

**MINUTES OF THE
SALT LAKE CITY MOSQUITO ABATEMENT DISTRICT
20 June 2024**

BOARD MEETING

Presiding: Dr. Shireen Mooers, Chair

Time: 5:05 p.m.

Place: 2215 North 2200 West, Salt Lake City, UT 84116

Trustees Present: Dr. Shireen Mooers, Chair
Amanda Barth, Vice-Chair
Luz Escamilla
Van Turner
Neil Vickers, Ph.D.

Others Present: Ary Faraji, Ph.D., Executive Director
Gregory White, Ph.D., Assistant Director
Aleta Fairbanks, CPA, CFO
Nathaniel Corry, CPA, K&C Certified Public Accounts

1. Roll Call:

Trustee Mooers called the meeting to order at 15:05 p.m. and confirmed that the meeting was being recorded. No conflicts of interest were declared.

2. Presentation, Discussion, and Approval of Audit for Year Ending 31 December 2023:

Nathaniel Corry, K&C CPAs, was welcomed by the Board of Trustees. He briefly covered how auditors designed the audit by understanding the District's internal controls, testing the adequacy of these controls, looking for changes from prior years, conducting fraud inquiries, reading the minutes, verifying balances with outside sources, and many other activities that allow them to determine a reasonable level of assurance that the records reflect a true picture of an entity's financial position. He discussed the different sections of the Independent Auditor's Report and the results of the financial audit. He explained that the District was receiving an unmodified clean report, which is the highest and best opinion possible. Next, he explained that a governmental audit had also been completed: the INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH

GOVERNMENT AUDITING STANDARDS. No internal control weaknesses were discovered, and there were no findings concerning internal controls. The last report is the INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE STATE COMPLIANCE AUDIT GUIDE. The District was tested on six items required by the Office of the State Auditor. It is in compliance with all of the laws, which is fairly rare thing for a lot of entities.

Trustee Escamilla made a motion to approve the audit for the year ending 31 December 2023, as presented; the motion was seconded by Trustee Vickers and passed with a unanimous vote.

3. Approval of the 23 May 2024 Minutes of the Board of Trustees:

The pending minutes of May's regular Board Meeting had been distributed to the Board Members previously, and no modifications were necessary. Trustee Vickers made a motion to approve the 23 May 2024 Minutes of the Board of Trustees; the motion was seconded by Trustee Barth and carried unanimously.

4. Presentation of the May 2024 Financial Statements and Approval of Bills for Payment:

Copies May's Financial Statements had been distributed to the Trustees earlier in the week. CFO Fairbanks noted receiving the following items: Interest income of \$74,973.84 was distributed between the General Fund and Capital Projects Fund, and \$611,640.36 was expended. The University of Central Florida made a \$2,764.00 grant payment, a \$2,267.86 payment for hangar repairs was received from DSLASA, and Ouelessebougou reimbursed the District \$2,276.76 for purchasing primers for Mali. All expenditures were presented, with special attention being paid to items over \$1,000.00. Documentation for the payments was reviewed when the checks were signed, and the credit card statements, supporting invoices/receipts for all payments, and Balance Sheets were made available for review. Trustee Turner made a motion to approve the May 2024 Financial Statements and bills for payment. Trustee Barth seconded the motion, and it passed with all in favor.

5. Discussion and Approval for Purchase of Dissecting Microscopes:

Executive Director provided the rationale and process behind obtaining a \$13,302.40 quote for purchasing ten dissecting microscopes to be used for the RaHP VEC grant training/procedures/objectives. There's a good chance we will be reimbursed for these microscopes through the RaHP VEC grant. At the very least, the Center for Disease Control will purchase five of them. In addition to utilizing them every summer with our own laboratory projects, they would greatly enhance our effectiveness during the UMAA and RaHP VEC annual workshops by allowing us the ability to provide more hands-on training experiences.

Trustee Barth wanted to see other comparable microscope options before moving forward with this request, for \$1,330 per microscope is quite expensive. Executive Director Faraji explained that the CDC had shopped around for good quotes, and he would obtain this information from them. If the District is reimbursed through the RaPH VEC grant, does the equipment remain with the grantee? Trustee Vickers was of the opinion that dissecting mosquitoes and doing mosquito taxonomy mandates a better microscope, which is quite expensive. Prior to purchasing them, it is important to find out if this cost can be covered by the grant. Another way to cover this cost would be to charge a fee for future RaPH VEC workshops. The purchase is not time sensitive, and the Trustees preferred to look into the process more fully. If this purchase can't be covered by the grant, it would be advantageous to have a written agreement stating that the CDC will reimburse the District for five of the microscopes. This discussion was tabled until Executive Director Faraji has more information about the comparisons and is able to confirm that the grantor will provide reimbursement.

6. Discussion and Approval for Changes to SLCMAD Retirement Contribution:

The Utah Retirement System has given notice that a mandatory rate change will impact the Tier 2 Hybrid Option pension contribution from employees. Employers have previously paid 10% of salaries to fund pension benefits. Because retirement benefits are tied to salaries, greater than expected increases in salaries are requiring larger monthly payouts in retirement. In order to make sure pension benefits are well-funded, the system was designed to require member contributions if costs to fund projected future benefits exceed 10%. It has been actuarially determined that the contribution rate of 10% is insufficient, and a 0.7% member contribution will be automatically deducted from after-tax from wages paid on or after 1 July 2024. (Contribution rates are re-evaluated yearly and may change from year-to-year.) Because the District enticed professional employees to join our staff by showing them how our great benefits augmented their salaries, and because the State Legislature is not allowing employers to pick up this additional pension cost, we have worried how this will affect morale. The District is currently matching up to 3% of an employee's 401(k) contribution, with an additional 2% of their gross salary. In order to soften the blow of this extra cost, Executive Director Faraji proposed increasing the additional 2% to 3%. This will not change the budget, for all pension rates beginning 1 July 2024 are actually 1% less than the rates on 30 June 2024. (Tier 2's rates are changing from 16.19 to 15.19 + the 0.7 from the employee.)

After a lengthy discussion, Trustee Barth made a motion to approve changing 2% to 3% in the SLCMAD Policies and Procedures, under 6. RETIREMENT SYSTEM, to read: "All employees in the retirement plan will receive a contribution made to the retirement system 401(k) deferred compensation program equaling 3% of their gross salary." Trustee Escamilla seconded the motion, and it carried with all in favor.

At 6:06 p.m., Trustee Barth made a motion to recess SLCMAD's Monthly Board Meeting in order to convene the Public Hearing for the Local Building Authority of the Salt Lake City Mosquito Abatement District. Her motion was seconded by Trustee Vickers and carried with a unanimous vote.

A motion to reconvene the Salt Lake City Mosquito Abatement District's Governing Board Meeting was made at 6:49 p.m. by Trustee Barth, seconded by Trustee Escamilla, and passed with all in favor.

7. Update on Construction:

The District's plans are under review with Salt Lake City Planning Commission. The official bid documents have been posted on the State of Utah Purchasing website. A meeting has been scheduled on 10 July 2024 for all of the interested parties to see the facility to get an idea about our operations, take a look at the site, and to ask questions about the upcoming projects. Questions will be answered until the final bid documents are due on 1 August 2024.

The next architectural/engineer/construction meeting will be held at 1:00 p.m. on 10 July 2024, and the following meetings will only be scheduled as needed.

8. Report on Attended and Reminder/Approval of Upcoming Training/Meetings:

Even though only a few of the meetings were discussed, the Trustees were invited to make comments and/or ask questions about the following training/meetings:

- **Davis-Salt Lake Aerial Spray Authority, 13 June 2024**

The auditors had not received all of the records in time to prepare and present the audit on 13 June 2024. The audit may be approved virtually once it is completed. The audit needs to be submitted to the State Auditor by the end of the month. Then, the audit will be officially presented to the Board during DSLASA's September meeting.

- **Entomological Society of America, 23-25 June 2024**

Executive Director Faraji will be attending this sub-committee meeting in Phoenix, Arizona. Trustee Vickers will be attending the ESA Annual Meeting that's taking place in Phoenix, Arizona from November 10 through 13, 2024.

- **Ecological Society of America, 4-9 August 2024**

- **International Congress of Entomology, 25-30 August 2024**

- **Society for Vector Ecology, 15-19 September 2024**

Molecular Biologist Byers will be attending the SOVE meeting in Fort Collins, Colorado.

9. Executive Director's Report:

In addition to the Director's Report that was distributed to the Trustees, Assistant Director White gave the Board Members a brief surveillance report: The mosquitoes are very active; last week we had trap counts over 10,000 / night. We accomplished a few adulticide activities to assist in controlling the mosquito numbers. We also conducted a successful RaHP VEC trial just before some nice, cool temperatures arrived to also reduce mosquito activity.

10. Discussion and Approval of 2024 Amended Budgets:

The Amended Budgets were presented during the Budget Hearing, and the Trustees had no further questions or comments. The 2024 Amended Budget was passed unanimously after a motion to approve the budget was made by Trustee Barth and seconded by Trustee Vickers.

11. Discussion and Approval of Resolution for 2024 Certified Tax Rate and 2025 Proposed Budget:

By law, the certified tax rate must be set in June of each year. Trustee Vickers made a motion that the following resolution be adopted: Be it resolved that a certified tax rate of 0.000147 for the year 2024 be adopted to meet the Salt Lake City Mosquito Abatement District property tax budget revenue requirements of \$7,029,062. And, a higher tax rate for additional revenues will be accepted, should an adjustment be made through State and County authorities. This motion was seconded by Trustee Escamilla, and it carried with all in favor.

A motion to approve the 2025 Proposed Budget, as presented, passed unanimously after being made and seconded by Trustees Barth and Vickers, respectively.

12. Discussion and Approval for Consideration for Adoption of a Resolution:

Trustee Barth made a motion to Consider for Adoption of a Resolution of the Board of Trustees of the Salt Lake City Mosquito Abatement District, Utah, Authorizing and Approving the Execution and Delivery of a Third Amendment to the Master Lease Agreement, by and between the Board and the Local Building Authority of the Salt Lake City Mosquito Abatement District, Utah; Authorizing the Execution and Delivery of a Bond Purchase Agreement; Authorizing the Issuance and Sale by the Authority of not more than \$20,000,000 Aggregate Principal Amount of Lease Revenue Bonds, Series 2024; Authorizing a Supplemental Indenture, a Security Document, and other Documents Necessary for the Issuance of the Bonds; Authorizing the Taking of all other Actions Necessary to the Consummation of the Transactions Contemplated by this Resolution; and Related Matters. This motion was seconded by Trustee Escamilla and carried with all in favor.

13. Probable Agenda Items for 18 July 2024 Board Meeting, 12:30 p.m.:

- Executive Director's Report
- Construction Updates
- Grant Updates

14. Public Comment:

There were no public comments made at this time.

15. Adjournment:

Trustees Vickers and Escamilla made and seconded a motion to adjourn the meeting at 7:06 p.m., which passed unanimously. The next Board Meeting will begin at 12:30 p.m. on 18 July 2024. A box lunch will be available at noon.



Ary Faraji, Executive Director

18 JUL 24
Date



Dr. Shireen Mooers, Chair

7/18/2024
Date