



Delta Mosquito & Vector Control District

737 West Houston Avenue | Visalia, California 93291

Phone (559) 732-8606 | (877) 732-8606 | Fax (559) 732-7441

www.DeltaMVCD.gov

District Manager, Conlin Reis.

Scientific Program Manager, Andrea Troupin.

Operations Program Manager, Benjamin Sperry.

Community Education and Outreach Coordinator, Erick Arriaga.

Administrative and Fiscal Coordinator, Valeria Ortega.

Delta Mosquito and Vector Control District Regular Board Meeting Agenda

Date: Wednesday, June 10th, 2026, at 4:30 PM

Location: 1737 West Houston Ave, Visalia, CA, 93291

[Remote Meeting Link](#)

1. Roll Call

2. Public Forum

- a. **Members of the public may comment on any item not on the agenda that is within the jurisdiction of the Board of Trustees (Board). Under state law, matters presented during public comment cannot be discussed or acted upon by the Board in this meeting.**
- b. **For items on the agenda, the public is invited to make comments during the public comment period.**
- c. **Any person addressing the Board will be limited to a maximum of three (3) minutes. Public comments will be limited to a total of 15 minutes during the public comment period.**
- d. **If there are more than five (5) people wishing to comment, then time will be divided equally between all people wishing to speak, so that everyone has an opportunity to address the Board.**
- e. **Public comments may be submitted via email to publiccomments@deltamvcd.gov**

3. Consent Calendar

ACTION

- a. May Minutes
- b. Checks for Ratification
- c. Checks for Approval
- d. Financial Reports
- e. Treasurer's Report
- f. Manager's Report

4. CLOSED SESSION

**CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION/POTENTIAL LITIGATION
(Paragraph (1) of subdivision (d) of Government Code section 54956.9)**

Name of case: ADJ21798792

Report out of Closed Session (If needed)

5. Public Hearing and Resolution Ordering the Continuation of the Levy of Assessments for FY 2026–2027 ACTION

The Board will hold a public hearing to consider the continuation of services and the levy of assessments for Fiscal Year 2026–2027 for the District’s Mosquito, Vector and Disease Control Assessment. Following the public hearing, the Board will consider adoption of a resolution approving the Engineer’s Report, confirming the assessment diagram and assessment, and ordering the continuation of the levy of assessments for Fiscal Year 2026–2027.

- A. Open the Public Hearing.
- B. Receive staff report.
- C. Receive public comment.
- D. Close the Public Hearing.
- E. Consider adoption of a resolution approving the Engineer’s Report, confirming the assessment diagram and assessment, and ordering the continuation of the levy of assessments for Fiscal Year 2026–2027.

Resolution # 26-09

6. Policy Revision: Policy #1081: Reserves, Second Read ACTION

The Board will consider a second reading and adoption of revisions to Policy #1081: Reserve Policy. The proposed revisions would add a designated Public Health Emergency Reserve in the amount of \$500,000 and revise the Capital Reserve target to reflect anticipated capital and infrastructure expenditures over the next five years, rather than three years, recognizing the longer planning, procurement, and implementation timelines associated with major infrastructure and facility projects.

7. Health Insurance Replacement, SDRMA Participation, and PEMHCA Withdrawal Planning ACTION

The Board will consider direction regarding potential replacement of the District’s current CalPERS Health/PEMHCA medical coverage structure, including SDRMA health plan participation, alternative plan designs, retiree health participation, and preliminary steps required to evaluate a potential withdrawal from PEMHCA.. Approval of SDRMA participation and underwriting review would not constitute final approval to withdraw from CalPERS Health or final adoption of any specific replacement plan.

The Board may also consider authorizing staff to issue preliminary notices to current employees, current retiree health participants, and other potentially eligible retirees regarding the District’s intent to evaluate potential withdrawal from PEMHCA/CalPERS Health.

The Board may provide direction regarding future retiree health participation, including potential pass-through participation for retirees under SDRMA or another replacement plan, continuation of a PEMHCA-equivalent subsidy for current retiree participants, elimination of District retiree health subsidies for future retirees, and exclusion of Medicare-eligible retirees from participation in any replacement District health plan structure.

Potential Actions:

- 1. Approve participation in SDRMA underwriting and implementation review for potential replacement health coverage. Consideration of the HDHP20 with HSA contribution and Gold PPO plans.
 - 2. Authorize staff to issue preliminary employee and retiree notices regarding potential PEMHCA/CalPERS Health withdrawal.
 - 3. Provide direction regarding future retiree health participation and District contribution structure.
 - 4. Direct staff to return with final plan options, required resolutions, notices, and implementation documents before any final withdrawal or replacement plan adoption.
-

**8. CLOSED SESSION
PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Government Code section 54957)
Title: General Manager**

Report out of Closed Session, if needed.

9. Uniform Provider Contract Review and Potential Return to Bid ACTION

The Board will review the District's current uniform provider contract, including service levels, contract performance, and reported issues regarding failure of performance. The Board may provide direction regarding continued use of the current provider, contract enforcement or termination options, and whether to return uniform services to bid or seek alternative service providers.

10. Board of Trustees Member Comments

The Board of Trustees members will have a chance to make any additional comments regarding items within the jurisdiction of the District.

11. Future Agenda Items

The Board of Trustees members will have a chance to add to the future Agenda items if they choose to.

12. Adjournment ACTION

Adjourn Meeting of the Board of Trustees to reconvene on July 8th, 2026, at 4:30 p.m. in the Delta Mosquito and Vector Control District Boardroom, 1737 W. Houston Ave., Visalia, CA.

Note: Items designated for information are appropriate for Board action if the Board wishes to act.

ADA Compliance: *In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Delta Mosquito and Vector Control District at (559) 732-8606. Notification at least 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility. (Government Code §54954.2(a)).*

Remote Participation Disclaimer: *This meeting may be accessed remotely through the link provided. The District does not guarantee uninterrupted or error-free remote access, and technical difficulties may occur. In the event of such issues, the Board meeting will continue as scheduled at the noticed physical location.*



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Delta Mosquito and Vector Control District Regular Board Meeting Minutes

Date: Wednesday, May 13th, 2026, at 4:30 PM
Location: 1737 West Houston Ave, Visalia, CA, 93291

1. Roll Call

The meeting was called to order at **4:30 p.m.**

Present: President Greg Gomez, Secretary Linda Gutierrez, Trustee Rosemary Hellwig, Trustee Larry Roberts, Trustee Kevin Caskey, and Trustee Mike Burchett.

Absent: Trustee Lori Berger.

Staff Present: Conlin Reis, General Manager; Andrea Troupin, Scientific Program Manager; Benjamin Sperry, Operations Program Manager; Valeria Ortega, Administrative and Fiscal Coordinator; and Alysia Davis, Vector Control Operations Analyst.

2. Public Forum

No members of the public were in attendance at the meeting.

3. Consent Calendar

ACTION

- a. April Minutes
- b. Checks for Ratification
- c. Checks for Approval
- d. Financial Reports
- e. Treasurer's Report
- f. Manager's Report

The Board reviewed the April minutes, checks, financial reports, Treasurer's Report, and Manager's Report.

The Manager's Report summarized April District activity, including the launch of the full seasonal mosquito control program, completion of seasonal hiring, early pool program work, increased field operations, outreach efforts, and laboratory surveillance. Staff reported that no WNV or SLEV positives were detected in April, while mosquito surveillance, mosquitofish activity, and operational response continued to increase with the start of the season.

Following discussion, it was moved, seconded, and passed unanimously by the members of the Board of Trustees present to approve the Consent Calendar as presented.

Motion: Trustee Burchett

Second: Trustee Caskey

Vote: Passed unanimously by trustees present.

**4. CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION/POTENTIAL
LITIGATION
(Paragraph (1) of subdivision (d) of Government Code section 54956.9)
Name of case: ADJ21798792**

The Board convened in Closed Session regarding existing litigation/potential litigation as listed on the agenda. Upon return to Open Session, there was no reportable action.

**5. Intention to Continue Assessments for Fiscal Year 2026-27, Preliminarily
Approving the Engineer's Report, and Providing for Notice of Hearing ACTION**

The Board considered Resolution No. 26-07 declaring the District's intention to continue the Mosquito, Vector and Disease Control Assessment for Fiscal Year 2026–27, preliminarily approving the Engineer's Report, and setting the public hearing for June 10, 2026, at 4:30 p.m.

Staff reported that the proposed assessment rates were \$14.49 per single-family equivalent benefit unit for Zone A and \$7.25 for Zone B, reflecting the maximum authorized annual CPI adjustment.

Following discussion, it was moved, seconded, and passed unanimously by the members of the Board of Trustees present to approve Resolution No. 26-07 as presented.

Motion: Trustee Roberts

Second: President Gomez

Vote: Passed unanimously by trustees present.

Ayes: Trustees Gomez, Gutierrez, Hellwig, Roberts, Caskey, and Burchett

Noes: None

Abstain: None

Absent: Trustee Berger

6. Public Hearing – AB 2561, Vacant Positions ACTION

In accordance with California Assembly Bill 2561, the District will conduct its annual public hearing to review and report on staffing levels, current vacancy rates, and recruitment and retention efforts.

The Board opened the required annual public hearing regarding vacant positions, staffing levels, and recruitment and retention efforts at 4:48 p.m.

Staff reported that the District had no current vacancies. No public comment was received.

The public hearing was closed at 4:48 p.m.

7. 2026-27 Fiscal Year Budget Packet ACTION

The Board will consider the 26-27 Fiscal Year Budget Packet.

- a. Review of Budget Packet**
- b. The Board will consider the adoption of the FY 26-27 Budget.**
- c. The Board will consider the adoption of the salary schedule for FY 26-27.**
- d. The Board will consider approval of the FY 26-27 Classification Plan**

The Board reviewed the proposed FY 2026–27 Budget Packet. Staff explained that the budget reflects a shift toward reinvestment in the District’s infrastructure, equipment, fleet, technology, drones, building systems, and long-term financial planning. Staff noted that prior year savings were partly related to vacancies, while the coming fiscal year is expected to more fully reflect the cost of operating the restructured program with filled positions.

Staff discussed rising health insurance costs, continued review of alternative health insurance options, vehicle leasing and replacement strategy, expanded drone use and training, planned equipment purchases, facility improvements, conservative revenue assumptions, and the District’s goal of continuing to build reserves while modernizing operations. Staff also discussed the proposed accelerated CalPERS UAL amortization approach as part of the District’s long-term financial planning.

Following discussion, it was moved, seconded, and passed unanimously by the members of the Board of Trustees present to approve the FY 2026–27 Budget.

Motion: Trustee Burchett

Second: Trustee Hellwig

Vote: Passed unanimously by trustees present.

The Board also reviewed the proposed FY 2026–27 Salary Schedule and Classification Plan. Staff explained that the Classification Plan centralizes and updates job descriptions and reflects the District’s current organizational structure and operational needs. Resolution No. 2026-08 approved the Classification Plan and adopted the FY 2026–27 Salary Schedule, including a 3% cost-of-living adjustment.

Following discussion, it was moved, seconded, and passed unanimously by the members of the Board of Trustees present to approve the FY 2026–27 Salary Schedule and Classification Plan and adopt Resolution No. 2026-08, including the 3% COLA.

Motion: Trustee Roberts

Second: Trustee Burchett

Vote: Passed unanimously by trustees present.

Ayes: Trustees Gomez, Gutierrez, Hellwig, Roberts, Caskey, and Burchett

Noes: None

Abstain: None

Absent: Trustee Berger

8. Reserves Policy Update/Reserves Discussion ACTION

The Board discussed the District's reserve structure, including the Unallocated General Reserve, Capital Reserve, Contingency Reserve, and UAL Reserve. Discussion included adding a reserve for public health emergencies and mosquito control response, evaluating whether specific reserve categories should be placed into separate investment accounts, and reviewing whether the policy should better reflect long-term capital planning needs.

No formal action was taken. Direction was given for staff to return with proposed reserve policy language, including a public health emergency reserve, and to review existing capital expense language for future Board consideration.

9. Manager Annual Review Prep

The Manager requested direction from the Board regarding the upcoming annual review. The Board discussed conducting the review in closed session and using a narrative review/open dialogue format rather than a third-party evaluation. Direction was given for the Manager to prepare a narrative review of the prior year for reference during the review process.

No formal action was taken.

10. Employee Incentive Programs/Recognition

The Board discussed alternatives to the current employee recognition structure. Discussion included adding employee recognition to the Manager's Report, considering end-of-season recognition, moving away from gift card incentives due to tax and administrative concerns, and using a more open peer-recognition or "shout-out" style system.

No formal action was taken. Staff will continue developing an updated recognition approach.

11. Board of Trustees Member Comments

There were no additional Board member comments noted.

12. Future Agenda Items

The Board of Trustees members will have a chance to add to the future Agenda items if they choose to.

Future agenda items included discussion of the uniform company contract and board training renewal/tracking.

13. Adjournment ACTION

The meeting was adjourned at 5:40 p.m.

Adjourn Meeting of the Board of Trustees to reconvene on June 10th, 2026, at 4:30 p.m. in the Delta Mosquito and Vector Control District Boardroom, 1737 W. Houston Ave., Visalia, CA.

4:26 PM

06/05/26

Cash Basis

Delta Mosquito & Vector Control District Checks and Payments for Ratification May 13 through June 10, 2026

Type	Date	Num	Name	Memo	Paid Amount
May 13 - Jun 10, 26					
Bill Pmt -Check	05/15/2026		CITY OF VISALIA		-191.21
Liability Check	05/14/2026		QuickBooks Payroll Service	Created by Payroll Service on 05/13/...	-75,187.43
Liability Check	05/28/2026		QuickBooks Payroll Service	Created by Payroll Service on 05/27/...	-75,174.14
Check	05/29/2026		California Class	State Deposite from 5/22/2026 Tran...	-504,611.10
Liability Check	06/01/2026	E-pay	DVCD - Federal Payroll Tax	94-6000565 QB Tracking # 7078053...	-23,292.16
Liability Check	06/01/2026	E-pay	E.D.D.	698-1691-6 QB Tracking # 707919346	-3,623.98
Liability Check	05/13/2026	E051526-035	DVCD - Federal Payroll Tax	94-6000565 QB Tracking # 1499372...	-23,573.36
Liability Check	05/13/2026	E051526-036	E.D.D.	698-1691-6 QB Tracking # 1499456...	-3,680.19
Liability Check	05/13/2026	E051526-037	CA SDU-ExpertPay	VFL260136 Payroll 5.15.26	-150.00
Liability Check	05/31/2026	E053126-037	Pub Emp Ret System	Payroll 5.31.26	-13,082.03
Bill Pmt -Check	05/13/2026	E051526-038	CITY OF VISALIA	Service Period: 04/01/2026 - 04/30/2...	-210.33
Liability Check	05/15/2026	E051526-038	Cal PERS Supplemental Income 45...	Plan ID 452679	-1,253.20
Liability Check	06/04/2026	E053126-038	CA SDU-ExpertPay	VFL260136	-150.00
Bill Pmt -Check	05/13/2026	E051526-039	So Calif Edison	Billing period: 03/31/26 to 04/29/26 (...)	-2,513.63
Liability Check	05/15/2026	E051526-039	Pub Emp Ret System	Payroll 5.15.26	-13,115.51
Liability Check	06/04/2026	E053126-039	Cal PERS Supplemental Income 45...	Plan ID 452679	-1,253.20
Bill Pmt -Check	05/13/2026	E051526-040	SoCalGas	Billing Period 03/18/26-04/16/2026	-41.53
Liability Check	05/18/2026	E051526-040	P E R S	May Payroll, Monthly Billing for June	-47,667.39
Bill Pmt -Check	05/13/2026	E051526-041	Comcast Business	Billing for April 2026	-371.46
Bill Pmt -Check	05/15/2026	E051526-042	EMD Networking Services, Inc.	Billing for May	-280.75
Liability Check	05/15/2026	E051526-043	Delta Dental	May Payroll; June Coverage 06/01/2...	-1,451.56
Bill Pmt -Check	05/14/2026	E051526-044	EMD Networking Services, Inc.	Invoice #TC176905 Monthly Billing f...	-3,332.39
Liability Check	05/15/2026	E051526-045	FSA Funding- DMVCD	FSA Contributions for MaY 2026	-416.70
Bill Pmt -Check	05/15/2026	1335	Westech Systems	Invoice : 3-25305 Solar Payment	-270,755.10
Bill Pmt -Check	05/15/2026	1336	Valley Pacific Petroleum Serv	Invoice CL 26-978290 Billing 4/15-4/...	-3,141.19
Bill Pmt -Check	05/15/2026	1337	Giotto's Alarm-Tech	In#160131 01/22/2026 - Determined ...	-437.35
Bill Pmt -Check	05/15/2026	1338	West Coast Bio-Tech	Red biohazard bin pick up for April	-165.00
Bill Pmt -Check	05/13/2026	1339	Kast Company	The Good Life advertising Sept Oct ...	-475.00
Bill Pmt -Check	05/13/2026	1340	Miguel Casas	Backflow Test	-445.00
Bill Pmt -Check	05/13/2026	1341	Sac-Yolo MVCD	Invoice# 0002257	-500.00
Bill Pmt -Check	05/15/2026	1342	Fresno Oxygen	Billing for End of April Early May	-531.42
Bill Pmt -Check	05/15/2026	1343	Cline's Business Equip., Inc.	Billing For April	-139.80
Bill Pmt -Check	05/29/2026	1344	Valley Pacific Petroleum Serv	Invoice# CL-26-985747	-4,756.50
Bill Pmt -Check	05/18/2026	1345	Lozano Smith, LLP	Legal Services Rendered Thorough ...	-552.60
Bill Pmt -Check	05/29/2026	1346	Valley Industrial & Family Medical G...	Invoice#569371: Pre Employment: A...	-1,160.00
Bill Pmt -Check	05/29/2026	1347	Uni First	Billing for End of April early May	-1,136.66
May 13 - Jun 10, 26					-1,078,818.87

Delta Mosquito & Vector Control District Budget Comp by Categ. Payroll

July 2025 through May 2026

	Jul '25 - May 26	Budget		% of Budget
Ordinary Income/Expense				
Expense				
5-ALL · Salaries and Benefits				
50000 · Payroll Expenses	1,962,197.62	2,310,010.00		84.9%
50001-2 · Social Sec and Medicare Emp				
50001 · Payroll Expenses MEDICARE DIST	28,501.26	33,684.00		84.6%
50002 · PR Liabilities - SOC SEC - DIST	120,075.99	141,803.00		84.7%
50001-2 · Social Sec and Medicare Emp - Other	1,054.59	0.00		100.0%
Total 50001-2 · Social Sec and Medicare Emp	149,631.84	175,487.00		85.3%
501 · PERS - OPEB	0.00	0.00		0.0%
502 · PERS - CEPPT (Pension Trust)	0.00	0.00		0.0%
511 · Retirement- District				
511.1 · Retirement- District UAL	257,506.00	266,167.00		96.7%
511.2 · Retirement Contributions	147,520.05	179,977.80		82.0%
511 · Retirement- District - Other	0.01	0.00		100.0%
Total 511 · Retirement- District	405,026.06	446,144.80		90.8%
513 · Workers Comp Insurance	83,349.00	84,625.00		98.5%
514 · Unemployment	15,029.83	17,200.00		87.4%
516-518 · Life, Dental, Vision				
516 · Life Insurance -Lincoln	13,818.45	16,180.00		85.4%
517 · Dental Insurance	15,817.67	20,050.00		78.9%
518 · Vision Insurance	5,349.63	6,979.00		76.7%
516-518 · Life, Dental, Vision - Other	0.00	0.00		0.0%
Total 516-518 · Life, Dental, Vision	34,985.75	43,209.00		81.0%
519 · Health Insurance				
519.1 · Employer FSA Contribution	3,841.65	7,000.00		54.9%
519.2 · Retiree Insurance and Admin	1,839.72	3,840.00		47.9%
519 · Health Insurance - Other	477,097.54	499,186.04		95.6%
Total 519 · Health Insurance	482,778.91	510,026.04		94.7%
Total 5-ALL · Salaries and Benefits	3,132,999.01	3,586,701.84		87.4%
Total Expense	3,132,999.01	3,586,701.84		87.4%
Net Ordinary Income	-3,132,999.01	-3,586,701.84		87.4%
Net Income	-3,132,999.01	-3,586,701.84		87.4%

1:22 PM

06/10/26

Cash Basis

Delta Mosquito & Vector Control District Budget Comp by Categ. Cap Outlay

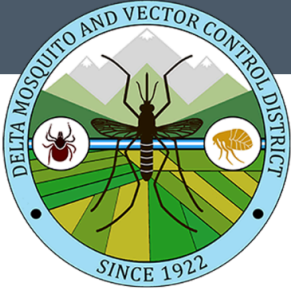
July 2025 through May 2026

	Jul '25 - May 26	Budget	% of Budget
Ordinary Income/Expense			
Expense			
62900 · Tax Admin Fee	29.78	3,605.00	0.8%
7400ALL · Other Charges			
803 · Lease Expense	0.00	25,563.94	0.0%
Total 7400ALL · Other Charges	0.00	25,563.94	0.0%
8000ALL · Fixed Assets			
702 · Vehicles - Capital Expense			
702.1 · Fleet Lease Payments	113,792.04		
702 · Vehicles - Capital Expense - Other	9,378.01	147,067.76	6.4%
Total 702 · Vehicles - Capital Expense	123,170.05	147,067.76	83.8%
703 · Shop Equip. - Capital Expense	0.00	30,000.00	0.0%
704 · Office Equip. - Capital Expense	20,000.00	25,000.00	80.0%
706 · Lab Equip. - Capital Expense	0.00	0.00	0.0%
Total 8000ALL · Fixed Assets	143,170.05	202,067.76	70.9%
801 · Bldg & Yard Imp. - Capital Exp			
801.8 · SEC Loan Offset	-240,651.20		
801 · Bldg & Yard Imp. - Capital Exp - Other	559,313.80	238,551.00	234.5%
Total 801 · Bldg & Yard Imp. - Capital Exp	318,662.60	238,551.00	133.6%
Total Expense	461,862.43	469,787.70	98.3%
Net Ordinary Income	-461,862.43	-469,787.70	98.3%
Net Income	-461,862.43	-469,787.70	98.3%

Delta Mosquito & Vector Control District Budget Comp by Categ., Services

July 2025 through May 2026

	Jul '25 - May 26	Budget	% of Budget
Ordinary Income/Expense			
Expense			
6-All · Services and Supplies			
60100 · Spray Material	261,166.31	285,000.00	91.6%
60200 · Uniforms	10,218.01	9,483.00	107.8%
60300 · Lab Supplies			
60300.1 · Lab Surveillance	32,073.34	35,634.81	90.0%
60300.2 · Disease Testing	49,518.55	65,233.43	75.9%
60300.3 · Insectary	3,385.86	2,916.46	116.1%
60300.4 · Lab General	3,059.68	4,373.81	70.0%
60300 · Lab Supplies - Other	0.00	0.00	0.0%
Total 60300 · Lab Supplies	88,037.43	108,158.51	81.4%
60301 · Fish Supplies	7,544.89	8,749.10	86.2%
60400 · Sprayer Supplies & Repairs	18,329.54	17,749.00	103.3%
60401 · Operational	11,282.42	3,800.00	296.9%
60500 · Janitorial Supplies & Service	4,326.70	4,200.00	103.0%
60600 · Maintenance Contracts	58,624.40	73,000.00	80.3%
60700 · Building/Yard Supplies & Maint			
60700.1 · Building Maintenance	17,852.37	10,485.00	170.3%
60700.2 · Yard Maintenance	707.57	560.00	126.4%
60700 · Building/Yard Supplies & Maint - Other	245.77	11,045.00	2.2%
Total 60700 · Building/Yard Supplies & Maint	18,805.71	22,090.00	85.1%
60800 · Utilities	49,966.47	60,000.00	83.3%
60900 · Insurance - Liability	121,921.00	120,811.00	100.9%
61000 · Office Supplies	15,054.19	21,000.00	71.7%
61100 · Travel Expenses	9,510.90	35,170.00	27.0%
61200 · Vehicle Supplies & Maint	36,382.75	40,000.00	91.0%
61300 · Fuel & Oil	56,983.87	65,000.00	87.7%
61400 · Telephone & Cell Phone	17,971.27	23,100.00	77.8%
61500 · GPS	12,027.08	18,060.00	66.6%
61700 · Subscriptions	36,329.15	37,426.00	97.1%
61800 · Continuing Education	68.00	7,400.00	0.9%
61900 · Professional Services			
619.1 · Prof. Serv - Medical/Bckgrd Chk	3,677.08	3,850.00	95.5%
619.2 · Bank Service Charges	954.31		
619.5 · Prof Ser - Flex Benefit Plan	1,400.00		
619.6 · Legal Fees	4,278.34	3,000.00	142.6%
619.8 · Accounting/Auditor	20,650.00	12,700.00	162.6%
619.9 · Aerial Services	3,000.00	14,000.00	21.4%
61900 · Professional Services - Other	26,757.93	26,347.00	101.6%
Total 61900 · Professional Services	60,717.66	59,897.00	101.4%
62100 · Misc. Expense	4,005.05	4,650.00	86.1%
62200 · Name Logo & Celebration	0.00	0.00	0.0%
62300 · Safety Supplies	4,800.12	3,500.00	137.1%
62600 · Dues	26,645.00	25,000.00	106.6%
62800 · Public Relations	2,316.82	15,000.00	15.4%
Total 6-All · Services and Supplies	933,034.74	1,068,243.61	87.3%
Total Expense	933,034.74	1,068,243.61	87.3%
Net Ordinary Income	-933,034.74	-1,068,243.61	87.3%
Net Income	-933,034.74	-1,068,243.61	87.3%



Delta Mosquito & Vector Control District

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REPORT OF THE MANAGER MAY 2026

I. Water and Weather

In May 2026, the Delta Mosquito and Vector Control District (DMVCD) Weather Station reported an average high temperature of 85.3°F with an average low of 57.5°F and 0.08 inches of rainfall. The National Oceanic and Atmospheric Administration 1991-2020 seasonal averages for high and low temperatures in May were 80.6°F and 55.4°F respectively, with average rainfall of 0.36 inches. Water storage at Pine Flat Reservoir decreased to 813,249 acre-feet as of May 31, 2026. Pine Flat Reservoir's water inflow rate is 2,635 cubic feet per second (CFS) while its release is 5,279.5 CFS. The Lake Kaweah Reservoir storage increased to 175,555 acre-feet. Lake Kaweah's water inflow rate is 632 CFS and its release is 865.4 CFS as of May 31, 2026.

II. Narrative

Administrative (Conlin Reis, General Manager)

May reflected the continued transition into the active mosquito season, with District operations beginning to increase as weather conditions, service requests, field activity, and source development became more consistent. Staff continued adapting field plans and operational priorities as new policies and procedures are implemented, with a focus on improving consistency, accountability, and responsiveness throughout the season.

The District also continued work toward better long-term regulation and management of mosquito sources. This includes gathering and developing tools to support best management practices, improve source documentation, and prepare for more consistent implementation and follow-up with property owners, agencies, and other responsible parties.

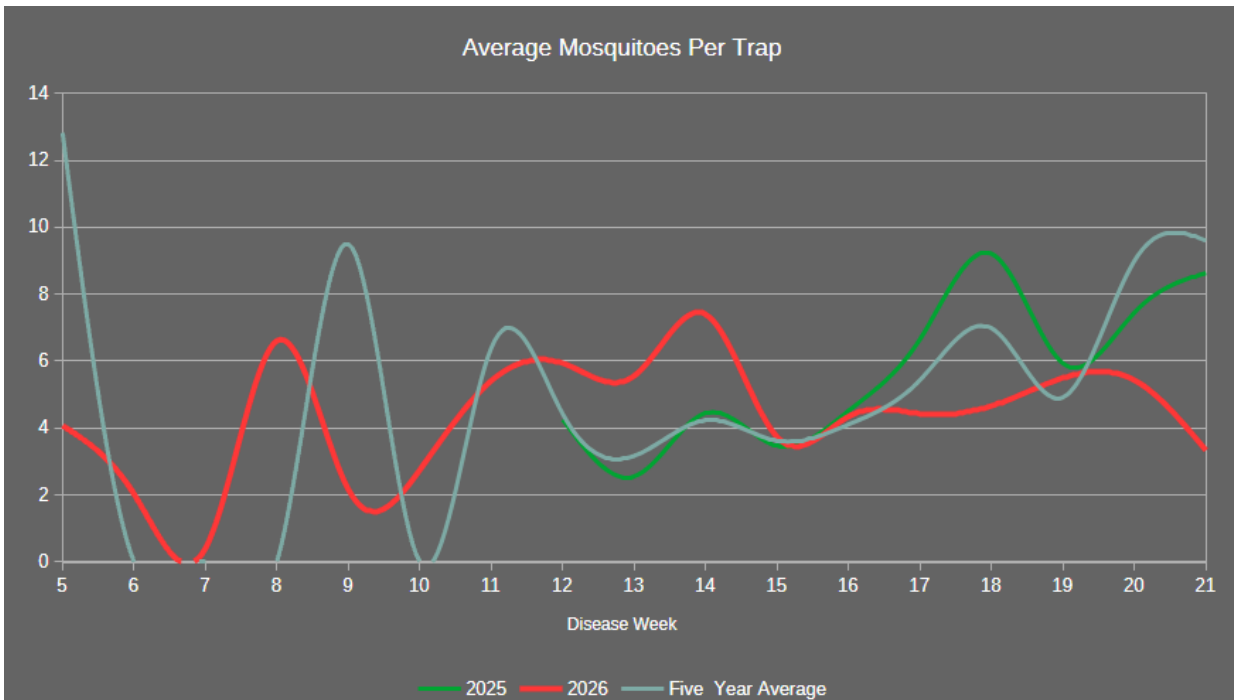
Administrative improvements also remained a priority. Staff continued refining internal tracking systems through Google Workspace and related tools, including updates to time-off tracking, timekeeping, daily assignments, and other internal workflows. These improvements are intended to reduce manual tracking, improve documentation, and support more efficient administrative review.

In addition, staff continued reviewing recurring costs and long-term budget pressures. This included evaluating alternative health insurance options, reviewing infrastructure needs, and considering related budget impacts as the District prepares for future financial and operational decisions. Overall, May was focused on preparing the District for the increased demands of the season while continuing to strengthen internal systems and long-term planning.

Operations (Benjamin Sperry, Operations Program Manager)

May was the first full month of seasonal operations, and the Operations team carried out a broad field workload across all four sections. Seasonal staff were trained, deployed, and working independently in Agricultural, Residential, Municipal, and Rural operations. The team executed work across neglected pools, dairies, flood basins, orchards, pastures, rural culverts, and other productive sources. Each section showed a strong response, including more direct follow-up with property owners, more coordination with outside stakeholders, and more deliberate tracking of unresolved problems. The section-lead model contributed to this response by placing more day-to-day decision-making closer to the field, where leads can adjust assignments based on what they are seeing in real time. The team is still learning the new system, but the early results are encouraging.

Trap counts started the year above the five-year average and above 2025 through week 12, reflecting an unusually warm start to the season. By week 15, counts had dropped below the five-year average and have stayed there. It is too early to draw firm conclusions from a partial season of data, and recent cooler weather has also helped. However, several operational factors likely contributed to the improvement: the Residential team launched pool work earlier than in prior years, before the annual flyover results were available, and completed the first-visit list by the end of May; the Agricultural team sustained intensive dairy coverage that has kept production low in what has historically been the District's largest source category; and the Rural team discovered and drained highly productive culverts that had been missed in previous seasons. Operations sees these as encouraging trends worth watching as the season continues.



The work inside each section was material. Residential completed the first-visit pool list and is now driving compliance follow-up, with drone inspections reducing unnecessary in-person visits and strengthening documentation for warrant decisions. Agricultural has begun organizing field work by crop type based on shared irrigation cycles, a new approach supported by the lead-level visibility the daily reporting system provides. Municipal completed a district-wide flood basin inspection push and delivered formal assessments to the City of Visalia, shifting that relationship toward clearer accountability for city maintenance. Rural used a new trash pump to drain standing water from culverts, a control method the District has not had before, and eliminated a persistent Shannon Ranch source. The team also handled a 72-acre blueberry field in Cutler that required all-hands manual treatment because equipment and drone access were both constrained by active harvest operations.

As the District moves into June, Operations is watching the seasonal irrigation shift toward pastures, orchards, corn, and vineyards. The data team is developing lead-facing tools so section leads have better visibility into where production is active and where attention is needed. Lead pesticide training, a leadership development program, and mid-term review planning are reinforcing the professional capability of the team. The early results from May give the District a solid foundation heading into the peak summer months.

Outreach (Erick Arriaga, Community Education and Outreach Coordinator)

In May, DeltaMVCD participated in four community outreach events. Outreach gave a presentation and hosted a tour for Sequoia High School, providing students with an overview of mosquito control operations and careers in vector control. The partnership is in its 5th year hosting a different class each quarter. Outreach also attended Senior Day at the Park at Mooney Grove Park, an annual event hosted by CSET with strong attendance from local seniors. Later in the month, staff participated in a Mental Health Awareness Fair in London, sharing mosquito prevention information and district resources with community members.

Signage designed for neighborhoods experiencing higher mosquito activity has been finalized and ordered. These signs are expected to be available for use next month and will help improve communication with residents in areas where mosquito activity is elevated.

Outreach worked with the Operations Leads to finalize the design of several Best Management Practice handouts that will be shared with stakeholders as part of the District's updated communication and source reduction efforts.

Laboratory (Andrea Troupin, Scientific Program Manager)

Regular route trapping continues throughout the District in Visalia, Woodlake, Farmersville, Orosi, Cutler, Seville, Ivanhoe, Sequoia Fields, Yetttem, Lemon Cove, Peral, Sequoia Fields, South Kings River, Dinuba, Exeter, Traver, and Goshen.

A total of 31,615 mosquitoes were collected across 1,721 trap nights in May 2026. The District-wide average of 18.4 mosquitoes per trap night for 2026 was 5.8% lower than the previous 5-year average of 19.5 and 6.7% lower than the 2025 average of 19.7 mosquitoes per trap night for the same time. The top 4 mosquito species caught in May 2026 were *Culex quinquefasciatus* at 65.2%, *Aedes aegypti* at 17.6%, *Culex stigmatosoma* at 12.6%, and *Culex tarsalis* at 3.4%. The top 4 mosquito species caught in May 2025 were *Culex quinquefasciatus* at 77.0%, *Culex tarsalis* at 8.1%, and *Culex stigmatosoma* at 7.3%, and *Aedes aegypti* at 5.5%.

For May 2026, a total of 822 mosquito samples were tested, with no detections of West Nile virus (WNV) or St. Louis encephalitis virus (SLEV), and no samples testing positive for both pathogens. Year-to-date, 2,162 mosquito samples have been tested as of May 29. Additionally, two dead birds were collected and tested during May 2026, and both tested negative for WNV and SLEV.

There were 212 technician and 8 homeowner requests for mosquitofish in May 2026 to distribute 2,968 fish. In May 2025, there were 111 technician and 11 homeowner requests for mosquitofish to distribute 1,778 fish. Approximately 8,515 mosquitofish fry were produced in May 2026. In May 2025, there were 5,370 mosquitofish fry produced.

Vector and Disease Surveillance

Delta MVCD Summaries:

Humans: For 2026, there are 0 human WNV cases and 0 dengue travel cases in Tulare County.

Birds: 0 positive dead birds were reported to DMVCD in May 2026.

Mosquitoes: 822 samples were collected and tested in May 2026. There are 0 WNV positives, 0, SLEV positives, and 0 samples that are positive for both WNV and SLEV.

State Surveillance:

Humans: As of May 29, 2026, 0 human cases of WNV from 0 counties and 0 cases of SLEV from 0 counties have been reported from 2026.

Birds: As of May 29, 2026, 14 dead birds from 8 counties tested positive from 2026.

Mosquitoes: As of May 29, 2026, 10 mosquito samples from 4 counties have tested positive for WNV. Also, 1 sample from 1 county has tested positive for SLEV for 2026.

The New Program at Work

Municipal and Commercial



May 22, 2026	June 8, 2026
	
	

We are excited to announce a new collaboration between the District and Visalia's Wastewater Collections to take control of the city's flood and retention basins! While the partnership is just

getting started—our first round of basin assessments went out on June 1, 2026—we are already seeing great progress.

A prime example of this maintenance is the Scenic Corridor Basin, nestled behind Central Valley Christian Pre-School & Elementary School. Before this project, weeds had grown up to five feet tall, making it impossible for District vehicles to safely navigate the area. Thanks to Ricardo Paredez and the Wastewater Collections crew, we can finally begin meaningful mosquito source reduction in these unmaintained and hard-to-treat basins, making urban Visalia a safer place.

Goshen Avenue 310 Park Basin

October 2022	June 09, 2026
	

The District's collaboration with the County of Tulare Resource Management Agency continues to yield excellent results. In addition to proactively providing us with access to reconfigured flood basins, their team successfully cleared all trees from this challenging basin.

Valley Fuel Travel Plaza

November 24, 2025	March 6, 2026
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Managing flood and ponding basins in West Visalia poses a unique logistical challenge, as many of these sites are privately owned by commercial entities. This requires the District to navigate individual budgets and schedules rather than relying on a centralized municipal contact.

We are excited to report positive progress on this front: by partnering with the Tulare County Resource Management Agency, we have successfully coordinated with Valley Fuel Travel Plaza to address the vegetation around their basin. Although this location is still being optimized, the recent tree removal has made the basin much more accessible for treatment and less conducive to mosquito habitats. We look forward to building on this momentum, and we extend our full appreciation to the maintenance crew for their hard work!

Fox Interpreting Business



We recently responded to a report from a business on Center Avenue experiencing indoor mosquito issues. A thorough inspection confirmed that the source was a problematic street gutter just outside the building that we had been treating. Because the business owner is highly susceptible to vector-borne diseases, we partnered with her to urge the city to thoroughly pump and clean the gutter. Seeing the issue resolved and receiving her grateful updates is a wonderful reminder of why this work is so fulfilling!

iMessage
Thu, Sep 25 at 1:16 PM



Thank you, thank you, thank you!
Whatever you did it worked!

They must have come and pumped it
this morning!



This is awesome, thank you for also
reporting it to the city. This made my

Agricultural

Orchard disked to remove ruts after a letter requesting action.







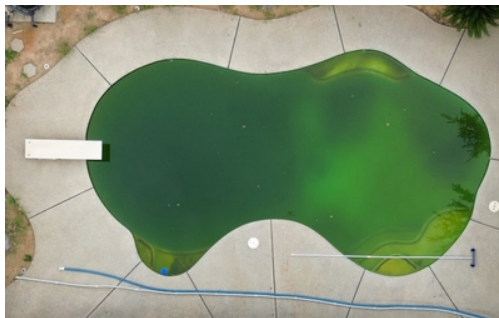
Wastewater field disked and dried after letter requesting action.

Rural Properties

Initial Condition	Resolution Goal
<p data-bbox="203 380 673 411">County Center & Sedona South End</p> 	<p data-bbox="797 380 1268 411">County Center & Sedona South End</p> 
<p data-bbox="203 890 673 921">County Center & Sedona North End</p> 	<p data-bbox="797 890 1268 921">County Center & Sedona North End</p> 

Initial Condition	Resolution Goal
<p data-bbox="201 317 375 348">South Riggin</p> 	<p data-bbox="792 317 966 348">South Riggin</p> 

Residential



855 Pools Visited (or attempted)
 142 Currently have a first or second notice
 608 have been resolved for the season
 77 Warrants Used (most using drones)

RESOLUTION NO. 26-09

**A RESOLUTION OF THE BOARD OF TRUSTEES
OF THE DELTA MOSQUITO AND VECTOR CONTROL DISTRICT**

**A RESOLUTION APPROVING THE ENGINEER'S REPORT,
CONFIRMING THE ASSESSMENT DIAGRAM AND ASSESSMENT AND
ORDERING THE CONTINUATION OF THE LEVY OF ASSESSMENTS
FOR FISCAL YEAR 2026-27
FOR THE MOSQUITO, VECTOR AND DISEASE CONTROL ASSESSMENT**

WHEREAS, the Delta Mosquito and Vector Control District ("District") is authorized, pursuant to the authority provided in Health and Safety Code Section 2082 and Article XIII D of the California Constitution, to levy the continued assessments for mosquito and disease control projects and services; and

WHEREAS, such mosquito control services provide tangible public health benefits, reduced nuisance benefits and other special benefits to the public and properties with the areas of service; and

WHEREAS, an assessment for mosquito, vector and disease control projects and services has been given the distinctive designation of the "Mosquito, Vector and Disease Control Assessment" ("Assessment"), and is primarily described as encompassing the boundaries of the Delta Mosquito and Vector Control District; and

WHEREAS, the Assessment was authorized by an assessment ballot proceeding conducted in 2021 and approved by 57.03% of the weighted ballots returned by property owners, and such assessments were levied by the Board of Trustees of the Delta Mosquito and Vector Control District by Resolution No. 2021-07 passed on July 28, 2021;

WHEREAS, SCI Consulting Group, the Engineer of Work, prepared an engineer's report in accordance with Article XIII D of the California Constitution and Section 2082, et seq., of the Health and Safety Code for the Assessment (the "Report"). The Report has been made, and filed with the District, and duly considered by the Board and is hereby deemed sufficient and approved. The Report shall stand as the Engineer's Report for all subsequent proceedings under and pursuant to the foregoing resolution.

WHEREAS, on May 13, 2026, this Board adopted Resolution No. 2026-07 to continue to levy and collect Assessments for the fiscal year 2026-27, preliminarily approving the Engineer's Report, and providing for notice of hearing on June 10, 2026, at the hour of 4:30 p.m. at the Delta Mosquito and Vector Control District offices, located at 1737 W. Houston Ave Visalia, CA 93291.

WHEREAS, at the appointed time and place the hearing was duly and regularly held, and all persons interested and desiring to be heard were given an opportunity to be heard, and all matters and things pertaining to the continuation of Assessments were fully heard and considered by this Board, all oral statements and all written protests or communications were duly heard, considered and overruled, and this Board thereby acquired jurisdiction to order the continuation of assessments prepared by and made a part of the Engineer's Report to pay the costs and expenses thereof.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Delta Mosquito and Vector Control District that:

SECTION 1. The above recitals are true and correct.

SECTION 2. The public interest, convenience and necessity require that the assessments continue to be approved and collected.

SECTION 3. The Engineer's Report for the Assessment together with the proposed assessment roll for fiscal year 2026-27 is hereby confirmed and approved.

SECTION 4. That based on the oral and documentary evidence, including the Engineer's Report offered and received at the public hearing, the Board expressly finds and determines that: (a) each of the several lots and parcels of land subject to the Assessment will be specially benefited by the services to be financed by the assessment proceeds in at least the amount of the assessment apportioned against such lots and parcels of land, respectively; and (b) that there is substantial evidence to support, and the weight of the evidence preponderates in favor of, said finding and determination as to special benefit to property from the mosquito and disease control services to be financed with assessment proceeds.

SECTION 5. That assessments for the fiscal year 2026-27 shall be levied at the rate of FOURTEEN DOLLARS AND FORTY-NINE CENTS (\$14.49) per single-family equivalent benefit unit for Zone A, and SEVEN DOLLARS AND TWENTY-FIVE CENTS (\$7.25) per single-family equivalent benefit unit for Zone B, as specified in the Engineer's Report for the fiscal year 2026-27 with estimated total annual assessment revenues as set forth in the Engineer's Report; and

SECTION 6. That the mosquito, vector and disease control services to be financed with assessment proceeds described in the Engineer's Report are hereby ordered.

SECTION 7. Immediately upon the adoption of this resolution, but in no event later than August 10th following such adoption, the Board shall file a certified copy of the Diagram and Assessment and a certified copy of this resolution with the Auditor of Tulare County ("County Auditor"). Upon such filing, the County Auditor shall enter on the County assessment roll opposite each lot or parcel of land the amount of assessment thereupon as shown in the Assessment. The assessments shall be collected at the same time and in the same manner as County taxes are collected and all laws providing for the collection and enforcement of County taxes shall apply to the collection and enforcement of the assessments. After collection by the County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to the Delta Mosquito and Vector Control District.

SECTION 8. All revenues from Assessments shall be deposited in a separate fund established under the distinctive designation of the Delta Mosquito and Vector Control District Mosquito, Vector and Disease Control Assessment.

SECTION 9. The Assessment, as it applies to any parcel, may be corrected, cancelled or a refund granted as appropriate, by order of the Board of Trustees of the District. Any such corrections, cancellations or refunds shall be limited to the current fiscal year.

PASSED AND ADOPTED by the Board of Trustees of the Delta Mosquito and Vector Control District at a regular meeting held on the 13th day of May, 2026, by the following vote:

Trustee Name	Yes	No	Abstain	Absent
Greg Gomez	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Linda Guttierrez	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rosemary Hellwig	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Larry Roberts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kevin Caskey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lori Berger	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Michael Burchett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Greg Gomez
President, Board of Trustees

Linda Guttierrez
Secretary, Board of Trustees

Delta Mosquito and Vector Control District

----- MANUAL of POLICIES -----

POLICY TITLE
RESERVES

POLICY NUMBER
1081

1081.1 Unallocated General Reserve

1081.1.1 The amount of Unallocated General Reserve will be no less than 80% and no greater than 100% of the current fiscal year's operating budget.

1081.1.2 The Unallocated General Reserve can be used at any time to meet the cash flow requirements of District operations. Expenditures require a majority (4/7) vote of the Board.

1081.2 Unfunded Accrued Liability (UAL) Reserve (CalPERS)

1081.2.1 The amount of the UAL Reserve will be equal to the combined Unfunded Accrued Liability for all District pension plans for the budgeted fiscal year.

1081.2.2 The UAL Reserve is to be used for potential pay down, contributions, or investments related to the District UAL.

1081.2.3 This reserve shall be adjusted at the start of each fiscal year and shall only be appropriate when all other reserves are funded.

1081.3 Capital Reserve

1081.3.1 The amount of the Capital Reserve will be no less than \$75,000.

1081.3.2 The Capital Reserve will budget for anticipated Capital expenditures in the next ~~five~~three fiscal years.

1081.4 Appropriation for Contingency Reserve

1081.4.1 The amount of the Appropriation for Contingency Reserve will be equal to 5% of the planned fiscal year budget and listed within the operating budget under Tulare County Account #7432. Expenditures from Account #7432 require a majority (4/7) vote of the Board.

1081.5 Emergency Vector Response Reserve

1081.5.1 This amount of this reserve shall be equal to \$500,000

1081.5.2 This reserve shall be used to support excess budgetary expenses arising from an emergency vector incident such as, but not limited to, local transmission of a new or imported pathogen, or an abnormally high and sustained vector abundance or arbovirus pathogen detection. Transfer from this fund shall be effective by the majority vote of the Board in conjunction with a finding of a local emergency condition related to the emergency vector incident.

Delta Mosquito and Vector Control District

----- **MANUAL of POLICIES** -----

POLICY TITLE

POLICY NUMBER

RESERVES

1081

1081.5.3 This reserve is intended to cover costs from vector control activities arising from local, state, and federal emergencies and shall be reimbursed, where feasible, through any local, state or federal funding available for that purpose.

Revised ~~0610-1010-20264~~

Agenda Item #7 Health Insurance Alternatives and CalPERS Review

Introduction

The District is reviewing whether continued participation in CalPERS health insurance remains the best option given rising premium costs, limited plan flexibility, and the retiree health obligations created by PEMHCA. This packet section provides background on the District's CalPERS history, compares available alternatives, and outlines the process and next steps for further review. No final withdrawal decision is assumed at this stage.

Table of Contents

1. *History with CalPERS Insurance and Retiree Coverage*
Background on the District's transition from the prior JPA health plan to CalPERS/PEMHCA, including retiree access, contribution requirements, and Section 125 cost-control history.
2. *Review of Alternative Options (SDRMA)*
Comparison of SDRMA HDHP 20, SDRMA PPO options, and continued CalPERS Platinum PPO participation.
3. *Navia Benefits Wrapped Plan (HRA) Model*
Review of an alternative insurance model and key limitations in regard to retiree coverage.
4. *SDRMA Underwriting and Enrollment Process*
Summary of underwriting, census review, plan selection, Board approval, and enrollment timing.
5. *Retiree Coverage and Policy Considerations*
Review of retiree access, PEMHCA obligations, OPEB implications, and current policy language.

1) History with CalPERS Insurance and Retiree Coverage

As the District considers a potential exit from CalPERS health insurance, one related issue is the extent of any retiree health insurance obligation. The historical record suggests that the District entered CalPERS/PEMHCA during a transition away from the prior CCVCJPA health plan. That prior plan appears to have been more generous in some respects, and may have included more subsidized retiree coverage, but it had become financially unstable. The 2002 records describe significant premium increases, reduced benefits, falling reserves, and concern that the prior self-funded structure was no longer sustainable.

The District joined CalPERS health coverage effective January 1, 2003. At that time, premium costs were substantially lower than they are today, roughly one-fifth of current levels. District revenues have not scaled at the same rate, making the long-term cost exposure materially different than it appeared when the District first entered the program.

The October 2002 resolution elected coverage under the Public Employees' Medical and Hospital Care Act and established different contribution treatment for active employees and annuitants. Under PEMHCA, retiree participation was part of the CalPERS structure, and retiree contributions were required to increase over time toward the employee contribution level.

The 2003 records show that the District quickly focused on controlling the retiree cost exposure created by PEMHCA. In February 2003, the Manager explained that a Section 125 Flexible Benefit Plan was needed "to minimize the impact retirees have on the health premium charged by CalPERS." The March 2003 minutes further explain that CalPERS allowed retirees to remain in a group plan, but also required retirees to be included, and that unmanaged retiree participation could eventually "bury the District in premium costs."

The later Section 125 structure appears to have been designed to preserve access to group insurance while limiting the District's required PEMHCA contribution exposure. This history suggests the District was not attempting to create broad District-funded retiree medical coverage, but was instead trying to manage a transition from an unstable prior insurance pool into CalPERS while controlling ongoing retiree-related exposure.

The current policy manual language is also relevant. Retiree health insurance is addressed in Policy 2121, **Separation of Employment**, rather than in a standalone retiree medical benefit policy. Section 2121.4.3.4.2 states:

"Retirees are eligible to continue the District's health insurance at their own cost as determined annually by the insurer."

That language appears to describe retiree continuation at the retiree's own cost, not a District-funded retiree medical benefit. The current PEMHCA structure already differs from that policy language because PEMHCA requires at least a minimum employer contribution toward retiree coverage and creates related OPEB accounting exposure.

The historical record does not clearly establish an intent to provide ongoing District-sponsored retiree health insurance. To the extent the policy refers to retiree continuation of District insurance, that access appears tied to the insurance structure available to the District. Just as PEMHCA imposed contribution requirements beyond the "at their own cost" policy language, a transition to a replacement insurance structure that does not permit retiree participation could make retiree continuation unavailable under the terms of the selected plan. The practical and legal effect of that issue should be evaluated as part of the District's CalPERS exit analysis.

2) SDRMA Health Benefits Program and HDHP/HSA Overview

The Special District Risk Management Authority, or SDRMA, is a public agency risk pool serving California special districts and other public agencies. SDRMA provides risk financing, insurance, and risk management services, including access to a Health Benefits Program administered through PRISM. For the District, SDRMA is being reviewed as a potential alternative to continued participation in the CalPERS/PEMHCA health program, with the goal of maintaining strong employee coverage while improving cost control and plan flexibility.

A key option under review is a High Deductible Health Plan, or HDHP, paired with a Health Savings Account, or HSA. An HDHP generally carries lower fixed premiums than a traditional PPO, but has higher deductible exposure. The HSA offsets that structure by allowing the District to contribute funds into an employee-owned account that can be used for qualified medical expenses. Unlike a flexible spending account, HSA funds roll over year to year, remain with the employee, and can be saved for future medical expenses, including expenses in retirement.

For employees, the HDHP/HSA model should be evaluated based on net exposure rather than deductible alone. A higher deductible may be substantially offset by District HSA contributions, and employees with lower medical use may retain unused HSA funds for future needs. This structure also allows the District to shift some health benefit value from fixed insurance premiums into portable employee-owned savings.

SDRMA may also allow retiree continuation coverage if the District elects to make that option available and if the retiree satisfies applicable program requirements. Based on the structure under review, retiree participation would require continuous coverage from retirement and would be limited to non-Medicare-eligible retirees. Medicare-eligible retirees would be excluded from the District's SDRMA retiree continuation structure in order to avoid creating or participating in a small Medicare supplemental retiree pool. Any retiree access would be subject to SDRMA, PRISM, carrier, and District eligibility rules. SDRMA allows for two offered plans at our agency size.

Current Census Summary

The current medical census includes **18 active enrolled employees** and **1 employee currently waiving coverage**.

Current enrollment by tier:

- **Employee Only: 7**
- **Employee + 1: 3**
- **Family / Employee + 2 or More: 8**
- **Total Enrolled Employees: 18**
- **Current Waiver: 1**

The census reflects 17 employees enrolled in CalPERS Platinum PPO and 1 employee enrolled in CalPERS HMO Select. One additional employee is currently declining coverage. If that employee elects coverage under the new structure, the District should account for the potential addition of one Employee Only premium, increasing the modeled census from 18 to 19 enrolled employees.

Although current enrollment includes 7 employee-only enrollments, staff should note that all but approximately 5 employees may be potentially eligible for dependent or family coverage. As a result, final cost modeling should consider both current enrollment and the potential for future movement from employee-only coverage into employee-plus-one or family tiers.

Plan	Deductible	Healthcare to Hit OOP Max	Employee Cost at OOP Max (Med Only)
CalPERS Platinum	\$500 / \$1,000	\$15,500 / \$31,000	\$2,000 / \$4,000
SDRMA Platinum	\$300 / \$600	\$10,300 / \$30,600	\$1,300 / \$3,600
SDRMA Gold	\$500 / \$1,000	\$8,000 / \$16,000	\$2,000 / \$4,000
SDRMA HDHP 20 — Gross	\$3,000 / \$6,000	\$19,000 / \$38,000	\$6,200 / \$12,400
SDRMA HDHP 20 — Net, deductible funded	\$3,000 / \$6,000	\$19,000 / \$38,000	\$3,200 / \$6,400
SDRMA HDHP 20 — Net, \$4k/\$8k funded	\$3,000 / \$6,000	\$19,000 / \$38,000	\$2,200 / \$4,400

Plan / Scenario	Actual annual premium	District HSA / FSA contribution	Total District annual cost	Savings vs current baseline
Current CalPERS mix	\$565,693.08	\$1,000 FSA	\$566,693.08	—
All CalPERS Platinum PPO	\$578,482.56	—	\$578,482.56	-\$11,789.48
SDRMA Gold PPO	\$546,979.44	—	\$546,979.44	\$19,713.64
SDRMA HDHP 20 only	\$396,447.00	—	\$396,447.00	\$170,246.08
SDRMA HDHP 20 + deductible HSA	\$396,447.00	\$87,000 HSA	\$483,447.00	\$83,246.08
SDRMA HDHP 20 + \$4k/\$8k HSA	\$396,447.00	\$116,000 HSA	\$512,447.00	\$54,246.08

Plan / Scenario	District HSA Single / Family	Deductible Single / Family	Medical OOP Single / Family	Net medical max after HSA Single / Family	Rx OOP Single / Family	Gross max exposure Single / Family	Net max after HSA Single / Family
CalPERS Platinum PPO	—	\$500 / \$1,000	\$2,000 / \$4,000	\$2,000 / \$4,000	\$2,000 / \$4,000 separate	\$4,000 / \$8,000	\$4,000 / \$8,000
SDRMA Gold PPO	—	\$500 / \$1,000	\$2,000 / \$4,000	\$2,000 / \$4,000	\$4,600 / \$9,200 separate	\$6,600 / \$13,200	\$6,600 / \$13,200
SDRMA HDHP 20 only	—	\$3,000 / \$6,000	\$6,200 / \$12,400 combined	\$6,200 / \$12,400	Combined with medical	\$6,200 / \$12,400	\$6,200 / \$12,400
SDRMA HDHP 20 + deductible HSA	\$3,000 / \$6,000	\$3,000 / \$6,000	\$6,200 / \$12,400 combined	\$3,200 / \$6,400	Combined with medical	\$6,200 / \$12,400	\$3,200 / \$6,400
SDRMA HDHP 20 + \$4k/\$8k HSA	\$4,000 / \$8,000	\$3,000 / \$6,000	\$6,200 / \$12,400 combined	\$2,200 / \$4,400	Combined with medical	\$6,200 / \$12,400	\$2,200 / \$4,400

Employee Personal Cost	CalPERS Platinum	HDHP 20 + Deductible HSA (\$3,000)	HDHP 20 + Enhanced HSA (\$4,000)
\$0	\$0	\$3,000	\$8,000
\$1,000	\$5,500	\$8,000	\$13,000
\$2,000	\$15,500 OOP Max	\$13,000	\$18,000
\$2,200	N/A	\$14,000	\$19,000 OOP Max
\$3,000	N/A	\$18,000	N/A
\$3,200	N/A	\$19,000 OOP Max	N/A

Employee Family Personal Cost	CalPERS Platinum	HDHP 20 + Deductible HSA (\$6,000)	HDHP 20 + Enhanced HSA (\$8,000)
\$0	\$0	\$6,000	\$16,000
\$1,000	\$1,000	\$11,000	\$21,000
\$2,000	\$11,000	\$16,000	\$26,000
\$3,000	\$21,000	\$21,000	\$31,000
\$4,000	\$31,000 OOP Max	\$26,000	\$36,000
\$4,400	N/A	\$28,000	\$38,000 OOP Max
\$5,000	N/A	\$31,000	N/A
\$6,000	N/A	\$36,000	N/A
\$6,400	N/A	\$38,000 OOP Max	N/A

Gold PPO Addition

Because of the District's enrollment size, SDRMA would generally allow the District to offer two medical plan options, subject to underwriting approval. Staff's primary proposal is to structure the District contribution around the SDRMA HDHP 20 plan with a District-funded HSA contribution, while also offering the SDRMA Gold PPO as a traditional PPO buy-up option.

Under this structure, the District contribution would be fixed by enrollment tier based on the HDHP 20 premium plus the applicable HSA contribution. Employees selecting the Gold PPO would pay only the difference between the Gold PPO premium and the District's HDHP/HSA contribution. Using the enhanced \$4,000/\$8,000 HSA model, the estimated monthly Gold PPO buy-up would be approximately **\$43.65** for employee-only coverage, **\$78.02** for employee + 1 coverage, and **\$292.26** for family coverage. This preserves employee choice while keeping the District's contribution consistent and maintaining projected savings compared with CalPERS Platinum PPO. This would also give a more traditional full coverage option for retirees.

3) Navia Benefits Wrapped Plan / HRA Alternative

The District is also evaluating whether a private-market medical plan, paired with a Health Reimbursement Arrangement, or HRA, could provide a more customized alternative to both CalPERS and SDRMA. Under this model, the District would select an underlying medical plan with lower fixed premiums or higher employee cost-sharing, then use an HRA administered through Navia Benefits to reimburse selected employee out-of-pocket costs, such as deductibles, coinsurance, or copays.

This type of wrapped plan can allow the District to preserve an employee experience closer to the current CalPERS Platinum PPO while avoiding the full premium cost of a richer traditional plan. The underlying plan would carry greater cost-sharing on paper, but the HRA wrap would allow the District to reimburse eligible expenses according to a defined schedule, reducing the actual cost impact on employees.

The potential advantage of this option is that the District's generally younger active-employee demographics may produce stronger premium savings in the private market than are available through SDRMA's pooled structure. In other words, if the District's active census is more favorable than the broader public-agency pool, a private or separately underwritten arrangement may better reflect that lower-risk profile. SDRMA, however, does not appear to allow the District to build this type of customized HRA wrap around its pooled health plans, limiting the District's ability to capture those additional savings within the SDRMA structure.

For employees, the wrapped plan would function primarily as a benefit-preservation tool. It would allow the District to reduce fixed premium costs while using targeted reimbursements to protect employees from higher out-of-pocket exposure. Unlike an HSA, HRA funds are not employee-owned and generally do not create portable savings. The HRA is instead a District-funded reimbursement mechanism used to manage the difference between the selected base plan and the desired employee cost-sharing level.

A key limitation is retiree availability. A Navia-administered wrapped plan or HRA would primarily function as an active-employee benefit tied to the District's selected group medical plan. It would not, by itself, solve retiree access issues if the District withdraws from PEMHCA. Any retiree transition would need to be addressed separately, potentially through limited SDRMA pre-Medicare retiree continuation access, a temporary District transition contribution, or another separately approved arrangement.

4) SDRMA Application and Underwriting Action Items

Staff recommends moving forward with SDRMA underwriting for the following proposed medical plan structure:

- SDRMA Gold PPO
- SDRMA Blue Shield HDHP 20, paired with a District-funded HSA contribution

SDRMA underwriting is needed before the District can confirm final plan availability, acceptance, rates, retiree participation, and implementation requirements.

Recommended Board Direction

1. Authorize staff to submit the District for SDRMA Health Benefits Program underwriting.
2. Identify SDRMA Gold PPO and SDRMA Blue Shield HDHP 20 as the proposed medical plan options for underwriting review.
3. Authorize staff to complete and submit SDRMA interest forms, employee and retiree census information, plan selection materials, and required large-claimant disclosure forms.
4. Direct staff to identify and recommend an HSA provider for use with the HDHP 20 option.
5. Direct staff to develop recommended District HSA contribution levels for employee-only, employee-plus-one, and family coverage.
6. Direct staff to confirm SDRMA retiree enrollment requirements, including eligibility, continuous coverage requirements, Medicare coordination, and any limits on future participation.
7. Direct staff to return to the Board with underwriting results, final plan availability, confirmed retiree coverage structure, HSA provider recommendation, cost comparison, and any required SDRMA participation documents, including the required resolution and memorandum of understanding.

5) Retiree Health, OPEB, and CERBT Considerations

The District's current retiree health exposure appears to be driven less by large actual retiree benefit payments and more by the structure of CalPERS/PEMHCA eligibility and OPEB accounting. This distinction is important because continued participation in CalPERS may preserve a broad potential retiree eligibility group, while transition away from CalPERS may significantly reduce or change the District's future OPEB exposure.

CalPERS/PEMHCA Eligibility Creates a Broad Potential Group

Under CalPERS retiree health rules, an employee may generally be eligible for CalPERS retiree health coverage if they retire within 120 days of separation, receive a monthly retirement allowance, are eligible for health enrollment on the date of separation, and retire from an agency that currently contracts with CalPERS for health benefits.

This structure can create a large potential retiree health population. Employees who separate close to retirement may become eligible for continued CalPERS health access even if the District's own policy did not intend to create a broad lifetime retiree medical benefit. In practical terms, the CalPERS/PEMHCA structure may create eligibility beyond what the District would otherwise design as a local benefit.

This is a central issue in the District's review. The District's policy language appears to focus on "continuation" of coverage upon retirement, not the creation of an independent contractual promise to provide lifetime District-paid retiree medical coverage outside of PEMHCA. If the District leaves PEMHCA, the question should be whether any retiree health obligation exists independently of CalPERS participation, and if so, what the actual District-paid obligation is.

Direct Benefit vs. Implied or Accounting Benefit

The District should distinguish between two different forms of retiree health exposure.

A direct benefit is the amount the District is legally required to pay toward retiree health coverage. This is the actual payable obligation and should be the primary focus for cash-flow and budget purposes.

An implicit subsidy may exist when retirees are allowed to participate in the same premium pool as active employees, even where the District pays little or nothing directly toward the retiree's premium. This can create an accounting liability under OPEB rules because retiree access to blended rates may be treated as a form of value, even if it does not result in a large District cash payment.

The District's current situation appears to involve significant theoretical OPEB exposure relative to limited actual payable retiree costs.

CERBT Funding and Practical Concern

The District has accumulated almost \$800,000 in its CERBT account. That balance appears substantial when compared with the District's limited actual retiree health payments. The practical concern is that the District may have accumulated significant restricted assets to address a theoretical or implied OPEB liability rather than a large direct benefit obligation.

Those funds are not general reserves. CERBT assets are held for OPEB purposes, which means that overfunding or funding against an overstated future obligation can effectively lock District money into a restricted account. If the underlying retiree health obligation is reduced, closed, or materially changed, the District should reassess whether continued CERBT funding is appropriate and whether the current actuarial model still reflects the District's likely actual exposure.

Effect of Leaving CalPERS/PEMHCA

If the District exits CalPERS/PEMHCA, the retiree health analysis should materially change. CalPERS eligibility rules may no longer continue to create the same broad potential retiree health population. Any remaining obligation would need to be based on District policy, Board action, applicable law, and any legally enforceable retiree expectations, rather than simply the PEMHCA structure itself.

This should result in a major reassessment of OPEB liability. The key issue is whether the District has a direct retiree health benefit obligation outside PEMHCA, or whether most of the current OPEB exposure is tied to CalPERS eligibility, blended-rate access, and implicit subsidy accounting.

SDRMA / Alternative Coverage

If the District moves to SDRMA or another alternative plan, retiree coverage should be separately evaluated. SDRMA may allow retiree medical coverage if the District elects to offer it, but that would be a new policy choice and may operate differently from CalPERS/PEMHCA retiree access. The Board should decide whether retiree coverage, if available, would be District-paid, partially subsidized, or pass-through only.

A pass-through retiree option would likely be materially different from the current CalPERS model because the District would not be promising a broad District-paid benefit. However, the District should confirm with its auditor or OPEB valuation provider whether any implicit subsidy remains if retirees participate in a blended premium structure.

Key Board Direction / Action Checklist

- *Authorize staff to submit SDRMA underwriting materials and proceed with participation review.*
- *Identify SDRMA HDHP 20 as the primary District-funded option.*
- *Identify SDRMA Gold PPO as the traditional PPO buy-up option, subject to SDRMA approval.*
- *Direct staff to finalize the HSA contribution model: deductible-level HSA or enhanced \$4,000 / \$8,000 HSA.*
- *Direct staff to identify an HSA administrator and prepare HSA funding procedures.*
- *Authorize staff to prepare employee notices, comparison materials, and enrollment documents.*
- *Direct staff to continue the CalPERS/PEMHCA withdrawal process, including required resolutions, notices, and deadlines.*
- *Direct staff to separately evaluate retiree coverage, OPEB liability, and CERBT funding impacts.*

SDRMA AVERAGE MEDICAL RENEWAL HISTORY



RENEWAL HISTORY CHART				
Plan Year	SDRMA	PRISMHealth	PERS Platinum PPO	CA PPO Insured Pooled Renewals (Avg)
2020	3.31%	2.83%	6.45%	10.90%
2021	10.50%	5.22%	12.32%	10.90%
2022	3.30%	-1.69%	-14.85%	10.90%
2023	9.50%	8.88%	14.48%	12.50%
2024	15.40%	12.26%	12.18%	13.90%
2025	4.22%	4.66%	9.82%	12.40%
2026	13.83%	14.24%	13.24%	13.90%
Average	8.58%	6.63%	7.66%	12.20%

