

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

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

DATE: December 14, 2022
TIME: 6:00 p.m. (Special Board Meeting will continue into Regular Board Meeting at 7:00 p.m.)
LOCATION: **Teleconference – See Below**

Please note that due to COVID-19, options for observing the Board Meeting and for submitting communication regarding the meetings have changed. The Board of Trustees will meet remotely via teleconferencing, as authorized by Assembly Bill 361. A declared state of emergency exists as defined under the California Emergency Services Act. (Gov. Code §§ 52953(e)(1), (e)(4).). State and local officials have imposed or recommended measures to promote social distancing. All members of the public seeking to observe and/or to address the local legislative body may participate in the meeting telephonically or otherwise electronically in the manner described below.

The Board Meeting Teleconference:

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

Public Communication:

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

The public may submit comments by:

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

[Zoom Meeting Link](#)

The Webinar ID is 842 9792 7531

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

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

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

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

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

*Items marked * are enclosed attachments.*

Items marked # will be handed out at the meeting.

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

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

Bruce Ackerman, Fairfax

Cathy Benediktsson, Tiburon

Gail Bloom, Larkspur

Tamara Davis, Sonoma Co. at Large

Art Deicke, Santa Rosa

Pamela Harlem, San Rafael

Susan Hootkins, Petaluma

Ranjiv Khush, San Anselmo (*Secretary*)

Evan Kubota, Windsor

Shaun McCaffery, Healdsburg

Morgan Patton, Marin Co. at Large

Carol Pigoni, Cloverdale (*Second V.P.*)

Diana Rich, Sebastopol

Herb Rowland, Jr., Novato

Ed Schulze, Marin Co. at Large

Veronica Siwy, Rohnert Park

Richard Snyder, Belvedere (*First V.P.*)

David Witt, Mill Valley

Laurie Gallian, Sonoma (*President*)

Open Seats:

Corte Madera, Cotati, Ross, Sausalito and one Sonoma County at Large

4. PUBLIC TIME

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

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

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

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

5. **CONSENT CALENDAR**

A. **APPROVAL OF AGENDA**

B.* **Resolution 2022/23-03: Authorizing Remote Teleconference/Virtual Meetings of the District Pursuant to AB 361**

Staff Report: The attached proposed resolution would authorize the Board of Trustees to continue to hold virtual/teleconference meetings in compliance with AB 361, considering the continued declared state of emergency and recommended social distancing measures.

C.* **MINUTES** – Minutes of Board Meeting held on November 9, 2022.

D.* **FINANCIAL REPORTS – Review Financial Reports for November 2022.**

ACTION NEEDED

INFORMATION ENCLOSED

6. **NEW BUSINESS**

A. **Proposed Revisions to Board Policy 5020: Payroll Banking Policy**

ACTION NEEDED

Recommendation by Budget Committee, Executive Committee & Staff:

1. Review and discuss proposed changes to Board Policy 5020, “Payroll Banking Policy,” formerly titled “Banking Direct Deposit Policy and Procedures.”
2. Consider a motion to adopt Resolution 2022/23-04, approving the amended Policy 5020.

Please see attached staff report and attachments.

INFORMATION ENCLOSED

B.* **Board Policy Updates**

Review of three new Board Policies (4010, 4060, 4065) and draft revisions to Policy 5010 (see attached staff reports and policy drafts)

ACTION NEEDED

Recommendation by Budget Committee, Executive Committee & Staff:

1. Review and discuss the new Board Policies 4010, Fixed Asset Control and Management; 4060, Fraud Prevention and Investigation; 4065, Internal Fiscal Controls; and the proposed changes to Board Policy 5010, Check Handling Procedures and Signature Authority.
2. Consider a motion to adopt Resolution 2022/23-05, approving three new Policies (4010, 4060, 4065), adding them to the Board Policy Manual, and amending Existing Policy 5010.

INFORMATION ENCLOSED

C.* **Transition Planning for Financial Manager Functions**

INFORMATION ENCLOSED

D.* Laboratory Update

Presentation by Dr. Kelly Liebman, Scientific Programs Manager

INFORMATION ENCLOSED

7. COMMITTEE & STAFF REPORTS

A. Executive Committee

Report by President Laurie Gallian

B. Budget Committee

Report by Shaun McCaffery, Chair

C. Nomination Committee

Report by Ed Schulze, Chair

Nominations for Board Officer positions for 2023

8.* MANAGER'S REPORTS

INFORMATION ENCLOSED

9. WRITTEN COMMUNICATIONS

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

10. OPEN TIME FOR BOARD OR STAFF COMMENTS

11. ADJOURN INTO CLOSED SESSION

A. Closed Session pursuant to California Government Code Section 54957

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Position: District Manager.

B. Adjourn Closed Session

RESOLUTION NO. 2022/23-03

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE
MARIN/SONOMA MOSQUITO & VECTOR CONTROL DISTRICT
AUTHORIZING REMOTE TELECONFERENCE/VIRTUAL MEETINGS
OF THE DISTRICT PURSUANT TO AB 361**

WHEREAS, the Board of Trustees of the Marin/Sonoma Mosquito & Vector Control District (“District”) is committed to preserving and nurturing public access and participation in meetings of the Board; and

WHEREAS, meetings of the Board are open and public, as required by the Ralph M. Brown Act (Government Code Sections 54950 – 54963); and

WHEREAS, the Brown Act makes provisions for remote teleconferencing participation subject to the existence of certain conditions. A required condition is that a state of emergency is declared by the Governor. It is further required that state and/or local officials have imposed or recommended measures to promote social distancing, or, meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, the Board finds that the requisite conditions exist for the District to conduct remote teleconference/virtual meetings without compliance with Government Code Section 54953(b)(3); and

WHEREAS, as a condition of extending the use of the provisions found in Government Code Section 54953(e), the Board must reconsider the circumstances of the State of Emergency that exist, and the Board has done so; and

WHEREAS, the state of emergency and recommended measures to promote social distancing persist currently; specifically, on March 4, 2020, the Governor proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19. In addition, state officials have issued orders imposing or recommending social distancing measures, specifically, the California Department of Public Health has stated that one of the steps that can be taken to slow the spread of COVID-19 is to: “Stay at least 6 feet away from others, whenever possible. This is called social distancing and is very important in preventing the spread of COVID-19;” and

WHEREAS, as a consequence of the State of Emergency and the social distancing recommendations mentioned above, the District desires to have AB 361 procedures in place for the option to provide virtual access to Board meetings, with or without a public meeting location (“AB 361 Option”). Adoption of this Resolution will permit virtual meetings without the need to comply with Government Code Section 54953(b)(3), as authorized by Government Code Section 54953(e), and in such cases, the Board shall comply with the requirements to provide the public with access to the meetings as prescribed in Government Code Section 54953(e)(2); and

WHEREAS, as permitted under AB 361, and when the AB 361 Option is utilized, the District will provide the public with the ability to attend Board meetings virtually. When the AB 361 Option is utilized, members of the public who wish to provide comment may make comments virtually.

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

SECTION 1. Recitals. The above recitals are incorporated as though set forth in this section.

SECTION 2. Authorization. The Board, and the District Manager or his designee, is hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution, including conducting open and public meetings in accordance with Government Code Section 54953(e) and other applicable provisions of the Brown Act.

SECTION 3. Effective Date. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of: (a) 30 days; or (b) such time as the Board adopts a subsequent resolution in accordance with Government Code Section 54953(e)(3) to extend the time during which the Board may continue to hold teleconference meetings without compliance with Government Code Section 54953(b)(3).

SECTION 4. Severability. Should any provision of this Resolution, or its application to any person or circumstance, be determined by a court of competent jurisdiction to be unlawful, unenforceable or otherwise void, that determination shall have no effect on any other provision of this Resolution or the application of this Resolution to any other person or circumstance and, to that end, the provisions hereof are severable.

Passed and adopted at a special meeting of the Board of Trustees held December 14, 2022, by the following roll call vote:

	<i>Yes</i>	<i>No</i>	<i>Abstain</i>	<i>Absent</i>
Bruce Ackerman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cathy Benediktsson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gail Bloom	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tamara Davis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Art Deicke	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pamela Harlem	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Susan Hootkins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ranjiv Khush	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Evan Kubota	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Shaun McCaffery	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Morgan Patton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carol Pigoni	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Diana Rich	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Herb Rowland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ed Schulze	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Veronica Siwy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Richard Snyder	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Witt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Laurie Gallian	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vote Totals:				

ATTEST:

APPROVED:

 Ranjiv Khush
 Secretary, Board of Trustees

 Laurie Gallian
 President, Board of Trustees

Marin/Sonoma Mosquito & Vector Control District

Board of Trustees
595 Helman Lane
Cotati, CA 94931

Meeting Held via Videoconference
November 9, 2022

SPECIAL & REGULAR BOARD MEETING MINUTES

1. **CALL TO ORDER**

Laurie Gallian called the meeting to order at 6:01 pm.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL**

Members present:

Ackerman, Bruce
Benediktsson, Cathy
Davis, Tamara
Deicke, Art
Harlem, Pamela
Hootkins, Susan
Khush, Ranjiv
Kubota, Evan
McCaffery, Shaun

Patton, Morgan *Arrived at 6:15*
Pigoni, Carol
Rowland Jr., Herb
Schulze, Ed
Siwy, Veronica
Snyder, Richard
Witt, David
Gallian, Laurie

Members absent:

Bloom, Gail
Rich, Diana

Open seats: Corte Madera, Cotati, Ross, Sausalito and one Sonoma County at Large

Others present:

Philip Smith, District Manager
Erik Hawk, Assistant Manager
Jennifer Crayne, Financial Manager
Dana Shigley, Management Aide
Dawn Williams, Confidential Administrative Assistant
Janet Coleson, General Counsel

A quorum was present and due notice had been published.

4. **PUBLIC TIME**
No public comment.

5. **CONSENT CALENDAR**

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

- B. **Resolution 2022/23-02: Authorizing Remote Teleconference/Virtual Meetings of the District Pursuant to AB 361**

- C. **MINUTES** – Minutes for Special Board Meeting held on September 14, 2022.

D. **SEPTEMBER & OCTOBER 2022 FINANCIAL REPORTS**

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

Motion passed with a roll call vote:

Ayes: Trustee Ackerman, Trustee Benediktsson, Trustee Davis, Trustee Deicke, Trustee Harlem, Trustee Hootkins, Trustee Khush, Trustee Kubota, Trustee McCaffery, Trustee Pigoni, Trustee Rowland, Trustee Schulze, Trustee Siwy, Trustee Snyder, Trustee Witt and Trustee Gallian

No: (none)

Abstain: (none)

Absent: Trustee Bloom, Trustee Patton and Trustee Rich

6. **NEW BUSINESS**

- A. **Proposed Side Letter of Agreement between Marin/Sonoma Mosquito Vector Control District (MSMVCD) and the Western Council of Engineers (WCE) General Unit regarding 9-80 Work Schedule for Field Supervisors and Mechanic/Facilities Manager.**

It was M/S Trustee Pigoni/Trustee Schulze to accept the Side Letter between MSMVCD and WCE regarding 9-80 Work Schedule for Field Supervisors and Mechanic/Facilities Manager:

Motion passed with a roll call vote:

Ayes: Trustee Ackerman, Trustee Benediktsson, Trustee Davis, Trustee Deicke, Trustee Harlem, Trustee Hootkins, Trustee Khush, Trustee Kubota, Trustee McCaffery, Trustee Pigoni, Trustee Rowland, Trustee Schulze, Trustee Siwy, Trustee Snyder, Trustee Witt and Trustee Gallian

No: (none)

Abstain: (none)

Absent: Trustee Bloom, Trustee Patton and Trustee Rich

B. Presentation of Fiscal Year (FY) 2021-22 Financial Audit by Vikki Rodriguez, Partner at Maze & Associates.

Ms. Rodriguez reported that Maze recently conducted the District's financial audit for the fiscal year ended June 30, 2022. Three reports were provided to the Board, including the Memorandum of Internal Control (MOIC), Required Communications, and the Basic Financial Statements.

Ms. Rodriguez noted that Maze had issued an unmodified audit opinion for FY 2021-22, which is the cleanest possible audit opinion. Members of the Audit Committee recommended approval of the FY 2021-22 audit as presented.

It was M/S Trustee Snyder/Trustee Pigoni to accept the FY 2021-22 Audit:

Motion passed with a roll call vote:

Ayes: Trustee Ackerman, Trustee Benediktsson, Trustee Davis, Trustee Deicke, Trustee Harlem, Trustee Hootkins, Trustee Khush, Trustee Kubota, Trustee McCaffery, Trustee Patton Trustee Pigoni, Trustee Rowland, Trustee Schulze, Trustee Siwy, Trustee Snyder, Trustee Witt and Trustee Gallian

No: (none)

Abstain: (none)

Absent: Trustee Bloom and Trustee Rich

C. Recent Changes to the Brown Act and the Future of Remote Meetings.

General Counsel Janet Coleson briefed the Board on the changes that are slated to occur because of the passage of AB2449 and the scheduled expiration of the state of emergency on February 28, 2023. The practical effect is likely to be that meetings after this date will have to be held in person or in a hybrid format. Counsel will present updated information at the Board's January 2023 meeting.

7. COMMITTEE & STAFF REPORTS

A. Executive Committee

President Gallian reported that the committee met on October 10th to discuss financial, operational and project updates, most of which were mentioned in the Manager's reports or covered in tonight's meeting agenda. Further discussion of changing the starting time of Board meetings has been postponed due to the forthcoming changes to the Brown Act noted in item 6C above. The next scheduled Board meetings will be held on December 14th 2022, and January 11th, 2023.

B. Environmental, Climate Crisis and Sustainability Committee

President Gallian stated the committee met for the first time on November 1st. At this meeting, the committee updated its charge and noted that any recommendations issued should be consistent with the District's Environmental Impact Report. Topics for future consideration to be discussed

include climate adaption and resiliency, sustainable building practices for the building remodel project, future electrification of the vehicle fleet, and the potential for using alternative fuels for equipment such as backpack foggers. Other areas of focus for future meetings include environmental considerations in purchasing goods and services and the headquarters space planning & remodeling project.

8. MANAGER’S REPORTS

Manager Smith referred the Board to his written report and offered to answer any questions.

Assistant Manager Hawk added to his written report that he has been working collaboratively with the City of Santa Rosa on stormwater drainage systems. “Bubble-up” stormwater drainage systems have been causing mosquito breeding problems, so future guidance will be to limit them to perforated systems that will drain within 72-96 hours. *(Manager’s and Assistant Manager’s reports were included in the November Board packet)*

9. WRITTEN COMMUNICATIONS

Manager Smith noted that in recent months the District had received many emails from the public expressing their gratitude towards staff for their assistance.

10. OPEN TIME FOR BOARD OR STAFF COMMENTS

Trustee Davis mentioned that she recently participated in a CalSurv committee meeting where they discussed the additional funding the state has provided for continued testing of mosquito samples for diseases. This enabled the program to hire skilled employees to improve the capacity of the vector-borne disease surveillance, data management and display systems. She also noted that the CDC has now funded other states to initiate and operate similar programs. The expanded system is now known as VectorSurv.

Ed Schulze recognized District employee Tony Russo for his diligent and thorough inspection and advice work on a rodent issue on one of his rental properties that is part of a condominium project. Trustee Schulze noted that Trustee Davis had been nominated for the MVCAC’s “Service with Distinction” award, which will be presented at the Association’s Annual Conference in January 2023.

Financial Manager Jennifer Crayne announced that she had accepted a job with another local government agency. She thanked the Board for their support and guidance and also expressed gratitude to Trustee Davis and Trustee McCaffery for their work over the years reviewing accounts payable, signing checks, and approving payrolls. Ms. Crayne also thanked Administrative Assistant Dawn Williams for her support over the last five years.

13. **ADJOURNMENT**

There being no further business to come before the Board, it was M/S Trustee Schulze/Trustee Davis to adjourn the meeting at 7:32 pm.

District Representative
MSMVCD

Date of Approval

Trustee
MSMVCD Board of Trustees

Date of Approval

DRAFT

12/03/22
10:04:32

MARIN SONOMA MOSQUITO & VECTOR CONTROL DIST
Object Summary Budget vs. Actual Query
For the Accounting Period: 11 / 22

Page: 1 of 1
Report ID: B100SO

Funds 101- 101, Objects 6000-6023

Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Committed
6010 Salaries and Wages	314,950.36	1,605,874.32	4,070,819.00	4,070,819.00	2,464,944.68	39 %
6012 MCERA Credit	2,030.06	10,098.94	30,080.00	30,080.00	19,981.06	34 %
6014 Overtime	2,085.48	8,697.60	30,600.00	30,600.00	21,902.40	28 %
6015 Seasonal Wages	12,752.00	87,794.20	316,000.00	316,000.00	228,205.80	28 %
6016 Trustee Wages	0.00	1,500.00	16,000.00	16,000.00	14,500.00	9 %
6022 Medicare Employer portion	4,685.64	24,210.19	64,976.00	64,976.00	40,765.81	37 %
6023 FICA (Social Security)	790.63	5,538.67	20,584.00	20,584.00	15,045.33	27 %
6XXX Object Group Total	337,294.17	1,743,713.92	4,549,059.00	4,549,059.00	2,805,345.08	38 %
Grand Total:	337,294.17	1,743,713.92	4,549,059.00	4,549,059.00	2,805,345.08	38 %

Vendor	Amount	Description	Fund
AFLAC	1,525.82		GENERAL
ALDRICH NETWORK CONSULTING	1,250.00	Computer Software	GENERAL
ALDRICH NETWORK CONSULTING	746.11	Computer Network and Storage	GENERAL
ALDRICH NETWORK CONSULTING	5,000.00	Network and IT Consulting Services	GENERAL
ALDRICH NETWORK CONSULTING	200.00	Remote Backup Service	GENERAL
AT & T	121.52	AT&T	GENERAL
BEST BEST & KRIEGER, LLC.	693.50	Legal Counsel	GENERAL
CA SURVEYING & DRAFTING SUPPLY INC. SACR	890.00	Computer Software	GENERAL
CAGWIN & DORWARD	599.00	Landscape Services	GENERAL
CALPERS 457 PLAN	7,790.00		GENERAL
CINTAS CORPORATION	1,889.04	Uniforms	GENERAL
CINTAS CORPORATION	385.69	First Aid Supplies and Kits	GENERAL
CINTAS CORPORATION	1,012.00	COVID-19 Expenses	GENERAL
CITY OF COTATI	1,228.26	Water and Sewer	GENERAL
CITY OF COTATI	395.05	Water - Irrigation/Industrial	GENERAL
COMCAST BUSINESS	251.15	Comcast	GENERAL
COMPLETE WELDERS SUPPLY, INC.	990.64	Dry Ice	GENERAL
COUNTY OF MARIN	2,012.50	Retiree Spousal - Teamsters, WHA or UH	GENERAL
COUNTY OF MARIN	6,503.13	Retiree Spousal - Kaiser	GENERAL
COUNTY OF MARIN	14,579.21	Retiree Medical Benefit	GENERAL
CYNTHIA RIHA	2,200.00	Employee Training	GENERAL
Connect Your Care	12.58	Other Professional Services - Human	GENERAL
DELTA DENTAL OF CALIFORNIA	3,614.19	Dental - Active Employees	GENERAL
FISHER SCIENTIFIC	734.42	Surveillance Supplies	GENERAL
GENEVA SCIENTIFIC, LLC	99.67	Lab Equipment	CAPITAL PROJECTS
GRAINGER	84.91	Admin Building	GENERAL
GREAT AMERICA FINANCIAL SERVICES	349.54	Copier Supplies	GENERAL
GREAT AMERICA FINANCIAL SERVICES	332.09	Copy Machine Lease	GENERAL
HOME DEPOT CREDIT SERVICES	15.22	Vehicle Maintenance	GENERAL
HOME DEPOT CREDIT SERVICES	21.72	ATV/UTV Repair	GENERAL
HOME DEPOT CREDIT SERVICES	17.98	Grounds	GENERAL
INDEPENDENT MOVERS	660.00	Admin Building	GENERAL
INNOVATIVE SCREEN PRINTING	1,987.04	Coats, Rain Gear and Boots	GENERAL
INNOVATIVE SCREEN PRINTING	1,656.69	Admin Clothing and Hats	GENERAL
JAY'S ENGRAVING & RUBBER STAMPS	33.31	Office Supplies	GENERAL
JENNIFER CRAYNE (PETTY CASH)	181.11	Staff Travel	GENERAL
JENNIFER CRAYNE (PETTY CASH)	35.00	Booth Rental	GENERAL
KAISER FOUNDATION HEALTH PLAN	7,287.50		GENERAL
KAISER FOUNDATION HEALTH PLAN	49,471.46	Kaiser - Active Employees	GENERAL
LIEBERT CASSIDY WHITMORE	1,430.50	Human Resources Legal Services	GENERAL
LIFE TECHNOLOGIES CORPORATION	779.80	RT PCR Supplies	GENERAL
LOWE'S BUSINESS ACCOUNT	32.48	Vehicle Maintenance	GENERAL
LOWE'S BUSINESS ACCOUNT	24.88	Foggers	GENERAL
MARC NADALE	500.00	Employee Wellness Benefit	GENERAL
MARIN COUNTY EMPLOYEES RETIREMENT ASSOC	37,525.42		GENERAL
MARIN COUNTY EMPLOYEES RETIREMENT ASSOC	59,624.28	Retirement - Employer Classic	GENERAL
MARIN COUNTY EMPLOYEES RETIREMENT ASSOC	23,598.36	Retirement - Employer PEPPA	GENERAL
MARIN INDEPENDENT JOURNAL	1,670.00	Public Relations Newspaper Articles	GENERAL
MARIN INDEPENDENT JOURNAL	50.00	Newspaper and Legal Notices	GENERAL
MAZE & ASSOCIATES	1,384.00	Annual Audit	GENERAL
MISSION SQUARE RETIREMENT	2,767.70	Retiree Health Savings Account	GENERAL
MVCAC	528.00	Disease Surveillance and Testing (DART)	GENERAL
NATIONWIDE TRUST COMPANY, FSB	2,650.00		GENERAL

Vendor	Amount	Description	Fund
NICK BARBIERI TRUCKING,LLC	14,835.90	Fuel and Oil	GENERAL
NORTH BAY COMMERCIAL SERVICES INC.	471.00	HVAC	GENERAL
OFFICE DEPOT BUSINESS CREDIT	130.78	Other Food and Household Supplies	GENERAL
OFFICE DEPOT BUSINESS CREDIT	133.12	Office Supplies	GENERAL
P.G.& E.	3,252.05	Gas and Electricity	GENERAL
PATRICK VON ELM	1,400.00		GENERAL
PREFERRED ALLIANCE, INC.	53.00	Occupational Health Testing	GENERAL
Permaculture Artisans	20,983.38	Grounds	GENERAL
QUADIENT FINANCE USA, INC.	250.00	Postage and Postage Supplies	GENERAL
QUADIENT LEASING USA, INC.	81.54	Postage Machine Lease	GENERAL
R&S ERECTION OF SANTA ROSA, INC.	250.00	Vehicle Storage/Garage	GENERAL
RECOLOGY SONOMA MARIN	360.19	Solid Waste Collection and Disposal	GENERAL
RICHARD A. SANCHEZ	1,642.50	Janitorial Services	GENERAL
SANTA ROSA AUTO PARTS	1,306.15	Vehicle Maintenance	GENERAL
SANTA ROSA AUTO PARTS	103.23	ARGO Repair	GENERAL
SARAH BROOKS	500.00	Employee Wellness Benefit	GENERAL
SONOMA MEDIA GROUP	1,865.00	Radio Advertising	GENERAL
SONOMA MEDIA INVESTMENTS, LLC	2,812.40	Public Relations Newspaper Articles	GENERAL
SONOMA MEDIA INVESTMENTS, LLC	103.00	Newspaper and Legal Notices	GENERAL
TASC	833.32		GENERAL
TASC - CLIENT INVOICES	1,384.81	Section 125 Plan Admin Fees	GENERAL
TEAMSTERS LOCAL UNION NO. 856 HEALTH AND	337.50		GENERAL
TEAMSTERS LOCAL UNION NO. 856 HEALTH AND	1,389.30	Teamsters Anthem	GENERAL
THE HARTFORD	277.20	Sentry Life and Hartford Life	GENERAL
UPS	136.60	Disease Surveillance and Testing (DART)	GENERAL
US BANK	0.00	Uniforms	GENERAL
US BANK	-34.59	Coats, Rain Gear and Boots	GENERAL
US BANK	31.44	Eye Wear, Wash and Eye Glass Wipes	GENERAL
US BANK	27.70	Other Clothing and Safety Supplies	GENERAL
US BANK	329.02	Food for Staff or Business Meetings	GENERAL
US BANK	181.98	Other Food and Household Supplies	GENERAL
US BANK	321.54	Office Supplies	GENERAL
US BANK	141.88	Copier Supplies	GENERAL
US BANK	21.36	Postage and Postage Supplies	GENERAL
US BANK	345.43	Presentation Supplies	GENERAL
US BANK	138.02	Other Office Expense	GENERAL
US BANK	2,039.76	Computer Software	GENERAL
US BANK	14.00	Other Memberships and Subscriptions	GENERAL
US BANK	1,289.13	Staff Travel	GENERAL
US BANK	799.46	Trustee Travel	GENERAL
US BANK	150.00	Contingency	GENERAL
United States Treasury	439.39	Contingency	GENERAL
VERIZON WIRELESS	3,505.74	Cell Phone Services	GENERAL
VISION SERVICE PLAN (CA)	865.99	Vision Service Plan - Active Employees	GENERAL
WINE COUNTRY RADIO	1,512.00	Radio Advertising	GENERAL
WORTHINGTON ARCHITECTURE DESIGN	1,312.50	Other Professional Services	CAPITAL PROJECTS
Total:	317,746.19		

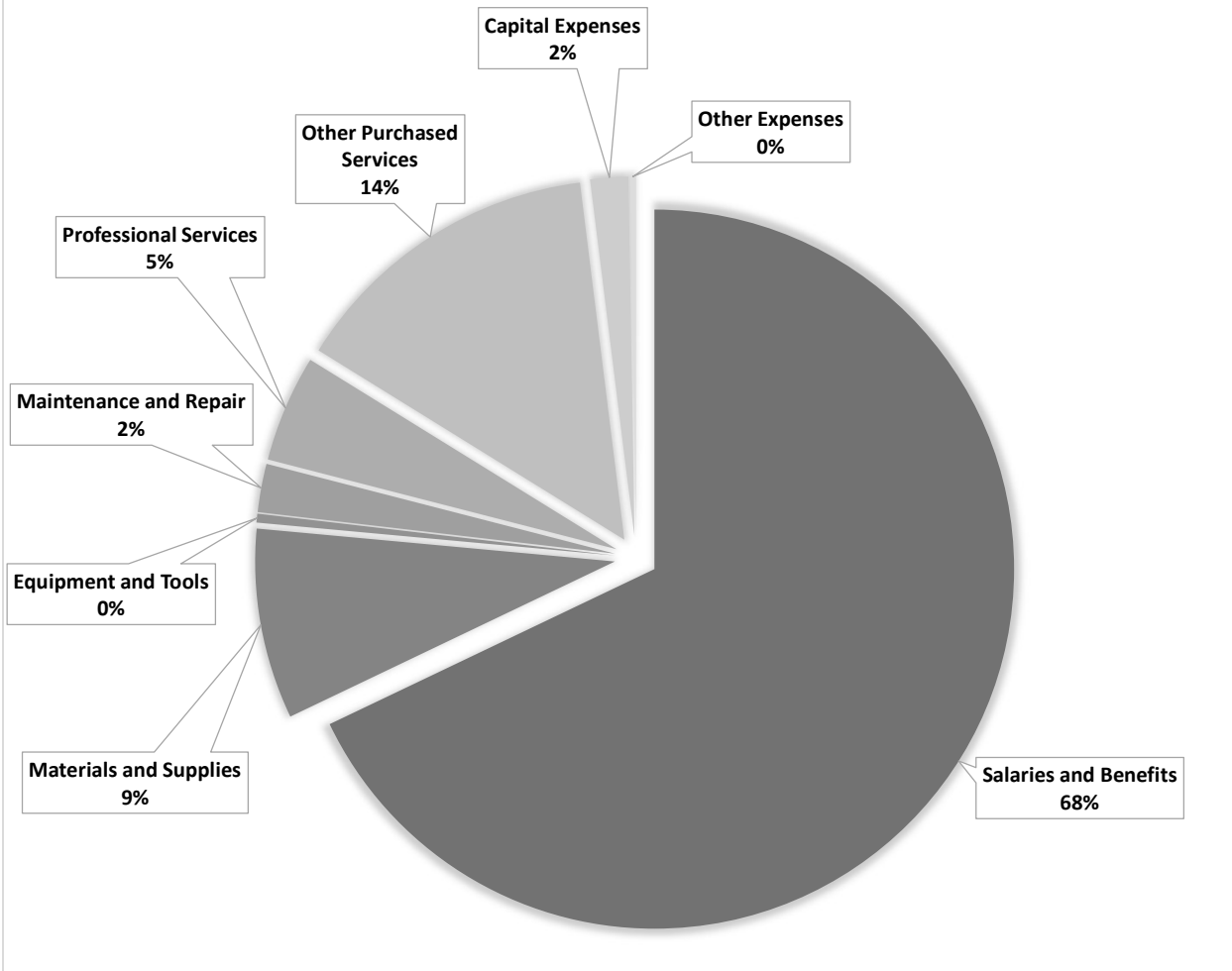
Monthly Budget Summary Report

November-22

(Note this excludes the \$600,000 payment to CEPPT, which will be reflected on the balance sheet)

	Current Month Expenditures	YTD Expenditures	% of Total Expenditures	Current Budget	Available Budget	% of Budget Spent YTD
Salaries and Benefits	503,497	2,579,606	68%	6,691,567	4,111,961	39%
Materials and Supplies	25,660	325,147	9%	915,047	589,900	36%
Equipment and Tools	4,926	14,620	0%	113,530	98,910	13%
Maintenance and Repair	24,071	82,251	2%	245,950	163,699	33%
Professional Services	15,176	182,780	5%	755,797	573,017	24%
Other Purchased Services	22,059	539,349	14%	962,832	423,483	56%
Capital Expenses	-	65,017	2%	404,505	339,488	16%
Other Expenses	1,601	10,087	0%	585,017	574,930	2%
	596,990	3,798,857	100%	10,674,245	6,875,388	36%

YTD EXPENDITURES BY TYPE
SHOWN AS A PERCENT OF TOTAL EXPENDITURES



MARIN SONOMA MOSQUITO & VECTOR CONTROL DIST

Revenue Budget vs. Actual - GENERAL FUND

For the Accounting Period: 11 / 22

Funds 101- 101, Accounts 4000-4999

Account	Account Description	Received Current Month	Received YTD	Revenue Budget	Budget Remaining to Receive	Estimated Actual	
4110	Current Secured	-	-	2,680,193.00	2,680,193.00		
4115	Current Unsecured	-	-	47,835.00	47,835.00		
4125	Prior Unsecured	-	-	1,719.00	1,719.00		
4130	Benefit Assessment Marin #1	-	-	1,141,800.00	1,141,800.00	1,143,768.00	1,968.00
4135	Benefit Assessment Marin #2A	-	-	169,318.00	169,318.00	168,230.00	(1,088.00)
4150	Supplemental Taxes	-	1,406.61	69,009.00	67,602.39		
4160	RDA Residual	-	-	11,516.00	11,516.00		
4210	Current Secured	-	-	3,285,769.00	3,285,769.00	3,291,091.00	5,322.00
4215	Current Unsecured	-	-	97,500.00	97,500.00	100,589.00	3,089.00
4220	Secured Delinquent	-	-	15,000.00	15,000.00		
4230	Benefit Assessment Sonoma #1	-	-	2,046,000.00	2,046,000.00	2,056,416.00	10,416.00
4235	Benefit Assessment Sonoma #2AB	-	-	901,282.00	901,282.00	865,728.00	(35,554.00)
4239	Delinquent Special Assessment	-	-	15,073.00	15,073.00		
4250	Sonoma RDA Residual	-	-	(322,722.00)	(322,722.00)	(325,353.00)	(2,631.00)
4260	Sonoma Supplemental	-	-	280,397.00	280,397.00		
4310	Investment Earnings	7,167.52	-	29,377.00	29,377.00		1st quarter only
4410	Homeowners Property Tax Relief	-	-	26,188.00	26,188.00		
4420	In-Lieu Tax	-	-	300.00	300.00		
4490	Other State Aid	-	-	200.00	200.00		
4510	Miscellaneous Services	7,847.80	170,069.98	190,050.00	19,980.02		already 90% of budget
4910	Refunds and Reimbursements	4,369.08	4,778.20	20,000.00	15,221.80		
4920	Insurance Refunds and Adjustments	16,840.94	21,264.12	69,750.00	48,485.88		
4930	Sales of District Property	-	300.00	-	(300.00)		

STAFF REPORT

DATE: December 14, 2022

TO: Board of Trustees

FROM: Philip D. Smith, District Manager
Dana Shigley, Management Aide

SUBJECT: Proposed Revisions to Board Policy 5020, *Payroll Banking Policy*



RECOMMENDATION

1. Review and discuss proposed changes to Board Policy 5020, “Payroll Banking Policy,” formerly titled “Banking Direct Deposit Policy and Procedures.”
2. Consider a motion to adopt Resolution 2022/23-04, approving the amended Policy 5020.

SUMMARY

For the September 30th, 2022 payroll, the County of Marin did not transfer funds to the District’s payroll bank account as requested in a timely manner. As a result, funds in the payroll account at Exchange Bank *were* sufficient to pay employee wages but *were not* sufficient to pay payroll taxes. As expected, the District was penalized \$440 by the IRS for late tax payments, and staff has requested reimbursement from the County of Marin Finance Department. We have reviewed Board Policy 5020, *Banking Direct Deposit Policy and Procedures*, and are recommending three changes, as described in this report. The Budget and Executive Committees have reviewed these recommendations and this report reflects their guidance. This policy has also been reviewed by General Counsel the District’s external auditor.

1. BACKGROUND AND ANALYSIS – EXCHANGE BANK

The process is precisely timed and any delay can potentially result in late payroll. For example, for the September 30th payroll, the County received the District’s request to transfer funds to Exchange Bank in a timely manner. However, due to their accounting error, instead of sending the funds via ACH to Exchange Bank as usual, the County mailed a physical check to an unrelated vendor (SCI) and did not deposit the amount needed for payroll to the District’s Exchange Bank account.

In 2020, because of COVID-related service cutbacks at the County, the Board authorized the District to maintain a balance of \$125,000 in the Exchange Bank account. This was sufficient to ensure that payroll could be made even if the County failed to transfer the funds. Since that time, however, employees have received step, longevity and contract raises, and new employees have come on board. Additionally, the payroll in question included seasonal staff and Trustees. Therefore \$125,000 is no longer sufficient to fully fund a payroll. Fortunately, there were sufficient funds in the Exchange Bank account to pay employees. However, there were insufficient funds available to pay payroll taxes and subsequently, the District was penalized for

late tax payments. Because funds were insufficient to fully fund payroll, Paylocity placed the District on probationary status, and now requires proof of funds before releasing payroll, creating an extra step for staff.

Recommended Changes to Policy 5020

Staff is recommending changes to the Board's policy. First, we suggest changing the name of the policy to "Payroll Banking Policy," more accurately reflect the main focus of the policy provisions. Secondly, staff and the committees recommend that the amount held in the Exchange Bank should be defined as "an amount equal to two and one-half times the average semi-monthly payroll." Initially, this is estimated at \$350,000, but this amount will increase over time as pay rates increase and employees are added. This amount will be sufficient to cover at least two payroll cycles before an additional funds transfer will be needed. Because this is a formula rather than a fixed amount, this language will allow staff to adjust the amount held at Exchange Bank when necessary, without requiring a change to Board policy each time.

The purpose of the Board's authorization in 2020 was to have sufficient cash to fund a full payroll at all times in the event the County does not transfer funds in a timely manner. The change proposed now would be consistent with the Board's direction in 2020. It will also have the benefit of allowing staff to process payroll more quickly and efficiently, since we will no longer have to plan ahead 3-5 days for the County to transfer funds.

Thirdly, we suggest removing the reference in the Policy stating that this arrangement is temporary. Even as County services are slowly increasing, we still do not feel comfortable relying on the County to process transfers promptly. The most recent error was not a result of COVID-related reductions in services; it was an error by County staff. We do not believe this situation will change and anticipate that the need to keep sufficient funds in the Exchange Bank will be permanent.

2. BACKGROUND AND ANALYSIS – PAYROLL SYSTEM REDUNDANCY

Prior to 2018, the District processed payroll in-house using the District's financial software, CMI running on a legacy IBM AS/400 mainframe, which has now been retired. Payroll processing in-house is very complex and time-consuming. Because of the many demands on staff time, as well as a desire to segregate duties and improve internal controls, the District began using an outside payroll processing service (ADP) in 2018. The District has employed Paylocity to process payroll since 2019 and the company has proven to be very reliable and accommodating to work with, providing custom programming and other services at a reasonable cost.

Because the practice of using a payroll processing service was new to the District in 2018 when the switch was made, the District included language in the policy requiring the District to retain the ability to process payroll in-house in case there was a problem with the payroll processing service. However, when the District ceased using the old accounting software (CMI), retired the AS/400 hardware and installed the cloud-based Black Mountain Software (BMS), the District did not purchase or install payroll software. Thus, the District does not currently have the ability to process payroll in-house as directed in the policy.

The two options are that the District could acquire, install, implement and maintain a second payroll system to serve as a backup, or the language requiring backup in-house software could be removed from the policy.

In order for any payroll system to be useful in the case of a problem with Paylocity, the secondary system would have to be fully implemented with all employee information, staff would have to be trained, systems tested, and all changes in employee status/pay rates would have to be kept up to date. This would be an enormous task, both initially and ongoing. Realistically, staff cannot maintain two different payroll systems so that one can serve as a backup at a moment's notice. If the District wants to maintain a functional backup payroll system, a more complete analysis of the resources required, in both staff time and fiscal commitment, would be needed before we can make specific recommendations.

Staff and the committees recommend that the language requiring a redundant in-house backup payroll system be removed. As noted previously, Paylocity has reliably provided payroll services to the District since 2019. We have not experienced any payroll failures or delays resulting from Paylocity-caused problems. The company, formed in 1997, has nearly 30,000 clients and it is highly unlikely that they will disappear at a moment's notice. It is uncommon for any local government employer to have fully functional redundant payroll processing systems, as the expense in both staff time and money is substantial. In the very unlikely case of an unplanned Paylocity failure, staff would calculate payroll manually, copying the most recently completed payroll, prepare manual paychecks, and make tax deposits until a new payroll system could be installed.

3. BACKGROUND AND ANALYSIS – TRUSTEE REVIEW OF PAYROLL

The current policy requires a Trustee to review and approve payroll prior to completion and release of funds. Typically, the review and approval is alternated between two members of the Board. The Trustee review currently includes both payroll and accounts payable at the same time, semi-monthly. This process raises some concerns and we would like to recommend changes.

Internal Control

The current process was established to enhance internal control and reduce the opportunity for fraud. However, it is not particularly effective at meeting that goal and we believe there are better ways to improve internal controls.

The Trustee currently reviews a schedule of salaries prepared by the Financial Manager against the payroll register also prepared by the Financial Manager. If the Financial Manager wanted to commit fraud, she or he would simply include the fraudulent data in both schedules, since they had complete control over both documents and tasks. Thus, the Trustee is primarily just proofing data entry, which can, and should, be completed by staff.

A more robust internal control process would be to separate the tasks of maintaining the schedule of salaries (an Excel schedule) and payroll processing (the payroll register). It is both a common and best practice for these two tasks to be performed by separate individuals, eliminating the possibility that a single person could create a fraudulent employee or pay rate and process payroll to benefit themselves.

For example, the payroll process could look like this:

1. Staff member maintains the schedule of salaries. This includes adding new employees, removing employees, monitoring and changing step and performance increases, etc. This employee does not process payroll.
2. The Financial Manager processes payroll, but does not manage pay rates. The Financial Manager prepares payroll and prints a payroll register.
3. Staff member proofs the master pay schedule and timecards against the payroll register prepared by the Financial Manager.
4. The District Manager reviews the payroll register and all supporting documents and authorizes payroll.
5. The Financial Manager posts payroll and completes banking transactions, and Financial Office staff make affiliated vendor payments.
6. Consistent with current practice, all employee payments are made via direct deposit, eliminating the risks inherent with payroll checks. Payroll processing is completed by an outside firm, eliminating the risk of miscalculations or tax fraud.

This procedure would provide stronger internal controls that protect the District against fraud. Of course, the Trustee would continue to review payroll semi-monthly; however, it will have already been processed when the Trustee completes the review. The Trustee review would focus on policy and related questions, including budget compliance, adherence to approved staffing documents (labor agreements, for example), use of overtime, and recruiting for vacant positions.

Currently, both payroll and accounts payable are processed in the same week, semi-monthly. This timing allows the Trustee to review both at one time, reducing trips to the District office. However, it also creates an inefficient schedule for the Financial Manager, as both tasks must be processed in a very short period of time to meet the Trustee review schedule. By enhancing internal controls, as described previously, the Trustee review can be after payroll is processed and the Financial Manager can more efficiently schedule payroll and accounts payable processing (alternating them every other week, for example).

Staff has worked hard in the last two years to streamline processes and improve efficiency in the Finance department, and we continue to look for ways to improve efficiency and adopt best practices. With the unfortunate departure of the Financial Manager, we are taking the opportunity to reconsider how the Finance and Human Resources functions are staffed and how tasks are performed, with the intent to optimize operations. The potential changes to payroll processing as described above form an important example of this analysis.

POLICY TITLE: Payroll Banking Policy

NUMBER: 5020

Purpose:

To establish Board policy related to banking, payroll, direct deposit, and cash transfers for the purposes of safeguarding District funds and minimizing the risk of fraud.

Policy:

All employees and Trustees of the District shall receive payroll by means of direct deposit via the Automated Clearing House (ACH) system. As the primary means of accomplishing payroll, the District uses a payroll services company to calculate and withhold taxes, administer other deductions and electronically deposit payments via the Automated Clearing House (ACH).

The District maintains one bank account for the sole purpose of treasury management for payroll. This account holds the funds used to make ACH payments to a (domestic US) bank account of the recipient's choice and related tax payments. This account will be maintained at Exchange Bank unless the District elects to substitute an account at another financial establishment, in accordance with Section 3.6 below.

Procedures

The bank account established by the District for payroll shall be operated strictly in accordance with the following procedures and restrictions, as well as the requirements identified in Board Policy 4065, *Internal Fiscal Controls*. The layers of controls are intended to ensure segregation of duties and to minimize the risk of fraud.

1. The District Manager shall be the designated Administrator of the account. (The Bank requires that one person be designated as Administrator and this person must be an authorized signer on the account). To maintain internal controls and ensure separation of powers, the Administrator shall not have the authority to create ACH files or authorize transfers.
2. No checks may be drawn on the Exchange Bank account. All withdrawals shall be performed by electronic funds transfer only, e.g. an ACH file generated by the District's payroll service provider. Transfers into the Exchange Bank account to cover payroll shall normally be made by the County of Marin's financial staff, who administer the District's accounts with the County of Marin.
3. Payroll be processed in accordance with the following provisions:
 1. Each employee or Trustee shall complete a form designating a bank account (or accounts) specifying the applicable routing and account

numbers for direct deposit. The payment may be split between multiple accounts if desired by the recipient.

2. The payroll shall be prepared, proofed and approved by District financial staff in accordance with Board Policy 4065, *Internal Fiscal Controls*. The District Manager shall review and approve payroll before payments are released.
3. After payroll is released, staff shall present the payroll register and all supporting payroll documents to the designated Trustee at the same time as the Trustee reviews and signs District checks (see Board Policy 5010, *Check Handling Procedures and Signature Authority* for additional information).
4. The payroll service company will process payroll and make the direct deposits, tax payments, and other payments as required through the Exchange Bank account.
5. The District shall maintain an amount, not to exceed two-and-one-half times the average semi-monthly payroll, in the Exchange Bank account to pay the salary and tax payments, monthly bank account charges, ACH transfer fees and fees charged by the payroll service company. When the balance drops below this level, District staff shall request that the County of Marin transfer funds to replenish the Exchange Bank account balance. Such transfers shall be reflected on the District's balance sheet and reported to the Board quarterly as a component of the routine fiscal reports.
6. Should the District determine that Exchange Bank's terms and conditions or system no longer serves the District's best interests, the District may close this account and establish a similar account with another Bank. District staff must receive approval from the Board of Trustees prior to taking this action.

POLICY TITLE: ~~Banking Payroll Banking~~ **Direct Deposit Policy and Procedures**

NUMBER: 5020

Purpose:

To establish Board policy related to banking, payroll, direct deposit, and cash transfers procedures to be followed by staff when executing electronic funds transfers for the purposes of safeguarding District funds and minimizing the risk of fraud. ~~Trustee and/or employee payroll and expense reimbursements.~~

Policy:

~~Whenever possible, A~~all employees and Trustees of the District ~~will~~shall receive payroll ~~and expense reimbursements payments (e.g. travel reimbursements)~~ by means of direct deposit via the Automated Clearing House (ACH) system. As the primary means of accomplishing payroll, the District ~~uses~~s a payroll services company to calculate and withhold taxes, administer other deductions and electronically deposit payments via the Automated Clearing House (ACH).

The District maintains one bank account for the sole purpose of ~~t~~treasury mManagement for payroll. This account holds the funds used to make ACH payments to a (domestic US) bank account of the recipient's choice ~~and related tax payments~~. This account will be maintained at Exchange Bank unless the District elects to substitute an account at another financial establishment, in accordance with Ssection 3.75 (13) below.

~~For backup purposes, the District will retain the ability to process payroll and expense reimbursements in-house. In this event, direct deposit payments shall be made using the bank account established specifically for payroll and expense reimbursement purposes.~~

Procedures

~~Each Trustee and each employee shall submit to the Financial Manager a form authorizing the District to use ACH deposit and, if desired, a split deposit. (see Attachment A).~~

The bank account established by the District for payroll ~~and expense reimbursements will~~shall be operated strictly in accordance with the following procedures and restrictions, as well as the requirements identified in Board Policy 4065, Internal Fiscal Controls. The layers of controls ~~specified herein~~ are intended to ensure segregation of duties and to ~~avoid minimize the risk of problems related to fraud and embezzlement.~~

1. The District Manager shall be the designated Administrator of the account. (The Bank requires that one person be designated as Administrator and this person must be an authorized signer on the account). To maintain internal controls and ensure separation of powers, the Administrator shall not have the authority to create ACH files or authorize transfers.

2. No checks may be drawn on the Exchange Bank account. All withdrawals shall be performed by ACH (electronic funds transfer) only. ~~Deposits to the account may be made by check or electronic fund transfer~~ e.g. an ~~payroll~~ ACH file generated by the District's ~~accounting system or~~ payroll service provider. Transfers into the ~~direct deposit~~ Exchange Bank account to cover payroll ~~and other reimbursements~~ shall normally be made by the County of Marin's financial staff, who administer the District's accounts with the County of Marin.
3. Payroll ~~and expense reimbursements~~ be processed in accordance with the following provisions:
 1. Each employee or Trustee shall complete a form designating a bank account (or accounts) specifying the applicable routing and account numbers ~~for direct deposit. (See Attachment A).~~ The payment may be split between ~~two multiple~~ accounts if desired by the recipient. ~~e.g. a specified amount can be sent to a savings account and the net remainder deposited to a checking account, or vice versa.~~
 2. ~~The proposed payroll and expense payments shall be prepared, proofed and approved in a batch by District Financial staff in accordance with Board Policy 4065, Internal Fiscal Controls using the District's computer systems. The District Manager will shall review and approve payroll before payments are released.~~
 - 2.3. ~~After payroll is released, staff will shall present the payroll register and all supporting payroll documents to the designated Trustee at the same time as the Trustee reviews and signs District checks (sBoard Policy 5010, Check Handling Procedures and Signature Authority for additional information).~~
 3. ~~The schedule of payments will then be reviewed and approved by the Manager or Assistant Manager.~~
 4. ~~Several days before the payroll or expense reimbursement date, staff Staff will compute the total amount of the payments to be made and request that County of Marin staff prepare an ACH instruction file to transfer the total amount of the payments to be made from the District's account with the County of Marin/Bank of America financial system to the direct deposit account at Exchange Bank.~~
 - 5.4. ~~If a~~ The payroll service company ~~is to~~ will process payroll and make the ~~ACH direct deposits, tax payments, and other payments as required through the Exchange Bank account., that company will complete the remainder of the ACH deposit process. Alternatively, if~~

District staff are to accomplish the payroll process, they will upload an ACH instruction file to the Exchange Bank Commercial Cash Management System, detailing on what date, and to which accounts, the various payments are to be sent.

- ~~6. Approval by a designated Trustee is required before any payroll and expense reimbursement payments may be released, regardless of whether payroll is processed by a payroll services provider or by District staff. This approval is analogous to a second signature on a check, except that, in the case of in-house payroll processing, the approval is performed electronically by the Trustee logging securely into Exchange Bank's web site and approving all recipients' bank account numbers, in addition to the deposit amount and payee name." To further increase security, the Trustee will be provided by Exchange Bank with an electronic token that generates a secure code that is required for release of the electronic payments. In the event that a payroll services company processes the payroll, the Trustee will review the supporting documentation and calculations provided by District Financial staff. The authorized Trustee's signature indicating his or her approval must be affixed to the supporting documentation before ACH deposits can be made.~~
- ~~7. For in-house payroll, Exchange Bank will authorize a maximum of three Trustees to provide such approvals. No District staff member, including the Manager, will be issued with a secure token. Payroll cannot be released in the Exchange Bank system without completion of the Trustee's approval step. One of the duly authorized Trustees shall also approve the schedule of payments to be processed by a payroll services company. Regardless of the payroll method used, supporting payroll documentation will be provided to the Trustee approving payroll and subsequently to the full Board at its next regular meeting.~~
- ~~8. At least once every year, a Trustee authorized to review or approve payroll shall examine the list of payroll recipients to ensure that the account and routing numbers listed are correct and correspond with the District's employee and Trustee roster.~~
- ~~9. If payroll is processed in-house, prior to the first deposit to any given bank account, District staff will send a test deposit (known as a pre-note) of zero dollars to the account to check that deposits can be made successfully to that account using the ACH system. If a payroll services company processes payroll and the deposit to a recipient's~~

~~account fails, the funds are automatically returned to Exchange Bank. The District's Financial Manager will then follow up and issue a check to replace the rejected direct deposit amount.~~

~~10. Although problems with direct deposit have proven to be rare, District staff will be alerted by the online system of any failures or problems with a deposit. Staff will take corrective action as necessary.~~

~~11.5. The District shall maintain an amount, not to exceed \$10,000 two-and-one-half times the average semi-monthly payroll, at any given time, in the Exchange Bank account to pay the salary and tax payments, bank's monthly bank account charges, ACH transfer fees and fees charged by a the payroll service company. When the balance drops below this level, District staff will shall request that the County of Marin transfer funds to replenish the Exchange Bank account balance. Such transfers will shall be reflected on the District's balance sheet and reported to the Board quarterly as a component of the routine fiscal reports.~~

~~Due to the increased notice required for County of Marin Department of Finance (Finance) staff to make ACH transfers during the coronavirus pandemic, as a temporary measure, the District may maintain, at all times, an additional amount approximately equivalent to one current payroll in the Exchange Bank account. The sole purpose of these additional funds is to be able to meet payroll in the event that the County of Marin fails to transfer funds in time for the payroll service company to process the next payroll. Payroll dollar amounts vary according to factors such as whether Trustee payroll and seasonal employee payroll are included. However, this additional payroll amount shall not exceed \$125,000. District staff will continue reporting the Exchange Bank account balance as part of regular monthly financial reports and will continue to include monthly Exchange Bank account statements in the regular Board meeting agenda packets, to maintain a high level of transparency.~~

~~Upon receiving notification from County of Marin Finance staff that the currently extended lead times for financial transfers are to be returned to normal, District financial staff shall discontinue the practice of maintaining the additional payroll contingency amount of \$125,000 in the Exchange Bank account.~~

~~From time to time, the District staff may make a deposit to replenish the account balance. Bank charges will be recognized in the District's~~

~~accounts by means of a quarterly journal entry. A summary of the Exchange Bank account transactions shall be included in the Board packet.~~

~~12. A supplemental document titled "Current ACH Procedures" lists the detailed step by step processes to be followed by staff when preparing payroll direct deposit in house. This document may be amended from time to time by the District Manager, who shall ensure that no added security risk is created by the operational change. The District Manager shall provide notification to the Chair of the District's Audit Committee within ten working days of the change taking effect.~~

13.6. Should the District determine that Exchange Bank's terms and conditions or system no longer serves the District's best interests, the District may close this account and establish a similar account with another Bank. District staff must receive approval from the Board of Trustees prior to taking this action.

RESOLUTION 2022/23-04

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE MARIN/SONOMA
MOSQUITO & VECTOR CONTROL DISTRICT AMENDING BOARD POLICY 5020,
*PAYROLL BANKING POLICY***

WHEREAS, the District employs many individuals with varied skills to carry out the essential functions of the District and compensates its employees via direct deposit twice a month; and

WHEREAS, the District uses an external bank account to make payroll and payroll tax payments; and

WHEREAS, in order to safeguard District funds and minimize the risk of fraud in the payroll process, the Board of Trustees wishes to amend its current policy related to payroll processing and banking to reflect improved practices and incorporate the amendments into the District's Board Policy Manual.

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

SECTION 1. Recitals

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

SECTION 2. Purposes

The District desires to amend Policy 5020, Payroll Banking Policy, to reduce the risk of fraud and ensure timely processing of payroll.

SECTION 3. Adoption of Policy

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

SECTION 4. Severability

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

Effective Date This Resolution shall become effective upon its adoption.

PASSED AND ADOPTED at a regular meeting of the Board of Trustees held December 14, 2022,
by the following roll call vote:

	<i>Yes</i>	<i>No</i>	<i>Abstain</i>	<i>Absent</i>
Bruce Ackerman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cathy Benediktsson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gail Bloom	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tamara Davis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Art Deicke	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pamela Harlem	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Susan Hootkins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ranjiv Khush	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Evan Kubota	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Shaun McCaffery	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Morgan Patton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carol Pigoni	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Diana Rich	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Herb Rowland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ed Schulze	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Veronica Siwy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Richard Snyder	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Witt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Laurie Gallian	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vote Totals:				

ATTEST:

Ranjiv Khush
Secretary, Board of Trustees

APPROVED:

Laurie Gallian
President, Board of Trustees

ATTACHMENT A

STAFF REPORT

DATE: December 14, 2022

TO: Board of Trustees

FROM: Philip D. Smith, District Manager
Dana Shigley, Management Aide

SUBJECT: Three Proposed New Board Fiscal Policies and Revisions to Existing Board Policy 5010.



RECOMMENDATION

1. Review and discuss the new Board Policies 4010, *Fixed Asset Control and Management*; 4060, *Fraud Prevention and Investigation*; 4065, *Internal Fiscal Controls*; and the proposed changes to Board Policy 5010, *Check Handling Procedures and Signature Authority*.
2. Consider a motion to adopt Resolution 2022/23-05, approving three new Policies (4010, 4060, 4065), adding them to the Board Policy Manual, and amending Existing Policy 5010.

SUMMARY

As previously mentioned to the Board, we have been working on a comprehensive update to the Board's Policy Manual. This includes updates to the introductory sections and appendices, as well as the specific policies. In some cases, policies need only minor updates, in other cases, the recommended changes are more substantial or require entirely new policies. This staff report recommends changes to four Board policies. These new and amended policies have been reviewed by both the Finance and Executive Committees, as well as the District's independent auditor. The recommendations in this report reflect their direction and comments.

Policy 4010, *Fixed Asset Control and Management*

This is a new policy to be inserted into the Policy Manual. The purpose of this policy is to ensure adequate control and appropriate use of District assets by establishing guidelines for budgeting, purchasing, using, transferring, disposing, depreciating and financial reporting for all assets. This policy provides guidance for accurately accounting for District assets in financial reports, safeguarding assets to prevent loss and theft, and planning for future asset needs.

Policy 4060, *Fraud Prevention and Investigation*

This is a new policy to be inserted into the Policy Manual. The purpose of this policy to describe steps the District takes to identify and investigate any possibility of fraudulent or dishonest activity. It is important to have a Fraud Prevention and Investigation policy to send a clear message to employees that the District will take all action needed to investigate and resolve dishonest activity.

Policy 4065, *Internal Fiscal Controls*

This is a new policy to be inserted into the Policy Manual. This policy establishes the importance of strong internal controls to safeguard the District's assets and protect the integrity of the District's fiscal operations. The policy identifies specific internal controls employed by the District to reduce the risk of fraud. This policy is consistent with our recommendations in Policy 5020, *Payroll Banking Policy*.

Policy 5010, *Check Handling Procedures and Signature Authority*

We are recommending minor edits to this existing policy to increase operational flexibility and to clarify the language.

4010 Fixed Asset Control and Management

The purpose of this policy is to ensure adequate control and appropriate use of District assets by establishing guidelines for budgeting, purchasing, using, transferring, disposing, depreciating and financial reporting for all assets. This policy provides guidance for accurately accounting for District assets in financial reports, safeguarding assets to prevent loss and theft, and planning for future asset needs.

Capitalization Policy

In general, all assets, including land, building, machinery and equipment, with an original cost in excess of \$5,000 and a useful life of five years or more will be subject to capitalization. All costs associated with the purchase or construction shall be considered, including ancillary costs such as freight and transportation charges, site preparation expenditures, installation charges, professional fees, and legal costs directly attributable to asset acquisition.

Specific capitalization requirements are identified below.

1. The capitalization threshold is applied to *individual units* of fixed assets. For example, thirty chairs each costing \$250 will not qualify for capitalization even though the total cost of \$7,500 exceeds the threshold of \$5,000.
2. Subsequently or concurrently purchased *component* units will be added to the original purchase, regardless of their value, if they are an integral part of the asset and cannot be used alone.
3. *Costs for repair or modification* of assets, typically large equipment and buildings, will be capitalized when the repair extends the useful life or value of the related fixed asset. The Department should notify the Financial Office when payments are made for such repairs or modifications so the value can be recorded in the asset inventory.
4. *Capital projects* will be capitalized as “construction in progress” until completed.

Capital assets form the basis for assets reported in the annual financial statements.

Classes of Assets

The District will account for assets in the following categories:

Land, including the purchase price or market value, closing costs, cost of preparing land for use, demolition of existing buildings and improvements.

Building Improvements, including component units when separately replaced and major renovation or alterations of original building that extend the building’s useful life or value. Buildings improvements include building materials, labor, design costs, construction management, site excavation, and purchase price, and others as appropriate.

Office Furniture, including the purchase price, freight charges, assembly, and installation.

Office and Lab Equipment, including the purchase price, freight charges, assembly, and installation.

Field Equipment, including the purchase price, freight charges, assembly, and installation.

Vehicles, including purchase price, freight charges, costs for modifications and customization.

Computer Equipment

The District maintains many computers, laptops and similar equipment. While these assets do not usually meet the threshold for capitalization, they are critical to District operations, valuable, and often located in the field or outside District facilities. In order to safeguard these assets, the District will maintain an inventory of computers and laptops. This inventory will also be used to assist with managing the District's computer system and planning for future needs.

Inventory control numbers will be affixed to all computers and laptops. Departments are responsible for ensuring that all tagged computers are properly controlled and secured. The Information Technology division will promptly notify the Finance division when a computer has been taken out of service and when new computers are purchased. The Finance division will maintain the list of tagged computer equipment. At least once each year, the District will conduct an inventory of all computers and laptops included the asset list to ensure all assets are secure and that the computer inventory is accurate.

Donated Assets

Fixed assets acquired by gift, donation or payment of a nominal sum not reflective of the asset's market value shall be assigned cost equal to the fair market value at the time of receipt.

Construction in Progress (CIP)

A CIP asset reflects the cost of construction work undertaken, but not yet completed. For construction in progress assets, no depreciation is recorded until the asset is placed in service. When construction is completed, the asset should be reclassified as building improvements or equipment as appropriate and should be capitalized and depreciated.

Depreciation

Depreciation is the process of allocating the cost of tangible property over the asset's estimated useful life, rather than deducting the cost as an expense in the year of acquisition. Generally, at the end of an asset's life, the sum of the amounts charged for depreciation will be equal to zero. (The salvage value of capital assets is estimated to be immaterial to the financial statements. Therefore, generally the District will not record salvage value on capital assets.)

Estimated useful life means the estimated number of months or years that an asset will be able to be used for the purpose for which it was acquired. Capital assets should be depreciated over their estimated useful lives.

When determining the useful life of an asset, the District will consider the length of time similar assets have historically remained in service, anticipated changes in technology and potential for obsolescence, specific asset use, and maintenance practices. The following table is provided as guidance; however, useful life may vary as appropriate.

Asset Classification	Range for Useful Life
Land	Not depreciated
Building Improvements	20-30 years
Office Furniture	5-10 Years
Office and Lab Equipment	3-7 Years for computer equipment 10-20 Years for lab equipment
Field Equipment	10-20 Years
Vehicles	5-10 years for passenger vehicles 5-20 years for wheeled equipment and trailers

The District has established the straight-line methodology for depreciating all fixed assets. Depreciation will begin in the month the asset is placed in service. Under the straight-line depreciation method, the basis of the asset is written off evenly over the useful life of the asset. The amount of annual depreciation is determined by dividing an asset’s cost by its estimated useful life. The total amount depreciated will never exceed the asset’s historic cost.

Purchasing Procedure for Assets

Assets will be purchased in accordance with the Board policy 5040, Comprehensive Purchasing Policy. The department may purchase assets as approved in the Capital Asset (fund 301) budget and must notify the Finance division when such assets are being acquired.

Disposal of Asset/Surplus Property

All assets should be disposed of in accordance with Board Policy 4030, Disposal of Surplus Property. The Department must notify the Finance division promptly when an asset has been removed from service for any reason.

Capital Asset Planning

The District will maintain and use the capital asset list to project future capital needs. Periodically, typically every 3-5 years, the District will update the capital asset plan to reflect the current inventory, asset useful lives, and anticipated future replacement costs. It is the District’s policy to fund the capital replacement program through annual contributions to the capital fund equal to the amount needed to fund the program over the coming 20-year period. This will ensure adequate funds are available to replace worn and costly older assets.

4060 Fraud Prevention and Investigation

The District is committed to protecting its assets against the risk of loss or misuse. It is the policy of the District to identify and promptly investigate any possibility of fraudulent or dishonest activity against the District and, when appropriate, to pursue available legal remedies. This policy identifies describes activities that are considered to be fraudulent and specifies the steps to be taken when fraud or other dishonest activities are suspected.

4060.1 Definitions

Fraud – Fraud and other similar irregularities include, but are not limited to:

1. Claim for reimbursement of expenses that are not job-related or authorized by District policy;
2. Forgery, falsification, or unauthorized alteration of documents or records (including but not limited to checks, promissory notes, timesheets, independent contractor agreements, purchase orders, budgets, etc.);
3. Misappropriation of District assets (including but not limited to funds, securities, supplies, furniture, equipment, etc.);
4. Inappropriate use of District resources (including but not limited to labor, time, and materials);
5. Improprieties in the handling or reporting of money or financial transactions;
6. Authorizing or receiving payment for goods not received or services not performed;
7. Computer-related activity involving the unauthorized alteration, destruction, forgery, or manipulation of data or misappropriation of District-owned software;
8. Misrepresentation of information;
9. Theft of equipment or goods;
10. Any apparent violation of federal, state, or local laws related to dishonest activities or fraud;
11. Seeking or accepting anything of material value from those doing business with the District including vendors, consultants, contractors, lessees, applicants, and grantees. Materiality is determined by the District’s Conflict of Interest Code which incorporates the Fair Political Practices Commission’s regulations;
12. Any other conduct, actions or activities treated as fraud or misappropriation under any federal or state law, rule or regulation.

Employee – In this context, employee refers to any individual or group of individuals who receive compensation, either full- or part-time, including members of the Board of Trustees, from the District. The term also includes any volunteer who provides services to the District through an authorized arrangement with the District or a District organization.

Management – In this context, management refers to any manager, supervisor, or other designated individual who manages or supervises District’s resources or assets.

Internal Audit Committee – In this context, if the claim of fraud involves anyone other than the District Manager, the Internal Audit Committee shall consist of the District Manager, the District’s Legal Counsel and any other persons appointed to the Internal Audit Committee by the District Manager. If the claim of fraud involves the District Manager, the Internal Audit Committee shall consist of the President of the Board of Trustees of the District, the District’s Legal Counsel and those persons appointed to the Internal Audit Committee by the President of the Board. Nothing contained in this policy shall be construed as requiring the District Manager or the President of the Board to appoint other persons to the Internal Audit Committee. Individuals appointed to the Internal Audit Committee by the District Manager or the President of the Board other than the District’s Legal Counsel shall serve at the pleasure of the District Manager or the President of the Board.

External Auditor – In this context, External Auditor refers to independent audit professionals who perform annual audits of the District’s financial statements and are appointed by the District’s Board of Trustees.

4060.2 Policies

1. It is the District’s intent to fully investigate any suspected acts of fraud, misappropriation, or other similar irregularity. An objective and impartial investigation will be conducted regardless of the position, title, and length of service or relationship with the District of any party who might be or become involved in or becomes the subject of such investigation. An employee being investigated for fraud may request representation by a representative of any recognized bargaining unit that represents the employee.
2. Each department of the District is responsible for instituting and maintaining a system of internal controls to provide reasonable assurance of the prevention and detection of fraud, misappropriations, and other irregularities. Management staff should be familiar with the types of improprieties that might occur within their areas of responsibility and be alert for any indications of such conduct.
3. For claims of fraud not involving the District Manager, the District Manager or an Internal Audit Committee appointed by the District Manager shall have primary responsibility for investigation of activity covered by this policy. For claims of fraud involving the District Manager, the President of the Board or an Internal Audit Committee appointed by the President shall have primary responsibility for investigation of activity covered by this policy. The District’s Legal Counsel shall advise the Committee, the District Manager or the Board President on all such investigations.

Throughout the investigation, the Internal Audit Committee will inform the District Manager of pertinent investigative findings. Upon conclusion of the investigation, the results will be reported to the District Manager or, if the investigation involves the District Manager, the Board President, who shall advise the Board of Trustees.

4. An employee will be granted whistle-blower protection when acting in accordance with this policy so long as he or she has not engaged in activity that violates this policy. When informed of a suspected impropriety, neither the District nor any person acting on its behalf shall:
 - A) Dismiss or threaten to dismiss an employee providing the information,
 - B) Discipline, suspend, or threaten to discipline or suspend such an employee,
 - C) Impose any penalty upon such an employee, or
 - D) Intimidate or coerce such an employee.

Violations of this whistle-blower protection policy will result in discipline up to and including termination.

5. Following review of investigation results, the District Manager or the Board President, as the case may be, will take appropriate action regarding employee misconduct. Disciplinary action can include termination, referral of the case for criminal prosecution, or both.
6. The District Manager or the District's Counsel will pursue every reasonable effort, including court-ordered restitution, to obtain recovery of District losses from the offender, other responsible parties, insurers, or other appropriate sources.

4060.3 Responsibilities

1. Board of Trustees Responsibilities

- A) If a Board Member has reason to suspect a fraud has occurred, he or she shall immediately contact the District Manager or the Board President, if the activity involves the District Manager, and the District's Legal Counsel.
- B) The Board Member shall not attempt to investigate the suspected fraud or discuss the matter with anyone other than the District Manager or Board President, as the case may be, and the District's Legal Counsel.
- C) The alleged fraud or audit investigation shall not be discussed with the media by any person other than the District Manager or the Board President after consultation with the District's Legal Counsel and any Internal Audit Committee appointed as to the matter.

2. Management Responsibilities

- A) Management staff are responsible for being alert to, and reporting fraudulent or related dishonest activities in their areas of responsibility.

- B) Each manager should be familiar with the types of improprieties that might occur in his or her area of responsibility and be alert for any indication that improper activity, misappropriation, or dishonest activity did occur or is occurring.
- C) When an improper activity is detected or suspected, management should determine whether an error or mistake has occurred or if there may be dishonest or fraudulent activity.
- D) If a manager determines a suspected activity may involve fraud or related dishonest activity, he or she should contact his or her immediate supervisor or the District Manager. If the activity involves the District Manager, it shall be reported to the Board President or the District's Legal Counsel.
- E) Managers should not attempt to conduct individual investigations, interviews, or interrogations other than as directed by the District Manager or District Counsel. However, management staff are responsible for taking appropriate corrective actions to implement adequate controls to prevent recurrence of improper actions.
- F) Management staff should support the District's responsibilities and cooperate fully with the Internal Audit Committee, other involved departments, and law enforcement agencies in the detection, reporting, and investigation of criminal acts, including the prosecution of offenders.
- G) Management staff must give full and unrestricted access to all necessary records and Personnel to those responsible for identifying, investigating and remedying fraud and related dishonest acts. All District assets, including furniture, desks, and computers, are open to inspection at any time. No District officer, agent or employee has a reasonable expectation of privacy in District property and other resources to preclude such inspection.
- H) In dealing with suspected dishonest or fraudulent activities, great care must be taken. Therefore, management staff should avoid the following:
 - i.) Incorrect accusations;
 - ii.) Alerting suspected individuals that an investigation is underway;
 - iii.) Treating employees unfairly; and
 - iv.) Making statements that could lead to claims of false accusations or other offenses.
- I) In handling dishonest or fraudulent activities, managers have the responsibility to:
 - i) Make no contact (unless requested) with the suspected individual to determine facts or demand restitution. Under no circumstances should there be any reference to "what you did", "the crime", "the fraud", "the misappropriation", etc;
 - ii.) Avoid discussing the case, facts, suspicions, or allegations with anyone outside the District, unless specifically directed to do so by the District Manager; and
 - iii.) Avoid discussing the case with anyone inside the District other than Employees who have a need to know such as the District Manager, Internal

Audit Committee, the District's Legal Counsel or law enforcement personnel.

- iv.) Direct all inquiries from the suspected individual, or his or her representative, to the District Manager, the Board President, or the District's Legal Counsel. All inquiries by an attorney of the suspected individual should be directed to the District Manager or the District's Legal Counsel.
- v.) All inquiries from the media should be directed to the District Manager or the Board President, if the activity involves the District Manager.
- vi.) Take appropriate corrective and disciplinary action, up to and including dismissal, after consulting with the District Manager and Legal Counsel, in conformance with District policy and applicable law.

3. Employee Responsibilities

- A) A suspected fraudulent incident or practice observed by, or made known to, an employee must be reported to the employee's supervisor for reporting to the proper management official.
- B) When an employee believes his or her supervisor may be involved in inappropriate activity, the employee shall make the report to the next higher level of management and/or the District Manager. If the activity involves the District Manager, it shall be reported to the Board President or the District's Legal Counsel.
- C) A reporting employee shall refrain from further investigation of the incident, confrontation with the alleged violator, or further discussion of the incident with anyone, unless requested by the District Manager, Internal Audit Committee, the District's Legal Counsel, or law enforcement personnel.

4. Internal Audit Committee Responsibilities

- A) Upon assignment by the District Manager or the Board President, an Internal Audit Committee will be formed by the Board President promptly investigate the fraud. This committee shall be designated as ad hoc.
- B) In all circumstances where there is reason to suspect that criminal fraud has occurred, the Internal Audit Committee, in consultation with the District Manager or the Board President and Legal Counsel, if the District Manager is suspected of involvement in the fraud, will contact the appropriate law enforcement agency.
- C) The Internal Audit Committee shall be available and receptive to relevant, confidential information to the extent allowed by law after consultation with the District's Legal Counsel.
- D) If evidence is uncovered showing possible dishonest or fraudulent activities, the Internal Audit Committee will:
 - i.) Discuss the findings with management and the District Manager;

- ii.) Advise management, if the case involves District staff members, to meet with the employee (or his/her designated representative) to determine discuss possible disciplinary action;
- iii.) Report to the External Auditor such activities to assess the effect of the illegal activity on the District's financial statements;
- iv.) Coordinate with the District's risk manager regarding notification to insurers and filing of insurance claims;
- v.) Take immediate action, after consultation with the Legal Counsel, to prevent the theft, alteration, or destruction of evidence. Such action shall include, but is not limited to removing relevant records and placing them in a secure location, limiting access to those records and/or preventing the individual suspected of committing the fraud from having access to the records.
- vi.) In consultation with the District Legal Counsel and the local law enforcement agency, the Internal Audit Committee may disclose particulars of the investigation with potential witnesses if such disclosure would further the investigation.
- vii.) If the Internal Audit Committee is contacted by the media regarding an alleged fraud or audit investigation, the Internal Audit Committee will refer the media to the District Manager or Board President, if the activity involves the District Manager.
- viii.) At the conclusion of the investigation, the Internal Audit Committee will document the results in a confidential memorandum report to the District Manager or the Board President for action. If the report concludes that the allegations are founded and the District's Legal Counsel has determined that a crime has occurred, the report will be forwarded to the appropriate law enforcement agency.
- ix.) The Internal Audit Committee shall make recommendations to the appropriate department as to the prevention of future similar occurrences.
- x.) Upon completion of the investigation, including all legal and personnel actions; all records, documents, and other evidentiary material, obtained from the department under investigation will be returned by the Internal Audit Committee to that department.

4060.4 Exceptions

There will be no exceptions to this policy unless provided and approved in writing by the District Manager or the Board President and the District Legal Counsel. The Board of Trustees reserves the right to amend, delete, or revise this policy at any time by formal action of the Board of Trustees.

4065 Internal Fiscal Controls

The Board establishes the following policies related to internal fiscal controls in order to safeguard the District's assets, protect the integrity of the District's fiscal operations, and reduce risk of fraud.

Good internal controls include the following features:

1. Segregation of duties among multiple employees
2. Authorization of transactions by selected employees
3. Retention of records to substantiate transactions.
4. Supervision or monitoring of operations
5. Physical safeguards such as locks and physical barriers
6. Analysis of results including periodic and regular reporting
7. IT Security including the usage of passwords

This policy describes how the District employs these tools to protect the District's fiscal assets.

4065.1 Segregation of Duties

Good internal controls rely heavily on segregation of duties. In order to reduce risk of fraud, the Financial Office will segregate duties between multiple employees so that no single employee can control both the creation of records and authorization of transactions for essential functions. This includes, but is not limited to:

1. The employee opening the mail and receiving checks shall list all checks in a log. A different employee shall prepare the deposit slip and take the deposit to the bank. All checks will be deposited within two days of receipt. The Financial Manager will review the log and deposits to ensure the deposit and log agree.
2. All invoices for purchases made by operating departments must be approved by both an authorized person in the requesting department and the Financial Office. All paid invoices will be marked and filed for reference. When entering invoices for payment, invoice numbers will be checked to reduce the risk of duplicate payment.
3. Only the Financial Manager may authorize new vendors or customers in the financial management system.
4. Accounts payable and accounts receivable tasks will be completed by different employees.
5. All invoices sent to customers must be first approved by both the generating department and the Financial Office.

In the event that staffing in the Financial Office is insufficient to segregate duties as described, the Financial Manager will assign duties with existing staff and implement other controls, including proofing, cross staff assignments, and random sampling, to minimize risk.

4065.2 Financial Reporting and Annual Audit

The District will maintain an accounting and financial reporting system that conforms to Generally Accepted Accounting Principles (GAAP). An independent annual audit will be performed by a certified public accounting firm that will issue an official opinion on the annual financial statements and a management letter detailing areas of internal control that need improvement. During the audit, all records will be made available to the Auditor for review and any unique or unusual transactions will be brought to the attention of the Auditor. Any Auditor findings of potential fraud shall be reported consistent with policy 4060, *Fraud Prevention and Investigation*.

4065.3 Bank Reconciliations

All bank reconciliations will be prepared within ten days after the end of the month or receipt of the statements, whichever is sooner, by the Financial Manager.

4065.4. Funds Transfers

1. Transfers between District Banks or Investment Managers: Requests for transfers between District banks or investment managers require authorization of the Financial Manager and must be supported by documents approving the underlying transaction (payroll, Board approved transfer to investment accounts, etc.).
2. ACH Payments to Vendors: At this time, the District does not allow ACH payments to vendors.

4065.5 CEPPT and CERBT

Withdrawals from CEPPT and CERBT accounts may only be made in accordance with Board policy and require the authorization of both the Financial Manager and District Manager.

4065.6 Payroll Controls

1. The District will not keep more funds in the Exchange Bank account than specified in Board Policy 5020, *Payroll Banking Policy*.
2. All employees and Trustees will be paid via direct deposit only.
3. The employee processing payroll cannot be the same employee who manages and maintains the master pay schedule, which includes a list of current employees, pay rates, longevity increases, step increases, etc.
4. After payroll is entered, a different employee will proof the payroll register to the schedule of salary and wage rates and timecards for each employee.
5. The District will use an outside payroll processing firm who will make all tax calculations and payments directly to taxing agencies.
6. The District Manager will review all supporting documentation and provide final authorization for payroll.

For additional information, see policy 5020, *Payroll Banking Policy*.

4065.7 Purchasing and Check Signing

The purchase of goods and services and storage and signing of any checks written on the accounts of the District will be in accordance with Policy 5040, *Procurement Policy* and 5010, *Check Handling Procedures and Signature Authority*.

4065.8 Terminated Signers

Upon the departure of any employee or Trustee with signature authority, signature cards and/or electronic approval privileges will be immediately removed.

4065.9 Unused Accounts

All unused bank and investment accounts will be promptly closed by the District Manager.

4065.10 Accounting Systems and Budget

The District's Accounting systems will be maintained to accurately reflect expenses, revenues, and cash position at least monthly. The District adopts a budget annually and will monitor adherence to the adopted budget in the accounting system. The District will manage the budget consistent with Board Policy 4100, *Budget Development and Management Policy*.

4065.11 Documentation and Records Retention

The District will ensure fiscal transactions are supported by sufficient documentation to assure that the transactions are appropriate and accurately recorded. Financial records will be retained in accordance with state law.

4065.12 Communication and Flow of Information

District staff, as well as Trustees, need financial information in order to properly execute their responsibilities. Department Managers will be provided "view only" access to budget and other relevant information in the accounting system. Budget status reports will be printed and distributed to Department Managers monthly. Additionally, the Board's published agenda will include monthly, quarterly and annual financial reports reflecting the District's revenues, expenses, assets and liabilities. The District will update fiscal information on the website monthly.

4065.13 Passwords and Electronic Access

Employees in the Financial Office will only be provided access to those components of the accounting system necessary to complete their tasks. Additionally, passwords to external websites, such as banking, service providers, and vendors, will be kept secure and only made available to the employee or employees needing them to complete District business.

5010 Check Handling Procedures and Signature Authority

The following policies and procedures shall govern the District's issuance of checks.

1. Only pre-numbered checks shall be used and always issued in sequence. Blank check stock shall be securely stored in the District's safe and access restricted to authorized employees.
2. Supporting documentation must accompany checks when presented for signature.
3. Checks must be made payable to specific payees based upon the supporting documentation. No checks shall be made out to "bearer," "cash" or similar, with the following exception: checks for the reimbursement of the petty cash fund may be made out to the "[insert name of the Financial Manager], Petty Cash." The Manager or Assistant Manager shall review and approve the petty cash reconciliation. Petty cash checks shall be limited to a value of no more than \$350, and may be issued no more frequently than once per month.
4. Signing of blank checks is strictly prohibited.
5. Signature stamps will not be used to sign checks.
6. An authorized check signer may not sign a check payable to him or herself.
7. Dual signatures are required for all checks. Both signers shall review the supporting documentation and indicate approval by signing the accompanying summary support document on the signature blocks provided.
8. At least one signature shall be from a Trustee, with the following exception: if a time-critical check must be issued and no Trustee is available within a suitable timeframe, the Manager or Assistant Manager and one other employee authorized to sign checks by the Board of Trustees may sign a check that is payable for an amount not exceeding \$25,000. If this circumstance arises, the check in question shall be presented to a Trustee for review at the next check-signing session.
9. The Manager, or his or her designee, who must be a bank authorized check signer, may sign checks (along with one Trustee) up to a value of \$50,000. Checks for amounts exceeding \$50,000 shall be signed by two Trustees, except that the Manager or Assistant Manager may sign a check (along with one Trustee) that exceeds a value of \$50,000 if the

check is payable to established District vendors used regularly for insurance, inventory, employee benefits, and on-going services. Checks payable to new vendors, or for one-time or infrequent purchases, that exceed \$50,000 will require the signature of two Trustees.

10. The Board of Trustees may authorize the Manager or Assistant Manager to sign checks (with a Trustee) exceeding \$50,000, for specified projects or services with prior authorization specifying the duration of the authorization and the dollar and time limits.

5010 Check Handling Procedures and Signature Authority

The following policies and procedures shall govern the District's issuance of checks.

1. Only pre-numbered checks shall be used and always issued in sequence. Blank check stock shall be securely stored in the District's safe and access restricted to authorized employees.
 2. Supporting documentation must accompany checks when presented for signature.
 3. Checks must be made payable to specific payees based upon the supporting documentation. No checks shall be made out to "bearer," "cash" or similar, with the following exception: checks for the reimbursement of the petty cash fund may be made out to the "[insert name of the Financial Manager], Petty Cash." The Manager or Assistant Manager shall review and approve the petty cash reconciliation. Petty cash checks shall be limited to a value of no more than \$350, and may be issued no more frequently than once per month.
 4. Signing of blank checks is strictly prohibited.
 5. Signature stamps ~~may never~~will not be used to sign checks.
 6. An authorized check signer may not sign a ~~paycheck or a reimbursement~~ check payable to him or herself.
 7. Dual signatures are required for all checks. Both signers shall review the supporting documentation and indicate approval by signing the accompanying summary support document on the signature blocks provided.
 8. At least one signature shall be from a Trustee, with the following exception: if a time-critical check must be issued and no Trustee is available within a suitable timeframe, the Manager or Assistant Manager and one other employee authorized to sign checks by the Board of Trustees may sign a check that is payable for an amount not exceeding \$25,000. If this circumstance arises, the check in question shall be presented to a Trustee for review at the next check-signing session.
- The Manager, or his or her designee, who must be a ~~bank~~ authorized check signer, may sign checks (along with one Trustee) up to a value of \$50,000. Checks for amounts

exceeding \$50,000 shall be signed by two Trustees, ~~with the following exception~~ except that:

- ~~t~~The Manager or Assistant Manager may sign a check (along with one Trustee) that exceeds a value of \$50,000 if the check is ~~made out to one of the payees listed in the table~~ {overleaf payable to established District vendors used regularly for insurance, inventory, employee benefits, and on-going services. Checks payable to new vendors, or for one-time or infrequent purchases, that exceed \$50,000 will require the signature of two Trustees.}

9.

Payee	Purpose
Kaiser Permanente	Health Benefit Premiums
Bank of America	Payroll Tax Fund (State & Fed)
Adapco	Pesticide products
Clarke Mosquito Control Products	Pesticide products
Univar	Pesticide products
Valent Biosciences Corporation	Pesticide products
VCIPA	Insurance Premiums
CERBT (CalPERS)	Retiree Medical Trust Fund
CDW	Computer products
Aldrich Network Consulting (ANC)	Computer products & services
SCI (or current Assessment Engineers)	Assessment engineering services
Marin County Employees' Retirement Association	Retirement Association contributions

- 10. The Board of Trustees may authorize the Manager or Assistant Manager to sign checks (with a Trustee) exceeding \$50,000, ~~issued during a large project e.g. capital construction project~~ for specified projects or services with prior ~~Prior authorization will be issued by the Board~~ specifying the duration of the authorization and the dollar and time limits.

Board Approval: ~~June 12, 2019~~

RESOLUTION 2022/23-05

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE MARIN/SONOMA MOSQUITO & VECTOR CONTROL DISTRICT ADOPTING BOARD POLICIES 4010, *FIXED ASSET CONTROL AND MANAGEMENT*; 4060, *FRAUD PREVENTION AND INVESTIGATION*; 4065, *INTERNAL FISCAL CONTROLS*; AND AMENDING POLICY 5010, *CHECK HANDLING PROCEDURES AND SIGNATURE AUTHORITY*.

WHEREAS, the Board of Trustees has adopted a Board Policy Manual setting forth policies governing the operations and management of many key District functions and, from time to time, new policies need to be added or existing policies amended; and

WHEREAS, the Board of Trustees desires to amend the Policy Manual to strengthen fiscal controls, improve financial reporting, and reduce the risk of fraudulent activity; and

WHEREAS, in order to safeguard District assets, the Board of Trustees wishes to adopt three new policies governing fixed asset management, fraud prevention, and internal fiscal controls, and to incorporate the amendments into the District's Board Policy Manual; and

WHEREAS, in order to promote internal accounting controls, increase efficiency and protect the District's financial assets, the Board of Trustees wishes to amend its existing policy related to bank accounts, direct deposit and check handling procedures, and to incorporate these amendments into the District's Board Policy Manual.

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

SECTION 1. Recitals

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

SECTION 2. Purposes

The District desires to adopt the following new policies: 4010, *Fixed Asset Control and Management*; 4060, *Fraud Prevention and Investigation*; and 4065, *Internal Fiscal Controls*. Further, the Board desires to amend the existing Policy 5010, *Check Handling Procedures and Signature Authority*. All the foregoing actions are intended to strengthen fiscal controls, reduce the risk of fraudulent activity, and prevent the loss of District assets.

SECTION 3. Adoption of Policy

The Board hereby adopts the four policies attached hereto as Attachment A and incorporated herein.

SECTION 4. Severability

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

Effective Date: This Resolution shall become effective upon its adoption.

PASSED AND ADOPTED at a regular meeting of the Board of Trustees held December 14, 2022, by the following roll call vote:

	Yes	No	Abstain	Absent
Bruce Ackerman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cathy Benediktsson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gail Bloom	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tamara Davis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Art Deicke	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pamela Harlem	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Susan Hootkins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ranjiv Khush	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Evan Kubota	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Shaun McCaffery	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Morgan Patton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carol Pigoni	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Diana Rich	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Herb Rowland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ed Schulze	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Veronica Siwy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Richard Snyder	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Witt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Laurie Gallian	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vote Totals:				

ATTEST:

APPROVED:

Ranjiv Khush
Secretary, Board of Trustees

Laurie Gallian
President, Board of Trustees

ATTACHMENT A

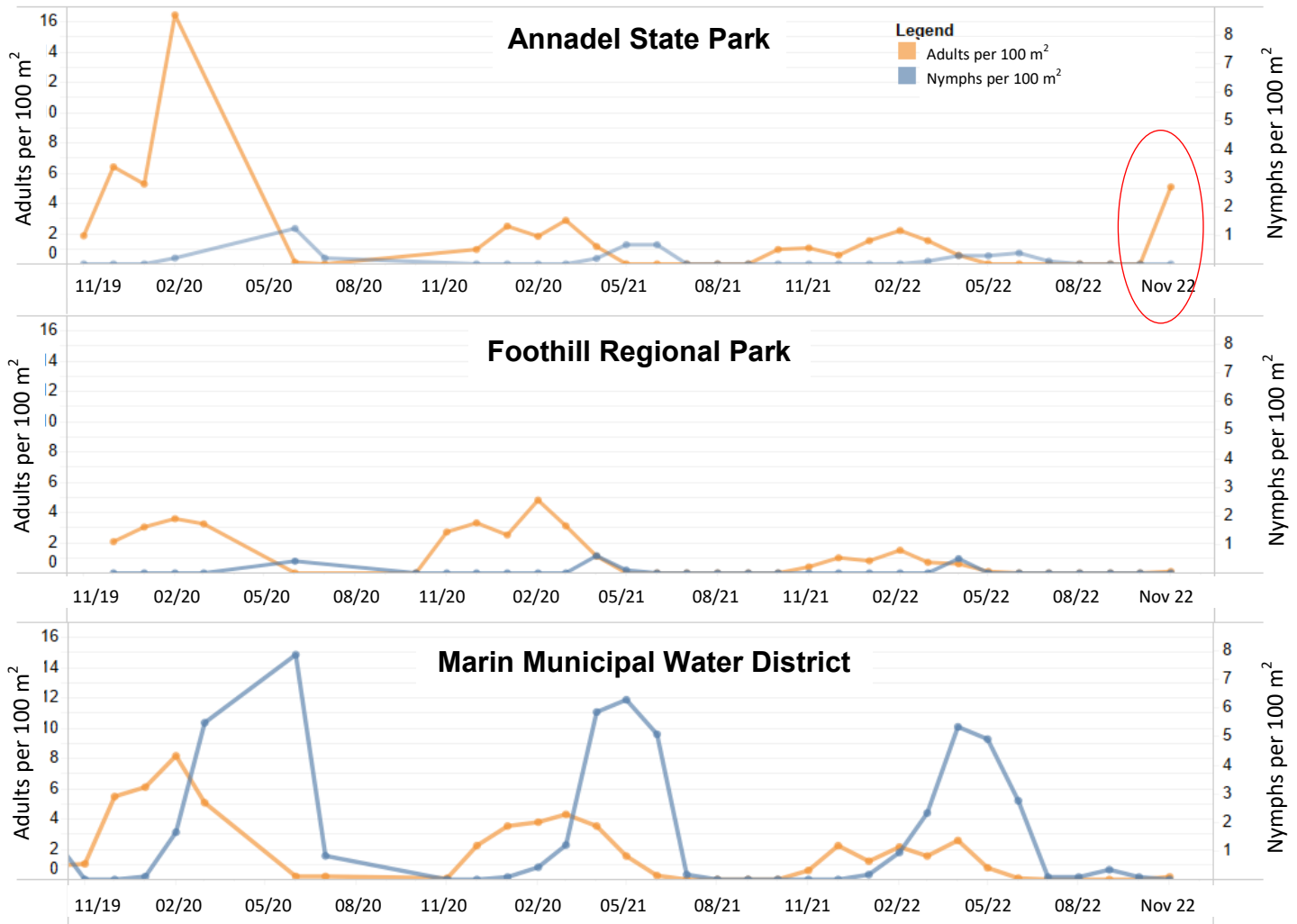


Laboratory Update

September through November 2022

Tick Surveillance

Every month, laboratory staff visit the Marin Municipal Water District (MMWD), Annadel State Park and Foothill Regional Park. During each visit, staff drag a 1 meter by 1 meter white flannel cloth on the same pre-defined trails. They stop every 15 steps to identify, count, and record the number of ticks on the flag. These ticks are then released back into the environment. This type of sampling, recommended by the Centers for Disease Control and Prevention, allows us to see trends in tick abundance over time. Below is the abundance of adult and nymphal *Ixodes pacificus* per 100 meters squared at each visit from November 2019 through November 2022. The red oval below indicates a sharp increase in adults per meter squared at Annadel SP beginning November 2022.



Additional tick surveillance occurred from in November at Stillwater Cove RP and Spring Lake RP in Sonoma County. To date in 2022, we have collected 1,265 adults and 302 nymphs in 36 visits.



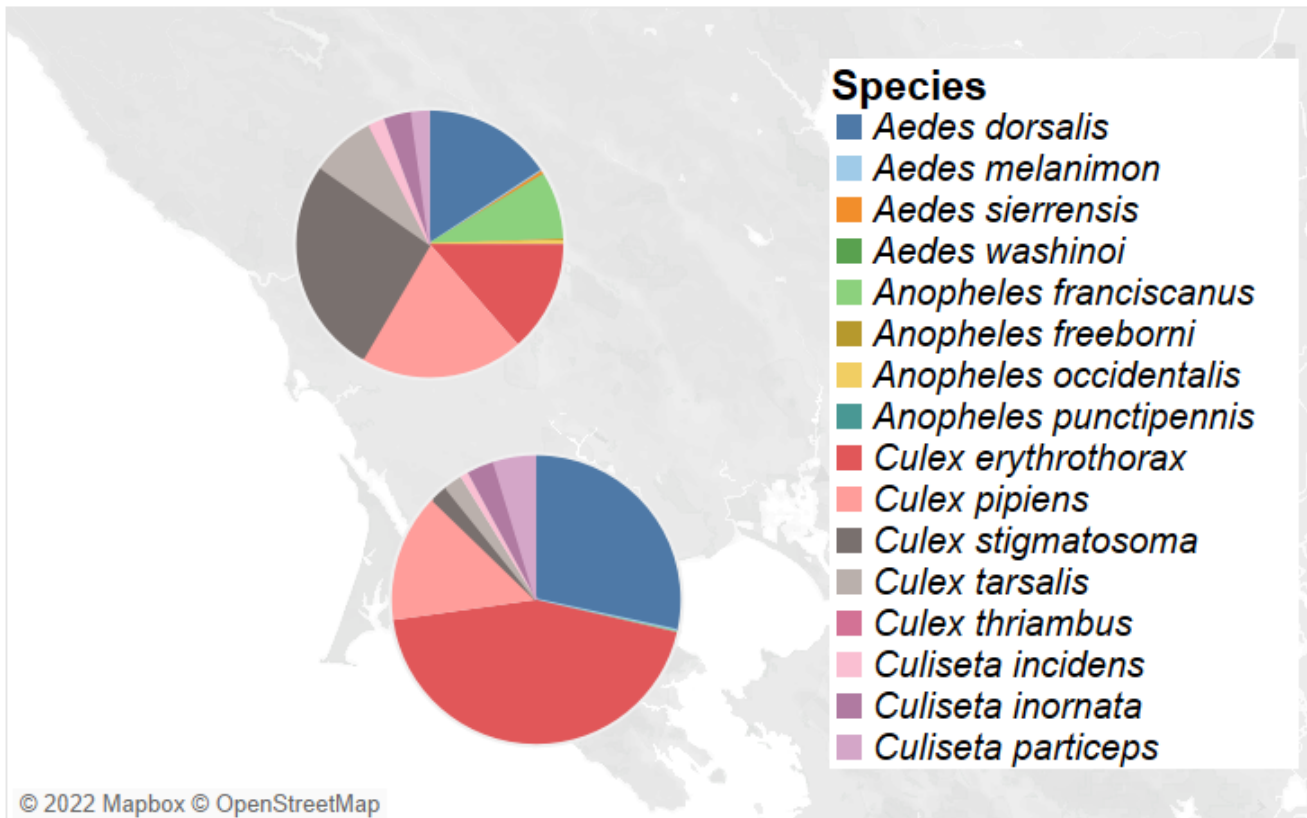
Laboratory Update

September through November 2022

Adult mosquitoes identified by lab staff

County	Trap Type	Total Traps	Total Adults
Marin	EVS	214	3,087
	Gravid	15	87
	Sentinel	32	81
	Sweep Net	8	78
Sonoma	EVS	338	1,794
	Gravid	51	181
	Sentinel	89	150
	Sweep Net	21	874

Total Adults by County September through November 2022





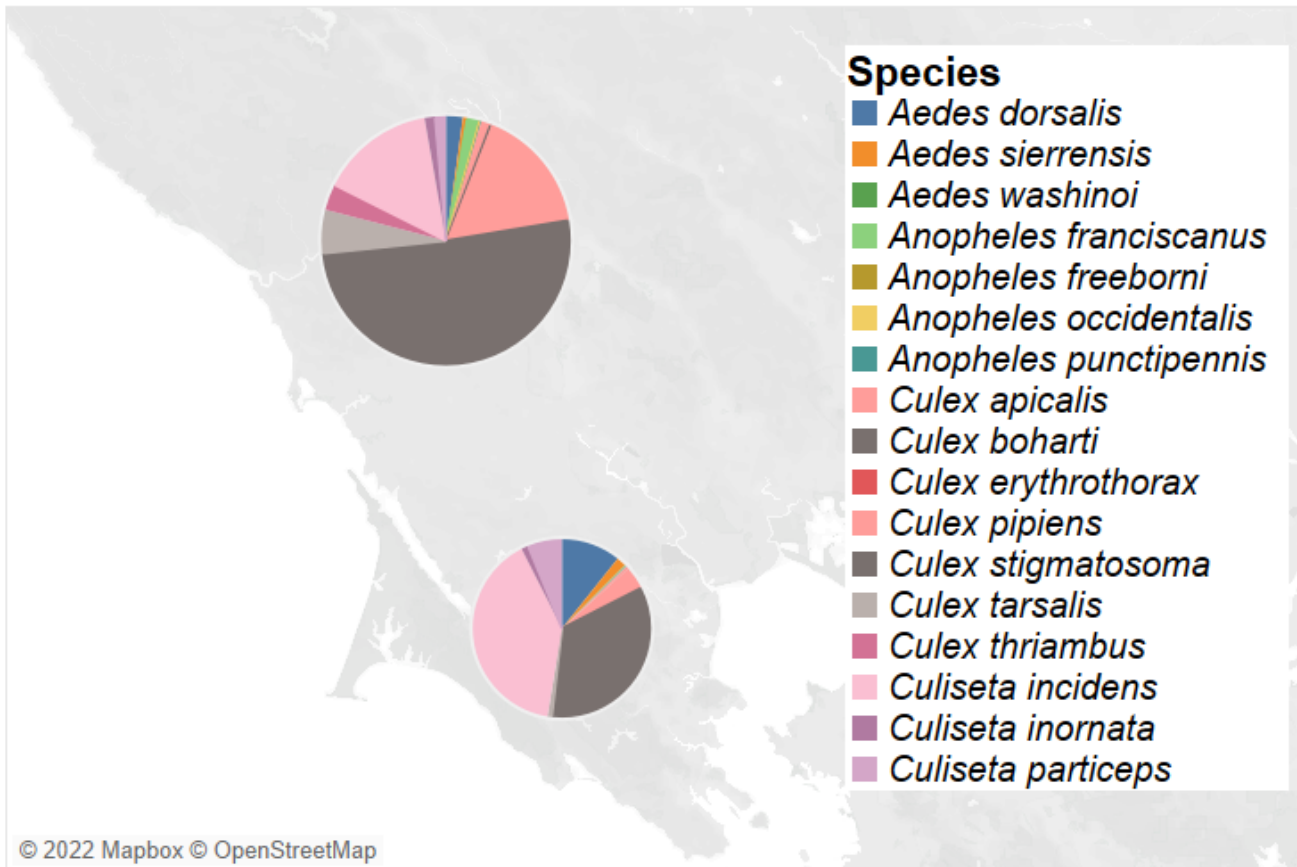
Laboratory Update

September through November 2022

Larval mosquitoes identified by lab staff

County	Total Samples	Total Larvae
Marin	672	13,059
Sonoma	1,178	25,566

Total Larvae by County September through November 2022





Laboratory Update

September through November 2022

Additional Lab Activities

- Biologist Kristen Holt and Lead Biologist (LB) Sarah Brooks continued their daily work of identifying mosquito samples, pooling adult mosquitoes for testing and inputting data into multiple databases.
- Biologist Holt and seasonal staff maintained *Culex pipiens* and *Aedes sierrensis* colonies for use in testing ultra-low volume spray and larviciding equipment. Biologist Holt also re-initiated the *Culiseta incidens* colony used for the education program.
- Biologist Holt began preparing to test ticks from the 2022 collection year.
- LB Brooks completed analysis of adult mosquito trap numbers for the 2022 season, comparing trap numbers from the past several years and providing informative graphics for staff.
- LB Brooks completed analysis of the dead bird program for 2022. This year the lab processed 32 dead birds, submitted samples for testing from 23 birds, and identified one bird positive for West Nile virus.
- SPM Liebman completed analyses comparing adult mosquito numbers for the past 5 years, focusing on mosquitoes per trap night by trapline, zone, and specific site. This information was provided to operations and laboratory staff. Additional analyses were conducted for specific locations including Las Gallinas Valley Sanitary District and Ellis Creek Wildlife Refuge.
- SPM Liebman continues to answer insect identification requests and work closely with Rodent Control Specialist Tony Russo as well as other vector control technicians on potential biting insect/mite service requests.
- Biologist Holt and SPM Liebman began collecting ticks again in November. A significant number of adult *Ixodes pacificus* were found at Annadel State Park and Spring Lake Regional Park in Sonoma County, indicating the adult season has officially begun!
- LB Brooks and SPM Liebman participated in the quarterly Vector Borne Diseases Group meeting with other coastal region MVCAC biologists.
- SPM Liebman attended additional virtual meetings including MVCAC quarterly committee meetings and the Sonoma County Infectious Disease Task Force meeting.

Manager's Report

- Public Information Officer Nizza Sequeira reports that the free Tire Recycling event that we held in Petaluma on December 3rd was a success. She plans to provide a comprehensive update to the Board on her department's activities at the January 11th, 2023 meeting.
- We are testing a new type of outdoor security camera to enhance safety and security on the premises.
- As of December 6th, 2022, the District's OPEB trust fund balance for future retiree medical obligations held steady at last month's balance of \$7.33M. In the new pension stabilization trust fund (CEPPT), the balance was \$1.71M, meaning that we have recaptured the capital lost in recent months (the District's initial deposit was \$1.7M). These are long-term investments, and we hope to see a further rebound when market conditions improve.
- We plan to propose a mid-year budget adjustment early next year.
- Architect Kurt Worthington and I evaluated proposals to conduct the ecological part of the environmental studies for the space planning project. The study results should help make clear what would be feasible in terms of the expansion of the facilities. We plan to work with a local ecological consulting firm, which recently completed a similar review on a neighboring parcel. Because that study assessed a portion of the District's land, significant cost savings accrued to us. The "as-built" drawings of the entire headquarters complex are now complete.
- We have made further progress on the joint project to prepare an addendum to the District's 2016 Programmatic Environmental Impact Report. The environmental consultants are reviewing the list of materials and methods to be studied in an addendum. The next step will involve reviewing price estimates and discussions with the seven participating districts on what should be included in the project scope.
- Following a recruitment process, Seasonal Receptionist Carolyn Borr was appointed to the full-time, year-round Receptionist position. In the next few weeks, Assistant Manager Hawk and I will recruit for a Source Reduction/Wastewater Specialist. Due to the current heavy workload, we plan to defer the recruitment of an Environmental Biologist to the next fiscal year.
- To fulfill some of the functions created by the vacant Financial Manager position, we negotiated an agreement with Regional Government Services (RGS) a local joint powers agency. RGS staff number over 150, with subject matter experts in Human Resources, Payroll, Accounting, Recruitment, and other specialties. We are now acquainting them with the District's policies and procedures as well as arranging to temporarily transfer some tasks to them. As part of the team approach we are taking to this transitional period, Administrative Assistant Dawn Williams and Receptionist Carolyn Borr will be performing some payroll and accounts payable duties. We are very appreciative of their help.
- With assistance from RGS staff, we've embarked on a job analysis for the Financial Manager position.

Assistant Manager's Report

- There is a significant amount of work taking place within the District's shop facilities. For example, mechanics and Vector Control Technicians are setting up recently acquired Argo ATVs for use during the upcoming season, performing maintenance work on Argo ATVs and larvicide application systems, calibrating various types of application equipment, performing custom fabrication work and maintaining trucks and trailers.
- Vector Control Technicians are being cross trained on winter mosquito sources and especially problematic sources of mosquito production in neighboring zones.
- Field staff are monitoring tidal marshes and seasonal wetlands after recent rain events to assess water levels and larval mosquito hatches.
- Laboratory staff continue to analyze data and provide annual surveillance summaries. The District's Biologist, Kristen Holt, is testing ticks collected in 2022 for *Borrelia burgdorferi*, the bacteria that causes Lyme disease, and *Borrelia miyamotoi*, the bacteria that causes a relapsing fever illness. Scientific Programs Manager Kelly Liebman is collecting ticks with the onset of the of the adult western black-legged tick season (*Ixodes pacificus*).
- The District has received several service requests recently for large scale, complex rat related issues. Some of the issues are associated with apartment and condominium complexes with multiple tenants complaining of rat sightings, rats in the walls and HVAC systems. The Rodent Control Specialist has responded to the requests, performed detailed inspections, and submitted reports and recommendations to agencies and property managers. I am also working with other agencies on some of these matters.
- We recently experienced an issue with the heating/HVAC system. The Mechanic/Facilities Manager, Rob McGovern, and I worked with an HVAC professional to diagnose and ultimately remedy the issue.
- With the departure of the Financial Manager, I am performing human resources related functions associated with workers' compensation and leaves of absence.
- I have been working with the Confidential Administrative Assistant on accounts receivable relative to billing other agencies and property owners for the District's services.
- The Mechanic/Facilities Manager and I have been working collaboratively on purchasing equipment included in the current fiscal year's budget. For example, we are working with the airboat manufacturer on the airboat build and trailer dealers for Argo trailers.
- Field Supervisor Jason Sequeira performed an inventory of the District's larvicide and adulticide materials and was able to order several materials prior to substantial price increases from the manufacturers.
- Operations and laboratory staff are working on annual permitting and reporting requirements in preparation for the new year.

- Field Supervisor Jason Sequeira and I are working collaboratively with the United States Fish and Wildlife Service regarding management of the Sonoma Creek Enhancement Project site.
- Field Supervisor Marc Nadale is working with the Sea Ranch Golf Course on a problematic mosquito control situation associated with dense and abundant aquatic vegetation in ponds on the property.
- Field Supervisor Steve Miller is monitoring several projects involving storm water retention and conveyance and wetland enhancement in Marin County.