



Mosquito and Vector Management District of Santa Barbara County

Environmental Management of Human Disease Vectors

TRUSTEES:

President Ronald Hurd, Santa Barbara County
Secretary Adam Lambert, Santa Barbara County
Craig Geyer, Goleta
Bob Williams, Santa Barbara County

Vice-President Teri Jory, Santa Barbara
Charles Blair, Santa Barbara County
Cathy Schlottmann, Santa Barbara County
Patty DeDominic, Santa Barbara County

Persons with disabilities who require any disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the meeting are asked to contact the District's General Manager at least three (3) days prior to the meeting by telephone at (805) 969-5050 or by email at gm@mvmdistrict.org.

Any public records which are distributed less than 72 hours prior to this meeting to all, or a majority of all, of the District's Board members in connection with any agenda item (other than closed sessions) will be available for public inspection at the time of such distribution at the District's office located at 2450 Lillie Avenue, Summerland, CA 93067.

REGULAR MEETING OF THE BOARD OF TRUSTEES

DUE TO STATEWIDE COVID-19 STAY-AT-HOME ORDERS FROM THE GOVERNOR'S OFFICE AND SOCIAL DISTANCING GUIDELINES, THE BOARD MEETING WILL NOT BE HELD AT THE REGULAR MEETING PLACE AT THE HOPE SCHOOL BOARD ROOM. INSTEAD, THE MEETING WILL BE HELD BY REMOTE CONFERENCING. MEMBERS OF THE PUBLIC WHO WISH TO OBSERVE THE MEETING AND OFFER PUBLIC COMMENT AND PERSONS WITH A DISABILITY WHO REQUIRE REASONABLE MODIFICATION OR ACCOMMODATION TO OBSERVE THE MEETING AND OFFER PUBLIC COMMENT SHOULD CONTACT THE MOSQUITO & VECTOR MANAGEMENT DISTRICT OF SANTA BARBARA COUNTY OFFICE AT 805-969-5050 OR EMAIL AT INFO@MVMDISTRICT.ORG FOR INSTRUCTIONS ON HOW TO ACCESS THE MEETING.

MAY 14, 2020, 2:00 PM

AGENDA

1. ROLL CALL
2. CONFIRMATION OF AGENDA
3. STAFF ANNOUNCEMENTS regarding District business
4. CORRESPONDENCE
 - A. Form 700 - Statement of Economic Interests
The June 1 deadline to file is approaching. Please complete your form if you haven't already.
5. PUBLIC COMMENT. Time reserved for the public to address the Board of Trustees relative to matters of District business not on the agenda. Comment time regarding specific agenda items will be available during consideration of the particular agenda items.
6. ITEMS OF GENERAL CONSENT. The following items can be approved by a single action of the Board. Items requiring additional discussion may be withdrawn from the listing and addressed in separate actions. (See attachments for each.)
 - A. Approval of the Minutes of the April 9, 2020 regular meeting (Page 3)
 - B. Approval of the April Financial Statements for County Fund 4160 (Page 6)
 - C. Approval of the April Disbursement Report (Page 11)
 - D. Approval of the April Disease Surveillance Report (Page 16)
 - E. Approval of the April District Operations Report (Page 18)

7. OLD BUSINESS. The Board will discuss and may take action on the following items:
 - A. Update on District operations during coronavirus pandemic
 - B. Approve budget for fiscal year 2020-2021. (Page 19)
 - C. Accounts receivable contracts' status (5909 Misc. Revenue) (Page 21)
 - D. Update on lead vector technician and vector biologist technician positions
 - E. Status on the purchase of a new vehicle
 - F. Mission Hills rodent infestation update
 - G. New District website
<https://www.mvmdistrict.org/>

8. NEW BUSINESS. The Board will discuss and may take action on the following items:
 - A. Presentation and approval of the 2020 Roll-forward valuation from TCS.(Page 22)
 - B. Consider and approve resolutions 20-01 and 20-02 declaring intent to continue assessments, establishing a cost of living increase, approving the Engineer's Report and providing a notice of public hearing on July 9, 2020. (Page 53)
 - C. Consider and approve Resolution 20-03 Designating Agent for California Office of Emergency Services (Page 112)
To have on file with the state in the event of an emergency where federal assistance may be needed.

9. GENERAL MANAGER'S REPORT (Page 117)

10. BOARD ANNOUNCEMENTS

11. ADJOURNMENT (Next scheduled meeting: 2:00 PM; Thursday, June 11, 2020)

**MOSQUITO AND VECTOR MANAGEMENT DISTRICT
of Santa Barbara County
MINUTES OF REGULAR MEETING OF TRUSTEES
April 9th, 2020**

The regular meeting of the Board of Trustees of the Mosquito and Vector Management District of Santa Barbara County was held at 2:00 PM, on Thursday, April 9th, 2020 via teleconference as allowed by State of California Executive Order N-29-20.

1. ROLL CALL.

TRUSTEES PRESENT:

President Ron Hurd
Vice-President Teri Jory
Secretary Adam Lambert
Trustee Robert Williams
Trustee Charlie Blair
Trustee Cathy Schlottmann
Trustee Craig Geyer
Trustee DeDominic

TRUSTEES ABSENT:

None.

IN ATTENDANCE:

Brian Cabrera, General Manager
Jessica Sprigg, Administrative Assistant
Carrie Troup, CPA

2. CONFIRMATION OF AGENDA

-No changes requested.

3. STAFF ANNOUNCEMENTS regarding District business.

- A. Form 700 - Statement of Economic Interests
Reminder to file if you haven't already.

-Deadline for completion has been changed to June 1, 2020.

4. CORRESPONDENCE

- A. Benefit Assessment timeline

-Notice of Public Hearing for July is complicated by the fact that the meeting location is currently unknown. Hope School Board Room will not be available. Board discussed means by which the public can provide input if a physical meeting location is not feasible.

5. PUBLIC COMMENT –

-None.

6. ITEMS OF GENERAL CONSENT. The following items are approved by a single action of the Board. Items requiring additional discussion may be withdrawn from the listing and approved in a separate action.

- A. Approval of the Minutes of the March 12, 2020 regular meeting
- B. Approval of the March Financial Statements for County Fund 4160
- C. Approval of the March Vendor Disbursement Report
- D. Approval of the March Disease Surveillance Report
- E. Approval of the March District Operations Report

-It was moved by Trustee Schlottmann and seconded by Trustee Williams to approve the Items of General Consent following discussion. Carrie Troup provided an analysis of the financial statements. Items of General Consent passed by roll call vote 8-0-0.

7. OLD BUSINESS

- A. Accounts receivable contracts' status (5909 Misc. Revenue)
-MOU with Oceano Dunes District has been finalized. Several other contracts are soon due for renewal. Staff has had difficulty getting approval from SoCalGas and the company has asked if another arrangement may be made rather than an MOU. District and SoCalGas continue to work toward an agreement.
- B. Update on supervising vector technician and vector biologist technician positions
-Union legal counsel reviewed job descriptions and did not have objections. Staff will be preparing a salary schedule with the new positions included and comparing pay rates to similar positions at other districts. The positions will remain non-exempt and remain a part of the collective bargaining unit. Staff anticipates having a salary schedule prepared for the May Board meeting.
- C. District operations under COVID-19 restrictions
-Staff is staggering work hours and days. Masks are required in the District office. Technicians are inspecting and treating mosquito sources and maintaining chicken flocks, but residential site visits have been suspended. As a public health agency, District work is considered an essential service. Board discussed if there is room in the budget and if workflow warrants laptop computers for the technicians.
- D. Review of preliminary budget
-Salary adjustments and replacement vehicles are major budget considerations. Adjustments will be made based on the March CPI, which will be released April 10th. One replacement vehicle will be purchased during the current fiscal year.

8. NEW BUSINESS

- A. Vote for LAFCO Regular and Alternate Commission Members
-Trustee Schlottmann motioned to vote for Craig Geyer for Regular Member. Seconded by Trustee Williams and passed 8-0-0 by roll call vote.
-Trustee Geyer motioned to vote for Cindy Allen for Alternate Member. Seconded by Trustee Schlottmann and passed 8-0-0 by roll call vote.

9. MANAGER'S REPORT

-County Counsel has been in contact with the mortgage company responsible for the Mission Hills property. They have contracted with a company to perform necessary work and estimates for the work are being revised.

10. BOARD ANNOUNCEMENTS

-SBCCSDA meeting scheduled for April 27th has been moved to May 18th in Buellton.

11. ADJOURNMENT

As there was no further business to be brought before the Board, the meeting was adjourned.

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I certify that the above minutes substantially reflect the actions of the Board:

BY:

APPROVED:

Ron Hurd
Board President

Adam Lambert
Board Secretary

Financial Status (Real-Time)

As of: 4/30/2020 (83% Elapsed)
Accounting Period: CLOSED

Selection Criteria: Fund = 4160

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 4160 -- Mosquito & Vector Mgt District

Line Item Account	6/30/2020 Fiscal Year Adjusted Budget	4/30/2020 Year-To-Date Actual	6/30/2020 Fiscal Year Variance	6/30/2020 Fiscal Year Pct of Budget
Revenues				
Taxes				
3010 -- Property Tax-Current Secured	397,580.00	427,969.14	30,389.14	107.64 %
3011 -- Property Tax-Unitary	1,030.00	3,679.68	2,649.68	357.25 %
3015 -- PT PY Corr/Escapes Secured	0.00	-425.33	-425.33	--
3020 -- Property Tax-Current Unsecd	19,570.00	18,094.03	-1,475.97	92.46 %
3023 -- PT PY Corr/Escapes Unsecured	0.00	310.42	310.42	--
3028 -- RDA Pass-through Payments	2,000.00	2,220.58	220.58	111.03 %
3029 -- RDA RPTTF Resid Distributions	4,000.00	4,870.60	870.60	121.77 %
3040 -- Property Tax-Prior Secured	618.00	21.86	-596.14	3.54 %
3050 -- Property Tax-Prior Unsecured	412.00	2,258.77	1,846.77	548.25 %
3054 -- Supplemental Pty Tax-Current	3,090.00	3,396.55	306.55	109.92 %
3056 -- Supplemental Pty Tax-Prior	0.00	62.74	62.74	--
Taxes	<u>428,300.00</u>	<u>462,459.04</u>	<u>34,159.04</u>	<u>107.98 %</u>
Fines, Forfeitures, and Penalties				
3057 -- PT-506 Int, 480 CIOS/CIC Pen	0.00	0.72	0.72	--
Fines, Forfeitures, and Penalties	<u>0.00</u>	<u>0.72</u>	<u>0.72</u>	<u>--</u>
Use of Money and Property				
3380 -- Interest Income	4,650.00	14,180.44	9,530.44	304.96 %
3381 -- Unrealized Gain/Loss Invstmnts	4,112.00	6,111.87	1,999.87	148.63 %
Use of Money and Property	<u>8,762.00</u>	<u>20,292.31</u>	<u>11,530.31</u>	<u>231.59 %</u>
Intergovernmental Revenue-State				
4220 -- Homeowners Property Tax Relief	2,000.00	1,866.74	-133.26	93.34 %
Intergovernmental Revenue-State	<u>2,000.00</u>	<u>1,866.74</u>	<u>-133.26</u>	<u>93.34 %</u>
Intergovernmental Revenue-Other				
4840 -- Other Governmental Agencies	10,000.00	7,596.40	-2,403.60	75.96 %

Financial Status (Real-Time)

As of: 4/30/2020 (83% Elapsed)
Accounting Period: CLOSED

Selection Criteria: Fund = 4160

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 4160 -- Mosquito & Vector Mgt District

Line Item Account	6/30/2020 Fiscal Year Adjusted Budget	4/30/2020 Year-To-Date Actual	6/30/2020 Fiscal Year Variance	6/30/2020 Fiscal Year Pct of Budget
Intergovernmental Revenue-Other	10,000.00	7,596.40	-2,403.60	75.96 %
Charges for Services				
4877 -- Other Special Assessments	620,771.00	623,466.41	2,695.41	100.43 %
Charges for Services	620,771.00	623,466.41	2,695.41	100.43 %
Miscellaneous Revenue				
5891 -- Refunds/Repayments	0.00	5,495.07	5,495.07	--
5909 -- Other Miscellaneous Revenue	105,000.00	103,561.51	-1,438.49	98.63 %
Miscellaneous Revenue	105,000.00	109,056.58	4,056.58	103.86 %
Revenues	1,174,833.00	1,224,738.20	49,905.20	104.25 %
Expenditures				
Salaries and Employee Benefits				
6100 -- Regular Salaries	455,725.00	314,832.68	140,892.32	69.08 %
6210 -- Commissioner/Director/Trustee	9,600.00	7,200.00	2,400.00	75.00 %
6400 -- Retirement Contribution	162,000.00	108,963.17	53,036.83	67.26 %
6475 -- Retiree Medical OPEB	22,300.00	19,642.18	2,657.82	88.08 %
6500 -- FICA Contribution	28,860.00	19,905.59	8,954.41	68.97 %
6550 -- FICA/Medicare	6,750.00	4,655.34	2,094.66	68.97 %
6600 -- Health Insurance Contrib	138,116.00	107,726.16	30,389.84	78.00 %
6700 -- Unemployment Ins Contribution	3,500.00	1,148.80	2,351.20	32.82 %
6900 -- Workers Compensation	21,022.00	21,011.00	11.00	99.95 %
Salaries and Employee Benefits	847,873.00	605,084.92	242,788.08	71.37 %
Services and Supplies				
7030 -- Clothing and Personal	6,000.00	4,499.83	1,500.17	75.00 %
7050 -- Communications	5,200.00	4,474.66	725.34	86.05 %
7070 -- Household Supplies	2,800.00	2,099.00	701.00	74.96 %
7090 -- Insurance	16,803.00	16,619.00	184.00	98.90 %



Financial Status (Real-Time)

As of: 4/30/2020 (83% Elapsed)
Accounting Period: CLOSED

Selection Criteria: Fund = 4160

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 4160 -- Mosquito & Vector Mgt District

Line Item Account	6/30/2020 Fiscal Year Adjusted Budget	4/30/2020 Year-To-Date Actual	6/30/2020 Fiscal Year Variance	6/30/2020 Fiscal Year Pct of Budget
7120 -- Equipment Maintenance	5,675.00	5,546.26	128.74	97.73 %
7121 -- Operating Supplies	9,000.00	5,307.54	3,692.46	58.97 %
7124 -- IT Software Maintenance	11,000.00	14,864.19	-3,864.19	135.13 %
7200 -- Structure & Ground Maintenance	3,500.00	6,637.50	-3,137.50	189.64 %
7430 -- Memberships	14,500.00	15,242.00	-742.00	105.12 %
7450 -- Office Expense	5,500.00	3,132.60	2,367.40	56.96 %
7460 -- Professional & Special Service	59,785.00	42,785.50	16,999.50	71.57 %
7508 -- Legal Fees	23,000.00	5,524.98	17,475.02	24.02 %
7546 -- Administrative Expense	5,700.00	7,511.25	-1,811.25	131.78 %
7650 -- Special Departmental Expense	75,000.00	73,975.12	1,024.88	98.63 %
7653 -- Training Fees & Supplies	3,000.00	2,894.75	105.25	96.49 %
7730 -- Transportation and Travel	4,000.00	3,677.32	322.68	91.93 %
7731 -- Gasoline-Oil-Fuel	9,500.00	7,508.61	1,991.39	79.04 %
7732 -- Training	0.00	0.00	0.00	--
7760 -- Utilities	4,800.00	3,017.05	1,782.95	62.86 %
Services and Supplies	264,763.00	225,317.16	39,445.84	85.10 %
Other Charges				
7860 -- Contrib To Other Agencies	52,000.00	43,330.00	8,670.00	83.33 %
Other Charges	52,000.00	43,330.00	8,670.00	83.33 %
Capital Assets				
8300 -- Equipment	65,000.00	0.00	65,000.00	0.00 %
Capital Assets	65,000.00	0.00	65,000.00	0.00 %
Expenditures	1,229,636.00	873,732.08	355,903.92	71.06 %
Other Financing Sources & Uses				
Other Financing Sources				
5911 -- Oper Trf (In)-Other Funds	94,300.00	0.00	-94,300.00	0.00 %

Financial Status (Real-Time)

As of: 4/30/2020 (83% Elapsed)
Accounting Period: CLOSED

Selection Criteria: Fund = 4160

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 4160 -- Mosquito & Vector Mgt District

Line Item Account	6/30/2020 Fiscal Year Adjusted Budget	4/30/2020 Year-To-Date Actual	6/30/2020 Fiscal Year Variance	6/30/2020 Fiscal Year Pct of Budget
Other Financing Sources	94,300.00	0.00	-94,300.00	0.00 %
Other Financing Uses				
7901 -- Oper Trf (Out)	33,385.00	16,950.00	16,435.00	50.77 %
Other Financing Uses	33,385.00	16,950.00	16,435.00	50.77 %
Other Financing Sources & Uses	60,915.00	-16,950.00	-77,865.00	-27.83 %
Changes to Fund Balances				
Decrease to Restricted				
9797 -- Unrealized Gains	1,527.00	1,526.43	-0.57	99.96 %
Decrease to Restricted	1,527.00	1,526.43	-0.57	99.96 %
Increase to Restricted				
9797 -- Unrealized Gains	7,639.00	7,638.30	0.70	99.99 %
Increase to Restricted	7,639.00	7,638.30	0.70	99.99 %
Changes to Fund Balances	-6,112.00	-6,111.87	0.13	100.00 %
Mosquito & Vector Mgt District	0.00	327,944.25	327,944.25	--
Net Financial Impact	0.00	327,944.25	327,944.25	--

Cash Balances

As of: 4/30/2020
Accounting Period: CLOSED

Selection Criteria: Fund = 4160-4161

Layout Options: Summarized By = Fund; Page Break At = Fund

Fund	4/1/2020 Beginning Balance	Month-To-Date Cash Receipts (+)	Month-To-Date Treasury Credits (+)	Month-To-Date Warrants and Wire Transfers (-)	Month-To-Date Treasury Debits (-)	4/30/2020 Ending Balance
4160 -- Mosquito & Vector Mgt District	1,156,423.29	0.00	449,877.58	30,320.49	50,446.91	1,525,533.47
4161 -- SB Vector-Cap Asset Reserve	603,220.39	0.00	2,360.33	0.00	0.00	605,580.72
Total Report	1,759,643.68	0.00	452,237.91	30,320.49	50,446.91	2,131,114.19

Vendor Disbursements

From 4/1/2020 to 4/30/2020

Selection Criteria: Fund = 4160

Layout Options: Summarized By = Fund, Vendor; Page Break At = Fund

Fund 4160 -- Mosquito & Vector Mgt District

Disbursement	Disbursement Date	Dept	Purchase Order	Remit Description	Amount
Vendor 003551 -- VECTOR-BORNE SURVEILLANCE ACCOUNT					
W - 09746637	04/24/2020	880		Vendor Invoice #: SBCOM-SBCO-MVMD; Vendor A	592.00
Total VECTOR-BORNE SURVEILLANCE ACCOUNT					592.00
Vendor 005979 -- CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM					
W - 09746391	04/20/2020	880		PEB-	4,333.00
Total CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM					4,333.00
Vendor 008116 -- HOWELL MOORE & GOUGH LLP					
W - 09746185	04/15/2020	880		Vendor Invoice #: 41963;	162.50
Total HOWELL MOORE & GOUGH LLP					162.50
Vendor 009136 -- TECHEASE COMPUTER SOLUTIONS LLC					
W - 09746585	04/24/2020	880		Vendor Invoice #: 40155	560.00
W - 09746585	04/24/2020	880		Vendor Invoice #: 40162	70.00
Total TECHEASE COMPUTER SOLUTIONS LLC					630.00
Vendor 011287 -- HELUNA HEALTH					
W - 09746236	04/16/2020	880		Vendor Invoice #: 1174014;	4,329.15
Total HELUNA HEALTH					4,329.15
Vendor 086415 -- CITY EMPLOYEES ASSOC LLC					
ACH - 675617	04/13/2020	880		UNION DUES	48.00
ACH - 676842	04/24/2020	880		UNION DUES 4/18/20	48.00
Total CITY EMPLOYEES ASSOC LLC					96.00
Vendor 101532 -- STREAMLINE					
W - 09746126	04/14/2020	880		Vendor Invoice #: 104483	200.00
Total STREAMLINE					200.00
Vendor 194683 -- Allied Administrators for Delta Dental					
ACH - 675213	04/08/2020	880			971.74
Total Allied Administrators for Delta Dental					971.74

Vendor Disbursements

From 4/1/2020 to 4/30/2020

Selection Criteria: Fund = 4160

Layout Options: Summarized By = Fund, Vendor; Page Break At = Fund

Fund 4160 -- Mosquito & Vector Mgt District

Disbursement	Disbursement Date	Dept	Purchase Order	Remit Description	Amount
Vendor 244645 -- AFLAC					
W - 09746608	04/24/2020	880		Vendor Invoice #: 447674;	226.44
				Total AFLAC	226.44
Vendor 246891 -- MISSION LINEN SUPPLY					
ACH - 675640	04/13/2020	880			380.40
				Total MISSION LINEN SUPPLY	380.40
Vendor 346888 -- CARRIE TROUP CPA					
ACH - 676726	04/23/2020	880		Vendor Invoice #: 0320V	2,325.00
				Total CARRIE TROUP CPA	2,325.00
Vendor 522736 -- McCormix Corporation					
ACH - 675117	04/07/2020	880			380.59
				Total McCormix Corporation	380.59
Vendor 551710 -- ADAPCO INC					
ACH - 676641	04/22/2020	880		Vendor Invoice #: 124279;	180.38
				Total ADAPCO INC	180.38
Vendor 556712 -- MONTECITO WATER DISTRICT					
ACH - 676300	04/20/2020	880			53.44
				Total MONTECITO WATER DISTRICT	53.44
Vendor 710175 -- STATE/FEDERAL TAXES & DIRECT DEPOSITS					
EFT	04/09/2020	880		Vendor Account:	14,832.97
EFT	04/23/2020	880		Vendor Account:	15,487.52
				Total STATE/FEDERAL TAXES & DIRECT DEPOSITS	30,320.49
Vendor 740582 -- BIG GREEN CLEANING CO					
ACH - 676757	04/23/2020	880		Vendor Invoice #: 554143;	241.00
				Total BIG GREEN CLEANING CO	241.00

Vendor Disbursements

From 4/1/2020 to 4/30/2020

Selection Criteria: Fund = 4160

Layout Options: Summarized By = Fund, Vendor; Page Break At = Fund

Fund 4160 -- Mosquito & Vector Mgt District

Disbursement	Disbursement Date	Dept	Purchase Order	Remit Description	Amount
Vendor 767200 -- SOUTHERN CALIFORNIA EDISON					
ACH - 675679	04/13/2020	880		Vendor Account:	57.81
				Total SOUTHERN CALIFORNIA EDISON	57.81
Vendor 767800 -- THE GAS COMPANY					
ACH - 676105	04/16/2020	880		Vendor Account:	41.84
				Total THE GAS COMPANY	41.84
Vendor 776537 -- COX COMMUNICATIONS - BUSINESS					
ACH - 676657	04/22/2020	880		Vendor Account:	398.80
				Total COX COMMUNICATIONS - BUSINESS	398.80
Vendor 855111 -- Vision Service Plan-CA					
ACH - 677043	04/27/2020	880		Vendor Invoice #: 809219350	390.36
				Total Vision Service Plan-CA	390.36
				Total Mosquito & Vector Mgt District	46,310.94



P.O. BOX 6343
FARGO ND 58125-6343



ACCOUNT NUMBER
STATEMENT DATE 04-22-2020
AMOUNT DUE \$65.42
NEW BALANCE \$65.42
PAYMENT DUE ON RECEIPT



000001279 01 SP 0.560 106481173160883 P

MVM DISTRICT
ATTN BRIAN CARERA
PO BOX 1389
2450 LILLIE AVE
SUMMERLAND CA 93067-1389

AMOUNT ENCLOSED
\$

Please make check payable to "U.S. Bank"

U.S. BANK CORPORATE PAYMENT SYSTEMS
P.O. BOX 790428
ST. LOUIS, MO 63179-0428

Please tear payment coupon at perforation.

CORPORATE ACCOUNT SUMMARY									
MVM DISTRICT	Previous Balance	Purchases And Other + Charges	Cash Advances +	Cash Advance Fees +	Late Payment Charges	Credits -	Payments -	New Balance =	
Company Total	\$2,004.92	\$520.79	\$0.00	\$0.00	\$0.00	\$455.37	\$2,004.92	\$65.42	

CORPORATE ACCOUNT ACTIVITY					
MVM DISTRICT					TOTAL CORPORATE ACTIVITY
					\$2,004.92 CR
Post Date	Tran Date	Reference Number	Transaction Description		Amount
03-30	03-30	74798260090000000000010	PAYMENT - 673825 00000 A		2,004.92 PY

NEW ACTIVITY					
VESNA IBARRA		CREDITS \$0.00	PURCHASES \$84.75	CASH ADV \$0.00	TOTAL ACTIVITY \$84.75
Post Date	Tran Date	Reference Number	Transaction Description		Amount
03-31	03-30	24040830090900013400381	LA CUMBRE FEED SANTA BARBARA CA		84.75

CUSTOMER SERVICE CALL 800-344-5696	ACCOUNT NUMBER		ACCOUNT SUMMARY	
	STATEMENT DATE 04/22/20	DISPUTED AMOUNT .00	PREVIOUS BALANCE	2,004.92
SEND BILLING INQUIRIES TO: U.S. Bank National Association C/O U.S. Bancorp Purchasing Card Program P.O. Box 6335 Fargo, ND 58125-6335	AMOUNT DUE 65.42		PURCHASES & OTHER CHARGES	520.79
			CASH ADVANCES	.00
			CASH ADVANCE FEES	.00
			LATE PAYMENT CHARGES	.00
			CREDITS	455.37
		PAYMENTS	2,004.92	
		ACCOUNT BALANCE	65.42	



Company Name: MVM DISTRICT
Corporate Account Number:
Statement Date: 04-22-2020

NEW ACTIVITY					
BRIAN J CABRERA		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$455.37	\$255.52	\$0.00	\$199.85 CR
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-24	03-23	24906410083090760235728	WEB*NETWORKSOLUTIONS 888-6429675 FL	139.50	
03-25	03-24	24692160084100354101513	NORTON *NP1307725003 NORTON.COM/NS AZ	114.98	
03-30	03-27	24137460088000875835305	USPS PO 0569460030 SANTA BARBARA CA	1.04	
04-08	04-08	74692160099100311471650	EXPEDIA 7524849121651 EXPEDIA.COM WA	151.79 CR	
04-08	04-08	74692160099100311471833	EXPEDIA 7524849121651 EXPEDIA.COM WA	151.79 CR	
04-08	04-08	74692160099100311472112	EXPEDIA 7524849121651 EXPEDIA.COM WA	151.79 CR	
ROBBY R SHARP		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$50.38	\$0.00	\$50.38
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-02	04-01	24231680093837000342793	SMART AND FINAL 391 SANTA BARBARA CA	50.38	
KAREN EGERMAN-SCHULTZ		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$82.32	\$0.00	\$82.32
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-01	03-31	24801970092839000365762	CONSERV FUEL 6114 BUELLTON CA	59.59	
04-17	04-16	24692160107100295579770	MICHAELS #9490 800-642-4235 TX	6.40	
04-22	04-21	24765010113091002406608	MINER'S ACE HARDWARE GOLETA CA	16.33	
DONALD CRAM		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$47.82	\$0.00	\$47.82
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-02	03-30	24610430092010182643808	THE HOME DEPOT #6623 GOLETA CA	47.82	

Department: 00000 Total: \$65.42
 Division: 00000 Total: \$65.42



**MOSQUITO and VECTOR MANAGEMENT DISTRICT
of SANTA BARBARA COUNTY**

DISEASE SURVEILLANCE REPORT

April 2020

Live Mosquito-Borne Virus Surveillance

Mosquitoes became very active following moderate rains early in the month followed by warm weather in the latter half of the month. Mosquito trapping for 2020 resumed this month.

Location	Date	Number of Mosquitoes	Number of Traps*	Mosquitoes per Trap Night	Pools Submitted	Result
Santa Barbara County						
UCSB/SB Airport Bluffs	04/01 – 04/02	1135	11	103	4	Negative
Shoreline Dr. x Orchid Dr. near horse stables	04/29 – 04/20	607	12	50	4	Pending

*Encephalitis Virus Survey (CO₂) traps.

West Nile Virus Activity

The California Department of Public Health’s Dead Bird Hotline was reactivated in mid-April. No dead birds in Santa Barbara County were reported to the hotline or on the Dead Bird reporting website at:

http://www.westnile.ca.gov/report_wnv.php.

There have been no reported cases of human infection with WNV this year in California. As of 5/1/20, three (3) birds have tested positive for WNV in California, all three were from Santa Clara County. No horses have tested positive for WNV in California. No positive mosquito pools were reported for the entire state. Mosquito trapping by districts across California was lower because of restrictions resulting from the statewide coronavirus stay-at-home order. No WNV activity of any kind has been detected in Santa Barbara County this year, to date.

St. Louis Encephalitis Virus Activity

No cases of humans infected with SLEV have been reported in California this year.

Zika Virus and Invasive *Aedes* Mosquito Update

CDPH releases their Zika reports on the first Friday of the month. No new cases of Zika virus infection were reported in April. As of May 1, there have been 746 travel-associated Zika virus infections in California since 2015. Neither yellow fever mosquitoes, *Aedes aegypti*, nor Asian tiger mosquitoes, *Ae. albopictus* (both known vectors of the Zika virus) have ever been detected in Santa Barbara County, to date. However, invasive *Aedes* are present in the following counties: Los Angeles, Orange, San Diego, Riverside, San Bernardino, Imperial, Kern, Kings, Fresno, Madera, Merced, San Joaquin, Placer, Sacramento, Stanislaus and Tulare.

Western Equine Encephalitis

There was no reportable WEE activity in California for April.

Sentinel Chicken Flocks

The District currently maintains 3 sentinel chicken flocks in Santa Barbara County located at the Goleta Sanitary District, Mission Hills Community Services District, and the Solvang City Wastewater Treatment Plant. Bi-

monthly blood sampling resumed in April and samples collected from chickens at these three sites on 4/13 and 4/14 tested negative for the presence of WNV, SLEV and WEE viruses. Results for samples collected on 4/27 and 4/28 are pending. One chicken flock location has been switched from the Carpinteria Sanitary District to the U.S. Forest Service Fire Station in Carpinteria. We are grateful to the CSD for hosting our sentinel chicken flocks for several years. Currently, there are no sentinel chicken flocks at the USFS Fire Station and the Los Prietos Ranger Station in the Los Padres National Forest Blood due to COVID-19 restrictions.



Asian giant hornet, *Vespa mandarina*

Photos courtesy of: Washington State Department of Agriculture, Bugwood.org

This large insect caused quite a stir when news stories and social media posts about it began circulating in early May. Despite the hype, these hornets are not overly aggressive towards people and animals and will only attack when they are agitated or threatened. However, they can inflict an extremely painful sting due to their large size and their potent venom can be lethal for those who are highly allergic to their sting or those who get stung multiple times. In the U.S. the Asian giant hornet has only been found in northwest Washington state. All four confirmed records of this introduced pest were reported in December 2019. The most worrisome aspect of this species is that it preys on honeybees. Attacks by the Asian giant hornet can destroy a honey bee colony in just a few hours. This hornet is distinguished from native wasps and hornets by its large size (1.5 to 2 inches long), large orange/yellow head with big eyes, and a striped abdomen. More information can be found at: <https://wastatedeptag.blogspot.com/2019/12/pest-alert-asian-giant-hornet.html>

Mosquito and Vector Management District of Santa Barbara County

Report of District Operations -April 2020

Location	Mosquito					Bees & Wasps			Rats & Mice		Surveillance			Other		Total
	Inspection Hours	Treatment Hours	Service Requests	Fish Requests	Standing Water Reports	Inspection Hours	Treatment Hours	Service Requests	Inspection Hours	Service Requests	WNV Bird	Chickens	Mosquito Pools	Bedbugs	Misc. Requests	Total hours devoted to zone
Goleta	15.5	0.5	2		1							10.0				26.0
Goleta Valley	28.5	6.0	2	1									19.0			53.5
Rancho Embarcadero	2.0															2.0
Isla Vista	3.5	0.5														4.0
Hope Ranch	1.0	0.5														1.5
Hidden Valley																0.0
Santa Barbara area	15.0	3.0		2	1	6.0		2		2						24.0
Mission Canyon																0.0
Montecito	13.0	1.5	1	2												14.5
Summerland	6.5	1.5	1		1							19.0				27.0
Carpinteria	4.5	0.5	3	1	1				0.5			10.0				15.5
Carpinteria Valley	7.5	3.5		2												11.0
Carp Salt Marsh	2.0															2.0
Camino Real																0.0
Storke Ranch	0.5	1.0														1.5
Goleta Sanitary																0.0
Lake Los Carneros	4.0	1.0														5.0
UCSB	16.0	11.0														27.0
Santa Barbara Airport	2.5	3.5														6.0
City of Santa Barbara	6.5	1.0														7.5
SoCalGas																0.0
South County	128.5	35.0	9	8	4	6.0	0.0	2	0.5	2	0.0	39.0	19.0	0	0	228.0
North County												20.0				20.0
Pismo Beach																0.0
Oceano Dunes																0.0
San Luis Obispo																0.0
SLO County	0.0	0.0	0	0	0	0.0	0.0	0	0.0	0	0.0	0.0	0.0	0	0	0.0
Monthly Totals	128.5	35.0	9	8	4	6.0	0.0	2	0.5	2	0.0	59.0	19.0	0	0	248.0
Year to Date	659.5	174.0	10	16	7	11.0	8.0	4	10.0	5	0.0	187.5	36.0	2	3	

	This Month	Year to Date
Total Inspection Hours	135.0	680.5
Total Treatment Hours	35.0	182.0
Total Mileage	2,230.0	10,487.0

MVMDSBC Draft Budget FY 2020-21

	Actual 6/30/2017	Actual 6/30/2018	Actual 6/30/19	Actual 4/30/2020	Current Year Budget FY 2019-20	Draft Budget FY 2020-21
Revenues						
Taxes						
3010 -- Property Tax-Current Secured	382,787	400,098	424,934	427,969	397,580	434,000
3011 -- Property Tax-Unitary	6,274	6,135	6,378	3,680	1,030	6,200
3015 -- PT PY Corr/Escapes Secured	2,156	1,861	-2,160	(425)	-	-
3020 -- Property Tax-Current Unsecd	17,080	17,559	16,228	18,094	19,570	18,500
3023 -- PT PY Corr/Escapes Unsecured	185	4,962	-32.85	310	-	-
3028 -- RDA Pass-through payments	2,462	2,957	3,447	2,221	2,000	3,000
3029 -- RDA RPTTF Distributions	4,335	5,742	6,263	4,871	4,000	5,000
3040 -- Property Tax-Prior Secured	618	-23	(65)	22	618	-
3050 -- Property Tax-Prior Unsecured	159	5,983	570	2,259	412	2,300
3054 -- Supplemental Pty Tax-Current	9,817	9,968	8,076	3,397	3,090	8,000
3056 -- Supplemental Pty Tax-Prior	8	72	238	63	-	200
Taxes	425,880	455,313	463,878	462,459	428,300	477,200
Fines, Forfeitures, and Penalties						
3057 -- PT-506 Int, 480 CIOS/CIC Pen		3,051	(82)	1		
Fines, Forfeitures, and Penalties		3,051	(82)	1		
Use of Money and Property						
3380 -- Interest Income	3,833	7,892	13,091	14,180	4,650	13,000
3381 -- Unrealized Gain/Loss Invstmnts	-2,765	-4,234	7,168	6,112	(3,353)	(4,000)
Use of Money and Property	1,068	3,657	20,259	20,292	1,297	9,000
Intergovernmental Revenue-State						
4160 -- State Aid for Disaster			1,888			
4220 -- Homeowners Property Tax Relief	2,209	2,246	2,225	1,098	2,000	2,000
Intergovernmental Revenue-State	2,209	2,246	4,113	1,098	2,000	2,000
Intergovernmental Revenue-Federal						
4690 -- Payments In Lieu of Taxes	-					
Intergovernmental Revenue-Federal	-	0	-		-	-
Intergovernmental Revenue-Other						
4840 -- Other Governmental Agencies	12,277	13,713	13,730	7,596	10,000	12,000
4842 -- RDA Dissolution Proceeds		1,363	3,129			
Intergovernmental Revenue-Other	12,277	15,076	16,859	7,596	10,000	12,000
Charges for Services						
4877 -- Other Special Assessments	561,191	577,739	604,118	623,466	620,771	633,929
Charges for Services	561,191	577,739	604,118	623,466	620,771	633,929
Miscellaneous Revenue						
5891-- Refunds/Repayments			6,431	5,495		
5909 -- Other Miscellaneous Revenue	95,627	134,118	120,955	103,562	105,000	110,000
Miscellaneous Revenue	95,627	134,118	127,386	109,057	105,000	110,000
Revenues	1,098,252	1,191,200	1,236,531	1,223,970	1,167,368	1,244,129

Expenditures

Salaries and Employee Benefits						
6100 -- Regular Salaries	430,906	434,255	415,273	313,778	455,725	470,000
6210 -- Trustee Exp Reimb		8,800	8,000	7,200	9,600	10,000
6400 -- Retirement Contribution	134,658	143,883	140,042	98,524	162,000	166,850
6475 -- Retiree Medical OPEB				17,741	22,300	25,300
6500 -- FICA Contribution	26,668	27,434	26,204	19,906	28,860	29,140

MVMDSBC Draft Budget FY 2020-21

	Actual 6/30/2017	Actual 6/30/2018	Actual 6/30/19	Actual 4/30/2020	Current Year Budget FY 2019-20	Draft Budget FY 2020-21
6550 -- FICA/Medicare	6,237	6,416	6,128	4,655	6,750	6,900
6600 -- Health Insurance Contrib	117,304	116,151	131,509	97,243	138,116	145,000
6700 -- Unemployment Ins Contribution	2,367	2,023	1,830	1,149	3,500	3,500
6900 -- Workers Compensation		25,256	21,333	21,011	21,022	22,000
Salaries and Employee Benefits	718,140	764,218	750,319	581,207	847,873	878,690
Services and Supplies						
7030 -- Clothing and Personal	5,543	4,848	4,890	4,500	6,000	6,700
7050 -- Communications	4,623	5,022	5,133	4,475	5,200	6,800
7070 -- Household Supplies	2,505	2,699	2,646	2,099	2,800	3,000
7090 -- Insurance	36,674	15,809	16,162	16,619	16,803	18,000
7120 -- Equipment Maintenance	2,881	2,638	2,441	5,546	5,675	6,800
7121 -- Operating Supplies	7,002	5,527	6,420	5,159	9,000	8,500
7124 -- IT Software Maintenance	140	3,215	7,197	14,725	11,000	11,000
7200 -- Structure & Ground Maintenance	5,482	777	395	6,638	3,500	4,000
7400 -- Medical, Dental and Lab	3,373	2,952	-	-	-	-
7430 -- Memberships	12,583	12,684	14,868	15,242	14,500	16,000
7450 -- Office Expense	6,199	5,139	7,771	2,960	5,500	5,000
7460 -- Professional & Special Service	64,885	103,920	61,502	42,786	59,785	63,000
7508 -- Legal Fees			27,920	5,525	23,000	15,000
7546 -- Administrative Expense	6,000	5,598	7,414	7,511	5,700	8,000
7650 -- Pesticides (Spcl Dept Expense)	86,318	60,947	72,644	73,975	75,000	80,000
7653 -- Training Fees & Supplies	2,792	3,933	1,329	2,895	3,000	5,000
7730 -- Transportation and Travel	3,500	4,813	2,019	4,133	4,000	5,000
7731 -- Gasoline-Oil-Fuel	7,464	7,835	8,330	7,449	9,500	9,500
7760 -- Utilities	4,270	3,903	4,379	3,017	4,800	4,800
Services and Supplies	262,235	252,258	253,458	225,252	264,763	276,100
Capital Assets						
8200 -- Structures & Struct Improvements	-	-	-	-	-	8,200
8300 -- Equipment	28,123	2,155	-	-	65,000	80,000
Capital Assets	28,123	2,155	-	-	65,000	88,200
Expenditures	1,008,498	1,018,631	1,003,777	806,459	1,177,636	1,242,990
Transfers Out						
7901 Oper Transfer Out (depreciation)			41,050	16,950	33,385	16,950
7901 Oper Transfer Out -Reserves						20,389
7860 -- Contrib to other agencies (OPEB)	36,000	36,000	42,696	43,330	52,000	52,000
Total Transfers Out	36,000	36,000	83,746	60,280	85,385	89,339
Transfers In & Changes to Fund Balances						
9602 -- Receivables	1,349	1,241	1,937		-	-
9797 -- Unrealized Gains/losses	2,351		(213)	(6,112)	1,353	-
5911 -- Oper Transfer In (CERBT)			-		22,300	-
5911 -Transfer In (from fund 4161 for assets)			-		72,000	88,200
Total Transfers In & Changes to Fund Balances		1,241	1,724	-6,112	95,653	88,200
Total	22,754	137,810	150,731	351,119	0	0

May 8, 2020

Account		MOU Maximum	Income Average	MOU Status
1	Wynmark	\$ 1,630	\$ 1,154	FYE22 needs work
3	Goleta Sanitary District	\$ 4,082	\$ 3,820	FYE22 needs work
4	Goleta, City of	\$ 20,124	\$ 3,725	FYE21 complete
5	Oceano Dunes District	\$ 30,000	\$ 12,945	FYE21 complete
6	Pismo Beach, City of	\$ 11,854	\$ 4,750	FYE21 MOU-MMP complete
7	Santa Barbara Airport	\$ 74,000	\$ 48,600	FYE21 Complete
8	Santa Barbara, City of	\$ 11,948	\$ 5,800	FYE21 COMPLETE
9	SoCalGas	\$ 3,100	\$ 770	FYE21 contract received, working on terms of agreement
10	Cal-Storke, LLC	\$ 1,400	\$ 1,295	FYE21 complete
11	UCSB	\$ 41,000	\$ 18,500	FYE22 needs work
12	San Luis Obispo, County of	\$ 26,340	\$ 7,000	FYE21 needs work
		\$ 225,478	\$ 108,359	
				needs work - priority
				needs work - partially complete
				valid, but needs work
				valid, complete but waiting
				valid, complete

	April 1, 2020	Budgeted
FYE 2020	\$121,712.30	\$ 105,000
FYE 2019	\$109,111.47	\$ 100,000
FYE 2018	\$108,081.70	\$ 70,000
FYE 2017	\$ 87,923.06	\$ 105,000
FYE 2016	\$ 58,114.04	\$ 115,000
FYE 2015	\$ 99,346.50	\$ 120,000

**Mosquito & Vector Management District of Santa
Barbara County
Actuarial Study of
Retiree Health Liabilities Under GASB 74/75
Roll-forward Valuation
Valuation Date: June 30, 2018
Measurement Date: June 30, 2019**

*Prepared by:
Total Compensation Systems, Inc.*

Date: March 13, 2020

DRAFT

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**Mosquito & Vector Management District of Santa Barbara County
Actuarial Study of Retiree Health Liabilities**

PART I: EXECUTIVE SUMMARY

A. Introduction

Mosquito & Vector Management District of Santa Barbara County engaged Total Compensation Systems, Inc. (TCS) to analyze liabilities associated with its current retiree health program as of June 30, 2019 (the measurement date). This valuation report is based on an earlier GASB 75 valuation as of June 30, 2018. We used standard actuarial “roll-forward” methodology to estimate the Total OPEB Liability (TOL) as of the measurement date. The Fiduciary Net Position (FNP) is based on the actual FNP at June 30, 2019. The numbers in this report are based on the assumption that they will first be used to determine accounting entries for the fiscal year ending June 30, 2020. If the report will first be used for a different fiscal year, the numbers may need to be adjusted accordingly.

This report does not reflect any cash benefits paid unless the retiree is required to provide proof that the cash benefits are used to reimburse the retiree’s cost of health benefits. Costs and liabilities attributable to cash benefits paid to retirees are reportable under applicable Governmental Accounting Standards Board (GASB) Standards.

This actuarial study is intended to serve the following purposes:

- To provide information to enable MVMD of Santa Barbara County to manage the costs and liabilities associated with its retiree health benefits.
- To provide information to enable MVMD of Santa Barbara County to communicate the financial implications of retiree health benefits to internal financial staff, the Board, employee groups and other affected parties.
- To provide information needed to comply with Governmental Accounting Standards Board Accounting Standards 74 and 75 related to "other postemployment benefits" (OPEB's).

Because this report was prepared in compliance with GASB 74 and 75, MVMD of Santa Barbara County should not use this report for any other purpose without discussion with TCS. This means that any discussions with employee groups, governing Boards, etc. should be restricted to the implications of GASB 74 and 75 compliance.

We calculated the following estimates separately for active employees and retirees. We estimated the following:

- the total liability created. (The actuarial present value of total projected benefit payments or APVPBP)
- ten years of projected benefit payments.
- the "total OPEB liability (TOL)." (The TOL is the portion of the APVPBP attributable to employees’ service prior to the measurement date.)
- the “net OPEB liability” (NOL). For plans funded through a trust, this represents the unfunded portion of the liability.
- the service cost (SC). This is the value of OPEB benefits earned for one year of service.

Total Compensation Systems, Inc.

- deferred inflows and outflows of resources attributable to the OPEB plan.
- “OPEB expense.” This is the amount recognized in accrual basis financial statements as the current period expense. The OPEB expense includes service cost, interest and certain changes in the OPEB liability, adjusted to reflect deferred inflows and outflows. This amount may need to be adjusted to reflect any contributions received after the Measurement Date.
- Amounts to support financial statement Note Disclosures and Required Supplementary Information (RSI) schedules.

We summarized the data used to perform this study in Appendix A. No effort was made to verify this information beyond brief tests for reasonableness and consistency.

All cost and liability figures contained in this study are estimates of future results. Future results can vary dramatically and the accuracy of estimates contained in this report depends on the actuarial assumptions used. Service costs and liabilities could easily vary by 10 - 20% or more from estimates contained in this report.

B. General Findings

We estimate the "pay-as-you-go" cost of providing retiree health benefits in the year beginning July 1, 2019 to be \$14,244 (see Section IV.A.). The “pay-as-you-go” cost is the cost of benefits for current retirees.

For current employees, the value of benefits "accrued" in the year beginning July 1, 2019 (the service cost) is \$23,904. This service cost would increase each year based on covered payroll. Had MVMD of Santa Barbara County begun accruing retiree health benefits when each current employee and retiree was hired, a substantial liability would have accumulated. We estimate the amount that would have accumulated at June 30, 2019 to be \$854,610. This amount is called the "Total OPEB Liability" (TOL). MVMD of Santa Barbara County has set aside funds to cover retiree health liabilities in a GASB 75 qualifying trust. The Fiduciary Net Position of this trust at June 30, 2019 was \$388,571. This leaves a Net OPEB Liability (NOL) of \$466,039.

Based on the information we were provided, the OPEB Expense for the fiscal year ending June 30, 2020 is \$51,712 excluding beginning and ending contributions after the measurement date.

We based all of the above estimates on employees as of June, 2018. Over time, liabilities and cash flow will vary based on the number and demographic characteristics of employees and retirees.

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C. Description of Retiree Benefits

Following is a description of the current retiree benefit plan:

	<u>All Employees*</u>
Benefit types provided	Medical, dental and vision
Duration of Benefits	Lifetime
Required Service	5 years
Minimum Age	50
Dependent Coverage	Yes
District Contribution %	100%
District Cap	\$2,116 per month**

*Employees hired after 7/1/2018 are subject to a \$1,300 District Cap and 10 year service requirement

**Increased based on the Los Angeles/Riverside/Orange County area All Urban CPI for March each year

D. Recommendations

It is outside the scope of this report to make specific recommendations of actions MVMD of Santa Barbara County should take to manage the liability created by the current retiree health program. Total Compensation Systems, Inc. can assist in identifying and evaluating options once this report has been studied. The following recommendations are intended only to allow the District to get more information from this and future studies. Because we have not conducted a comprehensive administrative audit of MVMD of Santa Barbara County's practices, it is possible that MVMD of Santa Barbara County is already complying with some or all of our recommendations.

- We recommend that MVMD of Santa Barbara County maintain an inventory of all benefits and services provided to retirees – whether contractually or not and whether retiree-paid or not. For each, MVMD of Santa Barbara County should determine whether the benefit is material and subject to GASB 74 and/or 75.
- We recommend that MVMD of Santa Barbara County conduct a study whenever events or contemplated actions significantly affect present or future liabilities, but no less frequently than every two years, as required under GASB 74/75.
- Under GASB 75, it is important to isolate the cost of retiree health benefits. MVMD of Santa Barbara County should have all premiums, claims and expenses for retirees separated from active employee premiums, claims, expenses, etc. To the extent any retiree benefits are made available to retirees over the age of 65 – ***even on a retiree-pay-all basis*** – all premiums, claims and expenses for post-65 retiree coverage should be segregated from those for pre-65 coverage. Furthermore, MVMD of Santa Barbara County should arrange for the rates or prices of all retiree benefits to be set on what is expected to be a self-sustaining basis.
- MVMD of Santa Barbara County should establish a way of designating employees as eligible or ineligible for future OPEB benefits. Ineligible employees can include those in ineligible job classes; those hired after a designated date restricting eligibility; those who, due to their age at hire cannot qualify for District-paid OPEB benefits; employees who exceed the termination age for OPEB benefits, etc.

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- Several assumptions were made in estimating costs and liabilities under MVMD of Santa Barbara County's retiree health program. Further studies may be desired to validate any assumptions where there is any doubt that the assumption is appropriate. (See Appendices B and C for a list of assumptions and concerns.) For example, MVMD of Santa Barbara County should maintain a retiree database that includes – in addition to date of birth, gender and employee classification – retirement date and (if applicable) dependent date of birth, relationship and gender. It will also be helpful for MVMD of Santa Barbara County to maintain employment termination information – namely, the number of OPEB-eligible employees in each employee class that terminate employment each year for reasons other than death, disability or retirement.

E. Certification

The actuarial information in this report is intended solely to assist MVMD of Santa Barbara County in complying with Governmental Accounting Standards Board Accounting Statements 74 and 75 and, unless otherwise stated, fully and fairly discloses actuarial information required for compliance. Nothing in this report should be construed as an accounting opinion, accounting advice or legal advice. TCS recommends that third parties retain their own actuary or other qualified professionals when reviewing this report. TCS's work is prepared solely for the use and benefit of MVMD of Santa Barbara County. Release of this report may be subject to provisions of the Agreement between MVMD of Santa Barbara County and TCS. No third party recipient of this report product should rely on the report for any purpose other than accounting compliance. Any other use of this report is unauthorized without first consulting with TCS.

This report is for fiscal year July 1, 2019 to June 30, 2020, using a measurement date of June 30, 2019. The calculations in this report have been made based on our understanding of plan provisions and actual practice at the time we were provided the required information. We relied on information provided by MVMD of Santa Barbara County. Much or all of this information was unaudited at the time of our evaluation. We reviewed the information provided for reasonableness, but this review should not be viewed as fulfilling any audit requirements. Information we relied on is listed in Appendix A.

All costs, liabilities, and other estimates are based on actuarial assumptions and methods that comply with all applicable Actuarial Standards of Practice (ASOPs). Each assumption is deemed to be reasonable by itself, taking into account plan experience and reasonable future expectations.

This report contains estimates of the Plan's financial condition only as of a single date. It cannot predict the Plan's future condition nor guarantee its future financial soundness. Actuarial valuations do not affect the ultimate cost of Plan benefits, only the timing of Plan contributions. While the valuation is based on individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. Determining results using alternative assumptions (except for the alternate discount and trend rates shown in this report) is outside the scope of our engagement.

Future actuarial measurements may differ significantly from those presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the measurement methodology (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. We were not asked to perform analyses to estimate the potential range of such future measurements.

The signing actuary is independent of MVMD of Santa Barbara County and any plan sponsor. TCS does not intend to benefit from and assumes no duty or liability to other parties who receive this report. TCS is not aware of

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any relationship that would impair the objectivity of the opinion.

On the basis of the foregoing, I hereby certify that, to the best of my knowledge and belief, this report is complete and has been prepared in accordance with generally accepted actuarial principles and practices and all applicable Actuarial Standards of Practice. My experience and continuing education are consistent with the requirements described for actuaries under the Qualification Standards of the American Academy of Actuaries.

Respectfully submitted,

Geoffrey L. Kischuk
Actuary
Total Compensation Systems, Inc.
(805) 496-1700

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PART II: BACKGROUND

A. Summary

Accounting principles provide that the cost of retiree benefits should be “accrued” over employees' working lifetime. For this reason, the Governmental Accounting Standards Board (GASB) issued in June of 2015 Accounting Standards 74 and 75 for retiree health benefits. These standards apply to all public employers that pay any part of the cost of retiree health benefits for current or future retirees (including early retirees), whether they pay directly or indirectly (via an “implicit rate subsidy”).

B. Actuarial Accrual

To actuarially accrue retiree health benefits requires determining the amount to expense each year so that the liability accumulated at retirement is, on average, sufficient (with interest) to cover all retiree health expenditures without the need for additional expenses. There are many different ways to determine the annual accrual amount. The calculation method used is called an “actuarial cost method.”

The actuarial cost method mandated by GASB 75 is the “entry age actuarial cost method”. Under this method, there are two components of actuarial cost – a “service cost” (SC) and the “Total OPEB Liability” (TOL). GASB 75 allows certain changes in the TOL to be deferred (i.e. deferred inflows and outflows of resources).

The service cost can be thought of as the value of the benefit earned each year if benefits are accrued during the working lifetime of employees. Under the entry age actuarial cost method, the actuary determines the annual amount needing to be expensed from hire until retirement to fully accrue the cost of retiree health benefits. This amount is the service cost. Under GASB 75, the service cost is calculated to be a level percentage of each employee’s projected pay.

The service cost is determined using several key assumptions:

- The current ***cost of retiree health benefits*** (often varying by age, Medicare status and/or dependent coverage). The higher the current cost of retiree benefits, the higher the service cost.
- The ***“trend” rate*** at which retiree health benefits are expected to increase over time. A higher trend rate increases the service cost. A “cap” on District contributions can reduce trend to zero once the cap is reached thereby dramatically reducing service costs.
- ***Mortality rates*** varying by age and sex. (Unisex mortality rates are not often used as individual OPEB benefits do not depend on the mortality table used.) If employees die prior to retirement, past contributions are available to fund benefits for employees who live to retirement. After retirement, death results in benefit termination or reduction. Although higher mortality rates reduce service costs, the mortality assumption is not likely to vary from employer to employer.
- ***Employment termination rates*** have the same effect as mortality inasmuch as higher termination rates reduce service costs. Employment termination can vary considerably between public agencies.
- The ***service requirement*** reflects years of service required to earn full or partial retiree benefits. While a longer service requirement reduces costs, cost reductions are not usually substantial unless the service period exceeds 20 years of service.

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- **Retirement rates** determine what proportion of employees retire at each age (assuming employees reach the requisite length of service). Retirement rates often vary by employee classification and implicitly reflect the minimum retirement age required for eligibility. Retirement rates also depend on the amount of pension benefits available. Higher retirement rates increase service costs but, except for differences in minimum retirement age, retirement rates tend to be consistent between public agencies for each employee type.
- **Participation rates** indicate what proportion of retirees are expected to elect retiree health benefits if a significant retiree contribution is required. Higher participation rates increase costs.
- The **discount rate** estimates investment earnings for assets earmarked to cover retiree health benefit liabilities. The discount rate depends on the nature of underlying assets for funded plans. The rate used for a funded plan is the real rate of return expected for plan assets plus the long term inflation assumption. For an unfunded plan, the discount rate is based on an index of 20 year General Obligation municipal bonds. For partially funded plans, the discount rate is a blend of the funded and unfunded rates.

The assumptions listed above are not exhaustive, but are the most common assumptions used in actuarial cost calculations. If all actuarial assumptions are exactly met and an employer expensed the service cost every year for all past and current employees and retirees, a sizeable liability would have accumulated (after adding interest and subtracting retiree benefit costs). The liability that would have accumulated is called the Total OPEB Liability (TOL). The excess of TOL over the value of plan assets is called the Net OPEB Liability (NOL). Under GASB 74 and 75, in order for assets to count toward offsetting the TOL, the assets have to be held in an irrevocable trust that is safe from creditors and can only be used to provide OPEB benefits to eligible participants.

The total OPEB liability (TOL) can arise in several ways - e.g., as a result of plan changes or changes in actuarial assumptions. TOL can also arise from actuarial gains and losses. Actuarial gains and losses result from differences between actuarial assumptions and actual plan experience.

Under GASB 74 and 75, a portion of actuarial gains and losses can be deferred as follows:

- Investment gains and losses can be deferred five years
- Experience gains and losses can be deferred over the expected average remaining service lives (EARSL) of plan participants. In calculating the EARSL, terminated employees (primarily retirees) are considered to have a working lifetime of zero. This often makes the EARSL quite short.
- Liability changes resulting from changes in economic and demographic assumptions are also deferred based on the EARSL.
- Liability changes resulting from plan changes, for example, cannot be deferred.

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PART III: LIABILITIES AND COSTS FOR RETIREE BENEFITS

A. Introduction.

The liability for OPEB benefits was calculated in the valuation as of June 30, 2018 and the methodology used was described in our GASB 75 valuation report dated November 15, 2019. In Part III, we show the tables included in our November 15, 2019 valuation report and provide details of our roll-forward valuation.

We summarized actuarial assumptions used for this study in Appendix C.

B. Liability for Retiree Benefits.

Below is the actuarial present value of projected benefit payments (APVPBP) table presented in our November 15, 2019 valuation report.

Actuarial Present Value of Projected Benefit Payments at June 30, 2018

<i>All Participants</i>	
Active: Pre-65	\$476,002
Post-65	\$424,813
Subtotal	\$900,815
Retiree: Pre-65	\$18,429
Post-65	\$91,951
Subtotal	\$110,380
Grand Total	\$1,011,195
Subtotal Pre-65	\$494,431
Subtotal Post-65	\$516,764

C. Cost to Prefund Retiree Benefits

1. Service Cost

Below is the service cost table included in our November 15, 2019 valuation report. This service cost is used in calculating the OPEB expense.

Service Cost Year Beginning July 1, 2018

<i>All Participants</i>	
# of Employees	6
Per Capita Service Cost	
Pre-65 Benefit	\$1,302
Post-65 Benefit	\$2,682
First Year Service Cost	
Pre-65 Benefit	\$7,812
Post-65 Benefit	\$16,092
Total	\$23,904

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2. Total OPEB Liability (TOL) and Net OPEB Liability (NOL)

The table below shows the TOL included in the November 15, 2019 valuation report. This TOL is used as the beginning of year TOL to roll forward the TOL to June 30, 2019.

Total OPEB Liability (TOL) and Net OPEB Liability (NOL) as of June 30, 2018

<i>All Participants</i>	
Active: Pre-65	\$405,126
Active: Post-65	\$278,814
Subtotal	\$683,940
Retiree: Pre-65	\$18,429
Retiree: Post-65	\$91,951
Subtotal	\$110,380
Subtotal: Pre-65	\$423,555
Subtotal: Post-65	\$370,765
Total OPEB Liability (TOL)	\$794,320
Fiduciary Net Position as of June 30, 2018	\$331,478
Net OPEB Liability (NOL)	\$462,842

In order to determine the June 30, 2019 NOL, we used a “roll-forward” technique for the TOL. The FNP is based on the actual June 30, 2019 FNP. The following table shows the results of the roll-forward.

Changes in Net OPEB Liability as of June 30, 2019

	<i>TOL</i>	<i>FNP</i>	<i>NOL</i>
Balance at June 30, 2018	\$794,320	\$331,478	\$462,842
Service Cost	\$23,904	\$0	\$23,904
Interest on Total OPEB Liability	\$48,027	\$0	\$48,027
Expected Investment Income	\$0	\$20,810	(\$20,810)
Administrative Expenses	\$0	(\$76)	\$76
Employee Contributions	\$0	\$0	\$0
Employer Contributions to Trust	\$0	\$42,696	(\$42,696)
Employer Contributions as Benefit Payments	\$0	\$0	\$0
Actual Benefit Payments from Trust	(\$11,926)	(\$11,926)	\$0
Actual Benefit Payments from Employer	\$0	\$0	\$0
Expected Minus Actual Benefit Payments*	\$285	\$0	\$285
Expected Balance at June 30, 2019	\$854,610	\$382,982	\$471,628
Experience (Gains)/Losses	\$0	\$0	\$0
Changes in Assumptions	\$0	\$0	\$0
Changes in Benefit Terms	\$0	\$0	\$0
Investment Gains/(Losses)	\$0	\$5,589	(\$5,589)
Other	\$0	\$0	\$0
Net Change during 2018-19	\$60,290	\$57,093	\$3,197
Balance at June 30, 2019 **	\$854,610	\$388,571	\$466,039

* Deferrable as an Experience Gain or Loss.

** May include a slight rounding error.

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3. Preliminary OPEB Expense

Changes in the NOL arising from certain sources are recognized on a deferred basis. The deferral history for MVMD of Santa Barbara County is shown in Appendix F. The following table summarizes the beginning and ending balances for each deferral item. The current year expense reflects the change in deferral balances for the measurement year.

Deferred Inflow/Outflow Balances Fiscal Year Ending June 30, 2020

	<i>Beginning Balance</i>	<i>Newly Created</i>	<i>Recognition</i>	<i>Ending Balance</i>
Experience (Gains)/Losses	\$7,870	\$285	(\$791)	\$7,364
Assumption Changes	\$0	\$0	\$0	\$0
Investment (Gains)/Losses	\$3,368	(\$5,589)	\$276	(\$1,945)
Deferred Balances	\$11,238	(\$5,589)	(\$515)	\$5,419

The following table shows the reconciliation between the change in the NOL and the OPEB expense.

Preliminary OPEB Expense Fiscal Year Ending June 30, 2020

	<i>Beginning Net Position</i>	<i>Ending Net Position</i>	<i>Change</i>
Net OPEB Liability (NOL)	\$462,842	\$466,039	\$3,197
Deferred Balances	\$11,238	\$5,419	(\$5,819)
Change in Net Position	\$451,604	\$460,620	\$9,016
Employer Contributions			\$42,696
Other			\$0
OPEB Expense			\$51,712

Under GASB 74 and 75, OPEB expense includes service cost, interest cost, change in TOL due to plan changes; all adjusted for deferred inflows and outflows. Following is the OPEB expense for the fiscal year ending June 30, 2020. The OPEB expense shown below is considered to be preliminary because it does not reflect beginning or ending deferred outflows for contributions after the measurement date.

Preliminary OPEB Expense Fiscal Year Ending June 30, 2020

	<i>Total</i>
Service Cost	\$23,904
Interest on Total OPEB Liability (TOL)	\$48,027
Employee Contributions	\$0
Recognized Experience (Gains)/Losses	\$791
Recognized Assumption Changes	\$0
Expected Investment Income	(\$20,810)
Recognized Investment (Gains)/Losses	(\$276)
Contributions After Measurement Date*	\$0
Other	\$0
Administrative Expense	\$76
OPEB Expense**	\$51,712

* Should be added by MVMD of Santa Barbara County if reporting date is after the measurement date.

** May include a slight rounding error.

The above OPEB expense does not include \$42,696 in employer contribution.

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4. Adjustments

The above OPEB expense includes all deferred inflows and outflows except any contributions after the measurement date. Contributions from July 1, 2019 to June 30, 2020 minus prior contributions after the measurement date of \$42,696 should also be reflected in OPEB expense. June 30, 2020 deferred outflows should include contributions from July 1, 2019 to June 30, 2020.

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PART IV: "PAY AS YOU GO" FUNDING OF RETIREE BENEFITS

We used the actuarial assumptions shown in Appendix C to project the District's ten year retiree benefit outlay, including any implicit rate subsidy. Because these cost estimates reflect average assumptions applied to a relatively small number of employees, estimates for individual years are **certtain** to be **inaccurate**. However, these estimates show the size of cash outflow.

The following table shows a projection of annual amounts needed to pay the District's share of retiree health costs, including any implicit rate subsidy, that was included in the November 15, 2019 valuation report.

<i>Year Beginning</i>	
<i>July 1</i>	<i>All Participants</i>
2018	\$11,641
2019	\$14,244
2020	\$15,790
2021	\$18,652
2022	\$23,266
2023	\$27,808
2024	\$33,277
2025	\$39,523
2026	\$45,936
2027	\$53,366

PART V: RECOMMENDATIONS FOR FUTURE VALUATIONS

To effectively manage benefit costs, an employer must periodically examine the existing liability for retiree benefits as well as future annual expected premium costs. GASB 74/75 require biennial valuations. In addition, a valuation should be conducted whenever plan changes, changes in actuarial assumptions or other employer actions are likely to cause a material change in accrual costs and/or liabilities.

Following are examples of actions that could trigger a new valuation.

- An employer should perform a valuation whenever the employer considers or puts in place an early retirement incentive program.
- An employer should perform a valuation whenever the employer adopts a retiree benefit plan for some or all employees.
- An employer should perform a valuation whenever the employer considers or implements changes to retiree benefit provisions or eligibility requirements.
- An employer should perform a valuation whenever the employer introduces or changes retiree contributions.
- An employer should perform a valuation whenever the employer forms a qualifying trust or changes its investment policy.
- An employer should perform a valuation whenever the employer adds or terminates a group of participants that constitutes a significant part of the covered group.

We recommend MVMD of Santa Barbara County take the following actions to ease future valuations.

- We have used our training, experience and information available to us to establish the actuarial assumptions used in this valuation. We have no information to indicate that any of the assumptions do not reasonably reflect future plan experience. However, the District should review the actuarial assumptions in Appendix C carefully. If the District has any reason to believe that any of these assumptions do not reasonably represent the expected future experience of the retiree health plan, the District should engage in discussions or perform analyses to determine the best estimate of the assumption in question.

PART VI: APPENDICES

APPENDIX A: MATERIALS USED FOR THIS STUDY

We relied on the following materials to complete this study.

- We used paper reports and digital files containing employee demographic data from the District personnel records.
- We used relevant sections of collective bargaining agreements provided by the District.

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APPENDIX B: EFFECT OF ASSUMPTIONS USED IN CALCULATIONS

While we believe the estimates in this study are reasonable overall, it was necessary for us to use assumptions which inevitably introduce errors. We believe that the errors caused by our assumptions will not materially affect study results. If the District wants more refined estimates for decision-making, we recommend additional investigation.

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APPENDIX C: ACTUARIAL ASSUMPTIONS AND METHODS

Following is a summary of actuarial assumptions and methods used in this study. The District should carefully review these assumptions and methods to make sure they reflect the District's assessment of its underlying experience. It is important for MVMD of Santa Barbara County to understand that the appropriateness of all selected actuarial assumptions and methods are MVMD of Santa Barbara County's responsibility. Unless otherwise disclosed in this report, TCS believes that all methods and assumptions are within a reasonable range based on the provisions of GASB 74 and 75, applicable actuarial standards of practice, MVMD of Santa Barbara County's actual historical experience, and TCS's judgment based on experience and training.

ACTUARIAL METHODS AND ASSUMPTIONS:

ACTUARIAL COST METHOD: GASB 74/75 require use of the entry age actuarial cost method.

Entry age is based on the age at hire for eligible employees. The attribution period is determined as the difference between the expected retirement age and the age at hire. The APVPBP and present value of future service costs are determined on an employee by employee basis and then aggregated.

To the extent that different benefit formulas apply to different employees of the same class, the service cost is based on the benefit plan applicable to the most recently hired employees (including future hires if a new benefit formula has been agreed to and communicated to employees). This greatly simplifies administration and accounting; as well as resulting in the correct service cost for new hires.

SUBSTANTIVE PLAN: As required under GASB 74 and 75, we based the valuation on the substantive plan. The formulation of the substantive plan was based on a review of written plan documents as well as historical information provided by MVMD of Santa Barbara County regarding practices with respect to employer and employee contributions and other relevant factors.

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ECONOMIC ASSUMPTIONS:

Economic assumptions are set under the guidance of Actuarial Standard of Practice 27 (ASOP 27). Among other things, ASOP 27 provides that economic assumptions should reflect a consistent underlying rate of general inflation. For that reason, we show our assumed long-term inflation rate below.

INFLATION: We assumed 2.75% per year used for pension purposes. Actuarial standards require using the same rate for OPEB that is used for pension.

INVESTMENT RETURN / DISCOUNT RATE: We assumed 6% per year net of expenses. This is based on assumed long-term return on employer assets. We used the “Building Block Method”. (See Appendix E, Paragraph 53 for more information). Our assessment of long-term returns for employer assets is based on long-term historical returns for surplus funds invested pursuant to California Government Code Sections 53601 et seq.

TREND: We assumed 4% per year. Our long-term trend assumption is based on the conclusion that, while medical trend will continue to be cyclical, the average increase over time cannot continue to outstrip general inflation by a wide margin. Trend increases in excess of general inflation result in dramatic increases in unemployment, the number of uninsured and the number of underinsured. These effects are nearing a tipping point which will inevitably result in fundamental changes in health care finance and/or delivery which will bring increases in health care costs more closely in line with general inflation. We do not believe it is reasonable to project historical trend vs. inflation differences several decades into the future.

PAYROLL INCREASE: We assumed 2.75% per year. Since benefits do not depend on salary (as they do for pensions), using an aggregate payroll assumption for the purpose of calculating the service cost results in a negligible error.

FIDUCIARY NET POSITION (FNP): The following table shows the beginning and ending FNP numbers that were provided by MVMD of Santa Barbara County.

Fiduciary Net Position as of June 30, 2019

	<u>06/30/2018</u>	<u>06/30/2019</u>
Cash and Equivalents	\$0	\$0
Contributions Receivable	\$0	\$0
Total Investments	\$331,478	\$394,066
Capital Assets	\$0	\$0
Total Assets	<u>\$331,478</u>	<u>\$394,066</u>
Benefits Payable	\$0	(\$5,495)
Fiduciary Net Position	<u>\$331,478</u>	<u>\$388,571</u>

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NON-ECONOMIC ASSUMPTIONS:

Economic assumptions are set under the guidance of Actuarial Standard of Practice 35 (ASOP 35). See Appendix E, Paragraph 52 for more information.

MORTALITY

<i>Participant Type</i>	<i>Mortality Tables</i>
Miscellaneous	2014 CalPERS Active Mortality for Miscellaneous Employees

RETIREMENT RATES

<i>Employee Type</i>	<i>Retirement Rate Tables</i>
All Participants	Hired <1/1/2013: Santa Barbara County Employees' Retirement System retirement rates for Miscellaneous employees Hired >12/31/2012: Hired after 12/31/2012: 2009 CalPERS Retirement Rates for Miscellaneous Employees 2%@60 adjusted to minimum retirement age of 52

SERVICE REQUIREMENT

<i>Employee Type</i>	<i>Service Requirement Tables</i>
Miscellaneous	100% at 5 Years of Service

COSTS FOR RETIREE COVERAGE

Actuarial Standard of Practice 6 (ASOP 6) provides that, as a general rule, retiree costs should be based on actual claim costs or age-adjusted premiums. This is true even for many medical plans that are commonly considered to be “community-rated.” However, ASOP 6 contains a provision – specifically section 3.7.7(c) – that allows use of unadjusted premiums in certain circumstances.

It is my opinion that the section 3.7.7(c)(4) exception allows use of unadjusted premium for PEMHCA agencies if certain conditions are met. Following are the criteria we applied to MVMD of Santa Barbara County to determine that it is reasonable to assume that MVMD of Santa Barbara County’s future participation in PEMHCA is likely and that the CalPERS medical program as well as its premium structure are sustainable. (We also have an extensive white paper on this subject that provides a basis for our rationale entirely within the context of ASOP 6. We will make this white paper available upon request.)

- **Plan qualifies as a “pooled health plan.”** ASOP 6 defines a “pooled health plan” as one in which premiums are based at least in part on the claims experience of groups other than the one being valued.” Since CalPERS rates are the same for all employers in each region, rates are clearly based on the experience of many groups.
- **Rates not based to any extent on the agency’s claim experience.** As mentioned above, rates are the same for all participating employers regardless of claim experience or size.
- **Rates not based to any extent on the agency’s demographics.** As mentioned above, rates are the same for all participating employers regardless of demographics.
- **No refunds or charges based on the agency’s claim experience or demographics.** The terms of operation of the CalPERS program are set by statute and there is no provision for any refunds and charges that vary from employer to employer for any reason. The only charges are uniform administrative charges.
- **Plan in existence 20 or more years.** Enabling legislation to allow “contracting agencies” to participate in the CalPERS program was passed in 1967. The CalPERS medical plan has been successfully

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operating for almost 50 years. As far back as we can obtain records, the rating structure has been consistent, with the only difference having been a move to regional rating which is unrelated to age-adjusted rating.

- **No recent large increases or decreases in the number of participating plans or enrollment.** The CalPERS medical plan has shown remarkably stable enrollment. In the past 10 years, there has been small growth in the number of employers in most years – with the maximum being a little over 2% and a very small decrease in one year. Average year over year growth in the number of employers over the last 10 years has been about 0.75% per year. Groups have been consistently leaving the CalPERS medical plan while other groups have been joining with no disruption to its stability.
- **Agency is not expecting to leave plan in foreseeable future.** The District does not plan to leave CalPERS at present.
- **No indication the plan will be discontinued.** We are unaware of anything that would cause the CalPERS medical plan to cease or to significantly change its operation in a way that would affect this determination.
- **The agency does not represent a large part of the pool.** The District is in the CalPERS Other Southern California region. Based on the information we have, the District constitutes no more than 0.02% of the Other Southern California pool. In our opinion, this is not enough for the District to have a measurable effect on the rates or viability of the Other Southern California pool.

Retiree liabilities are based on actual retiree costs. Liabilities for active participants are based on the first year costs shown below. Subsequent years' costs are based on first year costs adjusted for trend and limited by any District contribution caps.

<i>Participant Type</i>	<i>Future Retirees Pre-65</i>	<i>Future Retirees Post-65</i>
All Participants	\$17,472	\$9,096

PARTICIPATION RATES

<i>Employee Type</i>	<i><65 Non-Medicare Participation %</i>	<i>65+ Medicare Participation %</i>
Miscellaneous	100%	100%

TURNOVER

<i>Employee Type</i>	<i>Turnover Rate Tables</i>
Miscellaneous	Santa Barbara County Employees' Retirement System turnover rates for Miscellaneous employees

SPOUSE PREVALENCE

To the extent not provided and when needed to calculate benefit liabilities, 80% of retirees assumed to be married at retirement. After retirement, the percentage married is adjusted to reflect mortality.

SPOUSE AGES

To the extent spouse dates of birth are not provided and when needed to calculate benefit liabilities, female spouse assumed to be three years younger than male.

APPENDIX D: DISTRIBUTION OF ELIGIBLE PARTICIPANTS BY AGE

ELIGIBLE ACTIVE EMPLOYEES

<i>Age</i>	<i>All Participants</i>
Under 25	0
25-29	0
30-34	1
35-39	1
40-44	1
45-49	1
50-54	1
55-59	0
60-64	1
65 and older	0
Total	6

ELIGIBLE RETIREES

<i>Age</i>	<i>All Participants</i>
Under 50	0
50-54	0
55-59	0
60-64	1
65-69	0
70-74	0
75-79	0
80-84	0
85-89	0
90 and older	0
Total	1

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APPENDIX E: GASB 74/75 ACCOUNTING ENTRIES AND DISCLOSURES

This report does not necessarily include the entire accounting values. As mentioned earlier, there are certain deferred items that are employer-specific. The District should consult with its auditor if there are any questions about what, if any, adjustments may be appropriate.

GASB 74/75 include a large number of items that should be included in the Note Disclosures and Required Supplementary Information (RSI) Schedules. Many of these items are outside the scope of the actuarial valuation. However, following is information to assist the District in complying with GASB 74/75 disclosure requirements:

Paragraph 50: **Information about the OPEB Plan**

Most of the information about the OPEB plan should be supplied by MVMD of Santa Barbara County. Following is information to help fulfill Paragraph 50 reporting requirements.

50.c: Following is a table of plan participants

	Number of Participants
Inactive Employees Currently Receiving Benefit Payments	1
Inactive Employees Entitled to But Not Yet Receiving Benefit Payments*	0
Participating Active Employees	6
Total Number of participants	7

*We were not provided with information about any terminated, vested employees

Paragraph 51: **Significant Assumptions and Other Inputs**

shown in Appendix C.

Paragraph 52: **Information Related to Assumptions and Other Inputs**

The following information is intended to assist MVMD of Santa Barbara County in complying with the requirements of Paragraph 52.

52.b: Mortality Assumptions Following are the tables the mortality assumptions are based upon. Inasmuch as these tables are based on appropriate populations, and that these tables are used for pension purposes, we believe these tables to be the most appropriate for the valuation.

Mortality Table	2014 CalPERS Active Mortality for Miscellaneous Employees
Disclosure	The mortality assumptions are based on the 2014 CalPERS Active Mortality for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

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Mortality Table	2014 CalPERS Retiree Mortality for Miscellaneous Employees
Disclosure	The mortality assumptions are based on the 2014 CalPERS Retiree Mortality for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

52.c: Experience Studies Following are the tables the retirement and turnover assumptions are based upon. Inasmuch as these tables are based on appropriate populations, and that these tables are used for pension purposes, we believe these tables to be the most appropriate for the valuation.

Retirement Tables

Retirement Table	Santa Barbara County Employees' Retirement System retirement rates for Miscellaneous employees
Disclosure	The retirement assumptions are based on the Santa Barbara County Employees' Retirement System (SBERS) retirement rates for Miscellaneous employees table created by SBERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

Retirement Table	2009 CalPERS 2.0%@60 Rates for Miscellaneous Employees
Disclosure	The retirement assumptions are based on the 2009 CalPERS 2.0%@60 Rates for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

Turnover Tables

Turnover Table	Santa Barbara County Employees' Retirement System turnover rates for Miscellaneous employees
Disclosure	The turnover assumptions are based on the Santa Barbara County Employees' Retirement System turnover rates for Miscellaneous employees table created by SBERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

For other assumptions, we use actual plan provisions and plan data.

52.d: The alternative measurement method was not used in this valuation.

52.e: NOL Using alternative trend assumptions The following table shows the Net OPEB Liability with a health care cost trend rate 1% higher and 1% lower than assumed in the valuation.

Trend 1% Lower Valuation Trend Trend 1% Higher

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Net OPEB Liability	\$338,496	\$466,039	\$622,403
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Paragraph 53: Discount Rate

The following information is intended to assist MVMD of Santa Barbara County to comply with Paragraph 53 requirements.

53.a: A discount rate of 6% was used in the valuation.

53.b: We assumed that all contributions are from the employer.

53.c: We used historic 33 year real rates of return for each asset class along with our assumed long-term inflation assumption to set the discount rate. We offset the expected investment return by investment expenses of 25 basis points.

53.d: The interest assumption does not reflect a municipal bond rate.

53.e: Not applicable.

53.f: Following is the assumed asset allocation and assumed rate of return for each.
CERBT - Strategy 3

Asset Class	Percentage of Portfolio	Assumed Gross Return
US Large Cap	24.0000	7.7950
Long-Term Corporate Bonds	34.0000	5.2950
Long-Term Government Bonds	8.0000	4.5000
US Small Cap	8.0000	7.7950
Treasury Inflation Protected Securities (TIPS)	15.0000	7.7950
US Real Estate	8.0000	7.7950
All Commodities	3.0000	7.7950

We looked at rolling periods of time for all asset classes in combination to appropriately reflect correlation between asset classes. That means that the average returns for any asset class don't necessarily reflect the averages over time individually, but reflect the return for the asset class for the portfolio average. We used geometric means.

53.g: The following table shows the Net OPEB liability with a discount rate 1% higher and 1% lower than assumed in the valuation.

	Discount Rate	Valuation	Discount Rate
	1% Lower	Discount Rate	1% Higher
Net OPEB Liability	\$612,951	\$466,039	\$348,060

Paragraph 55: Changes in the Net OPEB Liability

Please see reconciliation on page 9. Please see the notes for Paragraph 244 below for more information.

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Paragraph 56: Additional Net OPEB Liability Information

The following information is intended to assist MVMD of Santa Barbara County to comply with Paragraph 56 requirements.

56.a: The valuation date is June 30, 2018.

 The measurement date is June 30, 2019.

56 b: We are not aware of a special funding arrangement.

56 c: There were no assumption changes since the prior measurement date.

56.d: There were no changes in benefit terms since the prior measurement date.

56.e: Not applicable

56.f: To be determined by the employer

56.g: To be determined by the employer

56.h: Other than contributions after the measurement, all deferred inflow and outflow balances are shown in Appendix F

56.i: Future recognition of deferred inflows and outflows is shown in Appendix F

Paragraph 57: Required Supplementary Information

57.a: Please see reconciliation on page 9. Please see the notes for Paragraph 244 below for more information.

57.b: These items are provided on page 9 for the current valuation, except for covered payroll, which should be determined based on appropriate methods.

57.c: We have not been asked to calculate an actuarially determined contribution amount. We assume the District contributes on an ad hoc basis, but in an amount sufficient to fully fund the obligation over a period not to exceed 33 years.

57.d: We are not aware that there are any statutorily or contractually established contribution requirements.

Paragraph 58: Actuarially Determined Contributions

We have not been asked to calculate an actuarially determined contribution amount. We assume the District contributes on an ad hoc basis, but in an amount sufficient to fully fund the obligation over a period not to exceed 33 years.

Paragraph 244: Transition Option

Prior periods were not restated due to the fact that prior valuations were not rerun in accordance with GASB 75. It was determined that the time and expense necessary to rerun prior valuations and to restate prior financial statements was not justified.

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APPENDIX F: DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

EXPERIENCE GAINS AND LOSSES

Increase (Decrease) in OPEB Expense Arising from the Recognition of Effects of Experience Gains and Losses (Measurement Periods)												
Measurement Period	Experience (Gain)/Loss	Original Recognition Period (Years)	Amounts Recognized in OPEB Expense through 2018	2019	Amounts to be Recognized in OPEB Expense after 2019	2020	2021	2022	2023	2024	Thereafter	
2017-18	\$8,635	11.3	\$765	\$765	\$7,105	\$765	\$765	\$765	\$765	\$765	\$3,280	
2018-19	\$285	11.3	\$0	\$26	\$259	\$26	\$26	\$26	\$26	\$26	\$129	
Net Increase (Decrease) in OPEB Expense			\$765	\$791	\$7,364	\$791	\$791	\$791	\$791	\$791	\$3,409	

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CHANGES OF ASSUMPTIONS

Increase (Decrease) in OPEB Expense Arising from the Recognition of Effects of Changes of Assumptions (Measurement Periods)

Measurement Period	Changes of Assumptions	Original Recognition Period (Years)	Amounts Recognized in OPEB Expense through 2018	2019	Amounts to be Recognized in OPEB Expense after 2019	2020	2021	2022	2023	2024	Thereafter
2018-19	\$0	0	\$0	\$0	\$0						
Net Increase (Decrease) in OPEB Expense			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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INVESTMENT GAINS AND LOSSES

Increase (Decrease) in OPEB Expense Arising from the Recognition of Effects of Investment Gains and Losses (Measurement Periods)											
Measurement Period	Investment (Gain)/Loss	Original Recognition Period (Years)	Amounts Recognized in OPEB Expense through 2018	2019	Amounts to be Recognized in OPEB Expense after 2019	2020	2021	2022	2023	2024	Thereafter
2017-18	\$4,210	5	\$842	\$842	\$2,526	\$842	\$842	\$842			
2018-19	(\$5,589)	5	\$0	(\$1,118)	(\$4,471)	(\$1,118)	(\$1,118)	(\$1,118)	(\$1,117)		
Net Increase (Decrease) in OPEB Expense			\$842	(\$276)	(\$1,945)	(\$276)	(\$276)	(\$276)	(\$1,117)	\$0	\$0

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APPENDIX G: GLOSSARY OF RETIREE HEALTH VALUATION TERMS

Note: The following definitions are intended to help a *non*-actuary understand concepts related to retiree health valuations. Therefore, the definitions may not be actuarially accurate.

<u>Actuarial Cost Method:</u>	A mathematical model for allocating OPEB costs by year of service. The only actuarial cost method allowed under GASB 74/75 is the entry age actuarial cost method.
<u>Actuarial Present Value of Projected Benefit Payments:</u>	The projected amount of all OPEB benefits to be paid to current and future retirees discounted back to the valuation or measurement date.
<u>Deferred Inflows/Outflows of Resources:</u>	A portion of certain items that can be deferred to future periods or that weren't reflected in the valuation. The former includes investment gains/losses, actuarial gains/losses, and gains/losses due to changes in actuarial assumptions or methods. The latter includes contributions made to a trust subsequent to the measurement date but before the statement date.
<u>Discount Rate:</u>	Assumed investment return net of all investment expenses. Generally, a higher assumed interest rate leads to lower service costs and total OPEB liability.
<u>Fiduciary Net Position:</u>	Net assets (liability) of a qualifying OPEB "plan" (i.e. qualifying irrevocable trust or equivalent arrangement).
<u>Implicit Rate Subsidy:</u>	The estimated amount by which retiree rates are understated in situations where, for rating purposes, retirees are combined with active employees and the employer is expected, in the long run, to pay the underlying cost of retiree benefits.
<u>Measurement Date:</u>	The date at which assets and liabilities are determined in order to estimate TOL and NOL.
<u>Mortality Rate:</u>	Assumed proportion of people who die each year. Mortality rates always vary by age and often by sex. A mortality table should always be selected that is based on a similar "population" to the one being studied.
<u>Net OPEB Liability (NOL):</u>	The Total OPEB Liability minus the Fiduciary Net Position.
<u>OPEB Benefits:</u>	Other Post Employment Benefits. Generally medical, dental, prescription drug, life, long-term care or other postemployment benefits that are not pension benefits.
<u>OPEB Expense:</u>	This is the amount employers must recognize as an expense each year. The annual OPEB expense is equal to the Service Cost plus interest on the Total OPEB Liability (TOL) plus change in TOL due to plan changes minus projected investment income; all adjusted to reflect deferred inflows and outflows of resources.
<u>Participation Rate:</u>	The proportion of retirees who elect to receive retiree benefits. A lower

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participation rate results in lower service cost and a TOL. The participation rate often is related to retiree contributions.

<u>Retirement Rate:</u>	The proportion of active employees who retire each year. Retirement rates are usually based on age and/or length of service. (Retirement rates can be used in conjunction with the service requirement to reflect both age and length of service). The more likely employees are to retire early, the higher service costs and actuarial accrued liability will be.
<u>Service Cost:</u>	The annual dollar value of the “earned” portion of retiree health benefits if retiree health benefits are to be fully accrued at retirement.
<u>Service Requirement:</u>	The proportion of retiree benefits payable under the OPEB plan, based on length of service and, sometimes, age. A shorter service requirement increases service costs and TOL.
<u>Total OPEB Liability (TOL):</u>	The amount of the actuarial present value of projected benefit payments attributable to employees’ past service based on the actuarial cost method used.
<u>Trend Rate:</u>	The rate at which the employer’s share of the cost of retiree benefits is expected to increase over time. The trend rate usually varies by type of benefit (e.g. medical, dental, vision, etc.) and may vary over time. A higher trend rate results in higher service costs and TOL.
<u>Turnover Rate:</u>	The rate at which employees cease employment due to reasons other than death, disability or retirement. Turnover rates usually vary based on length of service and may vary by other factors. Higher turnover rates reduce service costs and TOL.
<u>Valuation Date:</u>	The date as of which the OPEB obligation is determined by means of an actuarial valuation. Under GASB 74 and 75, the valuation date does not have to coincide with the statement date, but can’t be more than 30 months prior.

STAFF REPORT

DATE: May 14, 2020

TO: The Board of Trustees

FROM: Brian Cabrera, General Manager

SUBJECT: Resolutions 20-01 and 20-02 declaring the Intention to Continue Assessments, Preliminarily Approving Engineer's Report, and Providing for Notice of Hearing on July 9, 2020 for Fiscal Year 2020-21 for the Mosquito and Vector Management District of Santa Barbara County for Service Zone 1 and Service Zone 2

RECOMMENDATION

It is recommended that the Board approve Resolutions 20-01 and 20-02 that would declare the Board's intention to continue assessments for fiscal year 2020-21, preliminarily approve the Engineer's Report and provide for the notice of a public hearing on July 9, 2020 for fiscal year 2020-21 for the Mosquito and Vector Management District of Santa Barbara County for Service Zone 1 and Service Zone 2.

RESULT OF RECOMMENDED ACTION

The Board will declare its intention to levy the continued assessments for fiscal year 2020-21, will preliminarily approve the Engineer's Report, including the proposed rates included in the Engineer's Report for the Mosquito and Vector Management District of Santa Barbara County (Service Zone 1 and 2). The Engineer will administer and process the current parcel data to establish continued assessments for each parcel in the assessment district boundaries. The Engineer will cause a Notice to be published in a local newspaper in order to notify the public of the hearing that will be held on July 9, 2020 for the continued levy of the assessments.

BACKGROUND

Since the early 1990's, the Mosquito and Vector Management District of Santa Barbara County ("District") has been responsible for Enhanced Vector Control Services for the City of Goleta, the City of Santa Barbara Municipal Airport, and most of the unincorporated territory of the Goleta Valley including the communities of Hope Ranch and Isla Vista, which are all included in Service Zone No. 1 (Goleta area) & Service Zone No. 2 (Carpinteria area), including the City of Carpinteria and the Carpinteria Valley.

In order to allow property owners to ultimately decide whether the District should extend its Service Zone No. 1 to include the unincorporated areas of Montecito, Mission Canyon, Summerland, Hidden Valley, and the Goleta and Carpinteria Foothills in southern Santa Barbara County as well as to the non-serviced portions of the City of Santa Barbara, the Board, on January 29, 2004, authorized the initiation of proceedings for a benefit assessment. This new area is referred to as the "Service Zone No. 1 Extension 1" or the "Extension Areas."

- Balloting Conducted: February to April, 2004
- Ballot Results: 65.1% of the weighted returned ballots were in support of the proposed assessment
- Board Approval of 1st Year Assessment Levies (Extension Areas): May 13, 2004
- Service Zone 1 Fiscal Year 1996 Approved Rate: \$6.17 per single family equivalent benefit unit (SFE)
- Service Zone 1 Fiscal Year 2004-05 Approved Rate (Extension Areas): \$6.17 per single family equivalent benefit unit (SFE)
- Service Zone 1 Fiscal Year 2019-20 Approved Rate: \$10.63 per single family equivalent benefit unit (SFE)

- Service Zone 1 Annual CPI: In each subsequent year, the maximum assessment rate increases by the annual change in the Consumer Price Index, not to exceed \$20.00 per single family equivalent benefit unit (SFE)
- Service Zone 2 Rate Established in 1996: \$7.91 per single family equivalent benefit unit (SFE)
- Service Zone 2 Fiscal Year 2019-20 Approved Rate: \$10.63 per single family equivalent benefit unit (SFE)
- Service Zone 2 Annual CPI: The maximum assessment rate is not to exceed \$16.00 per single family equivalent benefit unit (SFE)

SCI Consulting Group prepared the Engineer's Report that includes the special and general benefits from the assessments, the proposed budget for the assessments for fiscal year 2020-21, the updated proposed assessments for each parcel in the District, and the proposed assessments per single family equivalent benefit unit for the fiscal year. At the May 14, 2020 Board meeting, the Board will review the Engineer's Report and adopt resolutions to declare its intention to continue the assessments, preliminarily approve the Engineer's Report, and provide for notice of the annual public hearing for Service Zone 1 and Service Zone 2.

Each year, in order to continue to levy the assessments for the coming fiscal year, the Board conducts a noticed public hearing and receives public input on the proposed assessments and the services that they would fund. After hearing the public testimony, the Board may take final action on setting the assessment rate, establishing the services and improvements to be funded and ordering the levy of the continued assessments for fiscal year 2020-21.

PROPOSED RATE AND CPI HISTORY

The assessments can be continued annually and can be increased by the change in the Los Angeles-Riverside-Orange County Consumer Price Index. The following table summarizes the CPI history and the rates assessed.

Fiscal Year	LA Area CPI	CPI Increase	Zone 1 Rate/SFE	Zone 2 Rate/SFE	Annual Assessment Revenues
FY 04-05	1.75%	0.00%	\$6.17	\$7.91	\$355,230
FY 05-06	4.02%	0.00%	\$6.17	\$7.91	\$356,046
FY 06-07	4.67%	4.70%	\$6.46	\$7.91	\$372,663
FY07-08	3.84%	3.25%	\$6.67	\$7.91	\$383,707
FY 08-09	3.28%	3.30%	\$6.89	\$7.91	\$396,355
FY 09-10	-1.00%	15.97%	\$7.99	\$7.99	\$454,286
FY 10-11	1.86%	1.88%	\$8.14	\$8.14	\$462,979
FY 11-12	3.00%	5.41%	\$8.58	\$8.58	\$487,599
FY 12-13	2.02%	3.96%	\$8.92	\$8.92	\$508,730
FY 13-14	1.29%	1.35%	\$9.04	\$9.04	\$517,350
FY 14-15	1.04%	1.00%	\$9.13	\$9.13	\$523,560
FY 15-16	0.51%	0.55%	\$9.18	\$9.18	\$528,646
FY 16-17	1.69%	5.77%	\$9.71	\$9.71	\$561,391
FY 17-18	2.68%	2.68%	\$9.97	\$9.97	\$579,000
FY 18-19	3.78%	3.78%	\$10.35	\$10.35	\$602,898
FY 19-20	2.71%	2.71%	\$10.63	\$10.63	\$620,085
FY 20-21	1.94%	1.88%	\$10.83	\$10.83	\$633,929

Note: Difference in the actual and applied CPI rate is due to truncating of the calculated maximum assessment rate.

PROPOSED FY 2020-21 BUDGET, SERVICES & IMPROVEMENTS

Summary of revenue and total cost	FY 2020-21	FY 2019-20
Revenue (all sources)	\$1,231,604	\$1,170,031
Costs:		
Services	\$1,194,590	\$1,170,636
Incidentals	\$73,128	\$72,758

Services to be performed by the Mosquito and Vector Management District this fiscal year include:

- Mosquito control
- Rodent inspections and source reduction
- Bee Inspections
- Enhanced Disease Surveillance
- Door-to door mosquito inspections
- Mosquitofish for backyard fish ponds
- Public education outreach

EFFECT OF FIRES AND DEBRIS FLOWS

In December, 2017 the Thomas Fire, followed by debris flows in January, 2018 caused by heavy rainfall on the burned slopes, devastated many parcels in Santa Barbara County. Properties with damaged and destroyed structures as a result of these horrific fires and debris flows continued to receive significant special benefit from the District's mosquito and vector control services. Currently, many structures on these parcels have been, or are in the process of being, rebuilt and the District's services have conferred increased utility to these parcels to all on-site personnel involved in this reconstruction and the residents who now live there. The District continues to provides its services in this area and 14 undeveloped properties are still being monitored and being treated when necessary. However, the workload required for this is substantially less than it has been for the previous two years.

EFFECT OF CORONAVIRUS PANDEMIC AND STATEWIDE STAY-AT-HOME ORDER

In January 2020, a novel and highly contagious coronavirus was found causing serious illness and death in the city of Wuhan, China. By March, the World Health Organization had declared the spread of this disease known as COVID-19 to be a pandemic. On March 19, Gov. Gavin Newsom issued, by executive order, a statewide stay-at-home order to all residents of California. Exceptions to this order were granted to 16 infrastructure sectors that were identified as providing essential services. Mosquito districts are part of the public health sector which is considered essential because its purpose is to protect the health and well-being of California's citizens. Therefore, the District has continued its operations during this period, though at a reduced schedule and suspension of some services in order to comply with social distancing guidelines and to prevent the spread of COVID-19. During this period, many businesses have been closed, scores of people have been out of work and the unemployment rate has gone up resulting in huge negative impacts on our local and national economies. At the local level, the economic downturn will likely affect property tax revenues over time but to what extent is currently unknown. This is something we should be very mindful of as we proceed through this unprecedented time.

Respectfully submitted,



Brian Cabrera
General Manager



MOSQUITO AND VECTOR MANAGEMENT DISTRICT OF SANTA BARBARA COUNTY

SERVICE ZONE No. 1 AND SERVICE ZONE
No. 2 ASSESSMENT

ENGINEER'S REPORT

FISCAL YEAR 2020-21

APRIL, 2020

PURSUANT TO THE GOVERNMENT CODE, HEALTH AND SAFETY CODE
AND ARTICLE XIII D OF THE CALIFORNIA CONSTITUTION

ENGINEER OF WORK:
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MOSQUITO AND VECTOR MANAGEMENT DISTRICT OF SANTA BARBARA COUNTY

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GENERAL MANAGER

Brian Cabrera

OPERATIONS MANAGER

Brian Cabrera

DISTRICT LEGAL COUNSEL

Howell Moore & Gough LLP

ENGINEER OF WORK

SCI Consulting Group
Lead Assessment Engineer, John Bliss, M.Eng., P.E.

DRAFT

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INTRODUCTION

ASSESSMENT BACKGROUND

Since the early 1990's, the Mosquito and Vector Management District of Santa Barbara County ("District") has been responsible for Enhanced Vector Control Services for the City of Goleta, the City of Santa Barbara Municipal Airport, and most of the unincorporated territory of the Goleta Valley including the communities of Hope Ranch, and Isla Vista, which are all included in Service Zone No. 1 (Goleta area) & Service Zone No. 2 (Carpinteria area), including the City of Carpinteria and the Carpinteria Valley.

In order to allow property owners to ultimately decide whether the District should extend its Service Zone No. 1 to include the unincorporated areas of Montecito, Mission Canyon, Summerland, Hidden Valley, and the Goleta and Carpinteria Foothills in southern Santa Barbara County as well as to the non-serviced portions of the City of Santa Barbara, the Board, on January 29, 2004, authorized the initiation of proceedings for a benefit assessment. This new area is referred to as the "Service Zone No. 1 Extension 1" or the "Extension Areas." The "Extension Areas" were narrowly drawn to include sections of Santa Barbara County not previously within the District boundaries. The Extension Areas included only properties that, upon approval of the assessment, may request and receive direct service, that are located within the scope of the vector surveillance area, that are located within flying or traveling distance of mosquitoes from potential vector sources monitored by the District, and that will benefit from a reduction in the amount of mosquitoes and vectors reaching and impacting the property and its residents as a result of the vector surveillance and control. The Assessment Diagram included in this report shows the boundaries of the Extension Areas.¹

ASSESSMENT PROCESS

In February through April of 2004, the District conducted an assessment ballot proceeding pursuant to the requirements of Article XIID of the California Constitution ("The Taxpayer's Right to Vote on Taxes Act") and the Government Code to provide funding for mosquito control services in the Extension Areas. During this ballot proceeding, owners of property in the District were provided with a notice and ballot for the proposed special assessment. A 45-day period was provided for balloting and a public hearing was conducted on April 12, 2004.

¹ . Note that the assessment area boundaries have been drawn narrowly to include lands and property in the more populated areas of the County that previously did not receive mosquito control and vector-borne disease prevention services. Other lands in Santa Barbara County that mainly are in the northern and western portions of the County were not included because these excluded areas have a very low population and consequently would receive lower benefit to property from mosquito and disease prevention services.

To allow for tabulation of ballots, a continuation of the public hearing was held on May 13, 2004, at which it was determined that 65.1% of the weighted ballots returned were in support of the assessment. Since the assessment ballots submitted in opposition to the proposed assessments did not exceed the assessment ballots submitted in favor of the assessments (with each ballot weighted by the proportional financial obligation of the property for which ballot was submitted), the District gained the authority to approve the levy of the assessments for fiscal year 2004-05 and to continue to levy them in future years. The Board took action, by Resolution No. 04-05, on May 13, 2004, to approve the levy of the assessments. The "Extension Areas" are now part of Service Zone 1. Service Zone 1 and Service Zone 2 are herewith referred to collectively as the "Service Areas" or the "Service Zones."

Prior to the assessment ballot proceeding, neither the District, nor any other public agency, provided mosquito control and vector-borne disease protection and prevention services in the populated areas in Santa Barbara County that were outside of the District's jurisdictional boundaries (the "Extension Areas.") In other words, the "baseline" level of services in Santa Barbara County (in the areas that were outside the District's boundaries) was essentially zero.

ENGINEER'S REPORT AND CONTINUATION OF ASSESSMENTS

This Engineer's Report ("Report") was prepared by SCI Consulting Group to describe the vector control services to be funded by the proposed 2020-21 assessment, to establish the estimated costs for the continued mosquito, vector, disease surveillance and control services, supplies, equipment, facilities and related costs, determine the special benefits and general benefits received by property within the Service Zones from the services by the District, and to apportion the assessments to lots and parcels within the District's Service Areas based on the estimated special benefit each parcel receives from the services funded by the benefit assessment. If the Board approves this Engineer's Report and the continuation of assessments it establishes for fiscal year 2020-21, the assessments will be submitted to the County Auditor for inclusion on the property tax rolls for fiscal year 2020-21. The assessments for Service Zone 1 may be continued in future years and may be increased in future years by an annual adjustment tied to the Consumer Price Index for the Los Angeles-Riverside-Orange County Area, with a maximum annual assessment rate not to exceed \$20.00 per benefit unit, as established by Resolution 96-01 by the District Board of Trustees of the Goleta Valley Vector Control District in May, 1996. The assessment for Service Zone 2 is not subject to a CPI limitation. However, the maximum assessment rate may not exceed \$16.00 per benefit unit, as established by Resolution 96-01 by the District Board of Trustees of the Carpinteria Mosquito Abatement District in June, 1996. The procedures for continuation of the assessments in future years commence with the creation of a budget for the upcoming fiscal year's costs and services, an updated assessment roll listing all parcels and their proposed assessments for the upcoming fiscal year and the preparation of an updated Engineer's Report. After these documents are prepared and submitted, they could be reviewed and preliminarily approved by the District Board of Trustees at a public meeting. At this meeting, the Board could also call for the publication in a local newspaper of the intent to continue the assessment and set the date for a noticed public hearing. At the annual

public hearing, members of the public may provide input to the Board prior to the Board's decision on continuing the services and assessments for the next fiscal year.

DISTRICT OVERVIEW

Previously known as the Santa Barbara Coastal Vector Control District, in 2006 the District adopted its new name of "Mosquito and Vector Management District of Santa Barbara County" ("District") and shall be referred to as such throughout the remainder of this Report.

As used within this Report, the following terms are defined:

"Vector" means any animal capable of transmitting the causative agent of human disease or capable of producing human discomfort or injury, including, but not limited to, mosquitoes, flies, mites, ticks, other arthropods, and small mammals and other vertebrates (Health and Safety Code Section 2002(k)).

"Vector Control" shall mean any system of public improvements or services that is intended to provide for the surveillance, prevention, abatement, and control of vectors as defined in subdivision (k) of Section 2002 of the Health and Safety Code and a pest as defined in Section 5006 of the Food and Agricultural Code (Government Code Section 53750(l)).

Services are primarily funded by Ad Valorem property taxes and a benefit assessment paid by the property owners in the Service Zones. The District provides basic services including public information service and basic disease surveillance service throughout the District, and it provides Enhanced Vector Control Service in the Service Zones.

The following is an outline of the primary services that are provided to property within the Service Zone boundaries:

- Mosquito control
- Rodent inspections and source reduction
- Bee Inspections
- Enhanced Disease Surveillance
- Door-to door mosquito inspections
- Mosquitofish for backyard fish ponds
- Public education outreach

The District is controlled by the Mosquito Abatement and Vector Control District Law of the State of California (the "Act"). Following are excerpts from the Mosquito Abatement and Vector Control District Law of 2002, codified in the Health and Safety Code, Section 2000, et. seq. which serve to summarize the State Legislature's findings and intent with regard to mosquito abatement and other vector control services:

2001. (a) *The Legislature finds and declares all of the following:*

(1) *California's climate and topography support a wide diversity of biological organisms.*

(2) *Most of these organisms are beneficial, but some are vectors of human disease pathogens or directly cause other human diseases such as hypersensitivity, envenomization, and secondary infections.*

(3) *Some of these diseases, such as mosquitoborne viral encephalitis, can be fatal, especially in children and older individuals.*

(4) *California's connections to the wider national and international economies increase the transport of vectors and pathogens.*

(5) *Invasions of the United States by vectors such as the Asian tiger mosquito and by pathogens such as the West Nile virus underscore the vulnerability of humans to uncontrolled vectors and pathogens.*

(b) *The Legislature further finds and declares:*

(1) *Individual protection against the vectorborne diseases is only partially effective.*

(2) *Adequate protection of human health against vectorborne diseases is best achieved by organized public programs.*

(3) *The protection of Californians and their communities against the discomforts and economic effects of vectorborne diseases is an essential public service that is vital to public health, safety, and welfare.*

(4) *Since 1915, mosquito abatement and vector control districts have protected Californians and their communities against the threats of vectorborne diseases.*

(c) *In enacting this chapter, it is the intent of the Legislature to create and continue a broad statutory authority for a class of special districts with the power to conduct effective programs for the surveillance, prevention, abatement, and control of mosquitoes and other vectors.*

(d) *It is also the intent of the Legislature that mosquito abatement and vector control districts cooperate with other public agencies to protect the public health, safety, and welfare. Further, the Legislature encourages local communities and local officials to adapt the powers and procedures provided by this chapter to meet the diversity of their own local circumstances and responsibilities.*

Further, the Health and Safety Code, Section 2082 specifically authorizes the creation of benefit assessments for vector control, as follows:

(a) *A district may levy special benefit assessments consistent with the requirements of Article XIID of the California Constitution to finance vector control projects and programs.*

LEGAL ANALYSIS

PROPOSITION 218

The Service Zone 1 Extension 1 assessment was formed consistent with Proposition 218, The Right to Vote on Taxes Act, which was approved by the voters of California on November 6, 1996, and is now Article XIIC and XIID of the California Constitution. Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement which benefits the assessed property.

(The Service Zone 1 and Service Zone 2 assessments were formed prior to the passage of Proposition 218. Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement which benefits the assessed property.) Although these assessments are consistent with Proposition 218, the California judiciary has generally referred to pre-Proposition 218 assessments as “grandfathered assessments” and held them to a lower standard than post Proposition 218 assessments.)

Proposition 218 describes a number of important requirements, including a property-owner balloting, for the formation and continuation of assessments, and these requirements are satisfied by the process used to establish this assessment. When Proposition 218 was initially approved in 1996, it allowed for certain types of assessments to be “grandfathered” in, and these were exempted from the property-owner balloting requirement.

Beginning July 1, 1997, all existing, new, or increased assessments shall comply with this article. Notwithstanding the foregoing, the following assessments existing on the effective date of this article shall be exempt from the procedures and approval process set forth in Section 4:

(a) Any assessment imposed exclusively to finance the capital costs or maintenance and operation expenses for sidewalks, streets, sewers, water, flood control, drainage systems or vector control.

Vector control was specifically “grandfathered in,” underscoring the fact that the drafters of Proposition 218 and the voters who approved it were satisfied that funding for vector control is an appropriate use of benefit assessments, and therefore confers special benefit to property.

SILICON VALLEY TAXPAYERS ASSOCIATION, INC. v SANTA CLARA COUNTY OPEN SPACE AUTHORITY

In July of 2008, the California Supreme Court issued its ruling on the Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority (“SVTA vs. SCCOSA”). This ruling is the most significant court case in further legally clarifying the substantive assessment requirements of Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special benefits to property, not general benefits²
- The services and/or improvements funded by assessments must be clearly defined
- Special benefits are directly received by and provide a direct advantage to property in the assessment district

This Engineer's Report, and the process used to establish this assessment are consistent with the SVTA vs. SCCOSA decision.

DAHMS V. DOWNTOWN POMONA PROPERTY

On June 8, 2009, the 4th Court of Appeal amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona. On July 22, 2009, the California Supreme Court denied review. On this date, Dahms became good law and binding precedent for assessments. In Dahms the Court upheld an assessment that was 100% special benefit (i.e. 0% general benefit) on the rationale that the services and improvements funded by the assessments were directly provided to property in the assessment district. The Court also upheld discounts and exemptions from the assessment for certain properties.

BONANDER V. TOWN OF TIBURON

On December 31, 2009, the 1st District Court of Appeal overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of the Town of Tiburon. The Court invalidated the assessments on the grounds that the assessments had been apportioned to assessed property based on in part on relative costs within sub-areas of the assessment district instead of proportional special benefits.

BEUTZ V. COUNTY OF RIVERSIDE

On May 26, 2010 the 4th District Court of Appeals issued a decision on the Steven Beutz v. County of Riverside ("Beutz") appeal. This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services was not explicitly calculated, quantified and separated from the special benefits.

GOLDEN HILL NEIGHBORHOOD ASSOCIATION V. CITY OF SAN DIEGO

On September 22, 2011, the San Diego Court of Appeal issued a decision on the Golden Hill Neighborhood Association v. City of San Diego appeal. This decision overturned an assessment for street and landscaping maintenance in the Greater Golden Hill neighborhood of San Diego, California. The court described two primary reasons for its decision. First, like in *Beutz*, the court found the general benefits associated with services were not explicitly calculated, quantified and separated from the special benefits. Second,

² Article XIII D, § 2, subdivision (d) of the California Constitution states defines "district" as "an area determined by an agency to contain all parcels which will receive a special benefit from the proposed public improvement or property-related service."

the court found that the City had failed to record the basis for the assessment on its own parcels.

COMPLIANCE WITH CURRENT LAW

This Engineer's Report is consistent with the requirements of Article XIIC and XIID of the California Constitution and with the *SVTA* decision because the Services to be funded are clearly defined; the Services are available to and will be directly provided to all benefiting property in the Assessment District; and the Services provide a direct advantage to property in the Assessment District that would not be received in absence of the Assessments.

This Engineer's Report is consistent with *Beutz*, *Dahms* and *Greater Golden Hill* because the Services will directly benefit property in the Assessment District and the general benefits have been explicitly calculated and quantified and excluded from the assessments. Moreover, while *Dahms* could be used as the basis for a finding of 0% general benefits, this Engineer's Report establishes a more conservative measure of general benefits.

The Engineer's Report is consistent with *Bonander* because the Assessments have been apportioned based on the overall cost of the Services and proportional special benefit to each property. Finally, the Assessments are consistent with *Beutz* because the general benefits have been explicitly calculated and quantified and excluded from the Assessments.

GENERAL DESCRIPTION OF THE DISTRICT AND SERVICES

ABOUT THE DISTRICT

The Mosquito and Vector Management District of Santa Barbara County ("District") is an independent special district (not part of the County or any city) that protects the usefulness, utility, desirability and livability of property and the inhabitants of property within its jurisdictional area by controlling and monitoring disease-carrying insects and other vectors such as mosquitoes and stinging insects, and inspections and source reductions of rodents such as roof rats. In addition, the District regularly tests for diseases carried by these vectors and educates the public about how to protect themselves from such diseases.

The Santa Barbara Coastal Vector Control District was originally formed in 1959 as the Goleta Valley Mosquito Abatement District, initially encompassing about 15 square miles. In 1998 the name of the District was changed to "Santa Barbara Coastal Vector Control District." In 1999, the District annexed the territory of the Carpinteria Mosquito Abatement District, which was dissolved. The District then created two special benefit zones. Service Zone No. 1 included the existing territory of the Santa Barbara Coastal Vector Control District and Service Zone No. 2 included the territory of the dissolved Carpinteria Mosquito Abatement District. In 2004, the District conducted a Proposition 218 compliant mailed ballot proceeding to annex the Service Zone No. 1 Extension Area into the Assessment District. In 2006, the District again changed its name to "Mosquito and Vector Management District of Santa Barbara County" to more accurately describe itself as a county-wide agency and to reflect the entire territory of the District.

Both districts had adopted special benefit assessments in 1996 to provide additional funding for vector control services because of the dramatic decreases in moneys available from property taxes and state subventions in prior years. These benefit assessments were carried over to land in the respective zones.

In addition to its mosquito abatement and vector control services, the District provides education programs on vectors and disease prevention at school and civic group meetings. The District maintains a website and distributes printed material and brochures that describe what property owners and residents can do to keep their homes and property free of rats, mosquitoes, and other pests.

SUMMARY OF SERVICES

The purpose of the District is to provide vector surveillance, prevention, abatement, and control services to properties in the District to ensure protection of property owners and residents from vector annoyance and vector-borne diseases, such as St. Louis Encephalitis, Western Equine Encephalitis, West Nile Virus, Malaria, Lyme Disease, Hanta Virus Pulmonary Syndrome, and Sylvatic Plague. (A vector, as defined by the Act, is any animal capable of transmitting the causative agent of human disease or capable of producing human discomfort or injury). To fulfill this purpose, the Board may take any and all necessary or proper steps for the control of mosquitoes, flies, or other vectors, and inspection and

source reduction of rodents, either in the District or in territory that is located outside of the District from which mosquitoes, flies, rodents, or other vectors and vector-borne disease may enter the District.

Specifically, the assessments provide funding for projects and programs for the surveillance, prevention, abatement, and control of vectors for the benefit of the lands in the Service Zones. Such mosquito abatement and vector control projects and programs include, but are not limited to, source reduction, larvicide and adulticide applications, disease monitoring, public education, reporting, accountability, research and interagency cooperative activities, as well as capital costs, maintenance and operation expenses (collectively "Services"). The cost of these services also includes capital costs comprised of equipment, capital improvements and facilities necessary and incidental to vector control programs. Currently, the District provides basic surveillance service and public information service in all areas of the District, as well as Enhanced Vector Control Service in the Service Zones.

Following are the Services, and resulting level of service, for properties in the Service Zones of the Assessment District. These Services are over and above the baseline level of service in place prior to the assessment. In Service Zone 1 and Service Zone 2, the baseline level of service was the level of service funded by the ad valorem property taxes, prior to the adoption of the assessments in 1996. In the Extension Areas, the baseline level of service was effectively zero, because no services were provided prior to the annexation to the Assessment District in 2004. The formula below describes the relationship between the final level of service, the previous baseline level of service, and the enhanced level of service funded by the assessment.

Final Level of Service	=	Baseline Level of Service	+	Enhanced Level of Service
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In this case, the baseline level of service is nil, and the final level of service is precisely the enhanced level of service funded by the assessment.

The Services are further defined as follows:

- Response to mosquito problems as well as other pestiferous or disease carrying organisms in properties in the Assessment District, including responding to service call requests by property owners in the Assessment District.
- Control of mosquito larvae in catch basins, ditches, drain lines, vaults, wastewater treatment plants, under buildings, residences, horse troughs, freshwater marshes, salt marshes, creeks and other sources on all assessed properties in the Assessment District.
- Monitoring of Hanta Virus-bearing rodents, and other harmful vectors, such as Wood Rats, Deer Mice, Harvest mice, and Meadow Voles, through property inspection, harborage and home entry point identification, advice for exclusion and

recommendations for removal of attractants at properties in the Assessment District, as well as public education,.

- Survey and data analysis of mosquito larvae populations to assess public health risks and allocate control efforts.
- Monitoring of mosquito populations in the Assessment District using various generally accepted scientific methods.
- Testing and monitoring for diseases carried and transmitted by mosquitoes and other arthropods in the Assessment District, such as Encephalitis, Malaria, Dog Heartworm, and West Nile Virus.
- Deployment of sentinel chicken flocks, collection of mosquito pools for virus testing, and blood analytical studies for State and local agencies.
- Testing of new insecticide materials and investigation of their efficacy.
- Survey and identification of arthropod-borne diseases such as Lyme disease, Hanta Virus and plague found in parks, trails, and other locations frequented by the public in the Assessment District.
- Inspections and advice for property owners who have reported bee swarm behavior or the presence of hives, in addition to providing contact information to private bee keepers for live removal of nuisance bees.
- Monitoring and/or control of other nuisance and potentially hazardous organisms and vectors in properties in the Assessment District, as directed by policy established by the Board of Trustees. (Only vectors found outside of structures will be monitored and controlled.)
- Education of property owners and residents about the risks of diseases carried by insects and small mammals and how to better protect themselves and their pets.
- Monitoring of new and emerging vectors such as the Asian Tiger Mosquito at entry points in the Assessment District.
- Testing for and control of new and emerging pathogens in the Assessment District.

INTRODUCTION TO SURVEILLANCE AND MONITORING

Mosquitoes and other vectors most often are produced in areas of standing water including catch basins, vaults, wastewater treatment plants, water under buildings, horse troughs, pools, ponds, gutters, flood control devices, freshwater and saltwater marshes and wetlands as well as organic waste and debris.

The District performs surveillance of adult mosquitoes and surveillance of other vectors on properties in the Assessment District in order to discover new sites of larval development, allocation of control efforts, level of public health risk, population densities, and species composition. The District primarily uses New Jersey light traps, Reiter Gravid traps and Carbon Dioxide traps for this surveillance. Through these efforts, the District has successfully identified and controlled new strains of vector-borne disease. For example, through the disease surveillance efforts carried out by the District, a new strain of Hantavirus

was detected in the Isla Vista area, appropriately called the "Isla Vista" strain. In another case, the District analyzed several swarms of Honey Bees found in outdoor trash containers located in a Goleta apartment complex. The District's genetic confirmation found that the Honey Bees were "Africanized." As a result, the State officially declared the majority of Santa Barbara County to be "colonized."

Additionally, the District monitors vector-borne diseases in efforts to prevent human cases. Three pathogenic mosquito-borne Encephalitis viruses occur in California: Western Equine Encephalitis, St. Louis Encephalitis and West Nile virus. All three are carried in birds and can be transferred to horses or humans through the bite of an infected mosquito. There is neither specific cure nor vaccine for these diseases so the District regularly monitors flocks of sentinel chickens for viruses. Malaria, Lyme Disease, and small mammal-borne diseases such as Plague, Hanta Virus and Arena Virus are also monitored.

LARVAL MOSQUITO SURVEILLANCE PROGRAM

The District will identify any medically important arthropod submitted by property owners, businesses or residents in the Service Zone Areas. Laboratory staff will provide information on its biology, public health significance and control.

All mosquito production sites located in the Service Zones will be added to a detailed catalog mapping, tracking and monitoring system of sources and placed on a schedule to be checked regularly and treated as needed.

Property owners, businesses or residents can call the District when experiencing problems with mosquitoes on their property. A mosquito control technician will thereafter survey and treat the source, as appropriate.

ADULT MOSQUITO SURVEILLANCE PROGRAM

Laboratory personnel will monitor populations to assess the level of public health risk and effectiveness of control measures.

Mosquito traps will be deployed on properties in the Service Zones as deemed appropriate by the District staff. Traps will be collected and their contents identified and counted. This information is maintained in a computerized database and used to track long-term trends in mosquito density.

WEST NILE VIRUS SURVEILLANCE PROGRAM

The District maintains flocks of sentinel chickens to detect the presence of West Nile Virus and other Encephalitis viruses.

The District collects adult mosquitoes from properties in the Service Zones and submits them to various laboratories to test for West Nile and other Encephalitis viruses. Laboratory staff will collect mosquitoes from the Service Zones using specialized traps for this purpose. Mosquitoes must be collected alive, anesthetized, identified, and shipped on dry ice the same day.

The District participates in a statewide program to collect and test dead wild birds for West Nile Virus. Dead birds are picked up from properties in the Service Zones within 24 hours, packaged and sent to the State Health Department for testing.

INTRODUCTION TO TREATMENT AND CONTROL

Strategically, the District addresses vectors through a comprehensive approach, which is based upon effective prevention of vectors. The District controls mosquitoes through a program of integrated vector management (IVM). This program focuses on controlling mosquitoes in their larval stage, and preventing problems before the mosquito pupae hatch and have the ability to transmit diseases. Larval control has many benefits:

1. Less toxic: Often, mosquitofish and other environmentally safe approaches can be used. When needed, the bacterial agents or pesticides used to control the larval stage are much less toxic to the environment than those used in the past and are highly specific to mosquitoes.
2. Less pesticides: The bacterial agents or pesticides are applied to a smaller area than would be required for treatment of adult mosquitoes.
3. Less disease: Targeting immature mosquitoes kills them before they are capable of transmitting disease.

The end result is a program that protects public health, is more cost effective than other methods, and has low impact on the environment. The District used biorational materials such as VectoBac (*Bacillus thuringiensis israelensis*), and VectoLex (*B. sphaericus*). Also used is the product Altosid (methoprene) which is an insect growth regulator. These materials have been shown to have minimal effects on non-target species and are regulated by the US EPA and the California Department of Pesticide Regulation. They are approved for use in aquatic habitats.

LARVAL MOSQUITO CONTROL PROGRAM

Many different water sources exist on properties within the District, such as marshes, creeks, ponds, storm drain systems, and poorly maintained pools. Mosquitoes utilize these sources in their life cycle. Certain mosquitoes are of great concern in that they are capable of transmitting viral diseases, such as West Nile and encephalitis, to humans and horses.

Water sources found to be producing mosquitoes on properties in the Service Zones will be addressed using integrated vector management procedures involving appropriate physical, biological and chemical control. These inspection and control measures will be repeated on a routine schedule to manage the insect population.

The Mosquito and Vector Management District of Santa Barbara County will monitor pesticide resistance levels and determine the efficacy of available larvicides for local mosquito populations.

Mosquito fish are used to control immature mosquitoes on properties in various bodies of water, both large and small. For backyard sources such as ponds and pools, residents may obtain the fish at the District office.

The District will directly bill publicly owned or government owned parcels those costs which are deemed to result from inspection and control procedures performed by the District to manage mosquito production.

ADULT MOSQUITO CONTROL PROGRAM

In the event of virus recoveries or human cases of diseases transmitted by mosquitoes or other vectors in major metropolitan areas in the Service Zones, the District may institute widespread application of adulticide materials. In addition, an expanded and intensified larvicide program may be instituted to interrupt the transmission cycle and reduce the adult populations of vector species.

The Mosquito and Vector Management District of Santa Barbara County will monitor pesticide resistance levels and determine the efficacy of available adulticides for the suppression of local mosquito populations.

Any additional descriptions and plans for the services will be filed with the General Manager of the Mosquito and Vector Management District of Santa Barbara County, and are incorporated herein by reference.

ESTIMATE OF COST

The estimated costs and revenues for the District for Fiscal Year 2020-21 are depicted on the following page.

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FIGURE 1 – SUMMARY COST ESTIMATE, FY 2020-21

MOSQUITO AND VECTOR MANAGEMENT DISTRICT OF SANTA BARBARA COUNTY			
Service Zone No. 1 and Service Zone No. 2 Assessments			
Estimate of Cost			
Fiscal Year 2020-21			
Beginning Fund Balance			\$1,067,079
Zone 2 Revenue			
Property Tax Revenue			\$142,103
Estimated Interest on Fund Balance			\$1,500
Intergovernmental Revenue			\$4,200
Subtotal			<u>\$147,803</u>
Zone 1 Revenue			
Property Tax Revenue			\$331,573
Estimated Interest on Fund Balance			\$3,500
Intergovernmental Revenue			\$9,800
Contract Revenue			\$105,000
Subtotal			<u>\$449,873</u>
Total Operating Revenue from General Fund			\$597,675
Vector Control Services and Related Expenditures			
Operations:			
Salaries & Employee Benefits			\$867,290
Communications			\$6,000
Insurance			\$18,000
Maintenance: Equipment, IT, Structures			\$18,700
Office & Household Expense			\$8,300
Utilities			\$4,800
Professional, Special Service & Administrative Costs			\$90,500
Subtotal - Operations			<u>\$1,013,590</u>
Services and Supplies:			
Clothing, Training, Education			\$11,500
Memberships			\$16,000
Travel & Fuel			\$15,000
Supplies			\$8,500
Pesticides			\$80,000
Subtotal - Services & Supplies			<u>\$131,000</u>
Fixed Assets - Equipment ¹			\$50,000
Subtotal - Vector Control Services and Related Expenditures			\$1,194,590
Incidental Costs			
County Collection and Levy Administration			\$68,128
Allowance for Contingencies ²			\$5,000
Subtotal - Incidental Costs			<u>\$73,128</u>
Total Vector Control Services and Incidental Expenses			<u><u>\$1,267,718</u></u>
Total Benefit of Improvements			\$1,267,718
SFE Units			58,534.50
Benefit Received per Single Family Equivalent Unit			\$21.66
Less: Beginning Fund Balance			(\$1,067,079)
Less: District Contribution to/(from) Reserves			(\$36,114)
Total Vector Control Services and Incidental Expenses			<u><u>\$633,929</u></u>
(Net Amount to be Assessed)			
Budget Allocation to Property			
		Assessment	Total
Zone	Total SFE Units	per SFE ³	Assessment
1	53,032.50	\$10.83	\$574,342
2	5,502.00	\$10.83	\$59,587
Total Assessment			<u><u>\$633,929</u></u>

Notes

1. This amount is estimated for the future purchase of a truck.
2. This allowance is to account for any uncollectible assessments.
3. Assessment rates per SFE shown do not include \$1.00 County collection fee per parcel.

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METHOD OF ASSESSMENT

This section of the Report explains the benefits to be derived from the Services provided for property by the District, and the methodology used to apportion the total assessment to properties within the Service Zone No. 1 and Service Zone No. 2.

Service Zone No. 1 and Service Zone No. 2 consist of all Assessor Parcels within the boundaries of the Service Zones, as defined by the assessment diagram at Appendix A hereof. The assessments allow the District to continue providing its enhanced mosquito abatement, disease control and other Enhanced Vector Control Services throughout the Service Zones.

The method used for apportioning the assessment is based upon the proportional special benefits to be derived by the properties in the Service Zones over and above general benefits conferred on real property or to the public at large. Special benefit is calculated for each parcel in the Service Zones.

1. Identification of total benefit to the properties derived from the Services
2. Calculation of the proportion of these benefits that are special vs. general
3. Determination of the relative special benefit within different areas within the Service Zones
4. Determination of the relative special benefit per property type and property characteristic
5. Calculation of the specific assessment for each individual parcel based upon special vs. general benefit; location, property type and property characteristics

DISCUSSION OF BENEFIT

In summary, the assessments can only be levied based on the special benefit to property. This special benefit is received by property over and above any general benefits from the Services. With reference to the engineering requirements for property related assessments, under Proposition 218, an Engineer must determine and prepare a report evaluating the amount of special and general benefit received by property within the Service Zones as a result of the improvements or services provided by a local agency. The special benefit is to be determined in relation to the total cost to that local entity of providing the service and/or improvements.

Proposition 218 as described in Article XIID of the California Constitution has confirmed that assessments must be based on the special benefit to property:

"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

The below benefit factors, when applied to property in the Service Zones, confer special benefits to property and ultimately improve the safety, utility, functionality and usability of

property in the Service Zones. These are special benefits to property in the Service Zones in much the same way that storm drainage, sewer service, water service, sidewalks and paved streets enhance the utility and functionality of each parcel of property served by these improvements, providing them with more utility of use and making them safer and more usable for occupants.

It should also be noted that Proposition 218 includes a requirement that existing assessments in effect upon its effective date were required to be confirmed by either a majority vote of registered voters in the assessment area, or by weighted majority property owner approval using the new ballot proceeding requirements. However, certain assessments were excluded from these voter approval requirements. Of note is that in California Constitution Article XIID Section 5(a) this special exemption was granted to assessments for sidewalks, streets, sewers, water, flood control, drainage systems and vector control. The Howard Jarvis Taxpayers Association explained this exemption in their Statement of Drafter's Intent:

"This is the "traditional purposes" exception. These existing assessments do not need property owner approval to continue. However, future assessments for these traditional purposes are covered."³

Therefore, the drafters of Proposition 218 acknowledged that vector control assessments were a "traditional" and therefore acknowledged and accepted use.

Since all assessments existing before or after Proposition 218 must be based on special benefit to property, the drafters of Proposition 218 impliedly found that vector control services confer special benefit on property. Moreover, the statement of drafter's intent also acknowledges that any new or increased vector control assessments after the effective date of Proposition 218 would need to comply with the voter approval requirements it established. This is as an acknowledgement that additional assessments for such "traditional" purposes would be established after Proposition 218 was in effect. Therefore, the drafters of Proposition 218 clearly recognized vector assessments as a "traditional" use of assessments, acknowledged that new vector assessments may be formed after Proposition 218 and impliedly were satisfied that vector control services confer special benefit to properties.

The Legislature also made a specific determination after Proposition 218 was enacted that vector control services constitute a proper subject for special assessment. Health and Safety Code section 2082, which was signed into law in 2002, provides that a district may levy special assessments consistent with the requirements of Article XIID of the California Constitution to finance vector control projects and programs. The intent of the Legislature to allow and authorize benefit assessments for vector control services after Proposition 218 is

³ Howard Jarvis Taxpayers Association, "Statement of Drafter's Intent", January 1997.

shown in the Assembly and Senate analysis of the Mosquito Abatement and Vector Control District Law where it states that the law:

Allows special benefit assessments to finance vector control projects and programs, consistent with Proposition 218.⁴

Therefore the State Legislature agreed that vector control services are a valuable and important public service that can be funded by benefit assessments. To be funded by assessments, vector control services must confer special benefit to property.

MOSQUITO CONTROL IS A SPECIAL BENEFIT TO PROPERTIES

As described below, this Engineer's Report concludes that mosquito control is a special benefit that provides direct advantages to property in the Service Zones. For example, the assessment provides for 1) surveillance throughout the Service Zones to measure and track the levels and sources of mosquitoes impacting property in the area and the people who live and work on the property, 2) mosquito and mosquito source control, treatment and abatement throughout the Service Zones such that all property in the area benefits from a comparable reduction of mosquito levels, 3) monitoring throughout the Service Zones to evaluate the effectiveness of District treatment and control and to ensure that all properties are receiving the equivalent level of mosquito reduction benefits, and 4) the properties in the Service Zones to be eligible for service requests which result in District staff directly visiting, inspecting and treating property. Moreover, the Services funded by the Assessments reduce the level of mosquitoes and vectors arriving at and negatively impacting properties within the Service Zones.

The following section, Benefit Factors, describes how the Services specially benefit properties in the Service Zones. These benefits are particular and distinct from its effect on property in general or the public at large.

BENEFIT FACTORS

In order to allocate the assessments, the Engineer identified the types of special benefit arising from the services and that would be provided to property within the Service Zones. These types of special benefit are as follows:

INCREASED SAFETY OF PROPERTY IN THE SERVICE ZONES.

The Assessments provide funding for year-round, proactive Services to control and abate mosquitoes and other vectors that otherwise would occupy properties throughout the Service Zones. Mosquitoes and other vectors are transmitters of diseases, so the reduction of mosquito populations makes property in the Service Zones safer for use and enjoyment. In absence of the assessments, these Services would not be provided, so the Services funded by the assessments make properties in the Service Zones safer, which is a distinct

⁴ Senate Bill 1588, Mosquito Abatement and Vector Control District Law, Legislative bill analysis

special benefit to property in the Service Zones.⁵ This is not a general benefit to property in the Service Zones or the public at large because the Services are tangible mosquito and disease control services that will be provided directly to the properties in the Service Zones and the Services are over and above what otherwise would be provided by the District or any other agency.

This finding was confirmed in 2003 by the State Legislature:

*"Mosquitoes and other vectors, including but not limited to, ticks, Africanized honey bees, rats, fleas, and flies, continue to be a source of human suffering, illness, death, and a public nuisance in California and around the world. Adequately funded mosquito and vector control, monitoring and public awareness programs are the best way to prevent outbreaks of West Nile Virus and other diseases borne by mosquitoes and other vectors."*⁶

Also, the Legislature, in Health and Safety Code Section 2001, finds that:

"The protection of Californians and their communities against the discomforts and economic effects of vectorborne diseases is an essential public service that is vital to public health, safety, and welfare."

REDUCTIONS IN THE RISK OF NEW DISEASES AND INFECTIONS ON PROPERTY IN THE SERVICE ZONES.

Mosquitoes have proven to be a major contributor to the spread of new diseases such as West Nile Virus, among others. A highly mobile population combined with migratory bird patterns can introduce new mosquito-borne diseases into previously unexposed areas.

*"Vector-borne diseases (including a number that are mosquito-borne) are a major public health problem internationally. In the United States, dengue and malaria are frequently brought back from tropical and subtropical countries by travelers or migrant laborers, and autochthonous transmission of malaria and dengue occasionally occurs. In 1998, 90 confirmed cases of dengue and 1,611 cases of malaria were reported in the USA and dengue transmission has occurred in Texas."*⁷

⁵ . By reducing the risk of disease and increasing the safety of property, the proposed Services will materially increase the usefulness and desirability of certain properties in the Service Zones.

⁶ Assembly Concurrent Resolution 52, chaptered April 1, 2003

⁷ Rose, Robert. (2001). Pesticides and Public Health: Integrated Methods of Mosquito Management. Emerging Infectious Diseases. Vol. 7(1); 17-23.

"During 2004, 40 states and the District of Columbia (DC) have reported 2,313 cases of human WNV illness to CDC through ArboNET. Of these, 737 (32%) cases were reported in California, 390 (17%) in Arizona, and 276 (12%) in Colorado. A total of 1,339 (59%) of the 2,282 cases for which such data were available occurred in males; the median age of patients was 52 years (range: 1 month--99 years). Date of illness onset ranged from April 23 to November 4; a total of 79 cases were fatal." ⁸ (According to the Centers for Disease Control and Prevention on January 19, 2004, a total of 2,470 human cases and 88 human fatalities from WNV have been confirmed).

The Services funded by the assessments help prevent, on a year-round basis, the presence of vector-borne diseases on property in the Service Zones. This is another tangible and direct special benefit to property in the Service Zones that would not be received in the absence of the assessments.

REDUCED MOSQUITO AND VECTOR POPULATIONS ON PROPERTY AND AS A RESULT, ENHANCED DESIRABILITY, UTILITY, USABILITY AND FUNCTIONALITY OF PROPERTY IN THE SERVICE ZONES.

The assessments provide new and enhanced services for the control and abatement of nuisance and disease-carrying mosquitoes. These Services materially reduce the number of vectors on properties throughout the Service Zones. The lower mosquito and vector populations on property in the Service Zones is a direct advantage to property that serve to increase the desirability and "usability" of property. Clearly, properties are more desirable and usable in areas with lower mosquito populations and with a reduced risk of vector-borne disease. This is a special benefit to residential, commercial, agricultural, industrial and other types of properties because all such properties directly benefit from reduced mosquito and vector populations and properties with lower vector populations are more usable, functional and desirable.

Excessive mosquitoes and other vectors in the area can materially diminish the utility and usability of property. For example, prior to the commencement of mosquito control and abatement services, properties in many areas in the State were considered to be nearly uninhabitable during the times of year when the mosquito populations were high.⁹ The prevention or reduction of such diminished utility and usability of property caused by mosquitoes is a clear and direct advantage and special benefit to property in the Service Zones.

⁸ Center for Disease Control. (2004). West Nile Virus Activity --- United States, November 9--16, 2004. Morbidity and Mortality Weekly Report. 53(45); 1071-1072.

⁹ Prior to the commencement of modern mosquito control services, areas in the State of California such as the San Mateo Peninsula, Napa County and areas in Marin and Sonoma Counties had such high mosquito populations that they were considered to be nearly unlivable during certain times of the year and were largely used for part-time vacation cottages that were occupied primarily during the months when the natural mosquito populations were lower.

The State Legislature made the following finding on this issue:

“Excess numbers of mosquitoes and other vectors spread diseases of humans, livestock, and wildlife, reduce enjoyment of outdoor living spaces, both public and private, reduce property values, hinder outdoor work, reduce livestock productivity; and mosquitoes and other vectors can disperse or be transported long distances from their sources and are, therefore, a health risk and a public nuisance; and professional mosquito and vector control based on scientific research has made great advances in reducing mosquito and vector populations and the diseases they transmit.”¹⁰

PROTECTION OF ECONOMIC ACTIVITY ON PROPERTY IN THE SERVICE ZONES.

As recently demonstrated by the SARS outbreak in China and outbreaks of Avian Flu, outbreaks of pathogens can materially and negatively impact economic activity in the affected area. Such outbreaks and other public health threats can have a drastic negative effect on tourism, business and residential activities in the affected area. The assessments help to prevent the likelihood of such outbreaks in the Service Zones.

Mosquitoes hinder, annoy and harm residents, guests, visitors, farm workers, and employees. A vector-borne disease outbreak and other related public health threats would have a drastic negative effect on agricultural, business and residential activities in the Service Zones.

The economic impact of diseases is well documented. According to a study prepared for the Centers for Disease Control and Prevention, economic losses due to the transmission of West Nile Virus in Louisiana was estimated to cost over \$20 million over approximately one year:

The estimated cost of the Louisiana epidemic was \$20.1 million from June 2002 to February 2003, including a \$10.9 million cost of illness (\$4.4 million medical and \$6.5 million nonmedical costs) and a \$9.2 million cost of public health response. These data indicate a substantial short-term cost of the WNV disease epidemic in Louisiana.¹¹

Moreover, a study conducted in 1996-97 of La Crosse Encephalitis (LACE), a human illness caused by a mosquito-transmitted virus, found a lifetime cost per human case at \$48,000 to \$3,000,000 and found that the disease significantly impacted life spans of those who were

¹⁰ Assembly Concurrent Resolution 52, chaptered April 1, 2003

¹¹ Zohrabian A, Meltzer MI, Ratard R, Billah K, Molinari NA, Roy K, et al. West Nile Virus economic impact, Louisiana, 2002. Emerging Infectious Disease, 2004 Oct. Available from <http://www.cdc.gov/ncidod/EID/vol10no10/03-0925.htm>

infected. Following is a quote from the study which references the importance and value of active vector control services of the type that would be funded by the assessments:

*The socioeconomic burden resulting from LACE is substantial, which highlights the importance of the illness in western North Carolina, as well as the need for active surveillance, reporting, and prevention programs for the infection.*¹²

The Services funded by the assessments help to prevent the likelihood of such outbreaks on property in the Service Zones and reduce the harm to economic activity on property caused by existing mosquito populations. This is another direct advantage in the Service Zones that would not be received in absence of the assessments.

PROTECTION OF THE SERVICE ZONES' AGRICULTURE, TOURISM, AND BUSINESS INDUSTRIES.

The agriculture, tourism and business industries in the Service Zones benefit from reduced levels of harmful or nuisance mosquitoes and other vectors. Conversely, any outbreaks of emerging vectorborne pathogens such as West Nile Virus could also materially negatively affect these industries. Diseases transmitted by mosquitoes and other vectors can adversely impact business and recreational functions.

*A study prepared for the United States Department of Agriculture in 2003 found that over 1,400 horses died from West Nile Virus in Colorado and Nebraska and that these fatal disease cases created over \$1.2 million in costs and lost revenues. In addition, horse owners in these two states spent over \$2.75 million to vaccinate their horses for this disease. The study states that "Clearly, WNV has had a marked impact on the Colorado and Nebraska equine industry."*¹³

*Pesticides for mosquito control impart economic benefits to agriculture in general. Anecdotal reports from farmers and ranchers indicate that cattle, if left unprotected, can be exsanguinated by mosquitoes, especially in Florida and other southeast coastal areas. Dairy cattle produce less milk when bitten frequently by mosquitoes*¹⁴

¹² Utz, J. Todd, Apperson, Charles S., Maccormack, J. Newton, Salyers, Martha, Dietz, E. Jacquelin, Mcpherson, J. Todd, Economic And Social Impacts Of La Crosse Encephalitis In Western North Carolina, Am J Trop Med Hyg 2003 69: 509-518

¹³ S. Geiser, A. Seitzinger, P. Salazar, J. Traub-Dargatz, P. Morley, M. Salman, D. Wilmot, D. Steffen, W. Cunningham, Economic Impact of West Nile Virus on the Colorado and Nebraska Equine Industries: 2002, April 2003, Available from

http://www.aphis.usda.gov/vs/ceah/cnahs/nahms/equine/wnv2002_CO_NB.pdf

¹⁴ . Jennings, Allen. (2001). USDA Letter to EPA on Fenthion IRED. United States Department of Agriculture, Office of Pest Management Policy. March 8, 2001.

The assessments serve to protect the businesses and industries in the Service Zones. This is a direct advantage and special benefit to property in the Service Zones.

REDUCED RISK OF NUISANCE AND LIABILITY ON PROPERTY IN THE SERVICE ZONES.

In addition to health related factors, uncontrolled mosquito and vector populations create a nuisance for residents, employees, customers, tourists, farm workers and guests in the Service Zones. Properties in the Service Zones benefit from the reduced nuisance factor that is created by the Services. Agricultural and rangeland properties also benefit from the reduced nuisance factor and harm to horses, livestock and employees from lower mosquito and vector populations.

Agricultural, range, golf course, cemetery, open space and other such lands in the Service Zones contain large areas of mosquito and vector habitat and are therefore a significant source of mosquito and vector populations. In addition, residential and business properties in the Service Zones can also contain significant sources.¹⁵ It is conceivable that sources of mosquitoes could be held liable for the transmission of diseases or other harm. For example, in August 2004, the City of Los Angeles approved new fines of up to \$1,000 per day for property owners who don't remove standing water sources of mosquitoes on their property.

The Services provided by the District reduce the mosquito and vector related nuisance and health liability to properties in the Service Zones. The reduction of that risk of liability constitutes a special benefit to property in the Service Zones and this special benefit would not be received in absence of the Services funded by the assessments.

IMPROVED MARKETABILITY OF PROPERTY.

As described previously, the Services specially benefit properties in the Service Zones by making them more useable, livable and functional. The Services also make properties in the Service Zones more desirable, and more desirable properties also benefit from improved marketability. This is another tangible special benefit to certain property in the Service Zones which will not be enjoyed in absence of the Services.¹⁶

BENEFIT FINDING

In summary, the special benefits described in this Report and provision of Services in the Service Zones directly benefit and protect the real properties in the Service Zones in excess of the proposed assessments for these properties. Therefore, the assessment engineer finds that the cumulative special benefits to property from the Services are reasonably equal to or

¹⁵ . Sources of mosquitoes on residential, business, agricultural, range and other types of properties include removable sources such as containers that hold standing water.

¹⁶ . If one were to compare two hypothetical properties with similar characteristics, the property with lower mosquito infestation and reduced risk of vector-borne disease will clearly be more desirable, marketable and usable.

greater than the proposed Fiscal Year 2020-21 assessment rate per benefit unit for Service Zone 1 and Service Zone 2.

GENERAL VS. SPECIAL BENEFIT

Article XIIC of the California Constitution requires any local agency proposing to increase or impose a benefit assessment to “separate the general benefits from the special benefits conferred on a parcel.” The rationale for separating special and general benefits is to ensure that property owners subject to the benefit assessment are not paying for general benefits. The assessment can fund the special benefits to property in the assessment area but cannot fund any general benefits. Accordingly, a separate estimate of the special and general benefit is given in this section.

In other words:

Total Benefit	=	General Benefit	+	Special Benefit
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There is no widely-accepted or statutory formula for general benefit from vector control services. General benefits are benefits from improvements or services that are not special in nature, are not “particular and distinct” and are not “over and above” benefits received by other properties. General benefits are conferred to properties located “in the district,”¹⁷ but outside the narrowly-drawn Assessment District and to “the public at large.” SVTA vs. SCCOSA provides some clarification by indicating that general benefits provide “an indirect, derivative advantage” and are not necessarily proximate to the improvements and services funded by the assessments.

A formula to estimate the general benefit is listed below:

¹⁷ SVTA vs. SCCOSA explains as follows:

OSA observes that Proposition 218’s definition of “special benefit” presents a paradox when considered with its definition of “district.” Section 2, subdivision (i) defines a “special benefit” as “a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large.” (Art. XIII D, § 2, subd. (i), italics added.) Section 2, subdivision (d) defines “district” as “an area determined by an agency to contain all parcels which will receive a special benefit from a proposed public improvement or property-related service.” (Art. XIII D, § 2, subd. (d), italics added.) In a well-drawn district — limited to only parcels receiving special benefits from the improvement — every parcel within that district receives a shared special benefit. Under section 2, subdivision (i), these benefits can be construed as being general benefits since they are not “particular and distinct” and are not “over and above” the benefits received by other properties “located in the district.”

We do not believe that the voters intended to invalidate an assessment district that is narrowly drawn to include only properties directly benefiting from an improvement. Indeed, the ballot materials reflect otherwise. Thus, if an assessment district is narrowly drawn, the fact that a benefit is conferred throughout the district does not make it general rather than special.

General Benefit	=	Benefit to Real Property Outside the Assessment District	+	Benefit to Real Property Inside the Assessment District that is Indirect and Derivative	+	Benefit to the Public at Large
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Special benefit, on the other hand, is defined in the state constitution as “a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large.” The SVTA v. SCCOSA decision indicates that a special benefit is conferred to a property if it “receives a direct advantage from the improvement (e.g., proximity to a park).” In this assessment, the overwhelming proportion of the benefits conferred to property is special, since the advantages from the mosquito and disease protection funded by the Assessments are directly received by the properties in the Assessment District and are only minimally received by property outside the Assessment District or the public at large. For example, property owners within the Assessment District may request service calls to treat for mosquitoes or other vectors on their property.

Hence, arguably, some of the Services benefit the public at large and properties outside the Service Zones. In this report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

In the 2009 Dahms case, the court upheld an assessment that was 100% special benefit on the rationale that the services funded by the assessments were directly provided to property in the assessment district. Similar to the assessments in Pomona that were validated by Dahms, the Assessments described in this Engineer’s Report fund mosquito, vector and disease control services directly provided to property in the assessment area. Moreover, as noted in this Report, the Services directly reduce mosquito and vector populations on all property in the assessment area. Therefore, Dahms establishes a basis for minimal or zero general benefits from the Assessments. However, in this report, the general benefit is more conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

CALCULATING GENERAL BENEFIT

The assessment is levied on property in the District that previously received no mosquito and vector control service from any government agency. Consistent with *footnote 8* of SVTA v. SCCOSA, and for the reasons described above, the District has determined that all parcels in the Service Zones receive a shared direct advantage and special benefit from the Services. The Services directly and particularly serve and benefit each parcel, and are not a mere indirect, derivative advantage. As explained above, Proposition 218 relies on the concept of “over and above” in distinguishing special benefits from general benefits. As applied to an assessment proceeding concurrent with the annexation of new territory and extension of services to that territory, this concept means that the baseline general benefits are zero and that all vector control services, which provide direct advantage to property in the Service Zones, are over and above the zero baseline and therefore are special.

Nevertheless, the Services may provide a degree of general benefit, in addition to the predominant special benefit. This section provides a conservative measure of the general benefits from the Assessments.

BENEFIT TO PROPERTY OUTSIDE THE DISTRICT

Properties within the Assessment District receive almost all of the special benefits from the Services because the Services funded by the Assessments are provided directly to protect property within the Assessment District from mosquitoes and vector-borne disease. However, properties adjacent to, but just outside of, the boundaries may receive some benefit from the Services in the form of reduced mosquito populations on property outside the Service Zones. Since this benefit is conferred to properties outside the district boundaries, it contributes to the overall general benefit calculation and will not be funded by the assessment.

A measure of this general benefit is the proportion of Services that affect properties outside of the Service Zones. Each year, the District provides some of its Services in areas near the boundaries of the Service Zones. By abating mosquito populations near the borders of the Service Zones, the Services may provide benefits in the form of reduced mosquito populations and reduced risk of disease transmission to properties outside the Service Zones. If mosquitoes were not controlled inside the Service Zones, more of them would fly from the Service Zones. Therefore control of mosquitoes within the Service Zones provides some benefit to properties outside the Service Zones but within the normal flight range of vectors, in the form of reduced mosquito populations and reduced vector-borne disease transmission. Since mosquitoes are the predominant vector that are controlled and mosquitoes most easily travel from their source location to properties in the area, typical mosquito destination ranges will be used to measure the extent that the Services will create reduced vector populations on property outside the Unprotected Areas. This is a measure of the general benefits to property outside the Service Zones because this is a benefit from the Services that is not specially conferred upon property in the assessment area.

The mosquito potential outside the Service Zones is based on studies of mosquito dispersion concentrations. Mosquitoes can travel up to two miles, on average, so this destination range is used. Based on studies of mosquito destinations, relative to parcels in the Service Zones, average concentration of mosquitoes from the Service Zones on properties within two miles of the Service Zones is calculated to be 6%.¹⁸ This relative vector population reduction factor within the destination range is combined with the number of parcels outside the Service Zones and within the destination range to measure this general benefit and is calculated as follows:

¹⁸ Tietze, Noor S., Stephenson, Mike F., Sidhom, Nader T. and Binding, Paul L., "Mark-Recapture of *Culex Erythrothorax* in Santa Cruz County, California", Journal of the American Mosquito Control Association, 19(2):134-138, 2003.

Criteria:

MOSQUITOES MAY FLY UP TO 2 MILES FROM THEIR BREEDING SOURCE.
 1,136 PARCELS WITHIN 2 MILES OF, BUT OUTSIDE OF THE ASSESSMENT DISTRICT,
 MAY RECEIVE SOME MOSQUITO AND DISEASE PROTECTION BENEFIT
 6 % PORTION OF RELATIVE BENEFIT THAT IS RECEIVED
 53,387 ASSESSABLE PARCELS IN THE ASSESSMENT DISTRICT

Calculations:

GENERAL BENEFIT TO PROPERTY OUTSIDE THE ASSESSMENT DISTRICT
 $= 1,136 / (53,387 + 1,136) * .06 = 0.13\%$

Therefore, for the overall benefits provided by the Services to the Service Zones, it is determined that 0.13% of the benefits are received by the parcels within two miles of the Service Zones boundaries. Recognizing that this calculation is an approximation, this benefit will be rounded up to 1.0 %.

BENEFIT TO PROPERTY INSIDE THE DISTRICT THAT IS INDIRECT AND DERIVATIVE

The “indirect and derivative” benefit to property within the Assessment District is particularly difficult to calculate. As explained above, all benefit within the Assessment District is special because the mosquito and disease control services in the Service Zones provide direct service and protection that is clearly “over and above” and “particular and distinct” when compared with the lack of such protection under current conditions. Further, the properties are within the Assessment District boundaries and this Engineer’s Report demonstrates the direct benefits received by individual properties from mosquito and disease control services.

In determining the Assessment District area, the District was careful to limit it to an area of parcels that will directly receive the Services. All parcels directly benefit from the surveillance, monitoring and treatment that is provided on an equivalent basis throughout the Service Zones in order to maintain the same improved level of protection against mosquitoes and reduced mosquito populations throughout the area. The surveillance and monitoring sites are spread on a balanced basis throughout the area. Mosquito control and treatment are provided as needed throughout the area based on the surveillance and monitoring results. The shared special benefit - reduced mosquito levels and reduced presence of vector-borne diseases – are received on an equivalent basis by all parcels in the Service Zones. Furthermore, all parcels in the Assessment District directly benefit from the ability to request service from the District and to have a District field technician promptly respond directly to the parcel and address the owner’s or resident’s service need.

The SVTA vs. SCCOSA decision indicates that the fact that a benefit is conferred throughout the assessment district area does not make the benefit general rather than special, so long as the assessment district is narrowly drawn and limited to the parcels directly receiving shared special benefits from the service. This concept is particularly applicable in situations involving a landowner-approved assessment-funded extension of a local government service to benefit lands previously not receiving that particular service. The District therefore

concludes that, other than the small general benefit to properties outside the Assessment District (discussed above) and to the public at large (discussed below), all of the benefits of the Services to the parcels within the Assessment District are special benefits, and it is not possible or appropriate to separate any general benefits from the benefits conferred on parcels in the Service Zones.

BENEFIT TO THE PUBLIC AT LARGE

With the type and scope of Services to be provided to the Assessment Area, it is very difficult to calculate and quantify the scope of the general benefit conferred on the public at large. Because the Services directly serve and benefit all of the property in the Assessment Area, any general benefit conferred on the public at large would be small. Nevertheless, there is some indirect general benefit to the public at large.

The public at large uses the public highways and other regional facilities, and when traveling in and through the Assessment Area they will benefit from the Services. A fair and appropriate measure of the general benefit to the public at large therefore is the amount of area of highways and other regional facilities within the Assessment Area relative to the overall land area. An analysis of maps of the Assessment Area shows that approximately 3.0% of the land area in the Assessment Area is covered by highways and other regional facilities. This 3.0% therefore is a fair and appropriate measure of the general benefit to the public at large within the Assessment Area

SUMMARY OF GENERAL BENEFITS

Using a sum of the measures of general benefit for the public at large and land outside the Assessment Area, we find that approximately 4.0% of the benefits conferred by the Mosquito and Disease Control Assessment may be general in nature and should be funded by sources other than the assessment.

General Benefit Calculation

1.0%	(Outside the Assessment District)
+ 0.0%	(Property within the Assessment District)
+ 3.0%	(Public at Large)
= 4.0%	(Total General Benefit)

The estimated cost of the Services for Fiscal Year 2020-21 is \$1,267,718. Of this total amount, the existing District must contribute at least \$50,709, or 4% of the total budget from sources other than the Service Zone No. 1 and Service Zone No. 2 Assessment. The District contribution from other sources is \$597,675, or approximately 47.1% of the total budget, which more than offsets any general benefits from the Service Zone No. 1 and Service Zone No. 2 Assessment Services.

ZONES OF BENEFIT

The boundaries of the Service Zones have been carefully drawn to include the properties in Santa Barbara County that did not receive mosquito and disease control services prior to the assessment and that materially benefit from the Services. Such parcels are in areas with a material population of people, pets and livestock on the property. The current and future population of property is a conduit of benefit to property because people, pets and livestock are ultimately affected by mosquitoes and vector-borne diseases and the special benefit factors of desirability, utility, usability, livability and marketability are ultimately determined by the population and usage potential of property.

Certain other properties in the northern and western portion of the County were excluded from the Service Zones because these properties are generally in more remote and mountainous areas and they support a very low population. In other words, the boundaries of the Service Zones have been narrowly drawn to include only properties that specially benefit from the mosquito control services, and previously did receive services from the District.

The SVTA vs. SCCOSA decision indicates:

In a well-drawn district — limited to only parcels receiving special benefits from the improvement — every parcel within that district receives a shared special benefit. Under section 2, subdivision (i), these benefits can be construed as being general benefits since they are not “particular and distinct” and are not “over and above” the benefits received by other properties “located in the district.”

We do not believe that the voters intended to invalidate an assessment district that is narrowly drawn to include only properties directly benefitting from an improvement. Indeed, the ballot materials reflect otherwise. Thus, if an assessment district is narrowly drawn, the fact that a benefit is conferred throughout the district does not make it general rather than special. In that circumstance, the characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g., proximity to park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g., general enhancement of the district’s property values).

In the assessment, the advantage that each parcel receives from the mosquito control services is direct, and the boundaries are narrowly drawn to include only parcels that benefit from the assessment. Therefore, the even spread of assessment throughout the narrowly drawn district is indeed consistent with the OSA decision.

The District's mosquito, vector, and disease control programs, projects and services are funded by Service Zone No. 1 and Service Zone No. 2. Service Zone No. 1 includes the original service area of the Mosquito and Vector Management District of Santa Barbara

County, including the City of Goleta, the City of Santa Barbara Municipal Airport, and most of the unincorporated territory of the Goleta Valley, including the communities of Hope Ranch and Isla Vista. Service Zone No. 2 contains the territory of the dissolved Carpinteria Mosquito Abatement District, including the City of Carpinteria and the Carpinteria Valley. In addition, Service Zone No. 1 also includes the Extension Areas that were annexed into the District in 2004, including the unincorporated areas of Montecito, Mission Canyon, Summerland, Hidden Valley, and the Goleta and Carpinteria Foothills in southern Santa Barbara County, as well as the previously non-serviced portions of the City of Santa Barbara.

METHOD OF ASSESSMENT

As previously discussed, the assessments fund comprehensive, year-round mosquito control and disease surveillance and control Services that clearly confer special benefits to properties in the Service Zones. These benefits can partially be measured by the property owners, guests, employees, tenants, pets and animals who enjoy a more habitable, safer and more desirable place to live, work or visit. As noted, these benefits ultimately flow to the underlying property.

Therefore, the apportionment of benefit is partially based on people who potentially live on, work at, or otherwise use the property. This methodology of determining benefit to property through the extent of use by people is a commonly used method of apportionment of benefits from assessments.

Moreover, assessments have a long history of use in California and are in large part based on the principle that any benefits from a service or improvement funded by assessments that is enjoyed by tenants and other non-property owners ultimately is conferred to the underlying property.¹⁹

With regard to benefits and source locations, the assessment engineer determined that since mosquitoes readily fly from their breeding locations to all properties in their flight range and since mosquitoes are actually attracted to properties occupied by people or animals, the benefits from mosquito control extend beyond the source locations to all properties that would be a "destination" for mosquitoes and other vectors. In other words, the control and abatement of mosquito and vector populations ultimately confers benefits to all properties that are a destination of mosquitoes and vectors, rather than just those that are sources of mosquitoes.

¹⁹ For example, in *Federal Construction Co. v. Ensign* (1922) 59 Cal.App. 200 at 211, the appellate court determined that a sewer system specially benefited property even though the direct benefit was to the people who used the sewers: "Practically every inhabitant of a city either is the owner of the land on which he resides or on which he pursues his vocation, or he is the tenant of the owner, or is the agent or servant of such owner or of such tenant. And since it is the inhabitants who make by far the greater use of a city's sewer system, it is to them, as lot owners or as tenants, or as the servants or agents of such lot owners or tenants, that the advantages of actual use will redound. But this advantage of use means that, in the final analysis, it is the lot owners themselves who will be especially benefited in a financial sense."

Although some primary mosquito sources may be located outside of residential areas, residential properties can and do generate their own, often significant, populations of mosquitoes and vector organisms. For example, storm water catch basins in residential areas in the Service Zones are a common source of mosquitoes. Since the typical flight range for a female mosquito, on average, is 2 miles, most homes in the Service Zones are within the flight zone of many mosquito sources. Moreover, there are many other common residential sources of mosquitoes, such as miscellaneous backyard containers, neglected swimming pools, leaking water pipes and tree holes. Clearly, there is a potential for mosquito sources on virtually all property. More importantly, all properties in the Service Zones are within the destination range of mosquitoes and most properties are actually within the destination range of multiple mosquito source locations.

Because the Services are provided throughout the Service Zones with the same level of control objective, mosquitoes can rapidly and readily fly from their breeding locations to other properties over a large area, and there are current or potential breeding sources throughout the Service Zones, the Assessment Engineer determined that all similar properties in the Service Zones have generally equivalent mosquito "destination" potential and, therefore, receive equivalent levels of benefit.

In the process of determining the appropriate method of assessment, the Engineer considered various alternatives. For example, a fixed assessment amount per parcel for all residential improved property was considered but was determined to be inappropriate because agricultural lands, commercial property and other property also receive benefits from the assessments. Likewise, an assessment exclusively for agricultural land was considered but deemed inappropriate because other types of property, such as residential and commercial, also receive the special benefit factors described previously.

A fixed or flat assessment was deemed to be inappropriate because larger residential, commercial and industrial properties receive a higher degree of benefit than other similarly used properties that are significantly smaller. (For two properties used for commercial purposes, there is clearly a higher benefit provided to a property that covers several acres in comparison to a smaller commercial property that is on a 0.25 acre site. The larger property generally has a larger coverage area and higher usage by employees, customers, tourists and guests that benefit from reduced mosquito and vector populations, as well as the reduced threat from diseases carried by mosquitoes and other vectors. This benefit ultimately flows to the property.) Larger commercial, industrial and apartment parcels, therefore, receive an increased benefit from the assessments.

In conclusion, the Assessment Engineer determined that the appropriate method of assessment apportionment should be based on the type and use of property, the relative size of the property, its relative population and usage potential and its destination potential for mosquitoes. This method is further described below.

The method and formulas for calculating and allocating annual assessments to property in the Service Zones was established by the Resolution 96-01 by the District Board of Trustees

of the Goleta Valley Vector Control District in May, 1996 and by Resolution 96-01 by the District Board of Trustees of the Carpinteria Mosquito Abatement District in June, 1996, and is described in detail in a report entitled "Staff Report on the Need for Implementing the Benefit Assessment Funding Mechanism Based on Land Use" approved May 14, 1996 on file in the office of the District. The method and formulas are summarized below.

ASSESSMENT APPORTIONMENT

The special benefits derived from the Mosquito and Disease Control Assessment are conferred on property and are not based on a specific property owner's occupancy of property or the property owner's demographic status, such as age or number of dependents. However, it is ultimately people who do or could use the property and who enjoy the special benefits described above. The opportunity to use and enjoy property within the Service Zones without the excessive nuisance, diminished "livability" or the potential health hazards brought by mosquitoes and the diseases they carry is a special benefit to properties in the Service Zones. This benefit can be in part measured by the number of people who potentially live on, work at, visit or otherwise use the property, because people ultimately determine the value of the benefits by choosing to live, work and/or recreate in the area, and by choosing to purchase property in the area.²⁰

In order to apportion the cost of the Services to property, each property in the Service Zones is assigned a relative special benefit factor. This process involves determining the relative benefit received by each property in relation to a single family home, or, in other words, on the basis of Single Family Equivalents (SFE). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefit. For the purposes of this Engineer's Report, all properties are designated a SFE value, which is each property's relative benefit in relation to a "benchmark" parcel in the Service Zones. The "benchmark" property is the single family detached dwelling on a parcel of less than one acre. This benchmark parcel is assigned one Single Family Equivalent benefit unit or one SFE.

The special benefit conferred upon a specific parcel is derived as a sum function of the applicable special benefit type (such as improved safety, i.e., disease risk reduction, on a parcel for a mosquito assessment), and the parcel-specific attributes (such as the number of residents living on the parcel for a mosquito assessment) which supports that special benefit. Calculated special benefit increases accordingly with an increase in the product of special benefit type and supportive parcel-specific attribute.

²⁰ Benefits conferred upon property are related to the average number of people who could potentially live on, work at or otherwise could use a property, not how the property is currently used by the present owner.

The calculation of the special benefit per property is summarized in the following equation:

Special Benefit (per parcel)	=	$\sum f$ (Special Benefits, Property Specific Attributes ¹)(per parcel)
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1. Such as use, property type, and size.

RESIDENTIAL PROPERTIES

Single family homes, condominiums, and mobile homes on mobile home pads are assigned the basic unit of benefit for vector control services. This category is described as individual homes. The benefit unit for these categories of land use is 1.0.

MULTI-FAMILY PROPERTIES

Multi-Family properties consist of more than one family thus increasing the benefit received for that individual property. The amount of benefit received increases for Multi-Family properties with a large number of family units. Specifically, this category is segmented into two functions: Multi-Family properties ranging from 2-4 units and Multi-family properties with 5 or more units.

For Multi-family residences up to 4 units, the benefit unit assigned is 1.25.

For Multi-family residences with 5 or more units, the benefit unit assigned is 1.5.

COMMERCIAL PROPERTIES

All commercial properties experience increased benefit from vector control services due to the higher numbers of people using the property on a transient basis, including employees and the public. This property includes uses such as department stores, service stations, restaurants, and professional buildings. This category receives significantly higher benefit because it is continuously utilized at intense levels and is therefore assigned 1.75 benefit units.

INSTITUTIONAL, INDUSTRIAL, AND RECREATIONAL

These properties experience the greatest increased benefit from vector control services due to continual transient use by high numbers of employees, customers and recreationalists. The uses associated with these properties also include the use of transportation of goods and people from outside of the area and includes increased benefits from mosquito and other vector control. This category includes such categories as manufacturing, warehousing, open storage, recreation areas, auditoriums, stadiums, golf courses, and colleges. The benefit unit assigned to this category is 2.0.

VACANT AND AGRICULTURE PROPERTIES

Vacant properties consist of undeveloped parcels in all land use categories. These parcels are unoccupied and therefore receive a more limited benefit. Farm parcels are similar to

undeveloped parcels in that they are generally unoccupied. The amount of benefit is limited to a lesser degree. The benefit unit assigned to this category is 0.75.

EXEMPT GOVERNMENT PROPERTIES

Government parcels are exempt from the special assessment since they were not included in the original assessment schematic prior to Proposition 218. In lieu of the assessment, the District provides services under contract with these parcels, and the parcels are in turn billed directly by the District for abatement costs, according to the provisions of the California State Health and Safety Code.

OTHER PROPERTIES

All properties that are specially benefited are assessed. Miscellaneous, small and other parcels such as roads, right-of-way parcels, and common areas typically do not generate significant numbers of employees, residents, customers or guests and have limited economic value. These miscellaneous parcels receive minimal benefit from the Services and are assessed an SFE benefit factor of 0.

DURATION OF ASSESSMENT

It is proposed that the Assessment be levied for fiscal year 2020-21 and continued every year thereafter, so long as mosquitoes remain in existence and the Mosquito and Vector Management District of Santa Barbara County requires funding from the Assessment for its Services in the Service Zones. As noted previously, the Assessment can continue to be levied annually after the Mosquito and Vector Management District of Santa Barbara County Board of Trustees approves an annually updated Engineer's Report, budget for the Assessment, Services to be provided, and other specifics of the Assessment. In addition, the District Board of Trustees must hold an annual public hearing to continue the Assessment.

APPEALS AND INTERPRETATION

Any property owner who feels that the assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment, may file a written appeal with the General Manager of the Mosquito and Vector Management District of Santa Barbara County or his or her designee. Any such appeal is limited to correction of an assessment during the then current Fiscal Year or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the General Manager or his or her designee will promptly review the appeal and any information provided by the property owner. If the General Manager or his or her designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County of Santa Barbara for collection, the General Manager or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the General Manager, or his or her designee, shall be referred to the Board. The decision of the Board shall be final.

ASSESSMENT

WHEREAS, the Board contracted with the undersigned Engineer of Work to prepare and file a report presenting an estimate of costs of Services, a diagram for an assessment district and an assessment of the estimated costs of Services, and the special and general benefits conferred thereby, upon all assessable parcels within the Service Zone No. 1 and Service Zone No. 2;

NOW, THEREFORE, the undersigned in accordance with the provisions of Article XIID of the California Constitution, the Government Code and the Health and Safety Code and the order of the Board of said Mosquito and Vector Management District of Santa Barbara County, hereby make the following determination of a continued assessment to cover the portion of the estimated cost of the Services, and the costs and expenses incidental thereto to be paid by the Service Zone No. 1 and Service Zone No. 2.

The District has evaluated and estimated the costs of providing the Services to the Service Zones. The estimated costs are summarized in Figure 1 and detailed in Figure 2, below.

The amount to be paid for the services and improvements and the expenses incidental thereto, to be paid by the Mosquito and Vector Management District of Santa Barbara County for the fiscal year 2020-21 is generally as follows:

FIGURE 2 – SUMMARY COST ESTIMATE, FY 2020-21

Vector & Disease Control Services	\$1,194,590
Administrative Costs	\$73,128
TOTAL BUDGET	<u>\$1,267,718</u>
Less:	
General Fund Contribution	(\$597,675)
District Contribution from Reserves	(\$36,114)
Net Amount To Assessments	<u><u>\$633,929</u></u>

An Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of the Service Zones. The distinctive number of each parcel or lot of land in the Service Zones is its Assessor Parcel Number appearing on the Assessment Roll.

I do hereby determine and apportion the net amount of the cost and expenses of the Services, including the costs and expenses incidental thereto, upon the parcels and lots of

land within the Service Zones, in accordance with the special benefits to be received by each parcel or lot, from the Services, and more particularly set forth in this Engineer's Report.

The assessment determination is made upon the parcels or lots of land within the Service Zones in proportion to the special benefits to be received by the parcels or lots of land, from the Services.

The District may finance the cost of acquiring or constructing capital facilities over time and pledge a portion of assessment revenues received in any fiscal year towards the repayment of the principal amount of such borrowed funds together with interest over the repayment period.

The assessment for Service Zone 1 is subject to an annual adjustment tied to the Consumer Price Index (CPI) for the Los Angeles-Riverside-Orange County Area as of March of each succeeding year (the "CPI"), with a maximum annual rate not to exceed \$20.00 per benefit unit. Any CPI increase not levied in any given year shall be cumulatively reserved as the "Unused CPI" and shall be used to increase the maximum authorized assessment rate in future years. The maximum authorized assessment rate is equal to the maximum assessment rate in the first fiscal year the assessment was levied adjusted annually by the minimum of the change in the CPI plus any Unused CPI as described above.

Based on the preceding annual adjustments, the maximum assessment rate for Service Zone 1 for Fiscal Year 2019-20 was \$10.63 per single family equivalent benefit unit. The annual change in the CPI from March 2019 to March 2020 was 1.94%. Therefore, the maximum authorized assessment rate for Fiscal Year 2020-21 has been increased by 1.94%, from \$10.63 to \$10.83 per single family equivalent benefit unit. The estimate of cost and budget in this Engineer's Report proposes assessments for fiscal year 2020-21 at the rate of \$10.83 per single family equivalent benefit unit, which is the maximum authorized assessment rate.

The assessment for Service Zone 2 is not subject to a CPI limitation. However, the maximum assessment rate may not exceed \$16.00 per benefit unit. The estimate of cost and budget in this Engineer's Report also proposes assessments for Service Zone 2 for fiscal year 2020-21 at the rate of \$10.83 per single family equivalent benefit unit, which is less than the maximum authorized assessment rate.

Following Board preliminary approval of the Engineer's Report and the assessments it establishes for fiscal year 2020-21, the assessments may continue to be levied annually and may be adjusted by the maximum rates allowed by Resolution 96-01 adopted by the District Board of Trustees of the Goleta Valley Vector Control District in May, 1996 and by Resolution 96-01 adopted by the District Board of Trustees of the Carpinteria Mosquito Abatement District in June, 1996, without any additional assessment ballot proceeding.

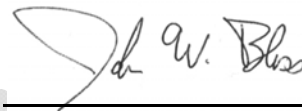
Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Santa Barbara for the fiscal year

2020-21. For a more particular description of the property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of the County of Santa Barbara.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the proposed amount of the assessment for the fiscal year 2020-21 for each parcel or lot of land within the said Service Zone No.1 and Service Zone No. 2.

Dated: April 14, 2020

Engineer of Work



By John W. Bliss, License No. C52091



DRAFT

APPENDICES

Appendix A – Assessment Diagram

Appendix B – Assessment Roll

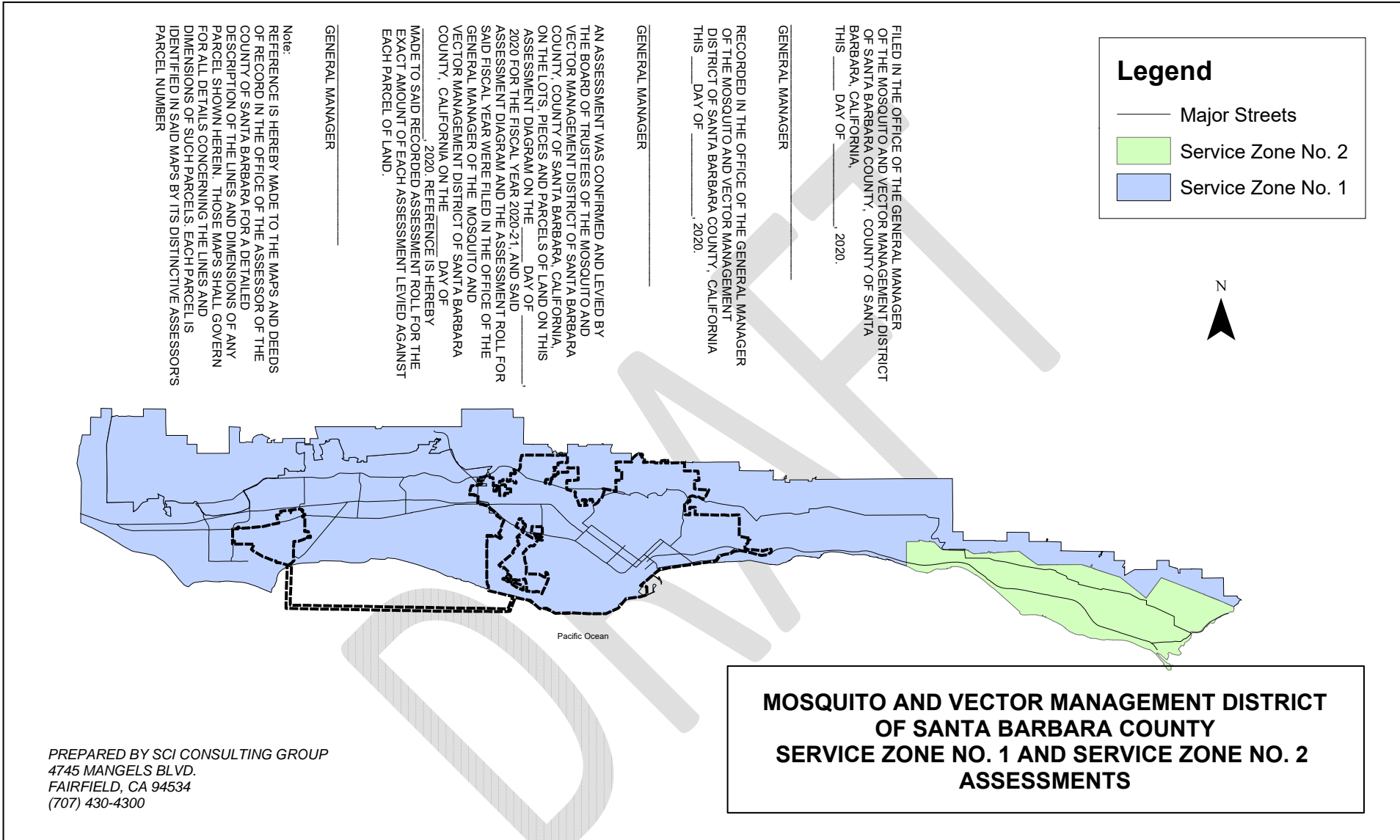
DRAFT

APPENDIX A – ASSESSMENT DIAGRAM

The Mosquito and Vector Management District of Santa Barbara County Assessment areas include all properties within Service Zone No. 1 and Service Zone No. 2.

The boundaries of Service Zone No. 1 and Service Zone No. 2 are displayed on the following Assessment Diagram.

DRAFT



APPENDIX B – ASSESSMENT ROLL, FY 2020-21

Reference is hereby made to the Assessment Roll in and for the Assessment District on file in the office of the General Manager of the District, as the Assessment Roll is too voluminous to be bound with this Engineer's Report.

DRAFT

RESOLUTION NO. 20-01

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE MOSQUITO AND VECTOR
MANAGEMENT DISTRICT OF SANTA BARBARA COUNTY DECLARING INTENTION
TO CONTINUE ASSESSMENTS, ESTABLISHING A COST OF LIVING INCREASE,
PRELIMINARILY APPROVING THE ENGINEER'S REPORT,
AND PROVIDING NOTICE OF A PUBLIC HEARING
FOR FISCAL YEAR 2020-2021
FOR SERVICE ZONE NO. 1

WHEREAS: In the reorganization of this District and the Carpinteria Mosquito Abatement District (CMAD), it was ordered by the Santa Barbara County Local Agency Formation Commission and Board of Supervisors that CMAD be dissolved and its territory be annexed to this District, that this District then create two separate zones for purposes of levying assessments consisting of the territory of CMAD and of this District before the reorganization, respectively, and that the assessments of the said two prior districts continue in the reorganized district; and

WHEREAS: By Resolution 99-03 this District created Service Zone No. 1, consisting of the territory of this District prior to reorganization, and Service Zone No. 2, consisting of the territory of CMAD prior to its dissolution, and adopted the assessments levied by resolutions of the prior districts; and

WHEREAS: By Resolution 04-04 this District extended Service Zone No. 1 by adding territory, including the area of the City of Santa Barbara not previously a part of Service Zone No. 1 and certain unincorporated areas of south Santa Barbara County, to Service Zone No. 1 thereby making property in the extension area subject to the annual levy of said assessment; and

WHEREAS: By Resolution 96-01, which is incorporated herein by this reference, this District adopted a vector surveillance and control project for a zone of benefit encompassing the entire territory of the District as it then existed; and

WHEREAS: Said Resolution established an assessment of \$6.17 per benefit unit for the 1996-1997 fiscal year, as defined in the Staff Report on the Need for Implementing the Benefit Assessment Funding Mechanism Based on Land Use (the "Staff Report"), which is on file at the office of the District, and further established a schedule of assessments for various land uses within the District as it then existed for the 1996-1997 fiscal year; and

WHEREAS: Resolution 96-02 provides for an annual evaluation of the amount of the benefit unit assessment, the schedule of assessments by land use derived therefrom, and an annual increase in the

maximum assessment amounts based on the change in the Consumer Price Index not to exceed \$20.00 per benefit unit; and

WHEREAS: The District finds that it is necessary for the proper administration of the District to levy an increased rate of assessment for the 2020-2021 fiscal year, after adjustment for the increase in the Consumer Price Index;

WHEREAS, an Engineer's Report ("Engineer's Report") has been prepared by SCI Consulting Group ("Assessment Engineer") and submitted to the Mosquito and Vector Management District of Santa Barbara County Board of Trustees ("Board"). The Report, which is available for public review at the District's office (2450 Lillie Avenue, Summerland, CA 93067), is hereby incorporated by reference. This Engineer's Report includes: (1) a description of the mosquito abatement and vector control Services to be funded with assessment proceeds; (2) an estimate of the annual cost of such Services; (3) a description of the assessable parcels of land within the District and proposed to be subject to the new assessment; (4) a description of the proportionate special and general benefits conferred on property by the proposed assessment; (5) a description of the boundaries of the District, and (6) a specification of the amount to be assessed upon various types of assessable land to fund the cost of the mosquito abatement and vector control services. This assessment shall be described as the "Service Zone 1 Assessment" (hereinafter the "Assessment") of the Mosquito and Vector Management District of Santa Barbara County.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Mosquito and Vector Management District of Santa Barbara County as follows:

1. An Engineer's Report by a registered professional engineer (the Engineer of Work) has been prepared in accordance with Article XIID of the California Constitution and the California Government and Health and Safety Codes. The Engineer's Report has been made, filed with the Board and duly considered by the Board and is hereby deemed sufficient and preliminarily approved. The Engineer's Report shall stand as the Engineer's Report for all subsequent proceedings under and pursuant to the foregoing resolution.
2. This Board intends to continue and to collect annual assessments within the District to fund the cost of providing mosquito, vector and disease control services and the proposed projects and services set forth in the Engineer's Report. Within the District, the proposed projects, services and programs are generally described as surveillance, disease prevention, abatement, and control of vectors within the District boundaries. Such mosquito abatement, vector control and disease prevention projects and programs include, but are not limited to, source reduction, biological control, larvicide applications, adulticide applications, disease monitoring, public education, reporting, accountability, research and interagency cooperative activities, as well as capital costs,

maintenance, and operation expenses and incidental expenses (collectively "Services"). The cost of these Services also includes capital costs comprised of equipment, capital improvements and facilities necessary and incidental to the District's mosquito and vector control program.

3. The Assessment consists of the lots and parcels shown on the assessment diagram of the Assessment, on file with the District Manager, and reference is hereby made to such diagram for further particulars.

4. Reference is hereby made to the Engineer's Report for a full and detailed description of the proposed projects and services, the boundaries of the Assessment and the proposed assessments upon assessable lots and parcels of land within the Assessment.

5. The District hereby estimates that the amount of assessments necessary to provide vector surveillance and control in Service Zone No. 1 during the fiscal year 2020-2021 is \$574,342, which is the estimated amount that will be raised by the foregoing assessments.

6. The District hereby proposes to continue and to collect assessments for Service Zone No. 1 for fiscal year 2020-2021 in the amounts set forth below, which are computed by the methods established in the Staff Report. They are based on the assessment of \$10.83 per benefit unit, which is the proposed benefit unit assessment for fiscal year 2020-2021. The assessments which are to be levied on all parcels of land within Service Zone No. 1 for the 2020-2021 fiscal year, except land owned by governmental agencies or public utilities, are as follows:

LAND USE	PROPOSED ASSESSMENT
	FY 2020-21
VACANT	\$8.12
FARMLAND	\$8.12
SINGLE FAMILY RESIDENCE	\$10.83
APARTMENTS, 1-4 Units	\$13.54
APARTMENTS, 5 or More Units	\$16.25
COMMERCIAL	\$18.95
INDUSTRIAL	\$21.66
INSTITUTIONAL, RECREATIONAL	\$21.66

7. The assessments are proposed to be continued annually. In each subsequent year in which the assessments will be continued, an updated Engineer's Report, including a proposed budget and assessment rate, shall be prepared. The updated Engineer's Report shall be considered by the Board at a noticed public hearing. The updated Engineer's Report shall serve as the basis for the continuation of the assessments.

8. The assessments include a provision for an annual increase by an amount equal to the annual change in the Consumer Price Index (All Urban Consumers-All Items, 1982-84 = 100) for Los Angeles-Riverside-Orange County CA. Based on the preceding annual adjustments, the maximum assessment rate for Service Zone 1 for Fiscal Year 2019-2020 was \$10.63 per single family equivalent benefit unit. The annual change in the CPI from March 2019 to March 2020 was 1.94%. Therefore, the maximum authorized assessment rate for Fiscal Year 2020-2021 has been increased by 1.94%, from \$10.63 to \$10.83 per single family equivalent benefit unit. The estimate of cost and budget in this Engineer's Report proposes assessments for fiscal year 2020-2021 at the rate of \$10.83 per single family equivalent benefit unit, which is the maximum authorized assessment rate.

9. A public hearing shall be held before this Board at the Hope School District Board Room, 3970 La Colina Road, Santa Barbara, CA 93110 as follows: on July 9, 2020 at the hour of 2:00 p.m. for the purpose of conducting a hearing and to consider all protests of property owners regarding the proposed Assessment and this Board's determination whether the public interest, convenience and necessity require the Services and this Board's final action upon the Engineer's Report and the continued assessments therein. In the event that the Stay in Place order is still in effect, the Mosquito and Vector Management District of Santa Barbara County Board meeting will be held remotely in accordance with Governor Gavin Newsom's Executive Order N-25-20, issued March 12, 2020, and Government Code Section 54954(e). In an effort to improve access to public information, residents may access meetings remotely, by accessing the link www.mvmdistrict.com.

10. The Secretary of the Board shall cause a notice of the hearing to be given by publishing a notice once, at least ten (10) days prior to the date of the hearing above specified, in the Santa Barbara Independent, which is a newspaper of general circulation in the Mosquito and Vector Management District of Santa Barbara County.

THE FOREGOING RESOLUTION WAS ADOPTED by the Board of Trustees of the Mosquito and Vector Management District of Santa Barbara County at a regular meeting thereof held on May 14, 2020, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

President, Board of Trustees
Mosquito and Vector Management District of Santa Barbara County

Attest

Secretary to the Board of Trustees

RESOLUTION NO. 20-02

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE MOSQUITO AND VECTOR
MANAGEMENT DISTRICT OF SANTA BARBARA COUNTY DECLARING INTENTION
TO CONTINUE ASSESSMENTS, ESTABLISHING A COST OF LIVING INCREASE,
PRELIMINARILY APPROVING THE ENGINEER'S REPORT,
AND PROVIDING NOTICE OF A PUBLIC HEARING
FOR FISCAL YEAR 2020-2021
FOR SERVICE ZONE NO. 2

WHEREAS: In the reorganization of this District and the Carpinteria Mosquito Abatement District (CMAD), it was ordered by the Santa Barbara County Local Agency Formation Commission and Board of Supervisors that CMAD be dissolved and its territory be annexed to this District, that this District then create two separate zones for purposes of levying assessments consisting of the territory of CMAD and of this District before the reorganization, respectively, and that the assessments of the said two prior districts continue in the reorganized district; and

WHEREAS: By Resolution 99-03 this District created Service Zone No. 1, consisting of the territory of this District prior to reorganization, and Service Zone No. 2, consisting of the territory of CMAD prior to its dissolution, and adopted the assessments levied by resolutions of the prior districts; and

WHEREAS: By Resolution 96-01, which is incorporated herein by this reference, the Board of Trustees of CMAD adopted an assessment scheme for annual levy of an assessment to pay for the cost of vector surveillance and control within the District; and

WHEREAS: Said Resolution established an assessment of \$7.91 per benefit unit for the 1996-1997 fiscal year, as defined in the Staff Report on the Need for Implementing the Service Charge Assessment Funding Mechanism Based on Land Use (the "Staff Report"), which is on file at the office of the District, established a maximum assessment of \$16.00 per benefit unit and further established a schedule of assessments for various land uses within the District for the 1996-1997 fiscal year; and

WHEREAS: Said CMAD Resolution 96-01 provides for an annual evaluation of the amount of the assessment per benefit unit and the schedule of assessments by land use derived therefrom, not to exceed \$16.00 per benefit unit; and

WHEREAS, an Engineer's Report ("Engineer's Report") has been prepared by SCI Consulting Group ("Assessment Engineer") and submitted to the Mosquito and Vector Management District of Santa Barbara County Board of Trustees ("Board"). The Report, which is available for public review at the

District's office (2450 Lillie Avenue, Summerland, CA 93067), is hereby incorporated by reference. This Engineer's Report includes: (1) a description of the mosquito abatement and vector control Services to be funded with assessment proceeds; (2) an estimate of the annual cost of such Services; (3) a description of the assessable parcels of land within the District and proposed to be subject to the new assessment; (4) a description of the proportionate special and general benefits conferred on property by the proposed assessment; (5) a description of the boundaries of the District, and (6) a specification of the amount to be assessed upon various types of assessable land to fund the cost of the mosquito abatement and vector control services. This assessment shall be described as the "Service Zone 2 Assessment" (hereinafter the "Assessment") of the Mosquito and Vector Management District of Santa Barbara County.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Mosquito and Vector Management District of Santa Barbara County as follows:

1. An Engineer's Report by a registered professional engineer (the Engineer of Work) has been prepared in accordance with Article XIID of the California Constitution and the California Government and Health and Safety Codes. The Engineer's Report has been made, filed with the Board and duly considered by the Board and is hereby deemed sufficient and preliminarily approved. The Engineer's Report shall stand as the Engineer's Report for all subsequent proceedings under and pursuant to the foregoing resolution.
2. This Board intends to continue and to collect annual assessments within the District to fund the cost of providing mosquito, vector and disease control services and the proposed projects and services set forth in the Engineer's Report. Within the District, the proposed projects, services and programs are generally described as surveillance, disease prevention, abatement, and control of vectors within the District boundaries. Such mosquito abatement, vector control and disease prevention projects and programs include, but are not limited to, source reduction, biological control, larvicide applications, adulticide applications, disease monitoring, public education, reporting, accountability, research and interagency cooperative activities, as well as capital costs, maintenance, and operation expenses and incidental expenses (collectively "Services"). The cost of these Services also includes capital costs comprised of equipment, capital improvements and facilities necessary and incidental to the District's mosquito and vector control program.
3. The Assessment consists of the lots and parcels shown on the assessment diagram of the Assessment, on file with the General Manager, and reference is hereby made to such diagram for further particulars.

4. Reference is hereby made to the Engineer's Report for a full and detailed description of the proposed projects and services, the boundaries of the Assessment and the proposed assessments upon assessable lots and parcels of land within the Assessment.

5. The District hereby estimates that the amount of assessments necessary to provide vector surveillance and control in Service Zone No. 2 during the fiscal year 2020-2021 is \$59,587, which is the estimated amount that will be raised by the foregoing assessments.

6. The District hereby proposes to continue and to collect assessments for Service Zone No. 2 for fiscal year 2020-2021 in the amounts set forth below, which are computed by the methods established in the Staff Report. They are based on the assessment of \$10.83 per benefit unit, which is the proposed benefit unit assessment for fiscal year 2020-2021. The assessments which are to be levied on all parcels of land within Service Zone No. 2 for the 2020-2021 fiscal year, except land owned by governmental agencies or public utilities, are as follows:

LAND USE	PROPOSED ASSESSMENT FY 2020-21
VACANT	\$8.12
FARMLAND	\$8.12
SINGLE FAMILY RESIDENCE	\$10.83
APARTMENTS, 1-4 Units	\$13.54
APARTMENTS, 5 or More Units	\$16.25
COMMERCIAL	\$18.95
INDUSTRIAL	\$21.66
INSTITUTIONAL, RECREATIONAL	\$21.66

7. The assessments are proposed to be continued annually. In each subsequent year in which the assessments will be continued, an updated Engineer's Report, including a proposed budget and assessment rate, shall be prepared. The updated Engineer's Report shall be considered by the Board at a noticed public hearing. The updated Engineer's Report shall serve as the basis for the continuation of the assessments.

8. A public hearing shall be held before this Board at the Hope School District Board Room, 3970 La Colina Road, Santa Barbara, CA 93110 as follows: on July 9, 2020 at the hour of 2:00 p.m. for the purpose of conducting a hearing and to consider all protests of property owners regarding the proposed continued assessment and this Board's determination whether the public interest, convenience and necessity require the Services and this Board's final action upon the Engineer's Report and the assessments therein. In the event that the Stay in Place order is still in effect, the Mosquito and Vector Management District of Santa Barbara County Board meeting will be held remotely in accordance with Governor Gavin Newsom's Executive Order N-25-20, issued

March 12, 2020, and Government Code Section 54954(e). In an effort to improve access to public information, residents may access meetings remotely, by accessing the link www.mvmdistrict.com.

9. The Secretary of the Board shall cause a notice of the hearing to be given by publishing a notice once, at least ten (10) days prior to the date of the hearing above specified, in the Santa Barbara Independent, which is a newspaper of general circulation in the Mosquito and Vector Management District of Santa Barbara County.

THE FOREGOING RESOLUTION WAS ADOPTED by the Board of Trustees of the Mosquito and Vector Management District of Santa Barbara County at a regular meeting thereof held on May 14, 2020, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

President, Board of Trustees
Mosquito and Vector Management District of Santa Barbara County

Attest

Secretary to the Board of Trustees

Resolution 20-03

**DESIGNATION OF APPLICANT'S AGENT RESOLUTION
FOR NON-STATE AGENCIES**

BE IT RESOLVED BY THE _____ OF THE _____
(Governing Body) (Name of Applicant)

THAT _____, OR
(Title of Authorized Agent)

_____, OR
(Title of Authorized Agent)

(Title of Authorized Agent)

is hereby authorized to execute for and on behalf of the _____, a public entity
(Name of Applicant)

established under the laws of the State of California, this application and to file it with the California Governor's Office of Emergency Services for the purpose of obtaining certain federal financial assistance under Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act.

THAT the _____, a public entity established under the laws of the State of California,
(Name of Applicant)

hereby authorizes its agent(s) to provide to the Governor's Office of Emergency Services for all matters pertaining to such state disaster assistance the assurances and agreements required.

Please check the appropriate box below:

This is a universal resolution and is effective for all open and future disasters up to three (3) years following the date of approval below.

This is a disaster specific resolution and is effective for only disaster number(s) _____

Passed and approved this _____ day of _____, 20_____

(Name and Title of Governing Body Representative)

(Name and Title of Governing Body Representative)

(Name and Title of Governing Body Representative)

CERTIFICATION

I, _____, duly appointed and _____ of
(Name) (Title)

_____, do hereby certify that the above is a true and correct copy of a
(Name of Applicant)

Resolution passed and approved by the _____ of the _____
(Governing Body) (Name of Applicant)

on the _____ day of _____, 20_____.

(Signature)

(Title)

Cal OES Form 130 Instructions

A Designation of Applicant's Agent Resolution for Non-State Agencies is required of all Applicants to be eligible to receive funding. A new resolution must be submitted if a previously submitted Resolution is older than three (3) years from the last date of approval, is invalid or has not been submitted.

When completing the Cal OES Form 130, Applicants should fill in the blanks on page 1. The blanks are to be filled in as follows:

Resolution Section:

Governing Body: This is the group responsible for appointing and approving the Authorized Agents.
Examples include: Board of Directors, City Council, Board of Supervisors, Board of Education, etc.

Name of Applicant: The public entity established under the laws of the State of California. Examples include: School District, Office of Education, City, County or Non-profit agency that has applied for the grant, such as: City of San Diego, Sacramento County, Burbank Unified School District, Napa County Office of Education, University Southern California.

Authorized Agent: These are the individuals that are authorized by the Governing Body to engage with the Federal Emergency Management Agency and the Governor's Office of Emergency Services regarding grants applied for by the Applicant. There are two ways of completing this section:

1. **Titles Only:** If the Governing Body so chooses, the titles of the Authorized Agents would be entered here, not their names. This allows the document to remain valid (for 3 years) if an Authorized Agent leaves the position and is replaced by another individual in the same title. If "Titles Only" is the chosen method, this document must be accompanied by a cover letter naming the Authorized Agents by name and title. This cover letter can be completed by any authorized person within the agency and does not require the Governing Body's signature.
2. **Names and Titles:** If the Governing Body so chooses, the names **and** titles of the Authorized Agents would be listed. A new Cal OES Form 130 will be required if any of the Authorized Agents are replaced, leave the position listed on the document or their title changes.

Governing Body Representative: These are the names and titles of the approving Board Members.
Examples include: Chairman of the Board, Director, Superintendent, etc. The names and titles **cannot** be one of the designated Authorized Agents, and a minimum of two or more approving board members need to be listed.

Certification Section:

Name and Title: This is the individual that was in attendance and recorded the Resolution creation and approval.
Examples include: City Clerk, Secretary to the Board of Directors, County Clerk, etc. This person **cannot** be one of the designated Authorized Agents or Approving Board Member (if a person holds two positions such as City Manager and Secretary to the Board and the City Manager is to be listed as an Authorized Agent, then the same person holding the Secretary position would sign the document as Secretary to the Board (not City Manager) to eliminate "Self Certification.")

Disaster No: _____

Cal OES ID No: _____

DUNS No: _____

PROJECT ASSURANCES FOR FEDERAL ASSISTANCE

SUBRECIPIENT'S NAME: _____
(Name of Organization)

ADDRESS: _____

CITY: _____ STATE: _____ ZIP CODE: _____

TELEPHONE: _____ FAX NUMBER: _____

AUTHORIZED AGENT: _____ TITLE: _____

EMAIL ADDRESS: _____

ASSURANCES – CONSTRUCTION PROGRAMS

Note: Certain of these assurances may not be applicable to all of your projects. If you have questions, please contact the California Governor's Office of Emergency Services. Further, certain federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the subrecipient named above:

1. Has the legal authority to apply for federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-federal share of project costs) to ensure proper planning, management, and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States, Federal Office of Inspector General 2 CFR 200.336, and if appropriate, the state, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the federal interest in the title of real property in accordance with awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with federal assistance funds to assure nondiscrimination during the useful life of the project.
4. Will comply with the requirements of the assistance-awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or state.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gains.
8. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4801 et seq.), which prohibits the use of lead based paint in construction or rehabilitation of residence structures.

9. Will comply with all federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color, or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§ 1681-1683 and 1685-1686) which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794) which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101-6107) which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 93-255) as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616) as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§ 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-3 and 290 ee-3) as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental, or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) which may apply to the application.
10. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provides for fair and equitable treatment of persons displaced or whose property is acquired as a result of federal and federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of federal participation in purchases.
11. Will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$5,000 or more.
12. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.O. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved state management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§ 1451 et seq.); (f) conformity of federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. § 7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended, (P.L. 93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.O. 93-205).
13. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§ 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
14. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470), EO 11593 (identification and preservation of historic properties), and the Archeological and Historic Preservation Act of 1974 (16 U.S.C. 469a-1 et seq.).
15. Will comply with Standardized Emergency Management (SEMS) requirements as stated in the California Emergency Services Act, Government Code, Chapter 7 of Division 1 of Title 2, Section 8607.1(e) and CCR Title 19, Sections 2445, 2446, 2447, and 2448.
16. Subrecipients expending \$750,000 or more in federal grant funds annually are required to secure an audit pursuant to OMB Uniform Guidance 2 CFR Part 200, Subpart F. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996.
17. Will disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with §200.112.
18. Will comply with all applicable requirements of all other federal laws, Executive Orders, regulations and policies governing this program.
19. Has requested through the State of California, federal financial assistance to be used to perform eligible work approved in the subrecipient application for federal assistance. Will, after the receipt of federal financial assistance, through the State of California, agree to the following:
 - a. The state warrant covering federal financial assistance will be deposited in a special and separate account, and will be used to pay only eligible costs for projects described above;
 - b. To return to the State of California such part of the funds so reimbursed pursuant to the above numbered application, which are excess to the approved actual expenditures as accepted by final audit of the federal or state government.
 - c. In the event the approved amount of the above numbered project application is reduced, the reimbursement applicable to the amount of the reduction will be promptly refunded to the State of California.

- 20. The non-Federal entity for a Federal award must disclose, in a timely manner, in writing to the Federal awarding agency or pass-through entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award §200.113. Failure to make required disclosures can result in any of the remedies described in §200.338 Remedies for noncompliance, including suspension or debarment.

- 21. Will not make any award or permit any award (subaward or contract) to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549 and 12689, “Debarment and Suspension.”

“I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized by the above named subrecipient to enter into this agreement for and on behalf of the said subrecipient, and by my signature do bind the subrecipient to the terms thereof.”

PRINTED NAME

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL

TITLE

DATE

General Manager's Report

1. Four thousand three hundred and thirty-three dollars (\$4,333) was deposited in CERBT on 4/6.
2. BC participated in a southern region manager's teleconference on 4/7.
3. BC participated in a MVCAC COVID-19 update teleconference. 4/14 and 4/28.
4. BC participated in Santa Barbara County Office of Emergency Management Coronavirus Update conference calls on 4/14, 4/21 and 4/28.
5. BC participated in a Streamline Special Districts webinar on 4/30.

Upcoming:

1. Santa Barbara County Office of Emergency Management weekly coronavirus update conference calls. 5/12, 5/19, 5/26
2. MVCAC weekly coronavirus update teleconferences. 5/12, 5/19, 5/26
3. American Mosquito Control Association Memorial Lecture webinar. 5/13.
4. CSDA webinar: "Opening UP: How Public Employees Should Prepare". 5/21
5. Memorial Day. 5/25