



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

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RGS EXECUTIVE COMMITTEE STUDY SESSIONS

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

June 26, 2014, 12:00 p.m. to approximately 8:00 p.m.

June 27, 2014, 8:00 a.m. to approximately 1:00 p.m.

(ending times are approximate)

Bodega Bay Lodge

Drake's Room

103 Coast Highway One
Bodega Bay, CA 94923

1. CALL TO ORDER

2. CHANGES TO THE ORDER OF AGENDA

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

4. APPROVAL OF CONSENT AGENDA

A. Approval of August 22, 2013 Minutes

Action

5. STRATEGIC PLANNING

Discussion

A. History and Challenges

- History: 2002 – Present
- August Study Session Direction
- Current Challenges and Prospects
- Likely Future: 2020 Vision

B. Governance and Administration

- RGS Model of Entrepreneurial Public Sector Service
- RGS Administrative Staff Model
- Succession Planning
- Governance Model Proposal

C. Strategic Planning

- Long-Term Goals

D. Executive Director

- Roles, FY2015 Performance Plan, Compensation Plan

6. NEXT STUDY SESSION MEETING: TBD

Americans with Disabilities Act

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact 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 AUTHORITY EXECUTIVE COMMITTEE
AND LOCAL GOVERNMENT SERVICES AUTHORITY EXECUTIVE COMMITTEE
JOINT STUDY SESSION MINUTES
AUGUST 22, 2013**

The Regional Government Services Executive Committee and the Local Government Services Executive Committee held a Joint Study Session on August 22, 2013 at the Dublin Civic Center Regional Meeting Room Room, 100 Civic Plaza, Dublin, CA 94568. The meeting was called to order at 1:35 p.m.

1. CALL TO ORDER

Members Present: Steve Rogers, Chair
Ken Nordhoff, Vice-Chair
Mike Garvey, Member
Joni Pattillo, Member
Herb Pike, Member
Dan Schwarz, Member

Members Absent: Nancy Mackle, Member

Other Attendees: Richard Averett, Executive Director/CFO
Jennifer Bower, Human Resources
Glenn Lazof, Deputy Chief Financial Officer
Heather Quinn, Sr. Admin. Analyst / Project Mgr.

2. CHANGES TO THE ORDER OF AGENDA – None

3. APPROVAL OF CONSENT AGENDA

A. Approval of **November 15, 2012** Minutes

Action: Moved and seconded (Pike, Nordhoff) and carried unanimously to approve the consent agenda.

4. RGS/LGS PLANNING SESSION

Executive Director Richard Averett presented a business plan for the JPAs, and reviewed the JPAs' mission, growth of JPAs since inception, current JPA staffing, financial challenges, and a business plan to address challenges. This plan included expanding existing and adding new service offerings to public agencies, such as payroll, HR model outreach, finance and IT services.

Discussion: Board members noted that the JPAs' mission is evolving. Board Member Pattillo suggested a simpler mission statement of, "To serve the needs of local governments". Questions arose about the capacity (i.e. how many more employees) of current JPA structure and processes, with Executive Director Averett indicating that the JPAs should be able to handle adding another 100 employees. As we approach that number, the JPAs may begin to experience inefficiencies. Adjustments along the way may allow a higher employee count to be reached.

Executive Director Averett reviewed financial and business model challenges. Averett stated that he is seeking advice as to how to respond to the myriad and far-ranging requests and the seemingly pre-determined outcome of a PERS audit. PERS appears to have no interest in helping LGS comply - should they determine we are not in compliance - with PERS rules and PERL law to facilitate JPA provision of employee retirement benefits. Several Members agreed that staff should put emphasis on RGS. In addition, Members agreed that staff should focus on developing/obtaining more mid-sized (tier 3) clients to reduce risk exposure to larger clients, and be prepared to "ramp up" should the JPAs

obtain a large revenue generating (tier 1) client. Vice Chair Nordhoff stated that he “doesn’t think we can be all things to all people.”

There was discussion about the possibility of shifting current LGS clients into RGS. Executive Director Averett responded that all LGS clients were offered a chance to switch to a PARS DB plan last December when the JPAs were considering that option. None were interested. They have also been notified of the PERS routine audit and its possible ramifications and all have been interested in retaining the PERS Retirement benefit.

Member Schwartz suggested staff consider approaching LAFCOs to make them aware of our services.

Member Garvey gave a brief history of the original intent of LGS as a “start up” employer of record. He stated he was proud of what the JPAs have done and agreed that JPAs need to move away from offering the PERS model.

When discussing new services, Members expressed satisfaction with HR model outreach plan. Several board members suggested staff continue to look into developing mid-level finance consultants, such as accountants and budget analysts. Executive Director Averett stated JPAs are advertising for finance and HR techs and analysts.

Several Members wondered if RGS payroll services would be perceived as competing with the private sector. Averett stated that RGS is offering a unique and competitive payroll service with new payroll administrator APS and with appropriate RGS staff in place that would not displace private payroll processors, but would backfill retiring public agency payroll staff.

Several board members agreed that a “tag line” for RGS should be “Regional Government Services meeting the needs of local government.”

Members directed staff to write a staff report and/or conduct a study session for the next quarterly meeting on a transition plan. This plan should include analysis of possibly replacing the DB plan with another defined benefit plan and/or defined contribution plan and consideration of what it might take to have an attractive RGS benefits package.

5. PUBLIC COMMENT: None

6. ADJOURNMENT

The meeting adjourned at 3:25 p.m. The next Study Session meeting has yet to be determined.