal checks and controls.

**4030. 20 Definition of Property**

- a) As used in this policy, "Property" refers to surplus personal property and items such as equipment, vehicles, supplies, goods, and similar property owned by the District. As used in this policy, "Property" does not include real property or surplus land. The sale or other disposal of real property or surplus land owned by the District must comply with the procedures set forth in Government Code Sections 54220 et seq. The Board of Trustees retains sole authority to declare real property surplus.
- b) Property refers to materials, equipment, supplies and goods that are in excess of the District's needs for use, spare parts, or maintenance. The term "surplus property" also applies to items lacking a use in the foreseeable future.
- c) Property includes obsolete materials, goods, and equipment that are no longer useable for their intended purpose (for example, computers that have exceeded their service life). Similarly, if equipment cannot be repaired economically, it may be declared obsolete and surplus.

**4030.30 Scope of Authority**

The District Manager is responsible for prudently selecting the optimal means of disposing of surplus property, considering efficiency and realizing the best value for the District.

Any Property that had an initial purchase price of \$10,000, or more, must be approved by the Board of Trustees prior to disposition of the property. Property with an initial purchase price of under \$10,000, only requires written approval of the District Manager or his/her designee.

Members of the Board of Trustees and the District Manager shall be ineligible to purchase surplus property. Property may be sold to District employees provided that such employees do not participate in the determination to surplus the property or the disposal process.

**4030.40 Methods of Disposal**

Once Property has been declared surplus by the Board or District Manager, it may be disposed of in any of the following manners:

a) Public Auction for Vehicles and Heavy Equipment

Motor vehicles (cars, trucks, all-terrain vehicles etc.) shall be disposed of by the use of an independent auction service. Heavy equipment may also be sold on the District's behalf by an independent auction service. In selecting an auction service, the District Manager or designee shall take into account the service's commission fee, its reputation and its prior performance on the District's behalf. To protect the District against liability, certificates of title transfer shall be obtained for all vehicles sold.

b) Online Auction for Other Items

Surplus equipment other than vehicles may be sold directly to the general public through either of the following methods:

1. Public Auction

Surplus property may be sold at public auction. Public auctions may be conducted by the District, or the District may contract with a professional auctioneer including professional auction services.

2. Internet Auction

The District may utilize an Internet auction service (i.e., e-Bay; Public Surplus, etc.) to sell surplus property.

3. Sealed Bids

Sealed bids may be solicited for the sale of surplus property. Surplus property disposed of in this manner shall be sold to the highest bidder. Notice of the sale of surplus property shall be posted on the District's website and published in a newspaper of the District at least once a week for two successive weeks in accordance with Government Code section 6066.

c) Donation

Surplus property may be donated directly to charitable nonprofit organizations or to other public agencies including, but not limited to, cities, counties, school districts, sister-cities, special districts and joint powers agencies upon receiving reasonable assurances that the property (or the proceeds) will be used to serve a public purpose.

d) Minimal Value Items

If the District Manager or designee determines that obsolete or surplus Property (or other items) lack any resale value or the cost to the District to market and resell the Property is greater than the Property's estimated resale value, the District may donate, recycle, or otherwise dispose of the Property.

e) Trade-In/Return to Manufacturer

Surplus property may be offered as a trade-in for credit toward the acquisition of new property or returned to the manufacturer for buy-back. If surplus property is to be applied to a purchase order, the trade-in value shall be itemized on the purchase order.

f) Disposal of Electronic Equipment

Prior to the sale, recycling or disposal of surplus computer, tablet or mobile smartphone equipment, the District Manager shall ensure that all erasable data is securely deleted by the District's Information Technology specialist.

**4030.50 Non-Warranty**

All surplus Property disposed of will be "as is" and "where is", with no warranty, guarantee, or representation of any kind, expressed or implied, as to the condition, utility or usability of the property. All bills of sale, transfers of title or other documentation reflecting the transfer of surplus Property to any third party must include warranty disclaimers consistent with this section.

**4030.60 Grant Funds**

Notwithstanding anything to the contrary in this Surplus Property Policy, no surplus Property may be disposed of in violation of any federal or state laws or regulations. Prior to disposing of any surplus property, the District must determine whether any federal or state grant funds were used to acquire the property and whether those grants limit or otherwise affect the disposal of the property. As applicable, the District shall dispose of the property consistent with this policy but subject to any federal or state grant restrictions.

**4030.70 Record Keeping**

On a quarterly basis, the District Manager shall report to the Board of Trustees the value of all surplus property sold or traded in.

**Committee review: December 2, 2020**

**Legal review: November 27, 2020**

**Board Approval: Pending**

## RESOLUTION 2020/21-04

### A RESOLUTION OF THE BOARD OF TRUSTEES OF THE MARIN/SONOMA MOSQUITO & VECTOR CONTROL DISTRICT ADOPTING SURPLUS PROPERTY POLICY

**WHEREAS**, pursuant to Health and Safety Code section 2041, the Marin/Sonoma Mosquito & Vector Control District (“District”) is authorized to acquire, sell, lease, or dispose of real and personal property of every kind; and,

**WHEREAS**, every sale of property must be to the highest bidder and the District Board of Trustees must publish notice of the sale pursuant to Section 6066 of the Government Code; and,

**WHEREAS**, the District may alternatively donate any surplus real or personal property to any public agency or nonprofit organization; and,

**WHEREAS**, from time to time personal property, such as equipment, formerly necessary for District operations becomes obsolete, worn-out, unnecessary, or otherwise surplus to District needs; and

**WHEREAS**, the District wishes to adopt a formal policy governing the disposition of its surplus personal property (the “Surplus Property Policy”), and to incorporate it in the District’s Board Policy Manual.

**NOW THEREFORE BE IT RESOLVED**, by the Board of Trustees of the Marin/Sonoma Mosquito & Vector Control District as follows:

#### **SECTION 1. Recitals**

The above recitals are incorporated as though set forth in this section.

#### **SECTION 2. Purposes**

In addition to the general purposes identified in the above recitals, the District desires to adopt the attached Board Surplus Property Policy.

#### **SECTION 3. Authority To Dispose of Surplus Personal Property**

The authority and powers set forth herein shall be exercised by the District Manager or his or her designee (collectively referred to herein as the “District Manager”) to dispose of such personal surplus property, at terms and conditions that are determined to be the most efficient and economical means and pursuant to the following procedures and state law. Items that may be designated as surplus personal property may include any items of District property including, but not limited to, machinery, motor vehicles, furniture, supplies, or other equipment owned by the District.

#### **SECTION 4. Adoption of Policy**

The Board hereby adopts the Board Surplus Property Policy attached hereto as Attachment A and incorporated herein.

**SECTION 5. Severability**

Should any provision of this Resolution, or its application to any person or circumstance, be determined by a court of competent jurisdiction to be unlawful, unenforceable or otherwise void, that determination shall have no effect on any other provision of this Resolution or the application of this Resolution to any other person or circumstance and, to that end, the provisions hereof are severable.

**SECTION 6. Effective Date**

This Resolution shall become effective upon its adoption.

**PASSED AND ADOPTED** at a regular meeting of the Board of Trustees held December 9<sup>th</sup>, 2020, by the following roll call vote:

|                    | <i>Yes</i>               | <i>No</i>                | <i>Abstain</i>           | <i>Absent</i>            |
|--------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Bruce Ackerman     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Cathy Benediktsson | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Gail Bloom         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Tamara Davis       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Art Deicke         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Julia Ettlín       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Laurie Gallian     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Pamela Harlem      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Susan Hootkins     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Ranjiv Khush       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Shaun McCaffery    | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Matthew Naythons   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Monique Predovich  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Diana Rich         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Herb Rowland       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Ed Schulze         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Richard Snyder     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Michael Thompson   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| David Witt         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Carol Pigoni       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Vote Totals:       |                          |                          |                          |                          |

ATTEST:

APPROVED:

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Richard Snyder  
Secretary, Board of Trustees

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Carol Pigoni  
President, Board of Trustees

EXHIBIT A  
Board Surplus Property Policy

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## STAFF REPORT



DATE: December 9, 2020  
TO: The Board of Trustees  
FROM: Philip D. Smith, District Manager  
SUBJECT: Proposed Investment Policy (4050)

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### **RECOMMENDED ACTION**

The Executive Committee, Policy Committee and staff recommends that the Board:

1. Review & discuss this report, the attached draft Investment Policy and Resolution 2020/21-05.
2. Consider a motion to adopt the proposed Resolution 2020/21-05, which approves the proposed Investment Policy and adds it to the Board Policy Manual as Section 4050.

### **REASONS FOR RECOMMENDED ACTION**

Implementation of a formal investment policy governing the funds invested by the District (“Investment Policy”) has been recommended by the District’s independent financial auditors and is generally considered good practice.

The District has invested its financial assets within the Operating Fund and the Capital Projects Fund with the Marin County (Treasury) Investment Pool as standard practice for many years. The Marin County Investment Pool is managed by the Marin County Department of Finance’s Treasurer Division staff. Marin County issues an annual statement of investment policy to the District Board for consideration at a District Board meeting (please see Exhibit B). The Marin County Investment Pool is monitored monthly by Fitch Ratings, an independent rating agency, and has continuously maintained a high rating of AAA/S1 since 1994. Many other special districts invest with the Marin County Investment Pool for reasons of security and liquidity (the District has full access to all invested funds at all times). The Marin County Investment Pool also offers convenience as the Marin County Department of Finance’s Treasurer Division provides banking and investment services to pool participants. The District’s checks are drawn on the District’s account and earn a rate of return comparable to that of other similar funds (e.g., the state’s Local Agency Investment Fund (LAIF)).

### **ANALYSIS**

The proposed Investment Policy recognizes that the great majority of the District’s funds would continue to be invested at the Marin County Investment Pool. Minor exceptions, as noted in the policy, address the “Member Contingency Fund” maintained by the Vector Control Joint Powers Agency (the District’s insurers), which currently holds a balance of approximately \$840,000 for exigencies that may arise. Also, the District continues to contribute to an irrevocable trust fund at the California Employers’ Retiree Benefit Trust (CERBT). At present, the District’s portion of this fund stands at approximately \$6 million and has returned a higher yield than either the Marin County Investment Pool or LAIF. However, the investment allocation of the trust fund at CERBT is significantly more volatile.

In future, the Board may wish to consider the option of independently investing the District’s funds that are currently kept in the Marin County Investment Pool. Doing so would require additional internal staff



controls and oversight as well as amendments to the Investment Policy. For the time being, the attached proposed investment policy will serve to memorialize the District's existing investment practices.

If the Board takes the recommended actions, District staff would add the proposed Investment Policy to the Board Policy Manual as Section 4050 (see Exhibit A).

**POLICY TITLE: Investment of District Funds****NUMBER: 4050**

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**4050.10 Objectives**

It is the policy of the Marin/Sonoma Mosquito & Vector Control District (the "District") to invest public funds in a manner that will achieve the following objectives:

- a) Preserving capital; and,
- b) Maintaining sufficient liquidity to meet the cash flow requirements of the District; and,
- c) Achieving a reasonable rate of return (yield) consistent with the above goals.

Safety of principal is the foremost objective of the investment policy. Secondary goals are to provide adequate liquid assets to meet all reasonably foreseeable operating requirements, and to attain a rate of return comparable to other public fund investment programs, such as the State of California's Local Agency Investment Fund (LAIF).

**4050.20 Scope**

This investment policy applies to all financial assets of the District, except for monies held in the payroll deposit fund and governed by Board Policy Manual Section 5020, "Banking Direct Policy & Procedures." All funds subject to this investment policy are accounted for in the District's annual Basic Financial Statements and more fully described in Policy 5060 "Fund Balance Classifications & Target Balances." These funds include:

- a) The District's Operating Fund, which contains target fund balances for the following contingencies:
  - i. Public Health Emergencies;
  - ii. The "No-Income Period," as defined in Board Policy Manual Section 5060; and,
  - iii. Interruptions in Revenue Flows or Economic Uncertainties, as defined in Board Policy Manual Section 5060.
- b) The Capital Projects Fund.
- c) The District's Other Post-Employment Benefits Fund (OPEB) Trust Fund maintained at the California Employers' Retiree Benefit Trust (CERBT).
- d) Monies invested on the District's behalf by the Vector Control Joint Powers Agency (VCJPA) in the Member Contingency Fund (MCF).

- e) Any new funds established by the District.

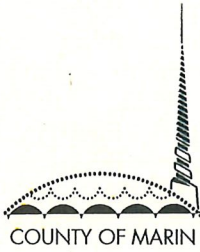
**4050.30 Allowable Investments**

- a) All financial assets contained in the District’s Operating Fund and Capital Projects Fund (as described in Sections 4050.20 (a) and (b) above, shall be invested with the Marin County Investment Pool, operated by the Treasurer Division of the Department of Finance of the County of Marin.
- b) Assets dedicated to funding the District’s legacy OPEB plan shall be invested in an irrevocable trust account at the CERBT.
- c) Monies on deposit with the VCJPA shall be maintained in the VCJPA’s MCF. The “Prudent Balance” fund amount in the MCF is calculated by the VCJPA staff and is a reserve to pay contingencies. These may include such costs as claims that may exceed coverage limits, self-insured retentions (deductibles), payment of member assessments for pooled liability programs, and deposit premiums.

**Committee review: December 2, 2020**

**Legal review: November 27, 2020**

**Board Approval: Pending**



# DEPARTMENT OF FINANCE

Excellent and responsive fiscal leadership.

Roy Given, CPA  
DIRECTOR

Mina Martinovich, CPA  
ASSISTANT DIRECTOR

Board of Supervisors  
County of Marin  
Civic Center  
San Rafael, CA 94903

December 17, 2019



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415 473 6154 T  
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www.marincounty.org/dof

**Subject: 2019/2020 Annual Statement of Investment Policy**

Dear Board Members:

**Recommendation:** Pursuant to Government Code Section 53646, the following are submitted for review and approval:

- 2019/2020 Annual Statement of Investment Policy for funds managed by the Treasurer's office for the County, schools, college and Special Districts; and
- 2019/2020 Marin County Long-Term Investment Pool Policy for funds managed by the Treasurer's office for the Marin County General Fund;


**Summary:** There are no changes to the 2019/2020 Annual Statement of Investment Policy; it has been reviewed and monitored by the County Treasury Oversight Committee. The committee's membership is listed below. The authority for the committee and their responsibilities are contained in Government Codes sections 27130-27137.

Additionally, the 2019/2020 Annual Statement of Investment Policy is reviewed and monitored monthly by Fitch Ratings, an independent rating agency. Their report is attached. We continue with a rating of AAA/S1. The County's AAA rating has been maintained since 1994. The rating received is reflective of the outstanding work of the Treasury unit.

**Alternative Recommendation:** N/A

**Reviewed by:**  Finance Department     N/A  
 County Counsel                     N/A  
 Administrator                     N/A

Respectfully submitted,



Roy Given  
Director of Finance

Requests for accommodations may be made by calling (415) 473-4381 (Voice/TTY), 711 for California Relay Service or by e-mail at disabilityaccess@marincounty.org. Copies of documents are available in alternative formats, upon request.

CA46

cc: Treasury Oversight Committee:

Matthew Hymel, County Administrator

Dan Eilerman, Alternate Representative, County Administrator

Mary Jane Burke, Marin County Superintendent of Schools

Nancy Lynch, Reed Union School District Superintendent

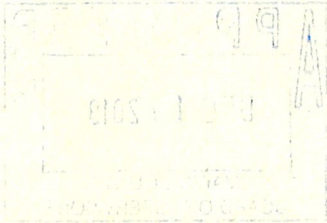
Jean Bonander, Public Member

Roy Given, Director of Finance

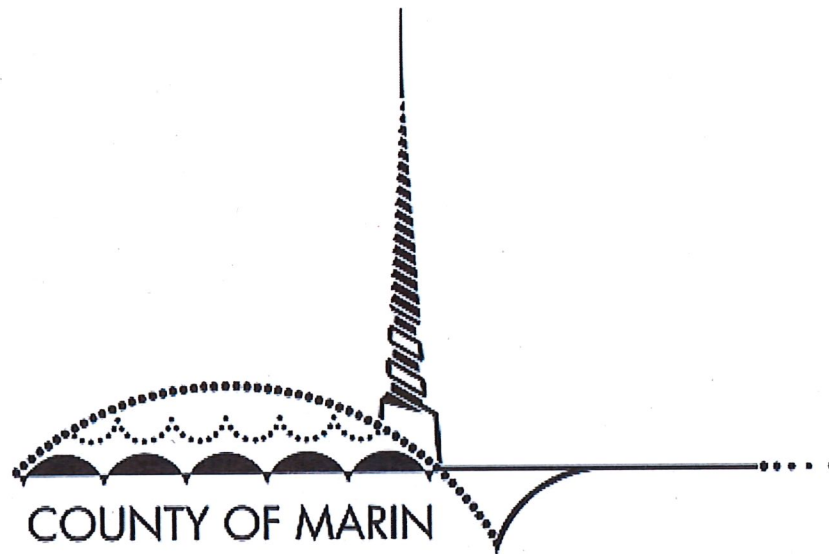
Marin County School Districts

Special Districts

MCERA

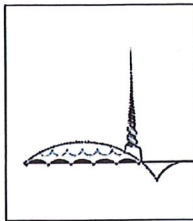


# ***STATEMENT OF INVESTMENT POLICY***



***Department of Finance  
Roy Given, Director***

***Fiscal Year 2019-2020***



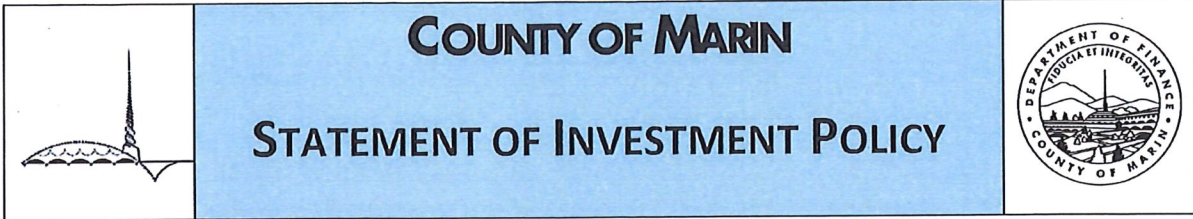
# COUNTY OF MARIN

## STATEMENT OF INVESTMENT POLICY



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Under the authority delegated to the Director of Finance by the Board of Supervisors and in accordance with the California Government Code, the following sets forth the investment policy of the County of Marin:

**I. OBJECTIVES:**

All funds on deposit in the County Treasury shall be invested in accordance with the California Government Code Sections 53600 et seq. and Sections 53639 et seq. to ensure:

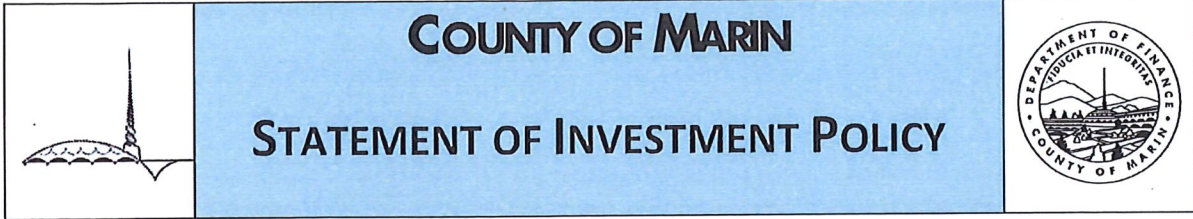
- (a) **Preservation of capital** through high quality investments and by continually evaluating the credit of financial institutions approved for investment transactions, and securities considered and held in safekeeping;
- (b) Maintenance of sufficient **liquidity** to enable the participants and other depositors to meet their operating requirements;
- (c) A **rate of return** consistent with the above objectives.

**2. PARTICIPANTS**

Participants in the Marin County Pool are defined as Marin County, Marin Public School Agencies, Marin Community College, Marin County Office of Education, districts under the control of the County Board of Supervisors, autonomous/independent districts whose treasurer is the Director of Finance and any other district or agency approved by the Board of Supervisors and the Director of Finance using the County of Marin as their fiscal agent.

- (a) **Statutory participants** are those government agencies within the County of Marin for which the Marin County Treasurer is statutorily designated as the Custodian of Funds.
- (b) **Voluntary participants** are other local agencies that may participate in the Pooled Investment Fund, such as special districts and cities for which the Marin County Treasurer is not statutorily designated as the Custodian of Funds. Participation is subject to approval by the Director of Finance, and in accordance with California Government Code Section 53684.





**3. AUTHORIZED PERSONS**

Authorized persons for investment purposes include principal staff as designated by the Director of Finance on the Authorized Investor List. Designated Principal Staff shall make all investment decisions. To minimize the risk of disrupting the day to day business activities, Principal Staff shall use separate means of travel to attend training and conferences.

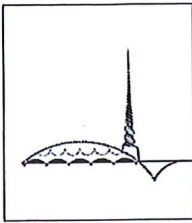
All investment decisions shall be made with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person acting, as a trustee, in a like capacity and familiarity would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the participants.

**4. BIDS & PURCHASE OF SECURITIES**

Prior to the purchase of an investment pursuant to this policy the persons authorized to make investments shall assess the market and market prices using information obtained from available sources including investment services, broker/dealers, and the media. Bids for various investments shall be evaluated considering preservation of capital as the most important factor, liquidity as the second most important factor and thirdly, yield. Investments in commercial paper, bankers acceptances and certificates of deposit for each issuer shall be limited to five percent (5%) of Treasury assets, determined using the Treasury balance at the time of purchase, except that investments in overnight commercial paper shall be limited to seven percent (7%) of Treasury assets for any one issuer. The investment selected for purchase shall be that investment which in the opinion of the purchaser most clearly meets these objectives. All security transactions shall be documented at the time the transaction is consummated.

**5. TERM**

Maturities of investments in the Marin County Treasury Pool shall be selected based upon liquidity requirements. The maximum remaining term to maturity for an investment shall be three (3) years; except that, subject to the limitations set forth in Sections 53601 et seq. and 53635 et seq. of the California Government Code, the Director of Finance may authorize investments in U.S. Treasury obligations and/or U.S. and local agency obligations with a maximum remaining term to maturity that shall not exceed five (5) years. The weighted average maturity of the investment pool, to be determined at the time of purchase, shall not exceed 540 days to final maturity/call.



# COUNTY OF MARIN

## STATEMENT OF INVESTMENT POLICY



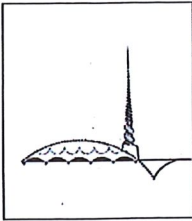
Capital Funds, Construction Funds, or money obtained through the sale of agency surplus property, may be invested by the Director of Finance in specific investments outside of the Pool provided the Director of Finance obtains written approval from the governing board of the County, School District or Special District. No investment shall have a remaining maturity in excess of five (5) years.

Proceeds of Debt Issues set aside for repayment of any County, School District, or Special District financings shall not be invested for a term that exceeds the term set forth in the financing documents.

### 6. **ALLOWED INVESTMENTS**

Pursuant to California Government Code Sections 53601 et seq. and 53635 et seq., the County Director of Finance may invest in the following subject to the limitations as set forth:

- (a) **United States Treasury obligations.**
- (b) **United States Agency obligations.**
- (c) **Securities of U.S. Government Agencies & Instrumentalities**
- (d) **State of California Bonds and Registered Warrants.**
- (e) **Bonds, Notes, Warrants** or other evidence of indebtedness of a **local agency** within the State of California.
- (f) **Bankers acceptances** not to exceed one hundred eighty (180) days to maturity or at the time of purchase thirty percent (30%) of the treasury fund balance.
- (g) **Commercial paper** of "prime" quality of the highest letter and numerical rating as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation, to be chosen from among corporations organized and operating within the United States with assets in excess of \$500,000,000.00 and having an "A" or higher rating for the issuer's debt, other than commercial paper, as provided for by Moody's Investors Service or Standard and Poor's Corporation. Purchases of eligible commercial paper may not exceed two hundred seventy (270) days in maturity and may not exceed forty percent (40%) of the treasury fund balance.
- (h) **Negotiable certificates of deposit** issued by a nationally or state-chartered bank, a state or federal association or by a state-licensed branch of a foreign bank selected on the basis of financial stability and credit rating criteria employed by the County Director of Finance. Negotiable certificates of deposit may not exceed thirty percent (30%) of the treasury fund balance.



# COUNTY OF MARIN

## STATEMENT OF INVESTMENT POLICY



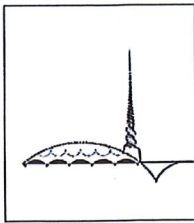
i) **Non-negotiable certificates of deposit (Time Deposits)** with a nationally or state-chartered bank or a state or federal association selected on the basis of financial stability, credit rating and reputation using criteria employed by the County Director of Finance fully collateralized at one hundred ten percent (110%) of market value with U.S. Government Securities, high-grade Municipal Bonds, instruments of federal agencies, including mortgage backed securities at one hundred fifty percent (150%) of market value with promissory notes secured by first deeds of trust upon improved residential real property as provided by the Government Code.

(j) **Medium-term Notes** rated "A" or better, to be chosen from among corporations with assets in excess of \$500,000,000.00 with a maturity not to exceed two years from the date of purchase. Purchase of eligible medium-term notes may not exceed thirty percent (30%) of the treasury fund balance.

(k) **Shares of beneficial interest issued by diversified management companies**, which are money market funds investing in securities and obligations as authorized by this investment policy. To be eligible for investment these companies shall attain the highest ranking or the highest letter and numerical rating provided by no less than two nationally recognized statistical rating organizations and have assets under management in excess of \$500,000,000.00. The purchase price may not include any commissions that these companies may charge, and the purchase of shares in any one mutual fund may not exceed ten percent (10%) of the treasury balance and the total invested may not exceed twenty percent (20%) of the treasury balance. Shares of beneficial interest issued by diversified management companies may include shares in investment trusts established under provisions of the California Joint Exercise of Powers Act.

(l) **Repurchase agreements** on any investment authorized by this investment policy where the term of the agreement does not exceed one year. The market value of securities that underlay a repurchase agreement shall be valued at one hundred two percent (102%) or greater of the funds borrowed against those securities, and the value shall be adjusted daily. The County Director of Finance or designee must approve any collateral substitution by the seller, and any new collateral should be reasonably identical to the original collateral in terms of maturity, yield, quality and liquidity.

(m) **California State Local Agency Investment Pool (LAIF)** operated by the State Treasurer's office.



# COUNTY OF MARIN

## STATEMENT OF INVESTMENT POLICY



(n) **Financial Institution Investment Accounts** All funds on deposit with the County shall be managed by the Director of Finance. The Director of Finance may, at his option, at the time of placement, place not more than five percent (5%) of the Treasury assets at the time of investment with a financial institution for the purpose of managing such funds. Securities eligible for purchase by the financial institution are limited to United States Treasury and Agency obligations with a "AAA" credit quality rating, must be held in the County's name in a third party custody account, may not have a remaining maturity in excess of three (3) years, and the account shall have an average maturity of 1.5 years or less. All security transactions shall be supervised and approved by designated staff on the Authorized Investor List.

Where a percentage limitation is specified for a particular category of investments, that percentage is applicable only at the time of purchase.

### 7. **PROHIBITED INVESTMENTS**

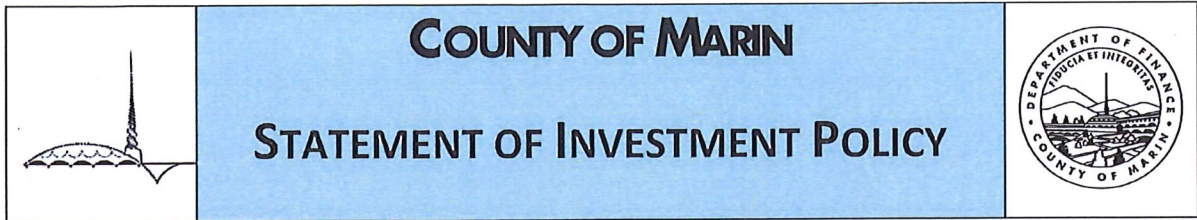
(a) The County Director of Finance **shall not invest** in any **Derivatives** such as inverse floaters, range notes, or interest only strips that are derived from a pool of mortgages or any security bearing a rate of interest which is not known at the time of purchase.

(b) The County Director of Finance shall not invest any funds in any security that could result in **zero interest accrual** if held to maturity or where there is a risk of loss of principal when held to maturity.

(c) **Reverse repurchase agreements**, securities lending agreements and all other investments that are not specifically allowed by this investment policy are prohibited.

(d) In accordance with Marin County's Nuclear Freeze Ordinance Measure "A" (Exhibit 1) as approved by the voters on November 4, 1986, the County is prohibited from investing in securities or other obligations of any corporation or business entity which is a **nuclear weapons contractor**.

Furthermore, said corporations or business entities that the County Director of Finance does invest in must file an affidavit as required by Measure "A" Section VI. B certifying that neither it, nor its parent company, affiliates or subsidiaries are nuclear weapons contractors. A copy of each affidavit received shall be sent to the Peace Commission.



**8. BROKERS**

Broker/dealers shall be selected by the Director of Finance upon recommendation by the Investment Officer or designated principal staff on the Authorized Investor List. Selection of broker/dealers shall be based upon the following criteria: the reputation and financial strength of the company or financial institution and the reputation and expertise of the individuals employed. The Director of Finance shall be prohibited from selecting any broker, brokerage firm, dealer, or securities firm that has, within any 48 consecutive month period following January 1, 1996, made a political contribution in an amount exceeding the limitations contained in Rule G-37 of the Municipal Securities Rulemaking Board, any member of the Board of Supervisors, any member of the governing board of a local agency having funds held in the County Treasury, or any candidate for those offices. The broker/dealers shall be provided with and acknowledge receipt of the County Investment Policy.

**9. WITHDRAWALS**

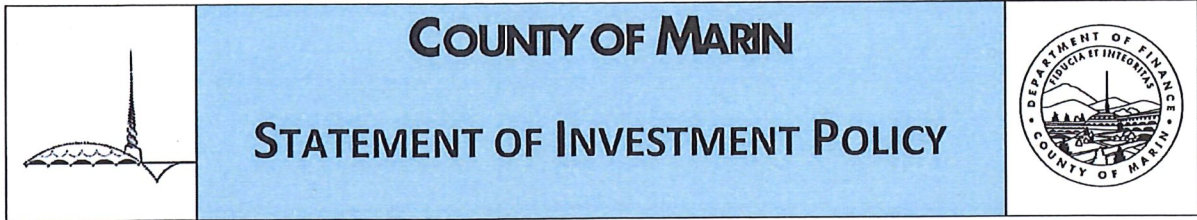
No withdrawals from the Marin County Pool shall be made for the purpose of investing and or depositing those funds outside the pool without the prior approval of the Marin County Director of Finance. The Director of Finance shall evaluate each proposed withdrawal to assess the effect the withdrawal will have upon the stability and predictability of the investments in the County Treasury. Approval shall be given unless the withdrawal will adversely affect the interests of the other depositors. Requests for withdrawals for the purpose of investing or depositing funds outside the pool shall be made in writing at least ten (10) business days in advance of the proposed withdrawal date. Notice in writing of at least five (5) business days shall be required for withdrawals in excess of \$250,000.00 for loan repayments, capital expenditures and any expenditure not in the ordinary course of operations.

**10. SWAPS**

Securities can be swapped for other approved securities with similar maturity schedules to gain higher rates of return. When a swap involves a change in liquidity, future cash needs shall be conservatively estimated.

**11. LOSSES**

Losses are acceptable on a sale before maturity, and may be taken if the reinvestment proceeds will earn an income flow with a present value higher than the present value of the income flow that would have been generated by the original investment, considering any investment loss or foregoing interest on the original investment.



**12. DELIVERY & SAFEKEEPING**

Delivery of all securities shall be through a third party custodian. Non-negotiable certificates of deposit and notes of local agencies may be held in the Director of Finance's safe. The County's safekeeping agent shall hold all other securities. No security shall be held in safekeeping by the broker/dealer from whom it was purchased. Settlement payment in a securities transaction will be against delivery only, and a Due Bill or other substitution will not be acceptable. Persons authorized under section three (3) who did not originate the investment transaction shall review all confirmations for conformity with the original transaction. Confirmations resulting from securities purchased under a repurchase agreement shall state the exact and complete nomenclature of the underlying securities purchased.

**13. APPORTIONMENT OF INTEREST & COSTS**

Interest shall be apportioned to all pool participants quarterly based upon the ratio of the average daily balance of each individual fund to the average daily balance of all funds in the investment pool. The amount of interest apportioned shall be determined using the cash method of accounting whereby interest will be apportioned for the quarter in which it was actually received. The Director of Finance shall deduct from the gross interest received those actual administrative costs relating to the management of the treasury including salaries and other compensation, banking costs, equipment purchased, supplies, costs of information services, audits and any other costs as provided by Section 27013 of the Government Code.

**14. CONFLICT OF INTEREST**

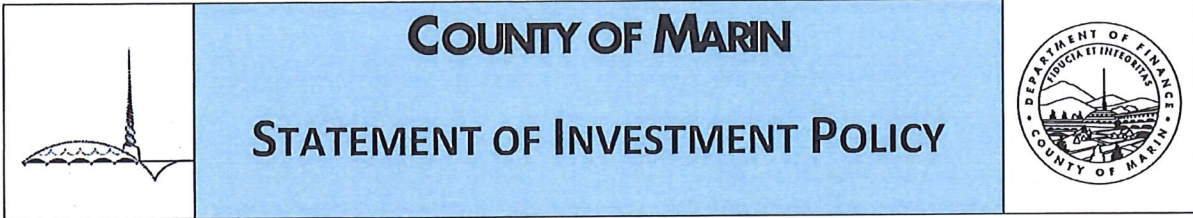
A member of the county treasury oversight committee, the County Director of Finance or County employees working in the Treasurer's office shall not accept honoraria, gifts, and gratuities from advisors, brokers, dealers, bankers, or other persons with whom the county treasury conducts business, consistent with state law.

**15. AUDITS**

The County of Marin investment portfolio shall be subject to a process of independent review by the County's external auditors. The County's external auditors shall review the investment portfolio in connection with the annual county audit for compliance with the statement of investment policy pursuant to Government Code Section 27134. The results of the audit shall be reported annually to the Director of Finance and the Marin County Treasury Oversight Committee.

**15.1 Compliance Audit: Government Code Section 27134**

The Treasury Oversight Committee shall cause an annual audit to be conducted to determine the County Treasury's compliance with Article 6 of the Government Code. This audit may include issues relating to the structure of the investment portfolio and risk



**16. REVIEW**

The Director of Finance and designated staff will perform a monthly review of the investment function.

**17. REPORTS**

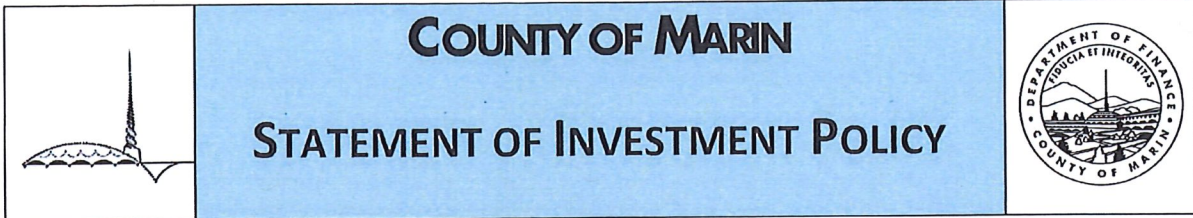
The Director of Finance shall prepare a monthly report listing all investments in the County Pool as of the last day of the month and a report of the average days to maturity and yield of investments in the County Pool. The Director of Finance shall also prepare a monthly report for all non-pooled investments. These reports shall be distributed to the Marin County Board of Supervisors, Superintendent of Schools, Marin Public School Agencies, Special Districts, non-pooled investors, the County's investment oversight committee, and any other participant upon request.

**18. INVESTMENT POLICY**

The County Director of Finance shall prepare and submit an annual statement of investment policy to the Board of Supervisors.

**19. TREASURY OVERSIGHT COMMITTEE**

Consistent with State law the County has established a Treasury Oversight Committee. The Committee includes representatives from the County of Marin, Superintendent of Schools' Office, School Districts and Special Districts. The Committee shall review and monitor the Investment Policy as contained in California Government Code Sections 27130 – 27137.



**20. DISASTER /BUSINESS CONTINUITY PLAN**

The County of Marin's banking and investment functions are mission critical and as such, the office must have a business continuity plan.

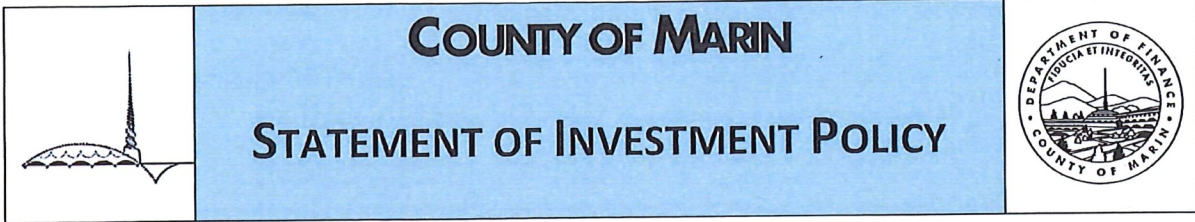
The goal of a disaster/business recovery plan is to protect and account for all funds on deposit with the county treasury and to be able to continue our banking and investment functions for all participants in the event of an occurrence (Earthquake, Fire, Pandemic or other event) which disrupt normal operations. Our plan provides for the ability to perform our banking and investment function at an off-site location under less than optimal conditions and, if needed, even outside our county.

In the event of an occurrence which precludes staff from being able to operate from our office, the attached plan (exhibit 2) will be activated. The plan includes:

- Scope
- Chain of Command
- Continuity Procedure
- Functions and Tasks to be performed
- Equipment and Emergency Packets
- Disaster Assignment
- Off-site locations

Normal processes may be modified in response to an occurrence. However, the county's investment policy shall be strictly followed.





Dated: July 1, 2019

Roy Given  
Director of Finance

Reviewed and monitored by Marin Treasury Oversight Committee on  
November 18, 2019

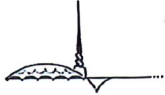

Approved by Marin County Board of Supervisors on  
December XX, 2019

Attachments:

Exhibit 1 Marin County Nuclear Freeze Ordinance

Exhibit 2 Disaster/Business Continuity Plan

Exhibit 3 Authorized Investor List

|   |  |   |
|---|--|---|
|  | <b>COUNTY OF MARIN</b><br><b>TREASURER'S OFFICE</b><br><b>AUTHORIZED INVESTOR LIST</b><br><b>FY2019-2020</b> |  |
|---|--|---|

Effective: July 29, 2019

**Investment Purposes:**

1. To make investment decisions
2. To recommend brokers
3. To perform a review of the investment function

**Authorized Persons:**

Authorized to make investment decisions for with a maturity of up to five years:

- Roy Given \*                      Director of Finance

Authorized to make investment decisions for with a maturity of up to three years:

- Karen Shaw \*                      Division Chief, Finance
- Mina Martinovich                      Assistant Director of Finance

Authorized to make investment decisions for short term investments with a maturity of up to one year:

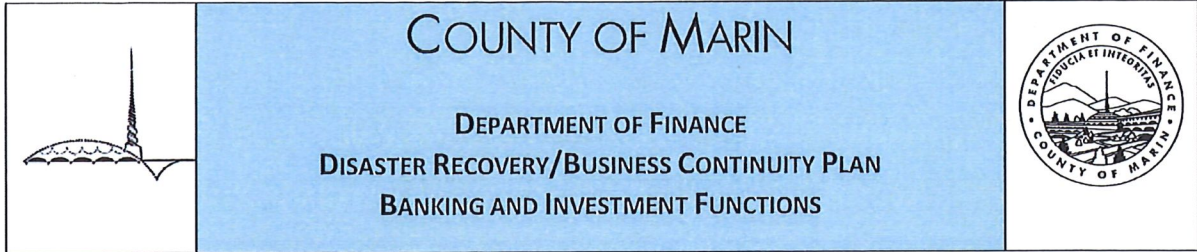
- Lisa De Carlo                      Chief of Administrative Services
- Bevin Gardner                      Accountant II –Treasury
- Sandra Kacharos                      Division Chief, Tax

*\*Authorized for equipment and emergency packets as defined under the Disaster/Business Continuity Plan*

Approved:

 7/29/19

Roy Given                      Date  
Director of Finance



### **Scope**

The County of Marin's banking and investment functions are mission critical. As such, the Treasurer's office must have a Disaster/Business Continuity Plan in place. In the event we are unable to operate from our office, the plan shall be activated. Periodically, the plan shall be tested.

The plan's goal is to protect and account for all funds on deposit with the county and to be able to continue our banking and investment functions for all participants in the event of occurrence (earthquake, fire, pandemic, or other event) which disrupts normal operations.

### **Chain of Command**

The chain of command shall be in the order of "authorized persons" as identified in the Statement of Investment Policy, item 3.

### **Continuity Procedure**

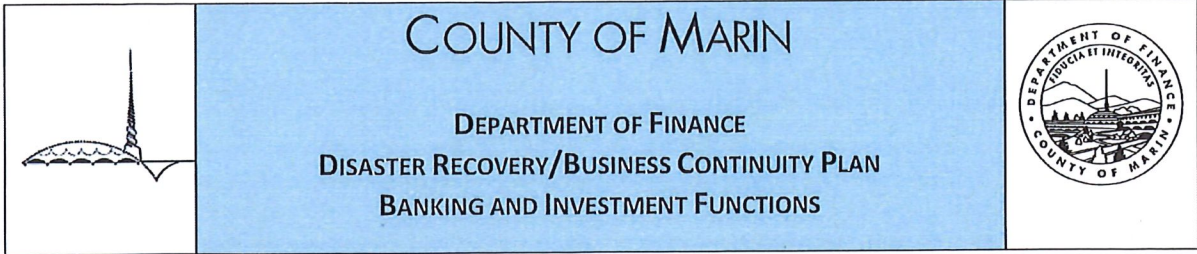
In the event we are unable to conduct normal business operations, the authorized persons shall interact with one another by home phone, email or cell to decide on the alternate location. If unable to contact one another, the authorized persons shall through the county's office of emergency services establish contact with one another.

### **Functions & Tasks to be Performed**

Recognizing we may be operating in less than optimal conditions, the primary functions are to protect and continue to account for all funds on deposit with the county. While normal processes may be modified, the investment policy shall be strictly followed.

Tasks to be performed include:

- ◆ Daily cash work up
- ◆ Investment of maturing securities and any daily deposits after making an allowance for checks/wires expected to clear
- ◆ Daily cash and bank reconciliation
- ◆ For deposits, the treasurer's office will notify county departments, special districts and schools of any changes to their deposit location. Deposits to any account other than those established by the treasurer's office are prohibited.
- ◆ Disbursement activity will be coordinated with the County Director of Finance

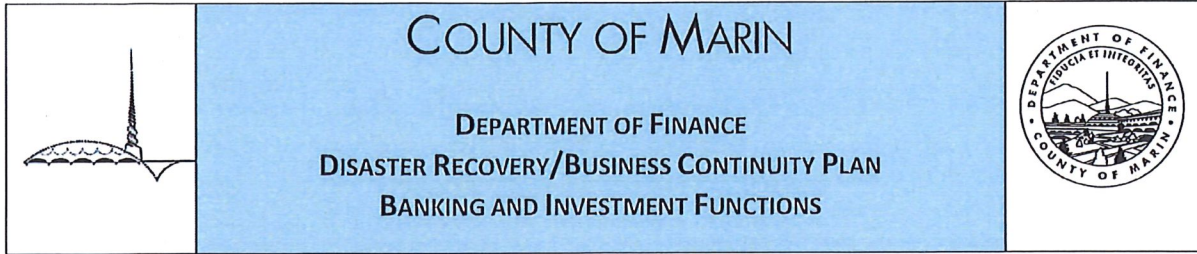


### Equipment and Emergency Packets

The Authorized Investor List shall designate authorized staff to have the following equipment such that either of them may carry out the plan. In the event that none of the authorized persons are able to respond, the county's office of Emergency Services shall have a copy of this plan in a secured location within their office. All policies and procedures of this plan shall be provided to the County Administrator and County Director of Finance.

The following equipment and items for the emergency packets are:

- ◆ Laptop with wi-fi connectivity
- ◆ All software that is currently in use shall be loaded on each laptop and be set up for remote access.
- ◆ Copy of the Investment Policy and the Disaster/Continuity Recovery Plan
- ◆ Updated monthly report of investments
- ◆ Sign on instructions to access the county's financial accounting system, online banking and securities safekeeping
- ◆ Listing of the home phones and addresses, cell, email addresses of the "authorized persons" and treasury staff. Listings shall also include the County Administrator, County Director of Finance, County Counsel and the Office of Emergency Services.
- ◆ Bank, Authorized Broker/Dealers, Bloomberg and Security Safekeeping names, contact numbers including fax and addresses
- ◆ All district, county and school bank signature cards
- ◆ Contact names, numbers, email and addresses of each agency whose funds are held within the county.
- ◆ Emergency check stock will be housed in the Office of Emergency Services located at 1600 Los Gamos Drive (50 checks).\*



## **Disaster Assignment**

The "authorized persons" in the treasurer's office including support staff are to be considered official Disaster workers and are assigned to support our Disaster/Business Recovery Plan. Each shall have on their possession their County of Marin Identification Card.

The level of disruption and assigned work location will be determined by the Director of Finance, or those individuals indicated on the Authorized Investor List. All related costs shall be absorbed by the Treasurer's office and reimbursed pursuant to Government section 27013.

In all cases, the safety of treasury personnel is paramount. In no event should our alternate location or alternate procedure be employed if doing such would put an individual in danger.

\* Emergency checks are issued from a separate account which is linked to the County's main account. These checks are to be used only if this plan is activated and the county is unable to issue payments. Authorized signers for these checks are designated on the Deposit Account Documentation Signature Card and include the Director of Finance, those individuals authorized under the Authorized Investor List and the County Administrator. In the event that check stock cannot be accessed, electronic payments through the County's banking services can be originated.

Failing the ability to operate from our office, our operations will move to a location determined by the County Office of Emergency Services, Director of Finance or County Administrator.

**RESOLUTION 2020/21-05**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE  
MARIN/SONOMA MOSQUITO & VECTOR CONTROL DISTRICT ADOPTING  
AN INVESTMENT POLICY**

**WHEREAS**, it is good practice for local agencies to adopt an investment policy; and

**WHEREAS**, the Marin/Sonoma Mosquito & Vector Control District's ("District's") financial auditors have recommended that the District adopt an investment policy; and

**WHEREAS**, the District wishes to adopt a formal policy governing its financial investments (the "Investment Policy"), and to incorporate it in the District's Board Policy Manual; and

**WHEREAS**, the objectives of the Investment Policy in order of importance are to preserve capital, provide adequate financial liquidity, and achieve a reasonable rate of return; and

**WHEREAS**, the Investment Policy describes the investment of District funds in compliance with California Government Code Section 53646.

**NOW THEREFORE BE IT RESOLVED**, by the Board of Trustees of the Marin/Sonoma Mosquito & Vector Control District as follows:

**SECTION 1. Recitals**

The above recitals are incorporated as though set forth in this section.

**SECTION 2. Purposes**

In addition to the general purposes identified in the above recitals, the District desires to adopt the attached Board Investment Policy.

**SECTION 3. Adoption of Policy**

The Board hereby adopts the Board Investment Policy attached hereto as Attachment A and incorporated herein.

**SECTION 4. Severability**

Should any provision of this Resolution, or its application to any person or circumstance, be determined by a court of competent jurisdiction to be unlawful, unenforceable or otherwise void, that determination shall have no effect on any other provision of this Resolution or the application of this Resolution to any other person or circumstance and, to that end, the provisions hereof are severable.

**SECTION 5. Effective Date**

This Resolution shall become effective upon its adoption.

**PASSED AND ADOPTED** at a regular meeting of the Board of Trustees held December 9<sup>th</sup>, 2020, by the following roll call vote:

|                    | Yes                      | No                       | Abstain                  | Absent                   |
|--------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Bruce Ackerman     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Cathy Benediktsson | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Gail Bloom         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Tamara Davis       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Art Deicke         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Julia Ettl         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Laurie Gallian     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Pamela Harlem      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Susan Hootkins     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Ranjiv Khush       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Shaun McCaffery    | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Matthew Naythons   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Monique Predovich  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Diana Rich         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Herb Rowland       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Ed Schulze         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Richard Snyder     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Michael Thompson   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| David Witt         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Carol Pigoni       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Vote Totals:       |                          |                          |                          |                          |

ATTEST:

APPROVED:

\_\_\_\_\_  
 Richard Snyder  
 Secretary, Board of Trustees

\_\_\_\_\_  
 Carol Pigoni  
 President, Board of Trustees

EXHIBIT A  
Board Investment Policy



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## STAFF REPORT



DATE: December 9, 2020  
TO: The Board of Trustees  
FROM: Philip D. Smith, District Manager  
SUBJECT: Proposed Side Letter of Agreement with Western Council of Engineers

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### **RECOMMENDED ACTION**

The Executive Committee and staff recommend that the Board:

1. Review & discuss this report and the attached proposed Side Letter of Agreement pertaining to employee and dependent health care benefits upon reaching the age of eligibility for Medicare.
2. Consider a motion to accept the Side Letter between MSMVCD and WCE re Enrollment in Medicare for Eligible Employees and authorize the Board President to sign it.

### **REASONS FOR RECOMMENDED ACTION**

Entering into the proposed Side Letter of Agreement would bring Section 13.2 of the District's Memoranda of Understanding (MoU) with WCE into compliance with federal law. District Management and Union met in good faith and have agreed in principle to modify the language of Section 13.2 of the MOU to make it permissive, rather than mandatory, for Medicare-eligible employees to enroll in Medicare.

### **BACKGROUND**

Recently, the issue arose of whether a currently employed staff member's dependent must enroll in Medicare upon reaching the age of eligibility. The District's employment law counsel discovered that federal law requires group health plans to provide that any individual age 65 or older (and the spouse age 65 or older of any individual) who has current employment status with an employer "be entitled to the same benefits under the plan under the same conditions as any such individual (or spouse) under age 65." Therefore, the District cannot require that an employee or the employee's dependent enroll in Medicare upon reaching the age of eligibility.

Counsel also noted that retirees, on the other hand, can be required to enroll in Medicare upon reaching the age of eligibility. Furthermore, federal law makes it unlawful for an employer to offer any "financial or other incentive [to] an individual entitled to [Medicare benefits] not to enroll (or to terminate enrolment) under a group health plan" that would otherwise be the individual's primary plan. (See 42 USC section 1395(y).) Therefore, the District cannot offer a reduced employee cost share to an employee or dependent as a financial incentive to enroll in Medicare.

Accordingly, the side letter proposes to correct the current requirement contained in the MOUs that employees enroll in Medicare. It also clarifies that if employees or dependents choose to enroll in Medicare, the District will pay the cost of Medicare Part B plus the cost of the Senior Advantage Plans, up to the District cap, minus the employee cost share based on the employee's membership in the applicable Active Group. There would be no financial impact to the District during the current fiscal year, and only minor impacts in future years.

**SIDE LETTER BETWEEN  
MARIN SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT (MSMVCD) AND  
THE WESTERN COUNCIL OF ENGINEERS (WCE)  
RE: ENROLLMENT IN MEDICARE FOR ELIGIBLE EMPLOYEES**

The Marin Sonoma Mosquito and Vector Control District ("MSMVCD" or "District") and Western Council of Engineers ("Union") (collectively referred to as the "parties") hereby agree to the following side letter, subject to Union ratification and Board of Trustees adoption of this Side Letter.

WHEREAS, the District and Union are parties to a Memorandum of Understanding for the District's General Unit, which is effective through June 30, 2024 ("MOU");

WHEREAS, Section 13.2 of the MOU currently requires Medicare-eligible employees to enroll in Medicare;

WHEREAS, Federal law requires Medicare-eligible employees to receive the same benefits under a group health plan under the same conditions as any employee under the age of 65 (42 U.S.C. § 1395y, subd. (b)(1)(A)(i)(II));

WHEREAS, the District and Union have met in good faith and have agreed to modify the language of Section 13.2 of the MOU to make it permissive, rather than mandatory, for Medicare-eligible employees to enroll in Medicare.

NOW THEREFORE, by this side letter, the parties agree to the following amendment to the language of Section 13.2 of the MOU. All other terms and conditions of the existing MOU shall remain in full force and effect:

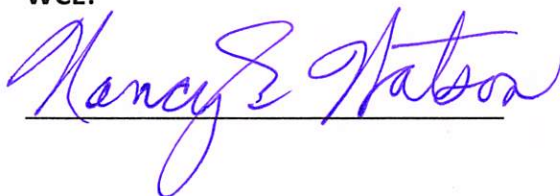
As a miscellaneous member of the Marin County Employees Retirement Association ("MCERA"), the District is offered four (4) plans that are purchased through Marin County: Kaiser Permanente HMO Plan L, Kaiser Permanente HMO Plan S, Teamsters Anthem Blue Cross PPO and Western Health Advantage HMO. Upon reaching the age of eligibility, employees and/or their dependents shall may enroll in Medicare and, if enrolled, will be eligible for the Medicare Supplemental Plans available through MCERA.

For employees and/or qualifying dependents who choose to enroll in Medicare, the District will pay the cost of Medicare Part B, plus the premium for the Senior Advantage Plan, not to exceed the rate of the Kaiser Family coverage plan for the employee plus all qualifying dependents, minus the employee's monthly contribution for the applicable Active Group.

MSMVCD:

\_\_\_\_\_

WCE:

  
\_\_\_\_\_

**SIDE LETTER BETWEEN  
MARIN SONOMA MOSQUITO AND VECTOR CONTROL DISTRICT (MSMVCD) AND  
THE WESTERN COUNCIL OF ENGINEERS (WCE)  
RE: ENROLLMENT IN MEDICARE FOR ELIGIBLE EMPLOYEES**

Dated: \_\_\_\_\_

Dated: Nancy Watson

## Manager's Report

- Registration is now open for the 89<sup>th</sup> Annual Conference of the Mosquito & Vector Control Association of California, to be held online from Monday February 1<sup>st</sup> through Wednesday February 2<sup>nd</sup>. As there are no hotel or travel expenses and the registration cost is minimal, this is an excellent low-cost opportunity for Trustees to attend sessions of interest to them. Notably, the Trustee session is scheduled for 1 p.m. to 5 p.m. on Monday February 1<sup>st</sup> with many other interesting and educational sessions scheduled in the concurrent session tracks. For a schedule or to register, please contact Dawn Williams at the District offices.
- As of December 2<sup>nd</sup>, 2020, the balance in the District's OPEB trust fund for legacy retirement health benefits has increased to \$6,307,720.
- We have now received enough bids to proceed with the selection of a contractor to construct the concrete foundation for the storage building. Once the slab foundation has cured, District staff will construct the remainder of the building as a winter project.
- Due to the continuing pandemic and attendant school closures, recruitment for the Education Program Specialist remains on hold. Following a recruitment process for the Mechanic/Facilities Manager position, we are pleased to announce the appointment of Robert McGovern who, until now, has served as the Shop/Facilities Assistant (S/FA). We will expedite a recruitment for a replacement S/FA.
- President Pigoni and the Executive Committee advise that the Board will meet next on January 13<sup>th</sup>, 2020. Jennifer Crayne and I will work with the Budget Committee to prepare a draft mid-year budget adjustment to be heard at that meeting.
- All the companies that received a copy of the District's recent Request for Proposals for a new Financial Management Information System submitted proposals. Staff analysis of the responses is almost complete and will include an additional alternative involving a more "home grown" approach. Results and recommendations will be provided to the Board for review early next year. President Pigoni recently designated an *ad hoc* committee to consult with staff & provide direction.
- Recently I restarted the joint effort with other Bay Area mosquito districts to prepare an addendum to the Programmatic Environmental Impact report that was certified and adopted by the District in 2016. Since that time, several new developments such as the spread of invasive *Aedes* species of mosquitoes have occurred that necessitate consideration of additional ingredients, processes, and materials. Included in the initial scope are wide area larvicide applications (WALS) for container-breeding mosquitoes, and the use of unmanned aerial systems (UAS) for mosquito surveillance and control.
- Earlier this year, the state invited proposals from special districts for \$20M in grant funds to install backup electrical power, so I prepared and submitted a grant application to the state. Results will be announced early next year.
- PIO Nizza and I continue to work on preparing designs for updating the graphics on our vehicle fleet.

- Following the promulgation of new Cal/OSHA regulations intended to prevent the spread of COVID-19 in the workplace, I prepared and issued a 25-page Coronavirus Prevention Plan (CPP). Consultative meetings between the District and Western Council of Engineers are planned to discuss the CPP.
- Given our inability to gather in a group, we are working to find new ways to recognize employees for their length of service.

## Assistant Manager's Report

- Operationally, we are currently in the fall/winter transition with respect to mosquito species and duties. Operations staff continue to perform mosquito surveillance in tidal marshes and are checking sources for the emergence of winter mosquitoes. They are disassembling and rebuilding off-road equipment, maintaining and repairing trailers, maintaining and calibrating larvicide and adulticide application equipment and mosquito traps. Staff are performing this important work with appropriate precautions for COVID-19 including the use of facial coverings and social distancing.
- The Field Supervisors and Laboratory staff are working collaboratively to further train our Vector Control Technicians for invasive *Aedes* mosquito identification, surveillance and control. Invasive *Aedes* mosquitoes have been found along the Interstate 5 corridor to the north, south and east of the District. It is likely that we will find these mosquitoes in the District relatively soon.
- The Laboratory and Operations departments continue to work with new equipment that was purchased in the last budget cycle with invasive *Aedes* control in mind. An A1 Super Duty mist blower and electric and gas powered ultra-low volume adulticide machines are being calibrated and tested for efficacy.
- The Laboratory staff are working diligently to collect ticks and process them for testing.
- Operations staff and the financial office are working to codify mosquito sources in the Districts database that are owned and/or operated by government agencies. The District will be providing cost estimates to the agencies for their budgetary processes and notifying them that the District will be invoicing them for District services moving forward.
- Field staff and I have been working collaboratively with Audubon California, the U.S. Fish and Wildlife Service and contracted wetland biologists to install auxiliary tidal circulation channels in the Sonoma Creek Marsh as part of phase two of the Sonoma Creek Enhancement Project.
- Obtaining supplies for the District has once again become very difficult amidst the pandemic. I have been working diligently to obtain the supplies necessary to keep the District running smoothly.
- The Field Supervisors and I are working collaboratively with the Las Gallinas Valley Sanitary District (LGVSD) and Marin Audubon on vegetation control and habitat

management within a storage pond owned by (LGVSD). The pond has recently and historically been a significant mosquito production and control issue and caused concern regarding public health.

- The Field Supervisors and I are also working collaboratively with the Marin County Flood Control District and the Bel Marin Keys Community Services District to manage Pacheco Pond in Bel Marin Keys. This pond is a significant source of mosquito production. Periodic flushing with tidal water prevents mosquito production and is a management tool for unwanted vegetation.
- We were notified by mosquito larvicide and adulticide vendors of price increases that will occur as of January 1, 2021. The increases will range from 3% to 8%. In light of the price increase, the potential for difficulty in obtaining the materials during a pandemic and the fact that several vendors are currently offering year end incentives, we placed an order that should keep us supplied into spring.

December 9, 2020

TO: Board of Trustees  
General Manager Smith  
Assistant Manager Hawk  
All Staff Members

As I wind down my year as President of the Board of Trustees for the Marin Sonoma Mosquito and Vector Control District, I would like to take this opportunity to reflect on the year and extend my sincere appreciation to the Board for their confidence in appointing me to this position. Taking on this duty, back in January was a personal honor and as such I took it very seriously and felt a responsibility to mirror the leadership of our past Presidents. I sincerely hope that I have fulfilled my commitment to this position.

This year has been a year of triumphs amongst the most trying of times but honestly, I believe that we have come through the year stronger and more efficient for what we have faced. The impacts felt by this global pandemic have affected every corner of management and operations and I applaud all the efforts made with a few specific acknowledgements:

- To General Manager Smith & Assistant Manager Hawk: Thank you for your management, extreme leadership, dedication to public service and sheer tenacity to get the job done. In my overall 41+ year career, I've worked with many Managers in many positions, and I want to state (without hesitation) that Mr. Smith and Mr. Hawk are two of the finest Managers that I have ever had the good fortune to work with. They are responsive, focused, forward-thinking and knowledgeable, and I never saw a time that they didn't put the District first. We are extremely lucky to have these two individuals leading this organization.
- To Jennifer Crayne & Dawn Williams: Thank you for all your efforts in updating processes and procedures to address the needs of the work requirement changes due to the pandemic. With telephonic meetings, electronic signing and schedule changes, Dawn you succeeded beautifully! Jennifer, you are commended for all the budget and financial modifications and upgrades you have made to assist in more fiscal transparency. We are so much better for your efforts. I'd further like to acknowledge and extend my appreciation for all the assistance you both provide to Trustees. We have a very large Board and addressing questions and requests can be many. These two individuals have exhibited efficiency and professionalism in every step.
- To all MSMVCD staff: It is with great pride that I state that I am a Trustee for this District. Through the years that I have served as a Trustee, I am continually

overwhelmed with the continually increasing level of public service this staff provides. While I have not met most by face or name, I know that they all work as a team and are second to none. Thank you to all staff for your hard work and dedication.

- To all Trustees: It goes without saying, that I appreciate each and every one of you for your support, individual knowledge and your contributions to this District. Thank you for agreeing to Committee assignments, accommodating changes to meeting times and forging ahead when I've not been available. Thank you for all your participation and feedback focused on the betterment of the District.

As I reflect on this year, I am gratified by all the work that has been done and the strides made. The sub-committees worked hard this year alongside staff to move the District forward. Accomplishments that come to mind are:

- Completion of a comprehensive MOU review and update
- Creation of Employee Policy Manual
- Creation/revision of a Fund Balance Policy
- Board Meeting Minutes Policy
- Electronic Signature Policy
- Investment Policy
- Surplus Property Policy
- Update from MCERA
- New District Operations Manual
- Sonoma Creek Enhancement Project: Phase 2
- Successor Agreement with the West Marin Mosquito Council (WMMC)
- Development of Unmanned Aerial Systems Program
- Future update to the Financial Accounting system

These are just a few of the work products of the Board and staff. There are so many others that happen on a day-to-day basis, that our General Manager thankfully updates us on at every meeting. All of this, while dealing with the impacts of COVID-19 and keeping everyone safe. So, for all accomplishments, I extend my gratitude and congratulations!

In closing, I want to again state that I have appreciated my year as President and wish the incoming President the very best. It is a wonderful position to hold, and one that is made extremely efficient (and easy) by staff.

It has been an honor and privilege to serve as your Board President for 2020. My sincerest thanks.

Carol Pigoni, President