



Mosquito and Vector Management District of Santa Barbara County

Environmental Management of Human Disease Vectors

TRUSTEES (TERM ENDING):

President Teri Jory, City of Santa Barbara (1/4/23)

Vice-President Adam Lambert, Santa Barbara County
(12/31/22)

Secretary Bob Williams, Santa Barbara County
(12/31/22)

Charles Blair, Santa Barbara County (12/8/23)

Craig Geyer, City of Goleta (1/1/22)

Cathy Schlottmann, Santa Barbara County (12/8/23)

Vacant, City of Carpinteria

Katherine Stewart, Santa Barbara County (12/31/23)

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 SHELTER-IN-PLACE 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 13, 2021, 2:00 PM

AGENDA

1. ROLL CALL

2. CONFIRMATION OF AGENDA

3. STAFF ANNOUNCEMENTS regarding District business

4. CORRESPONDENCE

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. CLOSED SESSION – 2:15 PM TIME CERTAIN

A. Public comment on closed session agenda items

B. Closed session pursuant to Government Code § 54957.6

Conference with labor negotiator

Agency designated representative: Nate Kowalski, Counsel and Brian Cabrera, General Manager

Employee organization: Mosquito and Vector Management District of Santa Barbara County Employees Association

The negotiations between the Mosquito and Vector Management District of Santa Barbara County and the Mosquito and Vector Management District of Santa Barbara County Employees Association will be presented for the purpose of reviewing the District's position and instructing the designated representatives. Issues to be discussed may include salaries, salary schedules, fringe benefits, available funds and funding priorities.

Reconvene to open session to report action taken (if any) in closed session

7. 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 8, 2021 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)

8. OLD BUSINESS. The Board will discuss and may take action on the following items:

- A. Accounts receivable contracts' status (5909 Misc. Revenue) (Page 19)
- B. Approve budget for FY 2021-2022 (Page 20)
- C. Approval of Management Discussion and Analysis for Audit Report for FYE 2020. (Page 22)

9. NEW BUSINESS. The Board will discuss and may take action on the following items:

- A. Presentation and approval of the 2021 full valuation by TCS (Page 24)
- B. Consider and approve resolutions 21-02 and 20-03 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 8, 2021. (Page 54)

10. GENERAL MANAGER'S REPORT (Page 114)

11. BOARD ANNOUNCEMENTS

12. ADJOURNMENT (Next scheduled meeting: 2:00 PM; Thursday, June 10, 2021)

**MOSQUITO AND VECTOR MANAGEMENT DISTRICT
of Santa Barbara County
MINUTES OF REGULAR MEETING OF TRUSTEES
April 8th, 2021**

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 8th, 2021 via teleconference as allowed by State of California Executive Order N-29-20.

1. ROLL CALL.

TRUSTEES PRESENT:

President Teri Jory
Secretary Robert Williams
Trustee Charlie Blair
Trustee Cathy Schlottmann
Trustee Craig Geyer
Trustee Katherine Stewart

TRUSTEES ABSENT:

Vice-President Adam Lambert

IN ATTENDANCE:

Brian Cabrera, General Manager
Jessica Sprigg, Administrative Assistant
Carrie Troup, CPA
Nate Kowalski, Legal Counsel

2. CONFIRMATION OF AGENDA

-It was the consensus of the Board to discuss Item 7 following Item 5 as it was not yet 2:15, which was posted as the set time for the Closed Session item.

3. STAFF ANNOUNCEMENTS regarding District business.

-None.

4. CORRESPONDENCE

-None.

5. PUBLIC COMMENT –

-None.

7. 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 11, 2021 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 Secretary Williams and seconded by Trustee Schlottmann to approve the Items of General Consent following discussion. Carrie Troup provided an analysis of the

financial statements. Motion to approve Items of General Consent passed 6-0-0 by roll call vote, with Vice-President Lambert absent.

6. CLOSED SESSION – 2:15 PM TIME CERTAIN

A. Public comment on closed session agenda items

B. Closed session pursuant to Government Code § 54957.6

Conference with labor negotiator

Agency designated representative: Nate Kowalski, Counsel and Brian Cabrera, General Manager

Employee organization: Mosquito and Vector Management District of Santa Barbara County Employees Association The negotiations between the Mosquito and Vector Management District of Santa Barbara County and the Mosquito and Vector Management District of Santa Barbara County Employees Association will be presented for the purpose of reviewing the District's position and instructing the designated representatives. Issues to be discussed may include salaries, salary schedules, fringe benefits, available funds and funding priorities.

Reconvene to open session to report action taken (if any) in closed session

-There was no action to report.

7. OLD BUSINESS

A. Accounts receivable contracts' status (5909 Misc. Revenue)

-There were no recent changes to the status of any contracts. Staff expects to finalize and send out new agreements next week.

B. Update on OPEB Trust Fund with Public Agency Retirement Services (PARS)

-A forty thousand dollar transfer was made to PARS.

C. FY 2021-2022 Budget update

-CPI adjustment and figures from negotiations with CEA are needed to finalize budget. An assumed increase of three-percent was used for current calculations. The option to use excess revenue from FYE 20 to cover contributions to PARS for FYE 22 was discussed. GM Cabrera announced that Angela Pagtalonia has left SCI and John Bliss will be completing the benefit assessment process for the District.

D. Approval of Audit Report for FYE 2020.

-It was moved by Trustee Schlottmann and seconded by Trustee Stewart to approve the audit for FYE 6/30/2020. Motion to approve audit passed 5-0-0 by roll call vote, with Trustee Geyer and Vice-President Lambert absent).

8. NEW BUSINESS

A. Update on District fleet status

-There was a recall on the airbags of one of the technicians' vehicles. One of the trucks is due for replacement by the end of this calendar year. Board directed that replacement of that vehicle should be placed on the agenda for August.

B. Discuss ending the sentinel chicken program next year.

-Many districts have discontinued their sentinel chicken programs. The program is very labor intensive for the technicians and ending it would allow them to dedicate more time to the mosquito trapping program, which also detects the diseases tested for through the sentinel chicken program. It was moved by Trustee Stewart and seconded by Trustee Schlottmann to discontinue the sentinel chicken program when GM Cabrera determines it to be appropriate. Motion passed 5-0-0 with Trustee Geyer and Vice-President Lambert absent.

9. MANAGER'S REPORT

-Many meetings have been attended and presentations made in the effort to spread the word about Aedes aegypti. The City of Santa Barbara created a PSA about the invasive species.

10. BOARD ANNOUNCEMENTS

-Trustee Blair announced that the April SBCCSDA meeting on April 26 will feature the Executive Director of LAFCO.

-GM Cabrera was selected as the recipient of the SBCCSDA General Manager of the Year award.

11. ADJOURNMENT

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

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

BY:

APPROVED:

Teri Jory
Board President

Robert Williams
Board Secretary

Financial Status

As of: 4/30/2021 (83% Elapsed)
Accounting Period: OPEN

Selection Criteria: Fund = 4160

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

Fund 4160 -- Mosquito & Vector Mgt District

Line Item Account	6/30/2021 Fiscal Year Adjusted Budget	4/30/2021 Year-To-Date Actual	6/30/2021 Fiscal Year Variance	6/30/2021 Fiscal Year Pct of Budget
Revenues				
Taxes				
3010 -- Property Tax-Current Secured	434,000.00	451,306.49	17,306.49	103.99 %
3011 -- Property Tax-Unitary	6,200.00	3,876.27	-2,323.73	62.52 %
3015 -- PT PY Corr/Escapes Secured	0.00	1,626.81	1,626.81	--
3020 -- Property Tax-Current Unsecd	18,500.00	17,327.15	-1,172.85	93.66 %
3023 -- PT PY Corr/Escapes Unsecured	0.00	185.78	185.78	--
3028 -- RDA Pass-through Payments	3,000.00	2,938.73	-61.27	97.96 %
3029 -- RDA RPTTF Resid Distributions	5,000.00	5,714.63	714.63	114.29 %
3040 -- Property Tax-Prior Secured	0.00	-60.74	-60.74	--
3050 -- Property Tax-Prior Unsecured	2,300.00	326.71	-1,973.29	14.20 %
3054 -- Supplemental Pty Tax-Current	8,000.00	1,396.80	-6,603.20	17.46 %
3056 -- Supplemental Pty Tax-Prior	200.00	-9.72	-209.72	-4.86 %
Taxes	477,200.00	484,628.91	7,428.91	101.56 %
Fines, Forfeitures, and Penalties				
3057 -- PT-506 Int, 480 CIOS/CIC Pen	0.00	19.61	19.61	--
Fines, Forfeitures, and Penalties	0.00	19.61	19.61	--
Use of Money and Property				
3380 -- Interest Income	13,000.00	5,249.46	-7,750.54	40.38 %
3381 -- Unrealized Gain/Loss Invstmnts	-12,864.00	-8,862.03	4,001.97	68.89 %
Use of Money and Property	136.00	-3,612.57	-3,748.57	-2,656.30 %
Intergovernmental Revenue-State				
4220 -- Homeowners Property Tax Relief	2,000.00	1,097.39	-902.61	54.87 %
Intergovernmental Revenue-State	2,000.00	1,097.39	-902.61	54.87 %
Intergovernmental Revenue-Other				
4840 -- Other Governmental Agencies	12,000.00	7,595.20	-4,404.80	63.29 %

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Fund 4160 -- Mosquito & Vector Mgt District

Line Item Account	6/30/2021 Fiscal Year Adjusted Budget	4/30/2021 Year-To-Date Actual	6/30/2021 Fiscal Year Variance	6/30/2021 Fiscal Year Pct of Budget
Intergovernmental Revenue-Other	12,000.00	7,595.20	-4,404.80	63.29 %
Charges for Services				
4877 -- Other Special Assessments	633,929.00	633,460.45	-468.55	99.93 %
Charges for Services	633,929.00	633,460.45	-468.55	99.93 %
Miscellaneous Revenue				
5891 -- Refunds/Repayments	0.00	23,584.68	23,584.68	--
5909 -- Other Miscellaneous Revenue	110,000.00	59,387.11	-50,612.89	53.99 %
Miscellaneous Revenue	110,000.00	82,971.79	-27,028.21	75.43 %
Revenues	1,235,265.00	1,206,160.78	-29,104.22	97.64 %
Expenditures				
Salaries and Employee Benefits				
6100 -- Regular Salaries	470,000.00	337,207.17	132,792.83	71.75 %
6210 -- Commissioner/Director/Trustee	10,000.00	7,500.00	2,500.00	75.00 %
6400 -- Retirement Contribution	166,850.00	117,690.45	49,159.55	70.54 %
6475 -- Retiree Medical OPEB	25,300.00	16,429.02	8,870.98	64.94 %
6500 -- FICA Contribution	29,140.00	21,384.01	7,755.99	73.38 %
6550 -- FICA/Medicare	6,900.00	5,001.14	1,898.86	72.48 %
6600 -- Health Insurance Contrib	145,000.00	115,786.59	29,213.41	79.85 %
6700 -- Unemployment Ins Contribution	3,500.00	1,051.20	2,448.80	30.03 %
6900 -- Workers Compensation	22,000.00	20,206.00	1,794.00	91.85 %
Salaries and Employee Benefits	878,690.00	642,255.58	236,434.42	73.09 %
Services and Supplies				
7030 -- Clothing and Personal	6,700.00	5,312.47	1,387.53	79.29 %
7050 -- Communications	6,800.00	4,870.17	1,929.83	71.62 %
7070 -- Household Supplies	3,000.00	2,573.00	427.00	85.77 %
7090 -- Insurance	18,000.00	17,075.80	924.20	94.87 %

Financial Status

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Line Item Account	6/30/2021 Fiscal Year Adjusted Budget	4/30/2021 Year-To-Date Actual	6/30/2021 Fiscal Year Variance	6/30/2021 Fiscal Year Pct of Budget
7120 -- Equipment Maintenance	6,800.00	3,602.81	3,197.19	52.98 %
7121 -- Operating Supplies	8,500.00	7,526.01	973.99	88.54 %
7124 -- IT Software Maintenance	11,000.00	3,971.17	7,028.83	36.10 %
7200 -- Structure & Ground Maintenance	4,000.00	253.62	3,746.38	6.34 %
7430 -- Memberships	16,000.00	16,845.00	-845.00	105.28 %
7450 -- Office Expense	5,000.00	4,209.68	790.32	84.19 %
7460 -- Professional & Special Service	63,000.00	42,427.15	20,572.85	67.34 %
7508 -- Legal Fees	15,000.00	10,243.56	4,756.44	68.29 %
7546 -- Administrative Expense	8,000.00	8,301.75	-301.75	103.77 %
7650 -- Special Departmental Expense	80,000.00	46,932.90	33,067.10	58.67 %
7653 -- Training Fees & Supplies	5,000.00	2,740.00	2,260.00	54.80 %
7730 -- Transportation and Travel	5,000.00	252.62	4,747.38	5.05 %
7731 -- Gasoline-Oil-Fuel	9,500.00	5,215.25	4,284.75	54.90 %
7760 -- Utilities	4,800.00	3,192.01	1,607.99	66.50 %
Services and Supplies	276,100.00	185,544.97	90,555.03	67.20 %
Other Charges				
7860 -- Contrib To Other Agencies	52,000.00	85,740.00	-33,740.00	164.88 %
Other Charges	52,000.00	85,740.00	-33,740.00	164.88 %
Capital Assets				
8200 -- Structures&Struct Improvements	8,200.00	0.00	8,200.00	0.00 %
8300 -- Equipment	80,000.00	33,749.91	46,250.09	42.19 %
Capital Assets	88,200.00	33,749.91	54,450.09	38.27 %
Expenditures	1,294,990.00	947,290.46	347,699.54	73.15 %
Other Financing Sources & Uses				
Other Financing Sources				
5911 -- Oper Trf (In)-Other Funds	88,200.00	0.00	-88,200.00	0.00 %

Financial Status

As of: 4/30/2021 (83% Elapsed)
Accounting Period: OPEN

Selection Criteria: Fund = 4160

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

Fund 4160 -- Mosquito & Vector Mgt District

Line Item Account	6/30/2021 Fiscal Year Adjusted Budget	4/30/2021 Year-To-Date Actual	6/30/2021 Fiscal Year Variance	6/30/2021 Fiscal Year Pct of Budget
Other Financing Sources	88,200.00	0.00	-88,200.00	0.00 %
Other Financing Uses				
7901 -- Oper Trf (Out)	37,339.00	0.00	37,339.00	0.00 %
Other Financing Uses	37,339.00	0.00	37,339.00	0.00 %
Other Financing Sources & Uses	50,861.00	0.00	-50,861.00	0.00 %
Changes to Fund Balances				
Decrease to Restricted				
9797 -- Unrealized Gains	8,864.00	8,862.03	-1.97	99.98 %
Decrease to Restricted	8,864.00	8,862.03	-1.97	99.98 %
Changes to Fund Balances	8,864.00	8,862.03	-1.97	99.98 %
Mosquito & Vector Mgt District	0.00	267,732.35	267,732.35	--
Net Financial Impact	0.00	267,732.35	267,732.35	--

Cash Balances

As of: 4/30/2021
Accounting Period: OPEN

Selection Criteria: Fund = 4160 4161

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

Fund	4/1/2021 Beginning Balance	Month-To-Date Cash Receipts (+)	Month-To-Date Treasury Credits (+)	Month-To-Date Warrants and Wire Transfers (-)	Month-To-Date Treasury Debits (-)	4/30/2021 Ending Balance
4160 -- Mosquito & Vector Mgt District	1,319,927.64	21,796.32	467,013.42	33,534.35	70,791.25	1,704,411.78
4161 -- SB Vector-Cap Asset Reserve	609,273.18	0.00	598.16	0.00	0.00	609,871.34
Total Report	1,929,200.82	21,796.32	467,611.58	33,534.35	70,791.25	2,314,283.12

Vendor Disbursements

From 4/1/2021 to 4/30/2021

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 005979 -- CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM					
W - 09763931	04/08/2021	880		PEB-	4,574.00
Total CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM					4,574.00
Vendor 006215 -- US BANK CORPORATE PAYMENT SYSTEM					
ACH - 715104	04/06/2021	880		Vendor Account:	6,366.41
Total US BANK CORPORATE PAYMENT SYSTEM					6,366.41
Vendor 011287 -- HELUNA HEALTH					
W - 09764291	04/15/2021	880		Vendor Invoice #: 1428025; Vendor Account:	3,695.35
Total HELUNA HEALTH					3,695.35
Vendor 035612 -- TOTAL COMPENSATION SYSTEMS INC					
W - 09764300	04/15/2021	880		Vendor Invoice #: 9134	1,350.00
Total TOTAL COMPENSATION SYSTEMS INC					1,350.00
Vendor 050379 -- ADP INC					
EFT	04/09/2021	880		Vendor Invoice #: 577706433	404.90
Total ADP INC					404.90
Vendor 080067 -- ATKINSON ANDELSON LOYA RUUD ROMO					
W - 09764695	04/22/2021	880		Vendor Invoice #: 620602; Vendor Account:	3,985.80
Total ATKINSON ANDELSON LOYA RUUD ROMO					3,985.80
Vendor 081080 -- BIOQUIP PRODUCTS CORPORATION					
W - 09764967	04/28/2021	880		Vendor Invoice #: 176871; Vendor Account:	423.72
Total BIOQUIP PRODUCTS CORPORATION					423.72
Vendor 086415 -- CITY EMPLOYEES ASSOC LLC					
ACH - 715593	04/08/2021	880		UNION DUES	48.00
ACH - 717267	04/23/2021	880		UNION DUES	48.00
Total CITY EMPLOYEES ASSOC LLC					96.00

Vendor Disbursements

From 4/1/2021 to 4/30/2021

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 101532 -- STREAMLINE					
W - 09763775	04/06/2021	880		Vendor Invoice #: 051D17E0-0006	200.00
				Total STREAMLINE	200.00
Vendor 194683 -- Allied Administrators for Delta Dental					
ACH - 715355	04/07/2021	880		ID #	2,915.22
				Total Allied Administrators for Delta Dental	2,915.22
Vendor 244645 -- AFLAC					
W - 09763559	04/01/2021	880		Vendor Invoice #: 991126; Vendor Account:	226.44
				Total AFLAC	226.44
Vendor 246891 -- MISSION LINEN SUPPLY					
ACH - 715187	04/06/2021	880		Vendor Account:	635.20
				Total MISSION LINEN SUPPLY	635.20
Vendor 346888 -- CARRIE TROUP CPA					
ACH - 717178	04/22/2021	880		Vendor Invoice #: 0321V	2,325.00
				Total CARRIE TROUP CPA	2,325.00
Vendor 522736 -- McCormix Corporation					
ACH - 715216	04/06/2021	880		Vendor Account:	440.71
				Total McCormix Corporation	440.71
Vendor 556712 -- MONTECITO WATER DISTRICT					
ACH - 716543	04/16/2021	880		Vendor Account:	53.42
				Total MONTECITO WATER DISTRICT	53.42
Vendor 648390 -- CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM					
ACH - 717213	04/22/2021	880		Vendor Invoice #: 100000016404194; Vendor Account: 1	12,343.87
				Total CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	12,343.87
Vendor 651000 -- QUILL CORP					
W - 09763975	04/08/2021	880		Vendor Invoice #: 15530465; Vendor Account: 8029718	77.21



Vendor Disbursements

From 4/1/2021 to 4/30/2021

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
				Total QUILL CORP	77.21
Vendor 710175 -- STATE/FEDERAL TAXES & DIRECT DEPOSITS					
EFT	04/19/2021	880		Vendor Account:	16,180.60
EFT	04/22/2021	880		Vendor Account:	16,948.85
				Total STATE/FEDERAL TAXES & DIRECT DEPOSITS	33,129.45
Vendor 740582 -- BIG GREEN CLEANING COMPANY					
ACH - 716434	04/15/2021	880		Vendor Invoice #: 577256; Vendor Account:	248.00
				Total BIG GREEN CLEANING COMPANY	248.00
Vendor 767200 -- SOUTHERN CALIFORNIA EDISON					
ACH - 716436	04/15/2021	880		Vendor Account:	126.73
				Total SOUTHERN CALIFORNIA EDISON	126.73
Vendor 767800 -- THE GAS COMPANY					
ACH - 716437	04/15/2021	880		Vendor Account:	64.42
				Total THE GAS COMPANY	64.42
Vendor 776537 -- COX COMMUNICATIONS - BUSINESS					
ACH - 716439	04/15/2021	880		Vendor Account:	432.61
				Total COX COMMUNICATIONS - BUSINESS	432.61
Vendor 855111 -- Vision Service Plan-CA					
ACH - 717335	04/23/2021	880		Vendor Invoice #: 812187510; Vendor Account:	195.18
				3	
				Total Vision Service Plan-CA	195.18
				Total Mosquito & Vector Mgt District	74,309.64



P.O. BOX 6343
FARGO ND 58125-6343



ACCOUNT NUMBER _____
STATEMENT DATE 04-22-2021
AMOUNT DUE \$923.79
NEW BALANCE \$923.79

PAYMENT DUE ON RECEIPT



000001210 01 SP 0.560 106481331958218 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	\$6,366.41	\$923.79	\$0.00	\$0.00	\$0.00	\$0.00	\$6,366.41	\$923.79	

CORPORATE ACCOUNT ACTIVITY									
MVM DISTRICT									TOTAL CORPORATE ACTIVITY
									\$6,366.41 CR
Post Date	Tran Date	Reference Number	Transaction Description					Amount	
04-07	04-06	7479826109700000000029	PAYMENT - 715104 00000 A					6,366.41 PY	

NEW ACTIVITY									
VESNA IBARRA			CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY			
			\$0.00	\$206.08	\$0.00	\$206.08			
Post Date	Tran Date	Reference Number	Transaction Description					Amount	
03-24	03-23	24431051083838001018972	O'REILLY AUTO PARTS 3693 SANTA BARBARA CA					20.65	
03-24	03-23	24431051083838001018980	O'REILLY AUTO PARTS 3693 SANTA BARBARA CA					6.51	
03-30	03-29	24137461089001138263829	USPS PO 0575840167 SUMMERLAND CA					4.60	
04-14	04-12	24497781103900010861096	SANTA YNEZ FEED AND MILLI SANTA YNEZ CA					37.82	
04-21	04-20	24040831110900015800038	LA CUMBRE FEED SANTA BARBARA CA					136.50	

CUSTOMER SERVICE CALL 800-344-5696	ACCOUNT NUMBER		ACCOUNT SUMMARY	
	STATEMENT DATE	DISPUTED AMOUNT	PREVIOUS BALANCE	6,366.41
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		PURCHASES & OTHER CHARGES	923.79
	923.79		CASH ADVANCES	.00
			CASH ADVANCE FEES	.00
			LATE PAYMENT CHARGES	.00
			CREDITS	.00
			PAYMENTS	6,366.41
		ACCOUNT BALANCE	923.79	



Company Name: MVM DISTRICT
Corporate Account Number:
Statement Date: 04-22-2021

NEW ACTIVITY					
JESSICA E SPRIGG		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$13.27	\$0.00	\$13.27
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-01	03-31	24692161090100943478018	VERIZONWRLSS*RTCCR VB 800-922-0204 FL	4.81	
04-05	04-03	24137461094001190130927	USPS PO 0513320113 CARPINTERIA CA	2.00	
04-22	04-21	24692161111100818019777	SQ *RED KETTLE COFFEE SUMMERLAND CA	6.46	
KAREN EGERMAN-SCHULTZ		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$212.59	\$0.00	\$212.59
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-29	03-27	24231681087837000087030	SMART AND FINAL 391 SANTA BARBARA CA	52.80	
04-12	04-10	24231681101837000021676	SMART AND FINAL 702 GOLETA CA	44.57	
04-16	04-15	24761971106091177000083	PRAXAIR DIST INC 70161 8059660829 CA	115.22	
DONALD CRAM		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$296.98	\$0.00	\$296.98
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
03-30	03-29	24040831088900013900010	LA CUMBRE FEED SANTA BARBARA CA	113.70	
03-31	03-30	24692161090100582449304	SQ *ISLAND SEED AND FEED GOLETA CA	80.00	
04-16	04-15	24692161105100322550323	CHEVRON 0092316 FIREBAUGH CA	63.28	
04-19	04-15	24034541106002267458935	ARCO #42093 PASO ROBLES CA	40.00	
BRIAN J CARRERA		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$0.00	\$194.87	\$0.00	\$194.87
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
04-08	04-07	24906411097118292502216	WEB*NETWORKSOLUTIONS 888-6429675 FL	139.50	
04-14	04-13	24492151103637753999623	ZOOM.US 888-799-9666 WWW.ZOOM.US CA	14.99	
04-15	04-15	24430991105400810010278	MSFT * E0800EA4YA 800-642-7676 WA	35.00	
04-20	04-18	24247601109500702976306	PET HOUSE GOLETA CA	5.38	

Department: 00000 Total: \$923.79
 Division: 00000 Total: \$923.79



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

DISEASE SURVEILLANCE REPORT

April 2021

Live Mosquito-Borne Virus Surveillance

Longer days and overnight low temperatures consistently above 50°F are expected to increase mosquito activity. Though a significant number of mosquitoes may be caught during a survey, not all mosquito species are known to vector diseases, so pools are not submitted for testing.

Location	Date	Number of Mosquitoes	Type of Trap	# of Traps	Mosquitoes per Trap Night	Pools Submitted	WSW Virus Test Result
Santa Barbara County							
UCSB/SBAir bluffs	4/10-4/11	207	EVS	6	34.5	0	
UCSB/SBAir bluffs	4/10-4/11	103	BGP	1	103	0	
El Estero	4/15-4/16	5	EVS	6	0.83	0	
El Estero	4/15-4/16	0	BGP	1	0	0	
Bird Refuge	4/15-4/16	1	EVS	6	0.16	0	
Bird Refuge	4/15-4/16	0	BGP	1	0	0	
Crescent Dr.	3/29-4/20	9*	BGP	1	0.45	0	
Crescent Dr.	4/15-4/20	0	BGS2	1	0	0	
Orella St.	4/8-4/28	1	BGS1	1	0.05	0	
MVMD SumInd.	4/8-4/28	1	BGS1	1	0.05	0	
San Luis Obispo County							
Oceano	4/22-4/23	218	EVS	6	36.3	4	pending
Oceano	4/22-4/23	7	BGP	1	7	0	
North Beach Campground	4/22-4/23	115	EVS	3	38.3	1	pending
Chumash Park	4/22-4/23	119	EVS	3	39.7	2	pending
Pismo Golf Course	4/22-4/23	33	EVS	3	11	2	pending

BGS2=Biogents Sentinel 2

EVS=encephalitis surveillance trap (CO²)

WSW=WNV, SLEV, AND WEE

**Aedes aegypti* present

BGP=Biogents Pro

California Arbovirus Bulletin

The California Department of Public Health, Vector Borne Disease Section, produced its first Arbovirus Surveillance Bulletin of the year on April 30th. No West Nile virus, St. Louis encephalitis virus, or Western equine encephalitis virus activity was reported.

West Nile Virus Activity

No West Nile virus activity has been reported by the CDPH in 2021. One goldfinch that was found dead in Goleta was tested in April; the result was negative. Six other dead birds in Santa Barbara County were reported to the WNV hotline but were not accepted for testing

Sentinel Chicken Flocks

The District currently maintains four sentinel chicken flocks in Santa Barbara County located at the Goleta Sanitary District, Mission Hills Community Services District, the Solvang City Wastewater Treatment Plant, and the U.S. Forest Service Fire Station near Carpinteria. Chickens for the 2021-2022 season were picked-up from Modesto on April 15. All tested negative after sampling April 26.

Zika Virus and Invasive *Aedes* Mosquito Update

Four *Aedes aegypti* mosquitoes were collected in Santa Barbara County in April. Three were in the N. Hope avenue area, and one was submitted by a resident in the West side area; the District has previously documented *Aedes aegypti* in both of these areas.

There were no Zika virus infections reported in California in April 2021.

Tick Surveillance

Date	Location	Western Black-Legged Tick	Pacific Coast Tick
4/10/2021	Toro Canyon Park	5 female, 7 male	46 Female, 31 male

BG-Pro

All Your Needs in One

The new trap for professionals



EVS-style



CDC-style



Sentinel-style

Biogenes BG-Pro Mosquito Trap

The District has four of these versatile traps. Carbon dioxide (dry ice), the BG human skin lure (for invasive *Aedes*), or both, can be used as attractants. An LED light is included, which can also be used with the BG Sentinel traps. They require less electricity than the BG Sentinel traps, running on 5-volt USB power banks. If power runs out, the top closes to keep the insects inside. So far, we have found that they are noisier than the BG Sentinel traps (they sound similar to a hybrid or electric Toyota), so they are better suited for use farther away from public areas because they are more attractive to thieves or tampering by people. Slightly more non-target insects are caught, like moths and crane flies, probably because the LED light is very bright. Mosquitoes are caught in better condition than with our EVS traps because the fan pulls them in from below the catch net, rather than pulling insects down through the fan and into the net.

Mosquito and Vector Management District of Santa Barbara County

Report of District Operations -April 2021

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	7.0		1	1					1			7.5			14.5	
Goleta Valley	11.5	1.5		2		2.0		1				12.0			27.0	
Rancho Embarcadero															0.0	
Isla Vista															0.0	
Hope Ranch	1.0														1.0	
Hidden Valley															0.0	
Santa Barbara area	8.5	0.5		8		5.5			7.5	3		9.5	1	2	31.5	
Mission Canyon				1					2.5						2.5	
Montecito	7.5	0.5		3											8.0	
Summerland												24.5			24.5	
Carpinteria	7.5	0.5													8.0	
Carpinteria Valley	9.5	0.5						1				6.5			16.5	
Carp Salt Marsh	14.0														14.0	
Camino Real															0.0	
Storke Ranch															0.0	
Goleta Sanitary															0.0	
City of Goleta	4.0	4.5													8.5	
UCSB	11.5	2.5													14.0	
Santa Barbara Airport	10.5	1.5													12.0	
City of Santa Barbara	0.5	0.5													1.0	
SoCalGas															0.0	
South County	93.0	12.5	1	15	0	7.5	0.0	2	10.0	4	0.0	38.5	21.5	1	2	183.0
North County	0.5	0.5										14.0			15.0	
Pismo Beach												6.5			6.5	
Oceano Dunes												9.0			9.0	
San Luis Obispo															0.0	
SLO County	0.0	0.0	0	0	0	0.0	0.0	0	0	0.0	0.0	15.5	0	0	15.5	
Monthly Totals	93.5	13.0	1	15	0	7.5	0.0	2	10.0	4	0.0	52.5	37.0	1	2	213.5
Year to Date	391.5	86.0	3	27	2	9.5	0.0	5	44.0	9	0.0	126.0	72.5	2	6	

	This Month	Year to Date
Total Inspection Hours	111.0	445.0
Total Treatment Hours	13.0	86.0
Total Mileage	2,891.0	9,574.0

						May 7, 2021
Account	MOU Maximum	FYE20	FYE19	FYE18	MOU Status	
1 Wynmark	\$ 1,630	\$966.47	\$1,143.53	\$1,365.00	FYE22 Complete	
3 Goleta Sanitary District	\$ 5,425	\$5,174.11	\$3,598.48	\$4,044.15	FYE 22 complete	
4 Goleta, City of	\$ 19,609	\$2,802.59	\$5,217.48	\$2,230.54	Begin working on MOU for FYE23	
5 Oceano Dunes District	\$35,000*	\$14,871.28	\$9,623.00	\$16,261.56	Calendar Yr Ending 21 complete	
6 Pismo Beach, City of	\$ 16,920	\$4,024.30	\$4,438.80	\$5,037.80	Management Plan for FYE23 sent on 4/30	
7 Santa Barbara Airport	\$ 80,800	\$68,547.72	\$45,749.85	\$51,443.09	Begin working on MOU for FYE23	
8 Santa Barbara, City of	\$ 8,798	\$4,591.18	\$5,691.54	\$5,862.67	Begin working on MOU for FYE23	
9 SoCalGas	\$ 3,100	\$2,410.70	\$525.00	\$1,015.00	Begin working on MOU for FYE23	
10 Cal-Storke, LLC	\$ 2,100	\$1,065.26	\$1,050.00	\$1,540.00	Begin working on MOU for FYE23	
11 UCSB	\$ 41,000	\$35,038.62	\$25,584.03	\$11,439.49	FYE 22 complete	
12 San Luis Obispo, County of	\$ 15,420	\$10,819.61	\$6,489.76	\$7,842.40	SLO County has no budget for FYE21; MVMDSBC elects not to enter into an agreement with SLO Co. for FYE 21.	
	\$ 194,802	\$150,311.84	\$109,111.47	\$108,081.70		

	May 7, 2021	Budgeted
FYE 2021	\$104,983.47	\$110,000
FYE 2020	\$ 150,311.84	\$ 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

MVMDSBC Budget FY 2021-22

	Actual 6/30/2017	Actual 6/30/2018	Actual 6/30/19	Actual 6/30/2020	Budget FY 2020-21	Actual YTD 4/30/21	Budget FY 2021-22
Revenues							
Taxes							
3010 -- Property Tax-Current	382,787	400,098	424,934	444,843	434,000	451,306	460,000
3011 -- Property Tax-Unitary	6,274	6,135	6,378	6,860	6,200	3,876	6,900
3015 -- PT PY Corr/Escapes	2,156	1,861	-2,160	(17)	-	1,627	
3020 -- Property Tax-Current Unsecd	17,080	17,559	16,228	17,606	18,500	17,327	18,000
3023 -- PT PY Corr/Escapes	185	4,962	-32.85	335	-	186	
3028 -- RDA Pass-through payments	2,462	2,957	3,447	4,318	3,000	2,939	4,400
3029 -- RDA RPTTF Distributions	4,335	5,742	6,263	7,654	5,000	5,715	7,800
3040 -- Property Tax-Prior Secured	618	-23	(65)	23	-	(61)	
3050 -- Property Tax-Prior	159	5,983	570	2,320	2,300	327	2,400
3054 -- Supplemental Pty Tax-	9,817	9,968	8,076	8,727	8,000	1,397	8,800
3056 -- Supplemental Pty Tax-Prior	8	72	238	61	200	(10)	100
Taxes	425,880	455,313	463,878	492,730	477,200	484,629	508,400
Fines, Forfeitures, and Penalties							
3057 -- PT-506 Int, 480 CIOS/CIC Pen		3,051	(82)	54		20	
Fines, Forfeitures, and Penalties		3,051	(82)	54	-	20	-
Use of Money and Property							
3380 -- Interest Income	3,833	7,892	13,091	15,397	13,000	5,249	13,000
3381 -- Unrealized Gain/Loss	-2,765	-4,234	7,168	6,112	(4,000)	(8,862)	(4,000)
Use of Money and Property	1,068	3,657	20,259	21,509	9,000	(3,613)	9,000
Intergovernmental Revenue-State							
4160 -- State Aid for Disaster			1,888				
4220 -- Homeowners Property Tax	2,209	2,246	2,225	2,196	2,000	1,097	2,250
Intergovernmental Revenue-State	2,209	2,246	4,113	2,196	2,000	1,097	2,250
Intergovernmental Revenue-Other							
4840 -- Other Governmental	12,277	13,713	13,730	14,817	12,000	7,595	15,000
4842 -- RDA Dissolution Proceeds		1,363	3,129	1,369			
Intergovernmental Revenue-Other	12,277	15,076	16,859	16,186	12,000	7,595	15,000
Charges for Services							
4877 -- Other Special Assessments	561,191	577,739	604,118	622,319	633,929	633,460	648,425
Charges for Services	561,191	577,739	604,118	622,319	633,929	633,460	648,425
Miscellaneous Revenue							
5891-- Refunds/Repayments			6,431	5,495		23,585	
5909 -- Other Miscellaneous	95,627	134,118	120,955	138,537	110,000	59,387	120,000
Miscellaneous Revenue	95,627	134,118	127,386	144,032	110,000	82,972	120,000
Revenues	1,098,252	1,191,200	1,236,531	1,299,026	1,244,129	1,206,161	1,303,075

Expenditures

Salaries and Employee Benefits

6100 -- Regular Salaries	430,906	434,255	415,273	372,100	470,000	337,207	489,000
6210 -- Trustee Exp Reimb	-	8,800	8,000	8,600	10,000	7,500	10,000
6400 -- Retirement Contribution	134,658	143,883	140,042	129,841	166,850	117,690	173,595
6475 -- Retiree Medical OPEB	-	0	-	23,738	25,300	16,429	21,000
6500 -- FICA Contribution	26,668	27,434	26,204	23,533	29,140	21,384	30,318
6550 -- FICA/Medicare	6,237	6,416	6,128	5,504	6,900	5,001	7,580
6600 -- Health Insurance Contrib	117,304	116,151	131,509	130,733	145,000	115,787	149,000
6700 -- Unemployment Ins	2,367	2,023	1,830	1,181	3,500	1,051	2,500
6900 -- Workers Compensation	-	25,256	21,333	21,011	22,000	20,206	23,000

MVMDSBC Budget FY 2021-22

	Actual 6/30/2017	Actual 6/30/2018	Actual 6/30/19	Actual 6/30/2020	Budget FY 2020-21	Actual YTD 4/30/21	Budget FY 2021-22
Salaries and Employee Benefits	718,140	764,218	750,319	716,240	878,690	642,256	905,993
Services and Supplies							
7030 -- Clothing and Personal	5,543	4,848	4,890	5,645	6,700	5,312	6,900
7050 -- Communications	4,623	5,022	5,133	5,455	6,800	4,870	6,800
7070 -- Household Supplies	2,505	2,699	2,646	2,808	3,000	2,573	3,200
7090 -- Insurance	36,674	15,809	16,162	16,619	18,000	17,076	19,000
7120 -- Equipment Maintenance	2,881	2,638	2,441	6,442	6,800	3,603	7,300
7121 -- Operating Supplies	7,002	5,527	6,420	6,739	8,500	7,526	9,000
7124 -- IT Software Maintenance	140	3,215	7,197	15,399	11,000	3,971	7,000
7200 -- Structure & Ground	5,482	777	395	6,901	4,000	254	6,000
7430 -- Memberships	12,583	12,684	14,868	15,242	16,000	16,845	18,000
7450 -- Office Expense	6,199	5,139	7,771	3,304	5,000	4,210	6,000
7460 -- Professional & Special	64,885	103,920	61,502	55,529	63,000	42,427	63,000
7508 -- Legal Fees			27,920	6,637	15,000	10,244	15,000
7546 -- Administrative Expense	6,000	5,598	7,414	10,617	8,000	8,302	11,000
7650 -- Pesticides (Spcl Dept	86,318	60,947	72,644	78,783	80,000	46,933	82,000
7653 -- Training Fees & Supplies	2,792	3,933	1,329	2,895	5,000	2,740	6,000
7730 -- Transportation and Travel	3,500	4,813	2,019	3,769	5,000	253	5,000
7731 -- Gasoline-Oil-Fuel	7,464	7,835	8,330	8,563	9,500	5,215	9,600
7760 -- Utilities	4,270	3,903	4,379	3,671	4,800	3,192	4,800
Services and Supplies	262,235	252,258	253,458	255,017	276,100	185,545	285,600
Capital Assets							
8200 -- Structures & Struct	-	-	-	-	8,200	-	10,000
8300 -- Equipment	28,123	2,155	-	-	80,000	33,750	60,000
Capital Assets	28,123	2,155	-	-	88,200	33,750	70,000
Expenditures	1,008,498	1,018,631	1,003,777	971,257	1,242,990	861,550	1,261,593
Transfers Out							
7901 Oper Transfer Out	-	-	41,050	-	16,950	-	16,819
7901 Oper Transfer Out -	-	-	-	16,950	20,389	-	-
7860 -- Contrib to other agencies (OP	36,000	36,000	42,696	51,996	52,000	85,740	55,000
Total Transfers Out	36,000	36,000	83,746	68,946	89,339	85,740	71,819
Transfers In & Changes to Fund Balances							
9797 -- Unrealized Gains/losses	2,351	-	(213)	(6,112)	-	8,862	-
5911 -Transfer In (from fund 4161 for	-	-	-	-	88,200	-	30,337
Total Transfers In & Changes to Fund Balances		1,241	1,724	-6,112	88,200	8,862	30,337
Total	22,754	137,810	150,731	252,711	0	267,732	0
					Balanced		Balanced

Management Discussion and Analysis

The following is an overview of the Mosquito and Vector Management District of Santa Barbara County's financial performance during the fiscal year ending June 30, 2020. This information should be read together with the financial statements contained in the audit report prepared by Moss, Levy & Hartzheim's CPAs in accordance with accounting principles generally accepted in the United States of America.

Financial Highlights:

A comparison of financial indicators from the previous fiscal year 2018-19 with the current reported fiscal year 2019-20 is provided below:

	FYE 2019	FYE 2020	Change	
Net position	\$1,050,618	\$1,223,185	\$172,567	16.4%
Revenues				
Special assessments	610,549	627,814	17,265	2.8%
Taxes	463,796	492,784	28,988	1.2%
Contracts	149,463	136,435	(13,028)	(8.7)%
Other revenue/losses	69,324	47,704	(21,620)	(31.2)%
Total Revenue	1,293,132	1,304,737	11,605	0.9%
Expenditures				
Salaries and benefits	795,948	775,503	(20,445)	(2.6)%
Other expenditures	253,697	242,264	(11,433)	(4.5)%
Total expenditures	1,049,645	1,017,767	(31,878)	(3.0)%
Excess of revenues over expenditures	243,487	286,970	43,483	17.9%
Fund balance (June 30)	1,889,964	2,176,934	286,970	15.2%

Discussion and Analysis

The implementation of GASB 75 requires that the District's other post-employment health benefits (OPEB) liability be reported in full rather than amortized over 30 years. The District's net OPEB liability is \$466,039. The net OPEB liability for FYE2019 was \$462,842. To meet its obligations under GASB 45, the District deposited \$51,996 in CalPERS' California Employers Benefit Retirement Trust ("CERBT") to fund OPEB. Despite District contributions the OPEB liability has increased. The net position of the District increased by \$172,567 during the fiscal year.

The District aims for full cost recovery on fee for service contracts for public and private entities that contract with the District for mosquito control services. Fees are set to the fully burdened rate with overhead applied to labor costs.

The District ended fiscal year 2019-20 with \$19,379 in its assigned fund for capital projects and \$2,058,976 in its unassigned fund for a total fund balance of \$2,176,934. Revenues exceeded expenditures by \$286,970.

The implementation of GASB 75 required that the District's OPEB liability be reported in full. This reporting requirement reveals the significance of OPEB's liability. The annual amount

recommended to amortize OPEB liability is \$54,891. The District now has two retired employees. One retiree has reached Medicare-age eligibility and is no longer receiving health care benefits from the District. The other retiree continues to have their insurance costs reimbursed from the CERBT.

Under the terms of the Memorandum of Understanding between the District and the Mosquito and Vector Management District of Santa Barbara County Employees Association the salaries for vector control technicians are expected to increase according to the March 2021 consumer price index.

The District contributes to the cost of health insurance to its staff, up to a specific limit (cap) set by resolution. Provisions exist to adjust the District's contribution according to changes in the consumer price index. Health insurance costs continue to increase as the average cost per employee increased by 17% in 2020 and by 4% in 2021. However, the total premium cost remains below the District caps so that all employees' insurance premiums remain completely covered by the District.

Invasive *Aedes* species mosquitoes are present in 22 counties in California, including Santa Barbara County. Although they only have been found in two neighborhoods, we should expect to find them in more areas over time. Although eradication of the mosquitoes should be considered, realistically it likely will not be feasible because they are highly adapted to living in domestic environments, they can develop in very small amounts of stagnant water in hard-to-find locations, the eggs can survive without water for many months, and because of our increasingly warming climate. The District is working to slow the spread of these invasive mosquitoes through door-to-door surveying, trapping, localized treatments and public outreach in the infested areas. The District is also expanding its public outreach on a broader scale through local media and school districts, presentations to professional pest control associations and other stakeholder groups, and developing public information materials in Spanish.

The District also faced the unprecedented challenges presented by the global COVID-19 pandemic beginning with the statewide stay-at-home order implemented by Governor Newsom in March 2020. The District responded by closing its office to walk-in visits, suspending indoor inspection activities at residences, and adhering to all public health guidelines to prevent infection and spread of the virus. Work schedules were modified to maintain social distancing and reduce close interactions between staff members. Monthly board meetings switched from an in-person to online videoconference format. Fortunately, to date, no staff have been diagnosed with COVID-19. It is a tribute to our dedicated staff that the District continued with its operations, although at a reduced capacity. Nevertheless, the District was able to provide mosquito and vector management services throughout its service areas.

**Mosquito & Vector Management District of Santa
Barbara County
Actuarial Study of
Retiree Health Liabilities Under GASB 74/75
Valuation Date: June 30, 2020
Measurement Date: June 30, 2020
For Fiscal Year-End: June 30, 2021**

*Prepared by:
Total Compensation Systems, Inc.*

Date: April 7, 2021

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

This report was produced by Total Compensation Systems, Inc. for Mosquito & Vector Management District of Santa Barbara County to determine the liabilities associated with its current retiree health program as of a June 30, 2020 measurement date and to provide the necessary information to determine accounting entries for the fiscal year ending June 30, 2021. This report may not be suitable for other purposes such as determining employer contributions or assessing the potential impact of changes in plan design.

Different users of this report will likely be interested in different sections of information contained within. We anticipate that the following portions may be of most interest depending on the reader:

- A high level comparison of key results from the current year to the prior year is shown on this page.
- The values we anticipate will be disclosed in the June 30, 2021 year-end financials are shown on pages 2 and 3.
- Additional accounting information is shown on page 12 and Appendices C and D.
- Description and details of measured valuation liabilities can be found beginning on page 10.
- Guidance regarding the next actuarial valuation for the June 30, 2021 measurement date is provided on page 13.

B. Key Results

MVMD of Santa Barbara County uses an Actuarial Measurement Date that is 12 months prior to its Fiscal Year-End. This means that these actuarial results measured as of June 30, 2020 will be used on a look back basis for the June 30, 2021 Fiscal Year-End.

Key Results	Current Year	Prior Year
	<i>June 30, 2020 Measurement Date for June 30, 2021 Fiscal Year-End</i>	<i>June 30, 2019 Measurement Date for June 30, 2020 Fiscal Year-End</i>
Total OPEB Liability (TOL)	\$843,857	\$854,610
Fiduciary Net Position (FNP)	\$443,229	\$388,571
Net OPEB Liability (NOL)	\$400,628	\$466,039
Service Cost (for year following)	\$34,170	\$24,561
Estimated Pay-as-you-go Cost (for year following)	\$19,935	\$14,244
GASB 75 OPEB Expense (for year ending)	\$45,289	\$51,712

Refer to results section beginning on page 10 or the glossary on page 27 for descriptions of the above items.

Key Assumptions	Current Year	Prior Year
	<i>June 30, 2020 Measurement Date for June 30, 2021 Fiscal Year-End</i>	<i>June 30, 2019 Measurement Date for June 30, 2020 Fiscal Year-End</i>
Valuation Interest Rate	6.00%	6.00%
Expected Rate of Return on Assets	6.00%	6.00%
Long-Term Medical Trend Rate	4.00%	4.00%
Projected Payroll Growth	2.75%	2.75%

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C. Summary of GASB 75 Accounting Results

1. Changes in Net OPEB Liability

The following table shows the reconciliation of the June 30, 2019 Net OPEB Liability (NOL) in the prior valuation to the June 30, 2020 NOL. A more detailed version of this table can be found on page 12.

	<i>TOL</i>	<i>FNP</i>	<i>NOL</i>
Balance at June 30, 2019 Measurement Date	\$854,610	\$388,571	\$466,039
Service Cost	\$24,561	\$0	\$24,561
Interest on TOL / Return on FNP	\$51,586	\$26,452	\$25,134
Employer Contributions	\$0	\$51,996	(\$51,996)
Benefit Payments	(\$23,585)	(\$23,585)	\$0
Administrative Expenses	\$0	(\$205)	\$205
Experience (Gains)/Losses	(\$37,311)	\$0	(\$37,311)
Changes in Assumptions	(\$26,004)	\$0	(\$26,004)
Other	\$0	\$0	\$0
Net Change	(\$10,753)	\$54,658	(\$65,411)
Actual Balance at June 30, 2020 Measurement Date	\$843,857	\$443,229	\$400,628

2. Deferred Inflows and Outflows

Changes in the NOL arising from certain sources are recognized on a deferred basis. The following tables show the balance of each deferral item as of the measurement date and the scheduled future recognition. A reconciliation of these balances can be found on page 12 while the complete deferral history is shown beginning on page 24.

Balances at June 30, 2021 Fiscal Year-End	<i>Deferred Outflows</i>	<i>Deferred Inflows</i>
Differences between expected and actual experience	\$6,573	(\$33,210)
Changes in assumptions	\$0	(\$23,146)
Differences between projected and actual return on assets	\$1,684	(\$5,186)
Total	\$8,257	(\$61,542)

To be recognized fiscal year ending June 30:	<i>Deferred Outflows</i>	<i>Deferred Inflows</i>
2022	\$1,633	(\$8,536)
2023	\$1,633	(\$8,536)
2024	\$791	(\$8,535)
2025	\$791	(\$7,415)
2026	\$791	(\$6,959)
Thereafter	\$2,618	(\$21,561)
Total	\$8,257	(\$61,542)

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3. OPEB Expense

Under GASB 74 and 75, OPEB expense includes service cost, interest cost, administrative expenses, and change in TOL due to plan changes, adjusted for deferred inflows and outflows. OPEB expense can also be derived as change in net position, adjusted for employer contributions, which can be found on page 12.

To be recognized fiscal year ending June 30, 2021	<i>Expense Component</i>
Service Cost	\$24,561
Interest Cost	\$51,586
Expected Return on Assets	(\$24,160)
Administrative Expenses	\$205
Recognition of Experience (Gain)/Loss Deferrals	(\$3,310)
Recognition of Assumption Change Deferrals	(\$2,858)
Recognition of Investment (Gain)/Loss Deferrals	(\$735)
Employee Contributions	\$0
Changes in Benefit Terms	\$0
Net OPEB Expense for fiscal year ending June 30, 2021	\$45,289

* May include a slight rounding error.

4. Adjustments

The above OPEB expense includes all deferred inflows and outflows except any contributions after the measurement date. Contributions from July 1, 2020 to June 30, 2021 minus prior contributions after the measurement date of \$23,770 should also be reflected in OPEB expense. June 30, 2021 deferred outflows should include contributions from July 1, 2020 to June 30, 2021.

5. Trend and Interest Rate Sensitivities

The following presents what the Net OPEB Liability would be if it were calculated using a discount rate assumption or a healthcare trend rate assumption one percent higher or lower than the current assumption.

Net OPEB Liability at June 30, 2020 Measurement Date	<i>Discount Rate</i>	<i>Healthcare Trend Rate</i>
1% Decrease in Assumption	\$549,058	\$256,364
Current Assumption	\$400,628	\$400,628
1% Increase in Assumption	\$281,194	\$585,815

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D. 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	\$2,228.92 per month**

*Employees hired after 7/1/2018 are subject to a \$1,361 District Cap and 10 year service requirement

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

E. Summary of Valuation Data

This report is based on census data provided to us as of June, 2020. Distributions of participants by age and service can be found on page 18. The active count below excludes employees for whom it is not possible to receive retiree benefits (e.g. employees who are already older than the maximum age to which benefits are payable or who will not accrue the required service prior to reaching the maximum age).

	Current Year	Prior Year
	<i>June 30, 2020 Valuation Date</i>	<i>June 30, 2018 Valuation Date</i>
	<i>June 30, 2020 Measurement Date</i>	<i>June 30, 2019 Measurement Date</i>
Active Employees eligible for future benefits		
Count	6	0
Average Age	47.3	45.7
Average Years of Service	12.8	11.2
Retirees currently receiving benefits		
Count	2	1
Average Age	64.5	62.0

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

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F. 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 Statement 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, 2020 to June 30, 2021, using a measurement date of June 30, 2020. 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. We relied on the following materials to complete this study:

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

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 and in combination represent our estimate of anticipated experience of the Plan.

This report contains estimates of the Plan's financial condition and future results only as of a single date. Future results can vary dramatically and the accuracy of estimates contained in this report depends on the actuarial assumptions used. This valuation 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 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

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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

PART II: LIABILITIES AND COSTS FOR RETIREE BENEFITS

A. Introduction.

We calculated the actuarial present value of projected benefit payments (APVPBP) separately for each participant. We determined eligibility for retiree benefits based on information supplied by MVMD of Santa Barbara County. We then selected assumptions that, based on plan provisions and our training and experience, represent our best prediction of future plan experience. For each participant, we applied the appropriate assumption factors based on the participant's age, sex, length of service, and employee classification.

The actuarial assumptions used for this study are summarized beginning on page 14.

B. Liability for Retiree Benefits.

For each participant, we projected future premium costs using an assumed trend rate (see Appendix C). To the extent MVMD of Santa Barbara County uses contribution caps, the influence of the trend factor is further reduced. We multiplied each year's benefit payments by the probability that benefits will be paid; i.e. based on the probability that the participant is living, has not terminated employment, has retired and remains eligible. The probability that benefit will be paid is zero if the participant is not eligible. The participant is not eligible if s/he has not met minimum service, minimum age or, if applicable, maximum age requirements.

The product of each year's benefit payments and the probability the benefit will be paid equals the expected cost for that year. We multiplied the above expected cost figures by the probability that the retiree would elect coverage. A retiree may not elect to be covered if retiree health coverage is available less expensively from another source (e.g. Medicare risk contract) or the retiree is covered under a spouse's plan. Finally, we discounted the expected cost for each year to the measurement date June 30, 2020 at 6.00% interest.

For any *current retirees*, the approach used was similar. The major difference is that the probability of payment for current retirees depends only on mortality and age restrictions (i.e. for retired employees the probability of being retired and of not being terminated are always both 100%).

The value generated from the process described above is called the actuarial present value of projected benefit payments (APVPBP). We added APVPBP for each participant to get the total APVPBP for all participants which is the estimated present value of all future retiree health benefits for all **current** participants. The APVPBP is the amount on June 30, 2020 that, if all actuarial assumptions are exactly right, would be sufficient to expense all promised benefits until the last participant dies or reaches the maximum eligibility age. However, for most actuarial and accounting purposes, the APVPBP is not used directly but is instead apportioned over the lifetime of each participant as described in the following sections.

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C. Actuarial Accrual

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”).

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” and uses the APVPBP to develop expense and liability figures. Furthermore, the APVPBP should be accrued over the working lifetime of employees.

In order to accrue the APVPBP over the working lifetime of employees, actuarial cost methods apportion the APVPBP into two parts: the portions attributable to service rendered prior to the measurement date (the past service liability or Total OPEB Liability (TOL) under GASB 74 and 75) and to service after the measurement date but prior to retirement (the future service liability or present value of future service costs). Of the future service liability, the portion attributable to the single year immediately following the measurement date is known as the normal cost or Service Cost under GASB 74 and 75.

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. The actuarial cost method mandated by GASB 75 is the “entry age actuarial cost method”. Under the entry age actuarial cost method, the actuary determines the service cost as the annual amount needing to be expensed from hire until retirement to fully accrue the cost of retiree health benefits. Under GASB 75, the service cost is calculated to be a level percentage of each employee’s projected pay.

D. Actuarial Assumptions

The APVPBP and service cost are 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 (and sometimes retirement or disability status). 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 rated AA or higher. For partially funded plans, the discount rate is a blend of the funded and unfunded rates.

E. Total OPEB Liability

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.

Changes in the TOL can arise in several ways - e.g., as a result of plan changes or changes in actuarial assumptions. Change in the TOL can also arise from actuarial gains and losses. Actuarial gains and losses result from differences between actuarial assumptions and actual plan experience. GASB 75 allows certain changes in the TOL to be deferred (i.e. deferred inflows and outflows of resources).

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

- Investment gains and losses are deferred five years.
- Experience gains and losses are 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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F. Valuation Results

This section details the measured values of the concepts described on the previous pages.

1. Actuarial Present Value of Projected Benefit Payments (APVPBP)

Actuarial Present Value of Projected Benefit Payments as of June 30, 2020 Valuation Date

	<i>Total</i>
Active: Pre-65 Benefit	\$430,184
Post-65 Benefit	\$473,916
Subtotal	\$904,100
Retiree: Pre-65 Benefit	\$14,374
Post-65 Benefit	\$189,436
Subtotal	\$203,810
Grand Total	\$1,107,910
Subtotal Pre-65 Benefit	\$444,558
Subtotal Post-65 Benefit	\$663,352

2. Service Cost

The service cost represents the value of the benefit earned during a single year of employment. It is the APVPBP spread over the expected working lifetime of the employee and divided into annual segments. We applied an "entry age" actuarial cost method to determine funding rates for active employees. The table below summarizes the calculated service cost.

Service Cost Valuation Year Beginning July 1, 2020

	<i>Total</i>
# of Eligible Employees	6
First Year Service Cost	
Pre-65 Benefit	\$16,188
Post-65 Benefit	\$17,982
Total	\$34,170

Accruing retiree health benefit costs using service costs levels out the cost of retiree health benefits over time and more fairly reflects the value of benefits "earned" each year by employees. While the service cost for each employee is targeted to remain level as a percentage of covered payroll, the service cost as a dollar amount would increase each year based on covered payroll. Additionally, the overall service cost may grow or shrink based on changes in the demographic makeup of the employees from year to year.

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3. Total OPEB Liability and Net OPEB Liability

If actuarial assumptions are borne out by experience, the District will fully accrue retiree benefits by expensing an amount each year that equals the service cost. If no accruals had taken place in the past, there would be a shortfall of many years' accruals, accumulated interest and forfeitures for terminated or deceased employees. This shortfall is called the Total OPEB Liability. We calculated the Total OPEB Liability (TOL) as the APVPBP minus the present value of future service costs. To the extent that benefits are funded through a GASB 74 qualifying trust, the trust's Fiduciary Net Position (FNP) is subtracted to get the NOL. The FNP is the value of assets adjusted for any applicable payables and receivables as shown in the table on page 15.

Total OPEB Liability and Net OPEB Liability as of June 30, 2020 Valuation Date

	<i>Total</i>
Active: Pre-65 Benefit	\$299,246
Active: Post-65 Benefit	\$340,801
Subtotal	<u>\$640,047</u>
Retiree: Pre-65 Benefit	\$14,374
Retiree: Post-65 Benefit	\$189,436
Subtotal	<u>\$203,810</u>
Subtotal: Pre-65 Benefit	<u>\$313,620</u>
Subtotal: Post-65 Benefit	<u>\$530,237</u>
Total OPEB Liability (TOL)	\$843,857
Fiduciary Net Position as of June 30, 2020	\$443,229
Net OPEB Liability (NOL)	<u><u>\$400,628</u></u>

4. "Pay As You Go" Projection of Retiree Benefit Payments

We used the actuarial assumptions shown in Appendix C to project the District's ten year retiree benefit outlay. Because these cost estimates reflect average assumptions applied to a relatively small number of participants, estimates for individual years are **certain** to be *in*accurate. 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.

<i>Year Beginning</i>	
<i>July 1</i>	<i>Total</i>
2020	\$19,935
2021	\$12,830
2022	\$15,093
2023	\$17,306
2024	\$19,476
2025	\$22,609
2026	\$26,036
2027	\$39,914
2028	\$48,626
2029	\$64,882

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G. Additional Reconciliation of GASB 75 Results

The following table shows the reconciliation of the June 30, 2019 Net OPEB Liability (NOL) in the prior valuation to the June 30, 2020 NOL. For some plans, it will provide additional detail and transparency beyond that shown in the table on Page 2.

	<i>TOL</i>	<i>FNP</i>	<i>NOL</i>
Balance at June 30, 2019	\$854,610	\$388,571	\$466,039
Service Cost	\$24,561	\$0	\$24,561
Interest on Total OPEB Liability	\$51,586	\$0	\$51,586
Expected Investment Income	\$0	\$24,160	(\$24,160)
Administrative Expenses	\$0	(\$205)	\$205
Employee Contributions	\$0	\$0	\$0
Employer Contributions to Trust	\$0	\$51,996	(\$51,996)
Employer Contributions as Benefit Payments	\$0	\$0	\$0
Actual Benefit Payments from Trust	(\$23,585)	(\$23,585)	\$0
Actual Benefit Payments from Employer	\$0	\$0	\$0
Expected Minus Actual Benefit Payments**	\$9,341	\$0	\$9,341
Expected Balance at June 30, 2020	\$916,513	\$440,937	\$475,576
Experience (Gains)/Losses	(\$46,652)	\$0	(\$46,652)
Changes in Assumptions	(\$26,004)	\$0	(\$26,004)
Changes in Benefit Terms	\$0	\$0	\$0
Investment Gains/(Losses)	\$0	\$2,292	(\$2,292)
Other	\$0	\$0	\$0
Net Change during 2020	(\$10,753)	\$54,658	(\$65,411)
Actual Balance at June 30, 2020*	\$843,857	\$443,229	\$400,628

* May include a slight rounding error.

** Deferrable as an Experience Gain or Loss.

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 beginning on page 24. 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, 2021

	<i>Beginning Balance</i>	<i>Change Due to New Deferrals</i>	<i>Change Due to Recognition</i>	<i>Ending Balance</i>
Experience (Gains)/Losses	\$7,364	(\$37,311)	\$3,310	(\$26,637)
Assumption Changes	\$0	(\$26,004)	\$2,858	(\$23,146)
Investment (Gains)/Losses	(\$1,945)	(\$2,292)	\$735	(\$3,502)
Deferred Balances	\$5,419	(\$65,607)	\$6,903	(\$53,285)

The following table shows the reconciliation of Net Position (NOL less the balance of any deferred inflows or outflows). When adjusted for contributions, the change in Net Position is equal to the OPEB expense shown previously on page 3.

Preliminary OPEB Expense Fiscal Year Ending June 30, 2021

	<i>Beginning Net Position</i>	<i>Ending Net Position</i>	<i>Change</i>
Net OPEB Liability (NOL)	\$466,039	\$400,628	(\$65,411)
Deferred Balances	\$5,419	(\$53,285)	(\$58,704)
Net Position	\$460,620	\$453,913	(\$6,707)
Adjust Out Employer Contributions			\$51,996
OPEB Expense			\$45,289

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H. Procedures for Future Valuations

GASB 74/75 require annual measurements of liability with a full actuarial valuation required every two years. This means that for the measurement date one year following a full actuarial valuation, a streamlined “roll-forward” valuation may be performed in place of a full valuation. The following outlines the key differences between full and roll-forward valuations.

	Full Actuarial Valuation	Roll-Forward Valuation
Collect New Census Data	Yes	No
Reflect Updates to Plan Design	Yes	No
Update Actuarial Assumptions	Yes	Typically Not
Update Valuation Interest Rate	Yes	Yes
Actual Assets as of Measurement Date	Yes	Yes
Timing	4-6 weeks after information is received	1-2 weeks after information is received
Fees	Full	Reduced
Information Needed from Employer	Moderate	Minimal
Required Frequency	At least every two years	Each year, unless a full valuation is performed

The majority of employers use an alternating cycle of a full valuation one year followed by a roll-forward valuation the next year. However, a full valuation may be required or preferred under certain circumstances. Following are examples of actions that could cause the employer to consider a full valuation instead of a roll-forward valuation.

- The employer considers or puts in place an early retirement incentive program.
- The employer considers or implements changes to retiree benefit provisions or eligibility requirements.
- The employer desires the measured liability to incorporate more recent census data or assumptions.
- The employer forms a qualifying trust or changes its investment policy.
- The employer adds or terminates a group of participants that constitutes a significant part of the covered group.

We anticipate that the next valuation we perform for MVMD of Santa Barbara County will be a roll-forward valuation with a measurement date of June 30, 2021 which will be used for the fiscal year ending June 30, 2022. Please let us know if MVMD of Santa Barbara County would like to discuss whether another full valuation would be preferable based on any of the examples listed above.

PART III: 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.

A. ACTUARIAL METHODS AND ASSUMPTIONS:

ACTUARIAL COST METHOD: GASB 74 and 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 a participant by participant basis and then aggregated.

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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B. 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 6.00% per year net of expenses. This is based on assumed long-term return on employer assets.. We used the “Building Block Method”. (See Appendix C, 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 4.00% 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, 2020

	<u>06/30/2019</u>	<u>06/30/2020</u>
Cash and Equivalents	\$0	\$0
Contributions Receivable	\$0	\$0
Total Investments	\$394,066	\$466,814
Capital Assets	\$0	\$0
Total Assets	\$394,066	\$466,814
Benefits Payable	(\$5,495)	(\$23,585)
Fiduciary Net Position	\$388,571	\$443,229

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C. NON-ECONOMIC ASSUMPTIONS:

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

MORTALITY

<i>Participant Type</i>	<i>Mortality Tables</i>
Miscellaneous	2017 CalPERS Mortality for Miscellaneous and Schools Employees

RETIREMENT RATES

<i>Employee Type</i>	<i>Retirement Rate Tables</i>
All Participants	Hired 2013 and after. 2017 CalPERS 2.0% @62 Rates for Miscellaneous Employees Hired 2012 and before. Santa Barbara County Employees' Retirement System retirement rates for Miscellaneous employees

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 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

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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	Hired 2013 and after. \$15,600 Hired 2012 and before. \$19,381	\$9,137

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.

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PART IV: APPENDICES

APPENDIX A: DEMOGRAPHIC DATA BY AGE

ELIGIBLE ACTIVE EMPLOYEES BY AGE AND SERVICE

	<i>Total</i>	<i>Under 5 Years of Service</i>	<i>5 – 9 Years of Service</i>	<i>10 – 14 Years of Service</i>	<i>15 – 19 Years of Service</i>	<i>20 – 24 Years of Service</i>	<i>25 – 29 Years of Service</i>	<i>30 – 34 Years of Service</i>	<i>Over 34 Years of Service</i>
Under 25	0								
25 – 29	0								
30 – 34	0								
35 – 39	1			1					
40 – 44	2				2				
45 – 49	1			1					
50 – 54	0								
55 – 59	2	1			1				
60 – 64	0								
65 and older	0								
Total	6	1	0	2	3	0	0	0	0

ELIGIBLE RETIREES BY AGE AND EMPLOYEE CLASS

<i>Age</i>	<i>Total</i>
Under 50	0
50 – 54	0
55 – 59	0
60 – 64	2
65 – 69	0
70 – 74	0
75 – 79	0
80 – 84	0
85 – 89	0
90 and older	0
Total	2

APPENDIX B: ADMINISTRATIVE BEST PRACTICES

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. The following items 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 these suggestions.

- We suggest 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.
- 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.
- 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 Part III of this report for a summary of assumptions.) 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.

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APPENDIX C: 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	2
Inactive Employees Entitled to But Not Yet Receiving Benefit Payments*	0
Participating Active Employees	6
Total Number of participants	8

*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	2017 CalPERS Mortality for Miscellaneous and Schools Employees
Disclosure	The mortality assumptions are based on the 2017 CalPERS Mortality for Miscellaneous and Schools 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	2017 CalPERS Retiree Mortality for All Employees
Disclosure	The mortality assumptions are based on the 2017 CalPERS Retiree Mortality for All 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	2017 CalPERS 2.0% @62 Rates for Miscellaneous Employees
Disclosure	The retirement assumptions are based on the 2017 CalPERS 2.0% @62 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.

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 SBERS 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 healthcare cost trend rate 1% higher and 1% lower than assumed in the valuation.

	Trend 1% Lower	Valuation Trend	Trend 1% Higher
Net OPEB Liability	\$256,364	\$400,628	\$585,815

Paragraph 53:

Discount Rate

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

53.a: A discount rate of 6.00% was used in the valuation. The interest rate used in the prior valuation was 6.00%.

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

53.c: We used historic 31 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 50 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
All Equities	22.0000	7.7950
All Fixed Income	49.0000	4.5000
Real Estate Investment Trusts	8.0000	7.5000
All Commodities	5.0000	7.7950
Treasury Inflation Protected Securities (TIPS)	16.0000	3.2500

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 1% Lower	Valuation Discount Rate	Discount Rate 1% Higher
Net OPEB Liability	\$549,058	\$400,628	\$281,194

Paragraph 55: Changes in the Net OPEB Liability

Please see reconciliation on pages 2 or 12.

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, 2020.

The measurement date is June 30, 2020.

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

56.c: Assumed rates of retirement, termination, and mortality have been updated to align with those currently being used by the statewide pension systems.

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- 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 on page 12 and in Appendix D
- 56.i: Future recognition of deferred inflows and outflows is shown in Appendix D

Paragraph 57: Required Supplementary Information

- 57.a: Please see reconciliation on pages 2 or 12. Please see the notes for Paragraph 244 below for more information.
- 57.b: These items are provided on pages 2 and 12 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 31 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 31 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.

APPENDIX D: 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 2019	Increase (Decrease) in OPEB Expense Arising from the Recognition of Effects of Experience Gains and Losses (Measurement Periods)								
				2020	Amounts to be Recognized in OPEB Expense after 2020	2021	2022	2023	2024	2025	Thereafter	
2017-18	\$8,635	11.3	\$1,530	\$765	\$6,340	\$765	\$765	\$765	\$765	\$765	\$765	\$2,515
2018-19	\$285	11.3	\$26	\$26	\$233	\$26	\$26	\$26	\$26	\$26	\$26	\$103
2019-20	(\$37,311)	9.1	\$0	(\$4,101)	(\$33,210)	(\$4,101)	(\$4,101)	(\$4,101)	(\$4,101)	(\$4,101)	(\$4,101)	(\$12,705)
Net Increase (Decrease) in OPEB Expense			\$1,556	(\$3,310)	(\$26,637)	(\$3,310)	(\$3,310)	(\$3,310)	(\$3,310)	(\$3,310)	(\$3,310)	(\$10,087)

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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 2019	2020	Amounts to be Recognized in OPEB Expense after 2020	2021	2022	2023	2024	2025	Thereafter
2019-20	(\$26,004)	9.1	\$0	(\$2,858)	(\$23,146)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$8,856)
Net Increase (Decrease) in OPEB Expense			\$0	(\$2,858)	(\$23,146)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$8,856)

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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 2019	2020	Amounts to be Recognized in OPEB Expense after 2020	2021	2022	2023	2024	2025	Thereafter
2017-18	\$4,210	5	\$1,684	\$842	\$1,684	\$842	\$842				
2018-19	(\$5,589)	5	(\$1,118)	(\$1,118)	(\$3,353)	(\$1,118)	(\$1,118)	(\$1,117)			
2019-20	(\$2,292)	5	\$0	(\$459)	(\$1,833)	(\$459)	(\$459)	(\$459)	(\$456)		
Net Increase (Decrease) in OPEB Expense			\$566	(\$735)	(\$3,502)	(\$735)	(\$735)	(\$1,576)	(\$456)	\$0	\$0

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

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<u>Pay As You Go Cost:</u>	The projected benefit payments to retirees in a given year as estimated by the actuarial valuation. Actual benefit payments are likely to differ from these estimated amounts. For OPEB plans that do not pre-fund through an irrevocable trust, the Pay As You Go Cost serves as an estimated amount to budget for annual OPEB payments.
<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 participants’ 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.



MOSQUITO AND VECTOR MANAGEMENT DISTRICT OF SANTA BARBARA COUNTY

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

ENGINEER'S REPORT - FINAL

FISCAL YEAR 2021-22

APRIL, 2021

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

ENGINEER OF WORK:
SCIConsultingGroup
4745 MANGELS BLVD.
FAIRFIELD, CALIFORNIA 94534
PHONE 707.430.4300
FAX 707.430.4319
WWW.SCI-CG.COM

MOSQUITO AND VECTOR MANAGEMENT DISTRICT OF SANTA BARBARA COUNTY

BOARD OF TRUSTEES

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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.

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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 2021-22 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 2021-22, the assessments will be submitted to the County Auditor for inclusion on the property tax rolls for fiscal year 2021-22. 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 XIII C and XIII D 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 2021-22 are depicted on the following page.

FIGURE 1 – SUMMARY COST ESTIMATE, FY 2021-22

MOSQUITO AND VECTOR MANAGEMENT DISTRICT OF SANTA BARBARA COUNTY			
Service Zone No. 1 and Service Zone No. 2 Assessments			
Estimate of Cost			
Fiscal Year 2021-22			
Beginning Fund Balance			\$1,118,141
Zone 2 Revenue			
Property Tax Revenue			\$152,520
Estimated Interest on Fund Balance			\$2,700
Intergovernmental Revenue			\$5,175
Subtotal			<u>\$160,395</u>
Zone 1 Revenue			
Property Tax Revenue			\$355,880
Estimated Interest on Fund Balance			\$6,300
Intergovernmental Revenue			\$12,075
Contract Revenue			\$120,000
Subtotal			<u>\$494,255</u>
Total Operating Revenue from General Fund			\$654,650
Vector Control Services and Related Expenditures			
Operations:			
Salaries & Employee Benefits			\$905,993
Communications			\$6,800
Insurance			\$19,000
Maintenance: Equipment, IT, Structures			\$20,300
Office & Household Expense			\$9,100
Utilities			\$4,800
Professional, Special Service & Administrative Costs			\$88,000
Subtotal - Operations			<u>\$1,053,993</u>
Services and Supplies:			
Clothing, Training, Education			\$12,900
Memberships			\$18,000
Travel & Fuel			\$14,500
Supplies			\$8,800
Pesticides			\$82,000
Subtotal - Services & Supplies			<u>\$136,200</u>
Fixed Assets - Equipment ¹			\$60,000
Subtotal - Vector Control Services and Related Expenditures			\$1,250,193
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>\$1,323,321</u>
Total Benefit of Improvements			\$1,323,321
SFE Units			58,575.00
Benefit Received per Single Family Equivalent Unit			\$22.59
Less: Beginning Fund Balance			(\$1,118,141)
Less: District Contribution to/(from) Reserves			(\$20,246)
Total Vector Control Services and Incidental Expenses			<u>\$648,425</u>
(Net Amount to be Assessed)			
Budget Allocation to Property			
		Assessment	Total
Zone	Total SFE Units	per SFE ³	Assessment
1	53,073.50	\$11.07	\$587,524
2	5,501.50	\$11.07	\$60,902
Total Assessment			<u>\$648,425</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.

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 2021-22 assessment rate per benefit unit for Service Zone 1 and Service Zone 2.

GENERAL VS. SPECIAL BENEFIT

Article XIII C 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 2021-22 is \$1,323,321. Of this total amount, the existing District must contribute at least \$52,933, 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 \$674,896, or approximately 51.0% 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:

$$\text{Special Benefit}_{(\text{per parcel})} = \sum f(\text{Special Benefits, Property Specific Attributes}^1)_{(\text{per parcel})}$$

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 2021-22 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 2021-22 is generally as follows:

FIGURE 2 – SUMMARY COST ESTIMATE, FY 2021-22

Vector & Disease Control Services	\$1,250,193
Administrative Costs	\$73,128
TOTAL BUDGET	\$1,323,321
Less:	
General Fund Contribution	(\$654,650)
District Contribution from Reserves	(\$20,246)
Net Amount To Assessments	\$648,425

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.

The assessment rate for Service Zone 1 for Fiscal Year 2020-21 was \$10.83 per single family equivalent benefit unit. The annual change in the CPI from March 2020 to March 2021 was 2.19%. The calculated maximum authorized assessment rate for Fiscal Year 2021-22 is \$11.07 per single family equivalent benefit unit. The estimate of cost and budget in this Engineer's Report justifies assessment of the maximum authorized assessment rate and hence, proposes assessments for fiscal year 2021-22 at the rate of \$11.07 per single family equivalent benefit unit.

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 \$11.07 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 2021-22, 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 2021-22. 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 2021-22 for each parcel or lot of land within the said Service Zone No.1 and Service Zone No. 2.

Dated: April 19, 2021

Engineer of Work



By John W. Bliss, License No. C52091



APPENDICES

Appendix A – Assessment Diagram

Appendix B – Assessment Roll

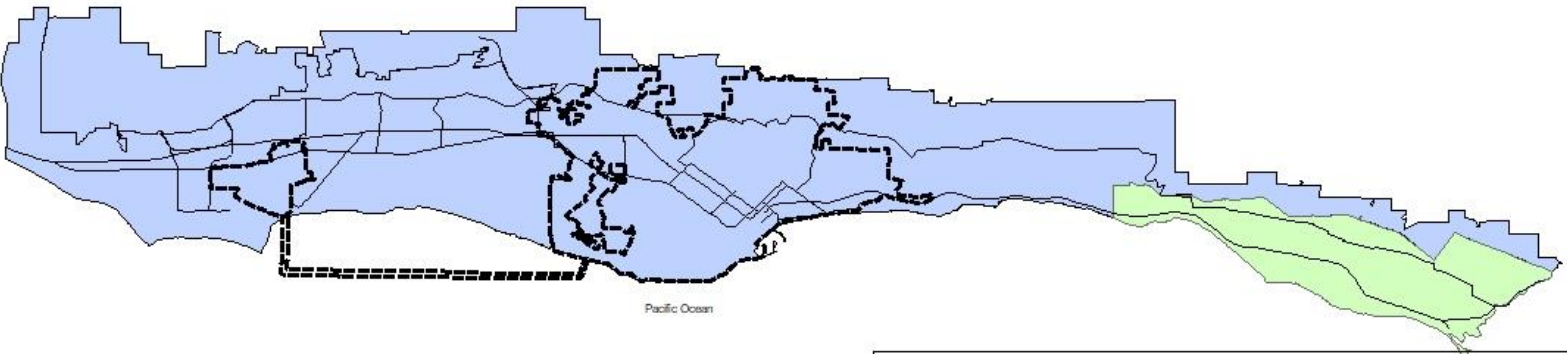
APPENDIX A – ASSESSMENT DIAGRAM

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.

Legend

- Major Streets
- Service Zone No. 2
- Service Zone No. 1



**MOSQUITO AND VECTOR MANAGEMENT DISTRICT
OF SANTA BARBARA COUNTY
SERVICE ZONE NO. 1 AND SERVICE ZONE NO. 2
ASSESSMENTS**

FILED IN THE OFFICE OF THE GENERAL MANAGER
OF THE MOSQUITO AND VECTOR MANAGEMENT DISTRICT
OF SANTA BARBARA COUNTY, COUNTY OF SANTA
BARBARA, CALIFORNIA,
THIS ____ DAY OF _____, 20__

GENERAL MANAGER _____

RECORDED IN THE OFFICE OF THE GENERAL MANAGER
OF THE MOSQUITO AND VECTOR MANAGEMENT
DISTRICT OF SANTA BARBARA COUNTY, CALIFORNIA
THIS ____ DAY OF _____, 20__

GENERAL MANAGER _____

AN ASSESSMENT WAS CONFIRMED AND LEVIED BY
THE BOARD OF TRUSTEES OF THE MOSQUITO AND
VECTOR MANAGEMENT DISTRICT OF SANTA BARBARA
COUNTY, COUNTY OF SANTA BARBARA, CALIFORNIA,
ON THE LOTS, PIECES AND PARCELS OF LAND ON THIS
ASSESSMENT DIAGRAM ON THE ____ DAY OF
2000 FOR THE FISCAL YEAR 20__ AND SAID
ASSESSMENT DIAGRAM AND THE ASSESSMENT ROLL FOR
SAID FISCAL YEAR WERE FILED IN THE OFFICE OF THE
GENERAL MANAGER OF THE MOSQUITO AND
VECTOR MANAGEMENT DISTRICT OF SANTA BARBARA
COUNTY, CALIFORNIA ON THE ____ DAY OF
20__ REFERENCE IS HEREBY
MADE TO SAID RECORDED ASSESSMENT ROLL FOR THE
EXACT AMOUNT OF EACH ASSESSMENT LEVIED AGAINST
EACH PARCEL OF LAND.

GENERAL MANAGER _____

Note:
REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS
OF RECORD IN THE OFFICE OF THE ASSESSOR OF THE
COUNTY OF SANTA BARBARA FOR A DETAILED
DESCRIPTION OF THE LINES AND DIMENSIONS OF ANY
PARCEL SHOWN HEREIN. THOSE MAPS SHALL GOVERN
FOR ALL DETAILS CONCERNING THE LINES AND
DIMENSIONS OF SUCH PARCELS. EACH PARCEL IS
IDENTIFIED IN SAID MAPS BY ITS DISTINCTIVE ASSESSORS
PARCEL NUMBER

PREPARED BY SCI CONSULTING GROUP
4745 MANGELS BLVD.
FAIRFIELD, CA 94534
(707) 430-4300

APPENDIX B – ASSESSMENT ROLL, FY 2021-22

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.

RESOLUTION NO. 21-02

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 2021-22
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 2021-22 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 XIII D 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 2021-22 is \$587,524, 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 2021-22 in the amounts set forth below, which are computed by the methods established in the Staff Report. They are based on the assessment of \$11.17 per benefit unit, which is the proposed benefit unit assessment for fiscal year 2021-22. The assessments which are to be levied on all parcels of land within Service Zone No. 1 for the 2021-22 fiscal year, except land owned by governmental agencies or public utilities, are as follows:

7.

LAND USE	PROPOSED ASSESSMENT FY 2021-22
VACANT	\$8.30
FARMLAND	\$8.30
SINGLE FAMILY RESIDENCE	\$11.07
APARTMENTS, 1-4 Units	\$13.84
APARTMENTS, 5 or More Units	\$16.61
COMMERCIAL	\$19.37
INDUSTRIAL	\$22.14
INSTITUTIONAL, RECREATIONAL	\$22.14

8. 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.

9. 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. The assessment rate for Service Zone 1 for Fiscal Year 2020-21 was \$10.83 per single family equivalent benefit unit. The annual change in the CPI from March 2020 to March 2021 was 2.19%. The calculated maximum authorized assessment rate for Fiscal Year 2021-22 is \$11.07 per single family equivalent benefit unit. The estimate of cost and budget in this Engineer's Report justifies assessment of the maximum authorized assessment rate and hence, proposes assessments for fiscal year 2021-22 at the rate of \$11.07 per single family equivalent benefit unit.

10. 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 8, 2021 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. Members of the public who wish to observe the meeting and offer public comment should contact the Mosquito and Vector Management District of Santa Barbara County at 805-969-5050 or by email at info@mvmdistrict.org by 1:00 P.M. on July 8 to request the meeting access information.

11. 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 13, 2021 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. 21-03

**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 2021-22
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 XIIID 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 2021-22 is \$60,902, 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 2021-22 in the amounts set forth below, which are computed by the methods established in the Staff Report. They are based on the assessment of \$11.07 per benefit unit, which is the proposed benefit unit assessment for fiscal year 2021-22. The assessments which are to be levied on all parcels of land within Service Zone No. 2 for the 2021-22 fiscal year, except land owned by governmental agencies or public utilities, are as follows:

LAND USE	PROPOSED ASSESSMENT FY 2021-22
VACANT	\$8.30
FARMLAND	\$8.30
SINGLE FAMILY RESIDENCE	\$11.07
APARTMENTS, 1-4 Units	\$13.84
APARTMENTS, 5 or More Units	\$16.61
COMMERCIAL	\$19.37
INDUSTRIAL	\$22.14
INSTITUTIONAL, RECREATIONAL	\$22.14

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 8, 2021 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 Shelter 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. Members of the public who wish to observe the meeting and offer public comment should contact the Mosquito and Vector Management District of Santa Barbara County at 805-969-5050 or by email at info@mvmdistrict.org by 1:00 P.M. on July 8 to request the meeting access information.

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 13, 2021, 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

STAFF REPORT

DATE: May 13, 2021

TO: The Board of Trustees

FROM: Brian Cabrera, General Manager

SUBJECT: Resolutions 21-02 and 21-03 declaring the Intention to Continue Assessments, Preliminarily Approving Engineer's Report, and Providing for Notice of Hearing on July 8, 2021 for Fiscal Year 2021-22 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 21-02 and 21-03 that would declare the Board's intention to continue assessments for fiscal year 2021-22, preliminarily approve the Engineer's Report and provide for the notice of a public hearing on July 8, 2021 for fiscal year 2021-22 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 2021-22, 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 8, 2021 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 2020-21 Approved Rate: \$10.83 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 2020-21 Approved Rate: \$10.83 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 2021-22, 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 2021-22.

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
FY 21-22	2.19%	2.19%	\$11.07	\$11.07	\$648,425

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

PROPOSED FY 2021-22 BUDGET, SERVICES & IMPROVEMENTS

Summary of revenue and total cost	FY 2021-22	FY 2020-21
Revenue (all sources)	\$1,303,075	\$1,231,604
Costs:		
Services	\$1,250,193	\$1,194,590
Incidentals	\$73,128	\$73,128

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

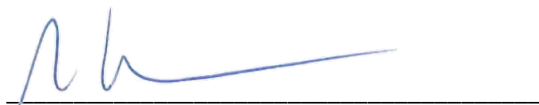
EFFECT OF COVID-19 AND DISCOVERY OF AEDES AEGYPTI IN SANTA BARBARA COUNTY

Along with the rest of the world, the District was forced to deal with the global COVID-19 pandemic. Although the District had to modify its operations, such as reducing staffing hours and placing limitations on some services, it was still able to fulfill its mission of working to protect the public from vectors of public health importance. Of note, none of our staff have been diagnosed with COVID-19. It is a tribute to our dedicated staff that the District was able to adapt and continue with its operations.

As if a global pandemic was not enough, the invasive *Aedes aegypti* mosquito was found in two neighborhoods in Santa Barbara County in the fall of 2020. These two areas are about 3 miles from each other. Trapping in these neighborhoods resulted in the capture of over 30 mosquitoes indicating this species is well established; therefore, we should expect to see further spread of these extremely pestiferous mosquitoes.

As a result of their presence, the District's services provide an even higher level of special benefit. The District has and will continue to expend additional resources as necessary to manage the spread of these mosquitoes. These additional services will translate into higher budget costs to the District in Fiscal Year 2021-22 and possibly beyond.

Respectfully submitted,



Brian Cabrera
General Manager

MOSQUITO AND VECTOR MANAGEMENT DISTRICT OF SANTA BARBARA COUNTY
SPECIAL ASSESSMENT ADMINISTRATION
FISCAL YEAR 2021-22
PROPOSED TIMELINE

2021

January '21							February '21							March '21							April '21						
Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa
					1	2		1	2	3	4	5	6		1	2	3	4	5	6					1	2	3
3	4	5	6	7	8	9	7	8	9	10	11	12	13	7	8	9	10	11	12	13	4	5	6	7	8	9	10
10	11	12	13	14	15	16	14	15	16	17	18	19	20	14	15	16	17	18	19	20	11	12	13	14	15	16	17
17	18	19	20	21	22	23	21	22	23	24	25	26	27	21	22	23	24	25	26	27	18	19	20	21	22	23	24
24	25	26	27	28	29	30	28							28	29	30	31				25	26	27	28	29	30	
31																											

May '21							June '21							July '21							August '21						
Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa
						1			1	2	3	4	5					1	2	3	1	2	3	4	5	6	7
2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10	8	9	10	11	12	13	14
9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17	15	16	17	18	19	20	21
16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24	22	23	24	25	26	27	28
23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31	29	30	31				
30	31																										

September '21							October '21							November '21							December '21						
Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa
			1	2	3	4						1	2		1	2	3	4	5	6				1	2	3	4
5	6	7	8	9	10	11	3	4	5	6	7	8	9	7	8	9	10	11	12	13	5	6	7	8	9	10	11
12	13	14	15	16	17	18	10	11	12	13	14	15	16	14	15	16	17	18	19	20	12	13	14	15	16	17	18
19	20	21	22	23	24	25	17	18	19	20	21	22	23	21	22	23	24	25	26	27	19	20	21	22	23	24	25
26	27	28	29	30			24	25	26	27	28	29	30	28	29	30					26	27	28	29	30	31	
							31																				

<u>TENTATIVE DATE</u>	<u>TASKS TO BE COMPLETED (DETAILED LIST)</u>	<u>RESPONSIBLE</u>
March-April	Create Engineer's Reports	SCI
March 11	Board of Trustees Meeting	Board
April 8	Board of Trustees Meeting	Board
April 15	Complete and file Engineer's Reports with District	SCI
April 29	Place Resolution on Board Agenda Declaring Intention to Levy Assessments, Establishing a Cost of Living Increase, Preliminarily Approving the Engineer's Report, and Providing Notice of a Public Hearing	District
May 13	Board of Trustees Meeting: Consider Resolution Declaring Intention to Levy Assessments, Establishing a Cost of Living Increase, Preliminarily Approving the Engineer's Report, and Providing Notice of a Public Hearing	Board

June 10	Board of Trustees Meeting	Board
June 17	Publish Notice of Public Hearing	SCI
June 24	Place Resolution on Board Agenda Approving Engineer's Report and Ordering the Levy of Assessments for FY 2021-22	District
July 8	Board of Trustees Meeting; Public Hearing and consideration of Resolution Approving Engineer's Report and Ordering the Levy of Assessments for FY 2021-22	Board
July 16	Submission of assessments to County	SCI
August 12	Board of Trustees Meeting	Board
September 9	Board of Trustees Meeting	Board
October 1	Confirmation of final levies with County	SCI
October 14	Board of Trustees Meeting	Board
September 2021 – June 2022	Answer property owner inquiries.	SCI

SCI can meet this timeline; however, the District can also modify it as needed.

It is understood that all regular meetings of the District Board are on the second Thursday of each month at 2:00 p.m.

General Manager's Report for April 2021

1. BC gave a Zoom presentation on mosquitoes, the District and careers in vector control to a class from La Cumbre Jr. High on 4/1.
2. Four thousand five hundred and seventy-four dollars (\$4,574) were deposited in CERBT on 4/5.
3. BC attended the monthly SB County Office Operational Area Emergency Managers Meeting. 4/7.
4. BC attended an informational MVCAC meeting on Sterile Male Mosquito Release technology. 4/13.
5. VI attended a webinar on "Integrated Pest Management for Spotted Lanternfly" presented by the Environmental Protection Agency. 4/13.
6. DC picked up 24 chickens from Modesto for the District's 2021-2022 sentinel chicken season on 4/15.
7. BC gave a presentation on *Aedes aegypti* to the Santa Barbara County Master Gardeners. 4/16
8. BC gave a Zoom presentation on mosquitoes, the District and careers in vector control to two classes at Fesler Jr. High, Santa Maria on 4/16.
9. BC attended part of the MVCAC monthly managers videoconference on 4/20.
10. BC attended the quarterly CSDA Santa Barbara Chapter meeting on 4/26.
11. VI attended a webinar on mosquito identification, biology and habits, presented by Veseris. 4/26.
12. VI and BC attended a webinar on urban mosquito management, presented by Veseris. 4/27.
13. VI attended a webinar on perimeter and barrier treatments for mosquitoes, presented by Veseris. 4/28.
14. VI and BC attended a webinar on the In2Care mosquito trap, presented by Veseris. 4/29.
15. The District continued with alternate schedules for staff and following COVID safety guidelines.
16. KS repaired tick collecting equipment and performed mosquito trap maintenance in preparation for the new mosquito and vector season.

Upcoming:

1. Monthly SB County Office Operational Area Emergency Manager's Meeting. 5/5.
2. Monthly MVCAC Managers update videoconference.5/18.
3. Southern California Mosquito and Vector Managers meeting. 5/19.
4. Memorial Day. 5/31.