

RGS BOARD OF DIRECTORS AGENDA

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

REGULAR MEETING

May 8, 2025

1:30 p.m.

Monterey Plaza Hotel and Spa

Carmel Room

400 Cannery Row

Monterey, CA 93940

Members of the Board of Directors will be meeting for dinner on Thursday, May 8 at which no business will be discussed. Members of the Board of Directors will be having a working breakfast during a Workshop on Friday, May 9. The Workshop may continue through lunch. Members of the public are invited to participate in any of the meals at their own expense. Contact Tiffany Buraglio at tburaglio@rgs.ca.gov or 831.308.2717 by 8:00 a.m. Wednesday, May 7 if you would like to be included in any meal.

1. CALL TO ORDER / ROLL CALL

A. Public Hearing on Vacancies and Recruitment and Retention Efforts (AB 2561)

Information

B. Election of Officers

Action

2. PUBLIC COMMENT

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

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 **November 21, 2024 and February 3, 2025** Minutes

Action

4. OLD BUSINESS -None

5. NEW BUSINESS

A. Approval of FY26 Proposed Budget

Action

B. Appointment of Executive Committee Members

Action

6. EXECUTIVE DIRECTOR, COMMITTEE AND MEMBER REPORTS

A. Executive Director:

B. Members:

7. ADJOURN MEETING

Next Regular Meeting May 21, 2026 TBD

Americans with Disabilities Act

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Sophia Selivanoff at (650) 587-7300. Notification in advance of the meeting will allow for reasonable arrangements to ensure accessibility.

TO: BOARD OF DIRECTORS **BOD Meeting: 05-08-2025**
FROM: DEONA KNIGHT, Human Resources Manager **Item: 1A**
SUBJECT: PUBLIC HEARING ON VACANCIES AND RECRUITMENT AND RETENTION EFFORTS (AB 2561)

BACKGROUND

AB 2561 took effect January 1, 2025, and requires public agencies, including Regional Government Services, to hold at least one (1) public hearing per fiscal year, prior to the adoption of the budget, to discuss vacancies and recruitment and retention efforts.

ANALYSIS

Regional Government Services' business model is significantly different from the traditional staffing model addressed by this bill. Rather than allocated positions with fixed workloads, RGS' workforce is typically defined by employees with variable intermittent worker status, and a fluctuating set of assignments instead of ongoing defined-purpose positions. The Executive Director/Chief Financial Officer is the only allocated position within RGS per RGS bylaws and is not currently vacant. AB2561 also requires engagement with bargaining units; however, RGS does not have bargaining units. Clients receiving staffing support for unstaffed agencies may include specific hours commitments and roles for assigned staff in agreements; however, these are objectives and not staffing targets, and RGS retains and exercises flexibility in accomplishing the agreed-upon work.

With this staffing model, calculation of vacancies and vacancy rates is inapplicable. RGS can effectively report hiring activity and turnover as well as identify recruitment and retention efforts.

In the calendar year 2024, RGS hired twenty-nine employees. Twenty-four employees separated from the agency. By the end of 2024, the total employee count for Regional Government Services was 209 employees in comparison to the employee count at the beginning of the year at 204 employees. The turnover rate for 2024 was 11.6%.

Talent sourcing by RGS uses both referrals and formal recruitments conducted by the RGS Recruitment Service Line to locate, screen and apply expertise to current and developing projects. RGS' retention efforts include competitive wages, benefit eligibility for part time employees, significant premium contributions to health insurance by RGS, and a portable and generous 401a retirement plan. Along with RGS' remote work business model and flexible schedules, this package has provided very attractive working conditions. Limited only by financial capacity, RGS practices continuous improvement in both recruitment and retention efforts, intentionally opening doors and creating employment paths that are flexible and meet a range of potential employee needs.

FISCAL IMPACT

There is no direct fiscal impact associated with conducting the public hearing required under Government Code section 3205.3.

**REGIONAL GOVERNMENT SERVICES AUTHORITY
BOARD OF DIRECTORS MINUTES
NOVEMBER 21, 2024**

The Regional Government Services Authority held a special meeting of the Board of Directors on November 21, 2024 via teleconference. The meeting was called to order at 1:01 p.m.

1. CALL TO ORDER / ROLL CALL

Members Present: Hilary Straus, Chair
Shannon O'Hare, Vice Chair
Dan Buckshi, Member
Megan Hunter, Member
Colleen Tribby, Member
Celia King, Alternate Member

Members Absent: Liz Habkirk, Member

Other Attendees: Sophia Selivanoff, Executive Director/CFO
Gina Schuchard, Deputy CFO
Rich Oppenheim, Administrative Services Manager
Deona Knight, HR Manager
Lindsay Rice, Accounting Manager
Ashley Metzger, Communications Manager
Tiffany Buraglio, Executive Assistant
Sophia Kuo, Pun Group

2. PUBLIC COMMENT - None

3. APPROVAL OF CONSENT AGENDA

A. Approval of **May 16 and 17, 2024** Minutes

Action: Moved and seconded (Hunter/Buckshi) to approve consent agenda.
AYES: Straus, O'Hare, Buckshi, Tribby, King
NOES: None
ABSTAIN: None

4. OLD BUSINESS - None

5. NEW BUSINESS

A. Appointment of EC Member Colleen Tribby, City of Dublin

Chair Straus noted the appointment of Colleen Tribby was due to a vacancy created when former Executive Committee member Linda Smith resigned.

Action: Moved and seconded (Hunter/King) to appoint Colleen Tribby to the Executive Committee.
AYES: Straus, O'Hare, Buckshi, Tribby, King
NOES: None
ABSTAIN: None

B. Approval of Resolution RGSBOD2024-01, OES Designation of Applicant's Agent

Administrative Services Manager Oppenheim indicated that the passage of the resolution would allow the JPA to pursue Federal financial assistance for current and future disaster services for the period of three years. Chair Straus asked if it would be better to list position titles only as opposed to specific individual names on the resolution, thus allowing for more flexibility. Executive Director Selivanoff noted that it would be unlikely the JPA would have the occasion to apply for FEMA funds again in the future, but staff can make the adjustment to the resolution to only list position titles. Chair Straus commended staff for taking steps to apply for the disaster recovery funds.

Action: Moved and seconded (Hunter/O'Hare) to approve Resolution RGSBOD2024-01 to designate Applicant's Agents to file with OES, with the revision to list position titles only.

AYES: Straus, O'Hare, Buckshi, Tribby, King

NOES: None

ABSTAIN: None

6. EXECUTIVE DIRECTOR AND MEMBER REPORTS

- A. Executive Director: Executive Director Selivanoff followed up on the last item on the agenda and gave credit to former Executive Director Averett for laying the groundwork on the FEMA reimbursement process. Selivanoff noted the remainder of her report would be reserved for the Executive Committee.
- B. Members: Chair Straus officially welcomed Member Tribby to the Board.

- 8. ADJOURNMENT** - The meeting adjourned at 1:11 p.m. The next regular meeting date is to be determined after the Executive Committee approves the meeting schedule.

**REGIONAL GOVERNMENT SERVICES AUTHORITY
BOARD OF DIRECTORS MINUTES
FEBRUARY 3, 2025**

The Regional Government Services Authority held a special meeting of the Board of Directors on February 3, 2025 via teleconference. The meeting was called to order at 2:32 p.m.

1. CALL TO ORDER / ROLL CALL

Members Present: Hilary Straus, Chair
Shannon O'Hare, Vice Chair
Liz Habkirk, Member
Megan Hunter, Member
Brad Raulston, Member
Members Absent: Dan Buckshi, Member
Colleen Tribby, Member
Other Attendees: Sophia Selivanoff, Executive Director/CFO
Tiffany Buraglio, Executive Assistant
Sky Woodruff, Authority Counsel
Scott Kivel, Authority Special Counsel

2. PUBLIC COMMENT – None

2:33 p.m. Recess to Closed Session

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

(Pursuant to Government Code Section 54956.9(d)(1))

Name of cases: Estate of Douglas Breeze et al. v. Board of Administration of the California Public Employees' Retirement System, Third Appellate District Case No. C099877

Dowswell v. Board of Administration of the California Public Employees' Retirement System, Third Appellate District Case No. C100027

Sandhu v. Board of Administration of the California Public Employees' Retirement System, Third Appellate District Case No. C100028

Souza et al. v. Board of Administration of the California Public Employees' Retirement, Third Appellate District Case No. C099861

Tarlochan Sandhu, et al. v. Theresa Taylor, et al., United States District Court-Northern District Case No. 3:24-CV-7201-LB

2:55 p.m. Recess to Open Session

Report out of Closed Session

The Board unanimously authorized filing an appeal in Tarlochan Sandhu, et al. v. Theresa Taylor, et al., United States District Court-Northern District Case No. 3:24-CV-7201-LB

3. ADJOURNMENT - The meeting adjourned at 2:56 p.m. The next regular meeting is May 8, 2025 in Monterey, CA.

TO: BOARD OF DIRECTORS
FROM: GINA SCHUCHARD, Deputy CFO
SUBJECT: **APPROVAL OF FY2026 BUDGET**

BOD Meeting: 05-08-2025
Item: 5A

RECOMMENDATION

Approve Proposed RGS FY2026 Budget.

FY2025 PROJECTED FINANCIAL PERFORMANCE

Forecasted fiscal year-end revenue will be \$2.1 million higher than budgeted primarily due to increased client services in core service lines. Client billings are anticipated to grow by 12.7% in FY25 over budgeted expectations. CalSAWS subcontracting reductions continued through the first half of the year with the second half remaining constant. Regarding economic trends, RGS has noticed a pause in some HR Services lines and training focused programs during the second half of the year. Fiscal year-end net income is conservatively forecasted to be \$365,000. Overall, FY25 continued as a year of investment as new service lines and programs became established in the marketplace.

FY2026 PROPOSED BUDGET

Total budgeted revenue is projected to increase by 2% or \$451,000 from the projected FY25 revenue total. Underlying the increase is a continued commitment by our professional employment services (PES) partners to grow with RGS. We are anticipating CalSAWS subcontracting operations will remain at the current maintenance levels. The client billing projection includes a slight retraction in client services for the first half of the fiscal year in project related services. Although an escalator is included in bill rates for the new year, the projection remains conservative in order to anticipate any additional uncertainty in the marketplace. RGS continues to be a partner to agencies during strong and weak economic trends.

Payroll and employee benefits make up most expenses, along with litigation, legal, and technology. Conferences and outreach expenses continued to increase year over year as the resumption of client related travel continues. Medical insurance premiums are anticipated to increase by 10% overall. The investment in technology will continue as Deltek, an ERP project based system, will be implemented resulting in increased efficiencies and transparency as systems are consolidated. One-time technology prepaid costs are included. Legal costs remain elevated due to the ongoing CalPERS actions. The client pass-through expenses reflect the CalSAWS subcontracting costs which are billed to the client at a markup.

With these additional items included the proposed budget for RGS has a projected conservative net gain of \$31,000.

IMPACT ON RESERVES

RESERVES	Current Target Balances	FY24 Audited Retained Earnings	FYE25 Projected Retained Earnings	FY26 Projected Retained Earnings
Operating	\$2,300,000	\$2,259,939	\$2,625,795	\$2,656,095
Claims	\$590,000	\$590,000	\$590,000	\$590,000
Bonus	\$590,400	\$590,400	\$590,400	\$590,400
Totals	\$3,480,400	\$3,440,339	\$3,806,195	\$3,836,495

Regional Government Services
Profit & Loss Budget vs. Actual
FY 24-25 Projected Actuals and FY 25-26 Budget

	FY 24 Actual	FY 25 Budget	FY 25 Projected	FY 25 Variance	FY26 Budget
Ordinary Income/Expense					
Income					
440301 · Client Billings	20,460,135	19,297,926	21,754,047	2,456,121	22,205,800
440400 · Admin Services					
440402 · MSS	10,400	5,000	2,400	-2,600	0
440403 · Municipal Dental Pool	76,943	74,000	78,969	4,969	79,000
440404 · STARS	20,226	20,000	21,672	1,672	21,700
Total 440400 · Admin Services	107,569	99,000	103,041	4,041	100,700
480000 · Miscellaneous Income					
480100 · Client Expense Reimbursement	3,453,648	2,903,000	2,524,092	-378,908	2,524,100
480200 · Purchasing Card Rebate	4,855	5,000	4,287	-713	4,300
480600 · Insurance Recovery	126	0	8,077	8,077	8,100
480900 · Other	4,620	0	4,144	4,144	4,200
Total 480000 · Miscellaneous Income	3,463,249	2,908,000	2,540,600	-367,400	2,540,700
Total Income	24,030,953	22,304,926	24,397,688	2,092,762	24,847,200
Gross Profit	24,030,953	22,304,926	24,397,688	2,092,762	24,847,200
Expense					
511010 · Salaries - Regular	14,294,198	14,352,000	15,782,276	1,430,276	16,282,300
511072 · Salaries - Nonbillable	76,624	85,000	13,904	-71,096	14,000
512002 · Medicare Employer Expense	205,515	198,000	226,879	28,879	234,500
512004 · Employee Assistance Program	0	5,000	0	-5,000	0
512005 · Health Insurance Expense	1,848,512	1,920,650	2,060,877	140,227	2,267,000
512006 · Dental Insurance Expense	155,186	140,760	176,439	35,679	181,800
512007 · Vision Insurance Expense	21,050	20,000	24,288	4,288	25,100
512008 · Life Insurance Expense	11,776	15,000	13,808	-1,192	14,300
512009 · Long Term Disability Expense	15,987	17,000	18,151	1,151	18,700
512011 · Stars 401A Expense	1,435,167	1,413,000	1,581,397	168,397	1,628,900
512014 · Short Term Disability Expense	19,934	17,000	22,852	5,852	23,600
512015 · Unemployment Expense	43,267	39,520	54,652	15,132	56,300
512018 · FSA Health & Day Care Expense	4,274	4,000	5,661	1,661	5,900
512019 · Employee Expense Allowances	171,913	168,000	177,461	9,461	182,800
512020 · HRA Retirement Benefit Expense	181,345	225,000	309,719	84,719	319,100
520107 · APS (ADP) Payroll Fees	23,669	25,000	25,452	452	26,300
520108 · Communications - Agency Expense	8,509	5,000	5,069	69	5,100
520201 · Office Supplies	436	1,000	0	-1,000	0
520202 · Bank Fees & Services	17,206	8,000	20,041	12,041	20,100
520204 · Printing & Postage	11,546	11,000	9,775	-1,225	9,800
520301 · Audit Services	18,467	20,000	20,000	0	21,000
520302 · Legal Services	88,217	50,000	68,069	18,069	68,100
520303 · Legal - litigation	443,819	266,000	390,792	124,792	390,800
520314 · Administrative Services	12,090	13,000	11,524	-1,476	11,900
520320 · Professional Services	18,211	17,000	68,658	51,658	35,000
520501 · Professional Dues & Membership	72,782	60,000	21,490	-38,510	21,500

	FY 24 Actual	FY 25 Budget	FY 25 Projected	FY 25 Variance	FY26 Budget
520502 · Training & Development	14,255	18,000	6,773	-11,227	45,000
520503 · Conferences & Outreach	86,042	50,000	21,451	-28,549	21,500
520504 · Publications	69,708	70,000	34,341	-35,659	34,400
520505 · Program Hosting Expenses	2,830	6,000	4,986	-1,014	5,000
520506 · Bad Debt Expense	0	0	2,869	2,869	0
520507 · Recovery Payments	200	0	102,559	102,559	0
520509 · Meeting Expenses	0	25,000	0	-25,000	0
520508 · Licenses & Fees	2,787	2,000	177	-1,823	200
520700 · Workers Comp Insurance Expense	33,647	34,000	35,448	1,448	36,600
520701 · General Liability Insurance Exp	60,157	60,000	80,405	20,405	82,900
520702 · Claims Expense	23,846	25,000	1,566	-23,434	0
520750 · Interest Expense	50,274	0	37,500	37,500	25,000
520801 · Mileage Reimbursement	67,525	56,000	45,369	-10,631	45,400
520803 · Travel Reimbursement	328,101	219,000	104,557	-114,443	104,600
520805 · Supplies & Meals Reimbursement	51,820	36,000	13,453	-22,547	13,500
520903 · Website	0	0	563	563	600
520904 · Technology, Licensing & Support	103,958	200,000	284,356	84,356	377,700
521001 · Pass through client expenses	3,077,144	2,400,000	2,241,964	-158,036	2,242,000
522798 · Miscellaneous Expense	0	2,000	0	-2,000	0
570100 · Equipment Purchase	1,931	7,000	3,718	-3,282	15,000
Total Expense	23,173,926	22,305,930	24,131,291	1,825,361	24,913,300
Net Ordinary Income	857,028	-1,004	266,398	267,402	-66,100
Other Income/Expense					
Other Income					
520100 · Investment Income	53,440	35,000	96,392	61,392	96,400
520200 · Insurance Claim Reimbursements	18,399	0	3,066	3,066	0
Total Other Income	71,839	35,000	99,458	64,458	96,400
Other Expense					
529991 · RGS Claims Reserve Contribution					
529997 · Unallocated Admin. Svcs - RGS	-3,005,046		-2,997,031		
529999 · Allocated Unbillable Expenses	3,005,046		2,997,031		
Total Other Expense					
Net Other Income	71,839	35,000	99,458	64,458	96,400
Net Income	928,866	33,996	365,856	331,860	30,300

TO: BOARD OF DIRECTORS
FROM: SOPHIA SELIVANOFF, Executive Director
SUBJECT: **APPOINTMENT OF EXECUTIVE COMMITTEE MEMBERS**

BOD Meeting: 05-08-25
Item: 5B

RECOMMENDATION

Appoint members to the Regional Government Services Authority Executive Committee, effective immediately and clarify governance engagement.

BACKGROUND

Article II, Section 4 of the Amended and Restated Joint Powers Agreement states that the “regular management” of the JPA shall be vested in an Executive Committee. As outlined in the Amended and Restated Joint Powers Agreement, membership of the Executive Committee is limited to no more than seven individuals, with up to two alternate committee members who are also selected by the Board. The Board of Directors is charged with selecting members of the Executive Committee at their annual meeting. Members of the Committee may, but need not be, members of the Board of Directors who serve at the pleasure of the Board and may be removed, without cause, at the sole discretion of the Board.

The Executive Committee has four (4) regularly scheduled meetings annually at which the routine management actions of the JPA are reviewed and direction provided to staff as needed. The Board of Directors has one (1) regularly scheduled meeting annually. Based on pressing issues, Special Meetings may be scheduled for either body, taking into consideration whether the issue can be addressed at a regularly scheduled meeting. Because of the infrequency of these meetings, commitment to attendance is critical.

The Member in Good Standing policy requires attendance at three-fourths (3/4) of scheduled meetings during the fiscal year to maintain good standing. Staff recognize that this requirement can be a challenge for agency chief executives, particularly those in smaller agencies. It is our goal to have effective and engaged governance participation, and staff is seeking guidance on several related issues:

- 1) Is this attendance requirement appropriate? If so, does our policy require clarification about engagement on either or both bodies, types and notice timeframes of meetings, and the appropriate levels of commitment in each case? Some members have delegated “as needed” to another member of their staff to fulfill their roles; should this process be enhanced with a more comprehensive “delegate” designation by Members, and Delegate education/inclusion process provided by staff?
- 2) Formal appointment of two (2) Alternate Executive Committee members as permitted by the JPA bylaws has not been utilized. Should such appointments become a regular practice, with alternates fully engaged in all business, but only voting when a gap in the member ranks occurs, similar to jury alternates?

- 3) If Board members (designated by RGS Bylaws) are unable to commit to service on the Executive Committee, what paths may be appropriate to recruit and engage effective and aligned Executive Committee members to advance the work of the JPA?

The RGS Board of Directors has previously appointed the current seven Board members as members of the Executive Committee. The Board could reappoint all of the 2025 Board members.

FISCAL IMPACT

There is no fiscal impact of appointing the Executive Committee Members. Relevant Member Services funds are budgeted for the next fiscal year.