



RGS EXECUTIVE COMMITTEE AGENDA

Agenda materials may be viewed on the Agency's web site or by contacting the Executive Director prior to the meeting.

REGULAR MEETING
January 12, 2012
11:00 a.m.

Yountville Community Center
Board Room
6516 Washington Street
Yountville, CA 94599

1. CALL TO ORDER

2. CHANGES TO THE ORDER OF AGENDA

3. APPROVAL OF CONSENT AGENDA

Consent agenda items are considered to be routine and will be enacted by one motion. There will be no separate discussion on these items unless members of the Executive Committee, staff or public request specific items to be removed for separate action.

- | | |
|---|--------|
| A. Approval of September 8th 2011 Minutes | Action |
| B. Approval of management services agreement with San Pablo Economic Development Corporation | Action |
| C. Approval of management services agreement with Yuma County Intergovernmental Public Transportation Authority, AZ | Action |
| D. Approval of management services agreement with City of Larkspur | Action |
| E. Approval of management services agreement with Menlo Park Fire Protection District | Action |

4. TREASURER'S REPORT

- | | |
|--|-------------|
| A. Review of Month-End Financial Reports through November 2011 | Information |
| B. Approval of Payments and Deposits made July through November 2011 | Action |
| C. Approval of Investments Report through December 2011 | Action |
| D. Approval of Fiscal Year 2010-11 Audited Financial Statements | Action |

5. OLD BUSINESS

- | | |
|----------------------------------|--------|
| A. JPA Member in Good Standing | Action |
| B. Approve Training Funds Policy | Action |

6. NEW BUSINESS

- | | |
|--|------------|
| A. Review Client Report | Discussion |
| B. Regularly Scheduled Meetings Calendar | Discussion |

7. PUBLIC COMMENT

Each speaker is limited to two minutes. If you are addressing the Executive Committee (EC) on a non-agenda item, the EC may briefly respond to statements made or questions posed as allowed by the Brown Act (Government Code Section 54954.2). However, the EC's general policy is to refer items to staff for attention, or have a matter placed on a future EC agenda for a more comprehensive action or report.

8. NEXT MEETING: **February 9th or March 8th at 3:00 p.m. via teleconference.**

Americans with Disabilities Act

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Richard Averett at (650) 587-7301. Notification in advance of the meeting will enable Agency to make reasonable arrangements to ensure accessibility.

**DRAFT
ACTION MINUTES**

The Regional Government Services Joint Powers Authority held a regular committee meeting by teleconference on September 8, 2011 at Association of Bay Area Governments, Finance Dir. Office, Rm.301, 101 Eighth St., Oakland, CA 94604, Dublin Civic Center, City Manager's Office, 100 Civic Plaza, Dublin, CA 94568, San Mateo County Transit District, 4th Floor Fireside Rm., 1250 San Carlos Ave., San Carlos, CA 94070, San Rafael City Hall, City Manager's Conference Room, 1400 Fifth Avenue, San Rafael, CA 94915, Yountville Town Hall, Town Manager's Office, 6550 Yount Street, Yountville, CA 94599. The meeting was called to order at 3:24 p.m.

1. ROLL CALL

A. Members Present: Dan Schwarz, Vice-Chair Steve Rogers, Member
Nancy Mackle, Member Julie Carter, Alternate Member
Herb Pike, Member

Other Attendees: Richard Averett, LGS Executive Director/CFO
Jennifer Bower, Director of Human Resources

Members Absent: Michael Garvey, Chair

2. CHANGES TO THE ORDER OF AGENDA - None

3. APPROVAL OF CONSENT AGENDA

A. Approval of **June 9th, 2011** Minutes and management services agreements with the cities of Clearlake and Foster City.

ACTION: M/S Rogers/Pike to approve Consent Agenda items 3A, C and D.

AYES: Vice-Chair Schwarz, Members Mackle, Pike and Rogers, Alternate Member Carter

NOES: None

ABSTAIN: None

B. Approval of management services agreement with the Town of Yountville.

ACTION: M/S Pike/Mackle to approve the agreement with the Town of Yountville.

AYES: Vice-Chair Schwarz, Members Mackle, Pike and Alternate Member Carter

NOES: None

ABSTAIN: Member Rogers

4. TREASURER'S REPORT

A. Review of month-end preliminary financial reports through June 2011. The Executive Director noted that preliminary results have been updated subsequent to agenda packet distribution to include the \$130,000 Accounts Receivable reduction referred to in the Agenda Report, Item #1. When including adjustment for OPEB and insurance adjustments, FY11 financial performance was comparable to last year's performance. Staff will prepare a report for the committee summarizing and displaying trends of financial performance over the life of the JPAs.

B. Approval of Payments and Deposits made May and June 2011. The Executive Director noted that there were no unusual vendor payments, with most checks being for payroll, benefit plan providers and employee reimbursements.

ACTION: M/S Rogers/Pike to approve the payments and deposits as presented.

AYES: Vice-Chair Schwarz, Members Mackle, Pike and Rogers, Alternate Member Carter

NOES: None

ABSTAIN: None

C. Approval of Investments Report through August 2011. The Committee asked about the outstanding receivable from Gold Coast Health Plan. The Executive Director responded that this item was not in contention, just simply needed more time.

ACTION: M/S Pike/Mackle to approve the investments report as presented.

AYES: Vice-Chair Schwarz, Members Mackle, Pike and Rogers, Alternate Member Carter

NOES: None

ABSTAIN: None

5. OLD BUSINESS

A. None

6. NEW BUSINESS

- A. Client and Prospective Client Update – The Executive Director referred the committee to the updated flier and the inclusion of enhancements requested by the Committee, and that additional outreach materials will be developed following the Committee's workshop to explore JPA opportunities. The Director of Human Resources noted there have been recent discussions regarding consolidating/sharing Parks and Recreation services on the peninsula.
- B. Regularly Scheduled Meetings – The Members reviewed the scheduled upcoming meeting, discussed and expressed a desire to cancel the October 13th meeting if no subsequent business required a meeting. The next scheduled meeting date would be November 10th via teleconference. This item was for discussion only, and no action was taken.
- C. In-Person Meeting/Workshop – The Executive Director will survey members as to their availability for a January 12th meeting from 10am–4pm in Yountville.

7. PUBLIC COMMENT – None.

8. NEXT MEETING – The October 13th meeting is cancelled if there are no items needing the Committee's attention. The next meeting would be at 3:00 p.m. on November 10th, 2011 via teleconference.

9. ADJOURNED - Meeting adjourned at 3:31 p.m.



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

Providing Solutions to California Public Agencies

P.O. Box 1350 · Carmel Valley, CA 93924 · 650.587.7300

TO: EXECUTIVE COMMITTEE **EC Meeting: 1-12-12**
FROM: RICHARD H. AVERETT, Executive Director **Item: 3B**
SUBJECT: CLIENT AGREEMENT – SAN PABLO ECONOMIC DEVELOPMENT CORPORATION

RECOMMENDATION

Approve authorizing the Executive Director to execute a Client Agreement with the San Pablo Economic Development Corporation (EDC).

BACKGROUND

San Pablo EDC requested the JPAs provide a Program Manager to the agency, with services expected to continue for up to one year. An employee was selected and is expected to begin work in January, 2012. Two additional employees may be added at a later date. The JPA's standard professional services agreement was used with no material changes as to form.

San Pablo EDC is the first JPA client which is a non-profit corporation as opposed to a governmental agency. The Board previously approved the JPA providing services to public agencies and those non-profit entities the serve local government agencies.

The agreement is included with the agenda packets posted to the JPA's website.

FISCAL IMPACT

The hourly rate being charged the Agency is sufficient to pay all salary, benefit, insurance and administrative costs of the JPA.



CITY OF SAN PABLO
City of New Directions

REQUEST FOR EDC ACTION

SAN PABLO ECONOMIC DEVELOPMENT CORPORATION

PREPARED BY: Kelsey D. Worthy, MPA

DATE OF MEETING: November 21, 2011

DATE: October 24, 2011

PHONE: 510.215.3039

SUBJECT: RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AGREEMENT WITH REGIONAL GOVERNMENT SERVICES FOR CONTRACT EMPLOYMENT SERVICES

APPROVED:

K.D. Worthy, MPA
ASST. EXEC. DIRECTOR

[Signature]
EXECUTIVE DIRECTOR

[Signature]
CITY ATTORNEY

RECOMMENDATION

Adopt resolution.

BACKGROUND

The formation of the San Pablo Economic Development Corporation (EDC), Inc. was approved in February 2011 by the City Council/Redevelopment Agency for the following purposes: to provide physical, economic and educational development, redevelopment, and revitalization efforts within the City of San Pablo. In order to facilitate these purposes, EDC staff is recommending executing an agreement with Regional Government Services (RGS) to provide contract employee services. RGS would provide the EDC with a Program Manager position.

RGS is a collaboration of governmental agencies established in 2001 to provide administrative, support and staffing services to other California public agencies. RGS is a joint powers authority (JPAs) and has provided consulting and staffing services to cities, special districts, counties, other JPAs and special consortiums of government agencies.

RGS was formed to meet two growing pressures on local governments: increasing demand for services without corresponding funding; and increasing difficulty recruiting and retaining highly qualified employees. RSG can provide skilled staff in a more cost effective manner for the EDC.

PROGRAM MANAGER DUTIES

The selected employee will have the necessary and specific expertise to fulfill the role of

DEPARTMENTAL COORDINATION

FINANCE

EDC

PUBLIC WORKS

POLICE DEPT.

000127

Program Manager. The selected employee will supervise and manage the day-to-day staff activities and programs. The duties will include, but not be limited to the following:

- Engage in revenue generating activities to support EDC operations and programs
- Make presentations to business and community groups on the San Pablo small business market and economy
- Act as primary liaison for selected small business and employment training programs and services
- Establish the following: Convention and Visitors Bureau, Film Commission, Conference Center Program
- Represent the EDC at meetings and events related to small business and employment
- Prepare quarterly economic update and market profile publication(s) and prepare economic and demographic information for other publications and/or reports
- Develop and maintain a comprehensive economic database on the San Pablo area
- Select, train, motivate, and evaluate assigned personnel; provide or coordinate staff training; work with employees to correct deficiencies; implement discipline and termination procedures in accordance with EDC/City policy
- Oversee and participate in the development and administration of the EDC annual budget; participate in the forecast of funds needed for staffing, equipment, materials, and supplies; monitor and approve expenditures; implement adjustments

RGS will be able to fill this position with a highly qualified employee for a contract amount of \$140,000 plus up to \$20,000 for performance based incentives. Based on the Executive Director's approval, such incentive pay will be paid prior to the end of each fiscal year.

Incentive Pay for the initial term of the contract will be based in part on successfully completing the following items by June 30, 2012:

- a. Develop a 2 year EDC strategic work plan
- b. Implement EDC digital billboard(s) advertising program (City-wide) in San Pablo
- c. Increase EDC membership and expand member benefits
- d. Start EDC member monthly newsletter
- e. Secure grant funding, donations or other funding to carry out or expand EDC functions
- f. Institute EDC Corporate/Business Affiliate program. An Affiliate is defined as a member that has paid a fee to be recognized as the exclusive provider of a particular good or service to be advertised to EDC members and promoted by the EDC.

FISCAL IMPACT

The \$70,000 for the remainder of the FY 11/12 is budgeted in the EDC's general fund (Account: 550-5500-43600). If approved, the \$20,000 for incentive pay will be appropriated from the EDC fund balance in June 2012.

Attachments:

RGS General Information

RGS Contract

000128

ATTACHMENT

RGS GENERAL INFORMATION

Local Government Services (LGS) and Regional Government Services (RGS) are Joint Powers Authorities formed by California local governments to serve the needs of cities, special districts, counties and other local government agencies. Local agencies continue to experience shortages of qualified staffing, while demands for more services increase and long-term funding grows less certain. Retirement vacancies, grant-funded projects and creation of special purpose agencies put financial and management strains on local governments. LGS and RGS were established to provide a ready source of staffing and consulting to meet the needs of our clients – which are exclusively California local governments.

CLIENT LIST

Counties

County of Alameda County of Monterey
County of Marin County of San Mateo*

Cities

Alameda El Centro Los Altos Hills Saratoga
Atherton Foster City* Pacifica Sausalito*
Belmont Gilroy Palo Alto Stockton
Belvedere Half Moon Bay Rohnert Park* Ukiah
Calistoga* Hillsborough San Bruno* Vallejo*
Campbell Larkspur* San Carlos Walnut Creek*
Clearlake* Lincoln* San Mateo* Yountville*
Davis Los Altos San Rafael* Yuba City
Dublin*

Other Governmental Agencies

Association of Bay Area Governments Metropolitan Transportation Comm.*
CalFed Science Program Mid-peninsula Reg. Open Space District
Coastside Fire Protection District Monterey Local Agency Form. Comm.
Consortium IV* SF Bay Water Transit Authority
Gold Coast Health Plan* Sonoma-Marín Area Rail Transit District*
Marin Emergency Radio Authority* South Bayside Systems Authority
Marin Energy Authority South Bayside Waste Mgmt. Authority*
Marin General Services Authority* Transbay Joint Powers Authority*
Marin Municipal Water District* Transportation Authority of Marin*
Marin Telecommunications Authority* Twin Cities Police Authority*
Marin Transit* Ventura Co. Transportation Commission*
Menlo Park Fire Protection District*
*Current Client

SERVICES PROVIDED

Staffing

Whether you have a need for full-time, part-time, interim or project staffing, or want to consolidate or share services with another local government, Local Government Services

and Regional Government Services can meet that need and allow staff to focus on the agency's core work of providing service. LGS and RGS have the flexibility to quickly react to changes in your staffing demands, either increasing or decreasing the amount of staff based on changes in your workload. We can assist with any or all parts of the staffing process: recruitment, selection and hiring, as well as on-going payroll, benefits administration, supervision and termination.

Employee Benefits Administration

LGS and RGS have established benefit programs that include:

- Workers Compensation
- Medical, Dental and Vision Plans
- Short and Long-Term Disability
- Holiday, Vacation and Sick Leaves
- Defined Benefit and Defined Contribution Retirement Plans
- Life Insurance, LTD, STD
- Employee Assistance Program
- Section 125 Flexible Medical Spending and Dependent Accounts

Project Management

Working with Local Government Services and Regional Government Services is beneficial for short- and long-term project staff. LGS and RGS have assisted both small and large agencies with vacancy backfills, spikes in workload, special projects, and grant-funded positions. We also provide full employment services to smaller agencies that do not have their own staffing. Some examples of projects LGS and RGS have assisted with are:

- Interim Department Heads and Managers
- Policy Development and Administration
- Workload and Distribution Assessment
- Financial Operations Review
- Personnel Records Management
- Classification and Compensation Studies

RESOLUTION EDC 2011-

RESOLUTION OF THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AGREEMENT WITH REGIONAL GOVERNMENT SERVICES FOR CONTRACT EMPLOYMENT SERVICES

WHEREAS, the San Pablo Economic Development Corporation (EDC), Inc. was approved in February 2011 to provide physical, economic and educational development, redevelopment, and revitalization efforts within the City of San Pablo; and

WHEREAS, order to facilitate these purposes, EDC staff is recommending executing an agreement with Regional Government Services (RGS) to provide contract employee services; and

WHEREAS, RGS is a collaboration of governmental agencies established in 2001 to provide administrative, support and staffing services to other California public agencies; and

WHEREAS, RSG can provide skilled staff in a more cost effective manner for the EDC; and

WHEREAS, RGS would provide the EDC with a Program Manager position; and

WHEREAS, the Program Manager will supervise and manage the day-to-day staff activities and programs; and

WHEREAS, the Program Manager duties will include, but not be limited to the following:

- Engage in revenue generating activities to support EDC operations and programs
- Make presentations to business and community groups on the San Pablo small business market and economy
- Act as primary liaison for selected small business and employment training programs and services
- Establish the following: Convention and Visitors Bureau, Film Commission, Conference Center Program
- Represent the EDC at meetings and events related to small business and employment
- Prepare quarterly economic update and market profile publication(s) and prepare economic and demographic information for other publications and/or reports
- Develop and maintain a comprehensive economic database on the San Pablo area
- Select, train, motivate, and evaluate assigned personnel; provide or coordinate staff training; work with employees to correct deficiencies; implement discipline and termination procedures in accordance with EDC/City policy

- Oversee and participate in the development and administration of the EDC annual budget; participate in the forecast of funds needed for staffing, equipment, materials, and supplies; monitor and approve expenditures; implement adjustments; and

WHEREAS, RGS will be able to fill this position with a highly qualified employee for a contract amount of \$140,000 plus up to \$20,000 for performance based incentives; and

WHEREAS, based on the Executive Directors approval, incentive pay will be paid prior to the end of each fiscal year; and

WHEREAS, Incentive Pay for the initial term of the contract will be based on successfully completing the following items by June 30, 2012:

- Develop a 2 year EDC strategic work plan
- Implement EDC digital billboard(s) advertising program (City-wide) in San Pablo
- Increase EDC membership and expand member benefits
- Start EDC member monthly newsletter
- Secure grant funding, donations or other funding to carry out or expand EDC functions
- Institute EDC Corporate/Business Affiliate program. An Affiliate is defined as a member that has paid a fee to be recognized as the exclusive provider of a particular good or service to be advertised to EDC members and promoted by the EDC; and

WHEREAS, the funds necessary to fund the base pay in the contract are available in the EDC's FY 11/12 budget and the funds necessary for incentive pay will be appropriated from the EDC's fund balance.

NOW THEREFORE, BE IT RESOLVED that the San Pablo Economic Development Corporation authorizes the Executive Director to execute an employment contract, substantially in the same form, with Regional Government Services for contract employment services and appropriate funds therefore.

Passed and adopted this 21st day of November, 2011, by the following vote to wit:

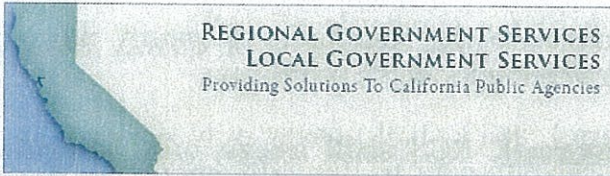
AYES: DIRECTORS:
NOES: DIRECTORS:
ABSENT: DIRECTORS:
ABSTAIN: DIRECTORS:

ATTEST:

APPROVED:

Lehny M. Corbin, Secretary

Paul V. Morris, Chair



Email: RAverett@rgs.ca.gov
PO Box 1350
Carmel Valley, CA 93924

Business: 831/308-1508
Fax: 831/308-1509

Email: JBower@rgs.ca.gov
PO Box 1077
Camarillo, CA 93011-1077

AGREEMENT FOR MANAGEMENT AND ADMINISTRATIVE SERVICES

This Agreement for Management Services ("Agreement") is made and entered into as of the 20th day of Dec., 2011, by and between the San Pablo Economic Development Corporation, a non-profit agency ("AGENCY"), and **Regional Government Services Authority** (RGS), a joint powers authority, (each individually a "Party" and, collectively, the "Parties").

RECITALS

THIS AGREEMENT is entered into with reference to the following facts and circumstances:

- A. That AGENCY desires to engage RGS to render certain services to it;
- B. That RGS is a management and administrative services provider and is qualified to provide such services to AGENCY; and
- C. That AGENCY has elected to engage the services of RGS upon the terms and conditions as hereinafter set forth.

TERMS AND CONDITIONS

Section 1. Services. The services to be performed by RGS under this Agreement shall include those services set forth in **Exhibit A**, which is by this reference incorporated herein and made a part hereof as though it were fully set forth herein.

Where in conflict, the terms of this Agreement supersede and prevail over any terms set forth in **Exhibit A**.

- 1.1 Standard of Performance.** RGS shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which RGS is engaged in the geographical area in which RGS practices its profession. RGS shall prepare all work products required by this Agreement in a substantial, first-class

manner and shall conform to the standards of quality normally observed by a person practicing in RGS's profession.

1.2 Assignment of Personnel. RGS shall assign only competent personnel to perform services pursuant to this Agreement. In the event that AGENCY, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, RGS shall consider reassigning such person or persons. RGS's Executive Director will notify AGENCY's Chief Executive Officer in writing prior to assigning a different RGS employee to provide services other than the initial RGS Staff identified on Exhibit A.

1.3 Time. RGS shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in above and to satisfy RGS's obligations hereunder in Exhibit A.

Section 2. Term of Agreement and Termination. Services shall commence on or about the date specified in Exhibit A and shall continue until the date anticipated in Exhibit A to terminate, at which time it may be extended by mutual consent of the Parties for up to one-year intervals until terminated. This agreement may be terminated by either Party, with or without cause, upon 30 days' written notice.

AGENCY has the sole discretion to determine if the services performed by RGS are satisfactory, necessary or desirable to the AGENCY, which determination shall be made in good faith. If the AGENCY determines that the services performed by RGS are not satisfactory, necessary or desirable, for whatever reason, the AGENCY may terminate this agreement by giving written 30 days' notice to RGS. If such notice results in the severance clause being invoked, the amount of the severance will be reduced by the period of time during the notice period when services are not performed for the AGENCY. Upon receipt of notice of termination by either Party, RGS shall cease performing duties on behalf of AGENCY on the termination date specified and the compensation payable to RGS shall include only the period for which services have been performed by RGS.

Severance Pay. In the event AGENCY so terminates this Agreement, and does not directly hire RGS's assigned employee, it shall pay to RGS a severance pay equal to four (4) month's salary, so that RGS may fulfill its employment agreement obligation to the RGS employee then assigned by RGS as AGENCY'S Program Manager. Such Program Manager is a third party beneficiary of this severance pay provision. The four month severance pay shall be reduced by the period of time of any notice period when services are not performed for the AGENCY, as set forth above.

Section 3. Compensation. Payment under this Agreement shall be as provided in Exhibit A.

Section 4. Effective Date. This Agreement shall become effective on the date first herein above written.

Section 5. Relationship of Parties.

5.1 It is understood that the relationship of RGS to AGENCY is that of an independent contractor and all persons working for or under the direction of RGS are its agents or employees and not agents or employees of AGENCY. AGENCY and RGS shall, at all times, treat all persons working for or under the direction of RGS as agents and employees of RGS, and not as agents or employees of the AGENCY. AGENCY shall have the right to control RGS only insofar as the results of RGS's services rendered pursuant to this agreement and assignment of personnel pursuant to Section 1.

5.2 RGS shall provide services under this Agreement through one or more employees of RGS qualified to perform services contracted for by AGENCY. Key RGS staff who will provide services to the AGENCY are indicated in Exhibit A. The Executive Director will not reassign any of the staff indicated in Exhibit A without first consulting with the AGENCY. The Executive Director will consult with AGENCY on an as-needed basis to assure that the services to be performed are being provided in a professional manner and meet the objectives of AGENCY.

5.3 AGENCY shall not have the ability to direct how services are to be performed, specify the location where services are to be performed, or establish set hours or days for performance of services, except as set forth in Exhibit A.

5.4 AGENCY shall not have any right to discharge any employee of RGS from employment.

5.5 RGS shall, at its sole expense, supply for its employees providing services to AGENCY pursuant to this Agreement any and all benefits, such as worker's compensation, disability insurance, vacation pay, sick pay, or retirement benefits; obtain and maintain all licenses and permits usual or necessary for performing the services; pay any and all taxes incurred as a result of the employee(s) compensation, including estimated taxes, FICA and other employment taxes; and provide AGENCY with proof of payment of taxes on demand.

Section 6. Insurance Requirements. Before beginning any work under this Agreement, RGS, at its own cost and expense, shall procure "occurrence

coverage" insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by RGS and its agents, representatives, employees, and subcontractors. RGS shall provide proof satisfactory to AGENCY of such coverage that meets the requirements of this section and under forms and amounts of insurance satisfactory in all respects to the AGENCY. RGS shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be paid by RGS. RGS shall not allow any subcontractor to commence work on any subcontract until RGS has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to AGENCY. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution.

6.1 Workers' Compensation. RGS shall, at its sole cost and expense, maintain statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by RGS. The statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per accident. In the alternative, RGS may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. The insurer, if insurance is provided, or RGS, if a program of self-insurance is provided, shall waive all rights of subrogation against the AGENCY and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement where the subject loss is not proximately caused by the actions of or failure to act by a AGENCY officer, agent or employee or any person or entity other than the parties to the agreement.

An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits, except after 15 days' prior written notice has been given to the AGENCY.

6.2 Commercial General and Automobile Liability Insurance.

6.2.1 General requirements. RGS, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. RGS shall additionally maintain commercial general liability in an amount not less than TWO MILLION DOLLARS

(\$2,000,000) aggregated for bodily injury, personal injury, and property damage. If a Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

6.2.2 Minimum scope of coverage. Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 or GL 0002 (most recent editions) covering comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (ed. 12/90) Code 8 and 9. No endorsement shall be attached limiting the coverage.

6.2.3 Additional requirements. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

- a. AGENCY and its officers, employees, agents, and volunteers shall be covered as insureds with respect to each of the following: liability arising out of activities performed by or on behalf of RGS including the insured's general supervision of RGS; products and completed operations; premises owned, occupied, or used by RGS; and automobiles owned, leased, or used by RGS. The coverage shall contain no special limitations on the scope of protection afforded to AGENCY or its officers, employees, agents, or volunteers.
- b. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- c. An endorsement must state that coverage is primary insurance with respect to the AGENCY and its officers, officials, employees and volunteers, and that no insurance or self-insurance maintained by the AGENCY shall be called upon to contribute to a loss under the coverage.

- d. An endorsement shall state that coverage shall not be suspended, voided, cancelled by either party, or reduced in coverage or in limits, except following reasonable notice to the AGENCY.

6.3 Professional Liability Insurance. RGS, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000) covering the licensed professionals' errors and omissions.

6.3.1 Any deductible or self-insured retention shall not exceed \$1,000 per claim.

6.3.2 An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits, except after 15 days' prior written notice has been given to the AGENCY.

6.3.3 The following provisions shall apply if the professional liability coverages are written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, RGS must provide extended reporting coverage for a minimum of 5 years after completion of the Agreement or the work. The AGENCY shall have the right to exercise, at RGS's sole cost and expense, any extended reporting provisions of the policy, if RGS cancels or does not renew the coverage.
- d. A copy of the claim reporting requirements must be submitted to the AGENCY prior to the commencement of any work under this Agreement.

6.4 All Policies Requirements.

6.4.1 Acceptability of insurers. All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.

6.4.2 Verification of coverage. Prior to beginning any work under this Agreement, RGS shall furnish AGENCY with notifications of coverage and with original endorsements effecting coverage required herein. The notifications and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The AGENCY reserves the right to require complete, certified copies of all required insurance policies, at any time.

6.4.3 Subcontractors. RGS shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

6.4.4 Variation. The AGENCY may approve a variation in the foregoing insurance requirements, upon a determination that the coverages, scope, limits, and forms of such insurance are either not commercially available, or that the AGENCY'S interests are otherwise fully protected.

6.4.5 Deductibles and Self-Insured Retentions. RGS shall disclose to and obtain the approval of AGENCY for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement.

During the period covered by this Agreement, only upon the prior express written authorization of AGENCY'S Chief Executive Officer, RGS may increase such deductibles or self-insured retentions with respect to AGENCY, its officers, employees, agents, and volunteers. The AGENCY'S Chief Executive Officer may condition approval of an increase in deductible or self-insured retention levels with a requirement that RGS procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

6.4.6 Notice of Reduction in Coverage. In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, RGS shall provide written notice to AGENCY at RGS's earliest possible opportunity and in no case later than five days after RGS is notified of the change in coverage.

6.5 Remedies. In addition to any other remedies AGENCY may have if RGS fails to provide or maintain any insurance policies or policy

endorsements to the extent and within the time herein required, AGENCY may, at its sole option exercise any of the following remedies, which are alternatives to other remedies AGENCY may have and are not the exclusive remedy for RGS's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order RGS to stop work under this Agreement or withhold any payment that becomes due \pm hereunder, or both stop work and withhold any payment, until RGS demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

Section 7. Legal Requirements.

7.1 Governing Law. The laws of the State of California shall govern this Agreement.

7.2 Compliance with Applicable Laws. RGS and any subcontractors shall comply with all laws applicable to the performance of the work hereunder.

7.3 Other Governmental Regulations. To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, RGS and any subcontractors shall comply with all applicable rules and regulations to which AGENCY is bound by the terms of such fiscal assistance program.

7.4 Licenses and Permits. RGS represents and warrants to AGENCY that RGS and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions and that RGS is authorized by law to provide the services contemplated by this agreement. RGS represents and warrants to AGENCY that RGS and its employees, agents, and subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions.

7.5 Nondiscrimination and Equal Opportunity. RGS shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any

services or programs provided under this Agreement. RGS shall comply with all applicable federal, state, and Local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement.

Section 8. Keeping and Status of Records.

8.1 Records Created as Part of RGS's Performance. All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that RGS prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the AGENCY. RGS hereby agrees to deliver those documents to the AGENCY upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the AGENCY and are not necessarily suitable for any future or other use.

8.2 Confidential Information. RGS shall hold any confidential information received from AGENCY in the course of performing this Agreement in trust and confidence and will not reveal such confidential information to any person or entity, either during the term of the Agreement or at any time thereafter. Upon expiration of this Agreement, or termination as provided herein, RGS shall return materials which contain any confidential information to AGENCY. For purposes of this paragraph, confidential information is defined as all information disclosed to RGS which relates to AGENCY past, present, and future activities, as well as activities under this Agreement, which information is not otherwise of public record under California law. AGENCY shall notify RGS what information and documents are confidential and thus subject to this section 8.2.

8.3 RGS's Books and Records. RGS shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the AGENCY under this Agreement for a minimum of 3 years, or for any longer period required by law, from the date of final payment under this Agreement.

8.4 Inspection and Audit of Records. Any records or documents that Section 8.2 of this Agreement requires RGS to maintain shall be made available for inspection, audit, and/or copying at any time

during regular business hours, upon oral or written request of the AGENCY. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds \$10,000.00, the Agreement shall be subject to the examination and audit of the State Auditor, at the request of AGENCY or as part of any audit of the AGENCY, for a period of 3 years after final payment under the Agreement.

Section 8. Non-assignment. This Agreement is not assignable either in whole or in part without the written consent of the other party.

Section 9. Amendments. This Agreement may be amended or modified only by written agreement signed by both Parties.

Section 10. Validity The invalidity, in whole or in part, of any provisions of this Agreement shall not void or affect the validity of any other provisions of this Agreement.

Section 11. Governing Law/Attorneys Fees. This Agreement shall be governed by the laws of the State of California and any suit or action initiated by either party shall be brought in Contra Costa County, California.

Section 12. Mediation. Should any dispute arise out of this Agreement, the Parties shall meet in mediation and attempt to reach a resolution with the assistance of a mutually acceptable mediator. Neither Party shall be permitted to file legal action without first meeting in mediation and making a good faith attempt to reach a mediated resolution. The costs of the mediator, if any, shall be paid equally by the Parties. If a mediated settlement is reached, neither Party shall be deemed the prevailing party for purposes of the settlement and each Party shall bear its own legal costs.

Section 13. Entire Agreement. This Agreement, including Exhibit A, comprises the entire Agreement.

Section 14. Indemnity

14.1 RGS's indemnity obligations. RGS will defend and indemnify AGENCY, and hold it harmless, from any claim, demand or liability that is related to, or results from the manner in which RGS and/or its employees have performed this Agreement or the services to AGENCY under this Agreement. RGS's defense and indemnity obligations will arise when any claim or demand is made against AGENCY which premises AGENCY'S liability, in whole or in part, upon any of the following:

- a. the quality or character of the work of RGS's employees or subcontractors;
- b. the negligent acts or omissions of RGS or its officers,

- directors, employees, or agents; or
- c. the willful misconduct of RGS or its officers, directors, employees, or agents.

Further, RGS will defend and indemnify AGENCY, and hold it harmless, from any claim, demand or liability that is related to, or results from an assertion that as a result of providing services to AGENCY, an RGS employee or a person performing work pursuant to this agreement is entitled to benefits from, or is covered by, the Social Security retirement system or the California Public Employee Retirement Systems. Notwithstanding the foregoing, however, RGS's obligation for any payments to such a claimant shall be limited to those payments which AGENCY may be required to pay.

14.2 AGENCY'S indemnity obligations. AGENCY shall indemnify, defend and hold harmless RGS and its officers, directors, employees and agents from any and all claims and lawsuits where such persons are named in the lawsuit solely by virtue of the position they hold with AGENCY, or solely because of a duty any of them performs while in that position; provided that such obligations shall only apply under circumstances where a cause of action is stated against RGS, its employees or agents:

- a. which is unrelated to the skill they have used in the performance of the duties delegated to them under this Agreement; or
- b. when the allegations in such cause of action do not suggest the active fraud or other misconduct of RGS, its employees, or agents.

Section 15. Notices. All notices required by this Agreement shall be given to AGENCY and RGS in writing, by first class mail, postage prepaid, addressed as follows:

AGENCY: San Pablo Economic Development Corporation
STREET ADDRESS
San Pablo, CA ZIP CODE

RGS: Regional Government Services Authority
P. O. Box 1350
Carmel Valley, CA 93924

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the date first written by their respective officers duly authorized on their behalf.

DATED: _____, 2011 AGENCY

By: _____
Matt Rodriguez, Executive Director

APPROVED AS TO FORM:

DATED: _____, 2011 By: _____
Brian M. Libow, Legal Counsel

DATED: 12/20/11, 2011 REGIONAL GOVERNMENT SERVICES

By: *R. H. Averett*
Richard H. Averett, Executive Director

APPROVED AS TO FORM:

DATED: _____, 2011 By: _____
Stephen Muzio, Authority Counsel

EXHIBIT A SCOPE OF SERVICES

RGS shall assign an RGS employee or employees to serve as the AGENCY's Program Manager, which position requires performing the functions as described below:

- Work full time and, in its professional discretion as is reasonable to fulfill these obligations, attend community, business, political and developer events and meetings even though outside the normal business work day or work week. Employee shall have an office at the EDC Office, located at 13830 San Pablo Avenue, Suite D, San Pablo, California, and at other locations as requested.
- Perform the functions as assigned, including, but not limited to:
 - a. Develop a 2 year EDC strategic work plan
 - b. Implement EDC digital billboard(s) advertising program (City-wide) in San Pablo
 - c. Increase EDC membership and expand member benefits
 - d. Start EDC member monthly newsletter
 - e. Secure grant funding, donations or other funding to carry out or expand EDC functions
 - f. Institute EDC Corporate/Business Affiliate program. An Affiliate is defined as a member that has paid a fee to be recognized as the exclusive provider of a particular good or service to be advertised to EDC members and promoted by the EDC..
- Be reasonably available to perform the services during the normal work week, as agreed upon.
- Meet regularly and as often as necessary for the purpose of consulting about the scope of work performed.
- Other Duties - As part of the AGENCY job description(s) for this/these position(s).
- Perform related work as required.

RGS will provide such Program Manager services for up to one year from the date services commence pursuant to this agreement, subject to the provisions of Section 2 related to termination.

COMPENSATION

1. **Fees.** The AGENCY agrees to pay to RGS the full cost of compensation and support, in the amount of \$140,000 per year for the assigned RGS employee(s). Compensation is shown on a monthly basis.

RGS and AGENCY acknowledge and agree that compensation paid by AGENCY to RGS under this Agreement is based upon RGS's costs of providing the services required hereunder, including salaries and benefits of employees. Consequently, the parties agree that adjustments to the rate shown below for "RGS Staff" will be made for changes to the salary and/or benefits costs provided by RGS to such employee. The parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities for which

RGS may be obligated for its employees or may otherwise be contractually obligated.

2. **Reimbursement of RGS's Administrative Cost.** Reimbursement for RGS's overhead is included within the monthly rate paid by Agency to RGS. Support overhead costs are those expenses necessary to administering this Agreement, and are included in the rate. Direct external costs will be invoiced to the AGENCY when received and without mark-up. These external costs will be due upon receipt, and include mileage reimbursement, supplies, training and other expenses for the exclusive benefit of the Agency incurred by employee in the course and scope of service to the Agency
3. **Terms of Payment.** RGS shall submit invoices monthly for the next month's services. Invoices shall be sent approximately 30 days in advance of the month for which they are due and shall be delinquent if not paid within 20 days of receipt. After the initial invoices, future invoices will include both estimated charges for the succeeding month as well as true-up adjustments for prior period estimates versus actual expenses. The estimated payment for the next month must be received prior to the beginning of the month for which service is to be provided. Delinquent payments will be subject to a late payment carrying charge computed at a periodic rate of 1% per month, which is an annual percentage rate of 12%, which will be applied to any unpaid balance owed commencing 7 days after the payment due date. Additionally, in the event the AGENCY fails to pay any undisputed amounts due to RGS within 15 days after payment due date, then the AGENCY agrees that RGS shall have the right to consider said default a total breach of this Agreement and the duties of RGS under this Agreement may be terminated by RGS upon 10 working days advance written notice.
4. **Incentive Pay/Bonus Plan.** Based on AGENCY'S sole discretion, incentive pay may be paid to RGS prior to the end of each fiscal year. In its sole discretion, whether to authorize incentive pay, the AGENCY will consider not only successful completion of job responsibilities, but also the financial condition of the AGENCY, the AGENCY's other priorities, and the likelihood of public acceptance of or opposition to such payment. Incentive pay may be up to \$20,000 each year.

Payment Address. All payments due RGS shall be paid to:

RGS
C/O McGilloway & Ray Accounting and Consulting
2511 Garden Road, Suite A-180
Monterey, CA 93940-5381.

RGS STAFF

NAME	POSITION	MONTHLY RATE
	Program Manager	\$11,667



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

Providing Solutions to California Public Agencies

P.O. Box 1350 · Carmel Valley, CA 93924 · 650.587.7300

TO: EXECUTIVE COMMITTEE **EC Meeting: 1-12-12**
FROM: RICHARD H. AVERETT, Executive Director **Item: 3C**
**SUBJECT: CLIENT AGREEMENT – YUMA COUNTY INTERGOVERNMENTAL PUBLIC
TRANSPORTATION SERVICES AUTHORITY (YCIPTA)**

RECOMMENDATION

Approve authorizing the Executive Director to execute a Client Agreement with the Yuma County Intergovernmental Public Transportation Authority (YCIPTA).

BACKGROUND

YCIPTA requested the JPAs be the employer of record for the agency. If approved by the Authority's Board of Directors at their January meeting, RGS would begin providing staff positions February 1, 2012. Four full-time and one-part staff positions are anticipated, and staffing services are expected to continue through December 31, 2016. The JPA's standard professional services agreement will be used with no material changes as to form.

YCIPTA will be the JPA's first client located outside the state of California. JPA legal counsel sees no limitation on LGS providing services out of state, and will approve the final agreement as to form. Workers Compensation and general liability insurance services will be purchased through Arizona corporations.

The draft agreement is included with the agenda packets posted to the JPA's website.

FISCAL IMPACT

The hourly rates being charged the Agency is sufficient to pay all salary, benefit, insurance and administrative costs of the JPA.



Email: raverett@rgs.ca.gov
PO Box 1350
Carmel Valley, CA 93924

Business: 831/308-1508
Fax: 831/308-1509

PO Box 1077
Camarillo, CA 93011-1077

Regional Government Services Authority (RGS) is pleased to provide this staffing services proposal to the Yuma County Intergovernmental Public Transportation Authority (YCIPTA). RGS is a public agency, formed and dedicated to serve other local government agencies.

Our Values

- **Expert Services:** RGS focuses exclusively on service to public sector agencies, and has a team of public sector experts.
- **Innovation:** RGS encourages and develops innovative and sustainable services to help each agency meet its challenges through new modes of service provision.
- **Customer Driven:** RGS customizes solutions to achieve the right level and right kind of service at the right time for each agency's unique organizational needs.
- **Perseverance:** sometime the best solutions are not immediately apparent. RGS listens, works with you, and sticks with it until a good fit with your needs is found.
- **Open Source Sharing:** RGS tracks emerging best practices and shares them, learning openly from each other's hard won experience.
- **Commitment:** government agencies are the public's only choice for many services. Public trust is earned and must be used wisely. And RGS will do its part. Each agency should and will know how RGS sets its rates. RGS' pledge to you is that we will act with honesty, openness, and full transparency.

When you work with RGS you can also expect

- Pre-contract meetings either in person or by phone to ensure our working relationship starts on firm footing. RGS will strive to be explicit up front and put our understandings in writing. Before making assumptions, we hope to talk directly to prevent future misunderstandings.
- Ongoing interaction throughout our relationship to ensure that your needs are being met.
- RGS operates candidly, and will be open with what we can and cannot do. RGS is committed to honest interaction.
- To keep expectations realistic, it is important to understand that RGS is a governmental joint powers agency, always evolving to meet upcoming local government needs. RGS has carefully constructed policies and procedures to allow us maximum flexibility to meet your needs. In doing this, we must recover our costs, which are kept to a minimum so client agency revenues are wisely used. We receive no tax revenues or client subsidies.

How RGS Does Business

RGS is primarily about staffing and consulting. It is important for RGS to be explicit about its philosophy, so there are clear mutual expectations when working together.

- When our employees are on your site, we expect them to treat people respectfully and be treated respectfully. If problems arise, we want to communicate early, accurately, and thoroughly to ensure that we find mutually acceptable solutions.
- As a public agency, partnering is valued. We look out for each other's interests consistent with maintaining the public trust.
- When employing people, we are committed to being:
 - Respectful
 - Solutions-Driven
 - Appropriate
 - Responsive
 - Resolution-Focused



Business: 831/308-1508

Fax: 831/308-1509

Email: raverett@rgs.ca.gov

PO Box 1350

Carmel Valley, CA 93924

PO Box 1077

Camarillo, CA 93011-1077

Agreement for Management and Administrative Services

This Agreement for Management Services ("Agreement") is made and entered into as of the 1st day of February 2012, by and between **Yuma County Intergovernmental Public Transportation Authority** (YCIPTA), a municipal agency ("Authority"), and **Regional Government Services Authority** (RGS), a joint powers authority, (each individually a "Party" and, collectively, the "Parties").

RECITALS

THIS AGREEMENT is entered into with reference to the following facts and circumstances:

- A. That Authority desires to engage RGS to render certain services to it;
- B. That RGS is a management and administrative services provider and is qualified to provide such services to the Authority; and
- C. That the Authority has elected to engage the services of RGS upon the terms and conditions as hereinafter set forth.

TERMS AND CONDITIONS

Section 1. Services. The services to be performed by RGS under this Agreement shall include those services set forth in **Exhibit A**, which is by this reference incorporated herein and made a part hereof as though it were fully set forth herein.

Where in conflict, the terms of this Agreement supersede and prevail over any terms set forth in **Exhibit A**.

1.1 Standard of Performance. RGS shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which RGS is engaged in the geographical area in which RGS practices its profession. RGS shall prepare all work products required by this Agreement in a substantial, first-class manner and shall conform to the standards of quality normally observed by a person practicing in RGS's profession.

1.2 Assignment of Personnel. RGS shall assign only competent personnel to perform services pursuant to this Agreement. In the event that Authority, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such

persons, RGS shall consider reassigning such person or persons. RGS's Executive Director will notify Authority's Chief Executive Officer in writing prior to assigning a different RGS employee to provide services other than the initial RGS Staff identified on Exhibit A.

- 1.3 Time.** RGS shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in above and to satisfy RGS's obligations hereunder in Exhibit A.

Section 2. Term of Agreement and Termination. Services shall commence on or about the date specified in Exhibit A and shall continue until the date anticipated in Exhibit A to terminate, at which time it may be extended by mutual consent of the Parties for up to one-year intervals until terminated. This agreement may be terminated by either Party, with or without cause, upon 30 days written notice. Authority has the sole discretion to determine if the services performed by RGS are satisfactory to the Authority, which determination shall be made in good faith. If the Authority determines that the services performed by RGS are not satisfactory, the Authority may terminate this agreement by giving written notice to RGS. Upon receipt of notice of termination by either Party, RGS shall cease performing duties on behalf of Authority on the termination date specified and the compensation payable to RGS shall include only the period for which services have been performed by RGS.

Section 3. Compensation. Payment under this Agreement shall be as provided in Exhibit A.

Section 4. Effective Date. This Agreement shall become effective on the date first herein above written.

Section 5. Relationship of Parties.

- 5.1** It is understood that the relationship of RGS to the Authority is that of an independent contractor and all persons working for or under the direction of RGS are its agents or employees and not agents or employees of Authority. The Authority and RGS shall, at all times, treat all persons working for or under the direction of RGS as agents and employees of RGS, and not as agents or employees of the Authority. Authority shall have the right to control RGS only insofar as the results of RGS's services rendered pursuant to this agreement and assignment of personnel pursuant to Section 1.
- 5.2** RGS shall provide services under this Agreement through one or more employees of RGS qualified to perform services contracted for by Authority. Key RGS staff who will provide services to the Authority are indicated in Exhibit A. The Executive Director will

not reassign any of the staff indicated in Exhibit A without first consulting with the Authority. The Executive Director will consult with Authority on an as-needed basis to assure that the services to be performed are being provided in a professional manner and meet the objectives of Authority.

- 5.3** Authority shall not have the ability to direct how services are to be performed, specify the location where services are to be performed, or establish set hours or days for performance of services, except as set forth in Exhibit A.
- 5.4** Authority shall not have any right to discharge any employee of RGS from employment.
- 5.5** RGS shall, at its sole expense, supply for its employees providing services to Authority pursuant to this Agreement any and all benefits, such as worker's compensation, disability insurance, vacation pay, sick pay, or retirement benefits; obtain and maintain all licenses and permits usual or necessary for performing the services; pay any and all taxes incurred as a result of the employee(s) compensation, including estimated taxes, FICA and other employment taxes; and provide Authority with proof of payment of taxes on demand.

Section 6. Insurance Requirements. Before beginning any work under this Agreement, RGS, at its own cost and expense, shall procure "occurrence coverage" insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by RGS and its agents, representatives, employees, and subcontractors. RGS shall provide proof satisfactory to Authority of such coverage that meets the requirements of this section and under forms of insurance satisfactory in all respects to the Authority. RGS shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be paid by RGS. RGS shall not allow any subcontractor to commence work on any subcontract until RGS has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to Authority. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution.

- 6.1 Workers' Compensation.** RGS shall, at its sole cost and expense, maintain statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by RGS. The statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per accident. In the alternative, RGS may rely on

a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. The insurer, if insurance is provided, or RGS, if a program of self-insurance is provided, shall waive all rights of subrogation against the Authority and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement where the subject loss is not proximately caused by the actions of or failure to act by a Authority officer, agent or employee or any person or entity other than the parties to the agreement.

An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits, except after 15 days' prior written notice has been given to the Authority.

6.2 Commercial General and Automobile Liability Insurance.

6.2.1 General requirements. RGS, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. RGS shall additionally maintain commercial general liability in an amount not less than TWO MILLION DOLLARS (\$2,000,000) aggregated for bodily injury, personal injury, and property damage. If a Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

6.2.2 Minimum scope of coverage. Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 or GL 0002 (most recent editions) covering comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability. Automobile coverage shall

be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (ed. 12/90) Code 8 and 9. No endorsement shall be attached limiting the coverage.

6.2.3 Additional requirements. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

- a. Authority and its officers, employees, agents, and volunteers shall be covered as insureds with respect to each of the following: liability arising out of activities performed by or on behalf of RGS including the insured's general supervision of RGS; products and completed operations; premises owned, occupied, or used by RGS; and automobiles owned, leased, or used by RGS. The coverage shall contain no special limitations on the scope of protection afforded to Authority or its officers, employees, agents, or volunteers.
- b. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- c. An endorsement must state that coverage is primary insurance with respect to the Authority and its officers, officials, employees and volunteers, and that no insurance or self-insurance maintained by the Authority shall be called upon to contribute to a loss under the coverage.
- d. An endorsement shall state that coverage shall not be suspended, voided, cancelled by either party, or reduced in coverage or in limits, except following reasonable notice to the Authority.

6.3 Professional Liability Insurance. Upon written request of Authority, RGS, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000) covering the licensed professionals' errors and omissions.

6.3.1 Any deductible or self-insured retention shall not exceed \$1,000 per claim.

6.3.2 An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits, except after 15 days' prior written notice has been given to the Authority.

6.3.3 The following provisions shall apply if the professional liability coverages are written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, RGS must provide extended reporting coverage for a minimum of 5 years after completion of the Agreement or the work. The Authority shall have the right to exercise, at RGS's sole cost and expense, any extended reporting provisions of the policy, if RGS cancels or does not renew the coverage.
- d. A copy of the claim reporting requirements must be submitted to the Authority prior to the commencement of any work under this Agreement.

6.4 All Policies Requirements.

6.4.1 Acceptability of insurers. All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.

6.4.2 Verification of coverage. Prior to beginning any work under this Agreement, RGS shall furnish Authority with notifications of coverage and with original endorsements effecting coverage required herein. The notifications and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Authority reserves the right to require complete, certified copies of all required insurance policies, at any time.

6.4.3 Subcontractors. RGS shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

6.4.4 Variation. The Authority may approve a variation in the foregoing insurance requirements, upon a determination that the coverages, scope, limits, and forms of such insurance are either not commercially available, or that the Authority's interests are otherwise fully protected.

6.4.5 Deductibles and Self-Insured Retentions. RGS shall disclose to and obtain the approval of Authority for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement.

During the period covered by this Agreement, only upon the prior express written authorization of Authority's Chief Executive Officer, RGS may increase such deductibles or self-insured retentions with respect to Authority, its officers, employees, agents, and volunteers. The Authority's Chief Executive Officer may condition approval of an increase in deductible or self-insured retention levels with a requirement that RGS procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

6.4.6 Notice of Reduction in Coverage. In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, RGS shall provide written notice to Authority at RGS's earliest possible opportunity and in no case later than five days after RGS is notified of the change in coverage.

6.5 Remedies. In addition to any other remedies Authority may have if RGS fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, Authority may, at its sole option exercise any of the following remedies, which are alternatives to other remedies Authority may have and are not the exclusive remedy for RGS's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order RGS to stop work under this Agreement or withhold any payment that becomes due t hereunder, or both stop work and withhold any payment, until RGS demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

Section 7. Legal Requirements.

7.1 Governing Law. The laws of the State of California shall govern this Agreement.

- 7.2 Compliance with Applicable Laws.** RGS and any subcontractors shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, RGS and any subcontractors shall comply with all applicable rules and regulations to which Authority is bound by the terms of such fiscal assistance program.
- 7.4 Licenses and Permits.** RGS represents and warrants to Authority that RGS and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions and that RGS is authorized by law to provide the services contemplated by this agreement. RGS represents and warrants to Authority that RGS and its employees, agents, and subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions.
- 7.5 Nondiscrimination and Equal Opportunity.** RGS shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided under this Agreement. RGS shall comply with all applicable federal, state, and Local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement.

Section 8. Keeping and Status of Records.

- 8.1 Records Created as Part of RGS's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that RGS prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Authority. RGS hereby agrees to deliver those documents to the Authority upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this

Agreement are prepared specifically for the Authority and are not necessarily suitable for any future or other use.

8.2 Confidential Information. RGS shall hold any confidential information received from Authority in the course of performing this Agreement in trust and confidence and will not reveal such confidential information to any person or entity, either during the term of the Agreement or at any time thereafter. Upon expiration of this Agreement, or termination as provided herein, RGS shall return materials which contain any confidential information to Authority. For purposes of this paragraph, confidential information is defined as all information disclosed to RGS which relates to Authority past, present, and future activities, as well as activities under this Agreement, which information is not otherwise of public record under California law. Authority shall notify RGS what information and documents are confidential and thus subject to this section 8.2.

8.3 RGS's Books and Records. RGS shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the Authority under this Agreement for a minimum of 3 years, or for any longer period required by law, from the date of final payment under this Agreement.

8.4 Inspection and Audit of Records. Any records or documents that Section 8.2 of this Agreement requires RGS to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Authority. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds \$10,000.00, the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Authority or as part of any audit of the Authority, for a period of 3 years after final payment under the Agreement.

Section 9. Non-assignment. This Agreement is not assignable either in whole or in part without the written consent of the other party.

Section 10. Amendments. This Agreement may be amended or modified only by written agreement signed by both Parties.

Section 11. Validity The invalidity, in whole or in part, of any provisions of this Agreement shall not void or affect the validity of any other provisions of this Agreement.

Section 12. Governing Law/Attorneys Fees. This Agreement shall be governed by the laws of the State of California and any suit or action initiated by either party shall be brought in Alameda County, California. In the event of litigation between the Parties hereto to enforce any provision of the Agreement, the prevailing Party shall be entitled to reasonable attorney's fees and costs of litigation.

Section 13. Mediation. Should any dispute arise out of this Agreement, the Parties shall meet in mediation and attempt to reach a resolution with the assistance of a mutually acceptable mediator. Neither Party shall be permitted to file legal action without first meeting in mediation and making a good faith attempt to reach a mediated resolution. The costs of the mediator, if any, shall be paid equally by the Parties. If a mediated settlement is reached, neither Party shall be deemed the prevailing party for purposes of the settlement and each Party shall bear its own legal costs.

Section 14. Entire Agreement. This Agreement, including Exhibit A, comprises the entire Agreement.

Section 15. Indemnity. The purpose of this agreement is not to transfer risks otherwise accruing to either public agency in the normal course of their duties.

15.1 RGS's indemnity obligations. RGS will defend and indemnify Authority, and hold it harmless, from any claim, demand or liability that is related to, or results from the manner in which RGS has performed this Agreement. Thus, RGS's indemnity obligations will arise when any claim or demand is made against Authority which premises Authority's liability, in whole or in part, upon any of the following:

- a. the quality or character of the work of RGS's employees or subcontractors;
- b. the negligent acts or omissions of RGS or its officers, directors, employees, or agents; or
- c. the willful misconduct of RGS or its officers, directors, employees, or agents.

Further, RGS will defend and indemnify Authority, and hold it harmless, from any claim, demand or liability that is related to, or results from an assertion that as a result of providing services to Authority, an RGS employee or a person performing work pursuant to this agreement is entitled to benefits from, or is covered by, the Social Security retirement system or the California Public Employee Retirement Systems. Notwithstanding the foregoing, however, RGS's obligation for any payments to such a claimant shall be limited to those payments which Authority may be required to pay.

15.2 Authority's indemnity obligations. Authority shall indemnify, defend and hold harmless RGS and its officers, directors, employees and agents from any and all claims and lawsuits where such persons are named in the lawsuit solely by virtue of the position they hold with Authority, or solely because of a duty any of them performs while in that position.

It is the intent of the parties here to define indemnity obligations that are related to or arise out of Authority'S actions as a governmental entity. Thus, Authority shall be required to indemnify and defend only under circumstances where a cause of action is stated against RGS, its employees or agents:

- a. which is unrelated to the skill they have used in the performance of the duties delegated to them under this Agreement;
- b. when the allegations in such cause of action do not suggest the active fraud or other misconduct of RGS, its employees, or agents; and
- c. where a Authority employee, if he had been acting in a like capacity, otherwise would be acting within the scope of that employment.

Whenever Authority owes a duty hereunder to indemnify RGS, its employees or agents, Authority further agrees to pay RGS a reasonable fee for all time spent by any RGS employee, or spent by any person who has performed work pursuant to this agreement, for the purpose of preparing for or testifying in any suit, action, or legal proceeding in connection with the services the assigned employee has provided under this Agreement.

Section 16. Notices. All notices required by this Agreement shall be given to Authority and RGS in writing, by first class mail, postage prepaid, addressed as follows:

Authority: Yuma County Intergovernmental Public Transportation
Authority
2715 East 14th Street
Yuma, AZ 85365

RGS: Regional Government Services Authority
P. O. Box 1350
Carmel Valley, CA 93924

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the date first written by their respective officers duly authorized on their behalf.

DATED: _____, 2012 **Yuma County Intergovernmental Public
Transportation Authority**

By: _____
NAME, TITLE

APPROVED AS TO FORM:

DATED: _____, 2012 By: _____
NAME, Legal Counsel

DATED: _____, 2012 **Regional Government Services Authority**

By: _____
Richard H. Averett, Executive Director

APPROVED AS TO FORM:

DATED: _____, 2012 By: _____
Sky Woodruff, Authority Counsel

Exhibit A

Scope of Services. RGS shall assign RGS employees to serve as the Authority's staff which positions require performing the functions as described below:

- Perform the functions as assigned.
- Be reasonably available to perform the services during the normal work week, as agreed upon.
- Meet regularly and as often as necessary for the purpose of consulting about the scope of work performed.
- Other Duties - As part of the Authority job description(s) for this/these position(s).
- Perform related work as required.

Such employees may perform services at the Authority offices available in the YCIPTA offices or at other locations.

RGS will provide management and administrative services for up to five years from the date services commence pursuant to this agreement, subject to the provisions of Section 2 related to termination.

Compensation.

1. **Fees.** The Authority agrees to pay to RGS the full cost of compensation and support, as shown in Exhibit A, for the assigned RGS employee(s). Compensation is shown on an hourly basis.

RGS and Authority acknowledge and agree that compensation paid by Authority to RGS under this Agreement is based upon RGS's costs of providing the services required hereunder, including salaries and benefits of employees. Consequently, the parties agree that adjustments to the hourly rate shown below for "RGS Staff" will be made for changes to the salary and/or benefits costs provided by RGS to such employee. The parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities for which RGS may be obligated for its employees or may otherwise be contractually obligated.

2. **Reimbursement of RGS's Administrative Cost.** The Authority shall reimburse RGS for overhead as part of the hourly rate specified below, and for direct external costs. Support overhead costs are those expenses necessary to administering this Agreement, and are included in the hourly rate. Direct external costs, such as mileage reimbursement for use of personal vehicle for business purposes, will be invoiced to the Authority when received and without mark-up. These external costs will be due upon receipt.
3. **Terms of Payment.** RGS shall submit invoices monthly for the next month's services. Invoices shall be sent approximately 30 days in advance of the month for which they are due and shall be delinquent if not paid within 20 days of receipt. After the initial advance invoices, future invoices will include true-up

adjustments for prior period estimates versus actual expenses. The estimated payment for the next month must be received prior to the beginning of the month for which service is to be provided. Delinquent payments will be subject to a late payment carrying charge computed at a periodic rate of 1% per month, which is an annual percentage rate of 12%, which will be applied to any unpaid balance owed commencing 7 days after the payment due date. Additionally, in the event the Authority fails to pay any undisputed amounts due to RGS within 15 days after payment due date, then the Authority agrees that RGS shall have the right to consider said default a total breach of this Agreement and the duties of RGS under this Agreement may be terminated by RGS upon 10 working days advance written notice.

4. **Hiring RGS Employees.** Should the Authority desire to offer permanent or temporary employment to an RGS employee who is either currently assigned to the Authority or has been assigned to the Authority within the previous six months, said Authority will be charged a fee equal to the full-time cost of the RGS employee for one month, using the most recent RGS bill rate for the RGS employee's services to the Authority. This fee is to recover RGS' expenses in recruiting the former and replacement RGS staff.

Payment Address. All payments due RGS shall be paid to:

RGS

C/O McGilloway & Ray Accounting and Consulting

2511 Garden Road, Suite A-180

Monterey, CA 93940-5381.

RGS STAFF

NAME	POSITION	HOURLY RATE
John Andoh	Transit Director	\$63.84
TBD	Finance Manager	\$48.36
TBD	Contract Administrator	\$45.54
TBD	Administrative Assistant	\$41.03
TBD	Intern	Up to \$18.10

The start date for the services to be performed is February 1, 2012, and this agreement is anticipated to remain in force through December 31, 2016.



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

Providing Solutions to California Public Agencies

P.O. Box 1350 · Carmel Valley, CA 93924 · 650.587.7300

TO: EXECUTIVE COMMITTEE **EC Meeting: 1-12-12**
FROM: RICHARD H. AVERETT, Executive Director **Item: 3D**
SUBJECT: CLIENT AGREEMENT – LARKSPUR MASTER AGREEMENT

RECOMMENDATION

Approve authorizing the Executive Director to execute a Client Agreement with the City of Larkspur.

BACKGROUND

The City of Larkspur requested the JPAs provide a Planning Director in addition to the Human Resources Consultant currently being provided. Rather than establish a new agreement for each service (and for future services), RGS has developed a “master agreement” for both HR and Planning services as well as allowing for addendums to more easily accommodate future service additions or deletions. The master agreement is being reviewed by JPA legal counsel. Both services are currently being performed. The agreement, if approved by both agencies, would remain in force for the remainder of the calendar year and could be extended by mutual consent. The JPA’s standard professional services agreement will be used with no material changes as to form.

The draft agreement is included with the agenda packets posted to the JPA’s website.

FISCAL IMPACT

The hourly rates being charged the Agency are sufficient to pay all salary, benefit, insurance and administrative costs of the JPA.



Business: 650/587-7300
Fax: 650/587-7311
Email: RAverett@rgs.ca.gov

PO Box 1350
Carmel Valley, CA 93924

PO Box 1077
Camarillo, CA 93011-1077

AGREEMENT FOR MANAGEMENT AND ADMINISTRATIVE SERVICES

This Agreement for Management Services (“Agreement”) is made and entered into as of the 1st day of January 2012, by and between the **City of Larkspur**, a municipal agency (“City”), and **Regional Government Services Authority** (RGS), a joint powers authority, (each individually a “Party” and, collectively, the “Parties”). This agreement incorporates and supersedes previous agreements entered into October 27, 2009 and January 16, 2011, and serves as master agreement for services currently provided (Human Resources and Planning) and for other services that may be provided.

RECITALS

THIS AGREEMENT is entered into with reference to the following facts and circumstances:

- A. That CITY desires to engage RGS to render certain services to CITY;
- B. That RGS is a management and administrative services provider and is qualified to provide such services to CITY; and
- C. That CITY has elected to engage the services of RGS upon the terms and conditions as hereinafter set forth.

TERMS AND CONDITIONS

Section 1. Services. The services to be performed by RGS under this Agreement shall include those services set forth in **Exhibit A**, which is by this reference incorporated herein and made a part hereof as though it were fully set forth herein.

Where in conflict, the terms of this Agreement supersede and prevail over any terms set forth in **Exhibit A**.

1.1 Standard of Performance. RGS shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which RGS is engaged in the geographical area in which RGS practices its profession. RGS shall prepare all work products required by this Agreement in a substantial, first-class manner and shall conform to the standards of quality normally observed by a person practicing in RGS's profession.

1.2 Assignment of Personnel. RGS shall assign only competent personnel to perform services pursuant to this Agreement. In the event that CITY, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, RGS shall consider reassigning such person or persons. RGS's Executive Director will notify CITY's City Manager in writing prior to assigning a different RGS employee to provide services other than the Initial RGS Staff identified on **Exhibit A**.

1.3 Time. RGS shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in above and to satisfy RGS's obligations hereunder in **Exhibit A**.

Section 2. Term of Agreement and Termination. Services shall commence on or about the date specified in Exhibit A and shall continue until the date anticipated in Exhibit A to terminate, at which time it may be extended by mutual consent of the Parties for up to one-year intervals until terminated. This agreement may be terminated by either Party, with or without cause, upon 30 days written notice. CITY has the sole discretion to determine if the services performed by RGS are satisfactory to the CITY, which determination shall be made in good faith. If the CITY determines that the services performed by RGS are not satisfactory, the CITY may terminate this agreement by giving written notice to RGS. Upon receipt of notice of termination by either Party, RGS shall cease performing duties on behalf of CITY on the termination date specified and the compensation payable to RGS shall include only the period for which services have been performed by RGS.

Section 3. Compensation. Payment under this Agreement shall be as provided in **Exhibit A**.

Section 4. Effective Date. This Agreement shall become effective on the date first herein above written.

Section 5. Relationship of Parties.

5.1 It is understood that the relationship of RGS to CITY is that of an independent contractor and all persons working for or under the direction of RGS are its agents or employees and not agents or employees of CITY. CITY and RGS shall, at all times, treat all persons working for or under the direction of RGS as agents and employees of RGS, and not as agents or employees of the CITY. CITY shall have the right to control RGS only insofar as the results of RGS's services rendered pursuant to this agreement and assignment of personnel pursuant to Section 1.

- 5.2** RGS shall provide services under this Agreement through one or more employees of RGS qualified to perform services contracted for by CITY. Key staff of RGS who will provide services to the CITY are indicated in **Exhibit A**. The Executive Director will not reassign any of the staff indicated in **Exhibit A** without first consulting with the CITY. The Executive Director will consult with CITY on an as-needed basis to assure that the services to be performed are being provided in a professional manner and meet the objectives of CITY.
- 5.3** CITY shall not have the ability to direct how services are to be performed, specify the location where services are to be performed, or establish set hours or days for performance of services, except as set forth in **Exhibit A**.
- 5.4** CITY shall not have any right to discharge any employee of RGS from employment.
- 5.5** RGS shall, at its sole expense, provide for its employees providing services to CITY pursuant to this Agreement any and all benefits, such as worker's compensation, disability insurance, vacation pay, sick pay, or retirement benefits; obtain and maintain all licenses and permits usual or necessary for performing the services; pay any and all taxes incurred as a result of the employee(s) compensation, including estimated taxes, FICA and other employment taxes; and provide CITY with proof of payment of taxes on demand.

Section 6. Insurance Requirements. Before beginning any work under this Agreement, RGS, at its own cost and expense, shall procure "occurrence coverage" insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by RGS and its agents, representatives, employees, and subcontractors. RGS shall provide proof satisfactory to CITY of such coverage that meets the requirements of this section and under forms of insurance satisfactory in all respects to the CITY. RGS shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be paid by RGS. RGS shall not allow any subcontractor to commence work on any subcontract until RGS has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to CITY. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution.

- 6.1 Workers' Compensation.** RGS shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by RGS. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall

be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per accident. In the alternative, RGS may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. The insurer, if insurance is provided, or RGS, if a program of self-insurance is provided, shall waive all rights of subrogation against the CITY and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement where the subject loss is not proximately caused by the actions of or failure to act by a CITY officer, agent or employee or any person or entity other than the parties to the agreement.

An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits, except after 15 days' prior written notice has been given to the CITY.

6.2 Commercial General and Automobile Liability Insurance.

6.2.1 General requirements. RGS, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. RGS shall additionally maintain commercial general liability in an amount not less than TWO MILLION DOLLARS (\$2,000,000) aggregated for bodily injury, personal injury, and property damage. If a Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

6.2.2 Minimum scope of coverage. Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 or GL 0002 (most recent editions) covering comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form

Comprehensive General Liability. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (ed. 12/90) Code 8 and 9. No endorsement shall be attached limiting the coverage.

6.2.3 Additional requirements. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

- a. CITY and its officers, employees, agents, and volunteers shall be covered as insureds with respect to each of the following: liability arising out of activities performed by or on behalf of RGS including the insured's general supervision of RGS; products and completed operations; premises owned, occupied, or used by RGS; and automobiles owned, leased, or used by RGS. The coverage shall contain no special limitations on the scope of protection afforded to CITY or its officers, employees, agents, or volunteers.
- b. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- c. An endorsement must state that coverage is primary insurance with respect to the CITY and its officers, officials, employees and volunteers, and that no insurance or self-insurance maintained by the CITY shall be called upon to contribute to a loss under the coverage.
- d. An endorsement shall state that coverage shall not be suspended, voided, cancelled by either party, or reduced in coverage or in limits, except following reasonable notice to the CITY.

6.3 Professional Liability Insurance. Upon written request of CITY, RGS, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000) covering the licensed professionals' errors and omissions.

6.3.1 Any deductible or self-insured retention shall not exceed \$1,000 per claim.

6.3.2 An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits, except after fifteen (15) days' prior written notice has been given to the CITY.

- 6.3.3** The following provisions shall apply if the professional liability coverages are written on a claims-made form:
- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
 - b. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
 - c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, RGS must provide extended reporting coverage for a minimum of 5 years after completion of the Agreement or the work. The CITY shall have the right to exercise, at RGS's sole cost and expense, any extended reporting provisions of the policy, if RGS cancels or does not renew the coverage.
 - d. A copy of the claim reporting requirements must be submitted to the CITY prior to the commencement of any work under this Agreement.

6.4 All Policies Requirements.

6.4.1 Acceptability of insurers. All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.

6.4.2 Verification of coverage. Prior to beginning any work under this Agreement, RGS shall furnish CITY with notifications of coverage and with original endorsements effecting coverage required herein. The notifications and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The CITY reserves the right to require complete, certified copies of all required insurance policies, at any time.

6.4.3 Subcontractors. RGS shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

6.4.4 Variation. The CITY may approve a variation in the foregoing insurance requirements, upon a determination that the coverages, scope, limits, and forms of such insurance are either not commercially available, or that the CITY's interests are otherwise fully protected.

6.4.5 Deductibles and Self-Insured Retentions. RGS shall disclose to and obtain the approval of CITY for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement.

During the period covered by this Agreement, only upon the prior express written authorization of CITY's City Manager, RGS may increase such deductibles or self-insured retentions with respect to CITY, its officers, employees, agents, and volunteers. The CITY's City Manager may condition approval of an increase in deductible or self-insured retention levels with a requirement that RGS procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

6.4.6 Notice of Reduction in Coverage. In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, RGS shall provide written notice to CITY at RGS's earliest possible opportunity and in no case later than five days after RGS is notified of the change in coverage.

6.5 Remedies. In addition to any other remedies CITY may have if RGS fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, CITY may, at its sole option exercise any of the following remedies, which are alternatives to other remedies CITY may have and are not the exclusive remedy for RGS's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order RGS to stop work under this Agreement or withhold any payment that becomes due hereunder, or both stop work and withhold any payment, until RGS demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

Section 7. Legal Requirements.

7.1 Governing Law. The laws of the State of California shall govern this Agreement.

- 7.2 Compliance with Applicable Laws.** RGS and any subcontractors shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, RGS and any subcontractors shall comply with all applicable rules and regulations to which CITY is bound by the terms of such fiscal assistance program.
- 7.4 Licenses and Permits.** RGS represents and warrants to CITY that RGS and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions and that RGS is authorized by law to provide the services contemplated by this agreement. RGS represents and warrants to CITY that RGS and its employees, agents, and subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions.
- 7.5 Nondiscrimination and Equal Opportunity.** RGS shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided under this Agreement. RGS shall comply with all applicable federal, state, and Local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement.

Section 8. Keeping and Status of Records.

- 8.1 Records Created as Part of RGS's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that RGS prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the CITY. RGS hereby agrees to deliver those documents to the CITY upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared

specifically for the CITY and are not necessarily suitable for any future or other use.

8.2 Confidential Information. RGS shall hold any confidential information received from CITY in the course of performing this Agreement in trust and confidence and will not reveal such confidential information to any person or entity, either during the term of the Agreement or at any time thereafter. Upon expiration of this Agreement, or termination as provided herein, RGS shall return materials which contain any confidential information to CITY. For purposes of this paragraph, confidential information is defined as all information disclosed to RGS which relates to CITY past, present, and future activities, as well as activities under this Agreement, which information is not otherwise of public record under California law. CITY shall notify RGS what information and documents are confidential and thus subject to this section 8.2.

8.3 RGS's Books and Records. RGS shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the CITY under this Agreement for a minimum of 3 years, or for any longer period required by law, from the date of final payment under this Agreement.

8.4 Inspection and Audit of Records. Any records or documents that Section 8.2 of this Agreement requires RGS to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the CITY. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of CITY or as part of any audit of the CITY, for a period of 3 years after final payment under the Agreement.

Section 8. Non-assignment. This Agreement is not assignable either in whole or in part without the written consent of the other party.

Section 9. Amendments. This Agreement may be amended or modified only by written agreement signed by both Parties.

Section 10. Validity The invalidity, in whole or in part, of any provisions of this Agreement shall not void or affect the validity of any other provisions of this Agreement.

Section 11. Governing Law/Attorneys Fees. This Agreement shall be governed by

the laws of the State of California and any suit or action initiated by either party shall be brought in Marin County, California. In the event of litigation between the Parties hereto to enforce any provision of the Agreement, the prevailing Party shall be entitled to reasonable attorney's fees and costs of litigation.

Section 12. Mediation. Should any dispute arise out of this Agreement, the Parties shall meet in mediation and attempt to reach a resolution with the assistance of a mutually acceptable mediator. Neither Party shall be permitted to file legal action without first meeting in mediation and making a good faith attempt to reach a mediated resolution. The costs of the mediator, if any, shall be paid equally by the Parties. If a mediated settlement is reached, neither Party shall be deemed the prevailing party for purposes of the settlement and each Party shall bear its own legal costs.

Section 13. Entire Agreement. This Agreement, including Exhibit A, comprises the entire Agreement.

Section 14. Indemnity

14.1 RGS's indemnity obligations. RGS will defend and indemnify CITY, and hold it harmless, from any claim, demand or liability that is related to, or results from the manner in which RGS has performed this Agreement. Thus, RGS's indemnity obligations will arise when any claim or demand is made against CITY which premises CITY's liability, in whole or in part, upon any of the following:

- a. the quality or character of the work of RGS's employees or subcontractors;
- b. the negligent acts or omissions of RGS or its officers, directors, employees, or agents; or
- c. the willful misconduct of RGS or its officers, directors, employees, or agents.

Further, RGS will defend and indemnify CITY, and hold it harmless, from any claim, demand or liability that is related to, or results from an assertion that as a result of providing services to CITY, an RGS employee or a person performing work pursuant to this agreement is entitled to benefits from, or is covered by, the Social Security retirement system or the California Public Employee Retirement Systems. Notwithstanding the foregoing, however, RGS's obligation for any payments to such a claimant shall be limited to those payments which CITY may be required to pay.

14.2 CITY's indemnity obligations. CITY shall indemnify, defend and hold harmless RGS and its officers, directors, employees and agents from any and all claims and lawsuits where such persons are

named in the lawsuit solely by virtue of the position they hold with CITY, or solely because of a duty any of them performs while in that position.

It is the intent of the parties here to define indemnity obligations that are related to or arise out of CITY's actions as a governmental entity. Thus, CITY shall be required to indemnify and defend only under circumstances where a cause of action is stated against RGS, its employees or agents:

- a. which is unrelated to the skill they have used in the performance of the duties delegated to them under this Agreement;
- b. when the allegations in such cause of action do not suggest the active fraud or other misconduct of RGS, its employees, or agents; and
- c. where a CITY employee, if he had been acting in a like capacity, otherwise would be acting within the scope of that employment.

Whenever CITY owes a duty hereunder to indemnify RGS, its employees or agents, CITY further agrees to pay RGS a reasonable fee for all time spent by any RGS employee, or spent by any person who has performed work pursuant to this agreement, for the purpose of preparing for or testifying in any suit, action, or legal proceeding in connection with the services she has provided under this Agreement.

Section 15. Notices. All notices required by this Agreement shall be given to CITY and RGS in writing, by first class mail, postage prepaid, addressed as follows:

CITY: City of Larkspur
400 Magnolia Avenue
Larkspur, CA 94939

RGS: Regional Government Services Authority
P. O. Box 1350
Carmel Valley, CA 94061

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the date first written by their respective officers duly authorized on their behalf.

DATED: _____, 2011 **CITY OF LARKSPUR**

By: _____
Dan Schwartz, City Manager

APPROVED AS TO FORM:

DATED: _____, 2011 By: _____
Sky Woodruff, City Attorney

DATED: February 1, 2011 **REGIONAL GOVERNMENT SERVICES**

By: _____
Richard H. Averett, Executive Director

APPROVED AS TO FORM:

DATED: _____, 2011 By: _____
Stephen Muzio, Authority Counsel

EXHIBIT A

SCOPE OF SERVICES

RGS shall assign an RGS employee or employees to serve as the City of Larkspur's Human Resources Consultant/Human Resources Manager and Planning Consultant. These and other potential assigned personnel will perform the functions of the job descriptions for these positions and general functions as described below:

- Perform the functions as described.
- Be reasonably available to perform the services during the normal work week.
- Meet regularly and as often as necessary with the City officials for the purpose of consulting about the scope of work performed.
- Perform such other duties consistent with the position as required by the City, and will meet with other staff and attend Agency and other meetings as necessary.

Such employee(s) may perform services at the CITY offices available in the City of Larkspur or at other locations.

COMPENSATION

1. **Fees.** The CITY agrees to pay to RGS the full cost of compensation and support, as shown in Exhibit A, for the assigned RGS employee(s). Compensation is shown on an hourly basis.

RGS and CITY acknowledge and agree that compensation paid by CITY to RGS under this Agreement is based upon RGS's costs of providing the services required hereunder, including salaries and benefits of employees. Consequently, the parties agree that adjustments to the hourly rate shown below for "Assigned RGS Staff" will be made for changes to the salary and/or benefits costs provided by RGS to such employee. The parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities for which RGS may be obligated for its employees or may otherwise be contractually obligated.

2. **Reimbursement of RGS's Administrative Cost.** The CITY shall reimburse RGS for overhead as part of the hourly rate specified below, and direct external costs. Support overhead costs are those expenses necessary to administering this Agreement, and are included in the hourly rate. Direct external costs (e.g. materials, supplies, mileage reimbursement or other purchases or expenses incurred for the direct and sole benefit of the CITY) will be invoiced to the CITY when received and without mark-up. These external costs will be due upon receipt. Travel time to and from work assignments will not be invoiced to the City.

3. **Terms of Payment.** RGS shall submit invoices monthly for the prior month's services. Invoices shall be delinquent if not paid within 20 days of receipt. Delinquent payments will be subject to a late payment carrying charge computed at a periodic rate of 1% per month, which is an annual percentage rate of 12%, which will be applied to any unpaid balance owed commencing 7 days after the payment due date. Additionally, in the event the CITY fails to pay any undisputed amounts due to RGS within 15 days after payment due date, then the CITY agrees that RGS shall have the right to consider said default a total breach of this Agreement and the duties of RGS under this Agreement may be terminated by RGS upon 10 working days advance written notice.

Payment Address. All payments due RGS shall be paid to:

RGS

C/O McGilloway & Ray Accounting and Consulting

2511 Garden Road, Suite A-180

Monterey, CA 93940-5381.

ASSIGNED RGS STAFF

NAME	POSITION	HOURLY RATE
Sofia Selivanoff	Human Resources Consultant/ Human Resources Manager	\$90.00
Ann Moore	Planning Director	\$121.16

The agreement is for an hourly rate and anticipates the HR Manager will work on-site and remotely, being on-call to respond to the CITY's need for HR Consultant and Manager services, for approximately four to ten hours a week on average.

The agreement is for an hourly rate and anticipates the Planning Director will work on-site and remotely, being on-call to respond to the CITY's need for Planning Director services, for approximately sixteen hours a week on average.

The start dates for these services and other services to be performed are on or about the dates agreed to by the City. This agreement is anticipated to remain in force through December 31, 2012, unless extended by mutual consent of both parties.



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

Providing Solutions to California Public Agencies

P.O. Box 1350 · Carmel Valley, CA 93924 · 650.587.7300

TO: EXECUTIVE COMMITTEE **EC Meeting: 1-12-12**
FROM: RICHARD H. AVERETT, Executive Director **Item: 3E**
SUBJECT: CLIENT AGREEMENT – MENLO PARK FIRE PROTECTION DISTRICT
MASTER AGREEMENT

RECOMMENDATION

Approve authorizing the Executive Director to execute a Client Agreement with Menlo Park Fire Protection District.

BACKGROUND

Menlo Park Fire Protection District has requested the JPAs perform a Specific Fire Suppression Classification Study. A second project request is being discussed which involves a Comparative Fee Analysis for the District. Rather than establish a new agreement for each project service (and for future services), RGS will develop a “master agreement” for both project services as well as allow for addendums to more easily accommodate future service projects. The master agreement will be reviewed by JPA legal counsel, and if approved by Menlo Park Fire Protection District, would be effective upon signature. The agreement would remain in force for the duration of the projects and could be amended by mutual consent. The JPA’s standard professional services agreement will be used with no material changes as to form.

RGS has had a long standing relationship with Menlo Park Fire Protection District with both large-scale project services as well as staffing services. Currently, RGS is providing staffing services for an Urban Search and Rescue Coordinator.

FISCAL IMPACT

The hourly rates being charged the Agency are sufficient to pay all salary, benefit, insurance and administrative costs of the JPA.



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

Providing Solutions to California Public Agencies

P.O. Box 1350 · Carmel Valley, CA 93924 · 650.587.7300

TO: EXECUTIVE COMMITTEE
FROM: RICHARD H. AVERETT, CFO/TREASURER
SUBJECT: FINANCIAL REPORT ANALYSIS

EC Meeting: 1-12-12

Item: 4A

RECOMMENDATION

No action is required of the Executive Committee. These are informational, preliminary financial reports through November 2011 month-end, and are attached for review. All reports are draft and unaudited.

P&L ANALYSIS

Through November 2011, the net income for the JPAs was as follows:

- LGS net income equals \$202,958 for the fiscal-year-to-date (FYTD). The balance sheet shows Total Equity of \$1,280,320.
- RGS net income equals \$253,002 for the FYTD. The balance sheet shows Total Equity of \$721,984.
- Combined LGS/RGS net income equals \$455,960 for the 2011 FYTD. Combined Total Equity equals \$2,002,304.

Accruals for earned but not paid leave time have not been posted to the financials. Nor have reserve contributions for Other Post-Employment Benefit been posted. These accruals are posted at the conclusion of the fiscal year. The results shown are preliminary, unaudited estimates. Combined financial performance has continued to be positive since ‘turning the corner’ in March 2007, because increased client services revenue has outstripped more modestly increasing support expenses. However, those support costs have increased more markedly in the last year in order to maintain service levels for a rapidly increasing customer and employee base. Support cost increases include outside accounting, actuarial and technology services, and office, HR and analytical staff services.

Several factors could dampen future financial performance:

1. Loss of a major client (with 10 or more assigned staff) would negatively impact financial performance. TJPA, with 13 assigned staff, separated from the JPAs December 31, 2011.
2. Several smaller client projects will be completed over the next several months. Normal attrition is expected to be replaced by new and repeat client project/interim work, as Executive Committee Members and staff continue to communicate to the public sector about JPA services.
3. Historically low interest rates have reduced earnings. Last year we were able to more than offset reduced earnings from traditional investment sources by ‘investing’ in client receivables. These alternant investments have ended, for now, and we are back to 100 percent reliance on traditional investment sources with low yields. Historically high levels of investment dollars, coupled with use of the CalTrust Medium-Term pool’s relatively competitive yields, has kept investment earnings above budget levels. Market rates are expected to remain depressed for some time. We continue to explore other safe, alternative investments that fit our risk tolerance and business model.

Regional Government Services
Profit & Loss
July through November 2011

	Admin - JPAs	C - IV	Calistoga	City of Clearlake	Davis	Corte Madera	Dublin
Ordinary Income/Expense							
Income							
440301 · Client Billings	0.00	128,710.00	0.00	25,574.63	6,650.00	0.00	6,125.00
440400 · LGS - Admin. Services	278,914.47	0.00	0.00	0.00	0.00	0.00	0.00
440410 · Client Administration Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
440420 · Finance Charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00
480000 · Miscellaneous Income	7,338.54	0.00	0.00	0.00	0.00	0.00	0.00
Total Income	286,253.01	128,710.00	0.00	25,574.63	6,650.00	0.00	6,125.00
Expense							
511010 · Salaries - Regular	218,291.18	91,069.10	90.00	19,921.50	8,835.75	175.00	4,820.00
511072 · Salaries - Nonbillable	0.00	2,755.00	0.00	0.00	0.00	0.00	0.00
512002 · Medicare Employer Expense	3,173.07	1,337.76	1.29	288.86	128.13	2.54	69.89
512003 · Workers' Comp Exp clerical	27,328.75	0.00	0.00	0.00	0.00	0.00	0.00
512004 · Employee Assistance Program	2,522.00	0.00	0.00	0.00	0.00	0.00	0.00
512005 · Health Insurance Expense	5,705.36	0.00	9.14	0.00	0.00	0.00	0.00
512006 · Dental Insurance Expense	780.73	582.20	0.00	0.00	0.00	0.00	0.00
512007 · Vision Insurance Expense	165.96	110.80	0.00	0.00	0.00	0.00	0.00
512008 · Life Insurance Expense	254.62	278.50	0.00	0.00	0.00	0.00	0.00
512009 · Long Term Disability Expense	422.57	477.40	0.00	0.00	0.00	0.00	0.00
512010 · Stars 457 Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
512011 · Stars 401A Expense	24,668.14	8,536.94	9.00	1,992.15	883.58	17.50	482.00
512014 · Short Term Disability Expense	279.83	473.80	0.00	0.00	0.00	0.00	0.00
512018 · FSA Health & Day Care Expense	742.10	0.00	0.00	0.00	0.00	0.00	0.00
520104 · Telephone/Internet	1,096.40	0.00	0.00	0.00	0.00	0.00	0.00
520105 · Cell Phones	161.45	0.00	0.00	0.00	0.00	0.00	0.00
520107 · ADP Payroll Fees	7,381.71	0.00	0.00	0.00	0.00	0.00	0.00
520201 · Office Supplies	53.86	0.00	0.00	0.00	0.00	0.00	0.00
520202 · Bank Fees & Services	2,784.66	0.00	0.00	0.00	0.00	0.00	0.00
520204 · Printing & Postage	158.62	0.00	0.00	0.00	0.00	0.00	0.00
520301 · Audit Services	14,500.00	0.00	0.00	0.00	0.00	0.00	0.00
520302 · Legal Services	14,603.91	0.00	0.00	0.00	0.00	0.00	0.00
520320 · Professional Services	42,133.15	0.00	0.00	0.00	0.00	0.00	0.00
520501 · Professional Dues & Membership	3,242.00	0.00	0.00	0.00	0.00	0.00	0.00
520503 · Conferences & Meetings	12,104.47	0.00	0.00	1,001.00	0.00	0.00	0.00
520504 · Publications	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520701 · General Liability Insurance Exp	97,945.00	0.00	0.00	0.00	0.00	0.00	0.00
520750 · Interest Expense	23.75	0.00	0.00	0.00	0.00	0.00	0.00
520801 · Mileage Reimbursement	1,738.43	289.71	21.65	1,386.00	0.00	0.00	0.00
520803 · Travel Reimbursement	74.82	3,526.33	0.00	0.00	0.00	0.00	0.00
520805 · Supplies & Meals Reimbursement	73.38	0.00	0.00	0.00	0.00	0.00	0.00
520904 · Computer Install & Maintenance	18,194.79	0.00	0.00	0.00	0.00	0.00	0.00
522798 · Miscellaneous Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Expense	500,604.71	109,437.54	131.08	24,589.51	9,847.46	195.04	5,371.89
Net Ordinary Income	-214,351.70	19,272.46	-131.08	985.12	-3,197.46	-195.04	753.11
Other Income/Expense							
Other Expense							
529997 · Unallocated Admin. Svcs - RGS	-214,351.70	0.00	0.00	0.00	0.00	0.00	0.00
529999 · Allocated Unbillable Expenses	0.00	9,627.24	0.00	1,912.93	497.41	0.00	458.14
Total Other Expense	-214,351.70	9,627.24	0.00	1,912.93	497.41	0.00	458.14
Net Other Income	214,351.70	-9,627.24	0.00	-1,912.93	-497.41	0.00	-458.14
Net Income	0.00	9,645.22	-131.08	-927.81	-3,694.87	-195.04	294.97

Regional Government Services
Profit & Loss
July through November 2011

	<u>GCHP</u>	<u>Gilroy</u>	<u>Larkspur</u>	<u>LGS - TAM</u>	<u>Marin Transit</u>	<u>MPFPD</u>
Ordinary Income/Expense						
Income						
440301 · Client Billings	1,787,156.01	0.00	22,119.82	0.00	375,087.28	32,010.56
440400 · LGS - Admin. Services	0.00	0.00	0.00	123,817.55	0.00	0.00
440410 · Client Administration Fees	35,712.79	0.00	0.00	0.00	-174,797.53	0.00
440420 · Finance Charges	5,175.21	0.00	0.00	0.00	0.00	0.00
480000 · Miscellaneous Income	40,961.71	0.00	0.00	0.00	2,116.16	0.00
Total Income	<u>1,869,005.72</u>	<u>0.00</u>	<u>22,119.82</u>	<u>123,817.55</u>	<u>202,405.91</u>	<u>32,010.56</u>
Expense						
511010 · Salaries - Regular	1,269,064.33	0.00	17,711.22	107,483.56	91,470.07	40,162.00
511072 · Salaries - Nonbillable	0.00	0.00	0.00	0.00	0.00	0.00
512002 · Medicare Employer Expense	18,514.24	0.00	256.01	1,576.77	1,337.94	582.39
512003 · Workers' Comp Exp clerical	0.00	0.00	0.00	0.00	0.00	0.00
512004 · Employee Assistance Program	0.00	0.00	0.00	0.00	0.00	0.00
512005 · Health Insurance Expense	57,427.74	0.00	504.36	0.00	3,263.93	0.00
512006 · Dental Insurance Expense	16,901.02	0.00	0.00	756.92	873.40	0.00
512007 · Vision Insurance Expense	2,781.74	0.00	0.00	156.64	152.80	0.00
512008 · Life Insurance Expense	3,611.31	0.00	0.00	264.56	211.70	0.00
512009 · Long Term Disability Expense	6,086.95	0.00	0.00	454.72	360.70	0.00
512010 · Stars 457 Expense	0.00	0.00	0.00	0.00	0.00	0.00
512011 · Stars 401A Expense	121,530.10	0.00	1,771.12	12,679.74	8,861.99	2,930.00
512014 · Short Term Disability Expense	5,604.26	0.00	0.00	444.64	358.00	0.00
512018 · FSA Health & Day Care Expense	-117.20	0.00	0.00	0.00	0.00	0.00
520104 · Telephone/Internet	0.00	0.00	0.00	0.00	0.00	0.00
520105 · Cell Phones	0.00	0.00	0.00	0.00	0.00	0.00
520107 · ADP Payroll Fees	0.00	0.00	0.00	0.00	0.00	0.00
520201 · Office Supplies	0.00	0.00	0.00	0.00	0.00	0.00
520202 · Bank Fees & Services	0.00	0.00	0.00	0.00	0.00	0.00
520204 · Printing & Postage	0.00	0.00	0.00	0.00	0.00	0.00
520301 · Audit Services	0.00	0.00	0.00	0.00	0.00	0.00
520302 · Legal Services	2,122.60	0.00	144.00	0.00	0.00	0.00
520320 · Professional Services	240.60	0.00	0.00	0.00	0.00	0.00
520501 · Professional Dues & Membership	0.00	0.00	0.00	0.00	0.00	100.00
520503 · Conferences & Meetings	1,259.70	0.00	0.00	0.00	0.00	0.00
520504 · Publications	0.00	0.00	0.00	0.00	0.00	0.00
520701 · General Liability Insurance Exp	0.00	0.00	0.00	0.00	0.00	0.00
520750 · Interest Expense	0.00	0.00	0.00	0.00	0.00	0.00
520801 · Mileage Reimbursement	0.00	127.10	93.24	0.00	0.00	0.00
520803 · Travel Reimbursement	5,885.55	0.00	0.00	0.00	3,667.10	0.00
520805 · Supplies & Meals Reimbursement	635.52	0.00	0.00	0.00	0.00	0.00
520904 · Computer Install & Maintenance	25,344.50	0.00	0.00	0.00	0.00	0.00
522798 · Miscellaneous Expense	0.00	0.00	0.00	0.00	0.00	0.00
Total Expense	<u>1,536,892.96</u>	<u>127.10</u>	<u>20,479.95</u>	<u>123,817.55</u>	<u>110,557.63</u>	<u>43,774.39</u>
Net Ordinary Income	332,112.76	-127.10	1,639.87	0.00	91,848.28	-11,763.83
Other Income/Expense						
Other Expense						
529997 · Unallocated Admin. Svcs - RGS	0.00	0.00	0.00	0.00	0.00	0.00
529999 · Allocated Unbillable Expenses	139,797.77	0.00	1,654.52	0.00	15,139.54	2,394.32
Total Other Expense	<u>139,797.77</u>	<u>0.00</u>	<u>1,654.52</u>	<u>0.00</u>	<u>15,139.54</u>	<u>2,394.32</u>
Net Other Income	<u>-139,797.77</u>	<u>0.00</u>	<u>-1,654.52</u>	<u>0.00</u>	<u>-15,139.54</u>	<u>-2,394.32</u>
Net Income	<u><u>192,314.99</u></u>	<u><u>-127.10</u></u>	<u><u>-14.65</u></u>	<u><u>0.00</u></u>	<u><u>76,708.74</u></u>	<u><u>-14,158.15</u></u>

Regional Government Services
Profit & Loss
July through November 2011

	NERA	MGSA	MMWD	MTC	Rohnert Park	San Mateo Co.
Ordinary Income/Expense						
Income						
440301 · Client Billings	37,500.00	112,715.30	58,498.65	87,412.93	38,320.00	6,076.15
440400 · LGS - Admin. Services	0.00	0.00	0.00	-21,259.74	0.00	0.00
440410 · Client Administration Fees	0.00	0.00	0.00	0.00	0.00	0.00
440420 · Finance Charges	0.00	0.00	0.00	0.00	0.00	0.00
480000 · Miscellaneous Income	0.00	2,626.65	0.00	0.00	0.00	0.00
Total Income	37,500.00	115,341.95	58,498.65	66,153.19	38,320.00	6,076.15
Expense						
511010 · Salaries - Regular	29,391.00	86,057.98	46,305.00	49,250.69	29,955.00	1,339.25
511072 · Salaries - Nonbillable	0.00	0.00	0.00	0.00	0.00	0.00
512002 · Medicare Employer Expense	426.20	1,254.00	671.42	711.92	428.15	19.51
512003 · Workers' Comp Exp clerical	0.00	0.00	0.00	0.00	0.00	0.00
512004 · Employee Assistance Program	0.00	0.00	0.00	0.00	0.00	0.00
512005 · Health Insurance Expense	0.00	2,857.80	0.00	8,439.00	3,820.14	32.43
512006 · Dental Insurance Expense	0.00	291.20	0.00	1,081.26	0.00	0.00
512007 · Vision Insurance Expense	0.00	76.40	0.00	238.44	0.00	0.00
512008 · Life Insurance Expense	0.00	104.40	0.00	31.77	0.00	1.60
512009 · Long Term Disability Expense	0.00	178.10	0.00	54.08	0.00	2.65
512010 · Stars 457 Expense	0.00	0.00	0.00	0.00	0.00	0.00
512011 · Stars 401A Expense	2,939.10	8,605.78	4,630.50	4,879.96	2,995.50	99.72
512014 · Short Term Disability Expense	0.00	176.80	0.00	53.65	0.00	1.75
512018 · FSA Health & Day Care Expense	0.00	0.00	0.00	0.00	0.00	0.00
520104 · Telephone/Internet	0.00	0.00	0.00	0.00	0.00	0.00
520105 · Cell Phones	0.00	0.00	0.00	0.00	0.00	0.00
520107 · ADP Payroll Fees	0.00	0.00	0.00	0.00	0.00	0.00
520201 · Office Supplies	0.00	0.00	0.00	0.00	0.00	0.00
520202 · Bank Fees & Services	0.00	0.00	0.00	0.00	0.00	0.00
520204 · Printing & Postage	0.00	0.00	0.00	0.00	0.00	0.00
520301 · Audit Services	0.00	0.00	0.00	0.00	0.00	0.00
520302 · Legal Services	0.00	0.00	0.00	198.00	0.00	0.00
520320 · Professional Services	0.00	0.00	0.00	0.00	0.00	0.00
520501 · Professional Dues & Membership	0.00	0.00	0.00	0.00	0.00	0.00
520503 · Conferences & Meetings	0.00	0.00	0.00	0.00	0.00	0.00
520504 · Publications	0.00	0.00	0.00	0.00	0.00	0.00
520701 · General Liability Insurance Exp	0.00	0.00	0.00	0.00	0.00	0.00
520750 · Interest Expense	0.00	0.00	0.00	0.00	0.00	0.00
520801 · Mileage Reimbursement	0.00	2,252.77	0.00	889.92	0.00	0.00
520803 · Travel Reimbursement	0.00	0.00	0.00	324.50	0.00	0.00
520805 · Supplies & Meals Reimbursement	0.00	52.15	0.00	0.00	0.00	0.00
520904 · Computer Install & Maintenance	0.00	0.00	0.00	0.00	0.00	0.00
522798 · Miscellaneous Expense	0.00	0.00	0.00	0.00	0.00	0.00
Total Expense	32,756.30	101,907.38	51,606.92	66,153.19	37,198.79	1,496.91
Net Ordinary Income	4,743.70	13,434.57	6,891.73	0.00	1,121.21	4,579.24
Other Income/Expense						
Other Expense						
529997 · Unallocated Admin. Svcs - RGS	0.00	0.00	0.00	0.00	0.00	0.00
529999 · Allocated Unbillable Expenses	2,804.92	8,627.34	4,375.58	6,538.31	2,866.26	454.48
Total Other Expense	2,804.92	8,627.34	4,375.58	6,538.31	2,866.26	454.48
Net Other Income	-2,804.92	-8,627.34	-4,375.58	-6,538.31	-2,866.26	-454.48
Net Income	1,938.78	4,807.23	2,516.15	-6,538.31	-1,745.05	4,124.76

Regional Government Services
Profit & Loss
July through November 2011

	San Rafael	Sausalito	SMARTD	Stars	TAM	TJPA	Twin Cities Police
Ordinary Income/Expense							
Income							
440301 · Client Billings	80,290.47	75,416.65	75.00	0.00	0.00	0.00	22.50
440400 · LGS - Admin. Services	0.00	0.00	0.00	0.00	0.00	88,527.72	0.00
440410 · Client Administration Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
440420 · Finance Charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00
480000 · Miscellaneous Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Income	80,290.47	75,416.65	75.00	0.00	0.00	88,527.72	22.50
Expense							
511010 · Salaries - Regular	72,523.62	59,100.00	45.00	4,295.79	0.00	77,679.20	15.00
511072 · Salaries - Nonbillable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
512002 · Medicare Employer Expense	1,062.76	870.20	0.64	63.09	0.00	1,140.00	0.21
512003 · Workers' Comp Exp clerical	0.00	0.00	0.00	0.00	0.00	0.00	0.00
512004 · Employee Assistance Program	0.00	0.00	0.00	0.00	0.00	0.00	0.00
512005 · Health Insurance Expense	2,857.80	0.00	6.95	283.69	0.00	21.40	3.56
512006 · Dental Insurance Expense	291.20	291.20	0.00	42.55	0.00	11.19	0.00
512007 · Vision Insurance Expense	142.88	76.40	0.00	8.10	0.00	2.94	0.00
512008 · Life Insurance Expense	197.28	195.80	0.00	13.95	0.00	0.98	0.00
512009 · Long Term Disability Expense	338.62	337.50	0.00	23.16	0.00	1.63	0.00
512010 · Stars 457 Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
512011 · Stars 401A Expense	8,600.85	5,625.00	4.50	640.55	0.00	9,469.30	1.50
512014 · Short Term Disability Expense	299.50	298.00	0.00	15.34	0.00	1.08	0.00
512018 · FSA Health & Day Care Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520104 · Telephone/Internet	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520105 · Cell Phones	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520107 · ADP Payroll Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520201 · Office Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520202 · Bank Fees & Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520204 · Printing & Postage	251.96	0.00	0.00	0.00	0.00	0.00	0.00
520301 · Audit Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520302 · Legal Services	0.00	0.00	0.00	0.00	227.30	0.00	0.00
520320 · Professional Services	0.00	0.00	0.00	0.00	1,269.00	200.00	0.00
520501 · Professional Dues & Membership	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520503 · Conferences & Meetings	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520504 · Publications	0.00	0.00	0.00	0.00	290.00	0.00	0.00
520701 · General Liability Insurance Exp	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520750 · Interest Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520801 · Mileage Reimbursement	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520803 · Travel Reimbursement	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520805 · Supplies & Meals Reimbursement	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520904 · Computer Install & Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00
522798 · Miscellaneous Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Expense	86,566.47	66,794.10	57.09	5,386.22	1,786.30	88,527.72	20.27
Net Ordinary Income	-6,276.00	8,622.55	17.91	-5,386.22	-1,786.30	0.00	2.23
Other Income/Expense							
Other Expense							
529997 · Unallocated Admin. Svcs - RGS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
529999 · Allocated Unbillable Expenses	6,005.56	5,641.01	5.61	0.00	0.00	0.00	1.68
Total Other Expense	6,005.56	5,641.01	5.61	0.00	0.00	0.00	1.68
Net Other Income	-6,005.56	-5,641.01	-5.61	0.00	0.00	0.00	-1.68
Net Income	-12,281.56	2,981.54	12.30	-5,386.22	-1,786.30	0.00	0.55

Regional Government Services
Profit & Loss
July through November 2011

	<u>Vallejo</u>	<u>VCTC2</u>	<u>Yountville</u>	<u>TOTAL</u>
Ordinary Income/Expense				
Income				
440301 · Client Billings	28,419.50	16,356.00	29,112.00	2,953,648.45
440400 · LGS - Admin. Services	0.00	0.00	0.00	470,000.00
440410 · Client Administration Fees	0.00	0.00	0.00	-139,084.74
440420 · Finance Charges	0.00	0.00	0.00	5,175.21
480000 · Miscellaneous Income	300.00	0.00	0.00	53,343.06
Total Income	28,719.50	16,356.00	29,112.00	3,343,081.98
Expense				
511010 · Salaries - Regular	15,600.00	16,418.87	25,061.68	2,382,131.79
511072 · Salaries - Nonbillable	0.00	0.00	0.00	2,755.00
512002 · Medicare Employer Expense	226.19	238.12	363.40	34,744.70
512003 · Workers' Comp Exp clerical	0.00	0.00	0.00	27,328.75
512004 · Employee Assistance Program	0.00	0.00	0.00	2,522.00
512005 · Health Insurance Expense	0.00	12.09	3.64	85,249.03
512006 · Dental Insurance Expense	0.00	35.32	3.62	21,941.81
512007 · Vision Insurance Expense	0.00	9.26	0.95	3,923.31
512008 · Life Insurance Expense	0.00	0.00	0.00	5,166.47
512009 · Long Term Disability Expense	0.00	0.00	0.00	8,738.08
512010 · Stars 457 Expense	0.00	0.00	0.00	0.00
512011 · Stars 401A Expense	1,560.00	1,637.64	2,429.73	238,481.89
512014 · Short Term Disability Expense	0.00	0.00	0.00	8,006.65
512018 · FSA Health & Day Care Expense	0.00	0.00	0.00	624.90
520104 · Telephone/Internet	0.00	0.00	0.00	1,096.40
520105 · Cell Phones	0.00	0.00	0.00	161.45
520107 · ADP Payroll Fees	0.00	0.00	0.00	7,381.71
520201 · Office Supplies	0.00	0.00	0.00	53.86
520202 · Bank Fees & Services	0.00	0.00	0.00	2,784.66
520204 · Printing & Postage	0.00	0.00	0.00	410.58
520301 · Audit Services	0.00	0.00	0.00	14,500.00
520302 · Legal Services	0.00	0.00	0.00	17,295.81
520320 · Professional Services	0.00	0.00	0.00	43,842.75
520501 · Professional Dues & Membership	0.00	0.00	0.00	3,342.00
520503 · Conferences & Meetings	0.00	0.00	100.00	14,465.17
520504 · Publications	0.00	0.00	0.00	290.00
520701 · General Liability Insurance Exp	0.00	0.00	0.00	97,945.00
520750 · Interest Expense	0.00	0.00	0.00	23.75
520801 · Mileage Reimbursement	295.26	0.00	0.00	7,094.08
520803 · Travel Reimbursement	0.00	0.00	0.00	13,478.30
520805 · Supplies & Meals Reimbursement	0.00	0.00	0.00	761.05
520904 · Computer Install & Maintenance	0.00	0.00	0.00	43,539.29
522798 · Miscellaneous Expense	0.00	0.00	0.00	0.00
Total Expense	17,681.45	18,351.30	27,963.02	3,090,080.24
Net Ordinary Income	11,038.05	-1,995.30	1,148.98	253,001.74
Other Income/Expense				
Other Expense				
529997 · Unallocated Admin. Svcs - RGS	0.00	0.00	0.00	-214,351.70
529999 · Allocated Unbillable Expenses	2,148.16	1,223.40	2,177.52	214,351.70
Total Other Expense	2,148.16	1,223.40	2,177.52	0.00
Net Other Income	-2,148.16	-1,223.40	-2,177.52	0.00
Net Income	8,889.89	-3,218.70	-1,028.54	253,001.74

Regional Government Services
Balance Sheet
As of November 30, 2011

	<u>Nov 30, 11</u>
ASSETS	
Current Assets	
Checking/Savings	
110010 · Wells Fargo - Cash	129,792.86
110030 · LAIF Account	64,976.29
110040 · CalTRUST Medium Term Fund	2,355,646.10
110050 · CalTRUST Short Term Fund	728,081.16
Total Checking/Savings	<u>3,278,496.41</u>
Accounts Receivable	
131130 · Accounts Receivable	804,882.01
Total Accounts Receivable	<u>804,882.01</u>
Other Current Assets	
120010 · Prepaid Insurance	175,384.25
131131 · Accounts Receivable - Misc	2,895.26
Total Other Current Assets	<u>178,279.51</u>
Total Current Assets	4,261,657.93
Other Assets	
160001 · Workers Comp Deposits/Credits	4,280.00
Total Other Assets	<u>4,280.00</u>
TOTAL ASSETS	<u><u>4,265,937.93</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
220010 · Accounts Payable	10,829.84
Total Accounts Payable	<u>10,829.84</u>
Other Current Liabilities	
214060 · Due to LGS	1,992,767.04
221003 · 457/401A Retirement Liability	31,967.18
221015 · Health Insurance Liability	-21,416.16
221023 · Dental Insurance Liability	-4,771.67
221024 · Vision Insurance Liability	-886.42
230060 · Accrued Salaries, Wages & Taxes	230,187.48
240010 · Deferred Revenue	841,249.66
250001 · Accrued Vacation, Sick, Admin	233,592.83
Total Other Current Liabilities	<u>3,302,689.94</u>
Total Current Liabilities	3,313,519.78
Long Term Liabilities	
260001 · Gen Liab Ins Claims Payable	120,434.00
260002 · Other Post Employment Benefits	110,000.00
Total Long Term Liabilities	<u>230,434.00</u>
Total Liabilities	3,543,953.78
Equity	
370000 · Fund Bal Unreserved/Unrestrictd	468,982.41
Net Income	253,001.74
Total Equity	<u>721,984.15</u>
TOTAL LIABILITIES & EQUITY	<u><u>4,265,937.93</u></u>



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

Providing Solutions to California Public Agencies

P.O. Box 1350 · Carmel Valley, CA 93924 · 650.587.7300

TO: EXECUTIVE COMMITTEE **EC Meeting: 1-12-12**
FROM: RICHARD H. AVERETT, CFO/Treasurer **Item: 4B**
SUBJECT: PAYMENTS MADE JULY THROUGH NOVEMBER 2011

RECOMMENDATION

Review and approve expenditures made by the JPA for the period(s) indicated.

BACKGROUND

The Executive Committee reviews and approves expenditures made by the JPA on a monthly basis. This approval process is a component of the JPA's internal controls.

The following procedures are being implemented to maintain effective internal controls.

1. Invoices are received by the JPA fiscal agent, McGilloway Ray Brown & Kaufman Accounting and Consulting (MRBK);
2. The fiscal agent reviews for accuracy, including reviewing payments for employee benefits against payroll and employee census data, and prepares checks and supporting documentation for Executive Director;
3. The Executive Director reviews and signs/authorizes the check or electronic payment;
4. MRBK prepares and submits to our bank, Wells Fargo, a wire transfer record, and the Executive Director or his designee electronically reviews and approves each wire; and
5. All payments are brought to the next Executive Committee meeting for review and approval.

FISCAL IMPACT

The net impact of all payments and deposits made this period maintains a minimal bank cash balance consistent with meeting funding obligations, while maximizing interest earnings in the Local Agency Investment Fund (LAIF) and CalTrust medium term and short term investment pools. Note that any apparent negative balances at the end of a month are due to timing of expenses consistent with accrual accounting. Staff seeks to minimize bank charges at all times.

The fiscal impact of approving the attached list of expenditures is included in the approved FY2012 budget or in subsequently approved action by the Executive Committee.

Regional Government Services

Disbursements

As of November 30, 2011

Type	Date	Num	Name	Memo	Clr	Amount	Balance
110010 - Wells Fargo - Cash							-32,549,867.05
Check	07/01/2011	EFT	LGS	ZBA Transfer	√	-34,004.04	-32,583,871.09
Check	07/02/2011	EFT	ADP Fees	Payroll Fees	√	-357.46	-32,584,228.55
Check	07/07/2011	EFT	ADP Net Checks	06/30 Payroll	√	-161,450.12	-32,745,678.67
Check	07/07/2011	EFT	ADP FWH/SWH/MED	06/30 Payroll	√	-54,823.61	-32,800,502.28
Check	07/07/2011	EFT	LGS	ZBA Transfer	√	-183,186.83	-32,983,689.11
Check	07/08/2011	2590	VOID	VOID: voided check sequence	√	0.00	-32,983,689.11
Check	07/08/2011	2591	VOID	VOID: void check sequence	√	0.00	-32,983,689.11
Check	07/08/2011	2592	VOID	VOID: void check sequence	√	0.00	-32,983,689.11
Check	07/08/2011	2593	VOID	VOID: void check sequence	√	0.00	-32,983,689.11
Check	07/08/2011	2594	VOID	VOID: void check sequence	√	0.00	-32,983,689.11
Check	07/08/2011	2595	VOID	VOID: void check sequence	√	0.00	-32,983,689.11
Check	07/08/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-23,431.10	-33,007,120.21
Check	07/08/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-11,524.75	-33,018,644.96
Check	07/08/2011	EFT	LGS	ZBA Transfer	√	-9,592.94	-33,028,237.90
Check	07/11/2011	EFT	Wells Fargo Bank	Service Charge	√	-210.14	-33,028,448.04
Check	07/11/2011	EFT	LGS	ZBA Transfer	√	-36,350.15	-33,064,798.19
Check	07/15/2011	EFT	ADP Fees	Payroll Fees	√	-404.96	-33,065,203.15
Check	07/15/2011	EFT	LGS	ZBA Transfer	√	-9,664.85	-33,074,868.00
Check	07/19/2011	EFT	LGS	ZBA Transfer	√	-44,213.81	-33,119,081.81
Bill Pmt -Check	07/20/2011	2597	Liebert Cassidy Whitmore	ERC Membership 7/1/11-6/30/12 Inv.130735	√	-3,142.00	-33,122,223.81
Check	07/20/2011	2647	Vision Service Plan	Aug premiums 12 275218 0002	√	-716.00	-33,122,939.81
Check	07/21/2011	EFT	ADP Net Checks	07/15 Payroll	√	-167,959.64	-33,290,899.45
Check	07/21/2011	EFT	ADP FWH/SWH/MED	07/15 Payroll	√	-55,698.88	-33,346,598.33
Check	07/21/2011	EFT	LGS	ZBA Transfer	√	-183,912.76	-33,530,511.09
Check	07/22/2011	2598	Richard Averett	Jun Expenses	√	-662.23	-33,531,173.32
Check	07/22/2011	2599	Jennifer Bower	Mar, Apr, May & Jun Expenses	√	-2,202.97	-33,533,376.29
Check	07/22/2011	2600	Jeff Rawles	Jun Expenses	√	-321.73	-33,533,698.02
Check	07/22/2011	2601	Teresa Bryerton	May Expenses	√	-798.15	-33,534,496.17
Check	07/22/2011	2602	Sophia Selivanoff	Jun Expenses	√	-101.49	-33,534,597.66
Check	07/22/2011	2603	Myrna Lebert	Myrna Lebert Jun Exp	√	-808.29	-33,535,405.95
Check	07/22/2011	2604	Lupe Gonzalez	June Expenses	√	-149.00	-33,535,554.95
Check	07/22/2011	2605	Steven Lalach	June Expenses	√	-92.07	-33,535,647.02
Check	07/22/2011	2606	Audra Lucas	June Expenses	√	-143.30	-33,535,790.32
Check	07/22/2011	2607	Traci McGinley	June Expenses	√	-145.39	-33,535,935.71
Check	07/22/2011	2608	Darlane Johnsen	May Expenses	√	-42.00	-33,535,977.71
Check	07/22/2011	2609	Donald Gordon	June Expenses	√	-2,264.98	-33,538,242.69
Check	07/22/2011	2610	Paul Roberts	June Expenses	√	-261.55	-33,538,504.24
Check	07/22/2011	2611	Lisa D Johnson	June Expenses	√	-19.38	-33,538,523.62

Regional Government Services
Disbursements
As of November 30, 2011

Type	Date	Num	Name	Memo	Clr	Amount	Balance
Bill Pmt -Check	07/22/2011	2612	Claremont	Jul EAP Bill #24465	√	-250.00	-33,538,773.62
Bill Pmt -Check	07/22/2011	2613	Megapath	July invoice 47327623, acctnt 542755	√	-218.73	-33,538,992.35
Bill Pmt -Check	07/22/2011	2614	Meyers Nave	May invoice 2011050723	√	-5,750.46	-33,544,742.81
Bill Pmt -Check	07/22/2011	2615	Federal Express	inv 7-399-88105 acct 2594-1610-8	√	-24.00	-33,544,766.81
Bill Pmt -Check	07/22/2011	2616	Flex-Plan Services Inc	Jun Bene Cards 178441	√	-164.70	-33,544,931.51
Bill Pmt -Check	07/22/2011	2617	iT Solutions		√	-850.00	-33,545,781.51
Bill Pmt -Check	07/22/2011	2618	Mike Van Meerten		√	-427.50	-33,546,209.01
Check	07/22/2011	2621	CalPERS	H2011087563000-Aug Premium	√	-18,116.52	-33,564,325.53
Check	07/22/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-23,433.26	-33,587,758.79
Check	07/22/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-10,806.01	-33,598,564.80
Check	07/22/2011	EFT	ADP Fees	Payroll Fees	√	-7.30	-33,598,572.10
Check	07/22/2011	EFT	LGS	ZBA Transfer	√	-9,462.30	-33,608,034.40
Check	07/25/2011	2596	Allied Administrators	Aug Premium Employer ID #79360-7917-7155 plus	√	-4,818.68	-33,612,853.08
Check	07/28/2011	EFT	LGS	ZBA Transfer	√	-5,329.08	-33,618,182.16
Check	07/29/2011	EFT	ADP Fees	Payroll Fees	√	-387.46	-33,618,569.62
Check	07/29/2011	EFT	LGS	ZBA Transfer	√	-329.88	-33,618,899.50
Bill Pmt -Check	07/31/2011	2620	Mayer Hoffman McCann P.C.		√	-2,000.00	-33,620,899.50
Bill Pmt -Check	07/31/2011	2623	McGilloway, Ray, Brown & Kaufman		√	-8,637.38	-33,629,536.88
Bill Pmt -Check	07/31/2011	2632	Meyers Nave	Jun invoice 2011060900	√	-882.90	-33,630,419.78
Bill Pmt -Check	07/31/2011	2633	Terry Reomer	Invoice #4	√	-117.50	-33,630,537.28
Bill Pmt -Check	07/31/2011	2634	US Bank	Jun charges 06/11 to 7/4 for statement cut off 7/6/1	√	-4,504.11	-33,635,041.39
Check	07/31/2011	2649	Reliance	Juj Contributions	√	-4,028.12	-33,639,069.51
Bill Pmt -Check	08/01/2011	2645	Claremont		√	-1,455.50	-33,640,525.01
Bill Pmt -Check	08/01/2011	2646	US Postmaster	Annual Renewal for P.O. Box 1077 Camarillo, CA 9	√	-70.00	-33,640,595.01
Check	08/02/2011	EFT	LGS	ZBA Transfer	√	-31,793.91	-33,672,388.92
Check	08/04/2011	EFT	LGS	ZBA Transfer	√	-174,762.83	-33,847,151.75
Check	08/04/2011	EFT	ADP Net Checks	07/31 Payroll	√	-164,439.68	-34,011,591.43
Check	08/04/2011	EFT	ADP FWH/SWH/MED	07/31 Payroll	√	-52,895.82	-34,064,487.25
Bill Pmt -Check	08/05/2011	2622	California JPIA		√	-190,662.00	-34,255,149.25
Check	08/05/2011	EFT	LGS	ZBA Transfer	√	-18.00	-34,255,167.25
Check	08/05/2011	EFT	ADP Fees	Payroll Fees	√	-18.00	-34,255,185.25
Check	08/08/2011	EFT	LGS	ZBA Transfer	√	-9,224.68	-34,264,409.93
Check	08/08/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-22,778.46	-34,287,188.39
Check	08/08/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-10,910.58	-34,298,098.97
Check	08/11/2011	EFT	LGS	ZBA Transfer	√	-188.78	-34,298,287.75
Check	08/11/2011	EFT	Wells Fargo Bank	Service Charge	√	-207.49	-34,298,495.24
Check	08/12/2011	EFT	LGS	ZBA Transfer	√	-362.03	-34,298,857.27
Check	08/12/2011	EFT	ADP Fees	Payroll Fees	√	-413.75	-34,299,271.02
Check	08/16/2011	EFT	LGS	ZBA Transfer	√	-38,237.87	-34,337,508.89

Regional Government Services
Disbursements
As of November 30, 2011

Type	Date	Num	Name	Memo	Clr	Amount	Balance
Check	08/17/2011	EFT	LGS	ZBA Transfer	√	-34,685.91	-34,372,194.80
Check	08/18/2011	EFT	LGS	ZBA Transfer	√	-109,996.00	-34,482,190.80
Check	08/19/2011	EFT	LGS	ZBA Transfer	√	-143,258.82	-34,625,449.62
Check	08/19/2011	EFT	ADP Net Checks	08/15 Payroll	√	-171,865.84	-34,797,315.46
Check	08/19/2011	EFT	ADP Fees	Payroll Fees	√	-7.30	-34,797,322.76
Check	08/22/2011	EFT	LGS	ZBA Transfer	√	-46,441.15	-34,843,763.91
Check	08/22/2011	EFT	ADP FWH/SWH/MED	08/15 Payroll	√	-57,287.93	-34,901,051.84
Check	08/24/2011	2624	Suzanne Canino	July Expenses	√	-10.55	-34,901,062.39
Check	08/24/2011	2625	Audra Lucas	July Expenses	√	-96.01	-34,901,158.40
Check	08/24/2011	2626	Melanie Frampton	July Expenses	√	-139.08	-34,901,297.48
Check	08/24/2011	2627	Paul Roberts	July Expenses	√	-38.74	-34,901,336.22
Check	08/24/2011	2628	Traci McGinley	July Expenses	√	-132.09	-34,901,468.31
Check	08/24/2011	2629	Steven Lalach	VOID: July Expenses	√	0.00	-34,901,468.31
Check	08/24/2011	2630	Guillermo Gonzalez	June Expenses	√	-30.60	-34,901,498.91
Check	08/24/2011	2631	Guillermo Gonzalez	July Expenses	√	-188.45	-34,901,687.36
Check	08/24/2011	2635	CalPERS	H2011097563000-Sep Premium	√	-17,986.42	-34,919,673.78
Bill Pmt -Check	08/24/2011	2636	Mike Van Meerten		√	-950.00	-34,920,623.78
Check	08/24/2011	2637	Myrna Lebert	Myrna Lebert Jul Exp	√	-1,092.99	-34,921,716.77
Check	08/24/2011	2638	Angie Zavala	EE Mileage 4/27-5/12	√	-46.41	-34,921,763.18
Check	08/24/2011	2639	Anne Oliver	July Expenses	√	-215.65	-34,921,978.83
Check	08/24/2011	2640	Mary Archer	March moving expenses	√	-967.41	-34,922,946.24
Check	08/24/2011	2641	Jeff Rawles	Jul Expenses	√	-309.35	-34,923,255.59
Check	08/24/2011	2642	Richard Averett	Jul Expenses	√	-472.52	-34,923,728.11
Check	08/24/2011	2643	Sophia Selivanoff	Jul Expenses	√	-85.68	-34,923,813.79
Check	08/24/2011	2644	Gail Papworth	Jul Expenses	√	-73.38	-34,923,887.17
Check	08/24/2011	2648	Allied Administrators	Sep Premium Employer ID #79360-7917-7155	√	-4,078.55	-34,927,965.72
Check	08/24/2011	EFT	LGS	ZBA Transfer	√	-9,433.14	-34,937,398.86
Check	08/24/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-23,863.43	-34,961,262.29
Check	08/24/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-10,307.38	-34,971,569.67
Check	08/25/2011	EFT	LGS	ZBA Transfer	√	-1,108.02	-34,972,677.69
Check	08/26/2011	EFT	LGS	ZBA Transfer	√	-6,138.79	-34,978,816.48
Check	08/26/2011	EFT	ADP Fees	Payroll Fees	√	-384.53	-34,979,201.01
Check	08/31/2011	2650	Reliance	Jul Contributions	√	-4,452.51	-34,983,653.52
Check	08/31/2011	EFT	LGS	ZBA Transfer	√	-35,019.96	-35,018,673.48
Bill Pmt -Check	08/31/2011	2651	Assoc of Bay Area Governments	Berkeley Exec Seminar Hotel Expenses 2011-H.Pik	√	-748.85	-35,019,422.33
Check	09/01/2011	EFT	LGS	ZBA Transfer	√	-10,855.58	-35,030,277.91
Check	09/07/2011	EFT	LGS	ZBA Transfer	√	-194,896.88	-35,225,174.79
Check	09/07/2011	EFT	ADP Net Checks	08/31 Payroll	√	-180,529.30	-35,405,704.09
Check	09/07/2011	EFT	ADP FWH/SWH/MED	ZBA Transfer	√	-60,397.10	-35,466,101.19

Regional Government Services
Disbursements
As of November 30, 2011

Type	Date	Num	Name	Memo	Clr	Amount	Balance
Check	09/09/2011	EFT	LGS	ZBA Transfer	√	-9,309.28	-35,475,410.47
Check	09/09/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-24,954.91	-35,500,365.38
Check	09/09/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-8,203.91	-35,508,569.29
Check	09/12/2011	EFT	LGS	ZBA Transfer	√	-189.87	-35,508,759.16
Check	09/12/2011	EFT	Wells Fargo Bank	Service Charge	√	-379.69	-35,509,138.85
Check	09/13/2011	EFT	LGS	ZBA Transfer	√	-34,738.63	-35,543,877.48
Check	09/14/2011	EFT	LGS	ZBA Transfer	√	-36,556.73	-35,580,434.21
Check	09/16/2011	EFT	LGS	ZBA Transfer	√	-362.03	-35,580,796.24
Check	09/16/2011	EFT	ADP Fees	Payroll Fees	√	-416.68	-35,581,212.92
Check	09/19/2011	EFT	Wells Fargo Bank	Service Charge	√	-35.02	-35,581,247.94
Check	09/20/2011	2652	Audra Lucas	Aug Expenses	√	-90.69	-35,581,338.63
Check	09/20/2011	2653	Paul Roberts	Aug Expenses	√	-91.79	-35,581,430.42
Check	09/20/2011	2654	Candice Limousin	Aug Expenses	√	-60.60	-35,581,491.02
Check	09/20/2011	2655	Aimee Sziklai	Aug Expenses	√	-2,831.18	-35,584,322.20
Check	09/20/2011	2656	Guillermo Gonzalez	Aug Expenses	√	-136.55	-35,584,458.75
Check	09/20/2011	2657	Darlane Johnsen	Aug Expenses	√	-122.10	-35,584,580.85
Check	09/20/2011	2658	Lupe Gonzalez	Aug Expenses	√	-51.95	-35,584,632.80
Check	09/20/2011	2659	Steven Lalach	July Expenses to replace void ch.2629	√	-479.88	-35,585,112.68
Check	09/20/2011	2660	Richard Averett	Aug Expenses	√	-600.12	-35,585,712.80
Check	09/20/2011	2661	Gail Papworth	Aug Expenses	√	-290.00	-35,586,002.80
Check	09/20/2011	2662	Mark Jones	Aug Expenses	√	-323.62	-35,586,326.42
Check	09/20/2011	2664	Sophia Selivanoff	Aug Expenses	√	-150.41	-35,586,476.83
Check	09/20/2011	2665	Myrna Lebert	Aug Expenses	√	-855.90	-35,587,332.73
Check	09/20/2011	2666	Angie Zavala	VOID: Aug Expenses	√	0.00	-35,587,332.73
Check	09/20/2011	2667	Menlo Park FPD	To pay credit memo #2461-Linhart	√	-1,350.00	-35,588,682.73
Bill Pmt -Check	09/20/2011	2672	City of San Rafael	Inv SR-EXEC2011 Berkeley Exec Seminar	√	-1,652.70	-35,590,335.43
Bill Pmt -Check	09/20/2011	2673	Employment Research Services		√	-1,044.80	-35,591,380.23
Bill Pmt -Check	09/20/2011	2674	Federal Express	Inv 7-600-25789 acct 2594-1610-8	√	-11.68	-35,591,391.91
Bill Pmt -Check	09/20/2011	2675	Flex-Plan Services Inc	Aug Bene Cards 181770	√	-135.00	-35,591,526.91
Bill Pmt -Check	09/20/2011	2676	iT Solutions		√	-1,377.78	-35,592,904.69
Bill Pmt -Check	09/20/2011	2677	Marin Transit District JPA		√	-966.16	-35,593,870.85
Bill Pmt -Check	09/20/2011	2678	McGilloway, Ray, Brown & Kaufman		√	-9,120.89	-35,602,991.74
Bill Pmt -Check	09/20/2011	2679	Megapath		√	-437.45	-35,603,429.19
Bill Pmt -Check	09/20/2011	2680	Meyers Nave	Jul invoice 2011070774	√	-137.70	-35,603,566.89
Bill Pmt -Check	09/20/2011	2681	Stefan Design Group	Invoice 1107001-Wallet Cards S.Rafel	√	-251.96	-35,603,818.85
Bill Pmt -Check	09/20/2011	2682	US Bank	Charges 07/7 to 8/01 for statement cut off 8/08/11	√	-10,391.21	-35,614,210.06
Check	09/20/2011	2683	Reliance	Sep Contributions	√	-4,552.83	-35,618,762.89
Check	09/20/2011	2684	CalPERS	H2011107563000-Oct Premium	√	-16,542.61	-35,635,305.50
Check	09/20/2011	2685	Vision Service Plan	Sep premiums 12 275218 0002	√	-921.56	-35,636,227.06

Regional Government Services
Disbursements
As of November 30, 2011

Type	Date	Num	Name	Memo	Clr	Amount	Balance
Check	09/20/2011	2686	Allied Administrators	Oct Premium Employer ID #79360-7917-7155	√	-4,788.29	-35,641,015.35
Check	09/20/2011	2663	Mark Jones	VOID: Aug Expenses	√	0.00	-35,641,015.35
Check	09/21/2011	EFT	LGS	ZBA Transfer	√	-192,196.75	-35,833,212.10
Check	09/21/2011	EFT	ADP Net Checks	09/15 Payroll	√	-174,825.60	-36,008,037.70
Check	09/21/2011	EFT	ADP FWH/SWH/MED	09/15 Payroll	√	-59,723.04	-36,067,760.74
Bill Pmt -Check	09/23/2011	2690	Employment Research Services		√	-1,428.60	-36,069,189.34
Check	09/23/2011	EFT	LGS	ZBA Transfer	√	-14,023.21	-36,083,212.55
Check	09/23/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-24,184.57	-36,107,397.12
Check	09/23/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-8,269.06	-36,115,666.18
Check	09/23/2011	EFT	ADP Fees	Payroll Fees	√	-7.30	-36,115,673.48
Check	09/26/2011	2687	Andre Galvan	Aug Expenses	√	-2,020.81	-36,117,694.29
Check	09/26/2011	EFT	LGS	ZBA Transfer	√	-1,193.60	-36,118,887.89
Check	09/26/2011	EFT	Wells Fargo Bank	Service Charge	√	-119.00	-36,119,006.89
Bill Pmt -Check	09/27/2011	2688	US Bank	Charges 07/7 to 8/01 for statement cut off 8/08/11	√	-7,855.74	-36,126,862.63
Check	09/27/2011	EFT	LGS	ZBA Transfer	√	-5,419.14	-36,132,281.77
Bill Pmt -Check	09/29/2011	2689	Internal Revenue Service		√	-435.00	-36,132,716.77
Bill Pmt -Check	09/29/2011	2691	Employment Development Dept		√	-2,755.00	-36,135,471.77
Check	09/30/2011	2692	Richard Averett	Sep Expenses	√	-1,162.41	-36,136,634.18
Check	09/30/2011	2693	Jeff Rawles	Sep Expenses	√	-261.25	-36,136,895.43
Bill Pmt -Check	09/30/2011	2716	Flex-Plan Services Inc		√	-270.00	-36,137,165.43
Check	09/30/2011	EFT	LGS	ZBA Transfer	√	-35,688.90	-36,172,854.33
Check	09/30/2011	EFT	ADP Fees	Payroll Fees	√	-378.67	-36,173,233.00
Check	09/30/2011			Service Charge	√	-0.32	-36,173,233.32
Check	10/05/2011	EFT	LGS	ZBA Transfer	√	-2,212.00	-36,175,445.32
Check	10/06/2011	EFT	LGS	ZBA Transfer	√	-190,589.23	-36,366,034.55
Check	10/06/2011	EFT	ADP Net Checks	09/30 Payroll	√	-174,429.47	-36,540,464.02
Check	10/06/2011	EFT	ADP FWH/SWH/MED	09/30 Payroll	√	-58,710.16	-36,599,174.18
Check	10/07/2011	EFT	LGS	ZBA Transfer	√	-8,641.31	-36,607,815.49
Check	10/07/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-23,248.50	-36,631,063.99
Check	10/07/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-8,449.94	-36,639,513.93
Check	10/07/2011	EFT	Wells Fargo Bank	Service Charge	√	-419.61	-36,639,933.54
Check	10/11/2011	EFT	LGS	ZBA Transfer	√	-190.25	-36,640,123.79
Check	10/11/2011	EFT	Wells Fargo Bank	Service Charge	√	-234.51	-36,640,358.30
Check	10/14/2011	2694	Suzanne Canino	Sep Expenses	√	-17.23	-36,640,375.53
Check	10/14/2011	2695	Charles Cho	Sep Expenses	√	-413.38	-36,640,788.91
Check	10/14/2011	2696	Charlene Duan	Sep Expenses	√	-132.31	-36,640,921.22
Check	10/14/2011	2697	Candice Limousin	Sep Expenses	√	-60.46	-36,640,981.68
Check	10/14/2011	2698	Traci McGinley	Sep Expenses	√	-44.42	-36,641,026.10
Check	10/14/2011	2699	Paul Roberts	Sep Expenses	√	-38.74	-36,641,064.84

Regional Government Services
Disbursements
As of November 30, 2011

Type	Date	Num	Name	Memo	Clr	Amount	Balance
Check	10/14/2011	2700	Aimee Sziklai	Sep Expenses	√	-542.06	-36,641,606.90
Check	10/14/2011	2701	Lezli Stroh	Sep Expenses	√	-11.10	-36,641,618.00
Check	10/14/2011	2702	Pamela Toconis	Aug Expenses	√	-1,755.08	-36,643,373.08
Check	10/14/2011	2703	Mark Jones	Sep Expenses	√	-293.09	-36,643,666.17
Check	10/14/2011	2704	Jeff Rawles	Aug Expenses	√	-453.66	-36,644,119.83
Check	10/14/2011	2705	Jon Burkett	Sep Expenses	√	-427.60	-36,644,547.43
Check	10/14/2011	2706	Sophia Selivanoff	Sep Expenses	√	-168.17	-36,644,715.60
Check	10/14/2011	2707	Allied Administrators	Nov Premium Employer ID #79360-7917-7155	√	-4,555.41	-36,649,271.01
Check	10/14/2011	2708	Vision Service Plan	Oct premiums 12 275218 0002	√	-899.40	-36,650,170.41
Bill Pmt -Check	10/14/2011	2709	McGilloway, Ray, Brown & Kaufman		√	-9,142.18	-36,659,312.59
Bill Pmt -Check	10/14/2011	2710	Terry Reomer	Invoice #5	√	-70.50	-36,659,383.09
Bill Pmt -Check	10/14/2011	2711	Bartel Associates	Invoice 11-027 ongoing Work on 6.30.10 OPEB V	√	-900.00	-36,660,283.09
Bill Pmt -Check	10/14/2011	2712	Meyers Nave		√	-4,777.38	-36,665,060.47
Check	10/14/2011	2713	Dublin	BES Foss, Huisingh	√	-1,885.69	-36,666,946.16
Check	10/14/2011	EFT	LGS	ZBA Transfer	√	-35,641.28	-36,702,587.44
Check	10/17/2011	EFT	LGS	ZBA Transfer	√	-6,601.69	-36,709,189.13
Check	10/19/2011	EFT	LGS	ZBA Transfer	√	-35,502.21	-36,744,691.34
Check	10/20/2011	EFT	LGS	ZBA Transfer	√	-183,318.37	-36,928,009.71
Check	10/20/2011	EFT	ADP Net Checks	10/15 Payroll	√	-169,094.47	-37,097,104.18
Check	10/20/2011	EFT	ADP FWH/SWH/MED	10/15 Payroll	√	-54,191.31	-37,151,295.49
Check	10/21/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-22,842.11	-37,174,137.60
Check	10/21/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-7,999.05	-37,182,136.65
Check	10/21/2011	EFT	LGS	ZBA Transfer	√	-8,747.23	-37,190,883.88
Check	10/21/2011	EFT	ADP Fees	Payroll Fees	√	-7.30	-37,190,891.18
Check	10/24/2011	2714	Angie Zavala	EE Expenses April-Aug	√	-53.07	-37,190,944.25
Bill Pmt -Check	10/24/2011	2715	US Bank	Charges 09/8 to 10/5 for statement cut off 10/06/11	√	-8,981.93	-37,199,926.18
Check	10/26/2011	EFT	LGS	ZBA Transfer	√	-30.56	-37,199,956.74
Check	10/28/2011	EFT	LGS	ZBA Transfer	√	-387.46	-37,200,344.20
Check	10/28/2011	EFT	LGS	ZBA Transfer	√	-2,329.24	-37,202,673.44
Check	10/31/2011	2717	City of Davis	To Refund payment of Invoice 8/31 Inv #2527 for S.Sato bill		-4,900.00	-37,207,573.44
Check	10/31/2011	2718	Sandra Sato	Aug/Sep Expenses	√	-539.00	-37,208,112.44
Check	10/31/2011	2719	CalPERS	H201117563000-Nov Premium	√	-21,590.80	-37,229,703.24
Check	10/31/2011	2720	Vision Service Plan	Nov premiums 12 275218 0002	√	-904.00	-37,230,607.24
Check	10/31/2011	2721	Richard Averett	Oct Expenses	√	-702.88	-37,231,310.12
Check	10/31/2011	2722	Jon Burkett	Oct Expenses	√	-389.40	-37,231,699.52
Check	10/31/2011	2723	Sandra Sato	Oct Expenses	√	-1,001.00	-37,232,700.52
Check	10/31/2011	2724	Anne Oliver	Sep Expenses	√	-127.10	-37,232,827.62
Check	10/31/2011	2725	Mark Jones	Oct Expenses	√	-273.21	-37,233,100.83
Check	10/31/2011	2726	Diana Lewis	Sep Expenses	√	-77.55	-37,233,178.38

Regional Government Services
Disbursements
As of November 30, 2011

Type	Date	Num	Name	Memo	Clr	Amount	Balance
Check	10/31/2011	2727	Jefferson Kise	Oct Expenses	√	-1,079.33	-37,234,257.71
Check	10/31/2011	2728	Jeff Rawles	Oct Expenses	√	-508.19	-37,234,765.90
Check	10/31/2011	2729	Pamela Toconis	Sep & Oct Expenses	√	-519.35	-37,235,285.25
Bill Pmt -Check	10/31/2011	2730	Christopher Nelson	RGS000029	√	-195.00	-37,235,480.25
Bill Pmt -Check	10/31/2011	2731	Claremont	Invoice 24839	√	-355.50	-37,235,835.75
Bill Pmt -Check	10/31/2011	2732	Flex-Plan Services Inc	Oct Bene Cards 184581	√	-137.20	-37,235,972.95
Bill Pmt -Check	10/31/2011	2733	iT Solutions	Invoice 820	√	-150.00	-37,236,122.95
Bill Pmt -Check	10/31/2011	2734	Megapath	Oct invoice 47534383, acct 542755	√	-220.06	-37,236,343.01
Bill Pmt -Check	10/31/2011	2735	Meyers Nave	Mar invoice 2011030084	√	-1,841.39	-37,238,184.40
Bill Pmt -Check	10/31/2011	2736	Terry Reomer	Invoice #6	√	-258.50	-37,238,442.90
Check	10/31/2011	2737	Jennifer Bower	Mar, Apr, May & Jun Expenses	√	-1,848.24	-37,240,291.14
Check	10/31/2011	2739	Flex-Plan Services Inc	6/15 contributions	√	-2,166.38	-37,242,457.52
Check	10/31/2011	2740	City of Davis	To Refund payment of Invoice 8/31 Inv #2527 for S	√	-600.00	-37,243,057.52
Check	10/31/2011	2741	Myrna Lebert	Sep Expenses		-475.72	-37,243,533.24
Bill Pmt -Check	10/31/2011	2742	Flex-Plan Services Inc	Bal of Sep Inv 182977	√	-31.90	-37,243,565.14
Bill Pmt -Check	10/31/2011	2743	Employment Research Services		√	-1,834.10	-37,245,399.24
Bill Pmt -Check	10/31/2011	2744	Workstation Ergonomics	090811TJPA Evaluation for Scott Boule	√	-200.00	-37,245,599.24
Check	10/31/2011	2745	Frank Benest	Encore Network Expenses Refreshments	√	-50.00	-37,245,649.24
Check	11/01/2011	EFT	LGS	ZBA Transfer	√	-33,767.81	-37,279,417.05
Check	11/03/2011	EFT	LGS	ZBA Transfer	√	-1,034.64	-37,280,451.69
Check	11/04/2011	EFT	LGS	ZBA Transfer	√	-205,336.62	-37,485,788.31
Check	11/04/2011	EFT	ADP Net Checks	10/31 Payroll	√	-187,065.52	-37,672,853.83
Check	11/04/2011	EFT	ADP FWH/SWH/MED	10/31 Payroll	√	-61,887.07	-37,734,740.90
Check	11/04/2011	EFT	ADP Fees	Payroll Fees	√	-18.00	-37,734,758.90
Check	11/07/2011	2738	Audra Lucas	to replace void ADP DD voucher 440059	√	-1,375.03	-37,736,133.93
Bill Pmt -Check	11/07/2011	2748	Bartel Associates	Invoice 11-783 Work on Defined Benefit Plan		-660.00	-37,736,793.93
Bill Pmt -Check	11/07/2011	2749	McGilloway, Ray, Brown & Kaufman			-11,480.24	-37,748,274.17
Bill Pmt -Check	11/07/2011	2750	US Bank	Charges 10/27 to 10/29 for statement cut off 11/07/11		-12,657.63	-37,760,931.80
Check	11/07/2011	2751	CalPERS	H2011127563000-Dec Premium		-21,416.16	-37,782,347.96
Check	11/09/2011	EFT	LGS	ZBA Transfer	√	-44,845.57	-37,827,193.53
Check	11/09/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-25,592.05	-37,852,785.58
Check	11/09/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-7,959.31	-37,860,744.89
Check	11/14/2011	EFT	LGS	ZBA Transfer	√	-663.96	-37,861,408.85
Check	11/14/2011	EFT	Wells Fargo Bank	Service Charge	√	-229.13	-37,861,637.98
Check	11/14/2011	EFT	ADP Fees	Payroll Fees	√	-537.17	-37,862,175.15
Check	11/18/2011	EFT	ADP Fees	Payroll Fees	√	-7.30	-37,862,182.45
Check	11/21/2011	EFT	LGS	ZBA Transfer	√	-199,000.23	-38,061,182.68
Check	11/21/2011	EFT	ADP Net Checks	11/15 Payroll	√	-179,185.10	-38,240,367.78
Check	11/21/2011	EFT	ADP FWH/SWH/MED	11/15 Payroll	√	-57,699.43	-38,298,067.21

Regional Government Services

Disbursements

As of November 30, 2011

Type	Date	Num	Name	Memo	Clr	Amount	Balance
Check	11/22/2011	EFT	LGS	ZBA Transfer	√	-44,664.03	-38,342,731.24
Check	11/22/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-24,294.62	-38,367,025.86
Check	11/22/2011	EFT	Unified Trust Co.	RGS 401/457 Wire	√	-8,303.47	-38,375,329.33
Check	11/29/2011	2746	Reliance	Nov Contributions		-4,477.65	-38,379,806.98
Check	11/29/2011	2747	Reliance	Oct Contributions		-4,400.13	-38,384,207.11
Check	11/29/2011	2752	Hamid Shamsapour	Berkeley Exec Seminar Expenses		-846.35	-38,385,053.46
Check	11/29/2011	2753	Jeff Rawles	Nov Expenses		-772.47	-38,385,825.93
Check	11/29/2011	2754	Teresa Bryerton	Oct 31 and Nov 2 Mileage		-295.26	-38,386,121.19
Check	11/29/2011	2755	Robert Urmini	APWA Seminar Expenses		-100.00	-38,386,221.19
Check	11/29/2011	2756	Myrna Lebert	Oct Expenses		-574.43	-38,386,795.62
Check	11/30/2011	2757	Allied Administrators	Dec Premium Employer ID #79360-7917-7155		-4,741.11	-38,391,536.73
Check	11/30/2011	2758	Vision Service Plan	Dec premiums 12 275218 0002		-916.98	-38,392,453.71
Check	11/30/2011	2759	Sophia Selivanoff	Nov Expenses		-1,977.94	-38,394,431.65
Check	11/30/2011	2760	Mark Jones	Nov Expenses		-324.50	-38,394,756.15
Check	11/30/2011	2761	Sandra Sato	Nov Expenses		-847.00	-38,395,603.15
Check	11/30/2011	2762	Anne Oliver	Nov Expenses		-113.32	-38,395,716.47
Check	11/30/2011	2763	Richard Averett	Nov Expenses		-74.82	-38,395,791.29
Check	11/30/2011	2764	Angie Zavala	9/7-11/14		-16.26	-38,395,807.55
Bill Pmt -Check	11/30/2011	2765	Cal State Assoc of Counties	Invoice 22739		-100.00	-38,395,907.55
Bill Pmt -Check	11/30/2011	2766	Claremont			-711.00	-38,396,618.55
Bill Pmt -Check	11/30/2011	2767	Flex-Plan Services Inc	Inv 186110 Nov Bene Cards		-168.00	-38,396,786.55
Bill Pmt -Check	11/30/2011	2768	iT Solutions			-980.00	-38,397,766.55
Bill Pmt -Check	11/30/2011	2769	Liebert Cassidy Whitmore	Tim Campbell Training-Ethics Class		-100.00	-38,397,866.55
Bill Pmt -Check	11/30/2011	2770	Marin Transit District JPA			-723.00	-38,398,589.55
Bill Pmt -Check	11/30/2011	2771	Mayer Hoffman McCann P.C.			-14,500.00	-38,413,089.55
Bill Pmt -Check	11/30/2011	2772	Megapath	Nov invoice 47596308 acctnt 542755		-220.16	-38,413,309.71
Bill Pmt -Check	11/30/2011	2773	Meyers Nave	Nov invoice 2011100580		-6,472.44	-38,419,782.15
Bill Pmt -Check	11/30/2011	2774	Terry Reomer	Invoice #7		-822.50	-38,420,604.65
Total 110010 - Wells Fargo - Cash						-5,870,737.60	-38,420,604.65
TOTAL						-5,870,737.60	-38,420,604.65



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

Providing Solutions to California Public Agencies

P.O. Box 1350 · Carmel Valley, CA 93924 · 831.308.1508

TO: EXECUTIVE COMMITTEE
FROM: RICHARD H. AVERETT, CFO/Treasurer
SUBJECT: INVESTMENT REPORT

EC Meeting: 1-12-12
Item: 4C

RECOMMENDATION

Review and accept JPA investments made through December 2011.

BACKGROUND

The Board of Directors annually reviews the investment policy at their June meetings. The JPA Board of Directors approved an unchanged investment policy June 9, 2011. At the June 2010 Board meeting, the Directors authorized investments in Federal Treasures and Agency Notes, as well as allowing cash-flow loans to other public agencies. Federal notes can be for up to five-year maturities in accordance with California Code. Prior Boards had approved an updated investment policy enabling the agency to invest in bank sweep accounts, the Local Agency Investment Fund (LAIF), timed deposits such as Certificates of Deposit (CDs), and the California Investment Trust pool (CalTrust). RGS and LGS LAIF and CalTrust investment activity has been consolidated into a RGS LAIF account and a RGS CalTrust accounts.

Investments in LAIF began in June 22, 2007. Investments in CalTrust Medium Term began in late-January 2009, and investment in CalTrust Short Term began in November 2010. Investment activity for the current period is summarized in the attached material.

Loans and advances to other public agencies have been made on three occasions to two agencies. Both agencies have used delayed payment for services and have completely repaid the 'loans' with interest. Currently the JPAs have no alternative investments.

FISCAL IMPACT

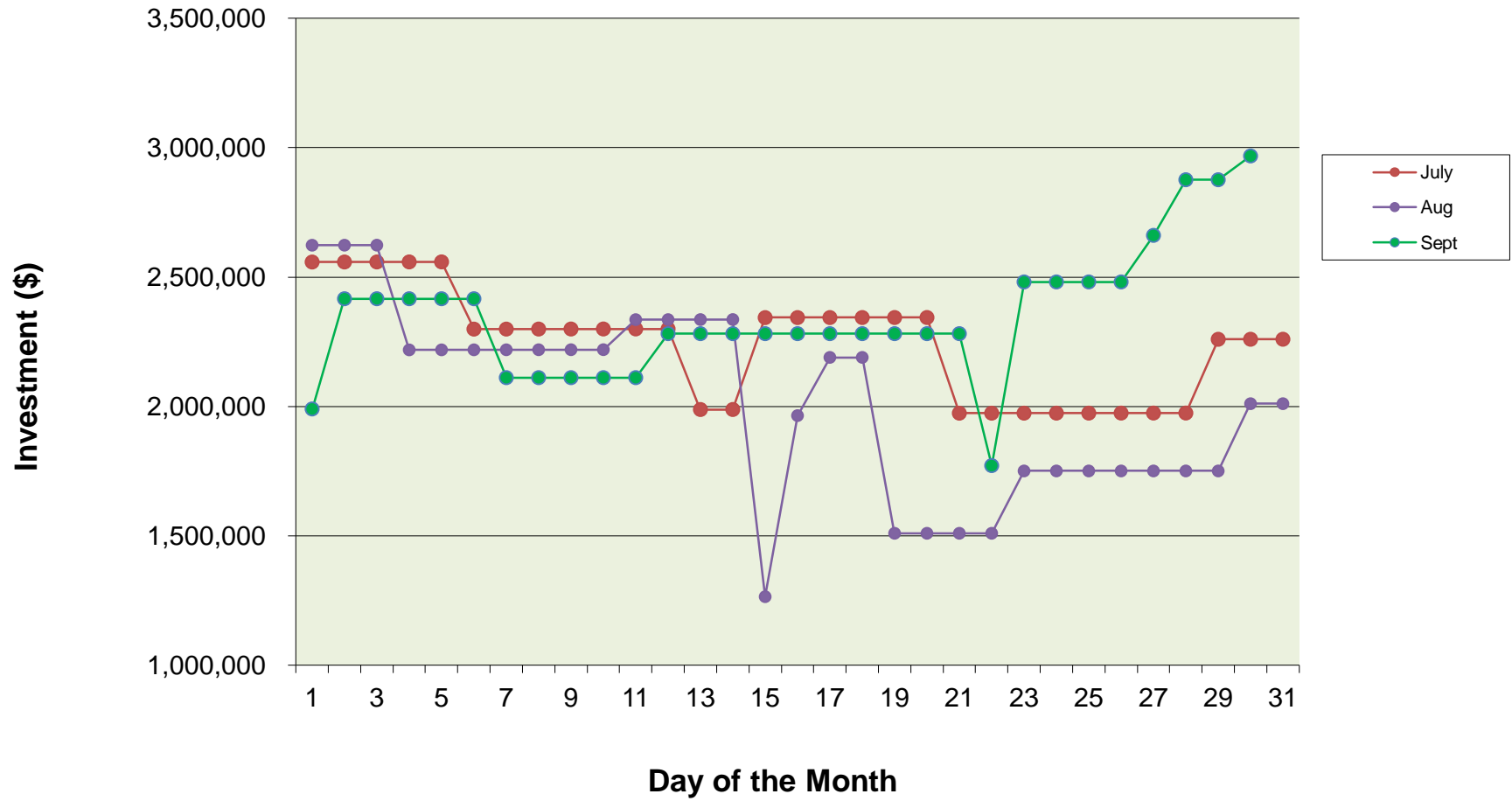
The impact of investment activity with Other Agencies, LAIF and CalTrust this period is projected to yield approximately double the amount budgeted per month (\$1,375). Fiscal year 2012 budgeted earnings were \$16,500. We are continuing to invest the maximum cash available, leaving only the minimum checking account balances needed to cover obligations.

LAIF and CalTrust interest rates have resumed their moderate declines. CalTrust medium term investments are currently yielding approximately 80 to 90 basis points more than LAIF, and CalTrust short term investments are currently yielding 13 to 17 basis points more than LAIF.

INVESTMENT REPORT FY2012

Date	Loans	July			Loans	Aug			Loans	Sept		
		<u>CalTrust</u> <u>Short &</u> <u>Medium</u>	<u>LAIF</u>	<u>Combined</u>		<u>CalTrust</u> <u>Short &</u> <u>Medium</u>	<u>LAIF</u>	<u>Combined</u>		<u>CalTrust Short</u> <u>& Medium</u>	<u>LAIF</u>	<u>Combined</u>
1	944,173	1,206,421	407,683	2,558,277	997,934	1,317,474	307,813	2,623,221	1,970	1,899,507	88,813	1,990,290
2	944,303	1,206,421	407,683	2,558,406	998,071	1,317,474	307,813	2,623,358	-	1,899,507	516,813	2,416,320
3	944,432	1,206,421	407,683	2,558,536	998,208	1,317,474	307,813	2,623,495	-	1,899,507	516,813	2,416,320
4	944,561	1,206,421	407,683	2,558,665	998,344	1,172,474	47,813	2,218,631	-	1,899,507	516,813	2,416,320
5	944,691	1,206,421	407,683	2,558,794	998,481	1,172,474	47,813	2,218,768	-	1,899,507	516,813	2,416,320
6	944,820	1,331,421	22,683	2,298,924	998,618	1,172,474	47,813	2,218,905	-	1,899,507	516,813	2,416,320
7	944,950	1,331,421	22,683	2,299,053	998,755	1,172,474	47,813	2,219,042	-	1,899,507	211,813	2,111,320
8	945,079	1,331,421	22,683	2,299,183	998,892	1,172,474	47,813	2,219,179	-	1,899,507	211,813	2,111,320
9	945,209	1,331,421	22,683	2,299,312	999,028	1,172,474	47,813	2,219,315	-	1,899,507	211,813	2,111,320
10	945,338	1,331,421	22,683	2,299,442	999,165	1,172,474	47,813	2,219,452	-	1,899,507	211,813	2,111,320
11	945,468	1,331,421	22,683	2,299,571	999,302	1,172,474	163,813	2,335,589	-	1,899,507	211,813	2,111,320
12	945,597	1,331,421	22,683	2,299,701	999,439	1,172,474	163,813	2,335,726	-	2,069,507	211,813	2,281,320
13	633,978	1,331,421	22,683	1,988,081	999,576	1,172,474	163,813	2,335,863	-	2,069,507	211,813	2,281,320
14	634,064	1,331,421	22,683	1,988,168	999,713	1,172,474	163,813	2,336,000	-	2,069,507	211,813	2,281,320
15	634,151	1,686,421	22,813	2,343,385	23,299	1,172,474	68,813	1,264,586	-	2,069,507	211,813	2,281,320
16	634,238	1,686,421	22,813	2,343,472	23,302	1,172,474	768,813	1,964,589	-	2,069,507	211,813	2,281,320
17	634,325	1,686,421	22,813	2,343,559	23,305	1,397,474	768,813	2,189,592	-	2,069,507	211,813	2,281,320
18	634,412	1,686,421	22,813	2,343,646	23,309	1,397,474	768,813	2,189,596	-	2,069,507	211,813	2,281,320
19	634,499	1,686,421	22,813	2,343,733	23,312	1,397,474	88,813	1,509,599	-	2,069,507	211,813	2,281,320
20	634,586	1,686,421	22,813	2,343,819	23,315	1,397,474	88,813	1,509,602	-	2,069,507	211,813	2,281,320
21	634,673	1,316,421	22,813	1,973,906	23,318	1,397,474	88,813	1,509,605	-	2,069,507	211,813	2,281,320
22	634,760	1,316,421	22,813	1,973,993	23,321	1,397,474	88,813	1,509,608	-	1,669,507	101,813	1,771,320
23	634,847	1,316,421	22,813	1,974,080	23,325	1,638,474	88,813	1,750,612	-	2,379,507	101,813	2,481,320
24	634,933	1,316,421	22,813	1,974,167	23,328	1,638,474	88,813	1,750,615	-	2,379,507	101,813	2,481,320
25	635,020	1,316,421	22,813	1,974,254	23,331	1,638,474	88,813	1,750,618	-	2,379,507	101,813	2,481,320
26	635,107	1,316,421	22,813	1,974,341	23,334	1,638,474	88,813	1,750,621	-	2,379,507	101,813	2,481,320
27	635,194	1,316,421	22,813	1,974,428	23,337	1,638,474	88,813	1,750,624	-	2,559,507	101,813	2,661,320
28	635,281	1,316,421	22,813	1,974,515	23,341	1,638,474	88,813	1,750,628	-	2,774,507	101,813	2,876,320
29	635,368	1,316,421	307,813	2,259,602	23,344	1,638,474	88,813	1,750,631	-	2,774,507	101,813	2,876,320
30	635,456	1,316,421	307,813	2,259,689	23,347	1,898,474	88,813	2,010,634	-	2,774,507	193,813	2,968,320
31	635,543	1,316,421	307,813	2,259,776	23,350	1,898,474	88,813	2,010,637				
	<u>BUDGETED</u> <u>EARNINGS</u>	<u>Proj'd CT</u> <u>mo. Int.</u>	<u>Proj'd LAIF</u> <u>mo. Int.</u>	<u>CUMULATIVE</u> <u>Budget/Proj'd</u>	<u>BUDGETED</u> <u>EARNINGS</u>	<u>Proj'd CT</u> <u>mo. Int.</u>	<u>Proj'd LAIF</u> <u>mo. Int.</u>	<u>CUMULATIVE</u> <u>Budget/Proj'd</u>	<u>BUDGETED</u> <u>EARNINGS</u>	<u>Proj'd CT</u> <u>mo. Int.</u>	<u>Proj'd LAIF</u> <u>mo. Int.</u>	<u>CUMULATIVE</u> <u>Budget/Proj'd</u>
Budget	\$1,375			\$1,375	\$1,375			\$2,750	\$1,375			\$4,125
Est. Earr	\$4,292			\$4,292	\$3,143			\$7,435	\$1,880			\$9,315

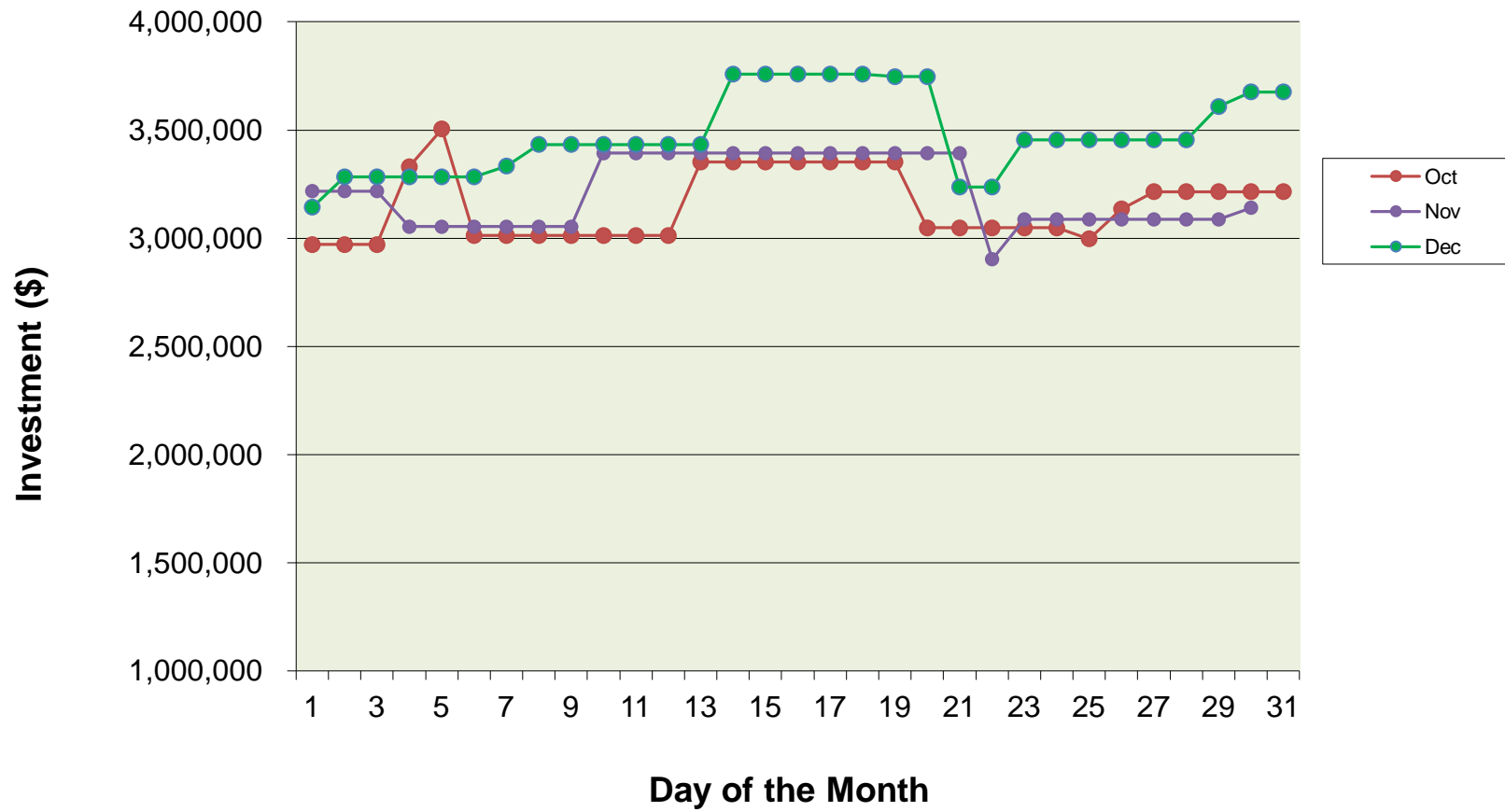
COMBINED INVESTMENTS



INVESTMENT REPORT FY2012

Date	Loans	Oct			Loans	Nov			Loans	Dec		
		CalTrust	LAIF	Combined		CalTrust	LAIF	Combined		CalTrust	LAIF	Combined
		Short & Medium				Short & Medium				Short & Medium		
1	-	2,776,316	193,813	2,970,129	-	3,206,764	10,976	3,217,741	-	3,078,567	64,976	3,143,544
2	-	2,776,316	193,813	2,970,129	-	3,206,764	10,976	3,217,741	-	3,278,567	4,976	3,283,544
3	-	2,776,316	193,813	2,970,129	-	3,206,764	10,976	3,217,741	-	3,278,567	4,976	3,283,544
4	-	2,776,316	553,813	3,330,129	-	3,041,764	10,976	3,052,741	-	3,278,567	4,976	3,283,544
5	-	2,951,316	553,813	3,505,129	-	3,041,764	10,976	3,052,741	-	3,278,567	4,976	3,283,544
6	-	2,951,316	60,813	3,012,129	-	3,041,764	10,976	3,052,741	-	3,278,567	4,976	3,283,544
7	-	2,951,316	60,813	3,012,129	-	3,041,764	10,976	3,052,741	-	3,278,567	54,976	3,333,544
8	-	2,951,316	60,813	3,012,129	-	3,041,764	10,976	3,052,741	-	3,378,567	54,976	3,433,544
9	-	2,951,316	60,813	3,012,129	-	3,041,764	10,976	3,052,741	-	3,378,567	54,976	3,433,544
10	-	2,951,316	60,813	3,012,129	-	3,381,764	10,976	3,392,741	-	3,378,567	54,976	3,433,544
11	-	2,951,316	60,813	3,012,129	-	3,381,764	10,976	3,392,741	-	3,378,567	54,976	3,433,544
12	-	2,951,316	60,813	3,012,129	-	3,381,764	10,976	3,392,741	-	3,378,567	54,976	3,433,544
13	-	3,291,316	60,813	3,352,129	-	3,381,764	10,976	3,392,741	-	3,378,567	54,976	3,433,544
14	-	3,291,316	60,976	3,352,293	-	3,381,764	10,976	3,392,741	-	3,703,567	54,976	3,758,544
15	-	3,291,316	60,976	3,352,293	-	3,381,764	10,976	3,392,741	-	3,703,567	54,976	3,758,544
16	-	3,291,316	60,976	3,352,293	-	3,381,764	10,976	3,392,741	-	3,703,567	54,976	3,758,544
17	-	3,291,316	60,976	3,352,293	-	3,381,764	10,976	3,392,741	-	3,703,567	54,976	3,758,544
18	-	3,291,316	60,976	3,352,293	-	3,381,764	10,976	3,392,741	-	3,703,567	54,976	3,758,544
19	-	3,291,316	60,976	3,352,293	-	3,381,764	10,976	3,392,741	-	3,703,567	42,976	3,746,544
20	-	2,986,316	60,976	3,047,293	-	3,381,764	10,976	3,392,741	-	3,703,567	42,976	3,746,544
21	-	2,986,316	60,976	3,047,293	-	3,381,764	10,976	3,392,741	-	3,193,567	42,976	3,236,544
22	-	2,986,316	60,976	3,047,293	-	2,891,764	10,976	2,902,741	-	3,193,567	42,976	3,236,544
23	-	2,986,316	60,976	3,047,293	-	3,075,764	10,976	3,086,741	-	3,328,567	125,976	3,454,544
24	-	2,986,316	60,976	3,047,293	-	3,075,764	10,976	3,086,741	-	3,328,567	125,976	3,454,544
25	-	2,986,316	10,976	2,997,293	-	3,075,764	10,976	3,086,741	-	3,328,567	125,976	3,454,544
26	-	3,124,274	10,976	3,135,250	-	3,075,764	10,976	3,086,741	-	3,328,567	125,976	3,454,544
27	-	3,204,274	10,976	3,215,250	-	3,075,764	10,976	3,086,741	-	3,328,567	125,976	3,454,544
28	-	3,204,274	10,976	3,215,250	-	3,075,764	10,976	3,086,741	-	3,328,567	125,976	3,454,544
29	-	3,204,274	10,976	3,215,250	-	3,075,764	10,976	3,086,741	-	3,482,567	125,976	3,608,544
30	-	3,204,274	10,976	3,215,250	-	3,075,764	64,976	3,140,741	-	3,482,567	193,976	3,676,544
31	-	3,204,274	10,976	3,215,250	-				-	3,482,567	193,976	3,676,544
	BUDGETED EARNINGS	Proj'd CT mo. Int.	Proj'd LAIF mo. Int.	CUMULATIVE Budget/Proj'd	BUDGETED EARNINGS	Proj'd CT mo. Int.	Proj'd LAIF mo. Int.	CUMULATIVE Budget/Proj'd	BUDGETED EARNINGS	Proj'd CT mo. Int.	Proj'd LAIF mo. Int.	CUMULATIVE Budget/Proj'd
Budget	\$1,375			\$5,500	\$1,375			\$6,875	\$1,375			\$8,250
Est. Ear	\$2,522			\$11,837	\$2,807			\$14,644	\$2,913			\$17,558

COMBINED INVESTMENTS





LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

Providing Solutions to California Public Agencies

P.O. Box 1350 · Carmel Valley, CA 93924 · 650.587.7300

TO: EXECUTIVE COMMITTEE **EC Meeting:** 1-12-12
FROM: RICHARD H. AVERETT, CFO/TREASURER **Item:** 4D
SUBJECT: APPROVAL OF AUDIT REPORTS FOR FISCAL YEAR ENDING JUNE 30, 2011

RECOMMENDATION

Review and approve the independent audit reports for fiscal year 2011.

BACKGROUND

The outside audit firm of Mayer Hoffman McCann, P.C. was retained to complete the fiscal year (FY) 2007 and FY2008 audits, and has since completed the FY2009 and FY2010 audits of both Local and Regional Government Services Authorities. Mayer Hoffman recently completed the FY2011 audits, and hardcopies will be distributed to Members in approximately three weeks. All audit reports are posted to the JPA's web site.

AUDIT RESULTS

Summaries of LGS and RGS audit results are below, with more information and analysis in the Management Discussion and Analysis section of each audit report. Overall, the FY2011 audit results indicate continuation of very positive financial results based on a sound business model. These financial results better enable the JPAs to provide quality services to our clients and employees.

The audit results include four categories of significant audit adjustment:

1. Revenues – Every year the auditors review revenues to assure they are booked in the appropriate year. It is not unusual to have several fiscal year start or end revenues rebooked as belonging to the preceding or following year. In addition to those routine adjustments, this year however, LGS revenues were reduced by \$130,000 because one client disputed and a settlement of this dispute was not predictable at the time of the audit. The JPA's legal counsel is in discussions with the client's counsel.
2. Insurance (net) - Every year our workers' compensation and general liability pool (California Joint Powers Insurance Authority – CJPIA) makes retroactive adjustments to their annual charges based on loss experience, pool funding needs and each member agency's change in risk exposure. For FY11, LGS' retroactive adjustment was a credit of \$45,400 and RGS' adjustment was an expense of \$52,135. In addition, earlier this fiscal year LGS and RGS made an early payment on CJPIA retroactive adjustments of \$96,000 and received a two percent per year discount. This expense was not booked at the time, but is now reflected in year-end financials.
3. Vacation Accruals (net) – Every year the net changes in unused vacation accruals are booked at year end. For FY11, the accrual postings were \$40,195 for LGS and \$80,674 for RGS.
4. OPEB Funding – The actuaries recommended OPEB funding for FY10 and FY11 of \$181,000 (LGS) and \$110,000 (RGS). These amounts have been expensed and recorded as liabilities for each JPA. Per Board actions in June 2011, both agencies set aside reserves of 50 percent of net assets for these and other liabilities. If the OPEB expenses are added to the reserve of assets, the total equals 50 percent of net assets.

LGS FINANCIAL HIGHLIGHTS

- Total net assets increased \$143,059 in FY2011 and \$309,835 in FY2010.
- Revenues from client reimbursements for services provided increased \$1,542,921 in FY2011 and \$351,975 in FY2010.
- Total operating expenditures increased \$1,709,697 in FY2010 and \$320,456 in FY2010.
- Net assets at the end of FY2011 were \$1,077,360 and at the end of FY2010 were \$934,301.

RGS FINANCIAL HIGHLIGHTS

- Total net assets increased \$181,613 in FY2011 and increased \$227,635 in FY2010.
- Revenues from client reimbursements for services provided increased \$2,423,792 in FY2011 and \$1,218,079 in FY2010.
- Total operating expenditures increased \$2,469,814 in FY2010 and increased \$1,044,824 in FY2010.
- Net assets at the end of the fiscal year were \$468,982 in FY2009 and were \$287,369 in FY2010.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Basic Financial Statements

Years ended June 30, 2011 and 2010

REGIONAL GOVERNMENT SERVICES AUTHORITY

Basic Financial Statements

Years ended June 30, 2011 and 2010

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1
Management's Discussion and Analysis (Required Supplementary Information)	2
Basic Financial Statements:	
Statements of Net Assets	8
Statements of Revenues, Expenses and Changes in Net Assets	9
Statements of Cash Flows	10
Notes to the Basic Financial Statements	11



Mayer Hoffman McCann P.C.

An Independent CPA Firm

2301 Dupont Drive, Suite 200
Irvine, California 92612
949-474-2020 ph
949-263-5520 fx
www.mhm-pc.com

Board of Directors
Regional Government Services Authority
Carmel Valley, California

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying basic financial statements of the Regional Government Services Authority (the "Authority") as of and for the years ended June 30, 2011 and 2010 as listed in the table of contents. These basic financial statements are the responsibility of the management of the Authority. Our responsibility is to express an opinion on these basic financial statements based on our audits.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2011 and 2010 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The information identified in the accompanying table of contents as *management's discussion and analysis* is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 4, 2012 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Mayer Hoffman McCann P.C.

Irvine, California
January 4, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

REGIONAL GOVERNMENT SERVICES AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Years ended June 30, 2011 and 2010

The following discussion and analysis of the financial performance of Regional Government Services Authority ("Authority") provides an overview of the Authority's financial activities for the fiscal years ended June 30, 2011 and 2010. Please read it in conjunction with the financial statements identified in the accompanying table of contents.

FINANCIAL HIGHLIGHTS

- Total net assets increased \$181,613 in FY2011 and increased \$227,635 in FY2010.
- Revenues from client reimbursements for services provided increased \$2,423,792 in FY2011 from fiscal year 2010 and \$1,218,079 in FY2010 from fiscal year 2009.
- Total operating expenditures increased \$2,469,814 in FY2011 from the 2010 fiscal year and increased \$1,044,824 in FY2010 from the 2009 fiscal year.
- Net assets at the end of the fiscal year are \$468,982 in FY2011 and were \$287,369 in FY2010, increasing over \$400,000 over the last two fiscal years.

OVERVIEW OF THE FINANCIAL STATEMENTS

Using the Accompanying Financial Statements

The annual report consists of three parts – *management's discussion and analysis* (this section), the *basic financial statements*, and *notes to the basic financial statements*:

The basic financial statements include the following:

- The Statement of Net Assets provides both *long-term* and *short-term* information about the Authority's overall financial status.
- The Statement of Revenues, Expenses and Changes in Net Assets reports the revenues and expenses of the Authority for the fiscal year on an accrual basis of accounting and relates this to the increase in the net assets of the Authority.
- The Statement of Cash Flows reports the Authority's operating cash flow and reconciles operating income to the net cash provided by operating activities.

The notes to the financial statements provide additional information about the nature of the Authority's activities and operations and its significant accounting policies, as well as, more detailed explanations about some of the information contained in the basic financial statements.

The Authority operates as an enterprise, meaning that charges for services are expected to cover all expenses. Therefore, the Authority uses *proprietary fund* statements. *Proprietary fund* statements offer *short-* and *long-term* financial information about the activities the government operates in a manner similar to a private business.

Government Fund Reporting:

Figure A-1 summarizes the major features of government financial statements, including the portion of the government they cover and the types of information they contain. Because the Authority is an enterprise fund, the financial statements adhere to the Proprietary Funds format.

Figure A-1
Major Features of Government-wide and Fund Financial Statements

	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire Authority government (except fiduciary funds) and the Authority's component units	The activities of the Authority that are not proprietary or fiduciary	Activities the Authority operates similar to private businesses	Instances in which the Authority is the trustee or agent for someone else's resources
Required financial statements	<ul style="list-style-type: none"> • Statement of net assets • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net assets • Statement of revenues, expenses and changes in net assets • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net assets • Statement of changes in fiduciary net assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Modified accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term debt included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the Authority's fiduciary funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid.

Reporting the Authority as a Whole

The accompanying **basic financial statements** include two statements that present financial data for the Authority as a whole. One of the most important questions asked about the Authority's finances is, "Is the Authority, as a whole, better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Revenues, Expenses and Changes in Net Assets report information about the Authority as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the

accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Authority's net assets and changes in them. You can think of the Authority's net assets – the difference between assets and liabilities – as one way to measure the Authority's financial health, or *financial position*. Over time, *increases and decreases* in the Authority's net assets are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other factors, however, such as changes in client needs/agreements for services and changes in the Authority's cost structure, to assess the *overall health* of the Authority.

In the Statement of Net Assets and the Statement of Revenues, Expenses and Changes in Net Assets, the Authority services are presented as Business-type activities:

- Business-type activities – The Authority charges a fee to customers to help it cover all of the cost of the services accounted for in the fund.

Reporting the Authority's Proprietary Fund

The **accompanying basic financial statements** provide detailed information on the Authority's only fund – and thus the Authority as a whole. The Authority Board may establish other funds to help it control and manage money for particular purposes or to show that it is meeting administrative responsibilities for using certain grants or other money. The Authority's one fund is a *proprietary fund*.

Proprietary funds – When an agency charges customers for the services it provides – whether to outside customers or to other units of the agency – these services are generally reported in proprietary funds. Required financial statements for proprietary funds include a Statement of Net Assets; a Statement of Revenues, Expenses and Changes in Net Assets; and a Statement of Cash Flows.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Statement of Net Assets June 30, 2009, 2010 & 2011

Table 1

	Business - Type Activities		
	2009	2010	2011
<u>ASSETS</u>			
Current Assets	\$ 333,068	749,015	1,606,151
Total assets	<u>\$ 333,068</u>	<u>749,015</u>	<u>1,606,151</u>
<u>LIABILITIES:</u>			
Liabilities	\$ 273,334	461,646	1,137,169
Total Liabilities	<u>\$ 273,334</u>	<u>461,646</u>	<u>1,137,169</u>
<u>NET ASSETS:</u>			
Unreserved	\$ 59,734	287,369	468,982
Total Net Assets	<u>\$ 59,734</u>	<u>287,369</u>	<u>468,982</u>
Total net assets and liabilities	<u>\$ 333,068</u>	<u>749,015</u>	<u>1,606,151</u>

The increase in net assets is an indication that the overall financial position of the Authority improved during each of the last two years: by \$181,613 in FY2011 and by \$227,635 in FY2010, as indicated in the Changes in Net Assets Table 2 below. The net assets of the Authority's business-type activities increased by 24 percent in 2011 and increased by 381 percent in 2010. The net assets (financial position) of the Authority increased despite two-year funding (FY2010 and FY2011) of the Agency's Other Post-Employment Benefit (OPEB) obligation in FY2011.

A summary of the statement of activities follows:

**Change in Net Assets – Year Ended
June 30, 2009, 2010 & 2011
Table 2**

	Business - Type Activities		
	2009	2010	2011
<u>Operating Revenues</u>			
Charges for services	\$ 2,304,684	3,522,763	5,946,555
Total revenues	<u>\$ 2,304,684</u>	<u>3,522,763</u>	<u>5,946,555</u>
<u>Operating Expenses</u>			
Salaries and benefits	\$ 1,888,359	2,749,905	5,028,321
Professional services	230,420	280,216	209,138
Administration	131,525	265,007	527,483
Total expenses	<u>\$ 2,250,304</u>	<u>3,295,128</u>	<u>5,764,942</u>
Change in net assets	\$ 54,380	227,635	181,613
Beginning net assets	5,354	59,734	287,369
Ending net assets	<u>\$ 59,734</u>	<u>287,369</u>	<u>468,982</u>
Less Undesignated Reserve		143,684	179,491
Remaining Net Equity		143,685	289,491

Business-Type Activities

Revenues of the Authority's operations (see Table 2) increased by 68.8 percent in FY2011 and by 52.9 percent in FY2010. Operating expenses increased by 75 percent in FY2011 from FY 2010, and increased by 46 percent in FY2010 from FY 2009.

LONG-TERM DEBT

The Authority (JPA) has no long-term debt other than compensated absences and a cumulative retrospective deposit payable to the California Joint Powers Insurance Authority for RGS general liability coverage. Additional information on the Authority's long-term debt can be found in the notes to the accompanying basic financial statements.

BUDGET VERSUS ACTUAL PERFORMANCE

In FY2011, the primary reason for the variances from budget was the growth in client services during the fiscal year and a more appropriate level of reimbursement from Local Government Services Authority for administrative services provided by RGS. This growth is reflected in revenues and expenditures significantly above budgeted levels. The budget was adopted anticipating a \$101,300 addition to net earnings. Client growth and controlled administrative expenditures resulted in a 80% improvement in the budgeted addition to net earnings.

	FY11 Budget	FY11 Actual	Variance
OPERATING REVENUES	\$ 2,922,000	\$ 5,946,555	\$ 3,024,555
Operating Expenditures			
Salaries & Benefits	2,474,700	5,028,321	2,553,621
Operating & Maintenance	346,000	736,621	390,621
TOTAL OPERATING EXPENSES	2,820,700	5,764,942	2,944,242
Net Addition/(Reduction) in net Assets	\$ 101,300	\$ 181,613	\$ 80,313

Future Financial Performance

No existing major client is anticipated to discontinue JPA services in fiscal year 2012. However, JPA support services remain structured so that changes in service demand can quickly adjust up or down to client needs. Therefore, we do not expect normal fluctuations in the number of clients or level of client services provided to significantly impact the JPA's financial position. Additional client growth has historically more than offset decreased revenue from projects completed during the year. The Authority has, however, added one client with over thirty assigned staff that has been responsible for the significant growth in revenues and expenses since FY2010. This client is under contract with RGS through FY2012.

Since restructuring its administrative functions during fiscal year 2008, the JPA has experienced sustained, positive financial performance. The JPA has been successful in adding new clients to replace completed client assignments. Management is not aware of any other commitments or conditions that may have a significant impact on the financial condition or operating results of the Authority after the date of the financial statements presented.

Contacting the Authority's Financial Management

This financial report is designed to provide our customers and creditors with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Chief Financial Officer, Regional Government Services Authority, PO Box 1350, Carmel Valley, CA 93924.

BASIC FINANCIAL STATEMENTS

REGIONAL GOVERNMENT SERVICES AUTHORITY

Statements of Net Assets

June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Assets</u>		
Current assets:		
Cash and investments (note 2)	\$ 92,745	\$ 307,073
Accounts receivable	1,486,798	307,425
Prepaid expenses	22,328	134,517
Deposits	<u>4,280</u>	<u>-</u>
Total current assets	<u>1,606,151</u>	<u>749,015</u>
Total assets	<u>1,606,151</u>	<u>749,015</u>
<u>Liabilities</u>		
Current liabilities:		
Accounts payable	285,867	147,466
Due to other governments	305,875	-
Deferred revenue	81,400	77,243
Client deposits	-	20,000
Compensated absences - current portion (note 3)	<u>58,398</u>	<u>38,230</u>
Total current liabilities	<u>731,540</u>	<u>282,939</u>
Noncurrent liabilities:		
Compensated absences - long term (note 3)	175,195	114,688
Claims payable - long term (note 3 and 6)	120,434	64,019
OPEB liability - long term (note 3 and 7)	<u>110,000</u>	<u>-</u>
Total noncurrent liabilities	<u>405,629</u>	<u>178,707</u>
Total liabilities	<u>1,137,169</u>	<u>461,646</u>
<u>Net Assets</u>		
Net assets:		
Unrestricted (note 4)	<u>468,982</u>	<u>287,369</u>
Total net assets	<u>\$ 468,982</u>	<u>\$ 287,369</u>

See accompanying notes to the basic financial statements.

REGIONAL GOVERNMENT SERVICES AUTHORITY
Statements of Revenues, Expenses and Changes in Net Assets
Years ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Operating revenues:		
Charges for services	\$ 5,946,555	\$ 3,522,763
Total operating revenues	<u>5,946,555</u>	<u>3,522,763</u>
Operating expenses:		
Salaries & benefits	5,028,321	2,749,905
Professional services	209,138	280,216
Administration	<u>527,483</u>	<u>265,007</u>
Total operating expenses	<u>5,764,942</u>	<u>3,295,128</u>
Change in net assets	181,613	227,635
Net assets at beginning of year	<u>287,369</u>	<u>59,734</u>
Net assets at end of year	<u>\$ 468,982</u>	<u>\$ 287,369</u>

See accompanying notes to the basic financial statements.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Statements of Cash Flows

Years ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Cash flows from operating activities:		
Cash received from customers	\$ 5,057,214	\$ 3,405,486
Cash paid to suppliers for goods and services	(433,896)	(534,466)
Cash paid to employees for services	<u>(4,837,646)</u>	<u>(2,647,149)</u>
Net cash provided by (used for) operating activities	<u>(214,328)</u>	<u>223,871</u>
Net increase (decrease) in cash and cash equivalents	(214,328)	223,871
Cash and cash equivalents at beginning of year	<u>307,073</u>	<u>83,202</u>
Cash and cash equivalents at end of year	<u>\$ 92,745</u>	<u>\$ 307,073</u>
Reconciliation of change in net assets to net cash provided by (used for) operating activities:		
Change in net assets	<u>\$ 181,613</u>	<u>\$ 227,635</u>
Adjustments to reconcile change in net asset to net cash provided by (used for) operating activities:		
(Increase) decrease in accounts receivable	(1,179,373)	(156,148)
(Increase) decrease in prepaid expenses	112,189	(35,928)
(Increase) decrease in deposits	(4,280)	-
Increase (decrease) in accounts payable	138,401	46,685
Increase (decrease) in due to other governments	305,875	-
Increase (decrease) in deferred revenue	4,157	38,871
Increase (decrease) in client deposits	(20,000)	-
Increase (decrease) in compensated absences	80,675	38,737
Increase (decrease) in claims payable	56,415	64,019
Increase (decrease) in OPEB liability	<u>110,000</u>	<u>-</u>
Total adjustments	<u>(395,941)</u>	<u>(3,764)</u>
Net cash provided by (used for) operating activities	<u>\$ (214,328)</u>	<u>\$ 223,871</u>

There were no significant noncash financing or investing activities for the periods ended June 30, 2011 and 2010.

See accompanying notes to the basic financial statements.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

Years ended June 30, 2011 and 2010

(1) Summary of Significant Accounting Policies

Nature of Business

The Regional Government Services Authority (the "Authority") was organized March 1, 2001 under the provisions of the Joint Exercise of Powers Act of the Government Code of the State of California. The purpose of the Authority is to provide services for public agencies and other non-profit entities at reduced net costs.

Members of the Authority currently include the City of San Rafael, City of Larkspur, the Association of Bay Area Governments (ABAG), the Town of Yountville and the City of Dublin. A five-member board consisting of one representative from each member controls the Authority. None of the member entities exercise specific control over budgeting and financing of the Authority's activities beyond their representation on the board. Accounting services are provided by McGilloway, Ray, Brown & Kaufman.

The following is a summary of the significant accounting policies of the Authority:

Basis of Accounting

The Authority is accounted for as an enterprise fund (proprietary fund type). A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific governmental activity. The activities of enterprise funds closely resemble those of ongoing businesses in which the purpose is to conserve and add to basic resources while meeting operating expenses from current revenues. Enterprise funds account for operations that provide services on a continuous basis and are substantially financed by revenues derived from user charges. The Authority utilizes the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized as they are incurred.

The Authority applies all applicable GASB pronouncements in accounting and reporting for proprietary operations as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB's) of the Committee on Accounting Procedure.

Investments

For financial reporting purposes, investments are adjusted to their fair value whenever the difference between fair market value and the carrying amount is material. Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies, (Continued)

Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates, and have an original maturity date of 3 months or less.

Receivables

The Authority did not experience any significant bad debt losses; accordingly, no provision has been made for doubtful accounts, and accounts receivable is shown at full value.

Compensated Absences

The Authority has a PTO (paid time off) policy in effect. It is the Authority's policy to permit employees to accumulate earned but unused vacation leave. Vacation hours can accrue up to a maximum of two times the annual allowable amount, subject to the individual employment agreement. The Authority pays all earned vacation pay upon termination. All accumulated vacation pay is recorded as an expense and a liability at the time the benefit is earned.

Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

(2) Cash and Investments

Cash and investments held by the Authority at June 30, 2011 consist of the following:

Deposits with financial institutions	\$ 82,031
Investments	<u>10,714</u>
Total cash and investments	<u>\$ 92,745</u>

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

(Continued)

(2) Cash and Investments, (Continued)

Cash and investments held by the Authority at June 30, 2010 consist of the following:

Deposits with financial institutions	\$ (82,856)
Investments	<u>389,929</u>
Total cash and investments	<u>\$307,073</u>

Investments Authorized by the California Government Code and the Authority's Investment Policy

The table below identifies the investment types that are authorized for California local governments by the California Government code. The Authority's investment policy is more restrictive as to investment vehicles permitted for use by the Authority. The table also identifies certain provisions of the California Government Code (or the Authority's investment policy, if more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

<u>Investment Types Authorized by State Law</u>	<u>Authorized By Investment Policy</u>	<u>*Maximum Maturity</u>	<u>*Maximum Percentage Of Portfolio</u>	<u>*Maximum Investment In One Issuer</u>
Local Agency Bonds	Yes	1 year	75%	None
U.S. Treasury Obligations	Yes	5 years	None	None
U.S. Agency Securities	Yes	5 years	25%	None
Banker's Acceptances	No	180 days	40%	30%
Commercial Paper	No	270 days	25%	10%
Negotiable Certificates of Deposit	Yes	5 years	25%	None
Repurchase Agreements	No	1 year	None	None
Reverse Repurchase Agreements	No	92 days	20% of base value	None
Medium-Term Notes	No	5 years	30%	None
Mutual Funds	No	N/A	20%	10%
Money Market Mutual Funds	No	N/A	20%	10%
Mortgage Pass-Through Securities	No	5 years	20%	None
CalTrust Investment Pool	Yes	N/A	None	None
Local Agency Investment Fund (LAIF)	Yes	N/A	40 million	None

*Based on state law requirements or investment policy requirements, whichever is more restrictive.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

(Continued)

(2) Cash and Investments, (Continued)

Disclosures Relating to 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. One of the ways that an agency can manage its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the Authority's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the Authority's investments by maturity for year ended June 30, 2011:

<u>Investment Type</u>	<u>Total</u>	<u>Remaining Maturing (in Months)</u>			
		<u>12 Months Or Less</u>	<u>13 to 24 Months</u>	<u>25 to 60 Months</u>	<u>More Than 60 Months</u>
State investment pool (LAIF)	\$ <u>10,714</u>	<u>10,714</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	\$ <u>10,714</u>	<u>10,714</u>	<u>-</u>	<u>-</u>	<u>-</u>

Information about the sensitivity of the fair values of the Authority's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the Authority's investments by maturity for year ended June 30, 2010:

<u>Investment Type</u>	<u>Total</u>	<u>Remaining Maturing (in Months)</u>			
		<u>12 Months Or Less</u>	<u>13 to 24 Months</u>	<u>25 to 60 Months</u>	<u>More Than 60 Months</u>
CalTRUST investment pool	\$280,048	280,048	-	-	-
State investment pool (LAIF)	<u>109,881</u>	<u>109,881</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	\$ <u>389,929</u>	<u>389,929</u>	<u>-</u>	<u>-</u>	<u>-</u>

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

(Continued)

(2) Cash and Investments, (Continued)

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Presented below is the minimum rating required by (where applicable) the California Government Code, the Authority's investment policy, or debt agreements, and the actual rating as of year end June 30, 2011 for each investment type was as follows.

<u>Investment Type</u>	<u>Total</u>	<u>Minimum Legal Rating</u>	<u>Exempt From Disclosure</u>	<u>Rating as of Year End</u>		
				<u>AAA</u>	<u>Aa</u>	<u>Not Rated</u>
State investment pool (LAIF)	\$ 10,714	N/A	-	-	-	10,714
Total	<u>\$ 10,714</u>	N/A	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,714</u>

Presented below is the minimum rating required by (where applicable) the California Government Code, the Authority's investment policy, or debt agreements, and the actual rating as of year end June 30, 2010 for each investment type was as follows.

<u>Investment Type</u>	<u>Total</u>	<u>Minimum Legal Rating</u>	<u>Exempt From Disclosure</u>	<u>Rating as of Year End</u>		
				<u>AAA</u>	<u>Aa</u>	<u>Not Rated</u>
CalTRUST investment pool	\$280,048	N/A	-	-	-	280,048
State investment pool (LAIF)	<u>109,881</u>	N/A	<u>-</u>	<u>-</u>	<u>-</u>	<u>109,881</u>
Total	<u>\$389,929</u>	N/A	<u>-</u>	<u>-</u>	<u>-</u>	<u>389,929</u>

Concentration of Credit Risk

The investment policy of the Authority contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represent 5% or more of total Authority investments for fiscal years ended June 30, 2011 and 2010, respectively.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

(Continued)

(2) Cash and Investments, (Continued)

Custodial Credit Risk

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 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. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Investment in State Investment Pool

The Authority is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the Authority's investment in this pool is reported in the accompanying financial statements at amounts based upon the Authority's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Investment in CalTRUST Investment Pool

The Authority is a voluntary participant in the Investment Trust of California (CalTRUST), a public joint powers authority formed to pool and invest the funds of public agencies. CalTRUST invests in fixed income securities eligible for investment pursuant to California Government Code Sections 53601 and 53635. Investment guidelines adopted by the board of Trustees may further restrict the types of investments held by the Trust. Leveraging within the Trust's portfolios is prohibited. The fair value of the Authority's investment in this pool is reported in the accompanying financial statements at amounts based upon the Authority's pro-rata share of the fair value provided by CalTRUST for the entire CalTRUST portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by CalTRUST, which are recorded on an amortized cost basis.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

(Continued)

(3) Long-Term Debt

The following is a schedule of changes in long-term liabilities for the year ended June 30, 2011:

	<u>Balance at July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2011</u>	<u>Portion Due Within One Year</u>
Compensated absences	\$152,918	132,468	51,793	233,593	58,398
Claims payable	64,019	120,434	64,019	120,434	-
OPEB liability	<u>-</u>	<u>110,000</u>	<u>-</u>	<u>110,000</u>	<u>-</u>
Total	<u>\$216,937</u>	<u>362,902</u>	<u>115,812</u>	<u>464,027</u>	<u>58,398</u>

The following is a schedule of changes in long-term liabilities for the year ended June 30, 2010:

	<u>Balance at July 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2010</u>	<u>Portion Due Within One Year</u>
Compensated absences	\$114,181	80,812	42,075	152,918	38,230
Claims payable	<u>-</u>	<u>64,019</u>	<u>-</u>	<u>64,019</u>	<u>-</u>
Total	<u>\$114,181</u>	<u>144,831</u>	<u>42,075</u>	<u>216,937</u>	<u>38,230</u>

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

(Continued)

(4) Net Assets

Net assets consisted of the following as of June 30:

	<u>2011</u>	<u>2010</u>
Unrestricted net assets available for operations	\$ 289,491	143,685
Unrestricted, board designated net assets:		
Reserve for contingencies**	<u>179,491</u>	<u>143,684</u>
Total unrestricted net assets	<u>468,982</u>	<u>287,369</u>
Total restricted net assets	<u>-</u>	<u>-</u>
Total net assets	<u>\$ 468,982</u>	<u>287,369</u>

**At the June 10, 2010 Board of Directors meeting, the Authority's Board of Directors authorized designation of general funds as reserves for insurance and normal operations.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

(Continued)

(5) Defined Contribution Plans

The Authority has established a deferred compensation plan in accordance with Internal Revenue Code Section 457(b), whereby employees may elect to defer portions of their compensation in a self-directed investment plan for retirement. Plan assets are invested in each individual's name with a deferred compensation plan provider. Distributions are made upon the participant's termination, retirement, death or total disability, and in a manner in accordance with the election made by the participant. All employees are eligible for plan participation.

The Authority believes it has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The Authority has formally established a trust in accordance with Internal Revenue Code Section 457(g) for all of its deferred compensation plans to provide protection from the claims of the employer's general creditors. Accordingly deferred compensation assets placed in the trust are not reflected in these financial statements.

The Authority has also established a defined contribution plan in accordance with Internal Revenue Code Section 401(a), for the employer's qualified retirement plan. The employer contributes 10% of the employees' salary to the employee's self-directed investment plan for retirement. The employer may also match employee contributions up to 5% on behalf of the employee subject to individual employment agreement. Plan assets are invested in each individual's name with the defined contribution plan provider. Distributions are made upon the participant's termination, retirement, death or total disability, and in a manner in accordance with the election made by the participant.

The Authority believes it has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The Authority has formally established a trust in accordance with Internal Revenue Code Section 401(f) for its defined contribution plan to provide protection from the claims of the employer's general creditors. Accordingly defined contribution assets placed in the trust are not reflected in these financial statements.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

(Continued)

(6) Liability, Insured Programs and Workers' Compensation Protection

For the years ended June 30, 2010 and 2011, the JPIA Executive Committee used a "rolling" retro payment and refund schedule for members. One-fourth of the retro amount is paid or refunded each year. The effect is that payments and refunds will partially net out, thus reducing cash flow fluctuations from year to year. At June 30, 2011 and 2010 the cumulative retrospective deposit payable for general liability is \$120,434 and \$64,019, respectively. At June 30, 2011 and 2010 the cumulative retrospective deposit refund for workers' compensation is \$4,280 and \$0, respectively.

Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The Authority is a member of the California Joint Powers Insurance Authority (Cal JPIA). Cal JPIA is composed of 121 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of Cal JPIA is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a 9-member Executive Committee.

A revised cost allocation methodology was introduced in 2010-11, however it retains many elements of the previous cost allocation methodology. Each member pays an annual contribution (formerly called the primary deposit) to cover estimated losses for the coverage period. This initial funding is paid at the beginning of the coverage period. After the close of the coverage period, outstanding claims are valued. A retrospective deposit computation is then conducted annually thereafter until all claims incurred during the coverage period are closed on a pool-wide basis. This subsequent cost re-allocation among members based on actual claim development can result in adjustments of either refunds or additional deposits required.

The total funding requirement for self-insurance programs is estimated using actuarial models and pre-funded through the annual contribution. Costs are allocated to individual agencies based on exposure (payroll) and experience (claims) relative to other members of the risk-sharing pool. Additional information regarding the cost allocation methodology is provided below.

Self-Insurance Programs of the Authority

General Liability In the liability program claims are pooled separately between police and non-police exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

(Continued)

(6) Liability, Insured Programs and Workers' Compensation Protection, (Continued)

the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess of \$750,000 up to the reinsurance attachment point of \$5 million are distributed based on the outcome of cost allocation within the first and second loss layers. (5) Costs of covered claims from \$5 million to \$10 million are paid under a reinsurance contract subject to a \$2.5 million annual aggregate deductible. Costs of covered claims from \$10 million to \$15 million are paid under two reinsurance contracts subject to a combined \$3 million annual aggregate deductible. On a cumulative basis for all 2010-11 reinsurance contracts the annual aggregate deductible is \$5.5 million. (6) Costs of covered claims from \$15 million up to \$50 million are covered through excess insurance policies.

The overall coverage limit for each member including all layers of coverage is \$50 million per occurrence.

Costs of covered claims for subsidence losses are paid by reinsurance and excess insurance with a pooled sub-limit of \$35 million per occurrence. This \$35 million subsidence sub-limit is composed of (a) \$5 million retained within the pool's SIR, (b) \$10 million in reinsurance and (c) \$20 million in excess insurance. The excess insurance layer has a \$20 million annual aggregate.

Workers' Compensation In the workers' compensation program claims are pooled separately between public safety (police and fire) and non-public safety exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess of \$100,000 up to the reinsurance attachment point of \$2 million are distributed based on the outcome of cost allocation within the first and second loss layers. (5) Costs of covered claims from \$2 million up to statutory limits are paid under a reinsurance policy. Protection is provided per statutory liability under California Workers' Compensation Law.

Employer's Liability losses are pooled among members to \$2 million. Coverage from \$2 million to \$4 million is purchased as part of a reinsurance policy, and Employer's Liability losses from \$4 million to \$10 million are pooled among members.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

(Continued)

(6) Liability, Insured Programs and Workers' Compensation Protection, (Continued)

Purchased Insurance

Crime Insurance The Authority purchases crime insurance coverage in the amount of \$1,000,000 with a \$25,000 deductible. The fidelity coverage is provided through the California JPIA. Premiums are paid annually and are not subject to retroactive adjustments.

Adequacy of Protection

During the past three fiscal years, none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There also are no significant reductions in pooled or insured liability coverage from coverage in 2010-11.

(7) Post Employment Benefit Plan

Plan Description: Certain employees who retire from the Authority with 10 years of service are eligible to receive health care benefits covering themselves and any qualified members. For those employees with employment agreements stipulating this benefit, the Authority pays 100% of the single rate premium charged to active employees under a health benefit plan administered by the Public Employee's Retirement System (PERS) in which the individual is able to select, on an annual basis, an insurance carrier from a number of insurance carriers. All other retirees are eligible for the PERS mandated benefit coverage, under which the Authority currently would pay up to \$108 per month for any health coverage, subject to the PERS vesting schedule.

Funding Policy: The Authority's actuarially-based funding plan began in fiscal year 2010 with contributions being set aside in an Authority reserve, beginning in fiscal year 2011. The Authority has not elected to participate in the CalPERS OPEB Trust or form its own or participate in another OPEB Trust because it does not intend to remain in CalPERS Medical Plan indefinitely. The Authority is pursuing other pay-as-you-go retiree medical benefit plans that are more consistent with its business plan of servicing public and non-profit agencies.

CalPERS publishes separate financial statements conforming to GASB Statement No. 43 in separately issued financial statements for the CalPERS OPEB Trust. Copies of PERS' annual financial reports for its OPEB Trust may be obtained from its executive office at 400 "Q" Street, Sacramento, California 95811.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

(Continued)

(7) Post Employment Benefit Plan, (Continued)

Annual OPEB Cost and Net OPEB Obligation. The Authority's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed fifteen years, with a sensitivity analysis of 10 years. The following table shows the components of the Authority's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Authority's net OPEB obligation for these benefits:

Annual required contribution	\$ 79,000
Interest on annual required contribution	1,000
Amortization	(2,000)
Adjustment to annual required contribution	<u>32,000</u>
Annual OPEB cost (expense)	110,000
Contributions made (including premiums paid)	<u>-</u>
Increase in net OPEB obligation	110,000
Net OPEB obligation—beginning of year	<u>-</u>
Net OPEB obligation—end of year	<u>\$110,000</u>

The Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 and the two preceding years were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>% of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2009	N / A	N / A	N / A
6/30/2010	\$32,000	0.0%	\$32,000
6/30/2011	\$78,000	0.0%	\$110,000

The amounts reported as annual OPEB cost for the fiscal year ended June 30, 2010 was not recorded as an expense until the fiscal year ended June 30, 2011 as the actuarial valuation was not made available before issuance of the June 30, 2010 financial statements.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

(Continued)

(7) Post Employment Benefit Plan, (Continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress is designed to present multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial assets, consistent with the long-term perspective of the calculations.

The actuarial cost method used for determining the benefit obligations is the Entry Age Normal Cost Method. The actuarial assumptions included a 7.75 percent investment rate of return, which is the assumed rate of the expected long-term investment returns (4 % discount rate) on plan assets calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 10 percent initially, reduced by decrements of .6% per year to an ultimate rate of 5 percent after the tenth year. Both rates included a 3.0 percent inflation assumption. The UAAL is being amortized as a level percentage of projected payroll on an closed basis over 30 years. It is assumed the Authority's payroll will increase 3.25% per year.

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAL)- Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Actuarial UAAL as a Percentage of Covered Payroll (b-a)/c)
6/30/2010	\$0	\$87,000	\$87,000	0%	\$2,345,000	3.71%



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

Providing Solutions to California Public Agencies

P.O. Box 1350 · Carmel Valley, CA 93924 · 650.587.7300

TO: EXECUTIVE COMMITTEE
FROM: RICHARD H. AVERETT, Executive Director
SUBJECT: JPA MEMBER IN GOOD STANDING

EC Meeting: 1-12-12
Item: 5A

RECOMMENDATION

Review and approve the definition of a Member in Good Standing, for incorporation into the approved guidelines for the Executive Committee to use in considering additions to and replacements of JPA member agencies.

Approve recommending to the Board of Directors extension of these guidelines to Executive Committee membership.

BACKGROUND

At the June 9, 2011 Executive Committee meeting, during their discussion and approval of JPA Membership guidelines, the Committee directed the Executive Director to develop a recommended definition of a “member in good standing”. Criteria for establishing a member in good standing will assist the Executive Committee in exercising its authority to cancel an Agency’s JPA Membership.

Every member agency has one representative on the Board of Directors. The Directors, in turn, appoint members of the Executive Committee. All but one Committee Member is also a Board Director. Therefore, criteria for determining membership in good standing would appear to apply to both bodies.

Board of Directors and Executive Committee Member Responsibilities

The Board and the Committee support the work of the JPA by participating in the governance, including attendance at JPA meetings, and in strategic planning workshops. They also serve a key role in promoting the mission of the JPA to provide professional and cost-effective services to public agencies and non-profits. Both governance and outreach require active participation by members. While day-to-day operations are led by the Executive Director, the Board-Executive Committee and Executive Director relationship is a partnership, and the appropriate involvement of the Board and Executive Committee members is both critical and expected. These guidelines are proposed to assist the governing bodies in determining membership in good standing.

- All members will be responsible for regularly attending meetings, either in person or by sending a designated alternate. A member in good standing will be one who either personally, or via an alternate, attended three-fourths (3/4) of scheduled meetings during the fiscal year.
- All members will actively contribute to the work of the Board and/or Executive Committee and show concern for the JPA’s development. This includes but is not limited to:
 - Informing other public agencies about the mission of the JPA.

- Acting as an ambassador for the JPA, representing the JPA to other public agencies in a positive manner.
 - Keeping up to date on current trends in public governance and determining how the JPA can effectively serve other public agencies in light of changing trends.
 - Reviewing the annual financial statements of the JPA and ensuring, through their governance role, that the JPA is operated in an ethical, legal and financially sustainable manner.
- Future new member agencies will need to maintain “good member” status for one year before becoming eligible for training reimbursement.

It is the responsibility of the Executive Director and of the Board or Executive Committee members to encourage all members to actively engage in the work of the JPA. A recurring or continued failure of a member to actively participate shall result in an action item on the next regular agenda which will consider the removal of the member. Removal by the Board or Executive Committee shall be considered removal by the other body, and removal by the Executive Committee will cancel the Agency Membership represented by the member. Failure of a member to meet the above guidelines as determined by a two-thirds majority of the other members will result in the removal of the member.

FISCAL IMPACT

There is no fiscal impact of adopting these qualifications other than small, avoided training costs that a canceled agency membership might have used.



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

Providing Solutions to California Public Agencies

P.O. Box 1350 • Carmel Valley, CA 93924 • 650.587.7300

TO: EXECUTIVE COMMITTEE
FROM: JENNIFER BOWER, DIRECTOR OF HUMAN RESOURCES
SUBJECT: JPA PHILOSOPHY OF THE USE OF TRAINING FUNDS

EC Meeting: 1-12-12
Item: 5B

RECOMMENDATION

Approve the revised Philosophy for the Use of Training Funds.

BACKGROUND

Previously the Executive Committee indicated a desire to provide training for member agencies by authorizing two scholarships per member agency to the Berkeley Executive Seminar (BES). At the February 2011 meeting, discussion ensued about those member agencies that did not have two staff to send each year. Committee Members agreed that if one or both scholarships were not used by a member agency other member agencies should be offered an extra scholarship (the unused scholarship), potentially resulting in three employees from an agency being able to attend under RGS sponsorship. The Committee also expressed a desire for an alternate program for those member agencies unable to send employees to BES. At the June 2011 meeting, a draft policy was presented to the Committee for review. The Committee made a number of recommendations for change, which are now incorporated into this draft training philosophy.

PHILOSOPHY FOR THE USE OF TRAINING FUNDS

In order to compensate member agencies for their staff time devoted to JPA work, and to help communicate the availability of RGS services to other public agencies, the Board agreed in 2009 that member agencies of both JPAs are eligible for training services equivalent to the cost of two representatives from each member agency to attend the Berkeley Executive Seminar, plus \$1,500 in attendance-related expense reimbursement, subject to funding availability and approval. Subsequently, the Executive Committee has provided additional flexibility to ensure that all member agencies were able to participate in a training program that best met their individual agency needs. The following priorities help establish each year's use of funds.

1. Two scholarships to the Berkeley Executive Seminar (generally held the last week of July at the UC Berkeley campus. RGS must be credited on any publications about providing these scholarships).
2. Specific management or employee training designed for and taught by RGS consulting staff.
3. Facilitated workshops by RGS consulting staff to address individual member organizational issues.
4. Training provided by RGS to regional areas that include at least one JPA Board or Executive Committee member agency.

FISCAL IMPACT

None



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

Providing Solutions to California Public Agencies

P.O. Box 1350 · Carmel Valley, CA 93924 · 650.587.7300

TO: EXECUTIVE COMMITTEE
FROM: RICHARD H. AVERETT, EXECUTIVE DIRECTOR
SUBJECT: CLIENT REPORT

EC Meeting: 1-12-12
Item: 6A

CURRENT CLIENTS:

The following is a listing of the 23 LGS and RGS current clients. LGS has 38 positions supporting clients and RGS has 71 positions supporting clients and JPA administration.

Staff has been added for the Gold Coast Health Plan and Marin Transit. San Pablo Economic Development Corporation has signed an agreement to begin utilizing services in early January 2012 and talks are in process with a transit agency in Yuma County, AZ. The cities of San Bruno, Stockton and Vallejo concluded their utilization of JPA services.

The JPAs have exercised their right to terminate the contract with Transbay Joint Powers Authority (TJPA) and TJPA has assumed employer-of-record duties as of January 1, 2012.

Cities/Counties

Calistoga	Clearlake	Larkspur
Lincoln	Rohnert Park	San Rafael
Sausalito	Walnut Creek	Yountville

Other Agencies

Consortium IV	Gold Coast Health Plan
Marin Emergency Radio Authority	Marin General Services Authority
Marin Telecommunications Authority	Marin Transit
Menlo Park Fire Protection District	Metropolitan Transportation Commission
San Pablo EDC	Sonoma-Marín Area Rail Transit District
South Bayside Waste Management Authority	Transportation Authority of Marin
Twin Cities Police Authority	Ventura County Transportation Commission

POTENTIAL CLIENTS AND CHANGES TO CURRENT CLIENT SERVICES:

The JPAs are currently working with an inter-agency transit authority in Yuma County, Arizona. Recent efforts to establish a shared services arrangement for San Mateo County cities have been discontinued. Staff continues to talk with agencies needing interim and project assignments.

Regional Government Services
Position Allocation Chart
Jan-12

Contracting Organization RGS employee, FTE, and Position Title	Employee Name	GCHP RGS	Marin Transit RGS	MTC RGS	VCTC RGS	RGS Admin RGS	Small Projects RGS	Yountville RGS	Total FTE	Total Position count
Accounts Payable Invoice Specialist	Ricky Cacho			1.00					1.00	1.00
Accounts Payable Specialist	Shannon Godina	1.00							1.00	1.00
Administrative Assistant	Suzanne Canino	1.00							1.00	1.00
Administrative Assistant	Audra Lucas	1.00							1.00	1.00
Administrative Clerk	Angie Zavala				0.10	0.25			0.35	1.00
Assistant Chief Medical Officer	Nancy Wharfield	0.50							0.50	1.00
Building Inspector	Rob Urmini							0.35	0.35	1.00
Care Coordination Manager	Melanie Frampton	1.00							1.00	1.00
Chief Executive Officer	Earl Greenia	1.00							1.00	1.00
Chief Financial Officer	Darlane Johnsen	1.00							1.00	1.00
Chief Medical Officer	Charlie Cho	1.00							1.00	1.00
Chief Operations Officer	Aimee Sziklai	1.00							1.00	1.00
Claims Auditor	Valerie Hernandez	1.00							1.00	1.00
Claims Auditor	Emirose Villareyes	1.00							1.00	1.00
Clerk of the Board/Exec Assistant	Traci McGinley	1.00							1.00	1.00
Clinical Operations Assistant	Veronica Esparza	1.00							1.00	1.00
Community Mobility Manager	Paul Branson		1.00						1.00	1.00
Coordinator, Member Services/Outreach	Erika Reyes	1.00							1.00	1.00
Data Entry Assistant	Dawn Lambert	1.00							1.00	1.00
Director of Communications	Steven Lalich	1.00							1.00	1.00
Director of Government Relations	Guillermo Gonzalez	1.00							1.00	1.00
Director of Health Services	Pamela Kapustay	1.00							1.00	1.00
Director of Human Resources/HR Consultant	Jennifer Bower					0.90			0.90	1.00
Director of Human Resources	Candice Limousin	1.00							1.00	1.00
Director of Provider Relations	Paul Roberts	1.00							1.00	1.00
Eligibility and Appeals Coordinator	Lisa Johnson	1.00							1.00	1.00
Executive Assistant	Tiffany Buraglio					0.40			0.40	1.00
Executive Director/CFO	Richard Averett					1.00			1.00	1.00
Grants Administrator	Barbara Duffy		0.40						0.40	1.00
Health Educator	Lupe Gonzalez	1.00							1.00	1.00
Human Resources Consultant/Analyst	Rich Oppenheim						0.10		0.10	1.00
Human Resources Consultant/Analyst	Kristine Humphries				0.25				0.25	1.00
Human Resources Consultant/Manager	Teresa Bryerton						0.05		0.05	1.00
Human Resources Consultant/Manager	Anne Olliver						0.20		0.20	1.00
Human Resources Consultant/Manager	Gail Papworth						0.40		0.40	1.00
Human Resources Consultant/Manager	Pamela Toconis						0.10		0.10	1.00
Interim Chief Operating Officer	Aimee Sziklai	1.00							1.00	1.00
Intern	Ali Iqbal		0.25						0.25	1.00
Intern	Brenton Smith			0.50					0.50	1.00
Maintenance Worker	Barney LaRue							0.60	0.60	1.00
Manager, Finance and Accounting	Sonia DeMarta	1.00							1.00	1.00
Manager, Finance and Accounting	Charlene Duan	1.00							1.00	1.00
Project Consultant	Jeff Kise					0.75			0.75	1.00
Project Specialist	Andre Galvan	1.00							1.00	1.00
Provider Claims Research Representative	Percy Mayfield	1.00							1.00	1.00
Provider Relations Assistant	Velma Washington	1.00							1.00	1.00
Provider Relations Administrator	Sonji Lopez	1.00							1.00	1.00
Provider Relations Representative	Kathleen Garner	1.00							1.00	1.00
Provider Relations Representative	Rebecca Wright	1.00							1.00	1.00
Provider Relations Representative	Lezlie Stroh	1.00							1.00	1.00
Receptionist	Luz Campos			1.00					1.00	1.00
Senior Financial Analyst	Lyndon Turner	1.00							1.00	1.00
Systems Benefit Consultant	Mae Regalado	0.45							0.45	1.00
Temporary Assistant	Anna Villagomez	1.00							1.00	1.00
Quality Improvement Specialist	Brandy Armenta	1.00							1.00	1.00
Videographer	Mark Jones			0.50					0.50	1.00
Total RGS FTE by Client		34.95	1.65	3.00	0.35	3.30	0.85	0.95	45.05	56.00
Total RGS Positions by Client		36	3	4	2	2	5	2	56.00	56.00

**Regional Government Services
Position Allocation Chart
Jan-12**

Contracting Organization RGS employee, FTE, and Position Title	Employee Name	TAM RGS	Marin JPAs RGS	MPFPD RGS	Sausalito RGS	San Rafael RGS	Rohnert Park RGS	Larkspur/ Twin Cities RGS	Clearlake RGS	C-IV RGS	RGS Admin RGS	Total FTE	Total Position count
Administrative Analyst	Carla Overberger		1.00									1.00	1.00
Administrative Manager	Glenn Lazof									0.60	0.10	0.70	1.00
Administrative Services Director	Charlie Francis				0.75							0.75	1.00
Associate Project Delivery Manager	Jit Pandher	1.00										1.00	1.00
Emergency Services Coordinator	Angela Del Ponte					1.00						1.00	1.00
Executive Director - MGSA	Paul Berlant		0.50									0.50	1.00
Executive Officer - MERA	Maureen Cassingham		0.35									0.35	1.00
Human Resources Consultant/Manager	Sophia Selivanoff						0.80	0.15				0.95	1.00
Interim Director of Finance	Sandra Sato								0.75			0.75	1.00
Interim Planning Director	Anne Moore							0.40				0.40	1.00
Intern	Scott McDonald	0.4										0.40	1.00
Program Manager, AVAP	Jeff Rawles		0.57									0.57	1.00
Regional Project Manager	Myrna Lebert									1.00		1.00	1.00
Technical Manager	Jon Burkett									1.00		1.00	1.00
Urban Search & Rescue Coordinator	Tim Campbell			0.45								0.45	1.00
Total RGS FTE by Client		1.40	1.42	0.45	0.75	1.00	0.80	0.55	0.75	2.60	0.10	9.12	
Total RGS Positions by Client		2	3	1	1	1	1	2	1	3		15.00	15.00

Legend
1/1/2012

Yellow: Pending selection; not in counts.	New clients (under small projects):
Green: FTE counts/totals	Tangerine Position counts/totals

Total 71.00

LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

Providing Solutions to California Public Agencies

P.O. Box 1350 · Carmel Valley, CA 93924 · 650.587.7300

TO: EXECUTIVE COMMITTEE **EC Meeting: 1-12-12**
FROM: RICHARD H. AVERETT, CFO/TREASURER **Item: 6B**
SUBJECT: EXECUTIVE COMMITTEE AND BOARD OF DIRECTORS MEETINGS

Meeting Schedule for the next 12 Months

The following are regularly scheduled meetings for the upcoming year, along with special topics to be discussed. All meetings are conducted by teleconference on the second Thursday of each month, starting at 3:00 p.m. with the exception of the in-person meetings noted below. In-person meetings will start at 10:00 a.m., at the locations noted.

Date	EXEC COMM	BOD	Special Topic	Location	Notes
2012					
January 12 (Thursday)	Yes	Yes	Executive Committee Study Session; Formation of Insurance JPA	Yountville Community Board Room	10:00 a.m. – 4:00 p.m.
February 9 (Thursday)	Yes			Teleconference	
March 8 (Thursday)	Yes			Teleconference	
April 12 (Thursday)	Yes			Teleconference	
May 10 (Thursday)	Yes			Teleconference	
June 14 (Thursday)	Yes	Yes	FY13 Budget, Investment Policy, Rules & Regs, Conflict of Interest Policy (even years only)	Location: TBA	10:00 a.m. – 2:00 p.m.
July 12 (Thursday)	Yes			Teleconference	
August 9 (Thursday)	Yes			Teleconference	
September 13 (Thursday)	Yes			Teleconference	
October 11 (Thursday)	Yes			Teleconference	
November 8 (Thursday)	Yes			Teleconference	
December 13 (Thursday)	Yes			Teleconference	