



*Serving Public Health Since 1928*

**Coachella Valley Mosquito and Vector Control District**

**43420 Trader Place, Indio, CA 92201 | (760) 342-8287 | [cvmosquito.org](http://cvmosquito.org)**

**Executive Committee Meeting**

**Friday, October 27, 2023**

**3:00 p.m.**

**AGENDA**

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Materials related to an agenda item that are submitted to the Executive Committee after distribution of the agenda packets are available for public inspection in the Clerk of the Board's office during normal business hours and on the District's website.

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This meeting will be conducted by video and/or teleconference as well as in person at the District office located at the address listed above. To view/listen/participate in the meeting live, please join by calling 1-888-475-4499 (toll-free), meeting ID: **867 4535 6406**, or click this link to join: <https://us02web.zoom.us/j/86745356406>.

Assistance for those with disabilities: If you have a disability and need an accommodation to participate in the meeting, please contact the Clerk of the Board at (760) 342-8287 at least 48 hours prior to the meeting to inform us of your needs and to determine if accommodation is feasible. The District will attempt to accommodate you in every reasonable manner.

**Before entering the District's facilities, we request that you self-screen for COVID-19 symptoms. We want to work together to help limit the spread of COVID-19.**

- 1. Call to Order** – John Peña, President
- 2. Roll Call**
- 3. Confirmation of Agenda**

#### **4. Public Comments**

Members of the public may provide comments in person or remotely at the time of the meeting as set forth in the agenda. Public comments may also be sent by E-mail to the Clerk of the Board by 1:00 p.m. on October 27, 2023, at [mtallion@cvmosquito.org](mailto:mtallion@cvmosquito.org). E-mails received prior to 1:00 p.m. on the day of the Executive Committee meeting will be made part of the record and distributed to the Executive Committee. This method is encouraged as it gives the Executive Committee the opportunity to reflect upon your input. E-mails will not be read at the meeting.

**A. PUBLIC Comments — NON-AGENDA ITEMS:** This time is for members of the public to address the Executive Committee on items of general interest ( a non-agenda item) within the subject matter jurisdiction of the District. The District values your comments; however, pursuant to the Brown Act, the Board cannot take action on items not listed on the posted Agenda. **Comments are limited to a total of three (3) minutes per speaker for non-agenda items.**

**B. PUBLIC Comments — AGENDA ITEMS:** This time is for members of the public to address the Executive Committee on agenda items (Open and Closed Sessions). **Comments are limited to three (3) minutes per speaker per agenda item.**

All comments are to be directed to the Executive Committee and shall be devoid of any personal attacks. Members of the public are expected to maintain a professional, courteous decorum during public comments.

#### **5. Review of November 14, 2023, draft Board meeting agenda (Pg. 4)**

#### **6. Old Business — None**

#### **7. New Business**

A. Discussion: Appointment of the ad hoc Nominations Committee

B. Discussion: Pension Funding Policy **(Pg. 9)**

C. CalPERS Golden Handshake Status Update **(Pg. 14)**

D. Energy Infrastructure Update **(Pg. 15)**

#### **8. Trustee/staff comments**

#### **9. Confirmation of next meeting**

## 10. Adjournment

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### **Certification of Posting**

I certify that on October 23, 2023, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Trustees of the Coachella Valley Mosquito & Vector Control District and on the District's website, said time being at least 72 hours in advance of the meeting of the Board of Trustees (Government Code Section 54954.2)

Executed at Indio, California, on October 23, 2023

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Melissa Tallion, Clerk of the Board



*Serving Public Health Since 1928*

## **Coachella Valley Mosquito and Vector Control District**

**43420 Trader Place, Indio, CA 92201 | (760) 342-8287 | [cvmosquito.org](http://cvmosquito.org)**

### **Board of Trustees Meeting**

**Tuesday, November 14, 2023**

**6:00 p.m.**

### **DRAFT-AGENDA**

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The Board of Trustees will take action on all items on the agenda.

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**Before entering the District's facilities, we request that you self-screen for COVID-19 symptoms. We want to work together to help limit the spread of COVID-19.**

**1. Call to Order** – John Peña, President

**A. Roll Call**

**2. Pledge of Allegiance**

### 3. Confirmation of Agenda

### 4. Public Comments

Members of the public may provide comments in person or remotely at the time of the meeting as set forth in the agenda. Public comments may also be sent by E-mail to the Clerk of the Board by 2:00 p.m. on November 14, 2023, at [mtallion@cvmosquito.org](mailto:mtallion@cvmosquito.org). E-mails received prior to 2:00 p.m. on the day of the Board meeting will be made part of the record and distributed to the Board. This method is encouraged as it gives the Board of Trustees the opportunity to reflect upon your input. E-mails will not be read at the meeting.

A. **PUBLIC Comments — NON-AGENDA ITEMS:** This time is for members of the public to address the Board of Trustees on items of general interest (a non-agenda item) within the subject matter jurisdiction of the District. The District values your comments; however, pursuant to the Brown Act, the Board cannot take action on items not listed on the posted Agenda. **Comments are limited to a total of three (3) minutes per speaker for non-agenda items.**

B. **PUBLIC Comments — AGENDA ITEMS:** This time is for members of the public to address the Board of Trustees on agenda items (Open and Closed Sessions). **Comments are limited to three (3) minutes per speaker per agenda item.**

All comments are to be directed to the Board of Trustees and shall be devoid of any personal attacks. Members of the public are expected to maintain a professional, courteous decorum during public comments.

### 5. Announcements, Presentation, and Written Communications

### 6. Items of General Consent

The following items are routine in nature and may be approved by one blanket motion upon unanimous consent. The President or any member of the Board of Trustees may request an item be pulled from Items of General Consent for a separate discussion.

A. Minutes for October 10, 2023, Board Meeting **(Pg. )**

B. Approval of expenditures for September 29, 2023, to November 2, 2023 **(Pg. )**

C. Informational Items:

- Financials — **David I'Anson, Administrative Finance Manager (Pg. )**
- Correspondence **(Pg. )**

- Quarterly Department Reports: Human Resources; Operations; Information Technology; Fleet Services; Laboratory & Surveillance Control; and Public Outreach **(Pg. )**
- Mosquito and Vector Control Association of California (MVCAC) Bill Status Report as of XXXX **(Pg. )**
- Mosquito and Vector Control Association of California (MVCAC) Fall Meeting, Palm Springs, CA, October 3-4, 2023 **(Pg. )**
- 2024 Board of Trustees Meeting Calendar **(Pg. )**
- District Travel for the Board of Trustees **(Pg. )**

## **7. Business Session**

### A. Old Business — None

### B. New Business

- I. Discussion and/or approval of Resolution 2023-17 CalPERS Golden handshake **(Pg. )**
- II. Approval of 2024 research proposals in an amount not to exceed \$XXXXX will be expensed in Fiscal Year (FY) 2023/2024 the balance will be expensed FY 2024/2025 from Fund 8510.01.600.000 – Research Projects, **Budgeted; Funds Available — Ad Hoc Research Committee and Jennifer A. Henke, M.S., Laboratory Manager (Pg. )**
- III. Discussion and/or approval to grant a day off in December to all full-time employees in appreciation of their work and dedication to protecting public health during the Mosquito virus season — **Jeremy Wittie, M.S., CSDM, General Manager (Pg. )**
- IV. Appointment of the ad hoc Nominations Committee — **John Peña, Board President (Pg. )**
- V. Discussion and/or approval for the District to enter into an agreement with XXX for new District Uniforms — **Crystal Moreno, M.S.I.O.P. and David I'Anson, Administrative Finance Manager (Pg. )**
- VI. Discussion and/or approval for the General Manager to sign the compensation agreement with the City of Palm Desert — **Stephanie Lopez, Administrative Assistant, City of Palm Desert, and Jeremy Wittie, M.S., CSDM, General Manager (Pg. )**

## 8. Committee and Trustee Reports

### A. Executive Committee — **John Peña, Board President**

Executive Committee oral report and minutes from October 27, 2023 **(Pg. )**

### B. Finance Committee — **Clive Weightman, Board Treasurer**

Finance Committee oral report and Finance Committee minutes from October 10, 2023 **(Pg. )**

### C. Trustee Comments, Requests for Future Agendas Items, Travel, and/ or Staff Actions

*The Board may not legally take action on any item presented at this time other than to direct staff to investigate a complaint or place an item on a future agenda unless (1) by a majority vote, the Board determines that an emergency exists, as defined by Government Code Section 54956.5, or (2) by a two-thirds vote, the board determines that the need for action arose subsequent to the agenda being posted as required by Government Code Section 54954.2(a). Each presentation is limited to no more than three minutes.*

## 9. Reports

### A. General Manager

- i. General Manager's Report — **Jeremy Wittie, M.S., CSDM, General Manager**
- ii. Arbovirus Risk and Response update (as necessary) — **Jennifer A. Henke, MS, Laboratory Manager, Greg Alvarado, Operations Manager, Tammy Gordon, MA, APR, MPIO, Public Information Manager**

*Questions and/or comments from Trustees regarding the reports*

### B. General Counsel

## 10. Closed Session

### **Closed Session (s):**

#### A. **Public Employee Performance Evaluation pursuant to Government Code Section 54957 (b)(1)**

Title: General Manager

#### B. **Conference with Labor Negotiators pursuant to Government Code Section 54957.6**

Agency Designated Representatives: Lena D. Wade, Crystal Moreno, and David I' Anson.

Employee Organizations: California School Employees Association and Teamsters Local 911.

**11. Adjournment**

At the discretion of the Board, all items appearing on this agenda, whether or not expressly listed for action, may be deliberated and may be subject to action by the Board.

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**Certification of Posting**

I certify that on November 9, 2023, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Trustees of the Coachella Valley Mosquito & Vector Control District and on the District’s website, said time being at least 72 hours in advance of the meeting of the Board of Trustees (Government Code Section 54954.2)

Executed at Indio, California, on November 9, 2023

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Melissa Tallion, Clerk of the Board





Serving Public Health Since 1928

**Coachella Valley Mosquito and Vector Control District**

**October 27, 2023**

**Staff Report**

**Agenda Item:** New Business

Discussion: Pension Funding Policy

**Background:**

The draft Pension Funding Policy has been reviewed by the Finance Committee. During the October meeting the Committee suggested that the Policy be reviewed by the Executive Committee. During the October Finance Committee meeting the Committee reviewed the latest CalPERS actuarial valuation showing the District's unfunded liability has grown to \$1.8m. The funded ratio of the District's pensions is between 88% and 92% for PEPRAs and Classic. The Funding Policy states a goal for the District is to have a funding ratio of greater than 90%. Looking back at the prior month's report the following are the common questions asked when reviewing the valuations.

- Is the District's plan in good shape?
- What are the District's required contributions?
- Where are the District's required contributions headed?
- How can the District manage our UAL in the future?

**Is the District's plan in good shape?**

The simple answer –YES. Page 6 of the valuation reports shows the plan-funded status

**June 30, 2022**

	<b>Classic</b>		<b>PEPRA</b>
Present Value of Projected Benefits (PVB)	\$27,276,069		\$3,302,545
Entry Age of Accrued Liability (AL)	21,595,366		901,753
Plans Market Value of Assets (MVA)	19,842,076		795,503
Unfunded Accrued Liability (UAL)	1,753,290		106,250
Funded Ratio	91.9%		88.2%

The Funded Ratio is one indicator of the plan's health, the target ratio is 100%. As of June 30, 2022, the District's Classic Funded Ratio is **91.9%** and the PEPRA is **88.2%**. The District's funding is high, the reasons for this are because of the Board's intervention in the form of Additional Discretionary Payments (ADP), and the shortening of the amortization period. These numbers change from previous due to CalPERS investment losses of minus 6.1% which saw the overall funding status of the pension plan drop from 82% to 71%.

**What are the District's required contributions?**

Employer Contribution is comprised of 2 components, Normal Cost Rate (% of Payroll) and Unfunded Accrued Liability (UAL) Amortization Payment (Dollar Payment).

**FY 2024-25**

	<b>Classic</b>	<b>PEPRA</b>
Employer Normal Cost Rate	10.71%	7.87%
Employer Amortization of Unfunded Accrued Liability	\$63,476	\$3,888

- FY 2024-25 rates reflect:
  - FY 2021-22 investment return of -6.1%
  - Discount rate 6.8%
  - Classic UAL payment of \$63,476
  - PEPRA UAL payment of \$3,888!!
- FY 2025-26 rates do not reflect:
  - FY 2022-23 investment return of 5.8%

**Where are the District's required contributions headed?**

**Classic**

	<b>Required Contribution</b>	<b>Projected Future Employer Contributions (Assumes 6.80% Return for Fiscal Year 2022-23 and Beyond)</b>				
<b>Fiscal Year</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>	<b>2029-30</b>
	Rate Plan 823 Results					
<b>Normal Cost %</b>	10.71%	10.7%	10.7%	10.7%	10.7%	10.7%
<b>UAL Payment</b>	\$63,476	\$96,000	\$128,000	\$161,000	\$193,000	\$193,000

**PEPRA**

	<b>Required Contribution</b>	<b>Projected Future Employer Contributions (Assumes 6.80% Return for Fiscal Year 2022-23 and Beyond)</b>				
<b>Fiscal Year</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>	<b>2029-30</b>
	Rate Plan 27361 Results					
<b>Normal Cost %</b>	7.87%	7.9%	7.9%	7.9%	7.9%	7.9%
<b>UAL Payment</b>	\$3,888	\$6,500	\$9,100	\$12,000	\$14,000	\$14,000

In the current year, the District is paying zero UAL for both Classic and PEPRA plans with the normal cost of 10.66 % and 7.68% respectively. For 2024-25 the UAL is \$63,476 for Classic and 7.87% for PEPRA plans with the normal cost of 10.71 % and 7.87% respectively. For future years, the assumption is that CalPERS will achieve an investment rate of rate 6.8%, and in FY 2022-23 the actual rate was a rate of minus 5.8%. The effect of not achieving the desired investment rate will see the UAL and normal cost rise again.

**How can the District manage our UAL in the Future?**

- Fresh Start Alternatives
  - Pay off UAL more rapidly

- Shorter amortization
- Additional Discretionary Payments (ADP)
- Section 115 Trust
- Past District management of UAL -
  - The District paid ADP \$600,000 in 2019-20
  - Fresh Start shortens the amortization period from 20 years down to 5
  - The shortened period raised UAL payment from \$190k to \$357k
  - District paid ADP \$1,000,000 in 2021-22
  - **FY23-24 \$200,000 to be transferred to Section 115 Trust**

For FY2023-24 \$200,000 has been set aside to prefund pension expenses in a Section 115 Trust, such as PARS Pension Rate Stabilization Program (PRSP) or CalPERS CEPPT. The District already prefunds retiree healthcare in a Section 115 trust, CalPERS CERBT. This was established in 2012 and over that period the District has made \$3.6m in contributions, the annualized yield is 5.79% with investment earnings of \$1.4m. As of June 30, 2023, the CERBT balance is \$4.9m.

At the November meeting a **PARS representative** will make a PRSP presentation to the Finance Committee and in January a **CalPERS representative** will present CEPPT.

COACHELLA VALLEY MOSQUITO & VECTOR CONTROL DISTRICT			
<b>BOARD POLICY</b>			
<b>Subject</b>	<b>Policy Number</b>	<b>Date Adopted</b>	<b>Date Revised</b>
PENSION / OPEB FUNDING POLICY			

**PURPOSE AND SCOPE**

The Coachella Valley Mosquito and Vector Control District (the District) strategic finance goal is to extend its financial planning horizon to ensure long-term stability, financial security, and taxpayer value. In terms of Pension and OPEB the District takes a proactive approach, reviewing annually the actuarial valuation reports and maintaining a strong funding ratio. The District has two pension plans through CalPERS, Classic, and PEPR, and provides retiree healthcare through CalPERS PEHMCA.

**DISTRICT POLICY REGARDING PENSION / OPEB FUNDING**

- District goal for CalPERS Classic and PEPR is to have a funding ratio of greater than 90%.
- The District sets aside funds to cover retiree health liabilities in the California Employers Retiree Benefit Trust (CERBT) Fund District goal is to have a funding ratio of greater than 90%.

**DEFINITIONS**

**ADP** – Additional Discretionary Payment

**CalPERS** – California Public Employees’ Retirement System

**CEPPT** – California Employers Pension Prefunding Trust

**CERBT** – California Employers Retiree Benefit Trust

**OPEB** – Other Post Employment Benefits

**PEHMCA** – Public Employees’ Medical and Hospital Care Act

**PEPRA** – Public Employees Pension Reform Act

**Section 115 Trust** - a vehicle for segregating agency funds from general assets for the purpose of funding essential governmental functions.

**UAL** - Unfunded Accrued Liability

## **PROCEDURES**

### **Goal:**

A funding ratio of greater than 90% for CalPERS Classic, PEPRAs and OPEB

### **Strategies to meet this goal:**


- Annual UAL Prepayment – lump sum instead of monthly payments saving in interest payments
- Fresh Start / New Amortization – shorten the period to save in interest payments
- Additional Discretionary Payment (ADP) – directly pay off specific portions of UAL above and beyond what is required
- Section 115 Trust – Set aside extra funds into a trust legally restricted to pension or OPEB expenses

### **Finance Committee**

Pre-Budget Planning – Staff will present actuarial reports in the Finance Committee meeting in October. The presentation will address these common questions:

- Is the District's plan in good shape?
- What are the District's required contributions?
- Where are the District's required contributions headed?
- How can the District manage our UAL in the future?

Finance Committee – will review this policy and actuarial reports in the October meeting and set budget strategy for pension and OPEB for the following fiscal year

 <p><i>Serving Public Health Since 1928</i></p>	<p><b>Coachella Valley Mosquito and Vector Control District</b></p> <p><b>Staff Report</b></p>	<p><b>October 27, 2023</b></p>
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**Agenda Item:** New Business

CalPERS Golden Handshake Status Update

**Background:**

The District is still in the process of establishing cost savings and eligibility to be able to offer the CalPERS Golden Handshake.

California Government Code (GC) section 20903 allows an employer to provide its employees, who retire during a designated period, with two years of additional service credit. The provision permits employers to offer this retirement incentive for eligible employees in order to reduce staff and provide immediate payroll savings if the best interest of the employer would be served by doing so. The minimum requirements for the Golden Handshake are that a member must be employed during the designated window period established by the employer with a minimum of five years of service credit, and eligible for service retirement.

The District is currently awaiting an updated, required, actuarial valuation – estimated to be completed on October 8, 2023 – that will reflect the addition of an employee who became eligible for the Golden Handshake after the original actuarial valuation was completed.

The District is hoping to provide updated information and present a resolution for Board approval at the November 14<sup>th</sup> Board Meeting.



Serving Public Health Since 1928

## Coachella Valley Mosquito and Vector Control District

### Staff Report

October 27, 2023

**Agenda Item:** New Business

Energy Infrastructure Update

#### **Background:**

Staff has been meeting with Centrica Business Solutions to find a viable and budget-friendly solution to advance the District's sustainability goals and support the EV compliance needs. The focus has been on energy savings through the replacement of lighting, HVAC, and solar inverters, replacement and upgrade of HVAC controls (BMS), expansion of solar, and building EV charging infrastructure. This is a brief update on this project.

The Preliminary Feasibility Assessment site walk revealed six (6) areas to be addressed:

- **Interior LED Lighting.**
  - Replace linear fluorescent technology with efficient, long-lasting LED retrofit kits and fixtures. Install lighting controls to comply with the CA Title 24 Energy Code.
- **Building Management System (BMS) replacement & upgrade.**
  - Replace the old Johnson Control system with a new open-source model and integrate all other areas not on the BMS system with the new controls to have a full site accessible through the BMS.
- **Heating Ventilation and Air Conditioning (HVAC) Replacement.**
  - Replace aging HVAC equipment with higher efficiency in-kind systems.
- **Solar Inverter Replacement**
  - Replace existing inefficient or non-operational solar inverters to return existing solar to full production.
- **Solar Photovoltaics (PV) – Expansion**
  - Install flush-mount PV arrays on existing shade structures and roofs.
- **Installation of Electric Vehicle (EV) Charging Infrastructure and charging Stations**
  - Main service and switchgear upgrade to be ready for future full fleet electrification.
  - Install 4 Dual-Port charging stations (8 ports total) for the first phase of fleet electrification.

The project will be funded from future energy savings over 19 years and is budget-neutral. The approximate total cost is \$2.6 million with an Investment Tax Credit (IRA) of around \$0.5 million reducing it to \$2.1 million. The next step is for Centrica to present the scope and benefits of the project to the Board of Trustees in a future workshop.