



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

Providing Solutions to California Public Agencies

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

RGS EXECUTIVE COMMITTEE AGENDA

Agenda materials may be viewed in the meeting location of the Association of Bay Area Governments' (ABAG) office and City of Larkspur's office prior to the meeting.

REGULAR MEETING

June 10, 2010

10:20 a.m.

Cavallo Point

The Lodge at the Golden Gate
601 Murray Circle, Suite 2404, Fort Baker
Sausalito, Ca 94965

1. CALL TO ORDER

- A. Selection of Officers

Action

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 **April 15, 2010** Minutes
- B. Approval of management services agreement with the City of Rohnert Park
- C. Approval of management services agreement with SMART
- D. Approval of management services agreement with Ventura County Health Services

Action

Action

Action

Action

4. TREASURER'S REPORT

- A. Review of Month-End Financial Reports through April 2010
- B. Approval of Payments and Deposits made for March and April 2010
- C. Approval of Investments Report through May 2010
- D. Recommend Approval of Audit for Fiscal Year 2009 with SAS 114 Letter
- E. Recommend Approval of 2011 Budget

Information

Action

Action

Action

Action

5. OLD BUSINESS

- A. STARS Update

Information

6. NEW BUSINESS

- A. Update on Clients and Prospective Members
- B. Regularly Scheduled Meetings Calendar
- C. Approval of new JPA member agency

Discussion

Discussion

Action

7. PUBLIC COMMENT

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

8. NEXT MEETING: **July 8th or August 12th at 9:30 a.m. via teleconference.**

9. ADJOURN

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.

**REGIONAL GOVERNMENT SERVICES
JOINT POWERS AUTHORITY
EXECUTIVE COMMITTEE MINUTES**

The Regional Government Services Joint Powers Authority held a regular committee meeting by teleconference on **April 15, 2010** at San Mateo County Transit District, Executive Conference Rm. 3rd Floor, 1250 San Carlos Ave., San Carlos, CA 94070; Association of Bay Area Governments, Executive Director's Office, 101 Eighth St., Oakland, CA 94604; and Larkspur City Hall, Finance Director's Office, 400 Magnolia Avenue, Larkspur, CA 94939. The meeting was called to order at **11:01 a.m.**

1. ROLL CALL

- A. Members: Mike Garvey, RGS Chair
Amy Koenig, Alternate Member
Herb Pike, Alternate Member
Other Attendees: Richard Averett, RGS Executive Director/CFO

2. CHANGES TO THE ORDER OF AGENDA - None

3. APPROVAL OF CONSENT AGENDA

- A. Approval of **February 11, 2010** Minutes. Alternate Member Koenig requested this item pulled from the Consent Agenda for a separate vote, so she could recuse herself due to her absence from the last meeting.

ACTION: **M/S Pike/Garvey** to approve the minutes of the February 11, 2010 Minutes as presented.

AYES: Chair Garvey, Alternate Member Pike

NOES: None

ABSTAIN: Alternate Member Koenig

4. TREASURER'S REPORT

- A. Review of month-end financial reports through February 2010. The Executive Director reviewed the financial reports and noted the need for reserves to meet future obligations and uncertainties. The Director also noted that the JPAs Administrative Fees to clients are now less than 10% for full-time staff. The reports were accepted as presented.

- B. Approval of Payments and Deposits made January and February 2010.

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

AYES: Chair Garvey, Alternate Member Koenig, Alternate Member Pike

NOES: None

ABSTAIN: None

- C. Approval of Investments Report through March 2010.

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

AYES: Chair Garvey, Alternate Member Koenig, Alternate Member Pike

NOES: None

ABSTAIN: None

5. OLD BUSINESS

- A. STARS defined contribution plan benefits update. The Executive Director updated the Committee on negotiations with the provider (UTC) and the difficulty of having few assets, but needing cost-competitive pricing for participants. Alternate Members Pike and Koenig also commented on negotiations and on the need to implement soon or risk losing participants to other providers. The Director noted that he is still spending time on the project and RGS and ABAG are still incurring outside legal costs, albeit at a slower rate, to ensure proper plan set-up.

6. NEW BUSINESS

- A. Client and Prospective Client Update. The Executive Director noted the increasing number of clients and staff as summarized in the new report format accompanying the position listing.

- B. Regularly Scheduled Meetings – The Members reviewed the scheduled upcoming meeting, discussed and expressed a desire to cancel the May 13th meeting if no subsequent business required a meeting, with the next scheduled meeting date June 10th, annual meeting. This item was for discussion only, and no action was taken.

- C. Approval of new JPA member agency, the City of San Rafael.

ACTION: **M/S Koenig/Garvey** to approve the new JPA member agency.

AYES: Chair Garvey, Alternate Member Koenig, Alternate Member Pike

NOES: None

ABSTAIN: None

D. Approval of the Grant Funding Program. Chair Garvey spoke of “career/2nd career managers” programs like Encore, and the large pool of young retirees. Frank Bequest, Kevin O'Rourke, Rod Wood and Mike Garvey have conducted meetings around the State, talking about bringing the need for talent and the talent together. Encore is requesting a one-time grant of \$12,500. Chair Garvey also discussed other programs which might assist the JPAs in their marketing efforts and/or serve as a means to offset or reimburse member agencies for the staff support they provide the JPAs in their governance roles. MuniLink, the League of CA Cities' program to connect retired executives and public agency needs, is one vehicle that Chair Garvey would like to explore. The Chair also noted the ICMA Conference is being held in San Jose and they are looking for sponsorship. The JPAs would gain exposure to city executives and get free registrations with which to offer member agencies, thus helping member agency managers be able to attend the conference and offsetting some of the support costs they spend providing governance to the JPAs. The Committee also discussed continuation and possible expansion of the training grant program under which Berkeley Executive Seminar scholarships were made available to member agencies.

ACTION: **M/S Pike/Koenig** to approve \$12,500 in one-time grant funding for the Encore Funding Program, subject to the Executive Director's review of and satisfaction with Program accountability for use of the funds.

AYES: Alternate Member Koenig, Alternate Member Pike

NOES: None

ABSTAIN: Chair Garvey

ACTION: **M/S Pike/Koenig** to approve \$12,500 in one-time marketing funding of the 2010 ICMA Conference in San Jose and \$35,000 in scholarship funding for six member agency employees and the JPA Executive Director to attend the 2010 University of California Berkeley Executive Seminar for public sector executives.

AYES: Chair Garvey, Alternate Member Koenig, Alternate Member Pike

NOES: None

ABSTAIN: None

7. PUBLIC COMMENT – None

8. NEXT MEETING – The May 13th meeting is cancelled if there are no items needing the Committee's attention. The next meeting would be June 10th, 2010 annual meeting at 10:15 a.m. Cavallo Point, Marin County

9. ADJOURNED - Meeting adjourned at 11:15 a.m.



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TO: EXECUTIVE COMMITTEE **EC Meeting: 6-10-10**
FROM: RICHARD H. AVERETT, Executive Director **Item: 3B**
SUBJECT: CLIENT AGREEMENT – CITY OF ROHNERT PARK

RECOMMENDATION

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

BACKGROUND

The City Manager requested the JPAs provide Interim Projects Manager services for up to one year, and Interim Human Resources Manager services for up to six months.

The Interim Projects Manager is expected to work approximately 32 hours per week. The candidate for this position desired to remain in CalPERS retirement system and otherwise qualified to be in PERS, so this position is in Local Government Services Authority.

The Interim HR Manager is expected to work approximately 20 hours per week. The candidate for this position was already an RGS employee and remains in Regional Government Services Authority's 401(a) retirement plan.

The JPA's standard agreement form was used and JPA legal counsel has approved the agreement as to form. The agreements are included with the agenda packets posted to the JPA's website. Client services began in early May.

FISCAL IMPACT

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



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PO Box 1350
Carmel Valley, CA 93924

Business: 650/587-7300
Fax: 650/587-7311

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 27th day of April 2010, by and between the City of Rohnert Park, a municipal 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 to the AGENCY, which determination shall be made in good faith. If the AGENCY determines that the services performed by RGS are not satisfactory, the AGENCY 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 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.

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 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. Upon written request of AGENCY, 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 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 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 San Mateo 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 AGENCY, 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 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.

It is the intent of the parties here to define indemnity obligations that are related to or arise out of AGENCY'S actions as a governmental entity. Thus, AGENCY 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 an AGENCY employee, if he had been acting in a like capacity, otherwise would be acting within the scope of that employment.

Whenever AGENCY owes a duty hereunder to indemnify RGS, its employees or agents, AGENCY 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 AGENCY and RGS in writing, by first class mail, postage prepaid, addressed as follows:

AGENCY: City of Rohnert Park
130 Avram Avenue
Rohnert Park, CA 94928

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: _____, 2010 **ROHNERT PARK**

By: _____
Daniel Schwarz, Interim City Manager

APPROVED AS TO FORM:

DATED: _____, 2010 By: _____
Michelle Marchetta Kenyon, City Attorney

DATED: _____, 2010 **REGIONAL GOVERNMENT SERVICES**

By: _____
Richard H. Averett, Executive Director

APPROVED AS TO FORM:

DATED: _____, 2010 By: _____
Sky Woodruff, Authority Counsel

EXHIBIT A SCOPE OF SERVICES

RGS shall assign an RGS employee or employees to serve as the AGENCY's Interim Human Resources Manager which position requires 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.
- Perform related HR Manager work as required.

Such employee(s) may perform services at the AGENCY offices available in Rohnert Park or at other locations.

RGS will provide HR Manager services for up to six month 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, as shown in Exhibit A, for the assigned RGS employee(s). Compensation is shown on an hourly 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 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 AGENCY 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 will be invoiced to the AGENCY 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 prior month's services. Invoices shall be sent approximately 10 days after the end of the month

for which services were provided and are due and 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 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. **Hiring RGS Employees.** Should the AGENCY desire to offer permanent or temporary employment to an RGS employee who is either currently assigned to the AGENCY or has been assigned to the AGENCY within the previous six months, said AGENCY 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 Agency. 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
Sophia Selivanoff	Interim Human Resources Mgr.	\$80.00

The agreement is for a Not-To-Exceed amount of \$40,000 and anticipates the HR Manager will work approximately 20 hours a week. The start date for the services to be performed is on or about April 28, 2010, and this agreement is anticipated to remain in force through October 31, 2010 unless extended by mutual consent of both parties.



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

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

TO: EXECUTIVE COMMITTEE
FROM: RICHARD H. AVERETT, Executive Director
SUBJECT: SMART

EC Meeting: 6-10-10
Item: 3C

RECOMMENDATION

Approve authorizing the Executive Director to execute a Client Agreement with the Sonoma-Marín Area Transit District.

BACKGROUND

SMART requested the JPAs provide recruitment services for four new positions. The existing and new positions are not JPA positions. JPA staff will perform the recruitment services.

The JPA's standard agreement form was used and JPA legal counsel is reviewing changes requested by SMART counsel. The final agreement will be subject to JPA legal counsel's approved as to form. The draft agreement is included with the agenda packets posted to the JPA's website. Client services are expected to begin shortly.

FISCAL IMPACT

The hourly rate being charged SMART is sufficient to pay all salary and benefit, insurance and administrative costs of the JPA. The agreement is for a not-to-exceed amount of \$25,000.



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

Business: 650/587-7300
Fax: 650/587-7311

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 1st day of June 2010, by and between the Sonoma-Marin Area Rail Transit District, a municipal 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.

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 to the AGENCY, which determination shall be made in good faith. If the AGENCY determines that the services performed by RGS are not satisfactory, the AGENCY 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 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.

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. The Executive Director will not reassign any of the key staff assigned to this project 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 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. Upon written request of AGENCY, 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 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 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 San Mateo 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 AGENCY, 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 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.

It is the intent of the parties here to define indemnity obligations that are related to or arise out of AGENCY'S actions as a governmental entity. Thus, AGENCY 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 an AGENCY employee, if he had been acting in a like capacity, otherwise would be acting within the scope of that employment.

Whenever AGENCY owes a duty hereunder to indemnify RGS, its employees or agents, AGENCY 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 provided under this Agreement.

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: Sonoma-Marín Area Rail Transit District
750 Lindaro Street, Suite 200
San Rafael, CA 94901

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: _____, 2010 **Sonoma-Marín Area Rail Transit District**

By: _____
Lillian Hames, SMART General Manager

APPROVED AS TO FORM:

DATED: _____, 2010 By: _____
Jackie Bird, Legal Counsel

DATED: _____, 2010 **REGIONAL GOVERNMENT SERVICES**

By: _____
Richard H. Averett, Executive Director

APPROVED AS TO FORM:

DATED: _____, 2010 By: _____
Sky Woodruff, Authority Counsel

EXHIBIT A SCOPE OF SERVICES

RGS shall assign an RGS employee or employees to serve as the AGENCY's Human Resources Consultant to conduct four recruitments and general HR assistance to include development of job descriptions and salary ranges. The HR Consultant will perform 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.
- Perform related HR Consultant work as required.

Such employee(s) may perform services at the AGENCY offices available in Sonoma or Marin Counties or at other locations.

RGS will provide HR Consultant services for up to six month 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, as shown in Exhibit A, for the assigned RGS employee(s). Compensation is shown on an hourly basis with a not-to-exceed maximum.

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 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 AGENCY 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 will be invoiced to the AGENCY 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 prior month's services. Invoices shall be sent approximately 10 days after the end of the month for which services were provided and are due and 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 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. **Hiring RGS Employees.** Should the AGENCY desire to offer permanent or temporary employment to an RGS employee who is either currently assigned to the AGENCY or has been assigned to the AGENCY within the previous six months, said AGENCY 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 Agency.

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 FEE RATES

NOT-TO-EXCEED	POSITION	HOURLY RATE
\$25,000	Human Resources Consultant	\$100.00

The agreement is for a Not-To-Exceed amount of \$25,000. The start date for the services to be performed is on or about June 1, 2010, and this agreement is anticipated to remain in force through November 30, 2010 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: 6-10-10**
FROM: RICHARD H. AVERETT, Executive Director **Item: 3D**
SUBJECT: VENTURA COUNTY MEDI-CAL MANAGED CARE COMMISSION

RECOMMENDATION

Approve authorizing the Executive Director to execute a Client Agreement with the Ventura County Medi-Cal Managed Care Commission.

BACKGROUND

The Executive Director of the Ventura County Transportation Commission, with whom we have an agreement for HR Consulting Services, recommended our services to the VCMMC Interim Chief Executive Officer. The JPA Director of HR and Executive Director have been working with the VCMMC CEO on an agreement for RGS to provide staffing, HR and recruitment services to this recently formed agency. Under the agreement for services, RGS would provide approximately forty full-time positions.

The JPA's standard agreement form is being used and the final agreement will be subject to JPA legal counsel's approved as to form. The draft agreement is included with the agenda packets posted to the JPA's website. Client services are expected to begin in the next several months.

FISCAL IMPACT

The monthly rates to be charged the Commission would be sufficient to pay all salary and benefit, insurance and administrative costs of the JPA. In addition, the Commission is expected to need interim financing before State revenues begin to be received that will be sufficient to repay all costs associated. Therefore, the JPA anticipates essentially advancing funds to the Commission in an amount equal to its costs to provide services, and will charge an interest rate for these advances that will reimburse the JPA for its use of money and for the risk associated in making the advances.



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

Business: 650/587-7300
Fax: 650/587-7311

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 ~~24th~~-~~7th~~ day of ~~May~~-~~June~~ 2010, by and between the Ventura County Medi-Cal Managed Care Commission, a municipal 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 to the AGENCY, which determination shall be made in good faith. If the AGENCY determines that the services performed by RGS are not satisfactory, the AGENCY 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 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.

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 employees of RGS qualified to perform services contracted for by AGENCY. Positions identified in Exhibit B will provide services to the AGENCY. The Executive Director will not reassign any of the staff 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 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. Upon written request of AGENCY, 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 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 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 San Mateo 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 AGENCY, 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 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.

It is the intent of the parties here to define indemnity obligations that are related to or arise out of AGENCY'S actions as a governmental entity. Thus, AGENCY 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 an AGENCY employee, if he had been acting in a like capacity, otherwise would be acting within the scope of that employment.

Whenever AGENCY owes a duty hereunder to indemnify RGS, its employees or agents, AGENCY 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 AGENCY and RGS in writing, by first class mail, postage prepaid, addressed as follows:

AGENCY: Ventura County Medi-Cal Managed Care Commission
 c/o Theresa M. Stanley, Health Care Agency Deputy
 Director
 2323 Knoll Drive, Suite 417
 Ventura, CA 93003

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: _____, 2010 **Ventura County Medi-Cal Managed Care Commission**

By: _____
Michael Powers, Board Chair

APPROVED AS TO FORM:

DATED: _____, 2010 By: _____
John Polich, Commission Counsel

DATED: _____, 2010 **REGIONAL GOVERNMENT SERVICES**

By: _____
Richard H. Averett, Executive Director

APPROVED AS TO FORM:

DATED: _____, 2010 By: _____
Sky Woodruff, Authority Counsel

EXHIBIT A SCOPE OF SERVICES

RGS shall assign RGS employees to serve as the AGENCY's staff as contemplated in Exhibit B, which position requires performing the functions as described below:

- Perform the functions as assigned and described in each position's job description.
- 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.
- Perform related VCMMCC work as required.

Such employee(s) may perform services at the AGENCY offices available in Oxnard or at other locations.

RGS will also provide HR support services to include: on-boarding and off-boarding employees; setting up, maintaining and administering benefit plans; classification and compensation studies; job description development and maintenance; job interview management; routine personnel administration; general labor relations services; legally required general training; and general employee policies and procedures.

RGS HR Consultant services not included in the fees below are external and specific legal services for the Agency; external labor relations services for the Agency; recruitment external costs; specialized training; and specialized employee relations issues, investigations, etc. for preparation of job descriptions, classification and compensation surveys, recruitments and other services special services 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 insurances~~ for the assigned RGS employees: \$135,785 per year for HR Support Services; \$30,994 per year for Payroll Services; and two (2%) of salary and benefit cost of staff assigned to Agency for RGS Management Services. Estimated compensation is shown on an annual basis in Exhibit B. [we need an updated Exhibit B.]

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 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.

The cost of HR Consultant services ranges from \$80 to ~~\$110~~ \$115 per hour, depending on level of expertise required for task. All work performed by RGS staff will be reviewed or performed by highly experienced, professional HR staff.

2. **Reimbursement of RGS's Administrative Cost.** The AGENCY shall reimburse RGS for overhead, as shown in Exhibit A, insurances such as workers' compensation, general liability, errors and omissions and unemployment, and for direct external costs. Support overhead costs are those expenses necessary to administering this Agreement. Direct external costs, such as mileage reimbursement, will be invoiced to the AGENCY when received and without mark-up. These external costs will be due upon receipt.
3. **Terms of Payment.** In recognition of the start-up status of VCMMCC and of guarantees by other parties, RGS shall submit invoices monthly for the prior month's services. Invoices shall be sent approximately 10 days after the end of the month for which services were provided and will incur carrying charges of ~~one-half~~ five of one percent per year, based on ~~one of~~ the outstanding balance on the 1st of each month. The total amount of this 'advance' is limited by RGS funding availability, is to be discussed with VCMMCC as part of VCMMCC's overall start-up funding plan. Full repayment of RGS's advance is expected approximately ~~18~~ 12 months after initiation of RGS services.

Thereafter, RGS shall submit invoices monthly for the next month's services. Advance invoices shall be sent prior to the 1st of the preceding month and are due and shall be delinquent if not paid within 25 days of receipt. True-up invoices shall be sent approximately 10 days after the end of the month for which services were 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.

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 ADMINISTRATIVE ~~CHARGE~~FEEES

POSITIONSERVICE	MONTHLY RATE
Per Position <u>Assigned HR Support Services</u>	\$525 <u>11,315.00</u>
<u>Payroll Services</u>	<u>\$2,583.00</u>
<u>Management Services</u>	<u>2% of personnel costs</u>
<u>Assigned Staffing</u>	<u>Actual costs of Salaries, Benefits & Insurance</u>

The monthly rate for Payroll Services will graduate to full cost listed above, beginning at \$500 per month, until ten staff are assigned; then \$1,000 per month until twenty staff are assigned; then \$2,000 per month until thirty staff are assigned; and the full amount when thirty-five or more staff are assigned to the Agency.

This agreement is anticipated to remain in force through June 30, ~~2012-2013~~ for Agency CEO services and through June 30, 2012 for all other services unless extended by mutual consent of both parties. RGS will assign Theresa Stanley to serve as Interim CEO.

EXHIBIT B

DRAFT LIST OF POSITIONS AND COMPENSATION

**COHS Management at Ventura County
Staffing Expense Projection**

	Position	1.36 Benefits @36%
	<i>Administration</i>	
1	CEO	272,094
1	Executive Assistant	78,163
1	Government Relations Director	187,815
	<i>Human Resources</i>	
1	HR Director	135,785
	<i>Finance</i>	
1	CFO/Finance Director	211,646
1	Administrative Assistant	64,541
1	Financial Operations Mgr	153,253
1	Accounting Manager	105,154
1	Business Analyst	89,210
1	Accountant III	86,753
1	Sr Financial Analyst 2	89,210
1	Accounting Assistant (AP/GL)	61,989
	<i>IT</i>	
1	CIO/IT Director	168,682
1	System Manager	106,682
1	Web Programmer	88,112
	<i>Health Services</i>	
1	Medical Director	311,168
1	Health Services Director	137,268
1	Member Services Manager	105,154
1	Health Services Coordinator 1 On Site	52,673
1	Health Services Coordinator 2 On Site	52,673
1	Health Services Coordinator 3 Pre Cert	52,673
1	Health Services Coordinator 4 Pre Cert	52,673
1	Health Services Coordinator 5 Pre Cert	52,673
1	Health Services Coordinator 6 LTC	52,673
1	Admin Assistant	69,624
1	Provider Relations Director	137,268
1	Provider Relations Service Rep II	71,748
1	Provider Relations Service Rep II	71,748
1	Provider Relations Service Rep II	71,748
1	Office Assistant	46,870

1	Team Manager, Care Coordination	117,547
1	Health Educator	117,547
1	Case Mgr / Grievance Clinical Lead	117,547
1	Pharmacy Director	190,319
1	QI Manager	117,547
1	QI Coordinator 1	104,446
1	QI Assistant 1	50,381
Member Services		
1	MS Director	187,314
1	MS Clerical Assistant	50,381
1	MS Lead Rep 1- Grievance Coordinator	64,094
Claims		
1	Claims Director	168,158
41	Total Staff by Month	

Total Operational Cost

4,523,006

*Includes compensation, payroll taxes, fringe benefits and Workers Comp costs.



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: 6-10-10
Item: 4A

RECOMMENDATION

No action is required of the Executive Committee. These are informational financial reports through April 2010 month-end, and are attached for review. All reports are draft and preliminary.

P&L ANALYSIS

Through April 2010, the net income for the JPAs was as follows:

- LGS net income equals \$417,859 for the fiscal-year-to-date (FYTD). The balance sheet shows Total Equity of \$1,042,324.
- RGS net income equals \$235,352 for the FYTD. The balance sheet shows Total Equity of \$295,086.
- Combined LGS/RGS net income equals \$653,211 for the 2010 FYTD. Combined Total Equity equals \$1,337,409.

Accruals for earned but not paid leave time have not been posted to the financials. This usually occurs at the conclusion of the fiscal year. The results shown are preliminary estimates. Combined financial performance has continued the positive trend begun March 2007. This increase is the result of increased client services revenue outstripping more modestly increasing support costs for accounting, technology and administrative services.

Several factors are or could dampen future fiscal performance:

1. Loss of a major client (with 10 or more assigned staff) would negatively impact financial performance. No such loss is anticipated through the remainder of the current fiscal year. Consortium IV has already eliminated the need for one training position, with the remaining four positions scheduled for elimination in July 2010. The loss of C-IV staffing is expected to be more than offset by MEA staffing increases.
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. Support services cost increases traditionally lag increases in client services provided. Due to growth in clients and employees, support services cost increases are expected for Human Resources management, financial services and administrative support. These increases will remain well below client revenues, but are expected to moderate the high net gain shown to-date.
4. Historically low interest rates have reduced earnings, and are expected to remain depressed for some time.

Regional Government Services
Profit & Loss by Class
July 2009 through April 2010

	Admin - JPAs	Belvedere	C - IV	Larkspur	LGS - TAM	Marin Transit District	MEA
Ordinary Income/Expense							
Income							
440301 · Client Billings	0.00	121,165.47	609,607.56	15,247.00	0.00	165,616.15	5,536.23
440400 · LGS - Admin. Services	255,922.19	0.00	0.00	0.00	54,961.04	0.00	0.00
440410 · Client Administration Fees	0.00	0.00	-71,452.40	0.00	0.00	0.00	0.00
480000 · Miscellaneous Income	18,548.01	0.00	195.00	0.00	0.00	325.12	0.00
Total Income	274,470.20	121,165.47	538,350.16	15,247.00	54,961.04	165,941.27	5,536.23
Expense							
511010 · Salaries - Regular	239,475.94	92,724.75	226,479.22	11,284.16	46,999.51	116,350.35	2,154.40
512002 · Medicare Employer Expense	3,478.60	1,344.50	3,318.26	164.20	688.51	1,696.40	31.24
512003 · Workers' Comp Exp clerical	37,037.30	0.00	0.00	0.00	0.00	0.00	0.00
512004 · Employee Assistance Program	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00
512005 · Health Insurance Expense	7,145.07	0.00	7,556.16	0.00	0.00	-1.03	0.00
512006 · Dental Insurance Expense	990.99	0.00	1,369.01	0.00	218.20	554.44	0.00
512007 · Vision Insurance Expense	204.83	0.00	441.65	1.67	-44.37	150.01	0.00
512008 · Life Insurance Expense	506.15	0.00	849.62	5.04	107.04	360.28	0.00
512009 · Long Term Disability Expense	791.42	0.00	984.30	8.67	184.45	616.40	0.00
512010 · Stars 457 Expense	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
512011 · Stars 401A Expense	29,739.13	9,272.53	19,868.85	1,194.05	6,512.90	10,700.00	170.45
512012 · Calpers Retirement Expense	-4,005.87	0.00	0.00	0.00	0.00	0.00	0.00
512014 · Short Term Disability Expense	563.35	0.00	1,117.42	7.14	178.80	611.76	0.00
512018 · FSA Health & Day Care Expense	1,209.47	0.00	0.00	0.00	0.00	0.00	0.00
520104 · Telephone/Internet	1,910.19	0.00	0.00	0.00	0.00	0.00	0.00
520105 · Cell Phones	1,247.17	0.00	200.00	0.00	0.00	0.00	0.00
520107 · ADP Payroll Fees	10,702.65	0.00	0.00	0.00	0.00	0.00	0.00
520201 · Office Supplies	77.95	0.00	0.00	0.00	0.00	0.00	0.00
520202 · Bank Fees & Services	4,497.00	0.00	0.00	0.00	0.00	0.00	0.00
520204 · Printing & Postage	678.03	0.00	0.00	0.00	0.00	0.00	0.00
520301 · Audit Services	850.00	0.00	0.00	0.00	0.00	0.00	0.00
520302 · Legal Services	10,072.37	0.00	195.00	0.00	116.00	0.00	154.00
520314 · Administrative Services	2,202.50	0.00	0.00	0.00	0.00	0.00	0.00
520320 · Professional Services	79,375.50	0.00	0.00	0.00	0.00	0.00	0.00
520501 · Professional Dues & Membership	447.15	0.00	0.00	0.00	0.00	0.00	0.00
520503 · Conferences & Meetings	11,525.51	0.00	6,813.24	0.00	0.00	0.00	0.00
520504 · Publications	142.42	0.00	0.00	0.00	0.00	0.00	0.00
520701 · General Liability Insurance Exp	44,762.70	0.00	0.00	0.00	0.00	0.00	0.00
520750 · Interest Expense	8.16	0.00	0.00	0.00	0.00	0.00	0.00
520801 · Mileage Reimbursement	2,231.85	0.00	14,179.42	0.00	0.00	182.85	0.00
520803 · Travel Reimbursement	493.97	0.00	31,202.34	0.00	0.00	0.00	0.00
520805 · Supplies & Meals Reimbursement	570.28	0.00	5,328.29	0.00	0.00	20.27	0.00
520904 · Computer Install & Maintenance	8,349.65	0.00	0.00	0.00	0.00	0.00	0.00
522798 · Miscellaneous Expense	0.01	0.00	0.00	0.00	0.00	0.00	0.00
570100 · Equipment Purchase	2,413.26	0.00	0.00	0.00	0.00	0.00	0.00
Total Expense	502,194.68	103,341.78	319,902.78	12,664.93	54,961.04	131,241.73	2,510.09
Net Ordinary Income	-227,724.48	17,823.69	218,447.38	2,582.07	0.00	34,699.54	3,026.14
Other Income/Expense							
Other Expense							
529997 · Unallocated Admin. Svcs - RGS	-227,724.48	0.00	0.00	0.00	0.00	0.00	0.00
529999 · Allocated Unbillable Expenses	0.00	11,876.74	52,769.54	1,494.52	0.00	16,265.70	542.67
Total Other Expense	-227,724.48	11,876.74	52,769.54	1,494.52	0.00	16,265.70	542.67
Net Other Income	227,724.48	-11,876.74	-52,769.54	-1,494.52	0.00	-16,265.70	-542.67
Net Income	0.00	5,946.95	165,677.84	1,087.55	0.00	18,433.84	2,483.47

Regional Government Services
Profit & Loss by Class
July 2009 through April 2010

	Menlo Park FPD	Menlo Park US&R	NERA	MGSA	MTA	MTC	San Rafael	Sausalito
Ordinary Income/Expense								
Income								
440301 · Client Billings	169,515.00	117,800.00	66,000.00	148,179.50	5,630.45	2,936.25	344,863.96	150,833.30
440400 · LGS - Admin. Services	0.00	0.00	0.00	0.00	0.00	7,519.07	0.00	0.00
440410 · Client Administration Fees	0.00	0.00	0.00	5,630.45	0.00	0.00	0.00	0.00
480000 · Miscellaneous Income	0.00	0.00	0.00	2,359.40	0.00	0.00	653.63	0.00
Total Income	169,515.00	117,800.00	66,000.00	156,169.35	5,630.45	10,455.32	345,517.59	150,833.30
Expense								
511010 · Salaries - Regular	127,267.12	94,800.00	53,143.79	124,821.81	0.00	5,299.16	260,577.37	118,180.00
512002 · Medicare Employer Expense	1,821.10	1,326.28	770.57	1,812.54	0.00	76.83	3,778.42	1,740.21
512003 · Workers' Comp Exp clerical	0.00	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	0.00
512005 · Health Insurance Expense	0.00	0.00	0.00	534.96	0.00	0.00	5,203.32	0.00
512006 · Dental Insurance Expense	1,079.84	0.00	0.00	113.14	0.00	0.00	550.24	554.24
512007 · Vision Insurance Expense	213.51	0.00	0.00	30.56	0.00	0.00	401.71	135.31
512008 · Life Insurance Expense	86.93	0.00	0.00	41.76	0.00	0.00	853.55	391.60
512009 · Long Term Disability Expense	174.63	0.00	0.00	71.81	0.00	0.00	1,466.52	675.00
512010 · Stars 457 Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
512011 · Stars 401A Expense	12,300.03	9,480.00	5,291.90	12,482.70	0.00	529.63	30,081.17	11,268.00
512012 · Calpers Retirement Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
512014 · Short Term Disability Expense	123.82	0.00	0.00	71.26	0.00	0.00	1,334.86	596.00
512018 · FSA Health & Day Care Expense	0.00	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	0.00
520105 · Cell Phones	0.00	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	0.00
520201 · Office Supplies	0.00	0.00	0.00	50.89	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	0.00
520204 · Printing & Postage	0.00	0.00	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	0.00
520302 · Legal Services	310.00	0.00	0.00	0.00	0.00	447.00	0.00	0.00
520314 · Administrative Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520320 · Professional Services	0.00	0.00	0.00	0.00	0.00	3,949.90	0.00	0.00
520501 · Professional Dues & Membership	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520503 · Conferences & Meetings	0.00	0.00	0.00	375.12	0.00	77.00	-662.30	0.00
520504 · Publications	0.00	0.00	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	0.00	0.00
520750 · Interest Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520801 · Mileage Reimbursement	0.00	0.00	0.00	1,343.70	0.00	75.80	0.00	0.00
520803 · Travel Reimbursement	0.00	0.00	0.00	446.98	0.00	0.00	2,620.34	0.00
520805 · Supplies & Meals Reimbursement	0.00	0.00	0.00	865.72	0.00	0.00	5.48	0.00
520904 · Computer Install & Maintenance	0.00	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	-52.52	0.00
570100 · Equipment Purchase	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Expense	143,376.98	105,606.28	59,206.26	143,062.95	0.00	10,455.32	306,158.16	133,540.36
Net Ordinary Income	26,138.02	12,193.72	6,793.74	13,106.40	5,630.45	0.00	39,359.43	17,292.94
Other Income/Expense								
Other Expense								
529997 · Unallocated Admin. Svcs - RGS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
529999 · Allocated Unbillable Expenses	16,616.00	11,546.86	6,469.38	15,307.85	551.90	287.81	33,867.93	14,784.81
Total Other Expense	16,616.00	11,546.86	6,469.38	15,307.85	551.90	287.81	33,867.93	14,784.81
Net Other Income	-16,616.00	-11,546.86	-6,469.38	-15,307.85	-551.90	-287.81	-33,867.93	-14,784.81
Net Income	9,522.02	646.86	324.36	-2,201.45	5,078.55	-287.81	5,491.50	2,508.13

Regional Government Services
Profit & Loss by Class
July 2009 through April 2010

	Billing Rate (SBWMA)	SBWMA - Other (SBWMA)	Total SBWMA	SFHA	Stars	Stockton	TJPA
Ordinary Income/Expense							
Income							
440301 · Client Billings	0.00	3,162.60	3,162.60	637.50	0.00	60,761.80	0.00
440400 · LGS - Admin. Services	0.00	0.00	0.00	0.00	0.00	0.00	95,797.70
440410 · Client Administration Fees	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	0.00	3,162.60	3,162.60	637.50	0.00	60,761.80	95,797.70
Expense							
511010 · Salaries - Regular	0.00	943.06	943.06	318.75	13,254.04	49,384.77	83,984.37
512002 · Medicare Employer Expense	0.00	13.68	13.68	4.62	192.85	724.09	1,232.77
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	0.00	0.00	0.00	0.00	815.93	0.00	0.00
512006 · Dental Insurance Expense	0.00	0.00	0.00	0.00	73.35	0.00	0.00
512007 · Vision Insurance Expense	0.00	0.00	0.00	0.00	14.59	0.00	0.00
512008 · Life Insurance Expense	0.00	0.00	0.00	0.00	46.24	126.18	0.00
512009 · Long Term Disability Expense	0.00	0.00	0.00	0.00	76.72	217.35	0.00
512010 · Stars 457 Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
512011 · Stars 401A Expense	0.00	93.75	93.75	31.88	1,982.66	4,718.46	10,084.84
512012 · Calpers Retirement Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
512014 · Short Term Disability Expense	0.00	0.00	0.00	0.00	50.83	178.80	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	0.00	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	1,312.50	146.00	495.72
520314 · Administrative Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00
520320 · Professional Services	0.00	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	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	0.00	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
570100 · Equipment Purchase	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Expense	0.00	1,050.49	1,050.49	355.25	17,819.71	55,495.65	95,797.70
Net Ordinary Income	0.00	2,112.11	2,112.11	282.25	-17,819.71	5,266.15	0.00
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	310.00	0.00	310.00	62.49	0.00	5,955.92	0.00
Total Other Expense	310.00	0.00	310.00	62.49	0.00	5,955.92	0.00
Net Other Income	-310.00	0.00	-310.00	-62.49	0.00	-5,955.92	0.00
Net Income	-310.00	2,112.11	1,802.11	219.76	-17,819.71	-689.77	0.00

Regional Government Services
Profit & Loss by Class
July 2009 through April 2010

	Twin Cities Police Auth.	Vallejo	Vallejo Housing	Vallejo Water	VCTC1	VCTC2	Yountville	TOTAL
Ordinary Income/Expense								
Income								
440301 · Client Billings	7,213.75	72,525.40	11,325.00	24,480.00	7,725.00	36,300.00	104,219.50	2,251,281.42
440400 · LGS - Admin. Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	414,200.00
440410 · Client Administration Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-65,821.95
480000 · Miscellaneous Income	0.00	141,077.00	0.00	0.00	0.00	369.00	0.00	163,527.16
Total Income	7,213.75	213,602.40	11,325.00	24,480.00	7,725.00	36,669.00	104,219.50	2,763,186.63
Expense								
511010 · Salaries - Regular	4,298.07	80,458.75	0.00	0.00	5,080.16	28,157.11	83,193.75	1,868,630.41
512002 · Medicare Employer Expense	62.33	1,159.24	0.00	0.00	73.66	403.06	1,206.33	27,120.29
512003 · Workers' Comp Exp clerical	0.00	0.00	0.00	0.00	0.00	0.00	0.00	37,037.30
512004 · Employee Assistance Program	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,500.00
512005 · Health Insurance Expense	0.00	0.00	0.00	0.00	0.00	10.88	0.00	21,265.29
512006 · Dental Insurance Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,503.45
512007 · Vision Insurance Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,549.47
512008 · Life Insurance Expense	0.00	0.00	0.00	0.00	0.56	0.00	0.00	3,374.95
512009 · Long Term Disability Expense	0.00	0.00	0.00	0.00	0.94	0.00	0.00	5,268.21
512010 · Stars 457 Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.02
512011 · Stars 401A Expense	429.81	7,484.91	0.00	0.00	620.49	2,488.37	8,319.42	195,145.93
512012 · Calpers Retirement Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-4,005.87
512014 · Short Term Disability Expense	0.00	0.00	0.00	0.00	0.62	0.00	0.00	4,834.66
512018 · FSA Health & Day Care Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,209.47
520104 · Telephone/Internet	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,910.19
520105 · Cell Phones	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,447.17
520107 · ADP Payroll Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,702.65
520201 · Office Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	128.84
520202 · Bank Fees & Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,497.00
520204 · Printing & Postage	0.00	0.00	0.00	0.00	43.96	0.00	0.00	721.99
520301 · Audit Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	850.00
520302 · Legal Services	0.00	0.00	0.00	0.00	0.00	0.00	159.00	13,407.59
520314 · Administrative Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,202.50
520320 · Professional Services	0.00	105,168.88	0.00	0.00	0.00	0.00	0.00	188,494.28
520501 · Professional Dues & Membership	0.00	0.00	0.00	0.00	0.00	0.00	0.00	447.15
520503 · Conferences & Meetings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18,128.57
520504 · Publications	0.00	0.00	0.00	0.00	0.00	0.00	0.00	142.42
520701 · General Liability Insurance Exp	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44,762.70
520750 · Interest Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.16
520801 · Mileage Reimbursement	0.00	0.00	0.00	0.00	0.00	162.72	0.00	18,176.34
520803 · Travel Reimbursement	0.00	0.00	0.00	0.00	0.00	109.32	0.00	34,872.95
520805 · Supplies & Meals Reimbursement	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,790.04
520904 · Computer Install & Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,349.65
522798 · Miscellaneous Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-52.51
570100 · Equipment Purchase	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,413.26
Total Expense	4,790.21	194,271.78	0.00	0.00	5,820.39	31,331.46	92,878.50	2,527,834.48
Net Ordinary Income	2,423.54	19,330.62	11,325.00	24,480.00	1,904.61	5,337.54	11,341.00	235,352.15
Other Income/Expense								
Other Expense								
529997 · Unallocated Admin. Svcs - RGS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-227,724.48
529999 · Allocated Unbillable Expenses	0.00	20,937.49	1,110.09	2,399.55	757.21	3,594.33	10,215.69	227,724.48
Total Other Expense	0.00	20,937.49	1,110.09	2,399.55	757.21	3,594.33	10,215.69	0.00
Net Other Income	0.00	-20,937.49	-1,110.09	-2,399.55	-757.21	-3,594.33	-10,215.69	0.00
Net Income	2,423.54	-1,606.87	10,214.91	22,080.45	1,147.40	1,743.21	1,125.31	235,352.15

Regional Government Services
Balance Sheet
As of April 30, 2010

	<u>Apr 30, 10</u>
ASSETS	
Current Assets	
Checking/Savings	
110010 - Wells Fargo - Cash	5,606.48
110030 - LAIF Account	845,968.35
110040 - CalTRUST	1,068,313.61
Total Checking/Savings	<u>1,919,888.44</u>
Accounts Receivable	
131130 - Accounts Receivable	387,598.14
131345 - Accounts Receivable - LGS	49,623.47
Total Accounts Receivable	<u>437,221.61</u>
Other Current Assets	
120010 - Prepaid Insurance	16,789.00
131131 - Accounts Receivable - Misc	1,604.90
143005 - Due from RGS	8,043.50
Total Other Current Assets	<u>26,437.40</u>
Total Current Assets	<u>2,383,547.45</u>
TOTAL ASSETS	<u><u>2,383,547.45</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
220010 - Accounts Payable	-9,309.34
Total Accounts Payable	<u>-9,309.34</u>
Other Current Liabilities	
214060 - Due to LGS	1,603,507.85
220012 - Accounts Payable - Misc.	8,105.58
221003 - 457/401A Retirement Liab	18,629.06
221006 - FSA Liability	941.57
221015 - Health Insurance Liability	-3,575.24
221016 - Long Term Disability Liability	-506.29
221017 - Short Term Disability Liability	-454.14
221023 - Dental Insurance Liability	-848.46
221025 - Life Insurance/ AD&D Liability	-297.25
230060 - Accrued Salaries, Wages & Taxes	105,271.79
240010 - Deferred Revenue	232,815.33
240011 - Refundable Deposits	20,000.00
250001 - Accrued Vacation, Sick, Admin	114,181.21
Total Other Current Liabilities	<u>2,097,771.01</u>
Total Current Liabilities	<u>2,088,461.67</u>
Total Liabilities	2,088,461.67
Equity	
370000 - Fund Bal Unreserved/Unrestrictd	114,297.13
3900 - Retained Earnings	-54,563.50
Net Income	235,352.15
Total Equity	<u>295,085.78</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,383,547.45</u></u>



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

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

TO: EXECUTIVE COMMITTEE
FROM: RICHARD H. AVERETT, CFO/Treasurer
SUBJECT: PAYMENTS MADE IN MARCH AND APRIL 2010

EC Meeting: 6-10-10
Item: 4B

RECOMMENDATION

Review and approve expenditures made by the JPA for the months of March and April 2010.

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 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 investment pool. 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 FY2010 budget or in subsequently approved action by the Executive Committee.

Regional Government Services
Account QuickReport
As of March 31, 2010

Type	Date	Num	Name	Memo	Amount	Balance
110010 - Wells Fargo - Cash						-12,840.55
Deposit	03/01/2010			Deposit	5,630.45	-7,210.10
Transfer	03/01/2010			Funds Transfer	300,000.00	292,789.90
Payment	03/02/2010	2000266427	MGSA		14,333.67	307,123.57
Deposit	03/02/2010			Deposit	241.50	307,365.07
Payment	03/02/2010	272067	San Rafael		24,097.40	331,462.47
Payment	03/02/2010	8298058	Consortium IV		63,242.04	394,704.51
Payment	03/02/2010	016357	Belvedere		13,462.83	408,167.34
Payment	03/02/2010	3000165	AMERA		7,500.00	415,667.34
Payment	03/02/2010	005721	Menlo Park FPD		8,100.00	423,767.34
Deposit	03/02/2010			Deposit	2,413.05	426,180.39
Check	03/02/2010	EFT	LGS	ZBA Transfer	-25,353.04	400,827.35
Bill Pmt -Check	03/03/2010	2104	Toconis		-3,387.75	397,439.60
Deposit	03/03/2010			Deposit	154,753.55	552,193.15
Check	03/03/2010	EFT	LGS	ZBA Transfer	-6,430.42	545,762.73
Check	03/04/2010	EFT	LGS	ZBA Transfer	-119,955.38	425,807.35
Check	03/04/2010	EFT	ADP Net Checks	02/28 Payroll	-69,936.81	355,870.54
Check	03/04/2010	EFT	ADP FWH/SWH/MED	02/28 Payroll Taxes	-24,520.55	331,349.99
Check	03/05/2010	EFT	LGS	ZBA Transfer	-8,367.38	322,982.61
Check	03/05/2010	EFT	AIG Retirement	RGS 02/28 401 wire	-10,693.54	312,289.07
Check	03/05/2010	EFT	AIG Retirement	RGS 02/28 457 wire Mar premium	-5,641.78	306,647.29
Check	03/08/2010	2103	CalPERS	H2010037563000	-2,506.04	304,141.25
Payment	03/08/2010	690353	Vallejo		76,492.00	380,633.25
Payment	03/08/2010	1000236698	Marin Transit District		5,516.72	386,149.97
Check	03/08/2010	EFT	LGS	ZBA Transfer	-1,636.25	384,513.72
Check	03/09/2010	2105	Leslie Loomis	Lodging Oct 26-Jan 29	-1,920.67	382,593.05
Transfer	03/09/2010			Funds Transfer	-80,000.00	302,593.05
Payment	03/10/2010	2000268025	Marin Transit District		122.00	302,715.05
Deposit	03/11/2010			Deposit	13,875.00	316,590.05
Deposit	03/11/2010			Deposit	139,351.06	455,941.11
Check	03/11/2010	EFT	LGS	ZBA Transfer	-29,372.79	426,568.32
Transfer	03/11/2010			Funds Transfer	-110,000.00	316,568.32
Payment	03/12/2010	2000268848	Marin Transit District		9,000.00	325,568.32
Payment	03/12/2010	2000268849	Marin Transit District		9,000.00	334,568.32
Payment	03/12/2010	2000268850	Marin Transit District		6,213.60	340,781.92
Check	03/12/2010	EFT	LGS	ZBA Transfer	-265.65	340,516.27
Check	03/12/2010	EFT	ADP Fees	RGS 2/28 PR Fees	-205.55	340,310.72
Payment	03/15/2010	5854	Menlo Park FPD		8,975.00	349,285.72
Payment	03/15/2010	5747	Menlo Park US&R		15,400.00	364,685.72
Payment	03/16/2010	126862	Sausalito		15,083.33	379,769.05
Payment	03/16/2010	049784	Larkspur		2,686.00	382,455.05
Deposit	03/17/2010			Deposit	158,210.52	540,665.57
Check	03/17/2010	EFT	LGS	ZBA Transfer	-22,614.88	518,050.69
Payment	03/18/2010	2000269908	Marin Transit District		1,074.75	519,125.44
Transfer	03/19/2010			Funds Transfer	21,000.00	540,125.44
Check	03/19/2010	EFT	LGS	ZBA Transfer	-137,478.72	402,646.72
Check	03/19/2010	EFT	ADP Net Checks	03/15 Payroll	-74,610.69	328,036.03
Check	03/19/2010	EFT	ADP FWH/SWH/MED	03/15 Payroll Taxes	-26,962.42	301,073.61
Check	03/19/2010	EFT	ADP Fees	RGS 3/15 PR Fees	-7.00	301,066.61
Check	03/22/2010	2110	Elizabeth Lopez		-12.00	301,054.61
Check	03/22/2010	2111	Leslie Loomis	Lodging 5/4,5/18,6/1,& 6/7 2009 Replaces 1928	-373.40	300,681.21

Regional Government Services
Account QuickReport
As of March 31, 2010

Type	Date	Num	Name	Memo	Amount	Balance
Bill Pmt -Check	03/22/2010	2112	Christopher Nelson	RGS000022	-162.50	300,518.71
Bill Pmt -Check	03/22/2010	2113	Claremont	Apr EAP Bill 21575 Mar 46516127 acct	-250.00	300,268.71
Bill Pmt -Check	03/22/2010	2114	Covad	542755 Feb 28 Invoice #152516	-206.85	300,061.86
Bill Pmt -Check	03/22/2010	2115	Flex-Plan Services Inc McGilloway, Ray, Brown &	Bene Cards	-95.10	299,966.76
Bill Pmt -Check	03/22/2010	2116	Kaufman		-8,059.27	291,907.49
Bill Pmt -Check	03/22/2010	2117	Meyers Nave	Feb 28 invoice 2010020458	-206.28	291,701.21
Bill Pmt -Check	03/22/2010	2118	Tiffany Buraglio	Feb 1-28 services	-210.00	291,491.21
Bill Pmt -Check	03/22/2010	2119	Toconis		-4,335.76	287,155.45
Check	03/22/2010	2120	Jennifer Bower	Feb reimbursement & Dell Computer	-2,663.57	284,491.88
Check	03/22/2010	2121	Richard Averett	Feb reimbursable expense Apr premium	-70.47	284,421.41
Check	03/22/2010	2122	CalPERS	H2010047563000	-3,575.74	280,845.67
Check	03/22/2010	2123	Allied Administrators	Apr premium Mar premiums 12	-678.75	280,166.92
Check	03/22/2010	2124	Vision Service Plan	275218 0002	-158.16	280,008.76
Check	03/22/2010	2125	Reliance	Apr premiums	-1,682.54	278,326.22
Payment	03/22/2010	34464	Yountville		18,001.00	296,327.22
Payment	03/22/2010	1079798	Stockton		46,680.00	343,007.22
Transfer	03/22/2010			Funds Transfer	27,000.00	370,007.22
Check	03/22/2010	EFT	LGS	ZBA Transfer	-8,814.79	361,192.43
Check	03/22/2010	EFT	Wells Fargo Bank	Service Charge	-197.48	360,994.95
Check	03/22/2010	EFT	AIG Retirement	RGS 03/15 401 wire	-11,355.59	349,639.36
Check	03/22/2010	EFT	AIG Retirement	RGS 03/15 457 wire	-6,240.09	343,399.27
Check	03/23/2010	2126	Richard Averett	Jan reimbursable expense	-491.97	342,907.30
Deposit	03/23/2010			Deposit	111,562.97	454,470.27
Check	03/24/2010	2127	Flex-Plan Services Inc	Jan 31 premiums	-1,525.01	452,945.26
Payment	03/24/2010	2000270764	MTA		5,630.45	458,575.71
Transfer	03/24/2010			Funds Transfer	-154,000.00	304,575.71
Transfer	03/24/2010			Funds Transfer	-62,000.00	242,575.71
Payment	03/25/2010	232379	Marin Transit District		7,454.00	250,029.71
Check	03/25/2010	2128	Flex-Plan Services Inc	Feb 28 premiums	-1,525.01	248,504.70
Payment	03/25/2010	2000271096	MGSA		3,476.66	251,981.36
Payment	03/25/2010	7003000182	AMERA		7,500.00	259,481.36
Payment	03/25/2010	272640	San Rafael		43,614.40	303,095.76
Check	03/25/2010	EFT	LGS	ZBA Transfer	-3,854.00	299,241.76
Check	03/25/2010	EFT	LGS	ZBA Transfer	-238.60	299,003.16
Check	03/26/2010	2129	Flex-Plan Services Inc	Mar 15 premiums	-1,525.01	297,478.15
Deposit	03/26/2010			Deposit	151.65	297,629.80
Check	03/26/2010	EFT	ADP Fees	RGS 3/15 PR Fees	-240.55	297,389.25
Payment	03/29/2010	16456	Belvedere		4,330.15	301,719.40
Payment	03/29/2010	5946	Menlo Park FPD		9,072.00	310,791.40
Payment	03/29/2010	5894	Menlo Park US&R		11,400.00	322,191.40
Check	03/30/2010	2130	Karen Roach	Feb Expenses	-2,112.88	320,078.52
Check	03/30/2010	EFT	LGS	ZBA Transfer	-29,554.60	290,523.92
Transfer	03/30/2010			Funds Transfer	-300,000.00	-9,476.08
Total 110010 - Wells Fargo - Cash					3,364.47	-9,476.08
TOTAL					3,364.47	-9,476.08

Regional Government Services
Account QuickReport
As of April 30, 2010

Type	Date	Num	Name	Memo	Amount	Balance
110010 - Wells Fargo - Cash						-9,476.08
Payment	04/01/2010	8322493	Consortium IV		60,989.79	51,513.71
Transfer	04/01/2010			Funds Transfer	14,000.00	65,513.71
Check	04/01/2010	EFT	LGS	ZBA Transfer	-7,060.04	58,453.67
Payment	04/05/2010	27406	VCTC2		4,715.72	63,169.39
Payment	04/06/2010	127013	Sausalito		15,083.33	78,252.72
Transfer	04/06/2010			00	234,000.00	312,252.72
Check	04/06/2010	EFT	LGS	ZBA Transfer	-141,007.08	171,245.64
Check	04/06/2010	EFT	ADP Net Checks	03/31 Payroll	-83,317.31	87,928.33
Check	04/06/2010	EFT	ADP FWH/SWH/MED	03/31 Payroll Taxes	-31,832.57	56,095.76
Payment	04/07/2010	2000273410	Marin Transit District		7,454.00	63,549.76
Check	04/07/2010	EFT	LGS	ZBA Transfer	-8,757.84	54,791.92
Check	04/07/2010	EFT	AIG Retirement	RGS 03/31 401 wire	-12,928.05	41,863.87
Check	04/07/2010	EFT	AIG Retirement	RGS 03/31 457 wire	-6,990.96	34,872.91
Bill Pmt -Check	04/08/2010	2131	Brian Rowlett	bill #109	-600.00	34,272.91
				Mar 31 Invoice #153733		
Bill Pmt -Check	04/08/2010	2132	Flex-Plan Services Inc	Bene Cards	-128.50	34,144.41
Bill Pmt -Check	04/08/2010	2133	Tiffany Buraglio	Mar 2-22 services	-97.50	34,046.91
Bill Pmt -Check	04/08/2010	2134	Toconis		-7,124.50	26,922.41
Check	04/08/2010	EFT	LGS	ZBA Transfer	-27,240.50	-318.09
Payment	04/09/2010	2000274126	Marin Transit District		9,000.00	8,681.91
Payment	04/09/2010	6017	Menlo Park FPD		8,450.00	17,131.91
Check	04/10/2010	2135	Philomena Kipp	Mar Travel Expenses	-4,000.00	13,131.91
Check	04/10/2010	2136	Michael Crechriou	March Travel Expenses	-817.08	12,314.83
Check	04/10/2010	2137	Karen Roach	Mar Expenses	-2,627.66	9,687.17
Check	04/10/2010	2138	Jeff Rawles	Mar exp reimbursement	-418.41	9,268.76
				Lodging 3/3 and 3/15,		
				2010		
Check	04/10/2010	2139	Leslie Loomis		-186.82	9,081.94
Bill Pmt -Check	04/10/2010	2140	US Bank	Feb 8 statement	-814.33	8,267.61
Bill Pmt -Check	04/10/2010	2141	US Bank	Mar 8 statement	-825.92	7,441.69
Bill Pmt -Check	04/10/2010	2142	Flex-Plan Services Inc	VOID: Mar 31 Payroll	0.00	7,441.69
Check	04/10/2010	2143	Flex-Plan Services Inc	Mar 31 premiums	-1,525.01	5,916.68
Deposit	04/12/2010			Deposit	115,929.69	121,846.37
Deposit	04/12/2010			Deposit	26.30	121,872.67
Payment	04/13/2010	691415	Vallejo		7,475.00	129,347.67
Payment	04/13/2010	691415	Vallejo Housing		11,101.00	140,448.67
Deposit	04/13/2010			Deposit	110,000.00	250,448.67
Check	04/13/2010	EFT	LGS	ZBA Transfer	-904.83	249,543.84
Transfer	04/13/2010			Funds Transfer	-219,000.00	30,543.84
Check	04/15/2010	EFT	LGS	ZBA Transfer	-26,419.88	4,123.96
Check	04/16/2010	EFT	LGS	ZBA Transfer	-2,722.63	1,401.33
Check	04/16/2010	EFT	ADP Fees	RGS 3/31 PR Fees	-243.20	1,158.13
Check	04/16/2010	EFT	Wells Fargo Bank	Service Charge	-166.50	991.63
Payment	04/19/2010	027444	VCTC2		5,575.00	6,566.63
Payment	04/19/2010	2000275959	Marin Transit District		4,008.80	10,575.43
Check	04/20/2010	EFT	LGS	ZBA Transfer	-196.83	10,378.60
Check	04/21/2010	2144	Reliance	Apr premiums	-1,600.83	8,777.77
Check	04/21/2010	2145	Allied Administrators	May premium	-848.46	7,929.31
Transfer	04/21/2010			Funds Transfer	257,000.00	264,929.31
Check	04/21/2010	EFT	LGS	ZBA Transfer	-137,356.04	127,573.27
Check	04/21/2010	EFT	ADP Net Checks	04/15 Payroll	-74,843.87	52,729.40
Check	04/21/2010	EFT	ADP FWH/SWH/MED	04/15 Payroll Taxes	-27,627.32	25,102.08

Regional Government Services
Account QuickReport
As of April 30, 2010

Type	Date	Num	Name	Memo	Amount	Balance
				Apr premiums 12 275218 0002		
Check	04/22/2010	2146	Vision Service Plan		-188.72	24,913.36
Check	04/22/2010	2147	Flex-Plan Services Inc	Apr 15 contributions VOID: May premium	-1,525.01	23,388.35
Check	04/22/2010	2148	CalPERS	H2010047563000	0.00	23,388.35
Check	04/22/2010	2149	CalPERS	May premium H2010047563000	-2,519.09	20,869.26
Bill Pmt -Check	04/22/2010	2150	Toconis		-7,301.80	13,567.46
Bill Pmt -Check	04/22/2010	2151	Meyers Nave		-2,795.04	10,772.42
Bill Pmt -Check	04/22/2010	2152	Claremont	MAY EAP Bill 21780	-250.00	10,522.42
Check	04/22/2010	EFT	LGS	ZBA Transfer	-8,617.01	1,905.41
Check	04/22/2010	EFT	AIG Retirement	RGS 04/15 401 wire	-11,539.88	-9,634.47
Check	04/22/2010	EFT	AIG Retirement	RGS 04/15 457 wire	-6,285.15	-15,919.62
Payment	04/23/2010	2000277047	MGSA		16,746.72	827.10
Deposit	04/23/2010			Deposit	16,681.08	17,508.18
Check	04/23/2010	EFT	ADP Fees	RGS 4/15 PR Fees	-7.00	17,501.18
Payment	04/26/2010	6142	Menlo Park FPD		12,640.00	30,141.18
Payment	04/26/2010	6075	Menlo Park US&R		15,050.00	45,191.18
Payment	04/26/2010	273163	San Rafael		22,660.00	67,851.18
Payment	04/26/2010	7003000208	MERA		7,500.00	75,351.18
Payment	04/26/2010	34610	Yountville		11,938.00	87,289.18
Payment	04/26/2010	16563	Belvedere		15,352.35	102,641.53
Payment	04/26/2010	2000277680	MTA		5,630.45	108,271.98
Deposit	04/27/2010			Deposit	120,330.83	228,602.81
Transfer	04/27/2010			Funds Transfer	-220,000.00	8,602.81
Check	04/28/2010	EFT	LGS	ZBA Transfer	-4,504.29	4,098.52
Deposit	04/29/2010			Deposit	171,909.38	176,007.90
Transfer	04/29/2010			Funds Transfer	-145,000.00	31,007.90
Bill Pmt -Check	04/30/2010	2153	Christopher Nelson McGilloway, Ray, Brown & Kaufman		-130.00	30,877.90
Bill Pmt -Check	04/30/2010	2154			-8,079.31	22,798.59
Check	04/30/2010	EFT	LGS	ZBA Transfer	-6,823.93	15,974.66
Check	04/30/2010	EFT	ADP Fees	RGS 4/15 PR Fees	-205.55	15,769.11
Bill Pmt -Check	04/30/2010	2158	Toconis		-5,319.74	10,449.37
Bill Pmt -Check	04/30/2010	2159	Covad	Apr invoice 46571572	-208.29	10,241.08
			Employment Research Services		-645.00	9,596.08
Bill Pmt -Check	04/30/2010	2160			-1,774.98	7,821.10
Bill Pmt -Check	04/30/2010	2161	Meyers Nave		-1,774.98	7,821.10
Bill Pmt -Check	04/30/2010	2162	Tiffany Buraglio	Apr 3-30 services	-135.00	7,686.10
Bill Pmt -Check	04/30/2010	2163	US Bank		-1,529.62	6,156.48
Bill Pmt -Check	04/30/2010	2164	Your New Desktop.Com		-550.00	5,606.48
Check	04/30/2010	2155	ADP Fees	VOID	0.00	5,606.48
Total 110010 - Wells Fargo - Cash					15,082.56	5,606.48
TOTAL					15,082.56	5,606.48



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: 6-10-10
Item: 4C

RECOMMENDATION

Review and accept JPA investments made through May 2010.

BACKGROUND

The JPA Board of Directors approved an updated investment policy June 10, 2009, enabling the agency to invest in four vehicles: 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 account.

Investments in LAIF began in June 22, 2007, and investments in CalTrust began in late-January 2009. Investment activity for the current quarter is shown in the attached table and chart.

FISCAL IMPACT

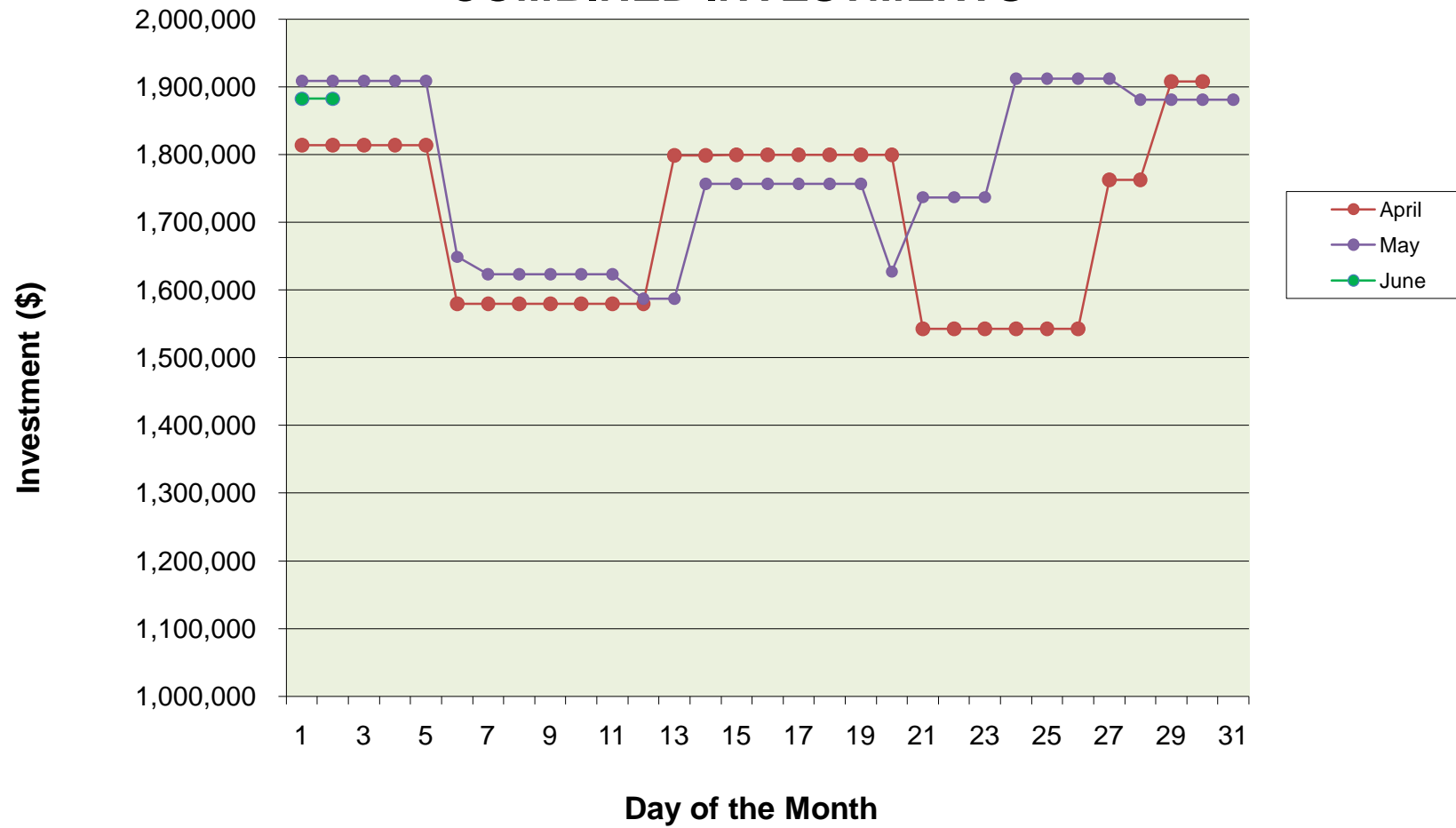
The impact of JPA LAIF and CalTrust investment activity this period is projected to yield approximately \$1,600 per month. Budgeted investment earnings are \$1,375 per month. Fiscal year 2010 earnings are expected to end the year about \$600 to \$700 below the budgeted amount of \$16,500 primarily because of declining interest earnings, partially offset by positive cash flow, close management of cash, and additional funds invested in CalTrust on March 1 and May 28, 2010. We are continuing to invest the maximum cash available, leaving only the minimum checking account balances needed to cover obligations.

Interest rate declines are moderating, and no significant decrease or increase is foreseen in the near-term. CalTrust medium term investments are currently yielding 85 to 100 basis points more than LAIF. The near-term strategy has been to increase Caltrust medium term investments and research safe alternative investment vehicles. The Board of Directors annually reviews the investment policy at their June meetings, wherein staff is recommending an update to the policy allowing investment 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 years maturity in accordance with CA Code, and are currently yielding four to five times LAIF's current yield.

INVESTMENT REPORT FY2010

<u>Date</u>	<u>Other</u>	<u>APRIL</u>			<u>Other</u>	<u>MAY</u>			<u>Other</u>	<u>JUNE</u>		
		<u>CalTrust</u>	<u>LAIF</u>	<u>Combined</u>		<u>CalTrust</u>	<u>LAIF</u>	<u>Combined</u>		<u>CalTrust</u>	<u>LAIF</u>	<u>Combined</u>
1	-	1,061,643	752,012	1,813,655		1,062,983	845,968	1,908,951		1,314,349	567,968	1,882,317
2	-	1,061,643	752,012	1,813,655		1,062,983	845,968	1,908,951		1,314,349	567,968	1,882,317
3	-	1,061,643	752,012	1,813,655		1,062,983	845,968	1,908,951				
4	-	1,061,643	752,012	1,813,655		1,062,983	845,968	1,908,951				
5	-	1,061,643	752,012	1,813,655		1,062,983	845,968	1,908,951				
6	-	1,061,643	518,012	1,579,655		1,062,983	585,968	1,648,951				
7	-	1,061,643	518,012	1,579,655		1,062,983	559,968	1,622,951				
8	-	1,061,643	518,012	1,579,655		1,062,983	559,968	1,622,951				
9	-	1,061,643	518,012	1,579,655		1,062,983	559,968	1,622,951				
10	-	1,061,643	518,012	1,579,655		1,062,983	559,968	1,622,951				
11	-	1,061,643	518,012	1,579,655		1,062,983	559,968	1,622,951				
12	-	1,061,643	518,012	1,579,655		1,062,983	523,968	1,586,951				
13	-	1,061,643	737,012	1,798,655		1,062,983	523,968	1,586,951				
14	-	1,061,643	737,012	1,798,655		1,062,983	693,968	1,756,951				
15	-	1,061,643	737,968	1,799,611		1,062,983	693,968	1,756,951				
16	-	1,061,643	737,968	1,799,611		1,062,983	693,968	1,756,951				
17	-	1,061,643	737,968	1,799,611		1,062,983	693,968	1,756,951				
18	-	1,061,643	737,968	1,799,611		1,062,983	693,968	1,756,951				
19	-	1,061,643	737,968	1,799,611		1,062,983	693,968	1,756,951				
20	-	1,061,643	737,968	1,799,611		1,062,983	563,968	1,626,951				
21	-	1,061,643	480,968	1,542,611		1,062,983	673,968	1,736,951				
22	-	1,061,643	480,968	1,542,611		1,062,983	673,968	1,736,951				
23	-	1,061,643	480,968	1,542,611		1,062,983	673,968	1,736,951				
24	-	1,061,643	480,968	1,542,611		1,062,983	848,968	1,911,951				
25	-	1,061,643	480,968	1,542,611		1,062,983	848,968	1,911,951				
26	-	1,061,643	480,968	1,542,611		1,062,983	848,968	1,911,951				
27	-	1,061,643	700,968	1,762,611		1,062,983	848,968	1,911,951				
28	-	1,061,643	700,968	1,762,611		1,312,983	567,968	1,880,951				
29	-	1,061,643	845,968	1,907,611		1,312,983	567,968	1,880,951				
30	-	1,061,643	845,968	1,907,611		1,312,983	567,968	1,880,951				
31						1,312,983	567,968	1,880,951				
Market Value-Gain (Loss)			-	-	Market Value		567,968	(1,312,983)	Market Value		-	-
	<u>BUDGETED</u>	<u>Proj'd CT</u>	<u>Proj'd LAIF</u>	<u>CUMULATIVE</u>	<u>BUDGETED</u>	<u>Proj'd CT</u>	<u>Proj'd LAIF</u>	<u>CUMULATIVE</u>	<u>BUDGETED</u>	<u>Proj'd CT</u>	<u>Proj'd LAIF</u>	<u>CUMULATIVE</u>
	<u>EARNINGS</u>	<u>mo. Int.</u>	<u>mo. Int.</u>	<u>Budget/Proj'd</u>	<u>EARNINGS</u>	<u>mo. Int.</u>	<u>mo. Int.</u>	<u>Budget/Proj'd</u>	<u>EARNINGS</u>	<u>mo. Int.</u>	<u>mo. Int.</u>	<u>Budget/Proj'd</u>
Budget	\$1,375			\$13,750	\$1,375			\$15,125	\$1,375			\$16,500
Est. Earn.		\$1,340	\$290	\$12,607	\$0	1366	301	\$14,274				\$14,274

COMBINED INVESTMENTS





LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

Providing Solutions to California Public Agencies

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TO: EXECUTIVE COMMITTEE **EC Meeting: 06-10-10**
FROM: RICHARD H. AVERETT, CFO/Treasurer **Item: 4D**
SUBJECT: APPROVAL OF AUDIT REPORTS FOR FISCAL YEAR ENDING JUNE 30, 2009

RECOMMENDATION

Review and approve the independent audit reports for fiscal year 2009, along with review of accompanying SAS 114 Letter.

BACKGROUND

The outside audit firm of Mayer Hoffman McCann, P.C. was retained to complete the fiscal year (FY) 2007 and FY 2008 audits of both Local and Regional Government Services Authorities. Mayer Hoffman was retained to perform the FY2009 audits, and the audits were finalized distributed electronically and in hardcopy form earlier this year. 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 FY2009 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.

LGS FINANCIAL HIGHLIGHTS

- Total net assets increased \$278,316 in FY2009 and \$322,081 in FY2008.
- Revenues from client reimbursements for services provided increased in FY2009 by 988,831 FY2008 and increased in FY2008 by \$927,453 from the 2007 fiscal year.
- Total operating expenditures in FY2009 increased \$1.03 million and in FY2008 increased \$566,867 from the 2007 fiscal year.
- Net assets at the end of FY2009 were \$624,466 and at the end of FY2008 were \$346,150.

RGS FINANCIAL HIGHLIGHTS

- Total net assets increased \$54,380 in FY2009 and increased \$11,138 in FY2008.
- Revenues from client reimbursements for services provided increased \$236,881 in FY2009 from fiscal year 2008 and \$1.08 million in FY2008 from fiscal year 2007.
- Total operating expenditures increased \$193,639 in FY2009 and increased \$1.07 million in FY2008 from FY2007.
- Net assets at the end of the fiscal year were \$59,734 in FY2009 and were \$5,354 in FY2008.



Mayer Hoffman McCann P.C.

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To the Audit Committee and Management
Regional Government Services Authority

We have audited the financial statements of Regional Government Services Authority ("Authority") for the year ended June 30, 2009, and have issued our report thereon dated February 10, 2010. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated March 30, 2009, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles (GAAP). Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. As part of our audit, we considered the internal control of Regional Government Services Authority. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated. Fieldwork was finished in August 2009. Significant risks of material misstatement addressed by our auditing procedures included:

- Fraud risk for cash receipts and cash disbursements
- Risk of improper revenue recognition
- Risk of unallowable expenses

Significant Audit Findings

We did not identify any deficiencies in internal control we consider to be a material weakness.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Regional Government Services Authority are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2009. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Significant judgments and estimates reflected in the Authority's financial statements and disclosures include:

- Estimates involving revenues and expenses to be accrued as of year end.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

The following audit adjustments were made as of June 30, 2009:

1. Cash held for Local Government Services Authority in LAIF was reported as a reduction to cash that had been recorded on the Authority's records as a due to other governments.
2. Reduced accounts receivable and deferred revenue accounts for billings which had been recorded in QuickBooks as of year-end, but were not earned or received as of June 30, 2009.

The above entries did not have an effect on the change in net assets.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 10, 2010.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

This information is intended solely for the use of the Audit Committee and management of Regional Government Services Authority and is not intended to be and should not be used by anyone other than these specified parties.

Mayer Hoffman McCann P.C.

Irvine, California
February 10, 2010

REGIONAL GOVERNMENT SERVICES AUTHORITY

Basic Financial Statements

Years ended June 30, 2009 and 2008

REGIONAL GOVERNMENT SERVICES AUTHORITY

Basic Financial Statements

Years ended June 30, 2009 and 2008

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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, 2009 and 2008 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. 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, 2009 and 2008 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.

Mayer Hoffman McCann P.C.

Irvine, California
February 10, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

REGIONAL GOVERNMENT SERVICES AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Years ended June 30, 2009 and 2008

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, 2009 and 2008. Please read it in conjunction with the financial statements identified in the accompanying table of contents.

FINANCIAL HIGHLIGHTS

- Total net assets increased \$54,380 in FY2009 and increased \$11,138 in FY2008.
- Revenues from client reimbursements for services provided increased \$236,881 in FY2009 from fiscal year 2008 and \$1.08 million in FY2008 from fiscal year 2007.
- Total operating expenditures increased \$193,639 in FY2009 from the 2008 fiscal year and increased \$1,073,654 in FY2008 from FY2007.
- Net assets at the end of the fiscal year are \$59,734 in FY2009 and were \$5,354 in FY2008.

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 <u>Statements</u>	Fund Statements		
		<u>Governmental Funds</u>	<u>Proprietary Funds</u>	<u>Fiduciary Funds</u>
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 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, 2007, 2008 & 2009

Table 1

Business - Type Activities			
	2007	2008	2009
<u>ASSETS</u>			
Current Assets	\$ 298,121	\$ 357,515	\$ 333,068
Capital Assets	-	-	-
Total assets	<u>\$ 298,121</u>	<u>\$ 357,515</u>	<u>\$ 333,068</u>
<u>LIABILITIES:</u>			
Note payable	175,732	-	-
Liabilities	128,173	352,161	273,334
Total Liabilities	<u>303,905</u>	<u>352,161</u>	<u>273,334</u>
<u>NET ASSETS:</u>			
Invested in Capital Assets-			
Net of Debt	\$ -	\$ -	\$ -
Reserved	-	-	-
Unreserved	<u>(5,784)</u>	<u>5,354</u>	<u>59,734</u>
Total Net Assets	<u>(5,784)</u>	<u>5,354</u>	<u>59,734</u>
Total net assets and liabilities	<u>\$ 298,121</u>	<u>\$ 357,515</u>	<u>\$ 333,068</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 \$54,380 in FY2009 and by \$11,138 in FY2008, as indicated in the Changes in Net Assets Table 2 below. The net assets of the Authority's business-type activities increased by over 1000 percent in 2009 and by 92 percent in 2008. The net assets (financial position) of the Authority changed as a result of client revenues increasing more than payroll and administrative expenditures increased as described below for the business-type activities of the Authority.

A summary of the statement of activities follows:

**Change in Net Assets – Year Ended
June 30, 2007, 2008 & 2009
Table**

	Business - Type Activities		
	2007	2008	2009
<u>Operating Revenues</u>			
Charges for services	\$ 985,536	\$ 2,067,803	\$ 2,304,684
Total revenues	<u>\$ 985,536</u>	<u>\$ 2,067,803</u>	<u>\$ 2,304,684</u>
<u>Operating Expenses</u>			
Salaries and benefits	885,554	1,898,164	1,888,359
Professional services	34,545	97,955	230,420
Administration	62,912	60,546	131,525
Total expenses	<u>983,011</u>	<u>2,056,665</u>	<u>2,250,304</u>
Change in net assets	\$ 2,525	\$ 11,138	\$ 54,380
Beginning net assets	(8,309)	(5,784)	5,354
Ending net assets	<u>\$ (5,784)</u>	<u>\$ 5,354</u>	<u>\$ 59,734</u>

Business-Type Activities

Revenues of the Authority's operations (see Table 2) increased by 11.5 percent in FY2009 and by 110 percent in FY2008. Operating expenses increased by 9.4 percent in FY2009 from FY2008, and increased by 109 percent from FY2007 to FY2008.

LONG-TERM DEBT

At the end of the 2006 fiscal year, the Authority (JPA) ended its services agreements with the City of San Carlos. The Authority and the City determined that the Authority owed the City a net \$74,722 for Human Resources and Financial services provided by the City. The two parties agreed to a payment schedule, with the balance to be paid within two years of March 1, 2008, accruing interest at five percent per year. This note was paid in full during FY2008. 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 FY2009, the primary reason for the variances from budget was the growth in client services during the fiscal year. This growth is reflected in revenues and expenditures significantly (28 percent and 27 percent, respectively) above budgeted levels. The budget was adopted anticipating a \$21,200 addition to net earnings. Client growth and controlled administrative expenditures resulted in a near tripling of the budgeted addition to net earnings.

	FY09 Budget	FY09 Actual	Variance
OPERATING REVENUES	\$ 1,789,200	\$ 2,304,684	\$ 515,484
Operating Expenditures			
Salaries & Benefits	1,498,059	1,888,359	(390,300)
Operating & Maintenance	269,900	361,945	(92,045)
TOTAL OPERATING EXPENSES	<u>1,767,959</u>	<u>2,250,304</u>	<u>(482,345)</u>
Net Addition/(Reduction) in net Assets	\$ 21,241	\$ 54,380	\$ 33,139

Future Financial Performance

No existing major client is anticipated to discontinue JPA services in fiscal year 2010. 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.

Since restructuring its administrative functions during fiscal year 2008, the JPA has experienced sustained 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, 2009 and 2008

	<u>2009</u>	<u>2008</u>
<u>Assets</u>		
Current assets:		
Cash and investments (note 2)	\$ 83,202	\$ 154,354
Accounts receivable	151,277	153,538
Prepaid insurance	98,589	-
Due from other governments	-	49,623
	<u>333,068</u>	<u>357,515</u>
 Total assets	 <u>333,068</u>	 <u>357,515</u>
 <u>Liabilities</u>		
Current liabilities:		
Accounts payable	100,781	117,642
Deferred revenue	38,372	60,375
Client deposits	20,000	20,000
Compensated absences - current portion (note 3)	<u>17,127</u>	<u>23,122</u>
 Total current liabilities	 <u>176,280</u>	 <u>221,139</u>
 Noncurrent liabilities:		
Compensated absences - long term (note 3)	<u>97,054</u>	<u>131,022</u>
 Total noncurrent liabilities	 <u>97,054</u>	 <u>131,022</u>
 Total liabilities	 <u>273,334</u>	 <u>352,161</u>
 <u>Net Assets</u>		
Net assets (deficit):		
Unrestricted	<u>59,734</u>	<u>5,354</u>
 Total net assets (deficit)	 <u>\$ 59,734</u>	 <u>\$ 5,354</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, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Operating revenues:		
Charges for services	\$ 2,304,684	\$ 2,067,803
Total operating revenues	<u>2,304,684</u>	<u>2,067,803</u>
Operating expenses:		
Salaries & benefits	1,888,359	1,898,164
Professional services	230,420	97,955
Administration	<u>131,525</u>	<u>60,546</u>
Total operating expenses	<u>2,250,304</u>	<u>2,056,665</u>
Change in net assets	<u>54,380</u>	<u>11,138</u>
Net assets (deficit) at beginning of year	<u>5,354</u>	<u>(5,784)</u>
Net assets (deficit) at end of year	<u>\$ 59,734</u>	<u>\$ 5,354</u>

See accompanying notes to the basic financial statements.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Statements of Cash Flows

Years ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Cash flows from operating activities:		
Cash received from customers	\$ 2,284,942	\$ 2,042,961
Cash paid to suppliers for goods and services	(477,395)	(95,276)
Cash paid to employees for services	<u>(1,928,322)</u>	<u>(1,845,030)</u>
Net cash provided by (used for) operating activities	<u>(120,775)</u>	<u>102,655</u>
Cash flows from noncapital financing activities:		
Cash received from other governments	49,623	-
Principal paid	<u>-</u>	<u>(74,722)</u>
Net cash provided by (used for) noncapital financing activities	<u>49,623</u>	<u>(74,722)</u>
Net increase (decrease) in cash and cash equivalents	(71,152)	27,933
Cash and cash equivalents at beginning of year	<u>154,354</u>	<u>126,421</u>
Cash and cash equivalents at end of year	<u>\$ 83,202</u>	<u>\$ 154,354</u>
Reconciliation of change in net assets to net cash provided by (used for) operating activities:		
Change in net assets	<u>\$ 54,380</u>	<u>\$ 11,138</u>
Adjustments to reconcile change in net asset to net cash provided by (used for) operating activities:		
(Increase) decrease in accounts receivable	2,261	(71,217)
(Increase) decrease in prepaid insurance	(98,589)	-
Increase (decrease) in accounts payable	(16,861)	63,225
Increase (decrease) in client deposits	-	20,000
Increase (decrease) in deferred revenue	(22,003)	26,375
Increase (decrease) in compensated absences	<u>(39,963)</u>	<u>53,134</u>
Total adjustments	<u>(175,155)</u>	<u>91,517</u>
Net cash provided by (used for) operating activities	<u>\$ (120,775)</u>	<u>\$ 102,655</u>

There were no noncash financing or investing activities for the periods ended June 30, 2009 and 2008.

See accompanying notes to the basic financial statements.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

Years ended June 30, 2009 and 2008

(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 Larkspur and the Association of Bay Area Governments (ABAG). A two-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.

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.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

(Continued)

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

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.

Reclassifications

Certain reclassifications and format changes have been made to prior year amounts to conform to the current year presentation.

(2) Cash and Investments

Cash and investments held by the Authority at June 30, 2009 consist of the following:

Deposits with financial institutions	\$ (34,542)
Investments	<u>117,744</u>
Total cash and investments	<u>\$83,202</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, 2008 consist of the following:

Deposits with financial institutions	\$ 45,694
Investments	<u>108,660</u>
Total cash and investments	<u>\$ 154,354</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</u> <u>Authorized by State Law</u>	<u>Authorized</u> <u>By</u> <u>Investment</u> <u>Policy</u>	<u>*Maximum</u> <u>Maturity</u>	<u>*Maximum</u> <u>Percentage Of</u> <u>Portfolio</u>	<u>*Maximum</u> <u>Investment</u> <u>In One Issuer</u>
Local Agency Bonds	Yes	5 years	None	None
U.S. Treasury Obligations	Yes	5 years	None	None
U.S. Agency Securities	Yes	5 years	None	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
County Pooled Investment Funds	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 the Authority manages 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, 2009:

<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>\$117,144</u>	<u>117,144</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, 2008:

<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>\$108,660</u>	<u>108,660</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, 2009 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	<u>\$117,144</u>	N/A	<u>-</u>	<u>-</u>	<u>-</u>	<u>117,144</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, 2008 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	<u>\$108,660</u>	N/A	<u>-</u>	<u>-</u>	<u>-</u>	<u>108,660</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, 2009 and 2008, 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.

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, 2009:

	<u>Balance at July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2009</u>	<u>Portion Due Within One Year</u>
Compensated absences	<u>154,144</u>	<u>35,834</u>	<u>75,797</u>	<u>114,181</u>	<u>17,127</u>
Total	<u>\$154,144</u>	<u>35,834</u>	<u>75,797</u>	<u>114,181</u>	<u>17,127</u>

The following is a schedule of changes in long-term liabilities for the year ended June 30, 2008:

	<u>Balance at July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2008</u>	<u>Portion Due Within One Year</u>
Note Payable:					
City of San Carlos	<u>\$ 74,722</u>	<u>-</u>	<u>74,722</u>	<u>-</u>	<u>-</u>
Subtotal	<u>74,722</u>	<u>-</u>	<u>74,722</u>	<u>-</u>	<u>-</u>
Compensated absences	<u>101,010</u>	<u>66,725</u>	<u>13,591</u>	<u>154,144</u>	<u>23,122</u>
Subtotal	<u>101,010</u>	<u>66,725</u>	<u>13,591</u>	<u>154,144</u>	<u>23,122</u>
Total	<u>\$175,732</u>	<u>66,725</u>	<u>88,313</u>	<u>154,144</u>	<u>23,122</u>

Note Payable to City of San Carlos

The contract for services between the Authority and the City of San Carlos was mutually terminated as of July 1, 2006. Upon termination of services, the Authority was to pay the City of San Carlos \$74,722, payable over 3 years. The note called for a schedule of principal payments beginning March 1, 2008, and interest to be paid on the remaining balance accrued as of March 1, 2007, at an interest rate of 5% per annum. The note was paid off ahead of schedule, during the fiscal year ended June 30, 2008.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

(Continued)

(4) Deferred Compensation 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)

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

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 122 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 coverages. Cal JPIA's pool 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.

Self-Insurance Programs of the Authority

General Liability Each member government pays a primary deposit to cover estimated losses for a fiscal year (claims year). After the close of a fiscal year, outstanding claims are valued. A retrospective deposit computation is then made for each open claims year. Claims are pooled separately between police and non-police. Costs are allocated to members by the following methods within each of the four layers of coverage: (1) the first \$30,000 of each occurrence is charged directly to the member's primary deposit; (2) costs from \$30,000 to \$750,000 and the loss development reserves associated with losses up to \$750,000 are pooled based on the member's share of losses under \$30,000; (3) losses from \$750,000 to \$2,000,000 and the associated loss development reserves are pooled based on payroll; (4a) costs of covered claims from \$2,000,000 to \$50,000,000 are paid under reinsurance and excess insurance policies (4b) subject to a \$3,000,000 annual aggregate deductible (4c) and a quota-sharing agreement whereby Cal JPIA is financially responsible for 40% of losses occurring within the \$2,000,000 to \$10,000,000 layer. The costs associated with 4a-c are estimated using actuarial models and pre-funded as part of the primary and retrospective deposits.

The overall policy limit for each member including all layers of coverage is \$50,000,000 per occurrence. Costs of covered claims for subsidence losses are paid by excess insurance with the following sub-limits per member: \$25,000,000 per occurrence with a \$15,000,000 annual aggregate.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

(Continued)

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

Workers' Compensation The Authority also participates in the workers' compensation pool administered by Cal JPIA. Each member pays a primary deposit to cover estimated losses for a fiscal year (claims year). After the close of a fiscal year, outstanding claims are valued. A retrospective deposit computation is then made for each open claims year. Claims are pooled separately between public safety and non-public safety. Costs are allocated to members by the following methods within each of the four layers of coverage: (1) the first \$50,000 of each loss is charged directly to the member's primary deposit; (2) losses from \$50,000 to \$100,000 and the loss development reserve associated with losses up to \$100,000 are pooled based on the member's share of losses under \$50,000; (3) losses from \$100,000 to \$2,000,000 and the loss development reserves associated with those losses are pooled based on payroll; (4) losses from \$2,000,000 up to statutory limits are paid under an excess insurance policy. Protection is provided per statutory liability under California Workers' Compensation law.

Employer's Liability losses are pooled among members to \$2,000,000, coverage from \$2,000,000 to \$4,000,000 is purchased as part of an excess insurance policy, and losses from \$4,000,000 to \$10,000,000 are pooled among members.

Purchased Insurance

Property Insurance The Authority participates in the all-risk property protection program of Cal JPIA. This insurance protection is underwritten by several insurance companies. The Authority property is currently insured according to a schedule of covered property submitted by the Authority to the Cal JPIA. The Authority property currently has all-risk property insurance protection in the amount of \$0. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$1,000 deductible. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

Earthquake and Flood Insurance The Authority purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Cal JPIA. There is a deductible of 5% of value with a minimum deductible of \$100,000. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

Crime Insurance The Authority purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Cal JPIA. Premiums are paid annually and are not subject to retroactive adjustments.

REGIONAL GOVERNMENT SERVICES AUTHORITY

Notes to the Basic Financial Statements

(Continued)

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

Adequacy of Protection

During the past three fiscal (claims) years, none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

(6) Post Employment Benefit Plan

Employees who retire from the Authority with 10 years of service are eligible to receive health care benefits covering themselves and any qualified members. 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. There were no expenses for post-employment health care benefits for fiscal years 2009 and 2008, respectively.

(7) Governmental Accounting Standards Board Statements Issued, Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2009, that have effective dates that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the Authority's future financial statements.

Governmental Accounting Standards Board Statement No. 45

In June 2004, the GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (RSI) in the financial reports of state and local government employers. This statement is not effective until June 30, 2010. The Authority anticipates that the effect of this statement will not be significant to its financial statement presentation. As noted in note 6, the Authority has not had any OPEB expenses nor does management expect any OPEB expenses in the next 12 months, since the total of employees is small and the vesting period is 10 years. Therefore the Authority has not established a trust or funded a reserve.



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

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TO: EXECUTIVE COMMITTEE **BOD Meeting: 6-10-10**
FROM: RICHARD H. AVERETT, Executive Director **Item: 4E**
SUBJECT: APPROVAL OF RECOMMENDATION TO ADOPT FY2011 BUDGET

RECOMMENDATION

Approval of a recommendation to the Board of Directors to adopt the Proposed FY2011 Budget.

BACKGROUND

The Fiscal Year (FY) 2011 proposed budget has been prepared in accordance with direction provided by the Executive Committee and Board of Directors. The budget is presented in the Profit and Loss (P&L) format provided to the Executive Committee at their regular meetings. Several budget assumptions have been made in developing the budget. They are:

1. Each JPA's budget is prepared separately, with RGS providing most operational services and all administrative staffing. Therefore, LGS reimburses RGS for administrative/overhead costs.
2. Client expenditures and reimbursement revenues for existing and potential clients are not budgeted in the next fiscal year unless there is a very high likelihood the "potential" business will be realized.
3. Costs are budgeted fully, and revenues are budgeted in accordance with client contracts.

FY2009 FINANCIAL PERFORMANCE

The LGS and RGS FY2009 budgets were adopted with projected addition to retained earnings of \$128,600 and \$21,200 respectively. At this time last year, estimated year-end performance was anticipated to yield a gain of \$296,800 and \$33,100 or a combined addition to retained earnings of \$329,900. Audited results show LGS adding \$278,316 and RGS adding \$54,380 for a net combined addition to retained earnings of \$333,100 in FY2009.

FY2010 FINANCIAL PERFORMANCE

The LGS and RGS FY2009 budgets were adopted with projected addition to retained earnings of \$263,800 and \$68,500 respectively. During the fiscal year, the Executive Committee was advised that performance would significantly exceed budget. Year-end accruals have not been posted, but estimates have been inserted in the LGS and RGS budgets in order to better estimate net retained earnings. Current year-end performance is estimated to add \$417,400 and \$235,300 or \$652,700 combined addition to retained earnings.

This year's continued financial success is noteworthy because administrative expenses have increased for accounting, HR and IT services to support client needs, while billing rates were again reduced on a per person basis. This year's performance confirms the conclusion of the last two years: Providing scalable services to public agencies and sharing the savings of economies of scale with our clients, can be done affordably and sustainably.

FY2011 PROPOSED BUDGET

The proposed FY2011 budget is balanced, with revenues exceeding expenditures by a combined \$557,400. All major clients (those for whom the JPAs assign multiple staff), except C-IV, are budgeted to remain JPA clients through the fiscal year. Several new clients and additional client services were added during FY2010 that are budgeted to continue in FY2011. One new client, Marin Energy Authority, was added late in the year and is not budgeted in FY2011 at its full expected 20.5-position strength. Another new client, Ventura County Organized Health Care System, is at the final agreement drafting stage. Therefore, it is not budgeted in FY2011. Should this project be successful it will result in forty additional positions.

Administrative support services are provided by the Executive Director/CFO, an hourly Director of Human Resources and Administrative Assistant, and contract financial, administrative support and technology services. Administrative initiatives for the coming year included the following:

- 1) Increase part-time administrative staffing to better support recent growth in clients and employees.
- 2) Implement the new STARS defined contribution plans.
- 3) Update Financial Policies and Procedures.
- 4) Contract with one new major (four or more assigned personnel) client.

Regional Government Services FY2011 Budget

	Admin - JPA's				Atherton				Belvedere			
	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget
Ordinary Income/Expense												
Income												
440301 - Client Billings					26,037				165,874	146,228	160,000	146,228
440400 - LGS - Admin. Services	414,907	416,335	531,555	624,000								
440410 - Client Administration Fees												
440420 - Finance Charges					133							
440600 - General Liability & EAP												
480000 - Miscellaneous Income	25,269	15,800	16,500	15,000								
Total Income	440,200	432,100	548,100	639,000	26,200	0	0	0	165,900	146,200	160,000	146,200
Expense												
511010 - Salaries - Regular	301,172	325,869	300,000	345,869	20,060				126,328	111,904	121,000	111,904
512002 - Medicare Employer Expense	4,073	4,157	4,350	4,780	291				1,832	1,623	1,755	1,623
512003 - Workers' Comp Exp clerical	40,624	44,445	44,875	51,111	32				52			
512004 - Employee Assistance Program	3,250	3,000	3,000	3,450								
512005 - Health Insurance Expense	11,534	8,275	12,500	9,516								
512006 - Dental Insurance Expense	1,239	1,176	1,300	1,352								
512007 - Vision Insurance Expense	103	242	400	278								
512008 - Life Insurance Expense	803	606	650	697								
512009 - Long Term Disability Expense	934	941	1,100	1,083								
512010 - Stars 457 Expense	5,330		9,300									
512011 - Stars 401A Expense	30,740	35,344	30,000	40,646	2,006				12,633	11,190	12,100	11,190
512012 - Calpers Retirement Expense	4,645	-4,006	3,500									
512014 - Short Term Disability Expense	692	676	700	777								
512018 - FSA Health & Day Care Expense	1,671	1,613	2,000	1,855								
520104 - Telephone/Internet	2,483	2,269	3,000	3,500								
520105 - Cell Phones	1,251	1,534	3,000									
520107 - ADP Payroll Fees	10,793	13,030	15,000	15,000								
520201 - Office Supplies	1,215	104	2,000	1,000								
520202 - Bank Fees & Services	4,648	5,512	5,000	6,338								
520204 - Printing & Postage	1,045	843	2,000	1,500								
520301 - Audit Services	29,500	17,000	33,000	17,000								
520302 - Legal Services	19,082	10,000	18,000	11,500								
520314 - Administrative Services	14,174	2,807	35,000	3,228								
520320 - Professional Services	100,970	95,062	110,000	110,000								
520501 - Professional Dues & Membership	960	596	1,000	1,000								
520503 - Conferences & Meetings	6,842	25,465	3,000	76,784								
520504 - Publications	1,928	163	3,000	500								
520701 - General Liability Insurance Exp	49,116	53,715	53,714	69,830								
520750 - Interest Expense		11										
520801 - Mileage Reimbursement	4,058	2,470	4,000	2,841								
520803 - Travel Reimbursement	311	500	2,000	500								
520805 - Supplies & Meals Reimbursement	160	933	1,000	1,000								
520904 - Computer Install & Maintenance	20,482	10,678	15,000	15,000								
522798 - Miscellaneous Expense	40	0										
570100 - Equipment Purchase		3,218	1,000	3,000								
Total Expense	675,900	668,200	723,400	800,900	22,400	0	0	0	140,800	124,700	134,900	124,700
Net Ordinary Income	-235,700	-236,100	-175,300	-161,900	3,800	0	0	0	25,100	21,500	25,100	21,500
Other Income/Expense												
Other Expense												
529997 - Unallocated Admin. Svcs - RGS	-235,691	-282,535	-191,845	-176,900								
529999 - Allocated Unbillable Expenses					3,626				22,986	14,958	17,171	13,645
Total Other Expense	-235,700	-282,500	-191,800	-176,900	3,600	0	0	0	23,000	15,000	17,200	13,600
Net Other Income	235,700	282,500	191,800	176,900	-3,600	0	0	0	-23,000	-15,000	-17,200	-13,600
Net Income	0	46,400	16,500	15,000	200	0	0	0	2,100	6,500	7,900	7,900

Regional Government Services FY2011 Budget

	Coastside Fire				Consortium IV				Larkspur			
	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget
Ordinary Income/Expense												
Income												
440301 - Client Billings	15,881				84,700	712,856	348,000	162,500		15,247		
440400 - LGS - Admin. Services												
440410 - Client Administration Fees					-10,798	-85,600						
440420 - Finance Charges												
440600 - General Liability & EAP												
480000 - Miscellaneous Income						260						
Total Income	15,900	0	0	0	73,900	627,500	348,000	162,500	0	15,200	0	0
Expense												
511010 - Salaries - Regular	10,588				32,772	325,657	155,000	122,829		11,284		
512002 - Medicare Employer Expense	154				475	4,039	2,248	2,019		164		
512003 - Workers' Comp Exp clerical	15											
512004 - Employee Assistance Program												
512005 - Health Insurance Expense					969	9,461	18,000	4,730				
512006 - Dental Insurance Expense					219	1,699	3,000	850				
512007 - Vision Insurance Expense					59	559	1,400	279		2		
512008 - Life Insurance Expense					75	1,057	1,800	529		5		
512009 - Long Term Disability Expense					129	1,183	2,200	591		9		
512010 - Stars 457 Expense												
512011 - Stars 401A Expense	1,059				3,080	24,252	15,500	12,126		1,194		
512012 - Calpers Retirement Expense							6,000					
512014 - Short Term Disability Expense					128	1,361	800	681		7		
512018 - FSA Health & Day Care Expense												
520104 - Telephone/Internet												
520105 - Cell Phones					100	267						
520107 - ADP Payroll Fees												
520201 - Office Supplies												
520202 - Bank Fees & Services												
520204 - Printing & Postage												
520301 - Audit Services												
520302 - Legal Services						260						
520314 - Administrative Services												
520320 - Professional Services												
520501 - Professional Dues & Membership												
520503 - Conferences & Meetings						9,084						
520504 - Publications												
520701 - General Liability Insurance Exp												
520750 - Interest Expense												
520801 - Mileage Reimbursement					1,092	16,703						
520803 - Travel Reimbursement						36,659	80,000					
520805 - Supplies & Meals Reimbursement					120	5,902						
520904 - Computer Install & Maintenance												
522798 - Miscellaneous Expense												
570100 - Equipment Purchase												
Total Expense	11,800	0	0	0	39,200	438,100	285,900	144,600	0	12,700	0	0
Net Ordinary Income	4,100	0	0	0	34,700	189,400	62,100	17,900	0	2,500	0	0
Other Income/Expense												
Other Expense												
529997 - Unallocated Admin. Svcs - RGS												
529999 - Allocated Unbillable Expenses	2,201				10,241	67,564	37,347	15,959		2,079		
Total Other Expense	2,200	0	0	0	10,200	67,600	37,300	16,000	0	2,100	0	0
Net Other Income	-2,200	0	0	0	-10,200	-67,600	-37,300	-16,000	0	-2,100	0	0
Net Income	1,900	0	0	0	24,500	121,800	24,800	1,900	0	400	0	0

Regional Government Services FY2011 Budget

	LGS - TAM				MERA				MEA			
	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget
Ordinary Income/Expense												
Income												
440301 - Client Billings					61,025	78,000	72,000	78,000		21,544		240,000
440400 - LGS - Admin. Services	553	50,530		101,000								
440410 - Client Administration Fees												
440420 - Finance Charges												
440600 - General Liability & EAP												
480000 - Miscellaneous Income												
Total Income	600	50,500	0	101,000	61,000	78,000	72,000	78,000	0	21,500	0	240,000
Expense												
511010 - Salaries - Regular	440	43,134		86,468	44,706	61,133	55,000	61,133		17,932		184,000
512002 - Medicare Employer Expense	6	632		1,263	648	886	798	886		260		2,668
512003 - Workers' Comp Exp clerical					69							
512004 - Employee Assistance Program												
512005 - Health Insurance Expense	28											
512006 - Dental Insurance Expense	5	140		280								
512007 - Vision Insurance Expense	1	-89		-177								
512008 - Life Insurance Expense	2	95		190								
512009 - Long Term Disability Expense	3	164		328								
512010 - Stars 457 Expense	4											
512011 - Stars 401A Expense	62	6,140		12,280	4,471	6,113	5,500	6,113		1,793		18,400
512012 - Calpers Retirement Expense												
512014 - Short Term Disability Expense	2	159		318								
512018 - FSA Health & Day Care Expense												
520104 - Telephone/Internet												
520105 - Cell Phones												
520107 - ADP Payroll Fees												
520201 - Office Supplies												
520202 - Bank Fees & Services												
520204 - Printing & Postage												
520301 - Audit Services												
520302 - Legal Services		155										
520314 - Administrative Services												
520320 - Professional Services												
520501 - Professional Dues & Membership												
520503 - Conferences & Meetings												
520504 - Publications												
520701 - General Liability Insurance Exp												
520750 - Interest Expense												
520801 - Mileage Reimbursement												
520803 - Travel Reimbursement												
520805 - Supplies & Meals Reimbursement												
520904 - Computer Install & Maintenance												
522798 - Miscellaneous Expense												
570100 - Equipment Purchase												
Total Expense	600	50,500	0	101,000	49,900	68,100	61,300	68,100	0	20,000	0	205,100
Net Ordinary Income	0	0	0	0	11,100	9,900	10,700	9,900	0	1,500	0	34,900
Other Income/Expense												
Other Expense												
529997 - Unallocated Admin. Svcs - RGS												
529999 - Allocated Unbillable Expenses					8,457	7,979	7,727	7,280		758		0
Total Other Expense	0	0	0	0	8,500	8,000	7,700	7,300	0	800	0	0
Net Other Income	0	0	0	0	-8,500	-8,000	-7,700	-7,300	0	-800	0	0
Net Income	0	0	0	0	2,600	1,900	3,000	2,600	0	700	0	34,900

Regional Government Services FY2011 Budget

	MGSA				Marin Transit District				Menlo Park FPD			
	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget
Ordinary Income/Expense												
Income												
440301 - Client Billings	161,043	175,241	185,000	185,000	28,280	194,292	125,600	338,400	276,037	200,247	272,000	200,247
440400 - LGS - Admin. Services												
440410 - Client Administration Fees		7,507										
440420 - Finance Charges												
440600 - General Liability & EAP												
480000 - Miscellaneous Income	131	3,146				433						
Total Income	161,200	185,900	185,000	185,000	28,300	194,700	125,600	338,400	276,000	200,200	272,000	200,200
Expense												
511010 - Salaries - Regular	123,318	143,635	142,000	142,000	15,487	137,126	86,320	246,827	204,448	149,939	205,500	149,939
512002 - Medicare Employer Expense	1,788	2,085	2,059	2,059	228	2,007	1,252	3,613	2,947	2,151	2,980	2,151
512003 - Workers' Comp Exp clerical	132								87			
512004 - Employee Assistance Program												
512005 - Health Insurance Expense						-1	6,600					
512006 - Dental Insurance Expense		75			109	664	650	1,195	1,314	1,327	1,300	1,327
512007 - Vision Insurance Expense		20			29	180	200	323	256	255	300	255
512008 - Life Insurance Expense		28			50	423	300	761	348	116	350	116
512009 - Long Term Disability Expense		48			86	723	475	1,302	599	233	600	233
512010 - Stars 457 Expense												
512011 - Stars 401A Expense	12,332	14,364	14,200	14,200	1,439	12,613	8,632	22,703	19,539	14,480	20,550	14,480
512012 - Calpers Retirement Expense												
512014 - Short Term Disability Expense		48			86	718	515	1,292	594	165		165
512018 - FSA Health & Day Care Expense												
520104 - Telephone/Internet												
520105 - Cell Phones												
520107 - ADP Payroll Fees												
520201 - Office Supplies		68										
520202 - Bank Fees & Services												
520204 - Printing & Postage	44											
520301 - Audit Services												
520302 - Legal Services										413		
520314 - Administrative Services												
520320 - Professional Services	-377											
520501 - Professional Dues & Membership												
520503 - Conferences & Meetings		500										
520504 - Publications												
520701 - General Liability Insurance Exp												
520750 - Interest Expense												
520801 - Mileage Reimbursement	379	1,475				244						
520803 - Travel Reimbursement		596										
520805 - Supplies & Meals Reimbursement	295	986				27						
520904 - Computer Install & Maintenance												
522798 - Miscellaneous Expense												
570100 - Equipment Purchase												
Total Expense	137,900	163,900	158,300	158,300	17,500	154,700	104,900	278,000	230,100	169,100	231,600	168,700
Net Ordinary Income	23,300	22,000	26,700	26,700	10,800	40,000	20,700	60,400	45,900	31,100	40,400	31,500
Other Income/Expense												
Other Expense												
529997 - Unallocated Admin. Svcs - RGS												
529999 - Allocated Unbillable Expenses	22,335	19,015	19,854	17,267	3,919	19,918	13,479	31,584	38,252	20,483	29,191	18,685
Total Other Expense	22,300	19,000	19,900	17,300	3,900	19,900	13,500	31,600	38,300	20,500	29,200	18,700
Net Other Income	-22,300	-19,000	-19,900	-17,300	-3,900	-19,900	-13,500	-31,600	-38,300	-20,500	-29,200	-18,700
Net Income	1,000	3,000	6,800	9,400	6,900	20,100	7,200	28,800	7,600	10,600	11,200	12,800

Regional Government Services FY2011 Budget

	Menlo Park US&R				MTC				MROSD			
	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget
Ordinary Income/Expense												
Income												
440301 - Client Billings	120,759	133,333	110,000	140,000	7,790	2,512			6,915			
440400 - LGS - Admin. Services					7,541	10,038						
440410 - Client Administration Fees					253							
440420 - Finance Charges												
440600 - General Liability & EAP												
480000 - Miscellaneous Income												
Total Income	120,800	133,300	110,000	140,000	15,600	12,500	0	0	6,900	0	0	0
Expense												
511010 - Salaries - Regular	95,478	107,413	87,000	107,413	13,984	6,199			4,425			
512002 - Medicare Employer Expense	1,301	1,509	1,262	1,509	200	90			64			
512003 - Workers' Comp Exp clerical	33				1							
512004 - Employee Assistance Program												
512005 - Health Insurance Expense												
512006 - Dental Insurance Expense												
512007 - Vision Insurance Expense												
512008 - Life Insurance Expense												
512009 - Long Term Disability Expense												
512010 - Stars 457 Expense												
512011 - Stars 401A Expense	9,548	10,741	8,700	10,741	1,398	620			443			
512012 - Calpers Retirement Expense												
512014 - Short Term Disability Expense												
512018 - FSA Health & Day Care Expense												
520104 - Telephone/Internet												
520105 - Cell Phones												
520107 - ADP Payroll Fees												
520201 - Office Supplies												
520202 - Bank Fees & Services												
520204 - Printing & Postage												
520301 - Audit Services												
520302 - Legal Services						171						
520314 - Administrative Services												
520320 - Professional Services						5,267						
520501 - Professional Dues & Membership												
520503 - Conferences & Meetings						103						
520504 - Publications												
520701 - General Liability Insurance Exp												
520750 - Interest Expense												
520801 - Mileage Reimbursement						101						
520803 - Travel Reimbursement												
520805 - Supplies & Meals Reimbursement												
520904 - Computer Install & Maintenance												
522798 - Miscellaneous Expense												
570100 - Equipment Purchase												
Total Expense	106,400	119,700	97,000	119,700	15,600	12,500	0	0	4,900	0	0	0
Net Ordinary Income	14,400	13,600	13,000	20,300	0	0	0	0	2,000	0	0	0
Other Income/Expense												
Other Expense												
529997 - Unallocated Admin. Svcs - RGS									0			
529999 - Allocated Unbillable Expenses	16,734	13,639	11,805	13,067	1,114	257	0		958			
Total Other Expense	16,700	13,600	11,800	13,100	1,100	300	0	0	1,000	0	0	0
Net Other Income	-16,700	-13,600	-11,800	-13,100	-1,100	-300	0	0	-1,000	0	0	0
Net Income	-2,300	0	1,200	7,200	-1,100	-300	0	0	1,000	0	0	0

Net Income

Regional Government Services FY2011 Budget

	San Rafael				Sausalito				SBSA			
	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget
Ordinary Income/Expense												
Income												
440301 - Client Billings	303,703	400,955	380,000	265,000	15,083	181,000		181,000	19,177			
440400 - LGS - Admin. Services												
440410 - Client Administration Fees												
440420 - Finance Charges									60			
440600 - General Liability & EAP												
480000 - Miscellaneous Income		872										
Total Income	303,700	401,800	380,000	265,000	15,100	181,000	0	181,000	19,200	0	0	0
Expense												
511010 - Salaries - Regular	212,908	296,411	285,000	190,000	11,800	141,840		141,840	12,170			
512002 - Medicare Employer Expense	13,964	4,489	4,133	2,755	171	2,089		2,089	176			
512003 - Workers' Comp Exp clerical	65								17			
512004 - Employee Assistance Program												
512005 - Health Insurance Expense	665	6,224	12,000	6,224								
512006 - Dental Insurance Expense		658	1,000	700		664		664				
512007 - Vision Insurance Expense	459	485	300	485		160		160				
512008 - Life Insurance Expense	663	1,024	400	1,050		470		470				
512009 - Long Term Disability Expense	1,139	1,759	600	1,800		810		810				
512010 - Stars 457 Expense	4,219											
512011 - Stars 401A Expense	23,543	35,709	31,350	28,500	1,125	13,524		13,524	1,217			
512012 - Calpers Retirement Expense												
512014 - Short Term Disability Expense	984	1,601	600	1,600		715		715				
512018 - FSA Health & Day Care Expense												
520104 - Telephone/Internet												
520105 - Cell Phones	798											
520107 - ADP Payroll Fees												
520201 - Office Supplies												
520202 - Bank Fees & Services												
520204 - Printing & Postage												
520301 - Audit Services												
520302 - Legal Services												
520314 - Administrative Services												
520320 - Professional Services												
520501 - Professional Dues & Membership												
520503 - Conferences & Meetings		-662										
520504 - Publications												
520701 - General Liability Insurance Exp												
520750 - Interest Expense												
520801 - Mileage Reimbursement												
520803 - Travel Reimbursement	187	3,494		3,494								
520805 - Supplies & Meals Reimbursement		7										
520904 - Computer Install & Maintenance												
522798 - Miscellaneous Expense	53	-70										
570100 - Equipment Purchase												
Total Expense	259,600	351,100	335,400	236,600	13,100	160,300	0	160,300	13,600	0	0	0
Net Ordinary Income	44,100	50,700	44,600	28,400	2,000	20,700	0	20,700	5,600	0	0	0
Other Income/Expense												
Other Expense												
529997 - Unallocated Admin. Svcs - RGS												
529999 - Allocated Unbillable Expenses	40,561	43,149	40,782	24,733	2,090	18,515		16,893	2,666			
Total Other Expense	40,600	43,100	40,800	24,700	2,100	18,500	0	16,900	2,700	0	0	0
Net Other Income	-40,600	-43,100	-40,800	-24,700	-2,100	-18,500	0	-16,900	-2,700	0	0	0
Net Income	3,500	7,600	3,800	3,700	-100	2,200	0	3,800	2,900	0	0	0

Regional Government Services FY2011 Budget

	SBWMA				STARS				Stockton			
	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget
Ordinary Income/Expense												
Income												
440301 - Client Billings	154,494	3,163								90,404		91,000
440400 - LGS - Admin. Services												
440410 - Client Administration Fees	13,125											
440420 - Finance Charges												
440600 - General Liability & EAP	936											
480000 - Miscellaneous Income												
Total Income	168,600	3,200	0	0	0	0	0	0	0	90,400	0	91,000
Expense												
511010 - Salaries - Regular	124,199	943			3,934	16,612		16,612		73,603		73,603
512002 - Medicare Employer Expense	1,808	14			57	242		242		1,078		1,078
512003 - Workers' Comp Exp clerical	221				1							
512004 - Employee Assistance Program												
512005 - Health Insurance Expense	8,352				216	1,021		1,021				
512006 - Dental Insurance Expense	1,712				13	93		93				
512007 - Vision Insurance Expense	388				2	18		18				
512008 - Life Insurance Expense	412				12	58		58		168		168
512009 - Long Term Disability Expense	707				20	96		96		290		290
512010 - Stars 457 Expense	2,357				91							
512011 - Stars 401A Expense	11,783	94			421	2,484		2,484		7,030		7,030
512012 - Calpers Retirement Expense												
512014 - Short Term Disability Expense	621				13	64		64		238		238
512018 - FSA Health & Day Care Expense												
520104 - Telephone/Internet												
520105 - Cell Phones												
520107 - ADP Payroll Fees												
520201 - Office Supplies												
520202 - Bank Fees & Services												
520204 - Printing & Postage												
520301 - Audit Services												
520302 - Legal Services					4,422	1,750		7,000		195		
520314 - Administrative Services												
520320 - Professional Services												
520501 - Professional Dues & Membership												
520503 - Conferences & Meetings												
520504 - Publications												
520701 - General Liability Insurance Exp												
520750 - Interest Expense												
520801 - Mileage Reimbursement												
520803 - Travel Reimbursement												
520805 - Supplies & Meals Reimbursement												
520904 - Computer Install & Maintenance												
522798 - Miscellaneous Expense												
570100 - Equipment Purchase												
Total Expense	152,600	1,100	0	0	9,200	22,400	0	27,700	0	82,600	0	82,400
Net Ordinary Income	16,000	2,100	0	0	-9,200	-22,400	0	-27,700	0	7,800	0	8,600
Other Income/Expense												
Other Expense												
529997 - Unallocated Admin. Svcs - RGS												
529999 - Allocated Unbillable Expenses	23,358	324								6,165		8,493
Total Other Expense	23,400	300	0	0	0	0	0	0	0	6,200	0	8,500
Net Other Income	-23,400	-300	0	0	0	0	0	0	0	-6,200	0	-8,500
Net Income	-7,400	1,800	0	0	-9,200	-22,400	0	-27,700	0	1,600	0	100

Regional Government Services FY2011 Budget

	TJPA				Twin Cities				Vallejo			
	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget
Ordinary Income/Expense												
Income												
440301 - Client Billings					7,214				104,450	127,841		
440400 - LGS - Admin. Services	144,600	112,586	135,000	112,586								
440410 - Client Administration Fees												
440420 - Finance Charges									644			
440600 - General Liability & EAP												
480000 - Miscellaneous Income									97,805	162,065		
Total Income	144,600	112,600	135,000	112,600	0	7,200	0	0	202,900	289,900	0	0
Expense												
511010 - Salaries - Regular	111,350	98,640	110,000	98,640	5,150				73,115	94,828		
512002 - Medicare Employer Expense	1,621	1,448	1,595	1,448	75				1,060	1,365		
512003 - Workers' Comp Exp clerical	58											
512004 - Employee Assistance Program												
512005 - Health Insurance Expense	4,945		7,500									
512006 - Dental Insurance Expense	513		770									
512007 - Vision Insurance Expense	115		200									
512008 - Life Insurance Expense	105		160									
512009 - Long Term Disability Expense	181		300									
512010 - Stars 457 Expense	2,281											
512011 - Stars 401A Expense	11,931	11,837	13,200	11,837	773				7,312	8,735		
512012 - Calpers Retirement Expense												
512014 - Short Term Disability Expense	149		300									
512018 - FSA Health & Day Care Expense												
520104 - Telephone/Internet												
520105 - Cell Phones												
520107 - ADP Payroll Fees	28		600									
520201 - Office Supplies												
520202 - Bank Fees & Services												
520204 - Printing & Postage												
520301 - Audit Services												
520302 - Legal Services	175	661										
520314 - Administrative Services												
520320 - Professional Services									74,425	130,489		
520501 - Professional Dues & Membership	649											
520503 - Conferences & Meetings	10,500											
520504 - Publications												
520701 - General Liability Insurance Exp												
520750 - Interest Expense												
520801 - Mileage Reimbursement												
520803 - Travel Reimbursement												
520805 - Supplies & Meals Reimbursement												
520904 - Computer Install & Maintenance												
522798 - Miscellaneous Expense				700								
570100 - Equipment Purchase												
Total Expense	144,600	112,600	134,600	112,600	0	6,000	0	0	155,900	235,400	0	0
Net Ordinary Income	0	0	400	0	0	1,200	0	0	47,000	54,500	0	0
Other Income/Expense												
Other Expense												
529997 - Unallocated Admin. Svcs - RGS												
529999 - Allocated Unbillable Expenses			14,488		875				28,117	29,655		
Total Other Expense	0	0	14,500	0	0	900	0	0	28,100	29,700	0	0
Net Other Income	0	0	-14,500	0	0	-900	0	0	-28,100	-29,700	0	0
Net Income	0	0	-14,100	0	0	300	0	0	18,900	24,800	0	0

Regional Government Services FY2011 Budget

	Ventura CTC				Yountville				TOTAL			
	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget	FY09	FY10 Proj'd	FY10 Budget	FY11 Budget
Ordinary Income/Expense												
Income												
440301 - Client Billings		52,633		12,000	46,190	130,600			1,609,526	2,683,946	1,652,600	2,069,374
440400 - LGS - Admin. Services									567,600	589,488	666,555	837,586
440410 - Client Administration Fees									2,580	-78,093	0	0
440420 - Finance Charges									837	0	0	0
440600 - General Liability & EAP									936	0	0	0
480000 - Miscellaneous Income		492							123,205	183,068	16,500	15,000
Total Income	0	53,100	0	12,000	46,200	130,600	0	0	2,304,700	3,378,400	2,335,700	2,922,000
Expense												
511010 - Salaries - Regular		39,744		9,000	34,685	101,425			1,586,479	2,318,741	1,546,820	2,112,077
512002 - Medicare Employer Expense		569		131	499	1,471			33,496	32,562	22,429	30,662
512003 - Workers' Comp Exp clerical									41,566	44,445	44,875	51,111
512004 - Employee Assistance Program									3,250	3,000	3,000	3,450
512005 - Health Insurance Expense									26,709	24,980	56,600	21,493
512006 - Dental Insurance Expense									5,124	6,495	8,020	6,460
512007 - Vision Insurance Expense									1,412	1,832	2,800	1,622
512008 - Life Insurance Expense									2,470	4,050	3,660	4,039
512009 - Long Term Disability Expense									3,798	6,256	5,275	6,533
512010 - Stars 457 Expense									14,282	0	9,300	0
512011 - Stars 401A Expense		3,690		900	3,197	10,143			160,188	233,695	159,732	229,555
512012 - Calpers Retirement Expense									4,645	-4,006	9,500	0
512014 - Short Term Disability Expense		1							3,269	5,753	2,915	5,850
512018 - FSA Health & Day Care Expense									1,671	1,613	2,000	1,855
520104 - Telephone/Internet									2,483	2,269	3,000	3,500
520105 - Cell Phones									2,148	1,801	3,000	0
520107 - ADP Payroll Fees									10,821	13,030	15,600	15,000
520201 - Office Supplies									1,215	172	2,000	1,000
520202 - Bank Fees & Services									4,648	5,512	5,000	6,338
520204 - Printing & Postage		59							1,089	901	2,000	1,500
520301 - Audit Services									29,500	17,000	33,000	17,000
520302 - Legal Services						212			23,679	13,816	18,000	18,500
520314 - Administrative Services									14,174	2,807	35,000	3,228
520320 - Professional Services									175,019	230,818	110,000	110,000
520501 - Professional Dues & Membership									1,609	596	1,000	1,000
520503 - Conferences & Meetings									17,342	34,489	3,000	76,784
520504 - Publications									1,928	163	3,000	500
520701 - General Liability Insurance Exp									49,116	53,715	53,714	69,830
520750 - Interest Expense									0	11	0	0
520801 - Mileage Reimbursement		121		100					5,529	21,114	4,000	2,941
520803 - Travel Reimbursement		146		100					498	41,394	82,000	4,094
520805 - Supplies & Meals Reimbursement									575	7,855	1,000	1,000
520904 - Computer Install & Maintenance									20,482	10,678	15,000	15,000
522798 - Miscellaneous Expense									92	1,030	0	4,000
570100 - Equipment Purchase									0	3,218	1,000	3,000
Total Expense	0	44,300	0	10,200	38,400	113,300	0	0	2,250,300	3,141,800	2,267,200	2,828,900
Net Ordinary Income	0	8,800	0	1,800	7,800	17,300	0	0	54,400	236,600	68,500	93,100
Other Income/Expense												
Other Expense												
529997 - Unallocated Admin. Svcs - RGS									-235,691	-282,535	-191,845	-176,900
529999 - Allocated Unbillable Expenses		5,434		1,120	6,401	12,996			235,691	283,849	191,845	168,727
Total Other Expense	0	5,400	0	1,100	6,400	13,000	0	0	0	1,300	0	-8,200
Net Other Income	0	-5,400	0	-1,100	-6,400	-13,000	0	0	0	-1,300	0	8,200
Net Income	0	3,400	0	700	1,400	4,300	0	0	54,400	235,300	68,500	101,300



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

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TO: EXECUTIVE COMMITTEE
FROM: RICHARD H. AVERETT, CFO/TREASURER
SUBJECT: CLIENT AND MEMBERSHIP REPORT

EC Meeting: 6-10-10
Item: 6A

CURRENT CLIENTS:

The following is a listing of LGS and RGS current clients. LGS has 38 positions supporting clients and RGS has 34 positions supporting clients and JPA administration.

Cities

Belvedere
San Rafael
Stockton
Yountville

Rohnert Park
Sausalito
Vallejo

Other Agencies

Consortium IV
Marin Energy Authority
Marin Telecommunications Authority
Metropolitan Transportation Commission
Transbay Joint Powers Authority
Twin Cities Police Authority

Marin Emergency Radio Authority
Marin General Services Authority
Menlo Park Fire Protection District
South Bayside Waste Management Authority
Transportation Authority of Marin
Ventura County Transportation Commission

POTENTIAL CLIENTS AND CHANGES TO CURRENT CLIENT SERVICES:

Two agencies are expected to enter agreements with RGS within the next few weeks: SMART and Ventura County-Organized Health System.

Infrequent but on-going discussions have taken place with Southern Marin Sanitation District, SMART and the Town of Ross.

C-IV is winding down the Training phase of their implementation program, with one position eliminated in late March and the remaining four to be eliminated in July. Plans are underway to add an RGS manager to serve C-IV for a two-year period.

Marin Transit recently obtained authorization to add two additional staff to the two already provided by RGS. One of these additional two positions is now filled.

Marin Telecommunications Authority has requested that RGS hire a General Manager to head the MTA.

MEMBER AGENCIES:

Agency	Contact	Contract	
County of Marin	Matthew Hymel, County Administrator	Mona Miyasato, Chief Asst County Administrator	
City of Albany	Beth Pollard, City Administrator		
Town of San Anselmo	Debbie Stutsman, Town Manager		
Town of Yountville	Steve Rogers, Town Manager		
City of Mission Viejo		Irwin Bornstein, Asst City Mgr/Dir. of Admin. Services	RHA: mild interest
City of Pleasanton	Nelson Fialho, City Manager		

**Regional Government Services
Position Allocation Chart**

Contracting Organization RGS employee, FTE, and Position Title	Employee Name	RGS/LGS RGS	TAM RGS	TJPA RGS	Marin JPAs RGS	Belvedere RGS	C-IV RGS	MPFPD RGS	San Rafael RGS	Sausalito RGS	Yountville RGS	Marin Energy RGS	Marin Transit RGS	Stockton RGS	Twin Cities RGS	MTC RGS	Rohnert Park RGS	Small Projects RGS	Total FTE	Total Position count
Administrative Analyst	Carla Overberger				1.00														1.00	1.00
Administrative Assistant	Dawn Vierra	0.20																	0.20	1.00
Administrative Assistant	Jordis Weaver											0.75							0.75	1.00
Adminstrative Services Director	Charlie Francis									0.80									0.80	1.00
Associate Project Delivery Manager	Jit Pandher		1.00																1.00	1.00
Chief Financial Officer	Fred Clarke			0.70															0.70	1.00
Communications Specialist	Sharon Olson														0.50				0.50	1.00
Community Mobility Manager	Paul Branson												1.00						1.00	1.00
Director of Human Resources/HR Consultant	Jennifer Bower	0.50																0.10	0.60	2.00
Emergency Services Coordinator	Angela Del Ponte								1.00										1.00	1.00
Engineering Project Manager	Robert Branz					0.75													0.75	1.00
Executive Director - MGSA	Paul Berlant				0.50														0.50	1.00
Exec Ofcr, MERA	Maureen Cassingham				0.25														0.25	1.00
Executive Director/CFO	Richard Averett	1.00																	1.00	1.00
Human Resources Consultant	Teresa Bryerton																	0.25	0.25	1.00
Human Resources Consultant	Andrea Greenberg	0.10																	0.10	1.00
Human Resources Consultant	Rich Oppenheim																	0.10	0.10	1.00
Human Resources Consultant	Sophia Selivanoff															0.50		0.05	0.55	1.00
Human Resources Consultant	Pamela Toconis																	0.25	0.25	1.00
Human Resources Director/consultant	Leslie Loomis								1.00									0.10	1.10	2.00
Human Resources Manager	Maribeth Linhart							0.50											0.50	1.00
Interim Department Director	Gus Duran													1.00					1.00	1.00
Parks and Recreation Director	John De Lorenzo										0.50								0.50	1.00
Plan Checker	Gary Skubal							0.75											0.75	1.00
Program Manager, AVAP	Jeff Rawles				0.57														0.57	1.00
Project Manager	Beth Rasmussen											1.00							1.00	1.00
Public Information Coordinator	Trudy Totty		0.50																0.50	1.00
Senior Transit Planner	Aviva Laurenti												1.00						1.00	1.00
Technical Site/Prep Coordinator	Michael Crechriou						1.00												1.00	1.00
Training Coordinator	Karen Roach						1.00												1.00	1.00
Training Coordinator	Cookie Kipp						1.00												1.00	1.00
Urban Search & Rescue Coordinator	Brian Kelly							0.75											0.75	1.00
Total RGS FTE by Client		1.80	1.50	0.70	2.32	0.75	3.00	2.00	2.00	0.80	0.50	1.75	2.00	1.00	0.50	0.00	0.50	0.85	21.97	34.00
Total RGS Positions by Client		4	2	1	4	1	3	3	2	1	1	2	2	1	1	0	1	6		

Legend	Yellow: Pending	New clients (under small projects)
	Pink: Pending separation from employment	Clients/Employees Leaving
	Green: FTE counts/totals	Tangerine Position counts/totals



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TO: EXECUTIVE COMMITTEE **EC Meeting: 6-10-10**
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 9:30 a.m. with the exception of the annual Budget Review and Adoption meeting, which will be conducted in person, on June 10 starting at 10 a.m.

Date	EXEC COMM	BOD	Special Topic	Location	Notes
June 10 (Thursday)	Yes	Yes	Election of Officers, FY11 Budget, Investment Policy, Rules & Regs	Cavallo Point, Marin County	
July 8 (Thursday)	Yes			teleconference	Recommend canceling
August 12 (Thursday)	Yes			teleconference	
September 9 (Thursday)	Yes			teleconference	
October 14 (Thursday)	Yes			teleconference	
November 18 (Thursday)	Yes			teleconference	
December 9 (Thursday)	Yes			teleconference	
January 13 (Thursday)	Yes			teleconference	
February 10 (Thursday)	Yes			teleconference	
March 10 (Thursday)	Yes			teleconference	
April 14 (Thursday)	Yes			teleconference	
May 12 (Thursday)	Yes			teleconference	



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TO: EXECUTIVE COMMITTEE **EC Meeting: 6-15-10**
FROM: RICHARD H. AVERETT, Executive Director **Item: 6C**
SUBJECT: APPROVING TOWN OF YOUNTVILLE AS A BOARD MEMBER

RECOMMENDATION

Approve adding the Town of Yountville as a Regional Government Services Authority Board Member, effective June 10, 2010, and authorize the Chair to enter into a membership agreement by execution of the attached Addendum.

BACKGROUND

The Amended and Restated Joint Powers Agreement authorizes the Executive Committee to approve new members to the JPA Board of Directors. If the Executive Committee approves adding a new member it does so by executing an Addendum to the Amended and Restated Joint Powers Agreement Creating the Regional Government Services Authority, and authorizes the Chair to enter into a membership agreement by execution of the Addendum. A two-thirds vote of the Executive Committee is required.

The Town of Yountville recently approved joining the JPA. If approved by the Executive Committee, Yountville's membership status would be effective immediately. At the June 10, 2010 Board meeting the Board could consider appointing the Yountville Town Manager to the Executive Committee.

FISCAL IMPACT

There is no fiscal impact of approving this Addendum.

**ADDENDUM
TO
AMENDED AND RESTATED JOINT POWERS AGREEMENT
CREATING THE REGIONAL GOVERNMENT SERVICES AUTHORITY**

RECITALS

WHEREAS, the Members entered into an Amended and Restated Joint Powers Agreement Creating the Regional Government Services Authority ("RGS"), effective January 27, 2005.

WHEREAS, Article II, Section 1 of said agreement provides that public entities may join as members of RGS if approved by two-thirds of the members of the Executive Committee of the RGS Board on terms and conditions approved by the Executive Committee.

WHEREAS, Article II, Section 1 further provides that new members shall be included within the term "members" following the execution of an addendum to the Amended and Restated Joint Powers Agreement Creating the Regional Government Services Authority.

WHEREAS, said addendum shall be executed by the new member and the Chair of the Executive Committee.

AGREEMENT

NOW, THEREFORE, RGS, through the Chair of its Executive Committee, and the Town of Yountville enter into this Addendum to memorialize and acknowledge the addition of the Town of Yountville as a member of RGS.

A complete copy of the Amended and Restated Joint Powers Agreement Creating the Regional Government Services Authority is available on the JPA's website, by email and by post.

The Town of Yountville acknowledges it will be subject to the provisions of the Amended and Restated Joint Powers Agreement Creating the Joint Regional Government Services Authority following execution of this Addendum by both parties.

TOWN OF YOUNTVILLE

Dated: _____ By: _____
Town Manager

REGIONAL GOVERNMENT SERVICES AUTHORITY

Dated: _____ By: _____
Chair of the Executive Committee

APPROVED AS TO FORM

Dated: _____ By: _____
Legal Counsel
REGIONAL GOVERNMENT SERVICES AUTHORITY