

**AGENDA**  
1076<sup>th</sup> MEETING OF THE BOARD OF TRUSTEES  
OF THE ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
FEBRUARY 12TH, 2020

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TIME: 5:00 P.M.  
PLACE: Office of the District, 23187 Connecticut Street, Hayward  
TRUSTEES: Eric Hentschke, President, City of Newark  
Wendi Poulson, Vice-President, City of Alameda  
P. Robert Beatty, Secretary, City of Berkeley  
Cathy Roache, County-at-Large  
Shawn Kumagai, City of Dublin  
Betsy Cooley, City of Emeryville  
George Young, City of Fremont  
Elisa Marquez, City of Hayward  
James N. Doggett, City of Livermore  
Jan O. Washburn, City of Oakland  
City of Piedmont, vacant  
Julie Testa, City of Pleasanton  
Victor Aguilar, City of San Leandro  
Subru Bhat, City of Union City

1. Call to order.
2. Roll call.
3. President Hentschke invites any member of the public to speak at this time on any issue relevant to the District. (Each individual is limited to three minutes).
4. Introduction of new Board Members Ms. Julie Testa, representing Pleasanton, and Shawn Kumagai, representing the City of Dublin (Information only)
5. Approval of the minutes of the 1075<sup>th</sup> meeting held December 11<sup>th</sup>, 2019 (**Board action required**)
6. Election of Board Officers. Gavel transferred from President Hentschke to the newly elected President. (**Board action required**)
7. Resolution 1076-1 honoring former City of Pleasanton Trustee Kathy Narum (**Board action required**)
8. Presentation of the Financial Audit and Memorandum on Internal Controls for Fiscal Year 2018-19 by Maze & Associates. (**Board Action Required**)
9. Review of quotes and awarding of contract for the purchase of an unmanned aircraft system (UAS, or “drone”) for aerial mosquito control applications (**Board action required**)
  - a. Staff report
  - b. Vendor Quotes
10. Review of 2020 ACMAD Board Meeting and Event Calendar (**Possible board action required**)

11. Review Committee Assignments for 2020 (Information only)
12. Financial Reports as of January 31<sup>st</sup>, 2020: (Information only).
  - a. Check Register
  - b. Income Statement
  - c. Investments, reserves, and cash report
  - d. Balance Sheet
13. Presentation of the Monthly Staff Report for February 2020 (Information only).
14. Presentation of the Manager's Report for February 2020 (Information only).
  - a. Trustee & Staff Anniversaries
  - b. ACMAD 90<sup>th</sup> year pins & open house planning
  - c. Form 700 FFPP Conflict of Interest Report
  - d. MVCAC Annual Conference Recap
  - e. ACSDA Annual Dinner March 26<sup>th</sup>, 2020. Redwood Canyon Golf Course, Castro Valley
  - f. CSDA Annual Conference: July 24-27, 2020- Palm Desert, CA
  - g. Training set to expire: AB1234- Doggett, Young
  - h. LAFCo annexation application update
15. Board President asks for reports on conferences and seminars attended by Trustees.
16. Board President asks for announcements from members of the Board.
17. Board President asks trustees for items to be added to the agenda for the next Board meeting.
18. Adjournment.

RESIDENTS ATTENDING THE MEETING MAY SPEAK ON ANY AGENDA ITEM AT THEIR REQUEST.

**Please Note: A copy of this agenda is also available at the District website, [www.mosquitoes.org](http://www.mosquitoes.org) or via email by request. Alternative formats of this agenda can be made available for persons with disabilities. Please contact the district office at (510) 783-7744, via FAX (510) 783-3903 or email at [acmad@mosquitoes.org](mailto:acmad@mosquitoes.org) to request an alternative format.**

## MINUTES

### 1075<sup>th</sup> MEETING OF THE BOARD OF TRUSTEES OF THE ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT

December 11<sup>th</sup>, 2019

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TIME: 5:00 P.M.  
PLACE: Office of the District, 23187 Connecticut Street, Hayward  
TRUSTEES: Eric Hentschke, President, City of Newark  
Wendi Poulson, Vice-President, City of Alameda  
P. Robert Beatty, Secretary, City of Berkeley  
Cathy Roache, County-at-Large  
Alan Brown, City of Dublin  
Betsy Cooley, City of Emeryville  
George Young, City of Fremont  
Elisa Marquez, City of Hayward  
James N. Doggett, City of Livermore  
Jan O. Washburn, City of Oakland  
Robert Dickinson, City of Piedmont  
Kathy Narum, City of Pleasanton  
Victor Aguilar, City of San Leandro  
Subru Bhat, City of Union City

1. Board President Hentschke called the regularly scheduled board meeting to order at 5:00 P.M.
2. Trustees Hentschke, Poulson, Beatty, Roache, Cooley, Young, Marquez, Doggett, Washburn, Narum and Bhat were present. Trustees Brown and Dickinson were absent. Trustee Aguilar arrived at 5:04 P.M.
3. Board President Hentschke invited members of the public to speak on any issue relevant to the District. Vector Biologist Miguel Cardenas was present for Resolution 1075-1. Vector Biologist Jeremy Sette was present to record the minutes.
4. Approval of minutes of the 1074<sup>th</sup> meeting held November 13<sup>th</sup>, 2019.  
**Motion:** Trustee Marquez moved to approve the minutes  
**Second:** Trustee Narum  
**Vote:** motion carries: unanimous.
5. Resolution 1075-1 honoring Miguel Cardenas for his service to the District.  
**Discussion:**  
After President Hentschke presented Resolution 1075-1, the General Manager thanked Vector Biologist Miguel Cardenas for his multiple years of positive contributions to the District.  
**Motion:** Trustee Bhat moved to approve Resolution 1075-1 honoring Miguel Cardenas for his service to the District  
**Second:** Trustee Cooley  
**Vote:** motion carries: unanimous.

6. Nominating Committee nominates a slate of 2020 District Officers for Board Approval.  
**Discussion:**  
Trustee Washburn spoke on behalf of the Nominating Committee and proposed nominating Vice-President Poulson, Secretary Beatty and Trustee Cooley as the 2020 Board President, Vice-President and Secretary, respectively.  
**Motion:** Trustee Marquez moved to approve Vice-President Poulson, Secretary Beatty and Trustee Cooley to the slate of 2020 District Officers: as 2020 President, Vice-President and Secretary, respectively.  
**Second:** Trustee Aguilar  
**Vote:** motion carries: unanimous.
7. Appointment of members to the Personnel Committee.  
**Discussion:**  
The General Manager explained the purpose of the Personnel Committee and fielded the following discussion. Secretary Beatty asked if the Personnel Committee changes every year (yes, with the officers).  
**Motion:** Secretary Beatty moved to approve the slate of 2020 officers as members of the Personnel Committee  
**Second:** Trustee Marquez  
**Vote:** motion carries: unanimous.
8. Presentation of the Financial Reports as of November 30th, 2019.  
**Discussion:**  
The General Manager presented the Financial Reports as of November 30th, 2019 and fielded the following discussion. The General Manager clarified that the \$160 paid to Vector Biologist Jeremy Sette was to cover the cost of the FAA Remote Pilot Certificate test, which was passed on October 30<sup>th</sup>, 2019. Trustee Marquez asked for clarification for the \$1722.25 payed to Accounting Associate Michelle Robles (the District helps contribute to collegiate expenses for education related to a relevant field of study).
9. Presentation of the Monthly Staff Report for December 2019.  
**Discussion:**  
The General Manager presented the Monthly Staff Report for December 2019. Vector Biologists Miguel Cardenas and Jeremy Sette contributed to the field operations report, discussed ditching efforts, efforts in monitoring any *Culex* sources that may pose a late-season West Nile virus threat, and training of new field staff member, Assistant Mosquito Technician, Erik Goana. The General Manager commended field and lab staff collaborations regarding monitoring, inspecting and treating *Culex* sources throughout the county in 2019, and congratulated them for zero West Nile virus detections for the year 2019-to-date. Secretary Beatty asked for clarification regarding District-generated geographical maps with BI pie charts depicting mosquito abundance, specifically asking about the open spaces with no mosquito abundance representation (these are areas in the county with both low mosquito and human populations). Trustee Marquez asked if there were any concerns with the new phone system installed a few years ago (none).
10. Presentation of the Manager's Report for December 2019.  
**Discussion:**  
The General Manager presented the Manager's Report for December 2019 and fielded the following discussion. The General Manager congratulated Trustee Cooley on her 3-year anniversary of service to the District as a Board member. The General Manager thanked all who attended the LAFCo hearing and Trustee Washburn clarified that only 1 commissioner voted against annexation. Trustee Marquez asked if the result of the protest hearing on January 8<sup>th</sup>, 2020, will be called that night (yes, by 8 P.M.). Trustee Beatty asked if it was

possible to move the January 2020 Board meeting to another day (the meeting can be kept as is, canceled, or moved to a special meeting). Trustee Marquez suggested having a meeting start at 4:00 P.M. Trustee Cooley agreed, and Trustee Washburn mentioned that he could make a 4:00 P.M. start time. The General Manager said he would check with the Brown Act regarding these options. The General Manager noted that there are three Board meetings that fall on District holidays in 2020 and there will have an agenda item discussing options for these meetings at a later date. Trustee Marquez noted that if a Board meeting time changes would the public notice be in the newspaper or on website (compliance with the Brown Act is necessary) and asked if it was okay to change the time now (as this was not on the agenda, Brown Act compliance must be considered before a decision is made). Trustee Bhat asked if the Board would have to make a motion for a change (only if it the topic an agenda item, which it was not). Trustee Aguilar brought up the possible scenario of the General Manager leaving early to attend the protest hearing (it is possible and could probably have District staff fill-in to finish running the Board meeting). The General Manager asked if any Board members would like to attend a morning ACSDA meeting at ACMAD on January 8<sup>th</sup>, 2020.

11. Board President Hentschke asked for reports on conferences and seminars attended by Trustees. None.
12. Board President Hentschke asked for announcements from the Board. Trustee Narum announced that she would most likely be stepping down from her Board member position because of possible conflicts with other obligations. Both Trustees and the General Manager expressed their appreciation of her work on the Board.
13. Board President Hentschke asked trustees for items to be added to the agenda for the next Board meeting. None.
14. The meeting adjourned at 5:42 P.M.

**Respectfully submitted,**

Approved as written and/or corrected  
at the 1076<sup>th</sup> meeting of the Board of  
Trustees held February 12<sup>th</sup>, 2020

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Wendi Poulson, President  
BOARD OF TRUSTEES

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Betsy Cooley, Secretary  
BOARD OF TRUSTEES

RESOLUTION NO. 1076-1

ALAMEDA COUNTY MOSQUITO  
ABATEMENT DISTRICT

**COMMENDATION TO: Kathy Narum**

WHEREAS: You, Kathy Narum, served on the Board of Trustees of the District, representing the City of Pleasanton since your appointment in 2013 until December 2019, and

WHEREAS: You worked closely with the Interim District Manager in successfully navigating through a transition of District management and laboratory staff in 2015; as President of the Board of Trustees in 2017, you led the updates to the manager's contract, job description, and performance evaluation process; as a member of the Finance Committee, you supported the transition away from the county banking system to writing our own checks and successfully created dedicated reserve accounts with CAMP and PARS--ensuring that these reserves are further protected through clear financial policy directions to future Trustees and Staff which you helped draft; as a member of the Salary Committee, you honestly, respectfully, and swiftly led the District through labor negotiations towards a new 3-year memorandum of understanding in 2018; and, you were instrumental in the process of completing a county-wide District. Now therefore be it

RESOLVED: We, the undersigned Board of Trustees, and General Manager, do hereby extend our sincere appreciation for your dedication of service to this District.

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
HAYWARD, CALIFORNIA**

**BASIC FINANCIAL STATEMENTS  
and  
MEMORANDUM ON INTERNAL CONTROL  
AND  
REQUIRED COMMUNICATIONS**

**JUNE 30, 2019**

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**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
 BASIC FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2019**

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**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2019**

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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Alameda County Mosquito Abatement District  
Hayward, California

### ***Report on Financial Statements***

We have audited the basic financial statements of the governmental activities and the fiduciary fund of the Alameda County Mosquito Abatement District (District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

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

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

### ***Auditor's Responsibility***

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

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

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

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the fiduciary fund of the Alameda County Mosquito Abatement District, as of June 30, 2019, and the respective changes in financial position thereof and the budgetary comparisons listed as part of the basic financial statements for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Required Supplementary Information*

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

*Maze + Associates*

Pleasant Hill, California  
December 18, 2019

Alameda County Mosquito Abatement District  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

For the Year Ended June 30, 2019

(Unaudited)

This section of Alameda County Mosquito Abatement District's (the District's) basic financial statements presents management's overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2019. We encourage the reader to consider the information presented here in conjunction with the District's basic financial statements, including notes and supplementary information that immediately follow this section, as a whole.

### **Introduction to the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's audited financial statements, which are comprised of the basic financial statements. This annual report is prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements - and *Management's Discussion and Analysis – for States and Local Governments*. The Single Governmental Program for Special Purpose Governments reporting model is used which best represents the activities of the District.

The required financial statements include the Government-wide and Fund Financial Statements; Statement of Net Position and Governmental Fund Balance Sheet; Statement of Activities and Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances; and the Statement of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual-All Governmental Fund Types.

These statements are supported by notes to the basic financial statements. All sections must be considered together to obtain a complete understanding of the financial picture of the District.

### **The Basic Financial Statements**

The Basic Financial Statements comprise the Government-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of the District's financial activities and financial position.

The Government-wide Financial Statements provide a longer-term view of the District's activities as a whole, and comprise the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the financial position of the District as a whole, including all of its capital assets and long-term liabilities on the full accrual basis, similar to that used by corporations. The Statement of Activities provides information about all of the District's revenues and all of its expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of the District's programs. The Statement of Activities explains in detail the change in Net Position for the year.

All of the District's activities are grouped into Government Activities, as explained below.

The Fund Financial Statements report the District's operations in more detail than the Government-wide statements and focus primarily on the short-term activities of the District's General Fund and other Major Funds. The Fund Financial Statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt and other long-term amounts.

Major Funds account for the major financial activities of the District and are presented individually. Major Funds are explained below.

Alameda County Mosquito Abatement District  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Year Ended June 30, 2019  
(Unaudited)

**The Government-wide Financial Statements**

Government-wide Financial Statements are prepared on the accrual basis, which means they measure the flow of all economic resources of the District as a whole.

The Statement of Net Position and the Statement of Activities present information about the following:

Governmental Activities - The District's basic services are considered to be governmental activities. These services are supported by general District revenues such as taxes, and by specific program revenues such as user fees and charges.

**Fund Financial Statements**

The Fund Financial Statements provide detailed information about each of the District's most significant funds, called Major Funds. The concept of Major Funds, and the determination of which are Major Funds, was established by GASB Statement No. 34 and replaces the concept of combining like funds and presenting them in total. Instead, each Major Fund is presented individually; the District has no Non-major Funds. Major Funds present the major activities of the District for the year and may change from year-to-year as a result of changes in the pattern of the District's activities.

In the District's case, the General Fund is the only Major Governmental Fund.

Governmental Fund Financial Statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long-term liabilities, are not presented in the Governmental Fund Financial Statements.

Comparisons of Budget and Actual financial information are presented for the General Fund.

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

**Analyses of Major Funds**

**Governmental Funds**

General Fund revenues increased by \$299,199 this fiscal year.

General Fund expenditures were \$3,987,822 a decrease of \$8,030 from the prior year.

Alameda County Mosquito Abatement District  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Year Ended June 30, 2019  
(Unaudited)

**Governmental Activities**

	<u>Governmental Net Position</u>	
	<u>Governmental Activities</u>	
	<u>2019</u>	<u>2018</u>
<u>Assets</u>		
Current and other assets	\$ 8,157,216	\$ 7,138,612
Capital assets	3,543,259	3,465,472
Total assets	<u>11,700,475</u>	<u>10,604,084</u>
Deferred outflows of resources	<u>1,208,279</u>	<u>818,392</u>
<u>Liabilities</u>		
Current liabilities	353,088	249,398
Long-term liabilities	2,952,714	2,642,666
Total liabilities	<u>3,305,802</u>	<u>2,892,064</u>
Deferred inflows of resources	<u>(242,290)</u>	<u>(851,621)</u>
<u>Net Position</u>		
Net investment capital assets, net of debt	2,852,921	2,748,806
Unrestricted	<u>6,507,741</u>	<u>4,929,985</u>
Total net position	<u>\$ 9,360,662</u>	<u>\$ 7,678,791</u>

The District's governmental net position amounted to \$9,360,662 as of June 30, 2019, an increase of \$1,681,871 from 2018, before the prior period beginning balance restatement, due to the implementation of GASB 75. The District's net position as of June 30, 2019 is comprised of the following:

- Cash and investments of \$8,157,216
- Capital assets of \$2,852,921 net of depreciation charges, which includes all the District's capital assets used in governmental activities.
- Net OPEB assets of \$690,338, a decrease of \$26,328 from \$716,666 due to implementation of GASB 75.
- Liabilities, including accounts payable of \$165,420, compensated absences of \$187,668, and net pension liability of \$2,952,714
- Net position invested in capital assets, net of related debt, of \$2,852,921 representing the District's investment in capital assets used in Governmental Activities, net of amounts borrowed to finance that investment. The District has no long-term debt.

Alameda County Mosquito Abatement District  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
 For the Year Ended June 30, 2019  
 (Unaudited)

- Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions. The District had \$6,507,741 of unrestricted net position as of June 30, 2019.

The Statement of Activities presents program revenues and expenses and general revenues in detail. All of these are elements in the Changes in Governmental Net Position summarized in the following table.

Table 2  
Changes in Governmental Net Position

	Governmental Activities	
	2019	2018
<u>Expenses</u>		
Mosquito control	\$ 3,240,678	\$ 3,574,293
Total expenses	3,240,678	3,574,293
<u>General Revenues</u>		
Property Taxes	2,325,861	2,054,129
Redevelopment distributions	250,284	236,382
Special assessments	1,939,212	2,206,453
Governmental aid (Homeowners Property Tax Relief, State Subvention)	16,138	16,220
Transfer from OPEB trust	-	-
Miscellaneous	223,566	264,661
Interest income	167,488	25,505
Total revenues	4,922,549	4,623,350
Change in net position	\$ 1,681,871	\$ 1,049,057

As Table 2 above shows, all the District's fiscal year 2019 governmental revenue of \$4,922,549 came from general revenues such as taxes and interest.

General revenues are not allocable to programs. General revenues are used to pay for the net cost of governmental programs.

Capital Assets

Detail on capital assets and current year additions can be found in Note 4.

Debt Administration

The District currently does not utilize long-term debt to fund operations or growth.



Alameda County Mosquito Abatement District  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Year Ended June 30, 2019  
(Unaudited)

Economic Outlook and Major Initiatives

The District's financial position continues to be more than adequate. Financial planning is based on specific assumptions from recent trends in property values, State of California economic forecasts and historical growth patterns in the various communities served by the District.

The District continues to face increases in salaries, benefits, fund, pesticides and insurance. There are also calls for changes in property tax allocation from State control to more local control.

Contacting the District Financial Management

This comprehensive Annual Financial Report is intended to provide citizens, taxpayers, and creditors with a general overview of the District's finances. Questions regarding this report should be directed to: General Manager of Alameda County Mosquito Abatement District, 23187 Connecticut Street, Hayward, CA, 94545.

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ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2019

	Governmental Activities
<b>ASSETS</b>	
Current assets:	
Cash and investments (Note 3)	\$8,157,216
Total current assets	8,157,216
Non current assets:	
Capital assets, nondepreciable (Note 4)	391,333
Capital assets, depreciable, net of accumulated depreciation (Note 4)	2,461,588
Net OPEB asset (Note 9)	690,338
Total non current assets	3,543,259
Total Assets	11,700,475
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related (Note 8)	1,208,279
Total deferred outflows of resources	1,208,279
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	165,420
Compensated absences (Note 2F)	187,668
Total current liabilities	353,088
Non current liabilities:	
Net pension liability (Note 8)	2,952,714
Total non current liabilities	2,952,714
Total liabilities	3,305,802
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension related (Note 8)	192,480
OPEB related (Note 9)	49,810
Total deferred inflows of resources	242,290
<b>NET POSITION (Note 2J)</b>	
Net investment in capital assets	2,852,921
Unrestricted	6,507,741
Total Net Position	\$9,360,662

See accompanying notes to financial statements

ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019

Functions/Programs	Expenses	Net (Expense) Revenue and Change in Net Position
Governmental Activities:	Expenses	Governmental Activities
District operations	\$3,240,678	(\$3,240,678)
Total Governmental Activities	\$3,240,678	(3,240,678)
General revenues:		
Property taxes		2,325,861
Redevelopment distributions		250,284
Special assessments		1,939,212
Government aid		16,138
Interest		167,488
Miscellaneous		223,566
Total General Revenues		4,922,549
Change in Net Position		1,681,871
Net Position - Beginning		7,678,791
Net Position - Ending		\$9,360,662

See accompanying notes to financial statements

ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
 GOVERNMENTAL FUND - GENERAL FUND  
 BALANCE SHEET  
 JUNE 30, 2019

ASSETS

Cash and investments (Note 3)	\$8,157,216
Prepaid retirement expense	<u>                    </u>
Total Assets	<u><u>\$8,157,216</u></u>

LIABILITIES

Accounts payable	\$165,420
	<u>                    </u>
Total Liabilities	<u>165,420</u>

FUND BALANCES

Assigned for capital projects	3,196,718
Assigned for dry period cash	<u>4,795,078</u>
	<u>                    </u>
Total Fund Balances	<u>7,991,796</u>
	<u>                    </u>
Total Liabilities and Fund Balances	<u><u>\$8,157,216</u></u>

See accompanying notes to financial statements

ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
 Reconciliation of the  
 GOVERNMENTAL FUNDS - BALANCE SHEET  
 with the  
 STATEMENT OF NET POSITION  
 JUNE 30, 2019

Total fund balances reported on the governmental funds balance sheet	\$7,991,796
<p>Amounts reported for Governmental Activities in the Statement of Net Position          are different from those reported in the Governmental Funds above because of the following:</p>	
<p><b>CAPITAL ASSETS</b></p>	
Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds.	2,852,921
<p><b>DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES</b></p>	
Deferred outflows of resources - pension related	1,208,279
Deferred inflows of resources - pension related	(192,480)
Deferred inflows of resources - OPEB related	(49,810)
<p><b>LONG TERM ASSETS AND LIABILITIES</b></p>	
The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:	
Current portion of compensated absences	(187,668)
Collective net pension liability	(2,952,714)
Net OPEB asset	<u>690,338</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u><u>\$9,360,662</u></u>

See accompanying notes to financial statements

ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
GOVERNMENTAL FUND - GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2019

REVENUES	
Property taxes	\$2,325,861
Redevelopment distributions	250,284
Special assessments	1,939,212
Government aid (Homeowners Property Tax Relief, State Subvention)	16,138
Interest	167,488
Miscellaneous	<u>223,566</u>
Total Revenues	<u>4,922,549</u>
EXPENDITURES	
Salaries and fringe benefits	2,683,156
Materials, supplies and services	886,491
Capital outlay	<u>418,175</u>
Total Expenditures	<u>3,987,822</u>
NET CHANGE IN FUND BALANCE	934,727
BEGINNING FUND BALANCE	<u>\$7,057,069</u>
ENDING FUND BALANCE	<u><u>\$7,991,796</u></u>

See accompanying notes to financial statements

ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
 Reconciliation of the  
 NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS  
 with the  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2019

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

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$934,727
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Amounts reported for governmental activities in the Statement of Activities are different because of the following:

CAPITAL ASSETS TRANSACTIONS

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.	104,115
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NON-CURRENT ITEMS

The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):

Compensated absences	(19,813)
Pension expense, net of deferred inflows and outflows	697,220
Salary and benefit expenses related to OPEB	(34,378)
	\$1,681,871

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$1,681,871
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See accompanying notes to financial statements



ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original &amp; Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Property taxes	\$2,268,000	\$2,325,861	\$57,861
Redevelopment distributions		250,284	250,284
Special assessments	1,994,499	1,939,212	(55,287)
Governmental aid (Homeowners Property Tax Relief, State Subvention)		16,138	16,138
Interest	30,000	167,488	137,488
Miscellaneous	<u>206,229</u>	<u>223,566</u>	<u>17,337</u>
Total Revenues	<u>4,498,728</u>	<u>4,922,549</u>	<u>423,821</u>
EXPENDITURES			
Salaries and fringe benefits	2,771,705	2,683,156	88,549
Materials, supplies and services	1,125,011	886,491	238,520
Capital outlay	<u>431,223</u>	<u>418,175</u>	<u>13,048</u>
Total Expenditures	<u>4,327,939</u>	<u>3,987,822</u>	<u>340,117</u>
EXCESS (DEFICIENCY) OF REVENUES OVER REVENUES	<u>\$170,789</u>	934,727	<u>\$763,938</u>
BEGINNING FUND BALANCE		<u>\$7,057,069</u>	
ENDING FUND BALANCE		<u>\$7,991,796</u>	

See accompanying notes to financial statements

ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
 FIDUCIARY ACTIVITIES  
 STATEMENT OF FIDUCIARY NET POSITION  
 OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST FUND  
 JUNE 30, 2019

ASSETS	<u>OPEB Trust Fund</u>
Cash and cash equivalents (Note 3)	\$9,452
Investments, at fair value (Note 3):	
Equity mutual funds	2,213,625
Fixed income mutual funds	<u>2,167,875</u>
Total Assets	<u><u>\$4,390,952</u></u>
NET POSITION	
Net position held in trust for Other Post-Employment Benefits	<u>\$4,390,952</u>
Total net position	<u><u>\$4,390,952</u></u>

See accompanying notes to financial statements

ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
 OPEB TRUST FUND  
 STATEMENT OF CHANGES IN  
 FIDUCIARY NET POSITION  
 FOR THE YEAR ENDED JUNE 30, 2019

ADDITIONS	
Investment income:	
Interest and dividends	\$110,072
Net increase in fair value investments	<u>174,805</u>
Total additions	<u>284,877</u>
DEDUCTIONS	
Benefits	177,432
Administrative expense	<u>2,852</u>
Total deductions	<u>180,284</u>
NET CHANGE IN FUND BALANCE	104,593
BEGINNING FUND BALANCE	<u>\$4,286,359</u>
ENDING FUND BALANCE	<u><u>\$4,390,952</u></u>

See accompanying notes to financial statements

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**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2019**

**NOTE 1 - GENERAL**

The Alameda County Mosquito Abatement District (the District) is a special district established in 1930 and empowered to take all necessary and proper steps for the control of mosquitoes within the District's service area.

The District evaluated whether any other entity should be included in these basic financial statements. The basic, but not the only, criterion for including a governmental department, agency, institution, commission, public authority, or other governmental organization in a governmental unit's reporting entity for general purpose financial reports is the ability of the governmental unit's elected officials to exercise oversight responsibility over such agencies. Oversight responsibility implies that one governmental unit is dependent on another and that the dependent unit should be reported as part of the other. Oversight responsibility is derived from the governmental unit's power and includes, but is not limited to:

- Financial interdependency
- Selection of governing authority
- Designation of management
- Ability to significantly influence operations
- Accountability for fiscal matters

Based upon the above criteria, the District determined that it had no component units as of June 30, 2018, or during the fiscal year then ended.

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

***A. Accounts and Records***

The District maintains a cash receipts journal for recording fees collected at 23187 Connecticut Street, Hayward, CA 94545. The assessment of property, collection of taxes, disbursement of cash, and the maintenance of the general ledger for all funds are provided by the County of Alameda. Custodianship of the District's accounts and records is vested with the Auditor Controller of Alameda County (the County).

***B. Accounting Principles***

The District accounts for its financial transactions in accordance with the policies and procedures recommended by the State of California. The accounting policies of the District conform to U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

1) Government-wide and Fund Financial Statements:

The Government-wide Financial Statements (the Statement of Net Position and the Statement of Activities) report on the District as a whole. The Statement of Activities demonstrates the degree to which the direct expenses of the District's functions are offset by program revenues.

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

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

Direct expenses are those that are clearly identifiable with the District's functions. Program revenues include charges for services. Other items not properly included among program revenues are reported instead as general revenues. The District's General Fund is presented as a separate financial statement (Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance).

2) Measurement Focus, Basis of Accounting and Financial Statement Presentation:

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities are prepared using the *economic resources* measurement focus and the *accrual* basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of the related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized as soon as they are both *measurable and available*. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The District reports the following major governmental fund:

*General Fund:* This is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. There are no other funds of the District.

Fiduciary Fund Types

Other Post Employment Benefit Trust (the Trust) is used to report resources that are required to be held in trust to accumulate resources for post employment benefit payments to qualified employees. These funds are not incorporated into the government wide financial statements.

The Trust financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Cost of third party administrators, actuarial reports, audits and similar costs incurred exclusively for the Trust are paid from resources from the Trust. Routine administrative costs of administrating the benefit plans, accounting services and other costs are absorbed by the District.

*Benefits:* Benefit expense and benefits payable are recognized when payments for benefits of members are made by the employer.

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2019**

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

3) Use of Estimates:

The process of preparing the basic financial statements in conformity with U.S. generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenditures/ expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the basic financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

***C. Budget and Budgetary Accounting***

The District annually adopts a budget for its General Fund to be effective July 1 for the ensuing fiscal year. The District's Board may amend the budget by resolution during the fiscal year and approves all budgetary transfers.

***D. Fair Value Measurements***

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

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

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

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

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

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2019**

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

***E. Capital Assets***

Capital assets are those purchased or acquired with an original cost of \$5,000 or more and are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the asset's lives are not capitalized, but are expensed as incurred.

Depreciation on all capital assets is computed using a straight-line basis over the following estimated useful lives:

<u>Class</u>	<u>Estimated Useful Life in Years</u>
Land	Not Depreciable
Structures and Improvements	5 - 39
Machinery and Equipment	5 - 7

***F. Compensated Absences***

All vacation pay is accrued when incurred. Employee compensated absences hours are capped at 400 hours. The District's accrued vacation was \$187,668 as of June 30, 2019.

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

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Alameda County Mosquito Abatement District's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***H. OPEB Liabilities, OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB***

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB Plan and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by PARS Trust. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.



**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

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

*I. Fund Equity*

The accompanying basic financial statements reflect certain changes that have been made with respect to the reporting of the components of fund balances for governmental funds. In previous years, fund balances for governmental funds were reported in accordance with previous standards that included components for reserved fund balance, unreserved fund balance, designated fund balance, and undesignated fund balance. Due to the implementation of GASB Statement No. 54, the components of the fund balances of governmental funds now reflect the component classifications described below. In the fund financial statements, governmental fund balances are reported in the following classifications:

Nonspendable fund balance includes amounts that are not in a spendable form, such as prepaid items or supplies inventories, or that are legally or contractually required to remain intact, such as principal endowments.

Restricted fund balance includes amounts that are subject to externally enforceable legal restrictions imposed by outside parties (i.e., creditors, grantors, contributors) or that are imposed by law through constitutional provisions or enabling legislation.

Committed fund balance includes amounts whose use is constrained by specific limitations that the government imposes upon itself, as determined by a formal action of the highest level of decision making authority. The Board of Trustees serves as the District's highest level of decision-making authority and has the authority to establish, modify or rescind a fund balance commitment via minutes action.

Assigned fund balance includes amounts intended to be used by the District for specific purposes, subject to change, as established either directly by the Board of Trustees or by management officials to whom assignment authority has been delegated by the Board of Trustees.

Unassigned fund balance is the residual classification that includes spendable amounts in the General Fund that are available for any purpose.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) fund balances are available, the District specifies that restricted revenues will be applied first. When expenditures are incurred for purposes for which committed, assigned or unassigned fund balances are available, the District's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2019**

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

**J. Net Position**

GASB Statement No. 34 added the concept of Net Position. The Statement of Net Position reports the difference between the District's total assets and the District's total liabilities, including all the District's long-term assets and debt. The Statement of Net Position presents similar information to the old balance sheet format but presents it in a way that focuses the reader on the composition of the District's net position, by subtracting total liabilities from total assets.

The Statement of Net Position breaks out net position as follows:

*Restricted* describes the portion of net position that is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions that the District cannot unilaterally alter.

*Unrestricted* describes the portion of net position that is not restricted from use.

*Net investment in capital assets*, describes the portion of net position that is represented by the current net book value of the District's capital assets, less the outstanding balance of any debt issued to finance these assets.

**NOTE 3 – CASH AND INVESTMENTS**

Cash and investments consisted of the following as of June 30, 2019:

	Carrying Value
Governmental Activities:	
Pooled cash and investments	\$219,874
California Local Agency Investment Fund	3,005,840
Cash with VCJPA	406,293
Cash in Bank of America	115,442
Camp	2,994,334
PARS	1,064,536
Bank of the West	350,897
Total cash and investments	\$8,157,216
Fiduciary Funds:	
Money market mutual funds	\$9,452
Equity mutual funds	2,213,625
Bond mutual funds	2,167,875
Total cash and investments	\$4,390,952

Investments are reported at fair value. The District adjusts the carrying value of its investments, if material, to reflect their fair value at the fiscal year end and includes the effect of these adjustments in income for that fiscal year. Investments in equity securities, corporate bonds and issues of the U.S. Government are valued at the last reported sales price of the fiscal year end. International securities reflect current exchange rates in effect at the fiscal year end. Purchases and sales of securities are recorded on a trade date basis.

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

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

***A. Custodial Credit Risk – Deposits***

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for deposits and investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

California Law requires banks and savings and loan associations to pledge government securities with a market value of 110% of the District's cash on deposit or first trust deed mortgage notes with a value of 150% of the deposit as collateral for these deposits. Under California Law, this collateral is held in the District's name and places the District ahead of general creditors of the institution.

***B. Investments***

The District's cash and investments with the County Treasurer are invested under policy guidelines established by the County. Credit risk information regarding the cash held by the Treasurer is included in the Comprehensive Annual Financial Report of the County of Alameda. The District has a formal investment policy for the District's OPEB Trust fiduciary fund discussed in section C below.

The credit risk regarding the investment in the Vector Control Joint Powers Agency (VCJPA) is included in the financial statements of the Vector Control Joint Powers Agency.

The District voluntarily participates in LAIF (Local Agency Investment Fund), regulated under Section 16429 of the State Government Code. LAIF allows local agencies such as the District to participate in a Pooled Money Investment Account managed by the State Treasurer Office and overseen by the Pooled Money Investment Board and the State Treasurer Investment Committee. A Local Agency Investment Advisory Board oversees LAIF. The fair value of the District's position in the pool is the same as the value of its pool shares. The total amount invested by all public agencies in LAIF, as of June 30, 2019 was approximately \$105.8 billion. The District had a contractual withdrawal value of \$3,005,840 in LAIF. At June 30, 2019, these investments matured in an average of 173 days.

The District voluntarily participates in CAMP (California Asset Management Trust). The Trust is organized and operated in a manner and in accordance with objectives and policies intended to preserve principal, provide liquidity so that Shareholders will have ready access to their pooled funds, provide a high level of current income consistent with preserving principal and maintaining liquidity, and place investments, document investment transactions, in respect to the investment of debt issuances, and account for funds in a manner that is in compliance with the arbitrage rebate and yield restrictions requirements as set forth in the Internal Revenue Code and related U.S. Treasury regulations. The Trust's Investment Advisor currently invests available cash in the Pool, in a limited list of investments authorized by California Government Code Section 53601. The District reports its investments in CAMP at the fair value amounts provided by CAMP, which is the same as the value of the pool share. At June 30, 2019, these investments matured in an average of 54 days. As of June 30, 2019, the investments had an ending balance of \$2,994,334.

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2019**

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

***C. Investments of the Fiduciary-Type Activities***

Permitted Deposits and Investments -The District's Board of Trustees has appointed the Trust Board to oversee policies and procedures related to the operation and administration of the Other Post Employment Benefit Trust (the Trust). The Trust's Investment Policy is authorized to make deposit/investments *in* insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, and commercial paper rated A or higher by one of the three standard rating services. The Trust may also invest in certain non-US obligations, LAIF, mutual funds, real estate investment trusts and equity securities. The table below identifies the range of types of mutual funds that are authorized by the Trust's moderate investment strategy:

Asset Class	Target Allocation
Mutual Funds - Equity	50.40%
Mutual Funds - Fixed Income	49.40%
Other	0.20%
Total	100.00%

*Rate of Return.* For the year ended June 30, 2019, the annual money-weighted rate of return on the Trust's investments, net of investment expense, was 7.02%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts invested.

***D. Custodial Credit Risk – Investments***

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. The Trust's investment policy requires all securities to be held by a third party custodian designated by the Trust's Board. The investment policy also provides that this risk be mitigated by investing in investment grade securities and by diversifying the investment portfolio. As of June 30, 2019, no investments were exposed to custodial credit risk.

***E. Concentration of Credit Risk***

The Trust's investment policy requires diversification of the investment portfolio to minimize risk of loss resulting from over-concentration in a particular type of security, risk factor, issuer or maturity. As of June 30, 2019, 51% of the funds' assets were held in equity mutual funds and 49% in fixed income mutual funds.

***F. Fair Value Hierarchy***

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

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

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

The following is a summary of the fair value hierarchy of the fair value of investments of the District as of June 30, 2019:

Governmental Activities:	Level 2	Total
Pooled cash and investments	\$219,874	\$219,874
<b><i>Investments Exempt from Fair value Hierarchy:</i></b>		
California Local Agency Investment Fund		3,005,840
CAMP		2,994,334
PARS		1,064,536
Cash with VCJPA		406,293
Cash in bank		466,339
Total cash and investments	\$219,874	\$8,157,216
Other Post-Employment Benefit Trust:	Level 2	Total
<b><i>Investments Measured at Amortized Cost:</i></b>		
Equity mutual funds		\$2,213,625
Bond mutual funds		2,167,875
Money market mutual funds		9,452
Total investments		\$4,390,952

As of June 30, 2019, the District had \$219,874 of cash and investments pooled with the County that is classified in Level 2 of the fair value hierarchy. The fair value of the pooled investment fund is provided by the County Treasurer and is valued using quoted prices for identical instruments in markets that are not active. Fair value is defined as the quoted market value on the last trading day of the period. These prices are obtained from various pricing sources.

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2019**

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

**G. Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Trust's investment policy provides that the exposure to interest rate risk be mitigated by purchasing a diverse combination of shorter term and longer term investments. Information about the sensitivity of the fair value of investments, held by the trustee, to market interest rate fluctuations is provided in the table below:

	Investment Maturity (In Years)			Investment Rating
	Fair Value	Less than 1	1-5	
<b>Governmental Activities:</b>				
Pooled cash and investments	\$219,874	\$131,924	\$87,950	AA
California Local Agency Investment Fund	3,005,840	3,005,840		Not rated
Cash with VCJPA	406,293	406,293		Not rated
Cash in Bank of America	115,442	115,442		Not rated
Bank of the West	350,897	350,897		
CAMP	2,994,334	2,994,334		
PARS	1,064,536	1,064,536		
Total cash and investments	<u>\$8,157,216</u>	<u>\$8,069,266</u>	<u>\$87,950</u>	
<b>Other Post-Employment Benefit Trust:</b>				
Money market mutual funds	\$9,452	\$9,452		AA
Equity mutual funds	2,213,625	2,213,625		Not rated
Bond mutual funds	2,167,875	2,167,875		Not rated
Total cash and investments	<u>\$4,390,952</u>	<u>\$4,390,952</u>		

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2019**

**NOTE 4 – CAPITAL ASSETS**

An analysis of capital assets at June 30, 2019, is as follows:

	Balance June 30, 2018	Additions	Retirements	Transfers	Balance June 30, 2019	NBV June 30, 2019
<b>Governmental activities</b>						
Capital assets not being depreciated:						
Land	\$61,406				\$61,406	\$61,406
Construction in progress		\$329,927			329,927	329,927
Total capital assets not being depreciated	61,406	329,927			391,333	\$391,333
Capital assets being depreciated:						
Structures and improvements	4,529,023	44,500		(\$142,832)	4,430,691	\$2,083,151
Machinery and equipment	1,553,075	66,595	(\$28,717)	142,832	1,733,785	378,437
Total capital assets being depreciated	6,082,098	111,095	(28,717)		6,164,476	\$2,461,588
Less accumulated depreciation for:						
Structures and improvements	(2,153,094)	(194,446)			(2,347,540)	
Machinery and equipment	(1,241,604)	(142,461)	28,717		(1,355,348)	
Total accumulated depreciation	(3,394,698)	(336,907)	28,717		(3,702,888)	
Total depreciable assets	2,687,400	(\$225,812)			2,461,588	
Total capital assets - net of depreciation	\$2,748,806				\$2,852,921	

**NOTE 5 – ACCRUED VACATION**

Accumulated unpaid employee vacation benefits are recognized as liabilities of the District. The amount of accumulated vacation totaled \$187,668 and \$167,855 at June 30, 2019 and 2018, respectively.

**NOTE 6 – PROPERTY TAX LEVY, COLLECTIONS AND MAXIMUM RATES**

The State of California (the State) Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed 1% of its assessed value unless voters have approved an additional amount. Assessed value is calculated at 100% of market value as defined by Article XIII A and may be increased by no more than 2% per year unless the property is sold or transferred. The State Legislature has determined the method of distribution of receipts from a 1% tax levy among counties, cities, school districts and other districts. Counties, cities, school districts and other districts may levy such additional tax as is necessary to provide for voter approved debt service.

The County of Alameda assesses properties, bills, and collects property taxes as follows:

	<u>Secured</u>	<u>Unsecured</u>
Valuation dates	March 1	March 1
Lien/levy dates	July 1	July 1
Due dates	50% on February 1 50% on February 1	Upon receipt of billing
Delinquent as of	December 10 (for November) April 10 (for February)	August 31

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**NOTE 6 – PROPERTY TAX LEVY, COLLECTIONS AND MAXIMUM RATES (Continued)**

The term “unsecured” refers to taxes on property not secured by lines on real property.

Property taxes levied are recorded as revenue when received, in the fiscal year of levy, due to the adoption of the "alternate method" of property tax distribution, known as the Teeter Plan, by the District and the County. The Teeter Plan authorizes the auditor/controller of the County to allocate 100% of the secured property taxes billed, but not yet paid. The County remits tax monies to the District in three installments as follows:

50% remitted on December 15  
40% remitted on April 15  
10% remitted on June 30

**NOTE 7 – SELF-INSURANCE AND JOINT POWERS AGENCY**

The District participates with other districts in the Vector Control Joint Powers Agency ("VCJPA") The VCJPA was established under the provisions of California Government Code Section 6500 et seq.

The program covers the District's individual workers' compensation claims of \$500,000 for any one loss; excess insurance is obtained to cover individual claims at the statutory limit and \$5,000,000 for Employer's Liability. The District is self-insured for claims under \$500,000.

Annual premiums, based on the District's total payroll, are deposited in the District's separate Pooled Workers' Compensation Account (the Account) at the VCJPA. The Account is reduced by the District's share of all program claim settlements, excess insurance premiums and related administrative expenses. Three years after the end of each fiscal year, the VCJPA is to make a retroactive adjustment to refund/ collect any remaining balance/deficit in the District's account. While the District's ultimate share of workers' compensation claim settlements and related administrative expenses is uncertain, the District's management does not believe it will have a material impact on the District's basic financial statements.

The District also participates in a pool for general liability coverage. The program covers comprehensive, general, errors and omissions, and automobile liability. The program covers individual claims for the first \$1,000,000 and purchases excess insurance from \$1,000,000 to \$10,000,000.

Annual premiums are deposited in the District's separate Liability Account at the VCJPA. The account is reduced by the District's share of all program claim settlement, excess insurance premiums and related administrative expenses. Five years after the end of each fiscal year, the VCJPA will make a retroactive adjustment to refund/ collect any remaining balance/ deficit in the District's account. While the District's ultimate share of liability claim settlement and related administrative expenses is uncertain, the District's management does not believe it will have a material impact on the District's basic financial statements. The \$406,293 in deposit with the VCJPA as of June 30, 2019, represents additional monies, under the District's control, which the District may use for future self-insurance related expenditures or any other purpose.

Deposits at the VCJPA bear interest based on the average daily balance maintained by each district. These deposits are managed by Bickmore Risk Services.



**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2019**

**NOTE 8 – CALPERS PENSION PLAN**

**A. Plan Description**

All qualified permanent and probationary employees are eligible to participate in the District's separate Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**B. Benefits Provided**

Benefits Provided - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan provisions and benefits in effect at June 30, 2019, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-55	52-67
Monthly benefits, as a % of eligible compensation	1.426% - 2.418%	1.000% - 2.50%
Required employee contribution rates	7.00%	6.50%
Required employer contribution rates	10.15%	7.27%

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability (UAL). The dollar amount are billed on a monthly or the District can elect a lump sum payment option. The District's required contribution for the unfunded liability was \$146,873, which was made under the lump sum payment option.

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

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2019**

**NOTE 8 – CALPERS PENSION PLAN (Continued)**

For the year ended June 30, 2019 the District contributed \$310,838 to the Plan.

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

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

As of June 30, 2019, the District reported a net pension liability of \$2,952,714 for its proportionate shares of the net pension liability of the Plan.

The District's net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of the Plans is measured as of June 30, 2018, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for each Plan as of June 30, 2017 and 2018 was as follows:

	Miscellaneous
Proportion - June 30, 2017	0.076%
Proportion - June 30, 2018	0.078%
Change - Increase (Decrease)	0.002%

For the year ended June 30, 2019, the District recognized pension expense of \$386,382. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$310,838	
Differences between expected and actual experience	113,290	(\$38,552)
Changes of assumptions	336,618	(82,499)
Change in proportion and differences between employer contributions and proportionate share of contributions	432,936	(71,429)
Net difference between projected and actual earnings on pension plan investments	14,597	
Total	\$1,208,279	(\$192,480)

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2019**

**NOTE 8 – CALPERS PENSION PLAN (Continued)**

The \$310,838 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Annual Amortization
2020	\$489,938
2021	282,459
2022	(40,877)
2023	(26,559)
Thereafter	

**Actuarial Assumptions** –For the measurement period ended June 30, 2018, the total pension liability was determined by rolling forward the June 30, 2017 total pension liability. The June 30, 2018 total pension liability was based on the following actuarial methods and assumptions for both benefit tiers.

	Miscellaneous
Valuation Date	June 30, 2017
Measurement Date	June 30, 2018
Actuarial Cost Method	Entry-Age Normal Cost Method
<b>Actuarial Assumptions:</b>	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	3.00%
Projected Salary Increases	Varies by Entry-Age and Service
Investment Rate of Return	7.15%(1)
Mortality Rate Table <sup>1</sup>	Derived using CalPers Membership Data for all Funds (2)
Post Retirement Benefit Increase	Contract COLA up to 2.00% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

(1) Net of pension plan investment and administrative expenses, including inflation.

(2) The Mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report that can be found on the CalPERS website.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2017 valuation were based on the results of a December 2017 actuarial experience study for the period 1997 to 2015. Further details of the Experience Study can be found on the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov).

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**NOTE 8 – CALPERS PENSION PLAN (Continued)**

*Change of Assumptions* - For the measurement date of June 30, 2018, the inflation rate reduced from 2.75% to 2.50%

*Discount Rate* - The discount rate used to measure the total pension liability for each Plan was 7.15%. The projection of cash flows used to determine the discount rate for each Plan assumed that contributions from all plan members in the Public Employees Retirement Fund (PERF) will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, each Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members for all plans in the PERF. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability for each Plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2019**

**NOTE 8 – CALPERS PENSION PLAN (Continued)**

Asset Class (a)	New Strategic Allocation	Real Return Years 1 - 10(b)	Real Return Years 11+(c)
Global Equity	50.0%	4.80%	5.98%
Global Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	100%		

- (a) In the CalPERS CAFR, Fixed Income is included in Global Det Securities; liquidity is included in Short-term Investments; inflation Assets are included in both Global Equity Securities and Global Debt Securities
- (b) An expected inflation of 2.0% used for this period.
- (c) An expected inflation of 2.92% used for this period.

***Sensitivity of the Proportionate Share of the Net Pension liability to Changes in the Discount Rate*** - The following presents the District's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous
1% Decrease	6.15%
Net Pension Liability	\$4,822,436
Current Discount Rate	7.15%
Net Pension Liability	\$2,952,714
1% Increase	8.15%
Net Pension Liability	\$1,409,289

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2019**

**NOTE 9 – POST-EMPLOYMENT BENEFITS OTHER THAN RETIREMENT**

**A. General Information about the District’s Other Post Employment Benefit (OPEB) Plan**

*Plan Description.* As authorized by the District's Board of Trustees, the District administers a single employer defined benefit health care plan. The defined benefit post-employment healthcare plan provides medical benefits to eligible District employees who retire from the District at age 50 or older, are eligible for a CalPERS pension, and have been employed by the District for at least 10 years. The District's OPEB Trust is shown as a fiduciary fund in this financial report.

*Benefits Provided.* The District provides health care for employees and dependents (and also for retirees and their dependents) in accordance with the California Public Employees Medical and Hospital Care Act (PEMHCA), more commonly referred to as PERS Health. Employees may choose one of the following medical options: Kaiser HMO, PERSCare PPO, PERS Choice PPO, Anthem HMO Select, Anthem HMO Traditional, BSC Access +, HealthNet Smart Care, Kaiser Permanente, PERS Choice, PERS Select and PERSCare. The District has a cap on employer contributions set each year at 100% of the Kaiser one-party rate for the Bay Area/Sacramento region for individual coverage and 90% of the corresponding two-party rate for second and third tier coverages. Employees and retirees may choose a more expensive coverage but they must pay any premiums *in* excess of the cap. The District also pays for vision and dental for employees and retirees, *in* addition to the medical cap. There *is* a small group of retirees (pre-1980 retirees) who are reimbursed up to \$1,500 per year for dental coverage for the retiree and spouse (each). All others are covered by Delta Dental. The District also pays a 0.45% of premium administrative charge for all retirees.

*Funding Policy.* There is no statutory requirement for the District to prefund its OPEB obligation. The District has established a trust fund which *is* currently almost fully funded. The District currently pays for retiree healthcare benefits on a pay-as-you-go basis until the District trust is funded, which is *in* process. There are no employee contributions. For the fiscal year ending June 30, 2019, the District's plan paid approximately \$170,667 for retiree healthcare plan benefits.

*Employees Covered by Benefit Terms.* Membership in the plan consisted of the following at the measurement date of June 30, 2019:

Active employees		16
Inactive employees or beneficiaries currently receiving benefit payments		15
Total		31

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2019**

**NOTE 9 – POST-EMPLOYMENT BENEFITS OTHER THAN RETIREMENT (Continued)**

**B. Net OPEB Asset**

*Actuarial Methods and Assumptions.* – The District’s net OPEB asset was measured as of June 30, 2019 and the total OPEB liability was determined by an actuarial valuation dated July 1, 2017 that was rolled forward using standard update procedures to determine the total liability as of June 30, 2019, based on the following actuarial methods and assumptions:

	Actuarial Assumptions	
Valuation Date		July 01, 2017
Measurement Date		June 30, 2019
Actuarial Cost Method		Entry Age Normal Cost, level of pay
Actuarial Assumptions:		
Inflation rate		3.00%
Payroll Growth		3.00%
Investment Rate of Return		6.00%
	Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as	
Mortality Rate		appropriate, without projection.
Medical Cost Trend Rate		5.00% for 2019 and later years

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

Asset Class	Real Rate of Return
Broad U.S. Equity	4.40%
U.S. Fixed	1.50%

*Discount Rate.* The discount rate was based on the Municipal Bond 20-Year High Grade Rate Index.

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2019**

**NOTE 9 – POST-EMPLOYMENT BENEFITS OTHER THAN RETIREMENT (Continued)**

**C. Changes in Net OPEB Asset**

The changes in the net OPEB asset follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
	(a)	(b)	(a) - (b)
Balance at June 30, 2018	\$3,569,703	\$4,286,369	(\$716,666)
Changes Recognized for the Measurement Period:			
Service Cost	154,591		154,591
Interest on the total OPEB liability	207,352		207,352
Changes in benefit terms			
Differences between expected and actual experience			
Changes of assumptions			
Contributions from the employer		60,365	(60,365)
Net investment income		284,866	(284,866)
Trustee fees		(2,851)	2,851
Administrative expenses		(6,765)	6,765
Benefit payments	(231,032)	(231,032)	
Net changes	130,911	104,583	26,328
Balance at June 30, 2019	\$3,700,614	\$4,390,952	(\$690,338)

**D. Sensitivity of the Net OPEB Asset to Changes in the Discount Rate and Healthcare Cost Trend Rates**

The following presents the net OPEB asset of the District, as well as what the District's net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.00%) or 1-percentage-point higher (7.00%) than the current discount rate:

Net OPEB Liability/(Asset)		
Discount Rate -1%	Discount Rate	Discount Rate +1%
(5.00%)	(6.00%)	(7.00%)
(\$179,654)	(\$690,338)	(\$1,109,158)



**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2019**

**NOTE 9 – POST-EMPLOYMENT BENEFITS OTHER THAN RETIREMENT (Continued)**

The following presents the net OPEB asset of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.00% decreasing to 2.00%) or 1-percentage-point higher (7.00% decreasing to 6.00%) than the current healthcare cost trend rates:

Net OPEB Liability/(Asset)		
	Medical Cost Trend Rates	
1% Decrease (4.00%)	5.00%	1% Increase (6.00%)
(\$1,200,210)	(\$690,338)	(\$58,518)

**E. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB**

For the year ended June 30, 2019, the District recognized OPEB expense of \$94,743. At June 30, 2019, the District reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources
Net differences between projected and actual earnings on plan investments	(\$49,810)
Total	(\$49,810)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as part of OPEB expense as follows:

Year Ended June 30	Annual Amortization
2020	(\$15,063)
2021	(15,063)
2022	(15,063)
2023	(4,621)

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**NOTE 10 – DEFERRED COMPENSATION PLAN**

The District employees may defer a portion of their compensation under a District sponsored Deferred Compensation Plan (the Plan) created in accordance with Internal Revenue Code Section 457. Under this Plan, participants are not taxed on the deferred portion of the compensation until it is distributed to them; distributions may be made only at termination, retirement, death or in an emergency as defined by the Plan. A total of 10 employees' deferred compensation during the fiscal year ended June 30, 2019.

The laws governing the Plan assets require Plan assets to be held by a Trust for the exclusive benefits of Plan participants and their beneficiaries. Since the assets held under this Plan are not the District's property, are not managed by the District and are not subject to claims by general creditors of the District, they have been excluded from these financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

<b>REQUIRED SUPPLEMENTARY INFORMATION</b>
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ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
 Cost-Sharing Multiple-Employer Defined Pension Plan  
 Last 10 Years\*  
 SCHEDULE OF THE PLAN'S PROPORTIONATE SHARE OF THE  
 NET PENSION LIABILITY AND RELATED RATIOS AS OF  
 THE MEASUREMENT DATE

Measurement Date	<u>6/30/2014</u>	<u>6/30/2015</u>	<u>6/30/2016</u>	<u>6/30/2017</u>	<u>6/30/2018</u>
Plan's proportion of the Net Pension Liability (Asset)	0.0309%	0.0780%	0.0760%	0.0783%	0.0023%
Plan's proportion share of the Net Pension Liability (Asset)	\$1,923,046	\$2,028,906	\$2,551,572	\$2,642,666	\$2,952,714
Plan's Covered Payroll	\$1,287,185	\$1,467,683	\$1,580,981	\$1,588,441	\$1,744,412
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	149.40%	138.24%	161.39%	166.37%	169.27%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	83.0287%	78.2766%	78.9294%	77.7053%	78.6376%

Change in assumption - In 2017, the accounting discount rate was decreased from 7.65% to 7.15%.

\*- Fiscal year 2015 was the 1st year of implementation.

<b>REQUIRED SUPPLEMENTARY INFORMATION</b>
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ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
 Cost-Sharing Multiple Employer Defined Pension Plan  
 Last 10 Years\*  
 SCHEDULE OF CONTRIBUTIONS

Fiscal Year	2015	2016	2017	2018	2019
Actuarially determined contribution	\$152,526	\$205,340	\$136,053	\$317,084	\$310,838
Contributions in relation to the actuarially determined contributions	(152,526)	(205,340)	(136,053)	(317,084)	(310,838)
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0
 Covered payroll	 \$1,287,185	 \$1,467,683	 \$1,580,981	 \$1,744,412	 \$1,894,209
 Contributions as a percentage of covered payroll	 11.85%	 13.99%	 8.61%	 18.18%	 16.41%

\*Fiscal year 2015 was the 1st year of implementation.

<b>REQUIRED SUPPLEMENTARY INFORMATION</b>
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**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS**

Single Employer Defined Benefit Health Care Plan

Last 10 fiscal years\*

<b>Measurement Date</b>	<b>6/30/18</b>	<b>6/30/19</b>
<b>Total OPEB Liability</b>		
Service Cost	\$150,088	\$154,591
Interest	200,500	207,352
Changes in benefit terms		
Differences between expected and actual experience		
Changes of assumptions		
Benefit payments	(241,589)	(231,032)
<b>Net change in total OPEB liability</b>	108,999	130,911
<b>Total OPEB liability - beginning</b>	3,460,704	3,569,703
<b>Total OPEB liability - ending (a)</b>	\$3,569,703	\$3,700,614
 <b>Plan fiduciary net position</b>		
Contributions - employer	\$63,129	\$60,365
Contributions - employee		
Net investment income	299,763	284,866
Trustee fees		(2,851)
Administrative expense	(2,769)	(6,765)
Benefit payments	(241,589)	(231,032)
<b>Net change in plan fiduciary net position</b>	118,534	104,583
<b>Plan fiduciary net position - beginning</b>	4,167,835	4,286,369
<b>Plan fiduciary net position - ending (b)</b>	\$4,286,369	\$4,390,952
 Net OPEB liability - ending (a)-(b)	(\$716,666)	(\$690,338)
 Plan fiduciary net position as a percentage of the total OPEB liability	120.08%	118.65%
 Covered-employee payroll	\$1,744,412	\$1,894,209
 Net OPEB liability as a percentage of covered-employee payroll	-41.08%	-36.44%

\* Fiscal year 2018 was the first year of implementation.

<b>REQUIRED SUPPLEMENTARY INFORMATION</b>
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**SCHEDULE OF CONTRIBUTIONS**  
**Single Employer Defined Benefit Health Care Plan**  
 Last 10 fiscal years\*

<b>Fiscal Year Ended June 30,</b>	<b>2018</b>	<b>2019</b>
Actuarially determined contribution	\$113,347	\$117,354
Contributions in relation to the actuarially determined contribution	113,347	117,354
Contribution deficiency (excess)	\$0	\$0
Covered-employee payroll	\$1,744,412	\$1,894,209
Contributions as a percentage of covered-employee payroll	6.50%	6.20%
<b>Notes to Schedule</b>		
Valuation date:	July 1, 2017	

\* Fiscal year 2018 was the first year of implementation.

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## MEMORANDUM ON INTERNAL CONTROL

Board of Trustees  
Alameda County Mosquito Abatement District  
Hayward, California

In planning and performing our audit of the basic financial statements of the Alameda County Mosquito Abatement District (District) as of and for the year ended June 30, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Included in the Schedule of Other Matters are recommendations not meeting the above definition that we believe to be of potential benefit to the District.

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

*Maze + Associates*

Pleasant Hill, California  
December 18, 2019

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**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
SCHEDULE OF OTHER MATTERS  
FOR THE YEAR ENDED JUNE 30, 2019**

**2019-01 Upcoming Governmental Accounting Standards Board Pronouncements**

**EFFECTIVE FISCAL YEAR 2019/20:**

***GASB 84 – Fiduciary Activities***

The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less.

This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

A fiduciary component unit, when reported in the fiduciary fund financial statements of a primary government, should combine its information with its component units that are fiduciary component units and aggregate that combined information with the primary government's fiduciary funds.

This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets.

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
SCHEDULE OF OTHER MATTERS  
FOR THE YEAR ENDED JUNE 30, 2019**

**GASB 90 – *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61***

The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit.

This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis.

**EFFECTIVE FISCAL YEAR 2020/21:**

**GASB 87 – *Leases***

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
SCHEDULE OF OTHER MATTERS  
FOR THE YEAR ENDED JUNE 30, 2019**

**GASB 87 – Leases (Continued)**

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. Any contract that meets this definition should be accounted for under the lease's guidance, unless specifically excluded in this Statement.

**GASB 89 – Accounting for Interest Cost Incurred before the End of a Construction Period**

The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

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**ALAMEDA COUNTY MOSQUITO ABATEMENT DISTRICT  
STATUS OF PRIOR YEAR SIGNIFICANT DEFICIENCIES  
FOR THE YEAR ENDED JUNE 30, 2019**

**2018-01 Accurate Preparation of the District's Bank Reconciliation**

**Criteria:** Bank reconciliation should be prepared accurately, and any unreconciled differences should be addressed.

**Condition:** Per review of the June 30, 2018 bank reconciliation for the District's cash account held with Bank of the West, we noted an unreconciled difference of \$161,351. The bank reconciliation appeared to have been reviewed.

**Cause:** The District did not incorporate the ending balance of the cash account in the bank reconciliation which caused the unreconciled difference.

**Effect:** The potential of an inaccurate general ledger cash balance may occur.

**Recommendation:** The District should review the bank reconciliation for any unreconciled differences and ensure the general ledger for cash is presented accurately.

**Current Response:** Implemented.

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## REQUIRED COMMUNICATIONS

To the Board of Trustees of  
The Alameda County Mosquito Abatement District  
Hayward, California

We have audited the basic financial statements of the Alameda County Mosquito Abatement District (District) for the year ended June 30, 2019. Professional standards require that we communicate to you the following information related to our audit under generally accepted auditing standards.

### Significant Audit Findings

#### *Accounting Policies*

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

The following Governmental Accounting Standards Board (GASB) pronouncements became effective, but did not have a material effect on the financial statements:

**GASB Statement No. 88 – *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements***

**GASB Statement No. 83 – *Certain Asset Retirement Obligations***

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

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

### ***Estimates***

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's financial statements are depreciation, claims liability and actuarial estimates for the District's pension related deferred outflows and inflows of resources, net pension liability and other post-employment benefits.

The value of the assets, liability and assumptions used to determine annual required contributions for other post-employment benefits is determined by an actuary study provided to the District. The value of the District's deferred outflows and inflows of resources and collective net pension liability was obtained from an actuarial valuation.

Management's estimate of depreciation is based on the estimated useful lives of the capital assets, and its estimate of claims is based on the District Attorney's estimates of current and potential litigation, as well as actuary studies provided for the District as of June 30, 2019. We evaluated the key factors and assumptions used to develop the depreciation expense and claims liability and reviewed the current actuary study and determined that they are reasonable in relation to the basic financial statements taken as a whole.

### ***Disclosures***

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

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

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

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

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

Professional standards require us to accumulate all known and likely uncorrected misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

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

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

### ***Management Representations***

We have requested certain representations from management that are included in a management representation letter dated December 18, 2019.

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

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

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

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

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

With respect to the required supplementary information accompanying the financial statements, we applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not express an opinion nor provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

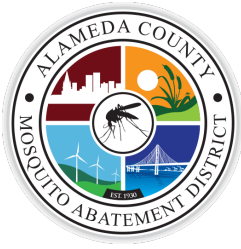
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This information is intended solely for the use of the Board of Trustees and management and is not intended to be, and should not be, used by anyone other than these specified parties.

*Maze + Associates*

Pleasant Hill, California  
December 18, 2019

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23187 Connecticut Street  
Hayward, CA 94545

T: (510) 783-7744  
F: (510) 783-3903

[acmad@mosquitoes.org](mailto:acmad@mosquitoes.org)

**AGENDA ITEM: 1076.9**

**Board of Trustees**

**President**

Eric Hentschke

**Newark**

**Vice-President**

Wendi Poulson

**Alameda**

**Secretary**

P. Robert Beatty

**Berkeley**

Cathy Roache

**County at Large**

Betsy Cooley

**Emeryville**

Shawn Kumagai

**Dublin**

George Young

**Fremont**

Elisa Marquez

**Hayward**

James N. Doggett

**Livermore**

Jan O. Washburn

**Oakland**

vacant

**Piedmont**

Julie Testa

**Pleasanton**

Victor Aguilar

**San Leandro**

Subru Bhat

**Union City**

**Ryan Clausnitzer**

General Manager

**Summary:**

Mosquito abatement districts both state and nation-wide effectively use Unmanned Aircraft Systems (UAS or “drones”) for both larval and adult control. This method will allow the District to control larval mosquitoes in areas that are currently inaccessible to conventional mosquito abatement equipment (such as all-terrain vehicles), control must be applied by hand, or by a helicopter. UAS treatments can save a significant amount of time and resources *and* may cause less disruption of the environment than traditional methods. Using UAS also protects staff from injuries due to uneven terrain, poison oak, and other hazards present in many sources. This will be the District’s 3<sup>rd</sup> UAS; the other two units are dedicated to mosquito surveillance. The quotes include a **DJI MG-1P** craft, liquid and granular hopper, mobile station, RTK tripod, and eight spare batteries and chargers.

The 2019-2020 Capital Reserve Budget included this equipment purchase and included related costs up to \$52,000.

**Evaluation of three quotes:**

Empire Drone	\$19,492.00 +
Frontier Precision	\$20,203.00 *+
Drone Nerds	\$30,646.92 *+

+ Does not include support equipment: computer hardware, mapping software, and mapping equipment.

\* Quotes do not include tax & shipping.

**Recommendation:**

Based on back-end support, access to key components, and the vendor’s familiarity with mosquito control operations, staff recommends awarding the bid to **Frontier Precision**.

**Attachments:**

Quotes: Empire Drone, Frontier Precision, Drone Nerds.



Figure 1. DJI MG-1P

**EMPIRE DRONE**

COMPANY

14 Canalview Mall  
Fulton, NY 13069**Estimate**

Date	Estimate #
1/17/2020	19-218

Name / Address
Alamdea Mosquito Control

Ship To

Terms	Rep	Project
BANK WIRE	JM	

Item	Description	Qty	Rate	Total
MG1PRTKRDY2...	READY-TO-FLY BUNDLE KIT: Qty 1 MG-1P Craft Qty 1 RTK Mobile Ground Station Qty 1 RTK Tripod Qty 1 M-1S Advance Spraying System with RADAR Qty 4 MG-1P Battery 12000P Qty 1 MG 4-Channel Battery Charger Qty 1 MG-1p Dry Hopper	1	15,500.00	15,500.00T
AgMG-12000P ...	MG-12000P Flight Battery Pack	8	499.00	3,992.00T
Postage & Shipp...	Postage or Shipping Charge Free Shipping to CA Delivery time frame approx 14 days	1	0.00	0.00T

**Subtotal** \$19,492.00**Sales Tax (0.0%)** \$0.00**Total USD** \$19,492.00

WIRE PAYMENTS  
Community Bank NA  
1 South First Street  
Fulton NY 13059  
ABA Routing #021307559 Account #1010211413

Phone #	E-mail	Web Site
315-743-4285	sales@empiredroneco.com	http://www.empiredroneco.com

3.5% Charge for Credit Card or  
PayPal Payments



**Frontier Precision, Inc.**  
 5569 West Kendall Street  
 Boise, ID 83706  
 208.955.0049  
 www.frontierprecision.com

**Quote**  
 Date: 02/07/2020 10:00 AM  
 Quote Number: 37628  
 Valid Until: 02/29/2020  
 Quotation by: Christopher Rice

**BILL TO:**

**Alameda County**  
 Tom McMahon  
 23187 Connecticut Street  
 Hayward, CA 94545 United States  
 tom@mosquitoes.org 510-783-7744

**SHIP TO:**

**Alameda County**  
 Tom McMahon  
 23187 Connecticut Street  
 Hayward, CA 94545 United States  
 tom@mosquitoes.org 510-783-7744

Product Details	Qty	Price	Total
<b>1. Miscellaneous Miscellaneous</b>	1	\$ 11,499.00	\$ 11,499.00
DJI AGRAS MG-1P with D-RTKM Base Station and Mapper. In the box: Transmitter, 1 WB37 Battery & Charger, MG Spray Tank and Pump Assembly, 4 Arm-Mount Nozzle Sprayers, Radar Assembly, Landing Legs.			
<b>2. Agras-Spreader MG Spreading System</b>	1	\$ 999.00	\$ 999.00
MG-1S Spreading System Payload for MG-1P.			
<b>3. Agras-Batt-12000P Agras Battery</b>	12	\$ 499.00	\$ 5,988.00
MG-1P Battery 12000P, 44.4V, 533WH.			
<b>4. Agras-Batt-Charger Agras Battery Charger</b>	1	\$ 1,599.00	\$ 1,599.00
MG 6-Channel Battery Charger with Balancing Ports.			
<b>5. CP.BX.000229 WB37 Intelligent Battery</b>	2	\$ 59.00	\$ 118.00
Additional WB37 intelligent batteries for remote controller.			
		Sub Total:	<b>\$ 20,203.00</b>
		Tax:	\$ 0.00
		Shipping:	\$ 0.00
		<b>Grand Total:</b>	<b>\$ 20,203.00</b>

**Special Notes:**

Shipping, handling, and applicable sales tax will be added to invoice.

**Terms and Conditions**

All invoices are in U.S. Dollars. Prices are good for 30 days.

Payment terms are net 30 days upon approved credit. We also accept VISA, MasterCard and American Express. Returns- A standard restocking fee of 20% will be charged for any returned equipment.

Shipping and handling charges are prepaid and added to invoice. Shipment will be made by UPS Ground unless otherwise specified, FOB Shipping Point.

# Draft Quote



Drone Nerds Inc.  
5553 Anglers Ave  
Suite 109  
Dania, FL 33312  
UNITED STATES  
P: 786-708-7807  
www.DroneNerds.com

<b>Order #</b>	O282060
<b>PO #</b>	N/A
<b>Order Date</b>	Jan 21, 2020
<b>Customer</b>	Alameda County Mosquito Abate
<b>Currency</b>	USD

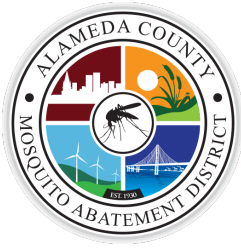
**Contact:**  
Joseph Huston  
joseph@mosquitos.org  
other: 5109251748

**Bill To:**  
Alameda County Mosquito  
Abatement District  
Joseph Huston  
23187 Connecticut Street  
Hayward, CA 94545  
United States

**Ship To:**  
Alameda County Mosquito  
Abatement District  
Joseph Huston  
23187 Connecticut Street  
Hayward, CA 94545  
United States

Qty	Item / Description	Unit Price	Total
1	DJI MG-1P RTK Ready to Fly Kit SKU: MG1PRTK-RTF, Manufacturer: DJI-ENTERPRISE	22,999.00	22,999.00
8	DJI MG-12000P Flight Battery Pack SKU: DJIMG1200P, Manufacturer: DJI-ENTERPRISE, UPC: 9574170-12000-12-20	599.99	4,799.92
1	T16 2600W Intelligent 4 Channel Charger SKU: T16CHARGER, Manufacturer: DJI-ENTERPRISE	1,349.00	1,349.00
1	DJI MG-6 Channel Intelligent Battery Charger (MG-1P) SKU: DJIMG6, Manufacturer: DJI-ENTERPRISE, UPC: 190021315068, EAN: 6958265168956	1,499.00	1,499.00
11		<b>Subtotal</b>	30,646.92
		<b>Sales Tax</b>	0.00
		<b>Total</b>	<b>30,646.92</b>





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F: (510) 783-3903

[acmad@mosquitoes.org](mailto:acmad@mosquitoes.org)

---

## Agenda item: 1076.9

### Board of Trustees

#### *President*

Eric Hentschke

#### **Newark**

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Jan O. Washburn

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vacant

#### **Piedmont**

Julie Testa

#### **Pleasanton**

Victor Aguilar

#### **San Leandro**

Subru Bhat

#### **Union City**

#### **Ryan Clausnitzer**

*General Manager*

### Summary:

There are two Board meeting and District holiday conflicts for the remainder of 2020: September 9<sup>th</sup> (Admissions Day) & November 11<sup>th</sup> (Veteran's Day).

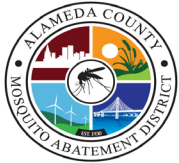
Admissions day is not a common holiday so staff would be fine with coming in at the conclusion of the day to run the meeting.

Veteran's Day is widely observed; therefore, the conflict may result in a lack of quorum of attendees.

### Recommendation:

Keep the **September** meeting as is on the 9<sup>th</sup>.

Reschedule the **November** meeting to the 18<sup>th</sup> or cancel based on possible Trustee conflicts communicated at the February Board meeting.



# ACMAD Calendar 2020

**January**

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

**February**

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

**March**

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

**April**

S	M	T	W	T	F	S
			1	2	3	4
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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

**May**

S	M	T	W	T	F	S
						1 2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

**June**

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

**July**

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

**August**

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

**September**

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

**October**

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

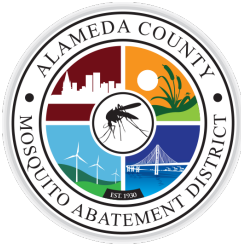
**November**

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

**December**

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

- Board Meetings
- Holidays
- Conflict



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[acmad@mosquitoes.org](mailto:acmad@mosquitoes.org)

## Committee Assignments for 2020

### Board of Trustees

#### *President*

Eric Hentschke

#### **Newark**

#### *Vice-President*

Wendi Poulson

#### **Alameda**

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P. Robert Beatty

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#### **Hayward**

James N. Doggett

#### **Livermore**

Jan O. Washburn

#### **Oakland**

vacant

#### **Piedmont**

Julie Testa

#### **Pleasanton**

Victor Aguilar

#### **San Leandro**

Subru Bhat

#### **Union City**

#### **Ryan Clausnitzer**

*General Manager*

### Financial Committee

**Purpose:** The Finance Committee is a standing committee tasked with reviewing the annual budget, assessing the District's long-term capital needs, making recommendations for designating reserves and evaluating the allocation of the OPEB Trust.

**Membership:** Bhat, Cooley, Young

### Policy Committee

**Purpose:** The Policy Committee evaluates the District's Policies and updates and adds policies as needed. All District policies must be approved by a majority of the Board.

**Membership:** Bhat, Doggett, Marquez

### Ad-Hoc Manager Evaluation Committee

**Purpose:** The primary task of this committee is to review the performance of the District Manager, annually by the June board meeting. Compensation changes and contract adjustments will be based on this evaluation.

**Membership:** Past, present, and future Board Presidents: Hentschke, Poulson, Beatty.

### Ad-Hoc Public Health Emergency Committee

**Purpose:** To meet with Staff to review District surveillance and treatment information pertaining to current or emerging public health threats and make recommendations to the board if necessary.

**Membership:** Washburn, Doggett, Poulson

**Status:** This committee only meets on an as needed basis.

### **Ad-Hoc Personnel Committee**

**Purpose:** To meet as needed if personnel issues rise to the level of an appeal to the board.

**Membership:** Board Officers: Poulson, Beatty, Cooley

**Status:** This committee only meets on an as needed basis and at scheduled negotiating times.

Alameda County Mosquito Abatement Dist.  
**Check Register**  
For the Period From Jan 1, 2020 to Jan 15, 2020

Filter Criteria includes: Report order is by Date.

<b>Check #</b>	<b>Date</b>	<b>Payee</b>	<b>Amount</b>
1996	1/15/20	Payroll	71,071.63
1997	1/15/20	Adapco	4,829.00
1998	1/15/20	CalPERS 457	2,667.57
1999	1/15/20	Cintas	990.27
2000	1/15/20	Coverall North America, Inc.	866.25
2001	1/15/20	Delta Dental	4,639.89
2002	1/15/20	Fanning, Nancy	40.88
2003	1/15/20	Grainger	324.17
2004	1/15/20	Industrial Park Landscape Maintenance	215.00
2005	1/15/20	Kimball Midwest	30.72
2006	1/15/20	MAZE & ASSOCIATES	2,342.00
2007	1/15/20	NBC Supply Corp	329.25
2008	1/15/20	PFM Asset Management	1,625.25
2009	1/15/20	PG&E	1,968.60
2010	1/15/20	Pitney Bowes	94.82
2011	1/15/20	The Hartford	77.78
2012	1/15/20	VCJPA	217.92
2013	1/15/20	Verizon	1,427.05
2014	1/15/20	Voya Institutional Trust Company	177.41
2015	1/15/20	VSP	708.81
2016	1/15/20	Waste Management of Alameda County	272.16
2017	1/15/20	U.S Bank Corporate Payment System	30,118.71
ACH	1/15/20	CalPERS Retirement	12,812.36
<b>Total Expenditures - January 15, 2020</b>			<b>137,847.50</b>

Alameda County Mosquito Abatement Dist.  
**Check Register**  
For the Period From Jan 16, 2020 to Jan 31, 2020

Filter Criteria includes: Report order is by Date.

<b>Check #</b>	<b>Date</b>	<b>Payee</b>	<b>Amount</b>
2018	1/30/20	Payroll	73,205.40
2019	1/31/20	Airgas	115.10
2020	1/31/20	AT&T	198.10
2021	1/31/20	Bay Alarm	509.25
2022	1/31/20	CalPERS 457	2,667.57
2023	1/31/20	CarQuest	25.60
2024	1/31/20	CCCMA Occupational Clinic	80.00
2025	1/31/20	Cintas	505.08
2026	1/31/20	Grainger	92.67
2027	1/31/20	Hayward Water System	550.03
2028	1/31/20	KBA Docusys	423.84
2029	1/31/20	PG&E	1,674.00
2030	1/31/20	VSP	695.41
2031	1/31/20	Voya Institutional Trust Company	177.41
2032	1/31/20	WEX Bank	2,268.13
ACH	1/31/20	CalPERS Retirement	12,815.96
ACH	1/31/20	CalPERS Health	33,582.29
<b>Total Expenditures - January 31, 2020</b>			<b>129,585.84</b>

**Alameda County Mosquito Abatement District  
Income Statement  
January 31, 2020. (7 of 12 mth, 58%)**

<b>REVENUES</b>	<b>Actual 2017/18</b>	<b>Actual 2018/19 <sup>1</sup></b>	<b>Current Month</b>	<b>Year to Date 2019/20</b>	<b>Budget 2019/20</b>	<b>Actual vs Budget</b>
<b>Total Revenue</b>	<b>\$ 4,623,350.00</b>	<b>\$ 4,063,848.12</b>	<b>\$ -</b>	<b>\$ 2,807,404.28</b>	<b>\$ 4,705,236.00</b>	<b>60%</b>

<b>EXPENDITURES</b>	<b>Actual 2017/18</b>	<b>Actual 2018/19 <sup>1</sup></b>	<b>Current Month <sup>2</sup></b>	<b>Year to Date 2019/20</b>	<b>Budget 2019/20</b>	<b>Actual vs Budget</b>
Salaries	\$1,744,412	\$ 1,874,396.01	\$ 158,998.15	\$ 1,177,148.02	\$2,425,552	49%
CalPERS Retirement	\$262,107	\$ 310,838.21	\$ 14,484.35	\$ 291,512.06	\$360,538	81%
Medicare	\$23,564	\$ 25,149.24	\$ 2,112.81	\$ 15,667.99	\$30,843	51%
Fringe Benefits	\$449,954	\$ 452,960.30	\$ 39,704.18	\$ 270,132.45	\$502,043	54%
<b>Total Salaries, Retirement, &amp; Benefits</b>	<b>\$2,480,037</b>	<b>\$ 2,663,343.76</b>	<b>\$215,299</b>	<b>\$1,754,461</b>	<b>\$3,318,976</b>	<b>53%</b>
Clothing and personal supplies (purchased)	\$ 7,308.71	\$ 8,899.04	\$ -	\$ 3,383.13	\$8,000	42%
Laundry service and supplies (rented)	\$ 9,819.37	\$ 12,602.62	\$ 956.20	\$ 7,288.95	\$12,750	57%
Utilities	\$ 29,830.25	\$ 30,161.25	\$ 4,464.79	\$ 17,469.89	\$12,600	139%
Communications-IT	\$ 102,855.59	\$ 108,886.22	\$ 5,174.76	\$ 39,021.07	\$117,100	33%
Maintenance: structures & improvements	\$ 21,374.70	\$ 13,673.39	\$ 2,544.40	\$ 12,031.38	\$25,000	48%
Maintenance of equipment	\$ 43,585.45	\$ 43,628.61	\$ 506.33	\$ 6,894.65	\$35,000	20%
Transportation, travel, training, & board	\$ 131,330.43	\$ 98,432.96	\$ 8,498.11	\$ 53,755.44	\$134,260	40%
Professional services	\$ 100,563.13	\$ 112,944.66	\$ 4,047.25	\$ 63,399.29	\$169,320	37%
Memberships, dues, & subscriptions	\$ 15,933.00	\$ 20,773.00	\$ -	\$ 22,359.00	\$22,655	99%
Insurance - (VCJPA, UAS)	\$ 131,392.69	\$ 125,189.76	\$ 217.92	\$ 133,577.76	\$133,546	100%
Community education	\$ 64,109.47	\$ 34,860.85	\$ 566.80	\$ 9,448.12	\$40,000	24%
Operations	\$ 176,000.00	\$ 206,731.27	\$ 5,376.60	\$ 65,709.07	\$228,500	29%
Household expenses	\$ 18,101.06	\$ 18,656.19	\$ 1,550.50	\$ 9,107.74	\$15,850	57%
Office expenses	\$ 10,753.26	\$ 11,795.67	\$ 3,865.42	\$ 6,658.39	\$14,500	46%
Laboratory supplies	\$ 113,768.06	\$ 95,640.16	\$ 7,595.06	\$ 68,883.39	\$137,000	50%
Small tools and instruments	\$ 8,376.29	\$ 2,211.74	\$ 304.42	\$ 649.21	\$3,000	22%
<b>Total Staff Budget</b>	<b>\$ 985,101.46</b>	<b>\$ 945,087.39</b>	<b>\$ 45,668.56</b>	<b>\$ 519,636.48</b>	<b>\$1,109,081</b>	<b>47%</b>
<b>Total Operating Expenditures</b>	<b>\$ 3,465,138.55</b>	<b>\$ 3,608,431.15</b>	<b>\$ 260,968.05</b>	<b>\$ 2,274,097.00</b>	<b>\$4,428,057</b>	<b>51%</b>

1 - Unaudited amount, as of July 31, 2019.

2 - Total Operating Expenditures in current month do not match the check register due to accounts receivable, capital purchases, and petty cash transactions.

**Alameda County Mosquito Abatement District  
Investment, Reserves, and Cash Balance Report  
January 31, 2020. (7 of 12 mth, 58%)**

Account #	Investment Accounts	Beginning Balance	Deposits	Withdrawals	Interest Activity	Ending Balance
1004	LAIF <sup>1</sup>	\$ 557,570.48	\$ 1,369,000.00	\$ (137,000.00)	\$ 5,478.31	\$ 1,795,048.79
1005	OPEB Fund	\$ 4,471,437.55	\$ -	\$ -	\$ 15,956.55	\$ 4,487,394.10
1006	VCJPA Member Contingency	\$ 358,147.00	\$ -	\$ -	\$ 1,652.00	\$ 359,799.00
1008	CAMP: Repair and Replace	\$ 273,834.03	\$ -	\$ -	\$ 413.44	\$ 274,247.47
1009	CAMP: Public Health Emergency	\$ 522,291.54	\$ -	\$ -	\$ 788.57	\$ 523,080.11
1010	CAMP: Operating Reserve	\$ 1,929,812.42	\$ -	\$ -	\$ 2,913.69	\$ 1,932,726.11
1011	CAMP: Capital Reserve Fund	\$ 35,656.79	\$ -	\$ -	\$ 53.84	\$ 35,710.63
1012	PARS: Pension Stabilization <sup>2</sup>	\$ 1,607,769.86	\$ -	\$ -	\$ 14,993.83	\$ 1,622,763.69
<b>Total</b>		<b>\$ 9,756,519.67</b>	<b>\$ 1,369,000.00</b>	<b>\$ (137,000.00)</b>	<b>\$ 42,250.23</b>	<b>\$ 11,030,769.90</b>

Account #	Cash Accounts	Beginning Balance	Withdrawals	Activity	Ending Balance
1001	Bank of America (Payroll Account) *	\$ 115,156.17			\$ 114,532.12
1002	Bank of The West (Transfer Account) *	\$ 355,830.64			\$ 1,491,498.59
1003	County Account <sup>3</sup>	\$ 2,817,167.08	\$ (2,693,000.00)	\$ 1,602.32	\$ 125,769.40
1013	Petty Cash	\$ 372.04		\$ (38.46)	\$ 333.58
<b>Total</b>		<b>\$ 3,288,525.93</b>	<b>\$ (2,693,000.00)</b>	<b>\$ 1,563.86</b>	<b>\$ 1,732,133.69</b>

1 - \$1,369,000.00 transferred from Bank of the West to LAIF.

2- PARS - Pension Stabilization balance is as of December 31, 2019.

3 - \$2,693,000.00 transferred from County fund to Bank of the West and LAIF.

\* - Ending balance differs from beginning balance due to checks clearing the account.



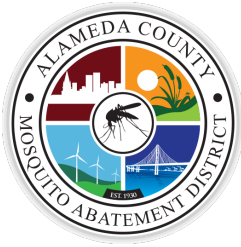
Alameda County Mosquito Abatement Dist.  
Balance Sheet  
January 31, 2020

ASSETS

Current Assets		
Cash	\$	4,487,394.10
Bank of America payroll		111,363.12
Bank of the West		1,635,378.25
County		125,769.40
Cash with LAIF		1,795,048.79
VCJPA- Member Contingency		359,799.00
CAMP - Repair and Replace		274,247.47
CAMP - Public Health Emergency		523,080.11
CAMP - Operating Reserve		1,932,726.11
CAMP - Capital Reserve Fund		35,710.63
PARS		1,622,763.69
Petty cash		<u>333.58</u>
Total Current Assets		12,903,614.25
Property and Equipment		
Acc Dep - equipment	(1,310,797.45)	
Acc Dep - stru & improv	(2,349,631.01)	
Acc Dep - conts in progress	5,523.00	
Construction in progress	535,663.99	
Equipment	1,699,506.64	
Structure/improvement	4,638,621.62	
Land	<u>61,406.00</u>	
Total Property and Equipment		3,280,292.79
Other Assets		
Net OPEB Asset	<u>716,666.00</u>	
Total Other Assets		<u>716,666.00</u>
Total Assets		<u><u>\$ 16,900,573.04</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
Accounts payable	\$	104,215.36
Acc payroll/vacation		187,668.43
Def inflow - 75		41,760.00
Def inflow pen defer GASB 68		809,861.00
Defer outflow pen cont GASB 68		(818,392.00)
Net pension liability GASB 68		<u>2,642,666.00</u>
Total Current Liabilities		2,967,778.79
OPEB Fund	<u>4,487,394.10</u>	
Total Liabilities		7,455,172.89
Capital		
Designated fund balances	4,100,295.19	
Investment in general fixed as	4,637,455.55	
Net Income	<u>707,649.41</u>	
Total Capital		<u>9,445,400.15</u>
Total Liabilities & Capital		<u><u>\$ 16,900,573.04</u></u>



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Hayward, CA 94545

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[acmad@mosquitoes.org](http://acmad@mosquitoes.org)

MONTHLY STAFF REPORT – February 2019

## Board of Trustees

### **President**

Eric Hentschke

### **Newark**

### **Vice-President**

Wendi Poulson

### **Alameda**

### **Secretary**

P. Robert Beatty

### **Berkeley**

Cathy Roache

### **County at Large**

Betsy Cooley

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### **Dublin**

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### **Fremont**

Elisa Marquez

### **Hayward**

James N. Doggett

### **Livermore**

Jan O. Washburn

### **Oakland**

vacant

### **Piedmont**

Julie Testa

### **Pleasanton**

Victor Aguilar

### **San Leandro**

Subru Bhat

### **Union City**

### **Ryan Clausnitzer**

General Manager

## 1. OPERATIONS REPORT

The trend of low rainfall amounts continued in January. All the winter mosquito species: *Aedes squamiger*, *Aedes washinoi*, *Aedes sierrensis*, and *Culiseta inornata*, were collected as larvae in sources county-wide. The intermittent rain has added water to habitats of these species; however, these sources were often not filling to normal capacity. This has, in many cases, reduced the amount of acreage that is holding water, breeding, and thus requiring treatment. Staff is taking this opportunity to treat these sources thoroughly. The reasoning behind this approach is three-fold. First, if we receive significant rainfall in February or March these sources will both fill and expand causing larvae not treated prior to spread out into larger areas. This would lead to larvae in later instars spread over larger areas. The second reason is that higher water levels will likely hatch out more *Aedes sp.* eggs that have been deposited in prior years. By treating populations in existing, smaller sources, later instar larvae are removed from the population. This ties into the third reason: all three of our winter *Aedes sp.*, if untreated in larval form, tend to emerge in mid to late March. Unlike our species of *Culex*, *Culiseta* and *Anopholine* mosquitoes, these winter *Aedes* tend to have synchronized emergence patterns. That is, they tend to emerge at a similar time, en masse, with the males emerging first, followed soon thereafter by the females. This is achieved by later hatching larvae going through their instars at a faster rate than those that had hatched earlier-catching up with them.

Significant amounts of late season rainfall can cause mosquito population growth at a rapid pace. To treat these populations in a timely fashion, operations staff must prioritize sources by species, larval counts, and source size. By eliminating populations in more condensed sources earlier in the season, if late rains occur, staff will only have to contend with newly hatched larvae. Prior years with similar weather patterns indicate that this strategy is a key component to a successful winter season for ACMAD operations.

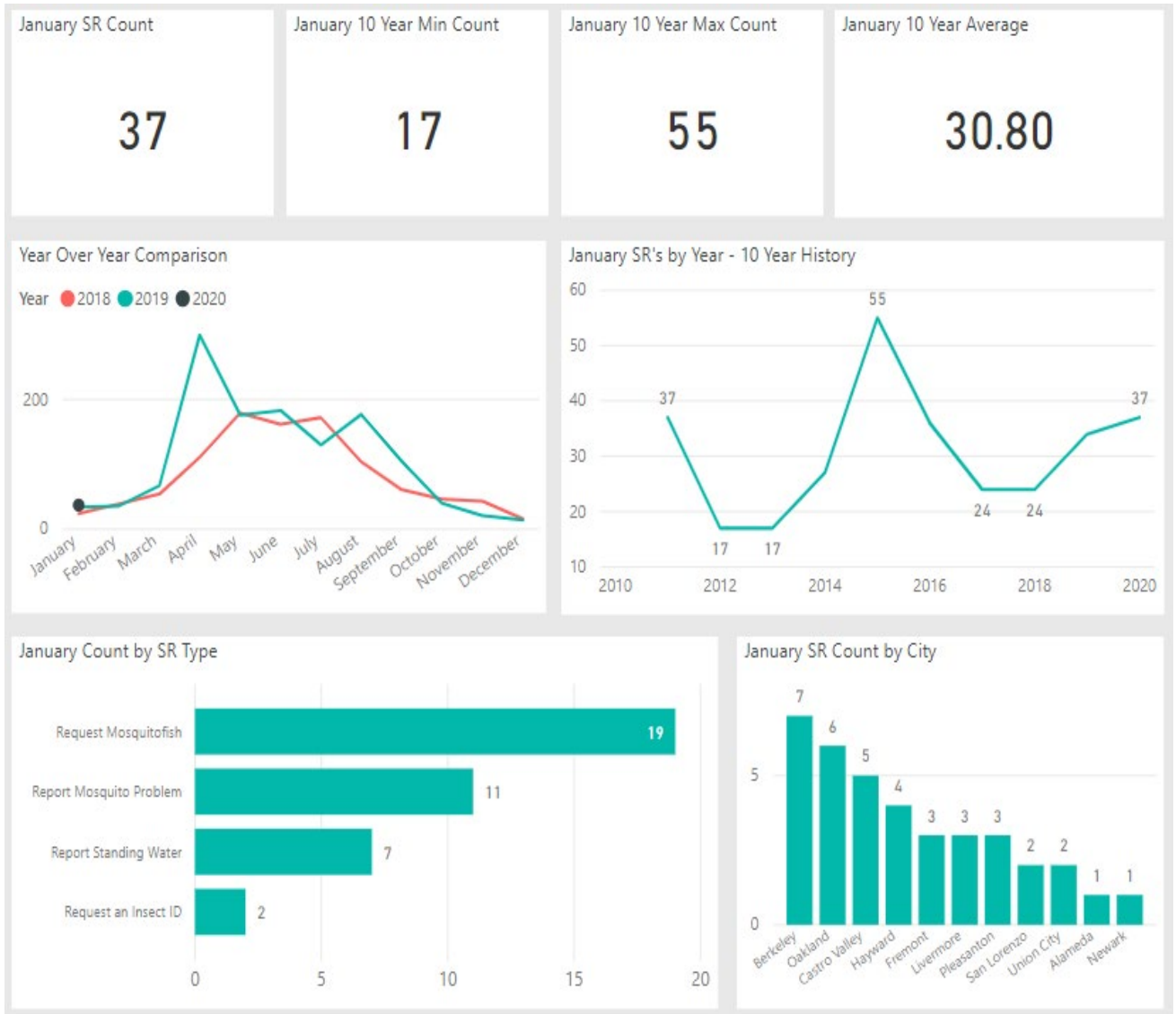
The district received thirty-seven requests for service from the public in January. Close to half of these requests were for mosquito fish. Unlike most of our mosquito species, *Cs. incidens* are active year-round. They can be aggressive biters and due to their large size and often close proximity to people and can generate a large number of service requests. Requests for mosquito fish for back-yard ponds and unmaintained pools provide a very effective and long-term biological control solution.

Other requests for service received in January were to report mosquito problems, reports of standing water, and requests to identify insect specimens. *Cs. incidens* were collected or implicated with many of these calls. Over half the calls to report standing water were to inspect unmaintained swimming pools. Almost half the requests to report mosquito problems were determined to be caused by midges, crane flies, or other non-biting "mosquito-like" insects.

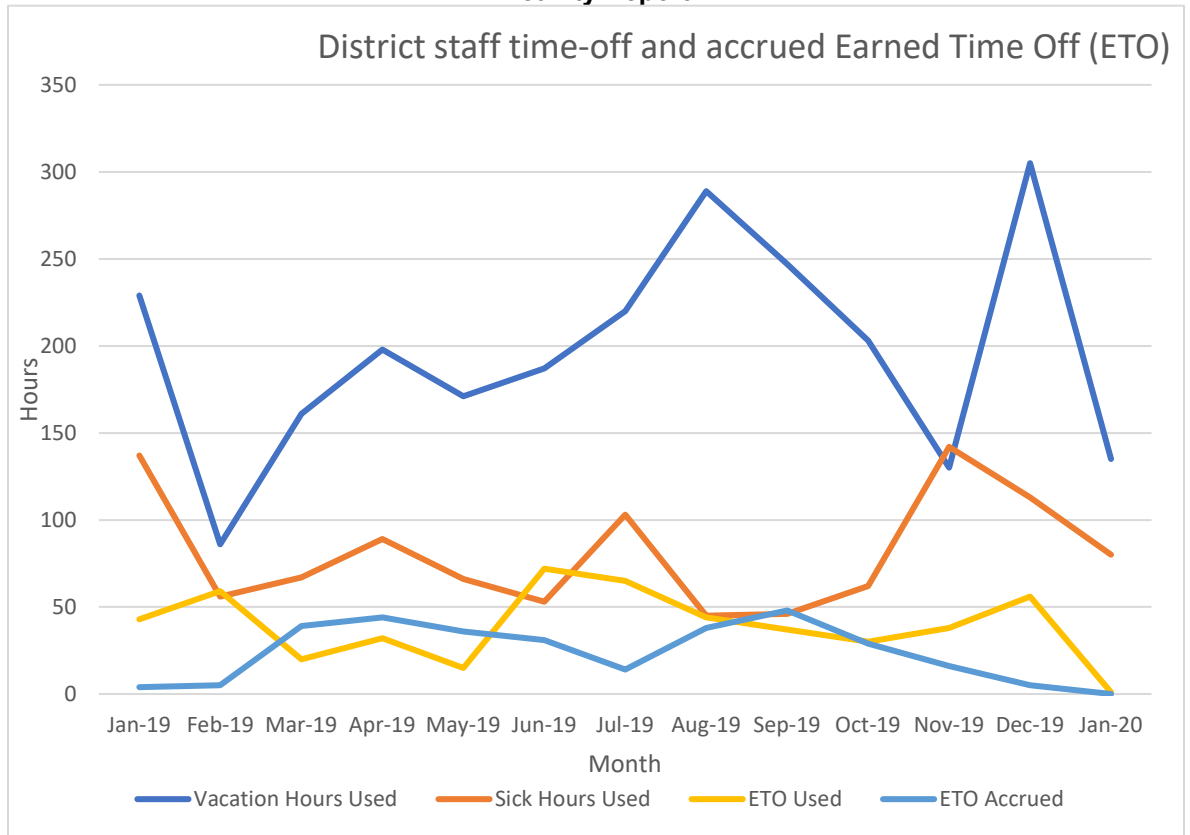
Field Operations Supervisor  
Joseph Huston

## A. District Data

### 1. Service Requests

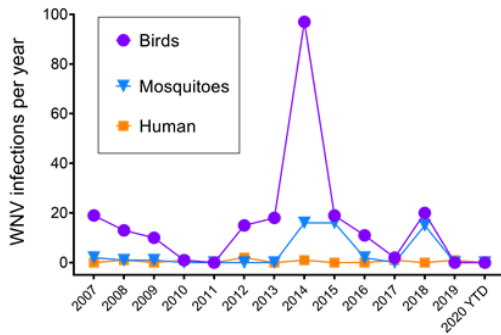


## 2. Activity Report

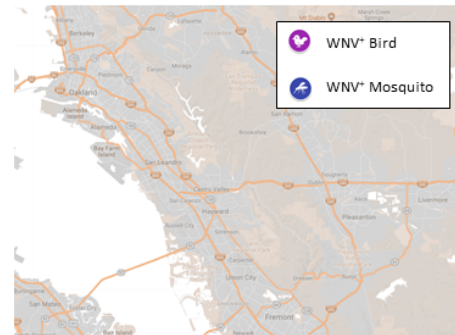


## 3. WNV Activity

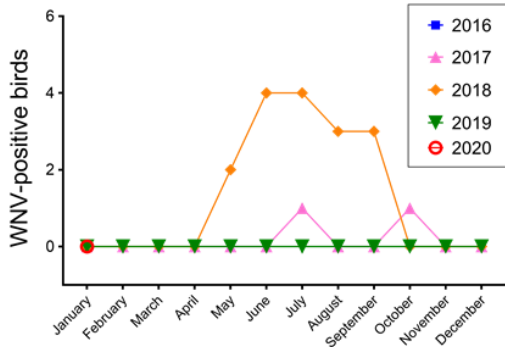
WNV infections detected in Alameda County 2005 – 2020 YTD



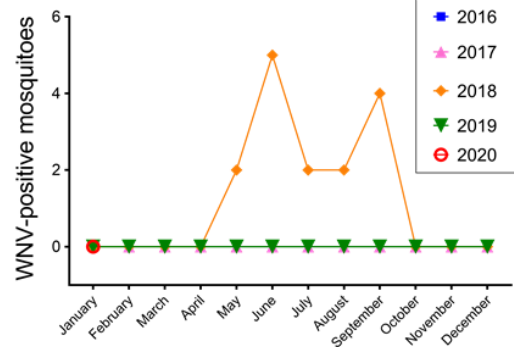
Locations of WNV-infected mosquitoes and birds collected in Alameda County during 2020



WNV-infected birds collected in Alameda County



WNV-infected mosquitoes collected in Alameda County



## **2. LAB Summary**

- West Nile virus (WNV) was not detected in birds or mosquitoes during January 2020.
- EVS CO<sub>2</sub> traps were not placed in January 2020 because the weather was too rainy and cold for adult mosquitoes to be abundant.
- A total of 203 adult mosquitoes were captured and killed by lab traps during January 2020

### **Arbovirus Monitoring**

- West Nile virus (WNV) was not detected in birds or mosquitoes during the month of January 2020.
- None of the mosquitoes or birds that were collected during 2019 were found to contain Saint Louis encephalitis virus (SLEV) or Western equine encephalitis virus (WEEV).

### **Native Mosquito Abundance**

- EVS CO<sub>2</sub> traps were not placed in January 2020 because the weather was too rainy and cold for adult mosquitoes to be abundant (average temperature of 52 °F; minimum temperature of 38 °F; 1.7 inches of rainfall in Hayward, CA).
- Mosquito abundance, as measured using NJLT, was very low for January 2020 (0.24 mosquitoes / trap night, respectively; total of 203 mosquitoes over 203 trap nights).

### **Invasive Aedes Monitoring**

- Invasive *Aedes* mosquitoes have not been detected in any mosquito trap placed in Alameda County during 2020.

### **Insecticide Resistance**

- Of the 744 *Culex pipiens* that were tested, 72% contained at least one copy of the *kdr* SNP that is associated with resistance (the mosquito was either heterozygous or homozygous resistant; Figure 1). A lower proportion of *Culex tarsalis* contained the resistant allele (21%) relative to *Cx. pipiens* (n = 511 *Cx. tarsalis* tested; Figure 1). None of the *Culex erythrothorax* that were tested contained the pyrethroid resistance *kdr* SNP (n = 126). The geographic distribution of the pyrethroid-resistance gene was substantially higher for *Cx. pipiens* that were collected in the inland region of the county (east of the East Bay Hills) relative to those from the bayside region (Figure 2A; 89.4% and 53.4%, respectively). Similarly, more *Cx. tarsalis* in the inland region contained the resistant allele relative to those collected in the bayside region (Figure 2B; 30.5% and 12.7% respectively). Overall, the proportion of mosquitoes with the resistant allele was lower for *Cx. tarsalis* relative to *Cx. pipiens* (21.1% and 72.0%, respectively). The high proportion of mosquitoes in the inland region of the county with the *kdr* allele that is associated with pyrethroid resistance is striking because ACMAD rarely applies insecticides. In fact, ACMAD staff applied less than 10 ounces of adult mosquito-targeting insecticide during the nine years between 2010 and 2019. Commercial use of pyrethroids to control structural or agricultural pests may have contributed to the broad distribution of the resistant *kdr* allele in mosquitoes from the inland region.

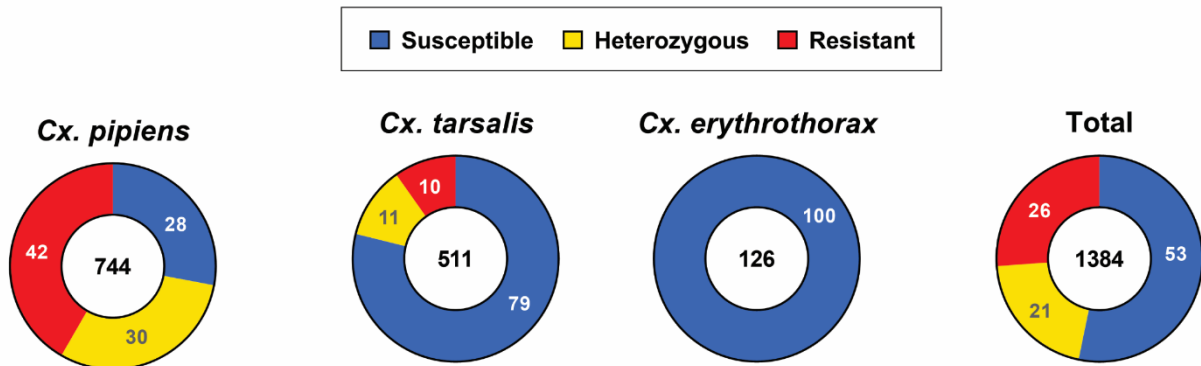
### **2020 MVCAC Annual Meeting**

- The ACMAD Lab provided two oral presentations at the 2020 MVCAC Annual Meeting that were entitled “The first use of the universal *Culex* mosquito reverse transcriptase PCR Assay to map the distribution of pyrethroid resistance in *Culex* species” and “Design, manufacture and construction of an inexpensive 3D-printed CO<sub>2</sub>-baited EVS trap”. Additionally, two posters were presented at the meeting that were entitled:

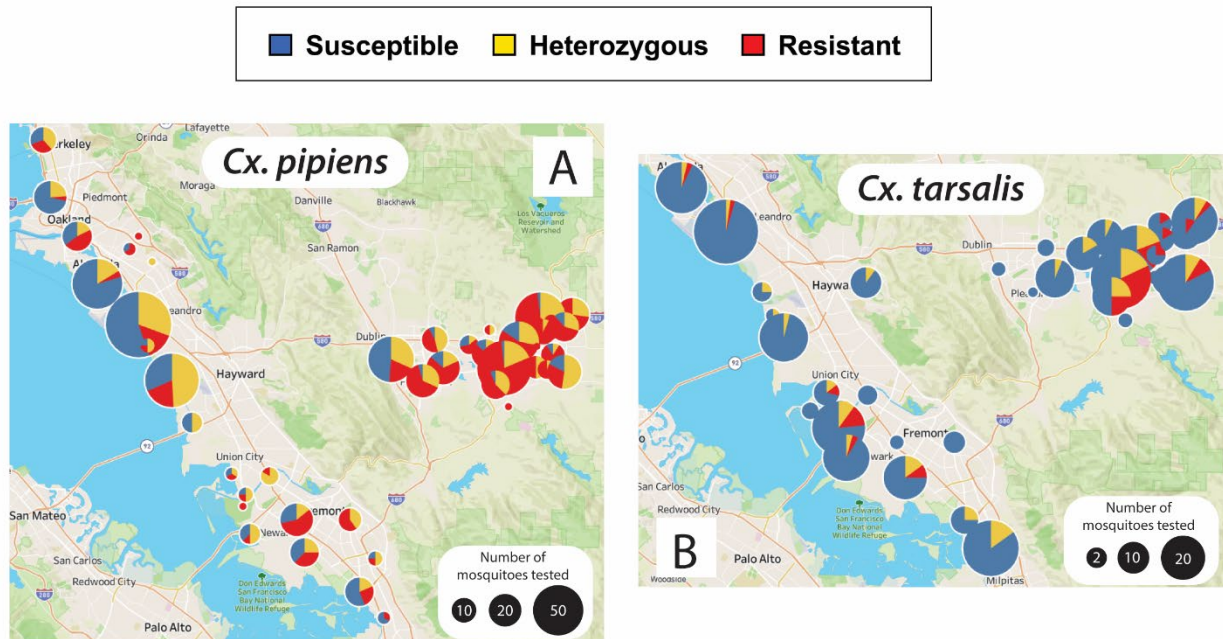
“Use of a pop-up garden waste bag as a resting mosquito trap for mosquito surveillance” and “Evaluating mosquito abundance using a New Jersey light trap fitted with an LED light bulb and BG-Lure.

- MVCAC held its first live action drone workshop during the conference (organized by Eric Haas-Stapleton of ACMAD and Joel Buettner of Placer MVCD). Over 40 mosquito control experts from 18 mosquito and vector control districts attended to see two treatment and two surveillance drones at work. Eric Haas-Stapleton and Tom McMahon demonstrated the ACMAD drones with Miguel Barretto of ACMAD serving as a visual observer. A very special thank you to Werner von Stein from the SF Drone School Research Center for driving from San Francisco solely to serve as our AMA IP Instructor.

**FIGURES**



**Figure 1. Proportion of mosquitoes with the *kdr* allele that is associated with resistance or susceptibility to pyrethroid insecticides. (A) *Cx. pipiens*, (B) *Cx. tarsalis*, (C) *Cx. erythrothorax*, and (D) all mosquitoes that were tested during 2019. Numbers within each segment of the doughnut graphs represent proportions and the number in the center of each doughnut graph reflects the number of mosquitoes tested.**



**Figure 2. Geographic distribution of the *kdr* allele in *Cx. pipiens* (A) and *Cx. tarsalis* (B) in Alameda County. Pie chart sizes are proportional to the numbers of mosquitoes tested from each trap site.**

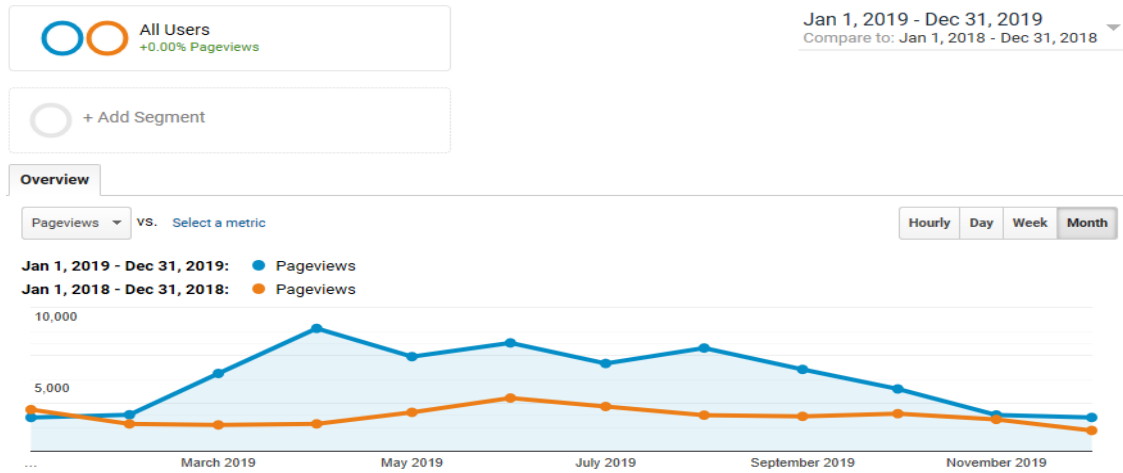
**PUBLIC EDUCATION**

**A. Events**

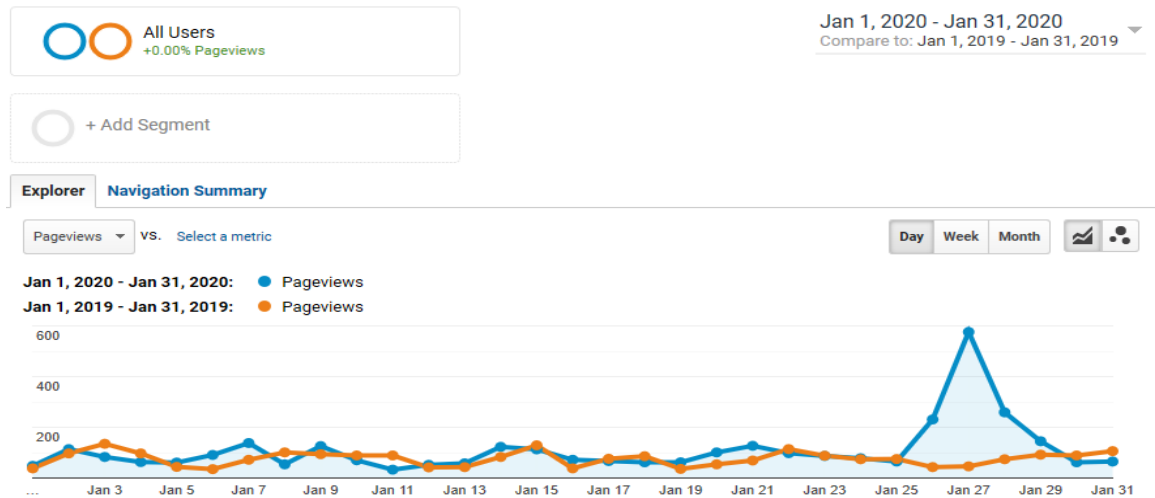
**i. Upcoming**

- **St. Patrick’s Day Celebration** – Saturday, March 14<sup>th</sup> & Sunday, March 15<sup>th</sup> (Dublin)
- **Berkeley Bay Festival** – Saturday, April 18<sup>th</sup> (Berkeley)

**B. Google Analytics**



**Figure 1. Comparison of website users over the past two years**

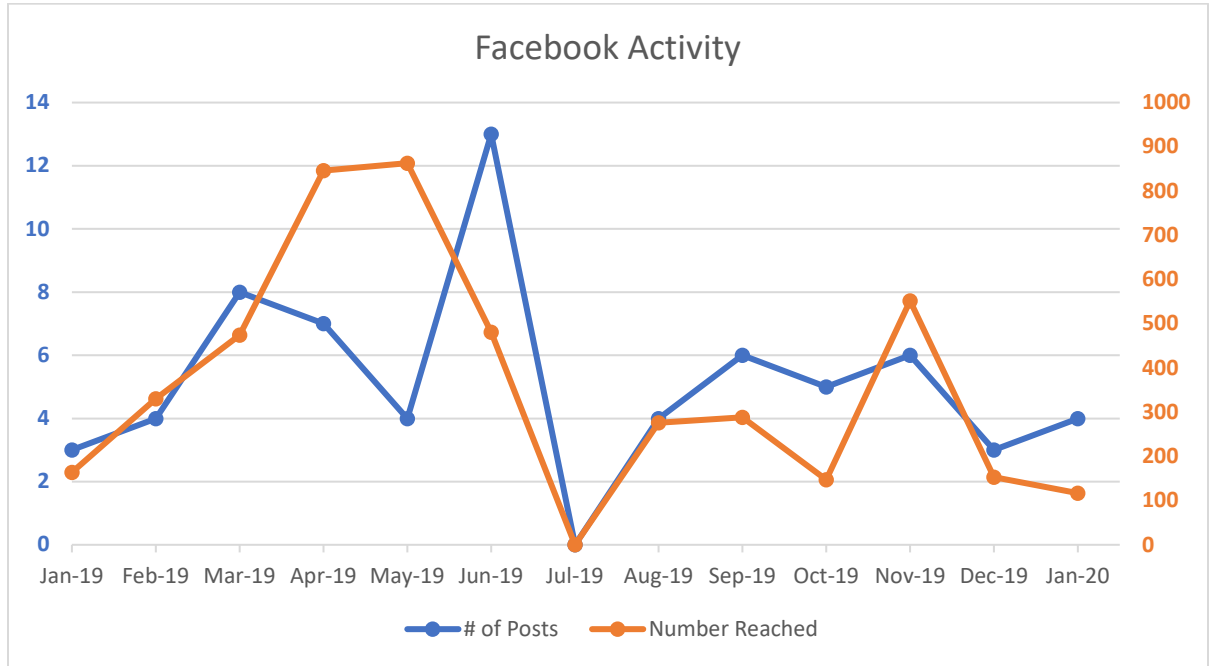


**Figure 2. Comparison of website users over the past two years for January.** While there were 576 pageviews on January 27, 2020, the analytics showed that 455 of those were on our homepage (/) and there were only 23 unique pageviews. Further investigation on this showed that the majority of the hits to this page were from multi-session users. See Figure 3.

Page ?	City ?	Pageviews ?	Unique Pageviews ?	Avg. Time on Page ?	Entrances ?	Bounce Rate ?	% Exit ?	Page Value ?
Multi-session Users		442 % of Total: 76.74% (576)	10 % of Total: 7.94% (126)	00:01:00 Avg for View: 00:01:03 (-5.06%)	10 % of Total: 12.66% (79)	20.00% Avg for View: 67.09% (-70.19%)	1.58% Avg for View: 13.72% (-88.45%)	\$0.00 % of Total: 0.00% (\$0.00)
1. /	San Diego	310 (70.14%)	6 (60.00%)	00:00:58	6 (60.00%)	16.67%	1.61%	\$0.00 (0.00%)
2. /	Los Angeles	128 (28.96%)	1 (10.00%)	00:01:05	1 (10.00%)	0.00%	0.78%	\$0.00 (0.00%)
3. /	London	3 (0.68%)	2 (20.00%)	00:00:18	2 (20.00%)	0.00%	0.00%	\$0.00 (0.00%)
4. /	Fremont	1 (0.23%)	1 (10.00%)	00:00:00	1 (10.00%)	100.00%	100.00%	\$0.00 (0.00%)

**Figure 3. Data for multi-session users on 1/27/20 on the homepage.** Possible automatic refreshing could have led to the high number of pageviews on our homepage. Of note, the MVCAC annual conference started on Monday, January 27<sup>th</sup> and was held in San Diego which corresponds with this data.

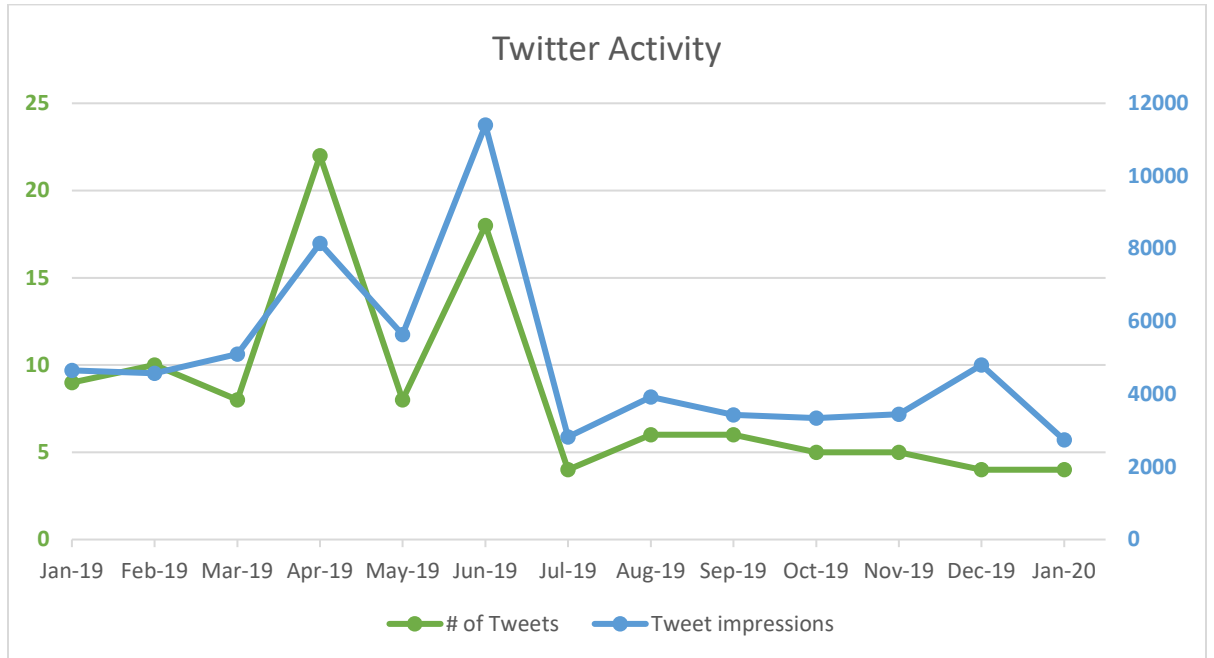
**C. Facebook**



**Total Number of Followers:** 208 (Up from 203 in November)

**January's Most Popular Post:** Some rain is in our forecast tomorrow! ☁️ That means containers in your yard have the possibility of holding water. Being proactive and removing containers could prevent mosquitoes from breeding. 🦟

**D. Twitter**



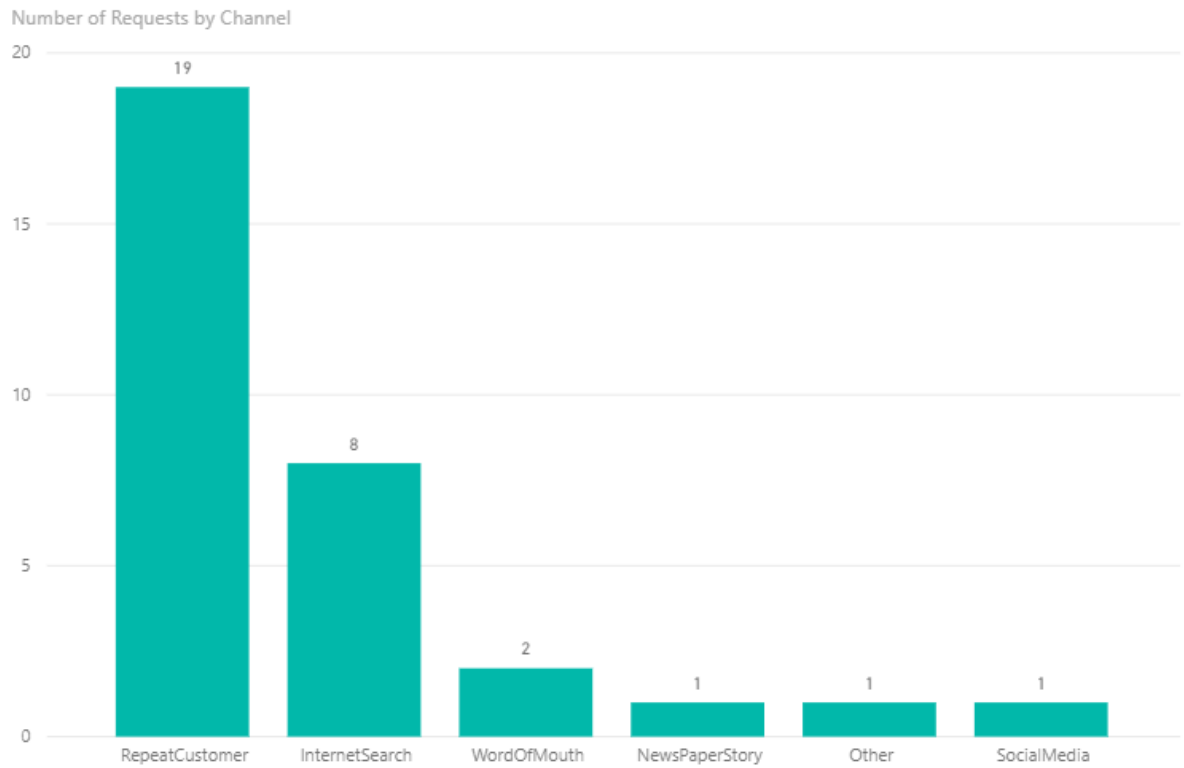
**Number of Profile Visits in January:** 32

**Total Number of Followers (New This Month):** 696 (up from 689 in November)

**Top January Tweet:** Some rain is in our forecast this week! ☁️ That means containers in your yard have the possibility of holding water. Being proactive and removing containers could prevent mosquitoes from breeding. 🦟



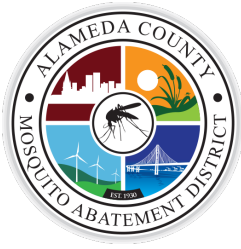
## E. Service Request Referral Summary



**Note:** Movie theater ads, Billboard, sign, or poster, Internet ad, Event, Property tax bill, District vehicle or employee and Phone book are also options for this question but were not included on this chart because they were not selected in January. Those who selected “Other” specified they heard about us from the City of Livermore.

### 4. **LEGISLATIVE UPDATE:**

Nothing new to report.



23187 Connecticut Street  
Hayward, CA 94545

T: (510) 783-7744  
F: (510) 783-3903

[acmad@mosquitoes.org](mailto:acmad@mosquitoes.org)

### Trustee & Staff Anniversary Recognitions:

#### Board of Trustees

**President**

Eric Hentschke

**Newark**

**Vice-President**

Wendi Poulson

**Alameda**

**Secretary**

P. Robert Beatty

**Berkeley**

Cathy Roache

**County at Large**

Betsy Cooley

**Emeryville**

Shawn Kumagai

**Dublin**

George Young

**Fremont**

Elisa Marquez

**Hayward**

James N. Doggett

**Livermore**

Jan O. Washburn

**Oakland**

vacant

**Piedmont**

Julie Testa

**Pleasanton**

Victor Aguilar

**San Leandro**

Subru Bhat

**Union City**

**Ryan Clausnitzer**

*General Manager*

**Background:**

ACMAD is pleased to recognize and thank the following Trustees and Staff on their anniversaries in January & February.

Trustee	City	Years of Service	Anniversary Date
James N. Doggett	Livermore	42	January 1st
Eric Hentschke	Newark	4	January 14th
Subru Bhat	Union City	2	January 9th
George Young	Fremont	7	February 1st
Employee	Title	Years of Service	Anniversary Date
Mark Wieland	Mechanic Specialist	5	February 9th



# Alameda County Chapter of the California Special Districts Association's 30<sup>th</sup> ANNUAL DINNER MEETING

Wedgewood at Redwood Canyon Golf Course  
17007 Redwood Road, Castro Valley, CA 94546

*Thursday, March 26, 2020*

6:00 p.m. Social Hour – 7:00 p.m. Dinner – 7:45 p.m. Program

\$49 Before March 6<sup>th</sup> - \$59 After

*Guest Speaker: Dr. Patrick Kennedy of OSISOft*

Topic: Weather, Wildfire, High Tech, and the Required Redesign of the Grid



**R.S.V.P.** (*Remember, an RSVP is a commitment to pay.*)

**Member Agencies:**  
*Please remember to bring a basket for the door prize.*

**Agency Contact Information:**

Agency Name: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Street Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Contact Phone: \_\_\_\_\_

Contact Email: \_\_\_\_\_

**Please make checks payable to ACSDA**

**Mail registration form & payment to:**

Castro Valley Sanitary District  
Attn: Stacy Marcoux  
21040 Marshall Street  
Castro Valley, CA 94546  
510-537-0757 ext. 106 or stacy@cvsan.org

**Attendees (please print clearly):**

Please complete registration form and return with payment by:  
**Friday, March 13, 2020**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_
8. \_\_\_\_\_
9. \_\_\_\_\_
10. \_\_\_\_\_

*A buffet dinner will be served.*

# 2019-2020 Statement of Economic Interests



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## Form 700

A Public Document

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### **Helpful Resources**

- Video Tutorials
- Reference Pamphlet
- Excel Version
- FAQs
- Gift and Travel Fact Sheet for State and Local Officials

## **California Fair Political Practices Commission**

1102 Q Street, Suite 3000 • Sacramento, CA 95811

Email Advice: [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov)

Toll-free advice line: 1 (866) ASK-FPPC • 1 (866) 275-3772

Telephone: (916) 322-5660 • Website: [www.fppc.ca.gov](http://www.fppc.ca.gov)

December 2019

# Quick Start Guide

Detailed instructions begin on page 3.

## WHEN IS THE ANNUAL STATEMENT DUE?

- March 2 – Elected State Officers, Judges and Court Commissioners, State Board and Commission members listed in Government Code Section 87200
- April 1 – Most other filers

## WHERE DO I FILE?

Most people file the Form 700 with their agency. If you're not sure where to file your Form 700, contact your filing officer or the person who asked you to complete it.

## ITEMS TO NOTE!

- The Form 700 is a public document.
- Only filers serving in active military duty may receive an extension on the filing deadline.
- You must also report interests held by your spouse or registered domestic partner.
- Your agency's conflict of interest code will help you to complete the Form 700. You are encouraged to get your conflict of interest code from the person who asked you to complete the Form 700.

## NOTHING TO REPORT?

Mark the "No reportable interests" box on Part 4 of the Cover Page, and submit only the signed Cover Page. Please review each schedule carefully!

Schedule	Common Reportable Interests	Common Non-Reportable Interests
A-1: Investments	Stocks, including those held in an IRA or 401K. Each stock must be listed.	Insurance policies, government bonds, diversified mutual funds, funds similar to diversified mutual funds.
A-2: Business Entities/Trusts	Business entities, sole proprietorships, partnerships, LLCs, corporations and trusts. (e.g., Form 1099 filers).	Savings and checking accounts, and annuities.
B: Real Property	Rental property in filer's jurisdiction, or within two miles of the boundaries of the jurisdiction.	A residence used exclusively as a personal residence (such as a home or vacation property).
C: Income	Non-governmental salaries. Note that filers are required to report only half of their spouse's or partner's salary.	Governmental salary (from school district, for example).
D: Gifts	Gifts from businesses, vendors, or other contractors (meals, tickets, etc.).	Gifts from family members.
E: Travel Payments	Travel payments from third parties (not your employer).	Travel paid by your government agency.

**Note:** Like reportable interests, non-reportable interests may also create conflicts of interest and could be grounds for disqualification from certain decisions.

## QUESTIONS?

- [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov)
- (866) 275-3772 Mon-Thurs, 9-11:30 a.m.

## E-FILING ISSUES?

- If using your agency's system, please contact technical support at your agency.
- If using FPPC's e-filing system, write to [form700@fppc.ca.gov](mailto:form700@fppc.ca.gov).

## What's New

### Gift Limit Increase

The gift limit increased to \$500 for calendar years 2019 and 2020.

### Who must file:

- Elected and appointed officials and candidates listed in Government Code Section 87200
- Employees, appointed officials, and consultants filing pursuant to a conflict of interest code ("code filers").  
**Obtain your disclosure categories, which describe the interests you must report, from your agency;** they are not part of the Form 700
- Candidates running for local elective offices that are designated in a conflict of interest code (e.g., county sheriffs, city clerks, school board trustees, and water board members)

#### Exception:

- Candidates for a county central committee are not required to file the Form 700.
- Members of newly created boards and commissions not yet covered under a conflict of interest code
- Employees in newly created positions of existing agencies

For more information, see Reference Pamphlet, page 3, at [www.fppc.ca.gov](http://www.fppc.ca.gov).

### Where to file:

#### 87200 Filers

State offices	⇒	Your agency
Judicial offices	⇒	The clerk of your court
Retired Judges	⇒	Directly with FPPC
County offices	⇒	Your county filing official
City offices	⇒	Your city clerk
Multi-County offices	⇒	Your agency

#### Code Filers — State and Local Officials, Employees, and Consultants Designated in a Conflict of Interest

**Code:** File with your agency, board, or commission unless otherwise specified in your agency's code (e.g., Legislative staff files directly with FPPC). In most cases, the agency, board, or commission will retain the statements.

#### Members of Boards and Commissions of Newly Created Agencies:

File with your newly created agency or with your agency's code reviewing body.

#### Employees in Newly Created Positions of Existing Agencies:

File with your agency or with your agency's code reviewing body. (See Reference Pamphlet, page 3.)

**Candidates:** File with your local elections office.

### How to file:

The Form 700 is available at [www.fppc.ca.gov](http://www.fppc.ca.gov). Form 700 schedules are also available in Excel format. All

statements must have an original "wet" signature or be duly authorized by your filing officer to file electronically under Government Code Section 87500.2.

### When to file:

#### Annual Statements

##### ⇒ March 2, 2020

- Elected State Officers
- Judges and Court Commissioners
- State Board and State Commission Members listed in Government Code Section 87200

##### ⇒ April 1, 2020

- Most other filers

Individuals filing under conflict of interest codes in city and county jurisdictions should verify the annual filing date with their local filing officers.

Statements postmarked by the filing deadline are considered filed on time.

Statements of 30 pages or less may be emailed or faxed by the deadline as long as the originally signed paper version is sent by first class mail to the filing official within 24 hours.

#### Assuming Office and Leaving Office Statements

Most filers file within 30 days of assuming or leaving office or within 30 days of the effective date of a newly adopted or amended conflict of interest code.

#### Exception:

If you assumed office between October 1, 2019, and December 31, 2019, and filed an assuming office statement, you are not required to file an annual statement until March 2, 2021, or April 1, 2021, whichever is applicable. The annual statement will cover the day after you assumed office through December 31, 2020. (See Reference Pamphlet, page 6, for additional exceptions.)

#### Candidate Statements

File no later than the final filing date for the declaration of candidacy or nomination documents. A candidate statement is not required if you filed an assuming office or annual statement for the same jurisdiction within 60 days before filing a declaration of candidacy or other nomination documents.

#### Late Statements

There is no provision for filing deadline extensions unless the filer is serving in active military duty. (See page 19 for information on penalties and fines.)

#### Amendments

Statements may be amended at any time. You are only required to amend the schedule that needs to be revised. It is not necessary to amend the entire filed form. Obtain amendment schedules at [www.fppc.ca.gov](http://www.fppc.ca.gov).

## Types of Statements

### Assuming Office Statement:

If you are a newly appointed official or are newly employed in a position designated, or that will be designated, in a state or local agency's conflict of interest code, your assuming office date is the date you were sworn in or otherwise authorized to serve in the position. If you are a newly elected official, your assuming office date is the date you were sworn in.

- Report: Investments, interests in real property, and business positions held on the date you assumed the office or position must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date you assumed the office or position.

For positions subject to confirmation by the State Senate or the Commission on Judicial Appointments, your assuming office date is the date you were appointed or nominated to the position.

- Example: Maria Lopez was nominated by the Governor to serve on a state agency board that is subject to state Senate confirmation. The assuming office date is the date Maria's nomination is submitted to the Senate. Maria must report investments, interests in real property, and business positions she holds on that date, and income (including loans, gifts, and travel payments) received during the 12 months prior to that date.

If your office or position has been added to a newly adopted or newly amended conflict of interest code, use the effective date of the code or amendment, whichever is applicable.

- Report: Investments, interests in real property, and business positions held on the effective date of the code or amendment must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the effective date of the code or amendment.

### Annual Statement:

Generally, the period covered is January 1, 2019, through December 31, 2019. If the period covered by the statement is different than January 1, 2019, through December 31, 2019, (for example, you assumed office between October 1, 2018, and December 31, 2018 or you are combining statements), you must specify the period covered.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2019.

- If your disclosure category changes during a reporting period, disclose under the old category until the effective date of the conflict of interest code amendment and disclose under the new disclosure category through the end of the reporting period.

### Leaving Office Statement:

Generally, the period covered is January 1, 2019, through the date you stopped performing the duties of your position. If the period covered differs from January 1, 2019, through the date you stopped performing the duties of your position (for example, you assumed office between October 1, 2018, and December 31, 2018, or you are combining statements), the period covered must be specified. The reporting period can cover parts of two calendar years.

- Report: Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2019.

### Candidate Statement:

If you are filing a statement in connection with your candidacy for state or local office, investments, interests in real property, and business positions held on the date of filing your declaration of candidacy must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date of filing your declaration of candidacy is reportable. Do not change the preprinted dates on Schedules A-1, A-2, and B.

Candidates running for local elective offices (e.g., county sheriffs, city clerks, school board trustees, or water district board members) must file candidate statements, as required by the conflict of interest code for the elected position. The code may be obtained from the agency of the elected position.

### Amendments:

If you discover errors or omissions on any statement, file an amendment as soon as possible. You are only required to amend the schedule that needs to be revised; it is not necessary to refile the entire form. Obtain amendment schedules from the FPPC website at [www.fppc.ca.gov](http://www.fppc.ca.gov).

**Note:** Once you file your statement, you may not withdraw it. All changes must be noted on amendment schedules.

**COVER PAGE**

**A PUBLIC DOCUMENT**

Please type or print in ink.

NAME OF FILER (LAST) (FIRST) (MIDDLE)

**1. Office, Agency, or Court**

Agency Name (Do not use acronyms)

Division, Board, Department, District, if applicable Your Position

► If filing for multiple positions, list below or on an attachment. (Do not use acronyms)

Agency: Position:

**2. Jurisdiction of Office (Check at least one box)**

- State Judge, Retired Judge, Pro Tem Judge, or Court Commissioner (Statewide Jurisdiction)
Multi-County County of
City of Other

**3. Type of Statement (Check at least one box)**

- Annual: The period covered is January 1, 2019, through December 31, 2019. Leaving Office: Date Left
-or- The period covered is through December 31, 2019.
Assuming Office: Date assumed
Candidate: Date of Election and office sought, if different than Part 1:

**4. Schedule Summary (must complete) ► Total number of pages including this cover page:**

**Schedules attached**

- Schedule A-1 - Investments - schedule attached
Schedule A-2 - Investments - schedule attached
Schedule B - Real Property - schedule attached
Schedule C - Income, Loans, & Business Positions - schedule attached
Schedule D - Income - Gifts - schedule attached
Schedule E - Income - Gifts - Travel Payments - schedule attached

-or- None - No reportable interests on any schedule

**5. Verification**

MAILING ADDRESS STREET CITY STATE ZIP CODE
(Business or Agency Address Recommended - Public Document)

DAYTIME TELEPHONE NUMBER EMAIL ADDRESS

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed Signature
(month, day, year) (File the originally signed paper statement with your filing official.)



# Instructions Cover Page

Enter your name, mailing address, and daytime telephone number in the spaces provided. **Because the Form 700 is a public document, you may list your business/office address instead of your home address.**

## Part 1. Office, Agency, or Court

- Enter the name of the office sought or held, or the agency or court. Consultants must enter the public agency name rather than their private firm's name. (Examples: State Assembly; Board of Supervisors; Office of the Mayor; Department of Finance; Hope County Superior Court)
- Indicate the name of your division, board, or district, if applicable. (Examples: Division of Waste Management; Board of Accountancy; District 45). **Do not use acronyms.**
- Enter your position title. (Examples: Director; Chief Counsel; City Council Member; Staff Services Analyst)
- If you hold multiple positions (i.e., a city council member who also is a member of a county board or commission), you may be required to file statements with each agency. To simplify your filing obligations, you may complete an expanded statement.
  - To do this, enter the name of the other agency(ies) with which you are required to file and your position title(s) in the space provided. **Do not use acronyms.** Attach an additional sheet if necessary. Complete one statement covering the disclosure requirements for all positions. Each copy must contain an original signature. Therefore, before signing the statement, make a copy for each agency. Sign each copy with an original signature and file with each agency.

If you assume or leave a position after a filing deadline, you must complete a separate statement. For example, a city council member who assumes a position with a county special district after the April annual filing deadline must file a separate assuming office statement. In subsequent years, the city council member may expand his or her annual filing to include both positions.

### Example:

Brian Bourne is a city council member for the City of Lincoln and a board member for the Camp Far West Irrigation District – a multi-county agency that covers Placer and Yuba counties. Brian will complete one Form 700 using full disclosure (as required for the city position) and covering interests in both Placer and Yuba counties (as required for the multi-county position) and list both positions on the Cover Page. Before signing the statement, Brian will make a copy and sign both statements. One statement will be filed with City of Lincoln and the other will be filed with Camp Far West Irrigation District. Both will contain an original signature.

## Part 2. Jurisdiction of Office

- Check the box indicating the jurisdiction of your agency and, if applicable, identify the jurisdiction. Judges, judicial candidates, and court commissioners have statewide jurisdiction. All other filers should review the Reference Pamphlet, page 13, to determine their jurisdiction.

- If your agency is a multi-county office, list each county in which your agency has jurisdiction.
- If your agency is not a state office, court, county office, city office, or multi-county office (e.g., school districts, special districts and JPAs), check the “other” box and enter the county or city in which the agency has jurisdiction.

### Example:

This filer is a member of a water district board with jurisdiction in portions of Yuba and Sutter Counties.

<b>1. Office, Agency, or Court</b>	
Agency Name (Do not use acronyms) Feather River Irrigation District	
Division, Board, Department, District, if applicable N/A	Your Position Board Member
▶ If filing for multiple positions, list below or on an attachment. (Do not use acronyms)	
Agency: N/A	Position: _____
<b>2. Jurisdiction of Office (Check at least one box)</b>	
<input type="checkbox"/> State	<input type="checkbox"/> Judge or Court Commissioner (Statewide Jurisdiction)
<input checked="" type="checkbox"/> Multi-County Yuba & Sutter Counties	<input type="checkbox"/> County of _____
<input type="checkbox"/> City of _____	<input type="checkbox"/> Other _____

## Part 3. Type of Statement

Check at least one box. The period covered by a statement is determined by the type of statement you are filing. If you are completing a 2019 annual statement, **do not** change the pre-printed dates to reflect 2020. Your annual statement is used for reporting the **previous year's** economic interests. Economic interests for your annual filing covering January 1, 2020, through December 31, 2020, will be disclosed on your statement filed in 2021. See Reference Pamphlet, page 4.

Combining Statements: Certain types of statements may be combined. For example, if you leave office after January 1, but before the deadline for filing your annual statement, you may combine your annual and leaving office statements. File by the earliest deadline. Consult your filing officer or the FPPC.

## Part 4. Schedule Summary

- Complete the Schedule Summary after you have reviewed each schedule to determine if you have reportable interests.
- Enter the total number of completed pages including the cover page and either check the box for each schedule you use to disclose interests; **or** if you have nothing to disclose on any schedule, check the “No reportable interests” box. Please **do not** attach any blank schedules.

## Part 5. Verification

Complete the verification by signing the statement and entering the date signed. All statements must have an original “wet” signature or be duly authorized by your filing officer to file electronically under Government Code Section 87500.2.

**When you sign your statement, you are stating, under penalty of perjury, that it is true and correct.** Only the filer has authority to sign the statement. An unsigned statement is not considered filed and you may be subject to late filing penalties.

# SCHEDULE A-1

## Investments

### Stocks, Bonds, and Other Interests

(Ownership Interest is Less Than 10%)

Investments must be itemized.

Do not attach brokerage or financial statements.

Name \_\_\_\_\_

▶ NAME OF BUSINESS ENTITY \_\_\_\_\_

GENERAL DESCRIPTION OF THIS BUSINESS \_\_\_\_\_

FAIR MARKET VALUE  
 \$2,000 - \$10,000       \$10,001 - \$100,000  
 \$100,001 - \$1,000,000       Over \$1,000,000

NATURE OF INVESTMENT  
 Stock       Other \_\_\_\_\_ (Describe)  
 Partnership       Income Received of \$0 - \$499  
     Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:  
 \_\_\_\_\_ / \_\_\_\_\_ / **19**      \_\_\_\_\_ / \_\_\_\_\_ / **19**  
 ACQUIRED                                      DISPOSED

▶ NAME OF BUSINESS ENTITY \_\_\_\_\_

GENERAL DESCRIPTION OF THIS BUSINESS \_\_\_\_\_

FAIR MARKET VALUE  
 \$2,000 - \$10,000       \$10,001 - \$100,000  
 \$100,001 - \$1,000,000       Over \$1,000,000

NATURE OF INVESTMENT  
 Stock       Other \_\_\_\_\_ (Describe)  
 Partnership       Income Received of \$0 - \$499  
     Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:  
 \_\_\_\_\_ / \_\_\_\_\_ / **19**      \_\_\_\_\_ / \_\_\_\_\_ / **19**  
 ACQUIRED                                      DISPOSED

▶ NAME OF BUSINESS ENTITY \_\_\_\_\_

GENERAL DESCRIPTION OF THIS BUSINESS \_\_\_\_\_

FAIR MARKET VALUE  
 \$2,000 - \$10,000       \$10,001 - \$100,000  
 \$100,001 - \$1,000,000       Over \$1,000,000

NATURE OF INVESTMENT  
 Stock       Other \_\_\_\_\_ (Describe)  
 Partnership       Income Received of \$0 - \$499  
     Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:  
 \_\_\_\_\_ / \_\_\_\_\_ / **19**      \_\_\_\_\_ / \_\_\_\_\_ / **19**  
 ACQUIRED                                      DISPOSED

▶ NAME OF BUSINESS ENTITY \_\_\_\_\_

GENERAL DESCRIPTION OF THIS BUSINESS \_\_\_\_\_

FAIR MARKET VALUE  
 \$2,000 - \$10,000       \$10,001 - \$100,000  
 \$100,001 - \$1,000,000       Over \$1,000,000

NATURE OF INVESTMENT  
 Stock       Other \_\_\_\_\_ (Describe)  
 Partnership       Income Received of \$0 - \$499  
     Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:  
 \_\_\_\_\_ / \_\_\_\_\_ / **19**      \_\_\_\_\_ / \_\_\_\_\_ / **19**  
 ACQUIRED                                      DISPOSED

▶ NAME OF BUSINESS ENTITY \_\_\_\_\_

GENERAL DESCRIPTION OF THIS BUSINESS \_\_\_\_\_

FAIR MARKET VALUE  
 \$2,000 - \$10,000       \$10,001 - \$100,000  
 \$100,001 - \$1,000,000       Over \$1,000,000

NATURE OF INVESTMENT  
 Stock       Other \_\_\_\_\_ (Describe)  
 Partnership       Income Received of \$0 - \$499  
     Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:  
 \_\_\_\_\_ / \_\_\_\_\_ / **19**      \_\_\_\_\_ / \_\_\_\_\_ / **19**  
 ACQUIRED                                      DISPOSED

▶ NAME OF BUSINESS ENTITY \_\_\_\_\_

GENERAL DESCRIPTION OF THIS BUSINESS \_\_\_\_\_

FAIR MARKET VALUE  
 \$2,000 - \$10,000       \$10,001 - \$100,000  
 \$100,001 - \$1,000,000       Over \$1,000,000

NATURE OF INVESTMENT  
 Stock       Other \_\_\_\_\_ (Describe)  
 Partnership       Income Received of \$0 - \$499  
     Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:  
 \_\_\_\_\_ / \_\_\_\_\_ / **19**      \_\_\_\_\_ / \_\_\_\_\_ / **19**  
 ACQUIRED                                      DISPOSED

Comments: \_\_\_\_\_

## Instructions – Schedules A-1 and A-2 Investments

“Investment” means a financial interest in any business entity (including a consulting business or other independent contracting business) that is located in, doing business in, planning to do business in, or that has done business during the previous two years in your agency’s jurisdiction in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or beneficial interest totaling \$2,000 or more at any time during the reporting period. (See Reference Pamphlet, page 13.)

### Reportable investments include:

- Stocks, bonds, warrants, and options, including those held in margin or brokerage accounts and managed investment funds (See Reference Pamphlet, page 13.)
- Sole proprietorships
- Your own business or your spouse’s or registered domestic partner’s business (See Reference Pamphlet, page 8, for the definition of “business entity.”)
- Your spouse’s or registered domestic partner’s investments even if they are legally separate property
- Partnerships (e.g., a law firm or family farm)
- Investments in reportable business entities held in a retirement account (See Reference Pamphlet, page 15.)
- If you, your spouse or registered domestic partner, and dependent children together had a 10% or greater ownership interest in a business entity or trust (including a living trust), you must disclose investments held by the business entity or trust. (See Reference Pamphlet, page 16, for more information on disclosing trusts.)
- Business trusts

### You are not required to disclose:

- Government bonds, diversified mutual funds, certain funds similar to diversified mutual funds (such as exchange traded funds) and investments held in certain retirement accounts. (See Reference Pamphlet, page 13.) (Regulation 18237)
- Bank accounts, savings accounts, money market accounts and certificates of deposits
- Insurance policies
- Annuities
- Commodities
- Shares in a credit union
- Government bonds (including municipal bonds)
- Retirement accounts invested in non-reportable interests (e.g., insurance policies, mutual funds, or government bonds) (See Reference Pamphlet, page 15.)

- Government defined-benefit pension plans (such as CalPERS and CalSTRS plans)
- Certain interests held in a blind trust (See Reference Pamphlet, page 16.)

**Use Schedule A-1** to report ownership of less than 10% (e.g., stock). Schedule C (Income) may also be required if the investment is not a stock or corporate bond. (See second example below.)

**Use Schedule A-2** to report ownership of 10% or greater (e.g., a sole proprietorship).

### To Complete Schedule A-1:

Do not attach brokerage or financial statements.

- Disclose the name of the business entity.
- Provide a general description of the business activity of the entity (e.g., pharmaceuticals, computers, automobile manufacturing, or communications).
- Check the box indicating the highest fair market value of your investment during the reporting period. If you are filing a candidate or an assuming office statement, indicate the fair market value on the filing date or the date you took office, respectively. (See page 20 for more information.)
- Identify the nature of your investment (e.g., stocks, warrants, options, or bonds).
- An acquired or disposed of date is only required if you initially acquired or entirely disposed of the investment interest during the reporting period. The date of a stock dividend reinvestment or partial disposal is not required. Generally, these dates will not apply if you are filing a candidate or an assuming office statement.

### Examples:

Frank Byrd holds a state agency position. His conflict of interest code requires full disclosure of investments. Frank must disclose his stock holdings of \$2,000 or more in any company that is located in or does business in California, as well as those stocks held by his spouse or registered domestic partner and dependent children.

Alice Lance is a city council member. She has a 4% interest, worth \$5,000, in a limited partnership located in the city. Alice must disclose the partnership on Schedule A-1 and income of \$500 or more received from the partnership on Schedule C.

### Reminders

- Do you know your agency’s jurisdiction?
- Did you hold investments at any time during the period covered by this statement?
- Code filers – your disclosure categories may only require disclosure of specific investments.

# SCHEDULE A-2

## Investments, Income, and Assets of Business Entities/Trusts

(Ownership Interest is 10% or Greater)

**CALIFORNIA FORM 700**

FAIR POLITICAL PRACTICES COMMISSION

Name \_\_\_\_\_

**▶ 1. BUSINESS ENTITY OR TRUST**

Name \_\_\_\_\_

Address (Business Address Acceptable) \_\_\_\_\_

Check one  
 Trust, go to 2     Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

---

<p>FAIR MARKET VALUE</p> <input type="checkbox"/> \$0 - \$1,999 <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	<p>IF APPLICABLE, LIST DATE:</p> <p style="text-align: center;">____/____/19    ____/____/19</p> <p style="text-align: center;">ACQUIRED                  DISPOSED</p>
--	--

NATURE OF INVESTMENT  
 Partnership     Sole Proprietorship     \_\_\_\_\_ Other

YOUR BUSINESS POSITION \_\_\_\_\_

**▶ 1. BUSINESS ENTITY OR TRUST**

Name \_\_\_\_\_

Address (Business Address Acceptable) \_\_\_\_\_

Check one  
 Trust, go to 2     Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

---

<p>FAIR MARKET VALUE</p> <input type="checkbox"/> \$0 - \$1,999 <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	<p>IF APPLICABLE, LIST DATE:</p> <p style="text-align: center;">____/____/19    ____/____/19</p> <p style="text-align: center;">ACQUIRED                  DISPOSED</p>
--	--

NATURE OF INVESTMENT  
 Partnership     Sole Proprietorship     \_\_\_\_\_ Other

YOUR BUSINESS POSITION \_\_\_\_\_

**▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)**

<input type="checkbox"/> \$0 - \$499	<input type="checkbox"/> \$10,001 - \$100,000
<input type="checkbox"/> \$500 - \$1,000	<input type="checkbox"/> OVER \$100,000
<input type="checkbox"/> \$1,001 - \$10,000	

**▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)**

<input type="checkbox"/> \$0 - \$499	<input type="checkbox"/> \$10,001 - \$100,000
<input type="checkbox"/> \$500 - \$1,000	<input type="checkbox"/> OVER \$100,000
<input type="checkbox"/> \$1,001 - \$10,000	

**▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)**

None    or     Names listed below

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)**

None    or     Names listed below

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST**

Check one box:  
 INVESTMENT     REAL PROPERTY

Name of Business Entity, if Investment, or Assessor's Parcel Number or Street Address of Real Property \_\_\_\_\_

Description of Business Activity or City or Other Precise Location of Real Property \_\_\_\_\_

<p>FAIR MARKET VALUE</p> <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	<p>IF APPLICABLE, LIST DATE:</p> <p style="text-align: center;">____/____/19    ____/____/19</p> <p style="text-align: center;">ACQUIRED                  DISPOSED</p>
--	--

NATURE OF INTEREST  
 Property Ownership/Deed of Trust     Stock     Partnership

Leasehold \_\_\_\_\_ Yrs. remaining     Other \_\_\_\_\_

Check box if additional schedules reporting investments or real property are attached

**▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST**

Check one box:  
 INVESTMENT     REAL PROPERTY

Name of Business Entity, if Investment, or Assessor's Parcel Number or Street Address of Real Property \_\_\_\_\_

Description of Business Activity or City or Other Precise Location of Real Property \_\_\_\_\_

<p>FAIR MARKET VALUE</p> <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	<p>IF APPLICABLE, LIST DATE:</p> <p style="text-align: center;">____/____/19    ____/____/19</p> <p style="text-align: center;">ACQUIRED                  DISPOSED</p>
--	--

NATURE OF INTEREST  
 Property Ownership/Deed of Trust     Stock     Partnership

Leasehold \_\_\_\_\_ Yrs. remaining     Other \_\_\_\_\_

Check box if additional schedules reporting investments or real property are attached

Comments: \_\_\_\_\_

## Instructions – Schedule A-2

### Investments, Income, and Assets of Business Entities/Trusts

---

Use Schedule A-2 to report investments in a business entity (including a consulting business or other independent contracting business) or trust (including a living trust) in which you, your spouse or registered domestic partner, and your dependent children, together or separately, had a 10% or greater interest, totaling \$2,000 or more, during the reporting period and which is located in, doing business in, planning to do business in, or which has done business during the previous two years in your agency's jurisdiction. (See Reference Pamphlet, page 13.) A trust located outside your agency's jurisdiction is reportable if it holds assets that are located in or doing business in the jurisdiction. Do not report a trust that contains non-reportable interests. For example, a trust containing only your personal residence not used in whole or in part as a business, your savings account, and some municipal bonds, is not reportable.

Also report on Schedule A-2 investments and real property held by that entity or trust if your pro rata share of the investment or real property interest was \$2,000 or more during the reporting period.

#### To Complete Schedule A-2:

**Part 1.** Disclose the name and address of the business entity or trust. If you are reporting an interest in a business entity, check "Business Entity" and complete the box as follows:

- Provide a general description of the business activity of the entity.
- Check the box indicating the highest fair market value of your investment during the reporting period.
- If you initially acquired or entirely disposed of this interest during the reporting period, enter the date acquired or disposed.
- Identify the nature of your investment.
- Disclose the job title or business position you held with the entity, if any (i.e., if you were a director, officer, partner, trustee, employee, or held any position of management). A business position held by your spouse is not reportable.

**Part 2.** Check the box indicating **your pro rata** share of the **gross** income received **by** the business entity or trust. This amount includes your pro rata share of the **gross** income **from** the business entity or trust, as well as your community property interest in your spouse's or registered domestic partner's share. Gross income is the total amount of income before deducting expenses, losses, or taxes.

**Part 3.** Disclose the name of each source of income that is located in, doing business in, planning to do business in, or that has done business during the previous two years in your agency's jurisdiction, as follows:

- Disclose each source of income and outstanding loan **to the business entity or trust** identified in Part 1 if your pro rata share of the **gross** income (including your community property interest in your spouse's or registered domestic partner's share) to the business entity or trust from that source was \$10,000 or more during the reporting

period. (See Reference Pamphlet, page 11, for examples.) Income from governmental sources may be reportable if not considered salary. See Regulation 18232. Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status are not reportable.

- Disclose each individual or entity that was a source of commission income of \$10,000 or more during the reporting period through the business entity identified in Part 1. (See Reference Pamphlet, page 8.)

You may be required to disclose sources of income located outside your jurisdiction. For example, you may have a client who resides outside your jurisdiction who does business on a regular basis with you. Such a client, if a reportable source of \$10,000 or more, must be disclosed.

Mark "None" if you do not have any reportable \$10,000 sources of income to disclose. Phrases such as "various clients" or "not disclosing sources pursuant to attorney-client privilege" are not adequate disclosure. (See Reference Pamphlet, page 14, for information on procedures to request an exemption from disclosing privileged information.)

**Part 4.** Report any investments or interests in real property held or leased **by the entity or trust** identified in Part 1 if your pro rata share of the interest held was \$2,000 or more during the reporting period. Attach additional schedules or use FPPC's Form 700 Excel spreadsheet if needed.

- Check the applicable box identifying the interest held as real property or an investment.
- If investment, provide the name and description of the business entity.
- If real property, report the precise location (e.g., an assessor's parcel number or address).
- Check the box indicating the highest fair market value of your interest in the real property or investment during the reporting period. (Report the fair market value of the portion of your residence claimed as a tax deduction if you are utilizing your residence for business purposes.)
- Identify the nature of your interest.
- Enter the date acquired or disposed only if you initially acquired or entirely disposed of your interest in the property or investment during the reporting period.



## Instructions – Schedule B Interests in Real Property

Report interests in real property located in your agency's jurisdiction in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or beneficial interest totaling \$2,000 or more any time during the reporting period. Real property is also considered to be "within the jurisdiction" of a local government agency if the property or any part of it is located within two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the local government agency. (See Reference Pamphlet, page 13.)

### Interests in real property include:

- An ownership interest (including a beneficial ownership interest)
- A deed of trust, easement, or option to acquire property
- A leasehold interest (See Reference Pamphlet, page 14.)
- A mining lease
- An interest in real property held in a retirement account (See Reference Pamphlet, page 15.)
- An interest in real property held by a business entity or trust in which you, your spouse or registered domestic partner, and your dependent children together had a 10% or greater ownership interest (Report on Schedule A-2.)
- Your spouse's or registered domestic partner's interests in real property that are legally held separately by him or her

### You are **not** required to report:

- A residence, such as a home or vacation cabin, used exclusively as a personal residence (However, a residence in which you rent out a room or for which you claim a business deduction may be reportable. If reportable, report the fair market value of the portion claimed as a tax deduction.)
- Some interests in real property held through a blind trust (See Reference Pamphlet, page 16.)
  - **Please note:** A non-reportable property can still be grounds for a conflict of interest and may be disqualifying.

### To Complete Schedule B:

- Report the precise location (e.g., an assessor's parcel number or address) of the real property.
- Check the box indicating the fair market value of your interest in the property (regardless of what you owe on the property).
- Enter the date acquired or disposed only if you initially acquired or entirely disposed of your interest in the property during the reporting period.
- Identify the nature of your interest. If it is a leasehold,

### Reminders

- Income and loans already reported on Schedule B are not also required to be reported on Schedule C.
- Real property already reported on Schedule A-2, Part 4 is not also required to be reported on Schedule B.
- Code filers – do your disclosure categories require disclosure of real property?

disclose the number of years remaining on the lease.

- If you received rental income, check the box indicating the gross amount you received.
- If you had a 10% or greater interest in real property and received rental income, list the name of the source(s) if your pro rata share of the gross income from any single tenant was \$10,000 or more during the reporting period. If you received a total of \$10,000 or more from two or more tenants acting in concert (in most cases, this will apply to married couples), disclose the name of each tenant. Otherwise, mark "None."
- Loans from a private lender that total \$500 or more and are secured by real property may be reportable. **Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status are not reportable.**

When reporting a loan:

- Provide the name and address of the lender.
- Describe the lender's business activity.
- Disclose the interest rate and term of the loan. For variable interest rate loans, disclose the conditions of the loan (e.g., Prime + 2) or the average interest rate paid during the reporting period. The term of a loan is the total number of months or years given for repayment of the loan at the time the loan was established.
- Check the box indicating the highest balance of the loan during the reporting period.
- Identify a guarantor, if applicable.

If you have more than one reportable loan on a single piece of real property, report the additional loan(s) on Schedule C.

### Example:

Allison Gande is a city planning commissioner. During the reporting period, she received rental income of \$12,000, from a single tenant who rented property she owned in the city's jurisdiction. If Allison received \$6,000 each from two tenants, the tenants' names would not be required because no single tenant paid her \$10,000 or more. A married couple is considered a single tenant.

ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS <b>4600 24th Street</b>	
CITY <b>Sacramento</b>	
FAIR MARKET VALUE	IF APPLICABLE, LIST DATE:
<input type="checkbox"/> \$2,000 - \$10,000	<input type="checkbox"/> / / 18
<input type="checkbox"/> \$10,001 - \$100,000	<input type="checkbox"/> ACQUIRED
<input checked="" type="checkbox"/> \$100,001 - \$1,000,000	<input type="checkbox"/> DISPOSED
<input type="checkbox"/> Over \$1,000,000	
NATURE OF INTEREST	
<input type="checkbox"/> Ownership/Deed of Trust	<input type="checkbox"/> Easement
<input type="checkbox"/> Leasehold	<input type="checkbox"/> Other
	Yrs. remaining _____
IF RENTAL PROPERTY, GROSS INCOME RECEIVED	
<input type="checkbox"/> \$0 - \$499	<input type="checkbox"/> \$500 - \$1,000
<input type="checkbox"/> \$1,001 - \$10,000	<input type="checkbox"/> \$10,001 - \$100,000
<input checked="" type="checkbox"/> \$100,001 - \$1,000,000	<input type="checkbox"/> OVER \$100,000
SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more.	
<input type="checkbox"/> None	
<b>Henry Wells</b>	
NAME OF LENDER*	
<b>Sophia Petroillo</b>	
ADDRESS (Business Address Acceptable)	
<b>2121 Blue Sky Parkway, Sacramento</b>	
BUSINESS ACTIVITY, IF ANY, OF LENDER	
<b>Restaurant Owner</b>	
INTEREST RATE	TERM (Months/Years)
<b>8</b> % <input type="checkbox"/> None	<b>15</b> Years
HIGHEST BALANCE DURING REPORTING PERIOD	
<input type="checkbox"/> \$500 - \$1,000	<input type="checkbox"/> \$1,001 - \$10,000
<input checked="" type="checkbox"/> \$10,001 - \$100,000	<input type="checkbox"/> OVER \$100,000
<input type="checkbox"/> Guarantor, if applicable	
Comments: _____	

# SCHEDULE C

## Income, Loans, & Business Positions

(Other than Gifts and Travel Payments)

**CALIFORNIA FORM 700**

FAIR POLITICAL PRACTICES COMMISSION

Name \_\_\_\_\_

▶ 1. INCOME RECEIVED
▶ 1. INCOME RECEIVED

NAME OF SOURCE OF INCOME \_\_\_\_\_

ADDRESS *(Business Address Acceptable)* \_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

YOUR BUSINESS POSITION \_\_\_\_\_

GROSS INCOME RECEIVED     No Income - Business Position Only

\$500 - \$1,000                       \$1,001 - \$10,000

\$10,001 - \$100,000               OVER \$100,000

CONSIDERATION FOR WHICH INCOME WAS RECEIVED

Salary     Spouse's or registered domestic partner's income  
*(For self-employed use Schedule A-2.)*

Partnership (Less than 10% ownership. For 10% or greater use Schedule A-2.)

Sale of \_\_\_\_\_  
*(Real property, car, boat, etc.)*

Loan repayment

Commission or     Rental Income, list each source of \$10,000 or more

\_\_\_\_\_ *(Describe)*

Other \_\_\_\_\_  
*(Describe)*

NAME OF SOURCE OF INCOME \_\_\_\_\_

ADDRESS *(Business Address Acceptable)* \_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

YOUR BUSINESS POSITION \_\_\_\_\_

GROSS INCOME RECEIVED     No Income - Business Position Only

\$500 - \$1,000                       \$1,001 - \$10,000

\$10,001 - \$100,000               OVER \$100,000

CONSIDERATION FOR WHICH INCOME WAS RECEIVED

Salary     Spouse's or registered domestic partner's income  
*(For self-employed use Schedule A-2.)*

Partnership (Less than 10% ownership. For 10% or greater use Schedule A-2.)

Sale of \_\_\_\_\_  
*(Real property, car, boat, etc.)*

Loan repayment

Commission or     Rental Income, list each source of \$10,000 or more

\_\_\_\_\_ *(Describe)*

Other \_\_\_\_\_  
*(Describe)*

▶ 2. LOANS RECEIVED OR OUTSTANDING DURING THE REPORTING PERIOD

\* You are not required to report loans from a commercial lending institution, or any indebtedness created as part of a retail installment or credit card transaction, made in the lender's regular course of business on terms available to members of the public without regard to your official status. Personal loans and loans received not in a lender's regular course of business must be disclosed as follows:

NAME OF LENDER\* \_\_\_\_\_

ADDRESS *(Business Address Acceptable)* \_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF LENDER \_\_\_\_\_

HIGHEST BALANCE DURING REPORTING PERIOD

\$500 - \$1,000

\$1,001 - \$10,000

\$10,001 - \$100,000

OVER \$100,000

INTEREST RATE                      TERM (Months/Years)

\_\_\_\_\_ %     None                      \_\_\_\_\_

SECURITY FOR LOAN

None                       Personal residence

Real Property \_\_\_\_\_  
*Street address*

\_\_\_\_\_ *City*

Guarantor \_\_\_\_\_

Other \_\_\_\_\_  
*(Describe)*

Comments: \_\_\_\_\_



# Instructions – Schedule C

## Income, Loans, & Business Positions

### (Income Other Than Gifts and Travel Payments)

---

#### Reporting Income:

Report the source and amount of gross income of \$500 or more you received during the reporting period. Gross income is the total amount of income before deducting expenses, losses, or taxes and includes loans other than loans from a commercial lending institution. (See Reference Pamphlet, page 11.) You must also report the source of income to your spouse or registered domestic partner if your community property share was \$500 or more during the reporting period.

The source and income must be reported only if the source is located in, doing business in, planning to do business in, or has done business during the previous two years in your agency's jurisdiction. (See Reference Pamphlet, page 13.) Reportable sources of income may be further limited by your disclosure category located in your agency's conflict of interest code.

#### Reporting Business Positions:

You must report your job title with each reportable business entity even if you received no income during the reporting period. Use the comments section to indicate that no income was received.

#### Commonly reportable income and loans include:

- Salary/wages, per diem, and reimbursement for expenses including travel payments provided by your employer
- Community property interest (50%) in your spouse's or registered domestic partner's income - **report the employer's name and all other required information**
- Income from investment interests, such as partnerships, reported on Schedule A-1
- Commission income not required to be reported on Schedule A-2 (See Reference Pamphlet, page 8.)
- Gross income from any sale, including the sale of a house or car (Report your pro rata share of the total sale price.)
- Rental income not required to be reported on Schedule B
- Prizes or awards not disclosed as gifts
- Payments received on loans you made to others
- An honorarium received prior to becoming a public official (See Reference Pamphlet, page 10.)
- Incentive compensation (See Reference Pamphlet, page 12.)

#### Reminders

- Code filers – your disclosure categories may not require disclosure of all sources of income.
- If you or your spouse or registered domestic partner are self-employed, report the business entity on Schedule A-2.
- Do not disclose on Schedule C income, loans, or business positions already reported on Schedules A-2 or B.

#### You are not required to report:

- Salary, reimbursement for expenses or per diem, or social security, disability, or other similar benefit payments received by you or your spouse or registered domestic partner from a federal, state, or local government agency.
- Stock dividends and income from the sale of stock unless the source can be identified.
- Income from a PERS retirement account.

(See Reference Pamphlet, page 12.)

#### To Complete Schedule C:

##### Part 1. Income Received/Business Position Disclosure

- Disclose the name and address of each source of income or each business entity with which you held a business position.
- Provide a general description of the business activity if the source is a business entity.
- Check the box indicating the amount of gross income received.
- Identify the consideration for which the income was received.
- For income from commission sales, check the box indicating the gross income received and list the name of each source of commission income of \$10,000 or more. (See Reference Pamphlet, page 8.) **Note: If you receive commission income on a regular basis or have an ownership interest of 10% or more, you must disclose the business entity and the income on Schedule A-2.**
- Disclose the job title or business position, if any, that you held with the business entity, even if you did not receive income during the reporting period.

##### Part 2. Loans Received or Outstanding During the Reporting Period

- Provide the name and address of the lender.
- Provide a general description of the business activity if the lender is a business entity.
- Check the box indicating the highest balance of the loan during the reporting period.
- Disclose the interest rate and the term of the loan.
  - For variable interest rate loans, disclose the conditions of the loan (e.g., Prime + 2) or the average interest rate paid during the reporting period.
  - The term of the loan is the total number of months or years given for repayment of the loan at the time the loan was entered into.
- Identify the security, if any, for the loan.

**SCHEDULE D**  
**Income – Gifts**

Name \_\_\_\_\_

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_

ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF SOURCE

\_\_\_\_\_

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_

ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF SOURCE

\_\_\_\_\_

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_

ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF SOURCE

\_\_\_\_\_

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_

ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF SOURCE

\_\_\_\_\_

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_

ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF SOURCE

\_\_\_\_\_

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_

ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF SOURCE

\_\_\_\_\_

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

Comments: \_\_\_\_\_

## Instructions – Schedule D Income – Gifts

A gift is anything of value for which you have not provided equal or greater consideration to the donor. A gift is reportable if its fair market value is \$50 or more. In addition, multiple gifts totaling \$50 or more received during the reporting period from a single source must be reported.

It is the acceptance of a gift, not the ultimate use to which it is put, that imposes your reporting obligation. Except as noted below, you must report a gift even if you never used it or if you gave it away to another person.

If the exact amount of a gift is unknown, you must make a good faith estimate of the item's fair market value. Listing the value of a gift as "over \$50" or "value unknown" is not adequate disclosure. In addition, if you received a gift through an intermediary, you must disclose the name, address, and business activity of both the donor and the intermediary. You may indicate an intermediary either in the "source" field after the name or in the "comments" section at the bottom of Schedule D.

### Commonly reportable gifts include:

- Tickets/passes to sporting or entertainment events
- Tickets/passes to amusement parks
- Parking passes not used for official agency business
- Food, beverages, and accommodations, including those provided in direct connection with your attendance at a convention, conference, meeting, social event, meal, or like gathering
- Rebates/discounts not made in the regular course of business to members of the public without regard to official status
- Wedding gifts (See Reference Pamphlet, page 16)
- An honorarium received prior to assuming office (You may report an honorarium as income on Schedule C, rather than as a gift on Schedule D, if you provided services of equal or greater value than the payment received. See Reference Pamphlet, page 10.)
- Transportation and lodging (See Schedule E.)
- Forgiveness of a loan received by you

### Reminders

- Gifts from a single source are subject to a \$500 limit in 2019. (See Reference Pamphlet, page 10.)
- Code filers – you only need to report gifts from reportable sources.

### Gift Tracking Mobile Application

- FPPC has created a gift tracking app for mobile devices that helps filers track gifts and provides a quick and easy way to upload the information to the Form 700. Visit FPPC's website to download the app.

### You are not required to disclose:

- Gifts that were not used and that, within 30 days after receipt, were returned to the donor or delivered to a charitable organization or government agency without being claimed by you as a charitable contribution for tax purposes
- Gifts from your spouse or registered domestic partner, child, parent, grandparent, grandchild, brother, sister, and certain other family members (See Regulation 18942 for a complete list.). The exception does not apply if the donor was acting as an agent or intermediary for a reportable source who was the true donor.
- Gifts of similar value exchanged between you and an individual, other than a lobbyist registered to lobby your state agency, on holidays, birthdays, or similar occasions
- Gifts of informational material provided to assist you in the performance of your official duties (e.g., books, pamphlets, reports, calendars, periodicals, or educational seminars)
- A monetary bequest or inheritance (However, inherited investments or real property may be reportable on other schedules.)
- Personalized plaques or trophies with an individual value of less than \$250
- Campaign contributions
- Up to two tickets, for your own use, to attend a fundraiser for a campaign committee or candidate, or to a fundraiser for an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. The ticket must be received from the organization or committee holding the fundraiser.
- Gifts given to members of your immediate family if the source has an established relationship with the family member and there is no evidence to suggest the donor had a purpose to influence you. (See Regulation 18943.)
- Free admission, food, and nominal items (such as a pen, pencil, mouse pad, note pad or similar item) available to all attendees, at the event at which the official makes a speech (as defined in Regulation 18950(b)(2)), so long as the admission is provided by the person who organizes the event.
- Any other payment not identified above, that would otherwise meet the definition of gift, where the payment is made by an individual who is not a lobbyist registered to lobby the official's state agency, where it is clear that the gift was made because of an existing personal or business relationship unrelated to the official's position and there is no evidence whatsoever at the time the gift is made to suggest the donor had a purpose to influence you.

### To Complete Schedule D:

- Disclose the full name (not an acronym), address, and, if a business entity, the business activity of the source.
- Provide the date (month, day, and year) of receipt, and disclose the fair market value and description of the gift.

Name \_\_\_\_\_

**SCHEDULE E**  
**Income – Gifts**  
**Travel Payments, Advances,**  
**and Reimbursements**

- Mark either the gift or income box.
- Mark the “501(c)(3)” box for a travel payment received from a nonprofit 501(c)(3) organization or the “Speech” box if you made a speech or participated in a panel. Per Government Code Section 89506, these payments may not be subject to the gift limit. However, they may result in a disqualifying conflict of interest.
- For gifts of travel, provide the travel destination.

▶ NAME OF SOURCE *(Not an Acronym)* \_\_\_\_\_

ADDRESS *(Business Address Acceptable)* \_\_\_\_\_

CITY AND STATE \_\_\_\_\_

501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$ \_\_\_\_\_  
*(If gift)*

▶ MUST CHECK ONE:  Gift **-or-**  Income

Made a Speech/Participated in a Panel

Other - Provide Description \_\_\_\_\_

▶ If Gift, Provide Travel Destination \_\_\_\_\_

▶ NAME OF SOURCE *(Not an Acronym)* \_\_\_\_\_

ADDRESS *(Business Address Acceptable)* \_\_\_\_\_

CITY AND STATE \_\_\_\_\_

501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$ \_\_\_\_\_  
*(If gift)*

▶ MUST CHECK ONE:  Gift **-or-**  Income

Made a Speech/Participated in a Panel

Other - Provide Description \_\_\_\_\_

▶ If Gift, Provide Travel Destination \_\_\_\_\_

▶ NAME OF SOURCE *(Not an Acronym)* \_\_\_\_\_

ADDRESS *(Business Address Acceptable)* \_\_\_\_\_

CITY AND STATE \_\_\_\_\_

501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$ \_\_\_\_\_  
*(If gift)*

▶ MUST CHECK ONE:  Gift **-or-**  Income

Made a Speech/Participated in a Panel

Other - Provide Description \_\_\_\_\_

▶ If Gift, Provide Travel Destination \_\_\_\_\_

▶ NAME OF SOURCE *(Not an Acronym)* \_\_\_\_\_

ADDRESS *(Business Address Acceptable)* \_\_\_\_\_

CITY AND STATE \_\_\_\_\_

501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$ \_\_\_\_\_  
*(If gift)*

▶ MUST CHECK ONE:  Gift **-or-**  Income

Made a Speech/Participated in a Panel

Other - Provide Description \_\_\_\_\_

▶ If Gift, Provide Travel Destination \_\_\_\_\_

**Comments:** \_\_\_\_\_

# Instructions – Schedule E Travel Payments, Advances, and Reimbursements

Travel payments reportable on Schedule E include advances and reimbursements for travel and related expenses, including lodging and meals.

Gifts of travel may be subject to the gift limit. In addition, certain travel payments are reportable gifts, but are not subject to the gift limit. To avoid possible misinterpretation or the perception that you have received a gift in excess of the gift limit, you may wish to provide a specific description of the purpose of your travel. (See the FPPC fact sheet entitled "Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans" to read about travel payments under section 89506(a).)

**You are not required to disclose:**

- Travel payments received from any state, local, or federal government agency for which you provided services equal or greater in value than the payments received, such as reimbursement for travel on agency business from your government agency employer.
- A payment for travel from another local, state, or federal government agency and related per diem expenses when the travel is for education, training or other inter-agency programs or purposes.
- Travel payments received from your employer in the normal course of your employment that are included in the income reported on Schedule C.
- A travel payment that was received from a nonprofit entity exempt from taxation under Internal Revenue Code Section 501(c)(3) for which you provided equal or greater consideration, such as reimbursement for travel on business for a 501(c)(3) organization for which you are a board member.

**Note: Certain travel payments may not be reportable if reported via email on Form 801 by your agency.**

**To Complete Schedule E:**

- Disclose the full name (not an acronym) and address of the source of the travel payment.
- Identify the business activity if the source is a business entity.
- Check the box to identify the payment as a gift or income, report the amount, and disclose the date(s).
  - **Travel payments are gifts** if you did not provide services that were equal to or greater in value than the payments received. You must disclose gifts totaling \$50 or more from a single source during the period covered by the statement.

When reporting travel payments that are gifts, you must provide a description of the gift, the **date(s)** received, and the **travel destination**.

- **Travel payments are income** if you provided services that were equal to or greater in value than the payments received. You must disclose income totaling

\$500 or more from a single source during the period covered by the statement. You have the burden of proving the payments are income rather than gifts. When reporting travel payments as income, you must describe the services you provided in exchange for the payment. You are not required to disclose the date(s) for travel payments that are income.

**Example:**

City council member MaryClaire Chandler is the chair of a 501(c)(6) trade association, and the association pays for her travel to attend its meetings. Because MaryClaire is deemed to be providing equal or greater consideration for the travel payment by virtue of serving on the board, this payment may be reported as income. Payments for MaryClaire to attend other events for which she is not providing services are likely considered gifts. Note that the same payment from a 501(c)3 would NOT be reportable.

<small>▶ NAME OF SOURCE (Not an Acronym)</small>	
Health Services Trade Association	
<small>ADDRESS (Business Address Acceptable)</small>	
1230 K Street, Suite 610	
<small>CITY AND STATE</small>	
Sacramento, CA	
<small>501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE</small>	
Association of Healthcare Workers	
<small>DATE(S):</small> ____/____/____	<small>AMT: \$</small> 550.00
<small>(If gift)</small>	
<small>▶ MUST CHECK ONE:</small> <input type="checkbox"/> Gift <small>-or-</small> <input checked="" type="checkbox"/> Income	
<input type="radio"/> Made a Speech/Participated in a Panel	
<input checked="" type="radio"/> Other - Provide Description <u>Travel reimbursement for board meeting.</u>	
<small>▶ If Gift, Provide Travel Destination</small> _____	

**Example:**

Mayor Kim travels to China on a trip organized by China Silicon Valley Business Development, a California nonprofit, 501(c)(6) organization. The Chengdu Municipal People's Government pays for Mayor Kim's airfare and travel costs, as well as his meals and lodging during the trip. The trip's agenda shows that the trip's purpose is to promote job creation and economic activity in China and in Silicon Valley, so the trip is reasonably related to a governmental purpose. Thus, Mayor Kim must report the gift of travel, but the gift is exempt from the gift limit. In this case, the travel payments are not subject to the gift limit because the source is

<small>▶ NAME OF SOURCE (Not an Acronym)</small>	
Chengdu Municipal People's Government	
<small>ADDRESS (Business Address Acceptable)</small>	
2 Caoshi St. CaoShiJie, Qingyang Qu, Chengdu Shi,	
<small>CITY AND STATE</small>	
Sichuan Sheng, China, 610000	
<small>501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE</small>	
<small>DATE(S):</small> <u>09</u> / <u>04</u> / <u>XX</u>	<small>AMT: \$</small> 3,874.38
<small>(If gift)</small>	
<small>▶ MUST CHECK ONE:</small> <input checked="" type="checkbox"/> Gift <small>-or-</small> <input type="checkbox"/> Income	
<input type="radio"/> Made a Speech/Participated in a Panel	
<input checked="" type="radio"/> Other - Provide Description <u>Travel reimbursement for trip to China.</u>	
<small>▶ If Gift, Provide Travel Destination</small> <u>Sichuan Sheng, China</u>	

a foreign government and because the travel is reasonably related to a governmental purpose. (Section 89506(a)(2).) Note that Mayor Kim could be disqualified from participating in or making decisions about The Chengdu Municipal People's Government for 12 months. Also note that if China Silicon Valley Business Development (a 501(c)(6) organization) paid for the travel costs rather than the governmental organization, the payments would be subject to the gift limits. (See the FPPC fact sheet, Limitations and Restrictions on Gifts, Honoraria, Travel and Loans, at [www.fppc.ca.gov](http://www.fppc.ca.gov).)

## Restrictions and Prohibitions

The Political Reform Act (Gov. Code Sections 81000-91014) requires most state and local government officials and employees to publicly disclose their personal assets and income. They also must disqualify themselves from participating in decisions that may affect their personal economic interests. The Fair Political Practices Commission (FPPC) is the state agency responsible for issuing the attached Statement of Economic Interests, Form 700, and for interpreting the law's provisions.

### Gift Prohibition

Gifts received by most state and local officials, employees, and candidates are subject to a limit. In 2019-2020, the gift limit is \$500 from a single source during a calendar year.

Additionally, state officials, state candidates, and certain state employees are subject to a \$10 limit per calendar month on gifts from lobbyists and lobbying firms registered with the Secretary of State. See Reference Pamphlet, page 10.

State and local officials and employees should check with their agency to determine if other restrictions apply.

### Disqualification

Public officials are, under certain circumstances, required to disqualify themselves from making, participating in, or attempting to influence governmental decisions that will affect their economic interests. This may include interests they are not required to disclose. For example, a personal residence is often not reportable, but may be grounds for disqualification. Specific disqualification requirements apply to 87200 filers (e.g., city councilmembers, members of boards of supervisors, planning commissioners, etc.). These officials must publicly identify the economic interest that creates a conflict of interest and leave the room before a discussion or vote takes place at a public meeting. For more information, consult Government Code Section 87105, Regulation 18707, and the Guide to Recognizing Conflicts of Interest page at [www.fppc.ca.gov](http://www.fppc.ca.gov).

### Honorarium Ban

Most state and local officials, employees, and candidates are prohibited from accepting an honorarium for any speech given, article published, or attendance at a conference, convention, meeting, or like gathering. (See Reference Pamphlet, page 10.)

### Loan Restrictions

Certain state and local officials are subject to restrictions on loans. (See Reference Pamphlet, page 14.)

### Post-Governmental Employment

There are restrictions on representing clients or employers before former agencies. The provisions apply to elected state officials, most state employees, local elected officials, county chief administrative officers, city managers, including the chief administrator of a city, and general managers or chief administrators of local special districts and JPAs. The FPPC website has fact sheets explaining the provisions.

### Late Filing

The filing officer who retains originally-signed or electronically filed statements of economic interests may impose on an individual a fine for any statement that is filed late. The fine is \$10 per day up to a maximum of \$100. Late filing penalties may be reduced or waived under certain circumstances.

Persons who fail to timely file their Form 700 may be referred to the FPPC's Enforcement Division (and, in some cases, to the Attorney General or district attorney) for investigation and possible prosecution. In addition to the late filing penalties, a fine of up to \$5,000 per violation may be imposed.

**For assistance** concerning reporting, prohibitions, and restrictions under the Act:

- Email questions to [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov).
- Call the FPPC toll-free at (866) 275-3772.

### Form 700 is a Public Document Public Access Must Be Provided

Statements of Economic Interests are public documents. The filing officer must permit any member of the public to inspect and receive a copy of any statement.

- Statements must be available as soon as possible during the agency's regular business hours, but in any event not later than the second business day after the statement is received. Access to the Form 700 is not subject to the Public Records Act procedures.
- No conditions may be placed on persons seeking access to the forms.
- No information or identification may be required from persons seeking access.
- Reproduction fees of no more than 10 cents per page may be charged.

## Questions and Answers

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### General

- Q. What is the reporting period for disclosing interests on an assuming office statement or a candidate statement?
- A. On an assuming office statement, disclose all reportable investments, interests in real property, and business positions held on the date you assumed office. In addition, you must disclose income (including loans, gifts and travel payments) received during the 12 months prior to the date you assumed office.
- On a candidate statement, disclose all reportable investments, interests in real property, and business positions held on the date you file your declaration of candidacy. You must also disclose income (including loans, gifts and travel payments) received during the 12 months prior to the date you file your declaration of candidacy.
- Q. I hold two other board positions in addition to my position with the county. Must I file three statements of economic interests?
- A. Yes, three are required. However, you may complete one statement listing the county and the two boards on the Cover Page or an attachment as the agencies for which you will be filing. Report your economic interests using the largest jurisdiction and highest disclosure requirements assigned to you by the three agencies. Make two copies of the entire statement before signing it, sign each copy with an original signature, and distribute one original to the county and to each of the two boards. Remember to complete separate statements for positions that you leave or assume during the year.
- Q. I am a department head who recently began acting as city manager. Should I file as the city manager?
- A. Yes. File an assuming office statement as city manager. Persons serving as “acting,” “interim,” or “alternate” must file as if they hold the position because they are or may be performing the duties of the position.
- Q. My spouse and I are currently separated and in the process of obtaining a divorce. Must I still report my spouse’s income, investments, and interests in real property?
- A. Yes. A public official must continue to report a spouse’s economic interests until such time as dissolution of marriage proceedings is final. However, if a separate property agreement has been reached prior to that time, your estranged spouse’s income may not have to be reported. Contact the FPPC for more information.

- Q. As a designated employee, I left one state agency to work for another state agency. Must I file a leaving office statement?
- A. Yes. You may also need to file an assuming office statement for the new agency.

### Investment Disclosure

- Q. I have an investment interest in shares of stock in a company that does not have an office in my jurisdiction. Must I still disclose my investment interest in this company?
- A. Probably. The definition of “doing business in the jurisdiction” is not limited to whether the business has an office or physical location in your jurisdiction. (See Reference Pamphlet, page 13.)
- Q. My spouse and I have a living trust. The trust holds rental property in my jurisdiction, our primary residence, and investments in diversified mutual funds. I have full disclosure. How is this trust disclosed?
- A. Disclose the name of the trust, the rental property and its income on Schedule A-2. Your primary residence and investments in diversified mutual funds registered with the SEC are not reportable.
- Q. I am required to report all investments. I have an IRA that contains stocks through an account managed by a brokerage firm. Must I disclose these stocks even though they are held in an IRA and I did not decide which stocks to purchase?
- A. Yes. Disclose on Schedule A-1 or A-2 any stock worth \$2,000 or more in a business entity located in or doing business in your jurisdiction.
- Q. The value of my stock changed during the reporting period. How do I report the value of the stock?
- A. You are required to report the highest value that the stock reached during the reporting period. You may use your monthly statements to determine the highest value. You may also use the entity’s website to determine the highest value. You are encouraged to keep a record of where you found the reported value. Note that for an assuming office statement, you must report the value of the stock on the date you assumed office.

## Questions and Answers Continued

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Q. I am the sole owner of my business, an S-Corporation. I believe that the nature of the business is such that it cannot be said to have any "fair market value" because it has no assets. I operate the corporation under an agreement with a large insurance company. My contract does not have resale value because of its nature as a personal services contract. Must I report the fair market value for my business on Schedule A-2 of the Form 700?

A. Yes. Even if there are no *tangible* assets, intangible assets, such as relationships with companies and clients are commonly sold to qualified professionals. The "fair market value" is often quantified for other purposes, such as marital dissolutions or estate planning. In addition, the IRS presumes that "personal services corporations" have a fair market value. A professional "book of business" and the associated goodwill that generates income are not without a determinable value. The Form 700 does not require a precise fair market value; it is only necessary to check a box indicating the broad range within which the value falls.

Q. I own stock in IBM and must report this investment on Schedule A-1. I initially purchased this stock in the early 1990s; however, I am constantly buying and selling shares. Must I note these dates in the "Acquired" and "Disposed" fields?

A. No. You must only report dates in the "Acquired" or "Disposed" fields when, during the reporting period, you initially purchase a reportable investment worth \$2,000 or more or when you dispose of the entire investment. You are not required to track the partial trading of an investment.

Q. On last year's filing I reported stock in Encoe valued at \$2,000 - \$10,000. Late last year the value of this stock fell below and remains at less than \$2,000. How should this be reported on this year's statement?

A. You are not required to report an investment if the value was less than \$2,000 during the **entire** reporting period. However, because a disposed date is not required for stocks that fall below \$2,000, you may want to report the stock and note in the "comments" section that the value fell below \$2,000. This would be for informational purposes only; it is not a requirement.

Q. We have a Section 529 account set up to save money for our son's college education. Is this reportable?

A. If the Section 529 account contains reportable interests (e.g., common stock valued at \$2,000 or more), those interests are reportable (not the actual Section 529 account). If the account contains solely mutual funds, then nothing is reported.

### Income Disclosure

Q. I reported a business entity on Schedule A-2. Clients of my business are located in several states. Must I report all clients from whom my pro rata share of income is \$10,000 or more on Schedule A-2, Part 3?

A. No, only the clients located in or doing business on a regular basis in your jurisdiction must be disclosed.

Q. I believe I am not required to disclose the names of clients from whom my pro rata share of income is \$10,000 or more on Schedule A-2 because of their right to privacy. Is there an exception for reporting clients' names?

A. Regulation 18740 provides a procedure for requesting an exemption to allow a client's name not to be disclosed if disclosure of the name would violate a legally recognized privilege under California or Federal law. This regulation may be obtained from our website at [www.fppc.ca.gov](http://www.fppc.ca.gov). (See Reference Pamphlet, page 14.)

Q. I am sole owner of a private law practice that is not reportable based on my limited disclosure category. However, some of the sources of income to my law practice are from reportable sources. Do I have to disclose this income?

A. Yes, even though the law practice is not reportable, reportable sources of income to the law practice of \$10,000 or more must be disclosed. This information would be disclosed on Schedule C with a note in the "comments" section indicating that the business entity is not a reportable investment. The note would be for informational purposes only; it is not a requirement.



## Questions and Answers Continued

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Q. I am the sole owner of my business. Where do I disclose my income - on Schedule A-2 or Schedule C?

A. Sources of income to a business in which you have an ownership interest of 10% or greater are disclosed on Schedule A-2. (See Reference Pamphlet, page 8.)

Q. My husband is a partner in a four-person firm where all of his business is based on his own billings and collections from various clients. How do I report my community property interest in this business and the income generated in this manner?

A. If your husband's investment in the firm is 10% or greater, disclose 100% of his share of the business on Schedule A-2, Part 1 and 50% of his income on Schedule A-2, Parts 2 and 3. For example, a client of your husband's must be a source of at least \$20,000 during the reporting period before the client's name is reported.

Q. How do I disclose my spouse's or registered domestic partner's salary?

A. Report the name of the employer as a source of income on Schedule C.

Q. I am a doctor. For purposes of reporting \$10,000 sources of income on Schedule A-2, Part 3, are the patients or their insurance carriers considered sources of income?

A. If your patients exercise sufficient control by selecting you instead of other doctors, then your patients, rather than their insurance carriers, are sources of income to you. (See Reference Pamphlet, page 14.)

Q. I received a loan from my grandfather to purchase my home. Is this loan reportable?

A. No. Loans received from family members are not reportable.

Q. Many years ago, I loaned my parents several thousand dollars, which they paid back this year. Do I need to report this loan repayment on my Form 700?

A. No. Payments received on a loan made to a family member are not reportable.

### Real Property Disclosure

Q. During this reporting period we switched our principal place of residence into a rental. I have full disclosure and the property is located in my agency's jurisdiction, so it is now reportable. Because I have not reported this property before, do I need to show an "acquired" date?

A. No, you are not required to show an "acquired" date because you previously owned the property. However, you may want to note in the "comments" section that the property was not previously reported because it was used exclusively as your residence. This would be for informational purposes only; it is not a requirement.

Q. I am a city manager, and I own a rental property located in an adjacent city, but one mile from the city limit. Do I need to report this property interest?

A. Yes. You are required to report this property because it is located within 2 miles of the boundaries of the city you manage.

Q. Must I report a home that I own as a personal residence for my daughter?

A. You are not required to disclose a home used as a personal residence for a family member unless you receive income from it, such as rental income.

Q. I am a co-signer on a loan for a rental property owned by a friend. Since I am listed on the deed of trust, do I need to report my friend's property as an interest in real property on my Form 700?

A. No. Simply being a co-signer on a loan for property does not create a reportable interest in real property for you.

### Gift Disclosure

Q. If I received a reportable gift of two tickets to a concert valued at \$100 each, but gave the tickets to a friend because I could not attend the concert, do I have any reporting obligations?

A. Yes. Since you accepted the gift and exercised discretion and control of the use of the tickets, you must disclose the gift on Schedule D.

## Questions and Answers Continued

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- Q. Julia and Jared Benson, a married couple, want to give a piece of artwork to a county supervisor. Is each spouse considered a separate source for purposes of the gift limit and disclosure?
- A. Yes, each spouse may make a gift valued at the gift limit during a calendar year. For example, during 2019 the gift limit was \$500, so the Bensons may have given the supervisor artwork valued at no more than \$1,000. The supervisor must identify Jared and Julia Benson as the sources of the gift.
- Q. I am a Form 700 filer with full disclosure. Our agency holds a holiday raffle to raise funds for a local charity. I bought \$10 worth of raffle tickets and won a gift basket valued at \$120. The gift basket was donated by Doug Brewer, a citizen in our city. At the same event, I bought raffle tickets for, and won a quilt valued at \$70. The quilt was donated by a coworker. Are these reportable gifts?
- A. Because the gift basket was donated by an outside source (not an agency employee), you have received a reportable gift valued at \$110 (the value of the basket less the consideration paid). The source of the gift is Doug Brewer and the agency is disclosed as the intermediary. Because the quilt was donated by an employee of your agency, it is not a reportable gift.
- Q. My agency is responsible for disbursing grants. An applicant (501(c)(3) organization) met with agency employees to present its application. At this meeting, the applicant provided food and beverages. Would the food and beverages be considered gifts to the employees? These employees are designated in our agency's conflict of interest code and the applicant is a reportable source of income under the code.
- A. Yes. If the value of the food and beverages consumed by any one filer, plus any other gifts received from the same source during the reporting period total \$50 or more, the food and beverages would be reported using the fair market value and would be subject to the gift limit.
- Q. I received free admission to an educational conference related to my official duties. Part of the conference fees included a round of golf. Is the value of the golf considered informational material?
- A. No. The value of personal benefits, such as golf, attendance at a concert, or sporting event, are gifts subject to reporting and limits.