

## RGS EXECUTIVE COMMITTEE AGENDA

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

**Members of the Executive Committee will be meeting for dinner on Thursday, May 16 at which no business will be discussed. Members of the Executive Committee will be having a working breakfast during a Workshop on Friday, May 17. The Workshop may continue through lunch. Members of the public are invited to participate in any of the meals at their own expense. Contact Tiffany Buraglio at [tburaglio@rgs.ca.gov](mailto:tburaglio@rgs.ca.gov) or 831.308.2717 by 8:00 a.m. Wednesday, May 15 if you would like to be included in any meal.**

**REGULAR MEETING  
May 16, 2024  
2:05 p.m., or immediately following the preceeding meeting**

**River Terrace Inn  
Cuvée Barrell Room A  
1600 Soscol Ave  
Napa, CA 94559**

### 1. CALL TO ORDER / ROLL CALL

### 2. PUBLIC COMMENT

- A. 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.

### 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 **February 15, 2024** Minutes *Action*
- B. Approval of Regularly Scheduled Meetings Calendar
- C. Approval of Payments and Deposits made December 2023 through March 2024
- D. Approval of Investments Report through March 2024
- E. Receive and File Management Services Agreements Update
- F. Receive and File Municipal Dental Pool Update
- G. Receive and File Strategic Plan Update
- H. Receive and File Agency Bonus Awards
- I. Approval of update to Investment Policy
- J. Approval of update to Conflict of Interest Policy
- K. Approval of update to HRP - PTO

### 4. TREASURER'S REPORT

- A. Review of Prelim. FYTD Financial Reports & Business Development through March 2024 *Information*
- B. Approval of FY23 Audited Financial Statements *Action*

### 5. OLD BUSINESS – None

### 6. NEW BUSINESS

- A. Administrative and Financial Policies – Addition of AI Policy *Action*
- B. Update on Customer Service Survey *Information*

C. Authorize Executive Director to Approve an MSS Repayment Plan

**Action**

**Recess to Closed Session**

**PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Title: Executive Director

**CONFERENCE WITH LABOR NEGOTIATORS**

Agency designated representatives: Ad Hoc Committee: Executive Committee Chair Buckshi and Immediate Past Executive Committee Chair Habkirk

Unrepresented employee: Executive Director

**CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION**

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

Names of Cases: Abid-Cummings et al. v. Board of Administration of the California Public Employees' Retirement System, Sacramento County Superior Court Case No. 34-2022-80003798

Breeze v. Board of Administration of the California Public Employees' Retirement System, Sacramento County Superior Court Case No. 34-2022-80003799

Dowswell v. Board of Administration of the California Public Employees' Retirement System, Sacramento County Superior Court Case No. 34-2022-8000 800

Sandhu v. Board of Administration of the California Public Employees' Retirement System, Sacramento County Superior Court Case No. 34-2022-80003801

Souza et al. v. Board of Administration of the California Public Employees' Retirement System, Sacramento County Superior Court Case No. 34-2022-80003802

**Recess to Open Session**

**Possible Report Out of Closed Session Information**

**7. EXECUTIVE DIRECTOR, COMMITTEE AND MEMBER REPORTS**

A. Executive Director: Deltek GoLive update, Dinner location change – ALBA terrace

B. Members:

**8. ADJOURN MEETING**

**The next Regular Meeting will take place via teleconference on **September 19, 2024****

**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) 587-7300. Notification in advance of the meeting will enable Agency to make reasonable arrangements to ensure accessibility.

**REGIONAL GOVERNMENT SERVICES AUTHORITY  
EXECUTIVE COMMITTEE MINUTES  
FEBRUARY 15, 2024**

The Regional Government Services Authority held a regular meeting of the Executive Committee on February 15, 2024 via teleconference. The meeting was called to order at 2:18 p.m.

**1. CALL TO ORDER / ROLL CALL**

Members Present: Dan Buckshi, Chair  
Hilary Straus, Vice Chair  
Megan Hunter, Member  
Liz Habkirk, Member  
Brad Raulston, Member  
Shannon O’Hare, Member  
Linda Smith, Member

Members Absent: None

Other Attendees: Sophia Selivanoff, Executive Director  
Rich Oppenheim, Administrative Services Manager  
Deona Knight, HR Manager  
Lindsay Rice, Accounting Manager  
Tiffany Buraglio, Executive Assistant  
Sky Woodruff, Authority Counsel

**1. CALL TO ORDER / ROLL CALL**

**A. Election of Officers**

**Action:** Moved and seconded (Straus/Hunter) to continue Dan Buckshi as Executive Committee Chair and Hilary Straus as Executive Committee Vice Chair for a second year.

**AYES:** Buckshi, Straus, Hunter, Habkirk, Raulston, O’Hare, Smith

**NOES:** None

**ABSTAIN:** None

**2. PUBLIC COMMENT – None**

**3. APPROVAL OF CONSENT AGENDA**

**Staff requested item 3G be pulled from the consent agenda for discussion**

- A. Approval of **November 2, 2023** Minutes
- B. Approval of Regularly Scheduled Meetings Calendar
- C. Approval of Payments and Deposits made October through November 2023
- D. Approval of Investments Report through November 2023
- E. Receive and File Management Services Agreements Update
- F. Receive and File Municipal Dental Pool Update
- H. Receive and File Agency Bonus Awards
- I. Approval of Update to HRP – Section C.5

**G. Receive and File Strategic Plan Update**

Administrative Services Manager Oppenheim presented the new format of the Strategic Plan report. He stated the goal was to make the report more visually appealing and easier to read as well as to respond to the Committee’s request to include information on progress of each goal. Executive Director Selivanoff noted that staff was building a consistent set of metrics to measure progress over time which can be presented on a quarterly basis. Members complimented staff on the format of the new report.

**2:25 pm** Member O’Hare disconnected from meeting

**Action:** Moved and seconded (Straus/Hunter) to approve the Consent Agenda  
**AYES:** Buckshi, Straus, Hunter, Habkirk, Raulston, Smith  
**NOES:** None  
**ABSTAIN:** O’Hare (temporarily disconnected from meeting)

**2:31 pm** Member O’Hare rejoined the meeting

**4. TREASURER’S REPORT**

- A. Review of Preliminary FYTD Financial Reports & Business Development through November 2023  
This is an informational item only. No action was taken.

Accounting Manager Rice reviewed the JPA’s financial performance as outlined in the staff report as well as reviewed current investment vehicles as outlined in the item 3D staff report. Accounting Manager Rice also noted that the Fiscal Year 23 Audit would be presented at the May meeting. Executive Director Selivanoff stated that she would provide an update regarding the timing of the completion of the audit to members via email.

**5. OLD BUSINESS** - None

**6. NEW BUSINESS** - None

**7. EXECUTIVE DIRECTOR, COMMITTEE AND MEMBER REPORTS**

- A. Executive Director: Executive Director Selivanoff requested feedback from members as to the location and content of the May quarterly meeting. Two possible topics to be covered could be the use of AI in government and DEI in local government. Members expressed an interest in holding the meeting in the Napa area, or returning to Monterey if the Napa area was not a viable option. Members preferred the content of the meeting to be centered around how the members could best help the JPA, including possibly diving deeper into various Strategic Plan goals, possibly taking the proposed two topics and discussing how those issues are impacting RGS. Members expressed less interest in using the meeting as an educational opportunity for themselves.

Executive Director Selivanoff recalled the May 2023 meeting discussion regarding JPA borrowing. She noted that the JPA has been very satisfied with the loan arrangement with 5 Star Bank and stated that the alternative of borrowing from a member agency as opposed to a financial institution currently seems to create an undue administrative burden on staff and it is her recommendation to table that option. Members concurred that efforts to research the option of borrowing from a member agency should be deferred for at least a year.

B. Members: none

**8. ADJOURN** – The meeting adjourned at 2:50 p.m. The next regular meeting is scheduled for May 16-17, 2024.



**TO:** EXECUTIVE COMMITTEE **EC Meeting: 05-16-2024**  
**FROM:** Tiffany Buraglio, Executive Assistant **Item: 3B**  
**SUBJECT: EXECUTIVE COMMITTEE AND BOARD OF DIRECTORS MEETINGS**

**MEETING SCHEDULE**

The following are regularly scheduled meetings for the next 24 months, along with special topics to be discussed. Quarterly meetings are conducted on the third Thursday of the month - at least twice a year telephonically and up to two in-person, with the May meeting being held on Thursday and Friday.

Date	EXEC COMM	BOARD	Special Topics	Location	Notes
<b>2024</b>					
May 16-17 (Thursday - Friday)	RGS	RGS	FY23 Audited Financial Statements (moved from Nov. 23), Budget, Conflict of Interest (even years); workshop	River Terrace Inn, Napa, CA	TBD
September 19	RGS		Meeting Schedule for 2025	Telephonic	1:00pm-3:00pm
November 21 (Thursday)	RGS		FY24 Audited Financial Statements, RGS service presentation	Telephonic	1:00pm-3:00pm
<b>2025</b>					
February 20 (Thursday)	RGS	RGS	Election of Officers (all), Appoint Members to Executive Committee	Telephonic	1:00pm – 3:00pm
May 15-16 (Thursday - Friday)	RGS	RGS	Budget, Conflict of Interest (even years); workshop	TBD	TBD
September 18 (Thursday)	RGS		Meeting Schedule for 2026	Telephonic	1:00pm – 3:00pm
November 20 (Thursday)	RGS		FY 25 Audited Financial Statements, RGS service presentation	Telephonic	1:00pm-3:00pm
<b>2026</b>					
February 19 (Thursday)	RGS	RGS	Election of Officers (all), Appoint Members to Executive Committee	Telephonic	1:00pm – 3:00pm
May 21-22 (Thursday - Friday)	RGS	RGS	Budget, Conflict of Interest (even years); workshop	TBD	TBD

**TO:** EXECUTIVE COMMITTEE **EC Meeting: 05-16-2024**  
**FROM:** LINDSAY RICE, Accounting Manager **Item: 3C**  
**SUBJECT: PAYMENTS AND DEPOSITS – DECEMBER 2023 - MARCH 2024**

**RECOMMENDATION**

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

**BACKGROUND**

The Executive Committee reviews and approves expenditures made by the JPA on a quarterly basis. This approval process is a component of JPA internal controls. Deposit history is also included in the report.

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

1. Invoices are received by staff.
2. JPA staff review invoices for accuracy and assignment to correct general ledger accounts.
3. Executive Director or designee reviews and authorizes payments based on approved contracts and agreements. Information provided includes date of transaction, amount, vendor or recipient, method of payment, identity of first and second staff approvers, and check or journal number.
4. All payments are brought to the next regular meeting of Executive Committee (or Board of Directors) 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 Five Star money market account. Staff always seeks to minimize bank charges. Staff closed the Community Band of the Bay bank accounts during this period and all funds were transferred to Five Star Bank.

The fiscal impact of approving the attached list of expenditures is included in the approved budget or in subsequent contractual obligations.

# Regional Government Services Payment and Disbursement Report

As of March 2024

Accrual Basis

Type	Date	Num	Name	Memo	Amount	Balance
<b>110090 - Community Bank of the Bay Chkg</b>						<b>7,521.16</b>
Deposit	12/04/2023			Deposit	5,110.00	12,631.16
Deposit	12/06/2023			Deposit	103.13	12,734.29
Check	01/17/2024			Bank Fee	-10.93	12,723.36
Deposit	01/26/2024			Deposit	1,400.00	14,123.36
Deposit	02/14/2024			Deposit	43.07	14,166.43
Deposit	02/21/2024			Deposit	6,664.50	20,830.93
Transfer	02/29/2024			Funds Transfer from CBB Money Market	3,690.40	24,521.33
Transfer	03/01/2024			Funds Transfer to Five Star	-24,521.33	0.00
Total 110090 - Community Bank of the Bay Chkg					-7,521.16	0.00
<b>111100 - Five Star - Checking</b>						<b>201,203.61</b>
Deposit	12/01/2023			Deposit	44,304.77	245,508.38
Deposit	12/01/2023			Deposit	2,275.00	247,783.38
Deposit	12/01/2023			Deposit	3,439.66	251,223.04
Deposit	12/01/2023			Deposit	1,050.00	252,273.04
General Journal	12/01/2023	4573		Reimburse Wrkr Comp Claims	-3,177.83	249,095.21
General Journal	12/01/2023	4579		Health Ins Premium 2023-12	-153,603.96	95,491.25
General Journal	12/01/2023	4579		Dental Ins Premium 2023-12	-12,526.56	82,964.69
General Journal	12/01/2023	4579		Life Disability Premium 2023-12	-5,460.83	77,503.86
General Journal	12/01/2023	4579		Vision Ins Premium 2023-12	-1,747.08	75,756.78
General Journal	12/01/2023	4588		FSA Contribution PPE 11-15-23	-3,800.85	71,955.93
Deposit	12/04/2023			Deposit	72,254.23	144,210.16
General Journal	12/04/2023	4581		2023-11 MX Merchant Fee	-224.25	143,985.91
Deposit	12/05/2023			Deposit	270.00	144,255.91
Transfer	12/05/2023			Funds Transfer from Money Market	457,000.00	601,255.91
General Journal	12/06/2023	4532		Net Pay 11-30-23	-426,840.24	174,415.67
Bill Pmt -Check	12/06/2023	CC Pay	Employment Research Services	HR background services	-709.85	173,705.82
General Journal	12/06/2023	4543		Rcl ERS CC Payment INV-71555	128.00	173,833.82
General Journal	12/06/2023	4543		Rcl ERS CC Payment INV-71943	581.85	174,415.67
Deposit	12/07/2023			Deposit	44,669.44	219,085.11
General Journal	12/07/2023	4533		Payroll Taxes PPE 11/30/2023	-107,479.70	111,605.41
Check	12/07/2023	768	California State Disbursement Unit	APS payroll disbursement	-244.00	111,361.41
Check	12/07/2023	769	Franchise Tax Board	APS payroll disbursement	-50.00	111,311.41

Type	Date	Num	Name	Memo	Amount	Balance
Check	12/07/2023	770	Franchise Tax Board	APS payroll disbursement	-763.52	110,547.89
Bill Pmt -Check	12/08/2023	ACH	Abila	MIP - client software	-2,720.86	107,827.03
Bill Pmt -Check	12/08/2023	ACH	Linked in	Recruiting Tool	-13,030.00	94,797.03
Bill Pmt -Check	12/08/2023	ACH	Scott N. Kivel	Legal Litigation	-136,716.68	-41,919.65
Bill Pmt -Check	12/08/2023	ACH	Straight Arrow Consulting, LLC	Deltek consulting	-117.50	-42,037.15
Deposit	12/08/2023			Deposit	52,640.08	10,602.93
Transfer	12/08/2023			Funds Transfer from Money Market	178,000.00	188,602.93
General Journal	12/08/2023	4582		2023-11 Payroll Fee Payment	-1,664.22	186,938.71
General Journal	12/08/2023	4584		FSA Admin Fee Payment 2023-11	-283.10	186,655.61
Deposit	12/11/2023			Deposit	23,586.27	210,241.88
Deposit	12/11/2023			Deposit	120,552.73	330,794.61
Deposit	12/12/2023			Deposit	4,446.52	335,241.13
General Journal	12/13/2023	4529		11/30/23 Empower 401a remittance	-57,414.34	277,826.79
General Journal	12/13/2023	4529		11/30/23 Empower 457 remittance	-40,566.46	237,260.33
General Journal	12/14/2023	4586		11/30/23 FSA contribution	-3,800.85	233,459.48
Deposit	12/15/2023			Deposit	20,082.00	253,541.48
Bill Pmt -Check	12/15/2023	16505	Institute for Local Government.	Professional Dues & Membership	-5,000.00	248,541.48
Deposit	12/15/2023			Deposit	1,567.84	250,109.32
Deposit	12/18/2023			Deposit	491.25	250,600.57
Bill Pmt -Check	12/18/2023	ACH	WCF Insurance	Workers Comp Insurance 2023-12	-2,703.00	247,897.57
Deposit	12/19/2023			Deposit	152,624.15	400,521.72
Deposit	12/20/2023			Deposit	2,472.45	402,994.17
Deposit	12/20/2023			Deposit	21,422.32	424,416.49
Transfer	12/20/2023			Funds Transfer from Money Market	169,000.00	593,416.49
Transfer	12/21/2023			Funds Transfer from Money Market	362,000.00	955,416.49
General Journal	12/21/2023	4577		Net Pay 12-15-23	-480,970.11	474,446.38
Deposit	12/22/2023			Deposit	94.61	474,540.99
Deposit	12/22/2023			Deposit	249.62	474,790.61
Deposit	12/22/2023			Deposit	5,127.39	479,918.00
Deposit	12/22/2023			Deposit	5,595.00	485,513.00
Deposit	12/22/2023			Deposit	1,177,585.81	1,663,098.81
Deposit	12/22/2023			Deposit	18,381.74	1,681,480.55
Deposit	12/22/2023			Deposit	3,500.00	1,684,980.55
Bill Pmt -Check	12/22/2023	ACH	Cinnovx	CalSAWS subcontractor	-28,612.00	1,656,368.55
Bill Pmt -Check	12/22/2023	ACH	David Sodergren	CalSAWS subcontractor	-18,200.00	1,638,168.55
Bill Pmt -Check	12/22/2023	ACH	Mary E Uzupis	CalSAWS subcontractor	-20,737.50	1,617,431.05
Bill Pmt -Check	12/22/2023	ACH	Placesoft Inc.	CalSAWS subcontractor	-20,184.00	1,597,247.05



Type	Date	Num	Name	Memo	Amount	Balance
Bill Pmt -Check	12/22/2023	ACH	Quantum Consulting Services	CalSAWS subcontractor	-20,600.00	1,576,647.05
Bill Pmt -Check	12/22/2023	ACH	Soconus, Inc	CalSAWS subcontractor	-122,467.82	1,454,179.23
Bill Pmt -Check	12/22/2023	ACH	Xtrategi, Inc	CalSAWS subcontractor	-26,332.92	1,427,846.31
General Journal	12/22/2023	4578		12/15/23 payroll taxes	-136,427.50	1,291,418.81
Check	12/22/2023	771	California State Disbursement Unit	APS payroll disbursement	-244.00	1,291,174.81
Check	12/22/2023	772	Franchise Tax Board	APS payroll disbursement	-50.00	1,291,124.81
Check	12/22/2023	773	Franchise Tax Board	APS payroll disbursement	-738.06	1,290,386.75
Deposit	12/26/2023			Deposit	784.50	1,291,171.25
Bill Pmt -Check	12/26/2023	ACH	California Marine Sanctuary Foundation	Reimbursement	-5,511.00	1,285,660.25
Bill Pmt -Check	12/26/2023	ACH	City of Ridgecrest	January 2024 Rent	-300.00	1,285,360.25
Bill Pmt -Check	12/26/2023	ACH	Deltek	ERP related services	-142.50	1,285,217.75
Bill Pmt -Check	12/26/2023	ACH	Meyers Nave	Legal Services	-17,893.14	1,267,324.61
Bill Pmt -Check	12/26/2023	ACH	US Bank	Credit Card payment	-15,562.85	1,251,761.76
Bill Pmt -Check	12/26/2023	ACH	Wilson Elser Moskowitz Edelman & Dicker	Legal Services	-1,881.50	1,249,880.26
Bill Pmt -Check	12/26/2023	ACH	Brad Gross	Expense Reimbursement	-2,268.03	1,247,612.23
Transfer	12/26/2023			Funds Transfer to Money Market	-1,000,000.00	247,612.23
Bill Pmt -Check	12/27/2023	16507	Foran Glennon Palandech Ponzi & Rudloff	Legal Services	-5,804.32	241,807.91
Deposit	12/27/2023			Deposit	89,560.36	331,368.27
Deposit	12/27/2023			Deposit	685.00	332,053.27
General Journal	12/27/2023	4574		12/15/23 Empower 401a remittance	-61,387.18	270,666.09
General Journal	12/27/2023	4574		12/15/23 Empower 457 remittance	-35,134.49	235,531.60
Deposit	12/29/2023			Deposit	1,625.00	237,156.60
Deposit	12/29/2023			Deposit	1,000.00	238,156.60
Deposit	12/29/2023			Deposit	7,004.05	245,160.65
Deposit	12/29/2023			Deposit	7,128.00	252,288.65
Deposit	12/29/2023			Deposit	34,128.75	286,417.40
Transfer	12/29/2023			Funds Transfer from Money Market	3,000.00	289,417.40
General Journal	12/29/2023	4587		12/15/23 FSA contribution	-3,800.34	285,617.06
General Journal	12/29/2023	4589		HRA Retirement Q4 funding	-59,400.00	226,217.06
Deposit	01/02/2024			Deposit	23,846.82	250,063.88
Deposit	01/02/2024			Deposit	3,956.15	254,020.03
Deposit	01/02/2024			Deposit	1,050.00	255,070.03
General Journal	01/02/2024	4624		Health Ins premiums 2024-01	-176,986.21	78,083.82
General Journal	01/02/2024	4624		Dental Ins premium 2024-01	-12,776.83	65,306.99
General Journal	01/02/2024	4624		Vision Ins premium 2024-01	-1,722.67	63,584.32
General Journal	01/02/2024	4624		Life disability Ins premium 2024-01	-5,197.72	58,386.60
General Journal	01/02/2024	4634		Merchant Fee Payment 2023-12	-150.72	58,235.88

Type	Date	Num	Name	Memo	Amount	Balance
Deposit	01/03/2024			Deposit	925.59	59,161.47
Deposit	01/03/2024			Deposit	2,790.00	61,951.47
Transfer	01/04/2024			Funds Transfer from Money Market	527,000.00	588,951.47
Deposit	01/05/2024			Deposit	45,930.98	634,882.45
Deposit	01/05/2024			Deposit	448.00	635,330.45
Deposit	01/05/2024			Deposit	6,334.96	641,665.41
General Journal	01/05/2024	4591		Net Pay PPE 12/31/23	-389,981.02	251,684.39
Bill Pmt -Check	01/08/2024	ACH	Straight Arrow Consulting, LLC	Deltek consulting	-1,527.50	250,156.89
Check	01/08/2024	774	California State Disbursement Unit	APS payroll disbursement	-244.00	249,912.89
Check	01/08/2024	776	Franchise Tax Board	APS payroll disbursement	-763.52	249,149.37
Check	01/08/2024	775	Franchise Tax Board	APS payroll disbursement	-50.00	249,099.37
General Journal	01/08/2024	4592		Payroll Taxes PPE 12/31/23	-108,853.58	140,245.79
Deposit	01/08/2024			Deposit	10,358.78	150,604.57
Bill Pmt -Check	01/08/2024	CC Pay	Employment Research Services	HR background services	-1,044.16	149,560.41
General Journal	01/08/2024	4610		Rcl ERS Inv# INV-72195	357.00	149,917.41
General Journal	01/08/2024	4610		Rcl ERS Inv# INV-72055	687.16	150,604.57
General Journal	01/08/2024	4622		Wrkr Comp Claim Funding 2024-01	-2,850.27	147,754.30
Deposit	01/09/2024			Deposit	2,593.53	150,347.83
Deposit	01/09/2024			Deposit	88.00	150,435.83
Deposit	01/09/2024			Deposit	52,325.36	202,761.19
Deposit	01/09/2024			Deposit	718.90	203,480.09
Deposit	01/09/2024			Deposit	2,100.00	205,580.09
General Journal	01/09/2024	4637		FSA Admin Fee Payment 2023-12	-282.00	205,298.09
General Journal	01/09/2024	4640		12/31/23 Empower 401a remittance	-53,581.58	151,716.51
General Journal	01/09/2024	4640		12/31/23 Empower 457 remittance	-44,044.95	107,671.56
Deposit	01/10/2024			Deposit	1,282.16	108,953.72
Deposit	01/10/2024			Deposit	53,570.93	162,524.65
General Journal	01/10/2024	4633		2023-12 APS Payroll Fee Payment	-1,737.91	160,786.74
Deposit	01/11/2024			Deposit	4,537.90	165,324.64
Bill Pmt -Check	01/12/2024	ACH	Deltek	ERP related services	-142.50	165,182.14
Bill Pmt -Check	01/12/2024	ACH	Scott N. Kivel	Legal Litigation	-44,980.64	120,201.50
Bill Pmt -Check	01/12/2024	ACH	Software Simplified	MIP - client third party consultant	-225.00	119,976.50
Bill Pmt -Check	01/12/2024	ACH	WCF Insurance	Workers Comp Insurance 2024-01	-2,703.00	117,273.50
Deposit	01/12/2024			Deposit	12,979.48	130,252.98
Deposit	01/12/2024			Deposit	13,630.38	143,883.36
Deposit	01/16/2024			Deposit	80,396.57	224,279.93
Transfer	01/18/2024			Funds Transfer from Money Market	465,000.00	689,279.93

Type	Date	Num	Name	Memo	Amount	Balance
Deposit	01/19/2024			Deposit	4,031.00	693,310.93
Deposit	01/19/2024			Deposit	21,422.32	714,733.25
Bill Pmt -Check	01/19/2024	ACH	Abila	MIP - client software	-1,360.43	713,372.82
General Journal	01/19/2024	4616		Net Pay PPE 1/15/24	-429,968.50	283,404.32
General Journal	01/19/2024	4626		Q4 2023 Dental Pool Revenue	18,879.91	302,284.23
Deposit	01/22/2024			Deposit	3,091.00	305,375.23
Deposit	01/22/2024			Deposit	1,241,774.68	1,547,149.91
General Journal	01/22/2024	4617		Payroll Taxes PPE 1/15/24	-120,205.41	1,426,944.50
Check	01/22/2024	777	California State Disbursement Unit	APS payroll disbursement	-244.00	1,426,700.50
Check	01/22/2024	778	Franchise Tax Board	APS payroll disbursement	-50.00	1,426,650.50
Check	01/22/2024	779	Franchise Tax Board	APS payroll disbursement	-750.74	1,425,899.76
Deposit	01/23/2024			Deposit	139,697.65	1,565,597.41
Transfer	01/23/2024			Funds Transfer to Money Market	-1,018,000.00	547,597.41
Deposit	01/24/2024			Deposit	2,284.74	549,882.15
Bill Pmt -Check	01/25/2024	ACH	Cinnovx	CalSAWS subcontractor	-16,346.00	533,536.15
Bill Pmt -Check	01/25/2024	ACH	David Sodergren	CalSAWS subcontractor	-18,944.59	514,591.56
Bill Pmt -Check	01/25/2024	ACH	Mary E Uzupis	CalSAWS subcontractor	-15,487.50	499,104.06
Bill Pmt -Check	01/25/2024	ACH	Placesoft Inc.	CalSAWS subcontractor	-20,068.00	479,036.06
Bill Pmt -Check	01/25/2024	ACH	Quantum Consulting Services	CalSAWS subcontractor	-24,750.00	454,286.06
Bill Pmt -Check	01/25/2024	ACH	Soconus, Inc	CalSAWS subcontractor	-132,057.50	322,228.56
Bill Pmt -Check	01/25/2024	ACH	Xtrategi, Inc	CalSAWS subcontractor	-7,920.00	314,308.56
Deposit	01/25/2024			Deposit	469.00	314,777.56
Deposit	01/25/2024			Deposit	4,250.13	319,027.69
Deposit	01/25/2024			Deposit	6,028.75	325,056.44
Transfer	01/25/2024			Funds Transfer from Money Market	-153,000.00	172,056.44
Deposit	01/26/2024			Deposit	196.13	172,252.57
Deposit	01/26/2024			Deposit	674.35	172,926.92
Deposit	01/26/2024			Deposit	1,751.60	174,678.52
Deposit	01/26/2024			Deposit	5,925.00	180,603.52
Deposit	01/26/2024			Deposit	7,712.05	188,315.57
Deposit	01/26/2024			Deposit	5,010.62	193,326.19
General Journal	01/26/2024	4653		FSA Contribution PPE 12-31-23	-3,722.16	189,604.03
General Journal	01/26/2024	4654		FSA contribution PPE 1-15-24	-3,861.29	185,742.74
Bill Pmt -Check	01/29/2024	16508	Illingworth & Rodkin, Inc.	Client Assessment	-5,447.50	180,295.24
Deposit	01/29/2024			Deposit	24,208.00	204,503.24
Deposit	01/29/2024			Deposit	1,687.00	206,190.24
Deposit	01/29/2024			Deposit	2,202.40	208,392.64

Type	Date	Num	Name	Memo	Amount	Balance
Deposit	01/29/2024			Deposit	114,940.11	323,332.75
Bill Pmt -Check	01/29/2024	ACH	Alliant Insurance Services	Insurance	-4,482.00	318,850.75
Bill Pmt -Check	01/29/2024	ACH	City of Ridgecrest	Credit Card payment	-300.00	318,550.75
Bill Pmt -Check	01/29/2024	ACH	US Bank	Client office rental	-17,173.10	301,377.65
General Journal	01/29/2024	4620		1/15/24 Empower 401a remittance	-59,750.74	241,626.91
General Journal	01/29/2024	4620		1/15/24 Empower 457 remittance	-45,694.27	195,932.64
Deposit	01/30/2024			Deposit	125.33	196,057.97
Deposit	01/30/2024			Deposit	6,644.00	202,701.97
Deposit	01/30/2024			Deposit	203,439.34	406,141.31
Deposit	01/31/2024			Deposit	9,236.47	415,377.78
Deposit	01/31/2024			Deposit	26,730.00	442,107.78
General Journal	01/31/2024	4623		FSA forfeiture PY 2022	2,404.17	444,511.95
Deposit	02/01/2024			Deposit	350.00	444,861.95
Deposit	02/01/2024			Deposit	1,098.61	445,960.56
Deposit	02/01/2024			Deposit	72,934.09	518,894.65
General Journal	02/01/2024	4659		Health Ins premiums 2024-02	-211,058.65	307,836.00
General Journal	02/01/2024	4659		Dental Ins premium 2024-02	-13,917.94	293,918.06
General Journal	02/01/2024	4659		Vision Ins premium 2024-02	-1,870.35	292,047.71
General Journal	02/01/2024	4659		Life disability Ins premium 2024-02	-6,325.49	285,722.22
General Journal	02/01/2024	4659		Life disability Ins January True UP	-1,564.40	284,157.82
Deposit	02/02/2024			Deposit	5,323.44	289,481.26
Deposit	02/02/2024			Deposit	155.00	289,636.26
Deposit	02/02/2024			Deposit	3,500.00	293,136.26
General Journal	02/02/2024	4664		MX Merchant Fee Paymant 2024-01	-249.10	292,887.16
General Journal	02/02/2024	4664		MX Merchant Fee Paymant 2024-01	-357.90	292,529.26
Deposit	02/05/2024			Deposit	85,984.06	378,513.32
Deposit	02/05/2024			Deposit	8,322.08	386,835.40
Transfer	02/05/2024			Funds Transfer from Money Market	358,000.00	744,835.40
Bill Pmt -Check	02/06/2024	ACH	Meyers Nave	Legal Services	-5,600.45	739,234.95
Bill Pmt -Check	02/06/2024	ACH	Netfile	E-filing Service	-500.00	738,734.95
Bill Pmt -Check	02/06/2024	ACH	Wilson Elser Moskowitz Edelman & Dicker	Legal Services	-371.00	738,363.95
Deposit	02/06/2024			Deposit	1,000.00	739,363.95
Deposit	02/06/2024			Deposit	2,144.02	741,507.97
Deposit	02/06/2024			Deposit	8,050.00	749,557.97
General Journal	02/06/2024	4618		Net Pay PPE 1/31/24	-450,875.21	298,682.76
Deposit	02/07/2024			Deposit	3,500.00	302,182.76
Bill Pmt -Check	02/07/2024	ACH	Ashley Arnold	Expense Reimbursement	-678.37	301,504.39

Type	Date	Num	Name	Memo	Amount	Balance
Bill Pmt -Check	02/07/2024	ACH	Bobbi Wibbenhorst	Expense Reimbursement	-1,184.15	300,320.24
Bill Pmt -Check	02/07/2024	ACH	Girish Uppal	Expense Reimbursement	-755.43	299,564.81
Bill Pmt -Check	02/07/2024	ACH	James Price	Expense Reimbursement	-200.00	299,364.81
Bill Pmt -Check	02/07/2024	ACH	Pete Quijada	Expense Reimbursement	-938.84	298,425.97
Bill Pmt -Check	02/07/2024	ACH	Shelia McCrory	Expense Reimbursement	-76.28	298,349.69
General Journal	02/07/2024	4619		Payroll Taxes PPE 1/31/24	-123,839.91	174,509.78
Check	02/07/2024	780	California State Disbursement Unit	APS payroll disbursement	-244.00	174,265.78
Check	02/07/2024	781	Franchise Tax Board	APS payroll disbursement	-763.52	173,502.26
Check	02/07/2024	782	MISDU	APS payroll disbursement	-746.53	172,755.73
Deposit	02/08/2024			Deposit	72,848.80	245,604.53
General Journal	02/08/2024	4621		1/31/24 Empower 401a remittance	-65,776.62	179,827.91
General Journal	02/08/2024	4621		1/31/24 Empower 457 remittance	-46,345.84	133,482.07
Deposit	02/08/2024			Deposit	3,500.00	136,982.07
General Journal	02/08/2024	4669		FSA Admin Fee Payment 2024-01	-1,164.70	135,817.37
Deposit	02/09/2024			Deposit	845.00	136,662.37
Deposit	02/09/2024			Deposit	3,500.00	140,162.37
General Journal	02/09/2024	4662		Payroll Fee Payment 2024-01	-3,369.34	136,793.03
Deposit	02/12/2024			Deposit	3,500.00	140,293.03
Deposit	02/13/2024			Deposit	8,205.00	148,498.03
General Journal	02/13/2024	4672		FSA Contribution PPE 1-13-24	-3,901.29	144,596.74
Bill Pmt -Check	02/14/2024	ACH	Joel Acevedo	Expense Reimbursement	-782.81	143,813.93
Bill Pmt -Check	02/14/2024	ACH	Julie Conwell	Expense Reimbursement	-716.84	143,097.09
Bill Pmt -Check	02/14/2024	ACH	June Hutchinson	Expense Reimbursement	-957.82	142,139.27
Bill Pmt -Check	02/14/2024	ACH	Karen Raponetti	Expense Reimbursement	-946.74	141,192.53
Bill Pmt -Check	02/14/2024	ACH	Melissa Thomas	Expense Reimbursement	-877.41	140,315.12
Bill Pmt -Check	02/14/2024	ACH	Peggy Macias	Expense Reimbursement	-978.85	139,336.27
Bill Pmt -Check	02/14/2024	ACH	Raul Gonzalez	Expense Reimbursement	-932.44	138,403.83
Bill Pmt -Check	02/14/2024	ACH	Veronica Lara	Expense Reimbursement	-1,079.52	137,324.31
Bill Pmt -Check	02/14/2024	ACH	Cherie Johnson	Expense Reimbursement	-2,465.79	134,858.52
Bill Pmt -Check	02/14/2024	ACH	Josh Metz	Expense Reimbursement	-1,057.11	133,801.41
Deposit	02/15/2024			Deposit	45,350.08	179,151.49
Deposit	02/15/2024			Deposit	229,872.66	409,024.15
Deposit	02/15/2024			Deposit	8,050.00	417,074.15
Deposit	02/16/2024			Deposit	823.25	417,897.40
Transfer	02/16/2024			Funds Transfer to Money Market	-390,000.00	27,897.40
Bill Pmt -Check	02/20/2024	ACH	WCF Insurance	Workers Comp Insurance 2024-02	-2,703.00	25,194.40
Deposit	02/20/2024			Deposit	3,800.00	28,994.40

Type	Date	Num	Name	Memo	Amount	Balance
Bill Pmt -Check	02/21/2024	ACH	Deltek	ERP related services	-142.50	28,851.90
Transfer	02/21/2024			Funds Transfer from Money Market	575,000.00	603,851.90
Deposit	02/22/2024			Deposit	25,424.89	629,276.79
General Journal	02/22/2024	4655		APS Net Pay PPE 2-15-24	-422,720.02	206,556.77
Deposit	02/22/2024			Deposit	997.62	207,554.39
Bill Pmt -Check	02/23/2024	ACH	Girish Uppal	Expense Reimbursement	-109.56	207,444.83
Bill Pmt -Check	02/23/2024	ACH	Jennifer Seibert	Expense Reimbursement	-300.00	207,144.83
Bill Pmt -Check	02/23/2024	ACH	Katherine Wylie	Expense Reimbursement	-301.17	206,843.66
Deposit	02/23/2024			Deposit	4,168.00	211,011.66
Deposit	02/23/2024			Deposit	5,648.19	216,659.85
Deposit	02/23/2024			Deposit	3,669.14	220,328.99
Deposit	02/23/2024			Deposit	6,025.60	226,354.59
Deposit	02/23/2024			Deposit	1,153,798.04	1,380,152.63
Deposit	02/23/2024			Deposit	1,372.24	1,381,524.87
Bill Pmt -Check	02/23/2024	ACH	US Bank	Credit Card payment	-17,284.30	1,364,240.57
Bill Pmt -Check	02/23/2024	ACH	David Sodergren	CalSAWS subcontractor	-23,762.82	1,340,477.75
Bill Pmt -Check	02/23/2024	ACH	Mary E Uzupis	CalSAWS subcontractor	-27,286.24	1,313,191.51
Bill Pmt -Check	02/23/2024	ACH	Quantum Consulting Services	CalSAWS subcontractor	-22,025.00	1,291,166.51
Bill Pmt -Check	02/23/2024	ACH	Soconus, Inc	CalSAWS subcontractor	-141,548.76	1,149,617.75
General Journal	02/23/2024	4656		Payroll Taxes PPE 2/15/24	-111,394.54	1,038,223.21
Transfer	02/23/2024			Funds Transfer to Money Market	-893,000.00	145,223.21
Bill Pmt -Check	02/23/2024	ACH	Bobbi Wibbenhorst	Expense Reimbursement	-596.23	144,626.98
Bill Pmt -Check	02/23/2024	ACH	Deanna Rotert	Expense Reimbursement	-1,026.04	143,600.94
Bill Pmt -Check	02/23/2024	ACH	Jen Simon	Expense Reimbursement	-89.78	143,511.16
Bill Pmt -Check	02/23/2024	ACH	Justin Stephenson	Expense Reimbursement	-1,847.31	141,663.85
Bill Pmt -Check	02/23/2024	ACH	Katherine Wylie	Expense Reimbursement	-298.63	141,365.22
Bill Pmt -Check	02/23/2024	ACH	Melissa Thomas	Expense Reimbursement	-75.38	141,289.84
Bill Pmt -Check	02/23/2024	ACH	MJ Brown	Expense Reimbursement	-345.72	140,944.12
Bill Pmt -Check	02/23/2024	ACH	Rhiannon Chin	Expense Reimbursement	-993.00	139,951.12
Bill Pmt -Check	02/23/2024	ACH	Yong Vanbliayang	Expense Reimbursement	-1,120.95	138,830.17
Check	02/23/2024	783	California State Disbursement Unit	APS payroll disbursement	-244.00	138,586.17
Check	02/23/2024	784	Franchise Tax Board	APS payroll disbursement	-50.00	138,536.17
Check	02/23/2024	785	Franchise Tax Board	APS payroll disbursement	-624.19	137,911.98
Check	02/23/2024	786	MiSDU	APS payroll disbursement	-746.53	137,165.45
Deposit	02/26/2024			Deposit	78,743.78	215,909.23
Deposit	02/26/2024			Deposit	10,890.00	226,799.23
Deposit	02/27/2024			Deposit	1,732.00	228,531.23

Type	Date	Num	Name	Memo	Amount	Balance
Deposit	02/27/2024			Deposit	2,575.77	231,107.00
Deposit	02/27/2024			Deposit	21,422.32	252,529.32
Deposit	02/27/2024			Deposit	134,045.50	386,574.82
General Journal	02/27/2024	4661		2/15/24 Empower 401a remittance	-62,452.90	324,121.92
General Journal	02/27/2024	4661		2/15/24 Empower 457 remittance	-46,048.41	278,073.51
General Journal	02/27/2024	ACH	Cherie Johnson	Expense Reimbursement	-1,525.38	276,548.13
Deposit	02/28/2024			Deposit	1,237.83	277,785.96
Deposit	02/29/2024			Deposit	14,830.80	292,616.76
General Journal	02/29/2024	4673		FSA Contribution PPE 2-15-24	-4,046.53	288,570.23
Deposit	03/01/2024			Deposit	166.41	288,736.64
Deposit	03/01/2024			Deposit	1,712.97	290,449.61
Deposit	03/01/2024			Deposit	998.40	291,448.01
Deposit	03/01/2024			Deposit	1,105.87	292,553.88
Deposit	03/01/2024			Deposit	6,864.00	299,417.88
Deposit	03/01/2024			Deposit	75,931.97	375,349.85
Bill Pmt -Check	03/01/2024	ACH	Abila	MIP - client software	-1,360.43	373,989.42
Bill Pmt -Check	03/01/2024	ACH	City of Ridgecrest	Client office rental	-300.00	373,689.42
Bill Pmt -Check	03/01/2024	ACH	Meyers Nave	Legal Services	-664.42	373,025.00
Bill Pmt -Check	03/01/2024	ACH	Abila	MIP - client software	-1,360.43	371,664.57
Transfer	03/01/2024			Funds Transfer from CBB Checking	24,521.33	396,185.90
Bill Pmt -Check	03/01/2024	ACH	Deanna Rotert	Expense Reimbursement	-18.00	396,167.90
Bill Pmt -Check	03/01/2024	ACH	Girish Uppal	Expense Reimbursement	-46.00	396,121.90
Bill Pmt -Check	03/01/2024	ACH	Julie Conwell	Expense Reimbursement	-18.00	396,103.90
Bill Pmt -Check	03/01/2024	ACH	Justin Stephenson	Expense Reimbursement	-41.97	396,061.93
Bill Pmt -Check	03/01/2024	ACH	Karen Raponetti	Expense Reimbursement	-11.20	396,050.73
Bill Pmt -Check	03/01/2024	ACH	Melissa Thomas	Expense Reimbursement	-89.00	395,961.73
Bill Pmt -Check	03/01/2024	ACH	Peggy Macias	Expense Reimbursement	-52.00	395,909.73
Bill Pmt -Check	03/01/2024	ACH	Raul Gonzalez	Expense Reimbursement	-62.00	395,847.73
Bill Pmt -Check	03/01/2024	ACH	Veronica Lara	Expense Reimbursement	-33.43	395,814.30
General Journal	03/01/2024	4690		Health Ins premiums 2024-03	-184,494.55	211,319.75
General Journal	03/01/2024	4690		Dental Ins premium 2024-03	-13,981.98	197,337.77
General Journal	03/01/2024	4690		Vision Ins premium 2024-03	-1,878.86	195,458.91
Deposit	03/04/2024			Deposit	84,327.87	279,786.78
Deposit	03/04/2024			Deposit	125.00	279,911.78
General Journal	03/04/2024	4702		MX Merchant Fee Payment 2024-02	-1,853.18	278,058.60
General Journal	03/04/2024	4702		MX Merchant Fee Payment 2024-02	-20.70	278,037.90
Deposit	03/05/2024			Deposit	2,176.00	280,213.90

Type	Date	Num	Name	Memo	Amount	Balance
Deposit	03/05/2024			Deposit	755.20	280,969.10
Deposit	03/05/2024			Deposit	1,190.23	282,159.33
Transfer	03/05/2024			Funds Transfer from Money Market	266,000.00	548,159.33
Deposit	03/05/2024			Deposit	1,275.00	549,434.33
General Journal	03/06/2024	4657		Net Pay PPE 2/29/24	-419,025.62	130,408.71
Deposit	03/06/2024			Deposit	26,572.50	156,981.21
Deposit	03/06/2024			Deposit	7,160.90	164,142.11
Deposit	03/07/2024			Deposit	42,472.84	206,614.95
General Journal	03/07/2024	4658		Payroll Taxes PPE 2/29/24	-109,488.26	97,126.69
Bill Pmt -Check	03/07/2024	ACH	Bobbi Wibbenhorst	Expense Reimbursement	-666.65	96,460.04
Bill Pmt -Check	03/07/2024	ACH	Carrie White	Expense Reimbursement	-132.93	96,327.11
Bill Pmt -Check	03/07/2024	ACH	Cherie Johnson	Expense Reimbursement	-1,525.38	94,801.73
Bill Pmt -Check	03/07/2024	ACH	Deanna Rotert	Expense Reimbursement	-574.14	94,227.59
Bill Pmt -Check	03/07/2024	ACH	Grady Howe	Expense Reimbursement	-82.98	94,144.61
Bill Pmt -Check	03/07/2024	ACH	Justin Stephenson	Expense Reimbursement	-1,542.48	92,602.13
Bill Pmt -Check	03/07/2024	ACH	Karen Raponetti	Expense Reimbursement	-441.02	92,161.11
Bill Pmt -Check	03/07/2024	ACH	MJ Brown	Expense Reimbursement	-345.72	91,815.39
Bill Pmt -Check	03/07/2024	ACH	ThuyTein Nguyen	Expense Reimbursement	-365.97	91,449.42
Bill Pmt -Check	03/07/2024	ACH	Yogesh Patel	Expense Reimbursement	-42.88	91,406.54
Deposit	03/07/2024			Deposit	1,915.55	93,322.09
Check	03/07/2024	787	California State Disbursement Unit	APS payroll disbursement	-244.00	93,078.09
Check	03/07/2024	788	Franchise Tax Board	APS payroll disbursement	-50.00	93,028.09
Check	03/07/2024	789	Franchise Tax Board	APS payroll disbursement	-150.00	92,878.09
Check	03/07/2024	790	Franchise Tax Board	APS payroll disbursement	-301.61	92,576.48
Check	03/07/2024	791	MiSDU	APS payroll disbursement	-746.53	91,829.95
Bill Pmt -Check	03/08/2024	CCPAY	Employment Research Services	HR background services	-505.16	91,324.79
Bill Pmt -Check	03/08/2024	CCPAY	Employment Research Services	HR background services	-251.50	91,073.29
Bill Pmt -Check	03/08/2024	ACH	Straight Arrow Consulting, LLC	Delttek consulting	-5,052.50	86,020.79
Deposit	03/08/2024			Deposit	392.25	86,413.04
General Journal	03/08/2024	4691		Reimburse Wrkr Comp Payments 2024-03	-2,900.00	83,513.04
Deposit	03/08/2024			Deposit	975.00	84,488.04
General Journal	03/08/2024	4700		2024-02 FSA admin fee payment	-275.60	84,212.44
General Journal	03/08/2024	4703		Payroll Fee Payment 2024-02	-2,297.19	81,915.25
Bill Pmt -Check	03/11/2024	16509	Foran Glennon Palandech Ponzi & Rudloff	Legal Services	-3,918.67	77,996.58
Bill Pmt -Check	03/11/2024	16510	Employment Research Services	HR background services	-202.00	77,794.58
Deposit	03/11/2024			Deposit	4,200.00	81,994.58
Deposit	03/12/2024			Deposit	44,764.13	126,758.71



Type	Date	Num	Name	Memo	Amount	Balance
Deposit	03/12/2024			Deposit	278.50	127,037.21
Deposit	03/12/2024			Deposit	1,494.46	128,531.67
General Journal	03/13/2024	4696		2/29/24 Empower 401a remittance	-61,970.45	66,561.22
General Journal	03/13/2024	4696		2/29/24 Empower 457 remittance	-44,339.91	22,221.31
General Journal	03/13/2024	4698		2/29/24 FSA contribution	-4,046.53	18,174.78
Bill Pmt -Check	03/14/2024	ACH	Cherie Johnson	Expense Reimbursement	-2,697.28	15,477.50
Deposit	03/15/2024			Deposit	48,162.50	63,640.00
Bill Pmt -Check	03/18/2024	ACH	Deltek	ERP related services	-142.50	63,497.50
Bill Pmt -Check	03/18/2024	ACH	Meyers Nave	Legal Services	-3,877.74	59,619.76
Deposit	03/18/2024			Deposit	73,833.91	133,453.67
Deposit	03/18/2024			Deposit	741.35	134,195.02
Deposit	03/18/2024			Deposit	2,414.77	136,609.79
Deposit	03/19/2024			Deposit	66.50	136,676.29
Deposit	03/19/2024			Deposit	21,422.32	158,098.61
Deposit	03/19/2024			Deposit	1,350.00	159,448.61
Deposit	03/19/2024			Deposit	6,900.00	166,348.61
Deposit	03/19/2024			Deposit	3,437.00	169,785.61
Transfer	03/20/2024			Funds Transfer from Money Market	440,000.00	609,785.61
Deposit	03/21/2024			Deposit	1,358.01	611,143.62
Deposit	03/21/2024			Deposit	300.00	611,443.62
Bill Pmt -Check	03/22/2024	16511	Employment Research Services	HR background services	-108.00	611,335.62
Deposit	03/22/2024			Deposit	20,005.76	631,341.38
Bill Pmt -Check	03/22/2024	ACH	Brian Moura	Expense Reimbursement	-135.00	631,206.38
Bill Pmt -Check	03/22/2024	ACH	Carrie Rogers	Expense Reimbursement	-146.40	631,059.98
Bill Pmt -Check	03/22/2024	ACH	Christine Sliz	Expense Reimbursement	-645.56	630,414.42
Bill Pmt -Check	03/22/2024	ACH	Danielle Benoit	Expense Reimbursement	-2,468.66	627,945.76
Bill Pmt -Check	03/22/2024	ACH	Denise Carter	Expense Reimbursement	-171.87	627,773.89
Bill Pmt -Check	03/22/2024	ACH	Denise Silva	Expense Reimbursement	-206.56	627,567.33
Bill Pmt -Check	03/22/2024	ACH	Emily Gardner	Expense Reimbursement	-682.13	626,885.20
Bill Pmt -Check	03/22/2024	ACH	Harrison Tregenza	Expense Reimbursement	-14.62	626,870.58
Bill Pmt -Check	03/22/2024	ACH	Josh Metz	Expense Reimbursement	-2,073.48	624,797.10
Bill Pmt -Check	03/22/2024	ACH	Justin Stephenson	Expense Reimbursement	-980.63	623,816.47
Bill Pmt -Check	03/22/2024	ACH	Lindsay Rice	Expense Reimbursement	-604.37	623,212.10
Bill Pmt -Check	03/22/2024	ACH	Melissa Thomas	Expense Reimbursement	-367.95	622,844.15
Bill Pmt -Check	03/22/2024	ACH	MJ Brown	Expense Reimbursement	-85.76	622,758.39
Bill Pmt -Check	03/22/2024	ACH	Peggy Macias	Expense Reimbursement	-788.51	621,969.88
Bill Pmt -Check	03/22/2024	ACH	Raul Gonzalez	Expense Reimbursement	-154.10	621,815.78

Type	Date	Num	Name	Memo	Amount	Balance
Bill Pmt -Check	03/22/2024	ACH	Veronica Lara	Expense Reimbursement	-804.24	621,011.54
Transfer	03/22/2024			Funds Transfer to Money Market	-765,000.00	-143,988.46
Deposit	03/22/2024			Deposit	1,130,060.98	986,072.52
Deposit	03/22/2024			Deposit	65.38	986,137.90
General Journal	03/22/2024	4692		Net Pay PPE 3/15/24	-446,960.10	539,177.80
General Journal	03/22/2024	4693		Payroll Taxes PPE 3/15/24	-123,521.51	415,656.29
Check	03/22/2024	792	California State Disbursement Unit	APS payroll disbursement	-244.00	415,412.29
Check	03/22/2024	793	Franchise Tax Board	APS payroll disbursement	-150.00	415,262.29
Check	03/22/2024	794	MISDU	APS payroll disbursement	-746.53	414,515.76
Deposit	03/22/2024			Deposit	1,050.00	415,565.76
Deposit	03/22/2024			Deposit	1,320.00	416,885.76
Deposit	03/22/2024			Deposit	1,000.00	417,885.76
Bill Pmt -Check	03/25/2024	ACH	US Bank	Credit Card payment	-19,895.95	397,989.81
Bill Pmt -Check	03/25/2024	ACH	David Sodergren	CalSAWS subcontractor	-21,259.00	376,730.81
Bill Pmt -Check	03/25/2024	ACH	Mary E Uzupis	CalSAWS subcontractor	-36,476.26	340,254.55
Bill Pmt -Check	03/25/2024	ACH	Quantum Consulting Services	CalSAWS subcontractor	-21,725.00	318,529.55
Bill Pmt -Check	03/25/2024	ACH	Soconus, Inc	CalSAWS subcontractor	-161,466.75	157,062.80
Bill Pmt -Check	03/25/2024	ACH	Straight Arrow Consulting, LLC	Deltek consulting	-117.50	156,945.30
Bill Pmt -Check	03/25/2024	ACH	Wilson Elser Moskowitz Edelman & Dicker	Legal Services	-424.00	156,521.30
Bill Pmt -Check	03/25/2024	ACH	Betsy Adams	Expense Reimbursement	-457.30	156,064.00
Deposit	03/25/2024			Deposit	121,024.76	277,088.76
Deposit	03/25/2024			Deposit	4,482.00	281,570.76
Deposit	03/26/2024			Deposit	118,264.14	399,834.90
General Journal	03/26/2024	4697		3/15/24 Empower 401a remittance	-65,298.99	334,535.91
General Journal	03/26/2024	4697		3/15/24 Empower 457 remittance	-47,494.77	287,041.14
Deposit	03/26/2024			Deposit	3,000.00	290,041.14
General Journal	03/27/2024	4699		3/15/24 FSA contribution	-4,046.53	285,994.61
Bill Pmt -Check	03/27/2024	ACH	WCF Insurance	Workers Comp Insurance 2024-03	-2,703.00	283,291.61
Transfer	03/27/2024			Funds Transfer to Money Market	-250,000.00	33,291.61
Deposit	03/28/2024			Deposit	77,526.40	110,818.01
Deposit	03/28/2024			Deposit	1,201.31	112,019.32
Deposit	03/28/2024			Deposit	3,950.00	115,969.32
Transfer	03/29/2024			Funds Transfer from Money Market	182,000.00	297,969.32
Deposit	03/29/2024			Deposit	3,425.00	301,394.32
Total 111100 - Five Star - Checking					100,190.71	301,394.32
<b>TOTAL</b>					<b>92,669.55</b>	<b>301,394.32</b>

**TO:** EXECUTIVE COMMITTEE  
**FROM:** LINDSAY RICE, Accounting Manager  
**SUBJECT:** INVESTMENT REPORT

**EC Meeting: 05-16-2024**  
**Item: 3D**

**RECOMMENDATION**

Review and accept JPA investments made through March 2024.

**BACKGROUND**

The Investment Policy, approved February 7, 2020, will be brought to the Executive Committee when changes are necessitated in accordance with California code. The Investment policy shall be reviewed internally at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity, and yield. There are no applicable updates required to the policy at this time. The investment policy enables the agency to invest in bank sweep, money market and Certificate of Deposit (CD) accounts, the Local Agency Investment Fund (LAIF), Treasury and Municipal debt instruments, and the California Investment Trust pool (CalTrust). The JPA is also authorized to make cash flow loans to other public agencies. Currently the JPA has no such 'alternative' investments. RGS has money market accounts at the Five Star Bank and Community Bank of the Bay, a LAIF account and CalTrust Short-term and Medium-term accounts. Investment activity for the current period is summarized in the attached material.

**FISCAL IMPACT**

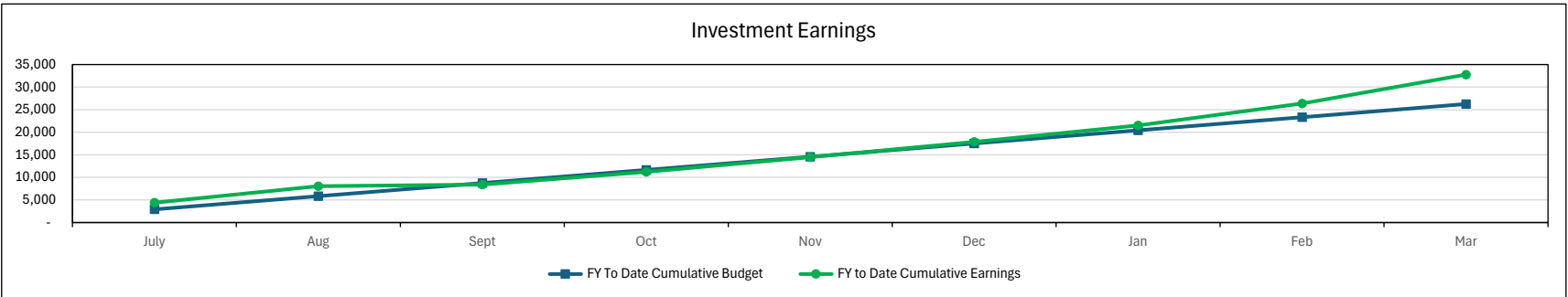
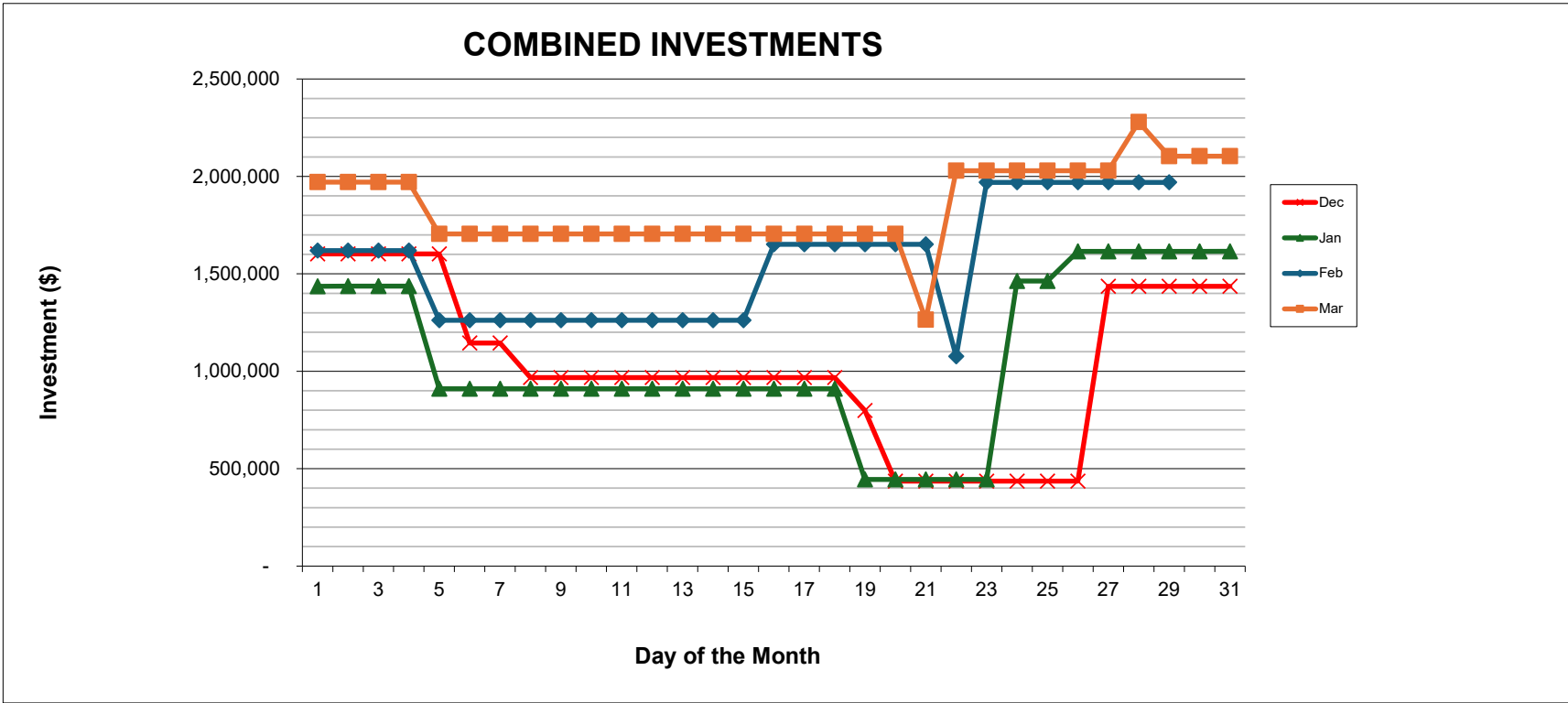
In September 2023 the JPA underwent a banking transition from Community Bank of the Bay (CBB) to Five Star Bank (FSB). The CBB check and Money Market accounts were closed effective March 1, 2024 after ensuring clients made the banking information change in their records.

As of March 2024, the JPA is achieving an annual percentage yield of 4.18% with FSB Money Market. Staff is utilizing the FSB Money Market account as a primary investment vehicle for liquidity purposes. As the JPA accumulates more cash, it is anticipated that funds will be invested for a longer duration at higher interest rates in approved investment vehicles. The Board will be reviewing/approving a revised investment policy that includes California CLASS.

The next California Joint Powers Insurance Authority (CJPIA) principal and interest payment of \$287,534.25 will be paid on or before the due date of June 1, 2024.

## INVESTMENT REPORT

Date	Dec				Jan				Feb				Mar			
	<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>	<u>CalTrust</u>		<u>LAIF</u>	<u>Combined</u>
	<u>Money Mkt</u>	<u>Short &amp; Medium</u>			<u>Money Mkt</u>	<u>Short &amp; Medium</u>			<u>Money Mkt</u>	<u>Short &amp; Medium</u>			<u>Money Mkt</u>	<u>Short &amp; Medium</u>		
1	1,601,464	0	656	1,602,120	1,435,464	0	656	1,436,120	1,618,491	0	662	1,619,153	1,969,671	0	662	1,970,333
2	1,601,464	0	656	1,602,120	1,435,906	0	656	1,436,562	1,618,491	0	662	1,619,153	1,969,671	0	662	1,970,333
3	1,601,464	0	656	1,602,120	1,435,912	0	656	1,436,568	1,618,491	0	662	1,619,153	1,969,671	0	662	1,970,333
4	1,601,464	0	656	1,602,120	1,435,912	0	656	1,436,568	1,618,491	0	662	1,619,153	1,969,671	0	662	1,970,333
5	1,601,464	0	656	1,602,120	908,912	0	656	909,568	1,260,491	0	662	1,261,153	1,703,671	0	662	1,704,333
6	1,144,464	0	656	1,145,120	908,912	0	656	909,568	1,260,491	0	662	1,261,153	1,703,671	0	662	1,704,333
7	1,144,464	0	656	1,145,120	908,912	0	656	909,568	1,260,491	0	662	1,261,153	1,703,671	0	662	1,704,333
8	966,464	0	656	967,120	908,912	0	656	909,568	1,260,491	0	662	1,261,153	1,703,671	0	662	1,704,333
9	966,464	0	656	967,120	908,912	0	656	909,568	1,260,491	0	662	1,261,153	1,703,671	0	662	1,704,333
10	966,464	0	656	967,120	908,912	0	656	909,568	1,260,491	0	662	1,261,153	1,703,671	0	662	1,704,333
11	966,464	0	656	967,120	908,912	0	656	909,568	1,260,491	0	662	1,261,153	1,703,671	0	662	1,704,333
12	966,464	0	656	967,120	908,912	0	656	909,568	1,260,491	0	662	1,261,153	1,703,671	0	662	1,704,333
13	966,464	0	656	967,120	908,912	0	656	909,568	1,260,491	0	662	1,261,153	1,703,671	0	662	1,704,333
14	966,464	0	656	967,120	908,912	0	656	909,568	1,260,491	0	662	1,261,153	1,703,671	0	662	1,704,333
15	966,464	0	656	967,120	908,912	0	656	909,568	1,260,491	0	662	1,261,153	1,703,671	0	662	1,704,333
16	966,464	0	656	967,120	908,912	0	656	909,568	1,650,491	0	662	1,651,153	1,703,671	0	662	1,704,333
17	966,464	0	656	967,120	908,912	0	656	909,568	1,650,491	0	662	1,651,153	1,703,671	0	662	1,704,333
18	966,464	0	656	967,120	908,912	0	656	909,568	1,650,491	0	662	1,651,153	1,703,671	0	662	1,704,333
19	797,464	0	656	798,120	443,912	0	656	444,568	1,650,491	0	662	1,651,153	1,703,671	0	662	1,704,333
20	435,464	0	656	436,120	443,912	0	656	444,568	1,650,491	0	662	1,651,153	1,703,671	0	662	1,704,333
21	435,464	0	656	436,120	443,912	0	656	444,568	1,650,491	0	662	1,651,153	1,263,671	0	662	1,264,333
22	435,464	0	656	436,120	443,912	0	656	444,568	1,075,491	0	662	1,076,153	2,028,671	0	662	2,029,333
23	435,464	0	656	436,120	443,912	0	656	444,568	1,968,491	0	662	1,969,153	2,028,671	0	662	2,029,333
24	435,464	0	656	436,120	1,461,912	0	656	1,462,568	1,968,491	0	662	1,969,153	2,028,671	0	662	2,029,333
25	435,464	0	656	436,120	1,461,912	0	656	1,462,568	1,968,491	0	662	1,969,153	2,028,671	0	662	2,029,333
26	435,464	0	656	436,120	1,614,912	0	656	1,615,568	1,968,491	0	662	1,969,153	2,028,671	0	662	2,029,333
27	1,435,464	0	656	1,436,120	1,614,912	0	656	1,615,568	1,968,491	0	662	1,969,153	2,028,671	0	662	2,029,333
28	1,435,464	0	656	1,436,120	1,614,912	0	656	1,615,568	1,968,491	0	662	1,969,153	2,278,671	0	662	2,279,333
29	1,435,464	0	656	1,436,120	1,614,912	0	656	1,615,568	1,968,491	0	662	1,969,153	2,103,080	0	662	2,103,741
30	1,435,464	0	656	1,436,120	1,614,912	0	656	1,615,568					2,103,080	0	662	2,103,741
31	1,435,464	0	656	1,436,120	1,614,912	0	662	1,615,573					2,103,080	0	662	2,103,741



**Management Services Agreement Report**

Agency Name	Services Provided	Type	Service Group	Service Span	Agreement Date	Expiration Terms	Contract Amount
Akron Regional Transit Authority	NEOGOV Implementation	Agreement	HR (C&C, NEOGOV, DLM)	Project	13 Mar 2023	N/A	\$ 85,800
Alameda County Mosquito Abatement District	HR Services - Amend #4	Amend	HR (C&C, NEOGOV, DLM)	Project	28 Jul 2017	7/31/24	\$ 30,000
Alliance of Pest Control Districts	HR Amend #3	Amend	HR (C&C, NEOGOV, DLM)	On Call	18 Feb 2021	12/31/25	\$ 70,000
Arcata Economic Development Corporation (AEDC)	Economic Development Finance Services (Amend #1)	Amend	Economic Development	Continuous	02 Jan 2024	9/30/2024	\$ 10,080
Auburn	Planning Phase 2	Agreement	Planning	Project	13 Mar 2023	9/30/2024	\$ 160,000
Bakersfield	NEOGov Support	Agreement	HR	Project	16 Nov 2023	6/30/2024	\$ 40,000
Belmont	Finance & Payroll (Amend #1)	Amend	Finance	Continuous	18 Aug 2023	N/A	\$ 140,000
Belvedere	HR & Recruiting Services (Amend #5)	Amend	Multiple	On Call	17 Oct 2022	N/A	\$ 139,150
Belvedere	Transparent Govt Short Form	Short Form	Transparent Government	Project	03 Apr 2024	6/30/2024	\$ 1,600
Belvedere Tiburon Library	Staffing Assessment/Comp Study	Short Form	HR (C&C, NEOGOV, DLM)	Project	11 Dec 2023	5/31/24	\$ 22,100
Best Best & Krieger	Santa Ynez River WCD Transparent Govt & Comms (Amend #1)	Amend	Comms & Engagement	Continuous	12 Jun 2023	6/30/2025	no NTE
California Association For Local Economic Development	Economic Development Finance	Subagreement	Economic Development	Project	08 Jan 2024	9/30/24	\$ 25,600
California Urban Water Agencies	Comm & Eng, Transparent Govt, Fin Svcs	Agreement	Multiple	Project	05 Mar 2024	4/30/2027	no NTE
CalSAWS	Management and Administrative Services (Amend # 39)	Amend	Contract Staffing	Continuous	22 Feb 2018	N/A	no NTE
Cameron Park Community Services District	Recruiting Services (Amend #1)	Amend	Recruiting	Continuous	01 Jun 2023	N/A	\$ 17,000
Capitola	Total Comp Study	Agreement	HR	Project	01 Sep 2023	N/A	\$ 28,500
Carmel Valley Recreation & Parks District	Grant Assistance	Agreement	Finance	Project	06 Apr 2022	6/30/2024	\$ 62,500
Carpinteria	HR Services (Amend #1)	Amend	HR,Recruitment	Continuous	25 Jul 2022	N/A	\$ 160,000
Castro Valley Sanitary District	Finance Services	Agreement	Finance	Continuous	29 Feb 2024	6/30/2024	\$ 90,000
Castro Valley Sanitary District	HR Services	Agreement	HR (C&C, NEOGOV, DLM)	Continuous	05 Feb 2024	12/31/2024	\$ 35,000
Central Coast Marketing Team	Econ Dev & Recruiting - (Amend #2)	Amend	Economic Development,Recruitment	Continuous	01 May 2021	N/A	\$ 109,200
Citrus Heights Water District	Comm & Engagement (Task Order 2023-01)	Task Order	Outreach	Continuous	17 May 2017	N/A	no NTE
Citrus Heights Water District	Finance Services (Task Order 2023-03 Audit)	Task Order	Finance	Continuous	17 May 2017	N/A	no NTE
Citrus Heights Water District	Finance Services (Task Order 2023-04 CIP)	Task Order	Finance	Continuous	17 May 2017	N/A	no NTE
Citrus Heights Water District	Finance Services (Task Order 2023-06 Operations)	Task Order	Finance	Continuous	17 May 2017	N/A	no NTE
Citrus Heights Water District	Finance Services (Task Order 2023-07 Special Projects)	Task Order	Finance	Continuous	17 May 2017	N/A	no NTE
Citrus Heights Water District	Finance Services (Task Order 2023-08 Monthly Financial Reports)	Task Order	Finance	Continuous	17 May 2017	N/A	no NTE
Citrus Heights Water District	HR Services (Task Order 2024-02)	Task Order	HR (C&C, NEOGOV, DLM)	Continuous	17 May 2017	6/30/2025	\$ 22,000
Citrus Heights Water District	Master Agreement	Master Agreement	Finance,HR,Outreach	Continuous	17 May 2017	N/A	no NTE
Citrus Heights Water District	Recruiting Services (Task Order 2024-01)	Task Order	Recruiting	Project	17 May 2017	N/A	no NTE
Colusa Groundwater Authority	Program Administration (Amend #1)	Amend	Contract Staffing	Continuous	25 May 2022	N/A	\$ 175,000
Community Medical Centers	Emergency Grant Assistance (Amend #2)	Amend	Emergency Services	Continuous	11 Nov 2020	N/A	\$ 70,000
Contra Costa County Fire Protection District	Finance & Payroll Transition	Agreement	Finance	Project	01 Apr 2024	4/30/25	\$ 150,000
Contra Costa Transportation Authority	HR Management Services (Amend #1)	Amend	HR (C&C, NEOGOV, DLM)	On Call	01 Jul 2022	6/30/2025	\$ 60,000
Del Paso Manor Water District	Governance Support	Agreement	HR	Continuous	01 Jul 2023	6/30/24	\$ 30,000
Del Rey Oaks	Financial Services (Amend #2)	Amend	Finance	Continuous	01 Aug 2022	6/30/2025	\$ 893,600
Desert Healthcare District	HR Services	Agreement	HR (C&C, NEOGOV, DLM)	Continuous	14 May 2024	12/31/2024	\$ 40,000
Desert Water Agency	Comms & Eng Services (2022)	Agreement	Outreach	Project	01 Dec 2022	N/A	\$ 210,000
Desert Water Agency	Strategic Planning Services	Agreement	Organizational Development	Project	15 Feb 2024	6/30/2024	\$ 27,182
Dublin San Ramon Services District	In House Academy	Agreement	Training	Project	10 Aug 2023	6/30/2024	\$28,500
Dublin San Ramon Services District	Outreach	Agreement	Outreach	On Call	15 Jun 2023	6/30/2024	\$ 72,600
East Bay Dischargers Authority	Finance & Admin Support	Agreement	Finance	Continuous	30 Nov 2023	12/31/2024	\$ 136,528
East Palo Alto	ED Services (Amend #1)	Agreement	Economic Development	Project	04 Dec 2023	9/30/2024	\$ 10,000
Emeryville	Finance Svcs Amend #3 (HR Svcs)	Amend	HR (C&C, NEOGOV, DLM)	Continuous	02 Sep 2022	12/31/2024	\$ 142,000
Fairfield	HR Management Services (Amend #1)	Amend	HR (C&C, NEOGOV, DLM)	On Call	25 Nov 2020	6/30/2024	\$ 100,000
Feather River Air Quality Management District	HR & Transparent Govt Services	Agreement	HR (C&C, NEOGOV, DLM)	Continuous	08 Apr 2024	12/31/25	\$ 35,000
Foster City	Levee Project Management (Amend #3)	Amend	Public Works	Continuous	17 Dec 2020	6/30/2024	\$ 391,620
Fox Canyon Groundwater Management Agency	Administrative Services	Agreement	Contract Staffing	Continuous	04 Apr 2024	12/31/2024	\$ 25,000
Golden Hills Community Services District	Annual Planning Meeting Facilitation	Agreement	Organizational Development	Project	25 Jan 2024	6/30/2026	\$ 10,000
Greenfield	Project Assessment (Amend #3)	Amend	Public Works	Continuous	20 Dec 2021	6/30/2024	\$ 130,000
Hayward	Finance & Payroll Services	Agreement	Finance	On Call	25 Jan 2024	6/30/2024	\$ 74,999
Hercules	HR Support (Amend #2)	Amend	HR (C&C, NEOGOV, DLM)	Continuous	17 Jan 2023	N/A	\$ 230,000
Hollister	Finance and HR Services	Agreement	Multiple	Project	17 Apr 2023	6/30/2024	\$ 75,000
Humboldt Bay Municipal Water District	Comp & Benefits Study	Agreement	HR (C&C, NEOGOV, DLM)	Project	14 Dec 2023	6/30/2024	\$ 31,800
Indian Wells Valley Groundwater Authority	Admin Services	Agreement	Contract Staffing	Continuous	13 Dec 2023	12/13/24	no NTE
Ironhouse Sanitary District	Human Resources Management Services (Amend #1)	Amend	HR	Continuous	05 Apr 2016	N/A	no NTE
James Irvine Foundation	Grant Advisement Services	Agreement	Economic Development	Project	01 Jul 2022	N/A	\$ 25,000
La Mesa	Transparent Govt Services	Agreement	Transparent Government	Project	01 Apr 2024	3/31/2026	\$ 25,000
Larkspur	Governance Support Services (Task Order 2023-01)	Agreement	Transparent Government	Project	16 Aug 2023	N/A	\$ 50,000
Larkspur	Master Agreement	Agreement	Organizational Development	Continuous	16 Aug 2023	N/A	no NTE
Larkspur	OD Team Building Services (Task Order 2024-02)	Task Order	Organizational Development	Project	16 Aug 2023	N/A	\$ 5,200

**Management Services Agreement Report**

Agency Name	Services Provided	Type	Service Group	Service Span	Agreement Date	Expiration Terms	Contract Amount
Las Gallinas Valley Sanitary District	Finance & HR Services (Amend #3)	Amend	Finance,HR	On Call	04 Dec 2020	6/30/2024	\$ 190,500
Los Altos Hills	Finance Services	Agreement	Finance	Continuous	08 Apr 2024	12/31/24	\$ 60,000
Los Vaqueros Reservoir JPA	Transparant Govt Services Amend #1	Agreement	Transparent Government	Continuous	08 Mar 2023	6/30/2024	\$ 49,999
Madera County Mosquito & Vector Control District	HR Support Services	Agreement	HR,Organizational Development	Project	17 Oct 2023	6/30/2024	no NTE
Marin County	HR & RV Relocation Services	Agreement	Planning	Project	01 Sep 2023	6/30/2024	\$ 50,000
Marin Emergency Radio Authority	Admin Services	Agreement	Contract Staffing	Continuous	01 Jul 2023	6/30/2025	no NTE
Marin Municipal Water District	Class/Comp & Recruiting Srvs (Amend #2)	Amend	HR	Continuous	10 Dec 2021	12/31/2026	\$ 300,000
Marin Sonoma Mosquito and Vector Control District	Finance Services	Agreement	Finance	Continuous	10 Apr 2024	6/30/2025	\$ 35,100
Marin Wildfire Prevention Authority	Recruiting Services	Agreement	HR	Project	17 May 2023	6/30/2024	\$ 10,000
Marina	Planning Projects	Agreement	Planning	Project	30 Sep 2020	N/A	no NTE
Marina Coast Water District	Class & Comp Study	Agreement	HR	Project	01 May 2023	N/A	\$ 42,600
Marina Coast Water District	Financial Analysis & Reporting	Agreement	Finance	Project	15 Feb 2023	N/A	\$ 49,000
Marina Coast Water District	HR Services for 2024	Agreement	HR (C&C, NEOGOV, DLM)	Continuous	08 Feb 2024	N/A	\$ 99,000
Mendocino Coast Healthcare District	Agency Administration Services	Agreement	Contract Staffing	Continuous	23 Dec 2023	6/30/2024	\$ 117,400
Mendocino County	Fiscal System Review Amend #3	Amend	Finance	Project	07 Oct 2022	6/30/2025	\$ 208,000
Merced County Association of Governments (MCAG)	Management Coaching	Agreement	Organizational Development	Project	01 Mar 2024	N/A	\$ 10,032
Mill Valley	HR Planning Scope (Amend #1)	Amend	HR	On Call	16 Aug 2016	N/A	no NTE
Monterey County	Classification & Compensation	Agreement	HR (C&C, NEOGOV, DLM)	Project	22 Apr 2024	12/31/2024	\$ 12,400
Monterey Peninsula Regional Park District	Finance Services	Agreement	Finance	On Call	08 Nov 2021	N/A	\$ 40,000
Monterey Peninsula Regional Park District	Project Mgmt, Grants, Permitting (FY2022-2023)	Agreement	Multiple	Continuous	01 Aug 2022	N/A	\$ 115,000
Monterey Peninsula Regional Park District	Strategic Plan Facilitation (Amend #1)	Agreement	Organizational Development	Project	12 Dec 2023	5/31/25	\$ 5,000
Monterey Peninsula Water Management District	HR Services (Amend #7)	Agreement	HR (C&C, NEOGOV, DLM)	Continuous	20 Dec 2016	6/30/2024	\$ 130,000
Mountain View	Revenue Enhancement Project (Amend #1)	Agreement	Finance	Continuous	01 Jul 2022	6/30/2024	\$ 26,000
Napa	Transparent Govt Services	Agreement	Transparent Government	Project	18 Mar 2024	12/31/2024	\$ 22,000
Nevada County Consolidated Fire District	HR Support Amend #2	Amend	HR (C&C, NEOGOV, DLM)	Continuous	01 May 2023	6/30/2024	\$ 25,000
North Kern-South Tulare Hospital District	Transparent Government	Agreement	Transparent Government	Project	08 Mar 2024	12/31/2024	\$ 25,370
Novato	Finance Projects (Amend #2)	Agreement	Finance	Continuous	29 Jun 2020	N/A	\$ 108,000
Oro Loma Sanitary District	HR Services	Short Form	HR (C&C, NEOGOV, DLM)	Continuous	01 Mar 2024	6/30/2024	\$ 15,000
Pacifica	Financial Services (Amend #2)	Agreement	Finance	Continuous	04 Jan 2022	6/30/2025	\$ 279,590
Pajaro Regional Flood Management Agency	HR & Finance (Amend # 1)	Amend	Multiple	Continuous	20 Jun 2023	6/30/2024	\$ 173,100
Peninsula Clean Energy	Governance Services (Amend #2)	Amend	Transparent Government	Project	24 Apr 2019	6/30/2024	\$ 12,950
Redwood Empire School's Insurance Group	OD Services	Agreement	Other	Project	05 Jul 2023	6/30/24	\$ 11,275
Richardson Bay Regional Agency	Executive Management	Agreement	Contract Staffing	Continuous	15 Oct 2021	N/A	no NTE
Sacramento Regional County Sanitation District and Sacramento Area Sewer District	HR Services	Agreement	HR	Project	13 Apr 2023	7/1/2024	\$ 110,400
Salinas	Recruiting and Class with General HR	Agreement	HR,Recruitment	Project	23 Jul 2021	N/A	no NTE
Salinas Valley Basin Groundwater Sustainability Agency	Management Services (Amend #7)	Amend	Contract Staffing	Continuous	01 Aug 2017	6/30/2024	no NTE
San Diego Local Agency Formation Commission	HR Services	Agreement	HR	Continuous	04 Nov 2022	June 30, 2024	\$ 100,000
San Juan Bautista	HR Services (Amend #3)	Agreement	HR (C&C, NEOGOV, DLM)	Continuous	20 Dec 2021	6/30/2026	\$ 120,000
San Juan Bautista	Procurement & Housing (Amend #1)	Amend	Finance	Continuous	15 Apr 2022	6/30/2025	\$ 100,000
San Lorenzo Valley Water District	Finance Services (Amend #1)	Amend	Finance	Continuous	16 Oct 2023	9/30/24	\$ 118,300
San Miguel Community Services District GSA	Communications Training & Class/Comp	Agreement	Training	Project	29 Jul 2023	N/A	\$ 21,776
San Ramon Valley Fire Protection District	Payroll Services	Agreement	HR	Continuous	01 Aug 2023	6/12/2025	\$ 75,000
San Simeon Community Services District	Finance Services (Amend #2)	Agreement	Finance	On Call	01 Jun 2023	5/31/2025	\$ 52,000
Sand City	Finance & HR Support (Amend #2)	Amend	Finance	Continuous	16 Feb 2023	6/30/2024	\$ 299,216
Santa Barbara County	Santa Barbara County -HR Services FY23-24	Agreement	HR (C&C, NEOGOV, DLM)	Continuous	16 May 2023	6/30/2024	\$ 180,000
Santa Cruz County Regional Transportation Commission	OD Services (Amend #2)	Amend	Organizational Development	Continuous	10 May 2021	6/30/2024	\$ 43,920
Santa Cruz Regional 9-1-1	Classification Study	Agreement	HR	Project	27 Jul 2023	N/A	\$ 25,300
Santa Maria Valley Water Conservation District	Administration Services	Agreement	Contract Staffing	Continuous	10 Jan 2024	1/31/2025	no NTE
Santa Rosa	Strategic Planning (Amend #1)	Amend	Organizational Development	Project	23 Aug 2022	12/31/25	\$9,144
Santa Ynez River Water Conservation District, ID #1	Recruiting Services	Agreement	Recruiting	Project	12 Oct 2023	6/30/2024	\$ 34,000
Scotts Valley	Community Development Projects	Agreement	Planning	Continuous	15 Dec 2016	N/A	no NTE
Scotts Valley	Payroll Audit Services (Amend #1)	Agreement	HR (C&C, NEOGOV, DLM)	Continuous	17 Aug 2023	6/30/2024	\$ 56,850
Sedona Fire District	Total Compensation Study	Agreement	HR (C&C, NEOGOV, DLM)	Project	15 Jan 2024	6/30/2024	\$38,800
Self-Directed Tax-Advantaged Retirement System	Fiscal and Administrative Support (Amend #1)	Amend	Contract Staffing	Continuous	13 Dec 2016	N/A	no NTE
Solano County Water Agency	HR Services (Amend #3)	Amend	HR (C&C, NEOGOV, DLM)	Continuous	01 Jul 2020	6/30/2025	\$ 150,000
Solvang	Class & Comp Study	Agreement	HR (C&C, NEOGOV, DLM)	Project	01 May 2024	N/A	\$ 68,800
Solvang	Recruitment	Agreement	Recruiting	Project	01 May 2024	N/A	\$ 15,000
Sonoma Mendocino Economic Development District	Agency Administration Services	Agreement	Economic Development	Continuous	08 Dec 2023	6/8/2025	\$ 119,700
Sonora	Compensation Study Amend #1	Amend	HR	Project	06 Feb 2023	MTM to NTE	\$ 33,500
South Lake Tahoe	Rec Center Bus & Ops Plan	Agreement	Organizational Development	Project	01 May 2024	N/A	\$ 37,500
St. Helena	HR Services (Amend #4)	Amend	HR (C&C, NEOGOV, DLM)	Continuous	05 Aug 2022	6/30/2024	\$ 221,200

**Management Services Agreement Report**

Agency Name	Services Provided	Type	Service Group	Service Span	Agreement Date	Expiration Terms	Contract Amount
Stanislaus Consolidated Fire Protection District	HR and Clerk Services (Payroll)	Agreement	Clerk Services,HR	On Call	29 Apr 2021	N/A	no NTE
Sunnyvale	Payroll Services (Amend #2)	Agreement	HR (C&C, NEOGOV, DLM)	Continuous	21 Dec 2022	6/30/2024	\$ 90,000
The University Corporation at Monterey Bay	DART ED Services (Amend #1)	Agreement	Economic Development	Project	01 Oct 2023	9/30/2024	\$ 750,000
Town of Tiburon	Finance & OD Services - Amend #1	Amend	Finance	Project	07 Jun 2023	6/30/2024	\$ 115,000
Truckee Donner Public Utility District	Governance Support Services	Agreement	Transparent Government	Project	13 Nov 2023	N/A	\$ 12,865
Truckee Donner Public Utility District	Transparent Govt/Procurement/Recruiting	Short Form		Continuous	22 Apr 2024	12/31/24	\$ 62,000
Twain Harte Community Services District	Finance & Payroll Services	Agreement	Multiple	Project	05 Feb 2024	12/31/24	\$ 69,800
University of California Santa Cruz	Economic Development UCMBEST - Amend #3	Amend	Economic Development	Continuous	01 Oct 2020	6/30/2024	\$ 119,930
Valley Water	Emergency Response Procedures	Agreement	Emergency Services	Continuous	01 Feb 2023	12/31/2025	\$ 225,000
Valley Water	Property Rights Negotiations	Agreement	Planning	Project	13 Apr 2023	N/A	\$ 75,000
Valley Water	Training Academies	Agreement	Training	Project	08 Nov 2023	6/30/2024	\$ 15,000
Walnut Creek	HR Services	Agreement		Continuous	01 Jan 2024	6/30/2025	\$ 120,000
Walnut Creek	Risk Mgmt & Admin Support	Short Form	HR (C&C, NEOGOV, DLM)	Project	08 Jan 2024	6/30/2024	\$ 64,000
West County Wastewater	HR & Finance Services (FY 2023-2024) Amend #2			Continuous	01 Jul 2022	6/30/2024	\$ 110,000
West Valley Sanitation District	HR Services - Amend #1	Amend	HR (C&C, NEOGOV, DLM)	Continuous	16 Jul 2021	N/A	\$ 30,000
Willows	HR Payroll Services (Amend #1)	Agreement	Finance	Continuous	01 Jul 2022	12/31/2024	\$ 30,000
Yolo County Transportation District	Transparent Government Services	Agreement	Transparent Government	On Call	30 Apr 2024	12/31/2024	\$ 10,000
Yountville	Task Order 2023-01 (Fin Svcs)	Task Order	Finance	Project	19 Jul 2016	N/A	no NTE
Yountville	Task Order 2023-02 (HR Services)	Task Order	HR (C&C, NEOGOV, DLM)	Project	19 Jul 2016	N/A	\$ 10,000
Yountville	Task Order 2023-04 (Class & Comp Services)	Task Order	HR	Project	19 Jul 2016	N/A	\$ 5,500
Yountville	Task Order 2023-05 (Comm & Engage Services)	Task Order	Comms & Engagement	Project	19 Jul 2016	N/A	\$ 6,500
Yountville	Task Order 2023-06 (HR Services)	Task Order	HR (C&C, NEOGOV, DLM)	On Call	19 Jul 2016	6/30/2024	\$ 20,000
Yountville	Task Order 2024-01 (Comm & Engage Services)	Task Order	Comms & Engagement	Project	19 Jul 2016	N/A	no NTE

**Service Span Key**

- **Yellow Highlights** - New Contracts/Amendments since last Board Meeting.
- **On-Call** - agency calls us to provide service periodically when they need it.
- **Project Specific** – the work involves a specific project to be completed and then contract is done.
- **Continuous Services** – we are always there and provide continuous services.



**TO:** EXECUTIVE COMMITTEE **EC Meeting: 05-16-2024**  
**FROM:** TIFFANY BURAGLIO, Executive Assistant **Item: 3F**  
**SUBJECT: RECEIVE AND FILE MUNICIPAL DENTAL POOL UPDATE**

**RECOMMENDATION**

Receive and file this Municipal Dental Pool update.

**BACKGROUND**

At the November 22, 2019, Executive Committee meeting, authority was granted for the Executive Director to approve new RGS Dental Pool Associate Memberships. Keenan & Associates administers the pool and RGS provides financial oversight services.

Thirty-five agencies currently participate in the RGS Dental Pool as Associate Members. These agencies represent approximately 5,500 subscribers.

City of Alhambra	City of Lynwood
City of Azusa	City of Oxnard
City of Baldwin Park	City of Pico Rivera
City of Bellflower	City of Santa Ana
City of Bishop	City of Upland
City of Brea	Town of Corte Madera
City of Chino	Town of Yucca Valley
City of Claremont	Central Marin Fire Authority
City of Dana Point	Central Marin Police Authority
City of Desert Hot Springs	County of Kings Superior Court of CA
City of Firebaugh	Greater Los Angeles County VCD
City of Folsom	Jurupa CSD
City of Fountain Valley	Metropolitan Transportation Commission
City of Glendora	Phelan Pinon Hills CSD
City of Hawaiian Gardens	Regional Government Services
City of Jurupa Valley	Sacramento Area Council of Governments
City of Laguna Niguel	San Bernardino Co Employees' Retirement Association
City of Larkspur	

**REVIEW FOR THIS MEETING**

The San Bernardino County Employees' Retirement Association joined the pool effective March 1, 2024. Keenan is providing quotes to several new prospects for possible pool membership.

Keenan is continuing to investigate the possibility of investing retained earnings of the pool in an appropriate investment vehicle. It is hoped that earning income on a portion of the retained earnings amount can assist in keeping the pool rates stabilized.

Keenan is continuing the practice of assessing a 1% increase above the general pool rate adjustment for members who are habitually late with premium payments.

**FISCAL IMPACT**

Adding new Associate Members will stabilize monthly premiums paid into the pool after the loss of Mendocino County. RGS' administrative fee is 1 percent of premiums paid. Through April 30, 2024, MDP administrative fee revenue was 108% over budget with a total of \$55,540 collected.

**TO:** EXECUTIVE COMMITTEE  
**FROM:** RICHARD OPPENHEIM, Administrative Services Manager  
**SUBJECT:** RECEIVE AND FILE STRATEGIC PLAN UPDATE

**EC Meeting: 05-16-2024**  
**Item: 3G**

**RECOMMENDATION**

Receive and file report on strategic plan update.

**BACKGROUND**

In February 2020, the Executive Committee approved RGS' 5-Year strategic plan. The strategic plan identified the following goals:

- Goal 1: Outstanding Service.** Build and strengthen service lines to provide the highest level of services to meet evolving client/partner needs.
- Goal 2: Leadership, Staffing, and Teamwork.** Recruit, develop, and retain top-notch, team-oriented Advisors and support staff.
- Goal 3: Financial and Risk Management.** Ensure continued financial stability and growth with effective risk management.
- Goal 4: RGS Growth.** Develop and promote the RGS story, building on core values and strengths that serve local government.
- Goal 5: Industry Leadership.** Earn a reputation in the local government industry as a leader for collaborative efforts and as a thought leader for public policy and governance issues.

During the September 2023 meeting, staff asked the Executive Committee what information they were looking to receive in strategic plan updates and how often they wanted to receive it. Members wanted updates no more frequently than a quarterly basis. They indicated they were not interested in seeing repeat updates which had not changed, but items that demonstrated progress toward strategic goals.

**FISCAL IMPACT**

There is no fiscal impact.



Updated: May 16, 2024



## Outstanding Service

Build and strengthen service lines to provide the highest level of services to meet evolving client/partner needs.



## Leadership, Staffing, and Teamwork

Recruit, develop, and retain top-notch, team-oriented Advisors and support staff.



## Financial and Risk Management

Ensure continued financial stability and growth with effective risk management.



## RGS Growth

Develop and promote the RGS story, building on core values and strengths that serve local government.



## Industry Leadership

Earn a reputation in the local government industry as a leader for collaborative efforts and as a thought leader for public policy and governance issues.

### GOALS

*This plan maps high-level goals and strategies that will guide RGS in achieving its mission over the next five years.*

### MISSION

*To provide quality, innovative, cost-effective services to public agencies.*

### VALUES

*Caring Public Service  
Flexibility  
Empowering  
Custom Solution-Oriented*

Values

Goals

MISSION



Updated: May 16, 2024



### Outstanding Service

Build and strengthen service lines to provide the highest level of services to meet evolving client/partner needs.



Strategic Services Consultant Brian Moura lent his expertise to help the City of Pacifica win the [Grand Prize Award of Excellence from the California Association for Local Economic Development \(CALED\)](#) for their “[Vision 2025 & Beyond](#)” strategic plan.



RGS Agency Executive Brad Gross supported [Richardson Bay Regional Agency](#) to protect the bay’s fragile ecosystem. He led a team that provided housing vouchers for eligible boat dweller occupants and delivered a buyback program for eligible vessels.



Customer Relationship Manager Chris Paxton launched [RGS’ Client Survey](#) to get feedback about service quality from current clients.



### Leadership, Staffing, and Teamwork

Recruit, develop, and retain top-notch, team-oriented Advisors and support staff.



RGS’ Internal HR launched an Employee Development Needs Survey to better understand employees’ career development needs, receiving 90 surveys. Deona will be meeting with employees to discuss individual development plans.



Updated: May 16, 2024



## Financial and Risk Management

Ensure continued financial stability and growth with effective risk management.



RGS launched an [RGS and AI survey](#) about staff AI usage and perspectives. 88 staff responded to the survey with a balanced perspective between excitement and concern about potential risk, while desiring to learn more.



RGS joined the [GovAI Coalition](#) to gain access to cross-agency collaboration, share AI-related templates, a digital forum, AI use cases, and vendor experiences.



Fiscal year 2023 audit successfully completed with no management comments or findings.



Updated: May 16, 2024

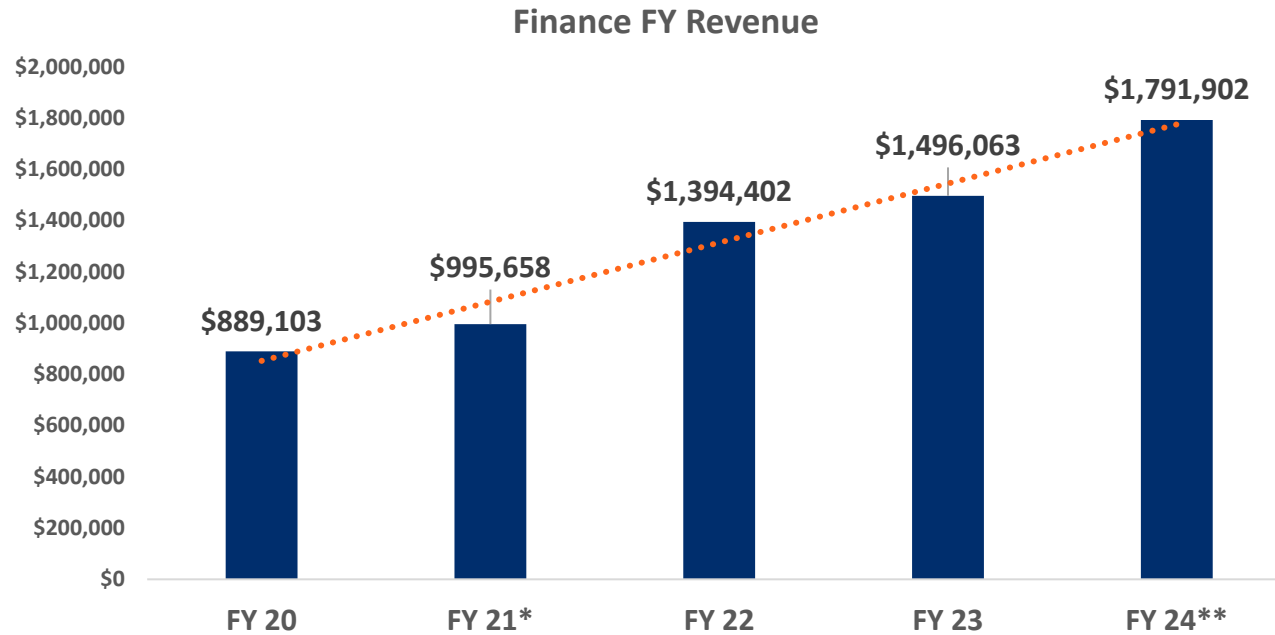


### RGS Growth

Develop and promote the RGS story, building on core values and strengths that serve local government.



Finance service line Fiscal Year (FY) revenue growth.



\* No June FY 21 summary, so using May 2021. \*\* Projected revenue for FY 24.



Updated: May 16, 2024



### Industry Leadership

Earn a reputation in the local government industry as a leader for collaborative efforts and as a thought leader for public policy and governance issues.



Organizational Development service line leader Chris Sliz will facilitate a half-day pre-conference workshop at the [CSDA General Manager Leadership Summit](#). She will present on Succession Planning with co-faciliator Gabe Laneusse, General Manager of Greater Vallejo Recreation District.



RGS' Training opened Management Academy [panel sessions](#) to any local government attendee free of charge. “Managing Complex Programs and Projects” and “Repairing Local Agency Systems that Result in Inequities” attracted attendees from CA and beyond, who sought out ideas from local government leaders/experts on these topics.



RGS' Economic Development team recently came together to chart the course for the future of the Monterey Bay Drone, Automation, and Robotics Technology (DART) Initiative. They discussed interconnected areas including workforce development, infrastructure, innovation, and policy/education.



RGS solicited amicus briefs to spotlight issues of third-party employers relative to CALPERS employment determinations for the purposes of pension eligibility.



**TO:** EXECUTIVE COMMITTEE  
**FROM:** DEONA KNIGHT, Human Resources Manager  
**SUBJECT:** AGENCY BONUS AWARDS UPDATE

**EC Meeting: 2024-05-16**  
**Item: 3H**

**RECOMMENDATION**

Receive and file agency bonus awards update.

**BACKGROUND**

At the September 15, 2022 meeting, the Executive Committee approved a Pay for Performance Program which included a request of staff to report on a regular basis to the Executive Committee the number of recipients and total amount of agency bonus awards.

**REVIEW FOR THIS MEETING**

During the period of February 16, 2024 through May 15, 2024 no bonuses were proposed.

**FISCAL IMPACT**

No fiscal impact.



**TO:** EXECUTIVE COMMITTEE **EC Meeting: 05-16-2024**  
**FROM:** SOPHIA SELIVANOFF, Executive Director **Item: 3I**  
**SUBJECT: APPROVAL OF UPDATED INVESTMENT POLICY TO INCLUDE  
CALIFORNIA CLASS AS A PERMITTED INVESTMENT**

**RECOMMENDATION**

Approval of the addition of California Cooperative Liquid Assets Securities System (California CLASS) to the list of permitted investments in the Investment Policy.

**BACKGROUND**

Over the last six months, RGS has been able to increase the funds available for longer term investment with high liquidity. Currently, RGS has the following permitted investments available: LAIF, CalTrust and a money market fund with our bank, Five Star. Staff would like to add California Class to the permitted investments list. The average monthly effective yields as of March 2024 is: CLASS Prime Fund 5.211%; CalTrust ST 5.03%; LAIF 4.232 ; and Five Star 4.122%

The California CLASS program is authorized under California Government Code Section 6509.7 and is a pooled investment option established through a joint exercise of powers agreement among California public agencies. It is a new investment pool specifically designed to meet the growing investment needs of California public agencies. The program provides an opportunity for agencies to invest cooperatively in rated pools managed in accordance with the state law.

The primary objectives of California CLASS are 1) safety of investment principle, 2) daily and next day liquidity, and 3) optimized returns for participants.

California CLASS offers two investment options: Prime Fund and Enhanced Cash.

1. The Prime Fund aims to generate investment income for everyday funds. Prime strives to earn a competitive rate of return while maintaining liquidity, preserving capital, and a stable Net Asset Value (NAV) of \$1.00. The AAAM principal stability fund rating assigned by S&P Global Ratings to California Class Prime underscores its safety and stability.
2. The Enhanced Cash Fund is a next- day liquidity investment option designed for participants who seek to generate a higher yield while complementing the daily liquidity offered by the Prime Fund. Enhanced Cash is best suited for non-operating dollars and strategic reserves that a public agency would not anticipate withdrawing for 12-18 months. The fund is designed for investors with slightly longer investment horizons and the ability to tolerate a higher risk profile. Rated by Fitch Ratings, the rating for this fund is AAAs/S1. This fund is calculated and published as a fair value NAV daily. The portfolio has designated a \$10.00 transactional share price to differentiate the portfolio from a traditional \$1.00 stable NAV fund.

At this time, staff is requesting the inclusion of the Prime Fund in the investment portfolio due to the competitive return, liquidity and preserving of capital. When funds are available for longer term investing of non-operating dollars and strategic reserves, staff will review the investment opportunities available

such as the Enhanced Cash Fund and return to the Board with a recommendations and inclusion in the permitted investments with a maximum percentage limit. The table below identifies the permitted investments and maximum percentage limits with the inclusion of the California CLASS Prime Fund proposed for the Investment Policy.

<i>Investment Type</i>	<i>Percentage/Amount</i>
Local Agencies Investment Fund	\$0 to \$40,000,000 per account
CalTrust, California Class Prime Fund and County Pools	0% to 100%
Time Certificates of Deposit	0% to 25%
Money Market or Sweep Accounts – not applicable (E.g. Five Star)	0% to 100%
U.S. Government Obligations	0% to 25%
California Agencies' Indebtedness	0% to 75%, limited to one-year maturity
JPA Receivables	0% to 75%, limited to one-year maturity

**FISCAL IMPACT**

There is no fiscal impact of approval of this policy update. Implementation of the policy provisions can impact interest earnings and principle. The status of all investment activity is reported to the Executive Committee at their regular meetings.

Attachment: Investment Policy  
S&P Global Ratings Pool Profile -CA CLASS Prime

**SECTION 49:**           **Financial Policies**  
**POLICY TITLE:**       **Investment Policy**  
**POLICY NUMBER:**   **49.1**  
**LAST UPDATE:**       **05/24**

**Introduction**

This policy fosters a prudent and systematic investment program as well as organizes and formalizes investment related activities. This policy applies to all JPA financial assets and investment activities. The related activities comprise good cash management and include:

- Accurate cash projections;
- Timely collection of revenues;
- Control of disbursements;
- Cost-effective banking and financial services; and
- Adherence to a system of internal controls.

In accordance with the Joint Powers Agreements as Amended and under authority granted by the JPA’s Board of Directors, the Treasurer is responsible for investing unexpended cash. Investment of the funds, is directed to the goals of safety, liquidity and yield. The authority governing investments for municipal governments is set forth in the California Government Code.

**Objectives**

Safety of Principal: The primary objective is to protect, preserve, and maintain cash and investments. Each investment transaction shall seek to ensure that capital losses are avoided, whether from securities default, broker-dealer default, or erosion of market value. The JPA shall seek to preserve principal by mitigating the two types of risk: credit risk and market risk.

Credit risk: Is defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by investing in investment grade securities and by diversifying the investment portfolio so that the failure of any issuer does not unduly harm the JPA’s capital base and cash flow.

Market Risk: Is defined as market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by limiting the average maturity of the JPA’s investment portfolio to two years, the maximum maturity of any security to five years, structuring the portfolio based on historic and current cash flow analysis eliminating the need to sell securities prior to maturity and avoiding the purchase of long term securities for the sole purpose of short term speculation. Investments shall be placed in those securities as outlined by type and maturity sector in this document. Effective cash flow management and resulting cash investment practices are recognized as essential to good fiscal management and control. The JPA’s portfolio shall be designed and managed in a manner responsive to the public trust and consistent with state and JPA policy. Portfolio management requires continual analysis and as a result the balance between the various investments and maturities may change in order to give the JPA the optimum combination of necessary liquidity and optimal yield based on cash flow projections.

**Objectives (Cont'd)**

Liquidity: An adequate amount of the portfolio will be maintained in liquid short-term securities which can be converted to cash, as necessary, to meet disbursement requirements. This amount will be determined from projected cash flow trends and disbursement requirements. Investments will be made in securities with active secondary or resale markets. Securities with low market risk will be emphasized. The investment portfolio will remain sufficiently liquid to enable the JPA to meet all reasonably anticipated operating requirements.

Yield: Within the constraints of safety and liquidity, the highest and best return will be sought. Because the portfolio is too small to allow investments in significant long-term purchases, the objective will be to maximize yield, taking into account risk constraints of the JPA, cash flow characteristics of the portfolio and compliance with state and federal regulations.

Prudence: The standard to be used by investment officials shall be that of a prudent investor and shall be applied in the context of managing all aspects of the overall portfolio. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the Agencies, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the Agencies. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law. (Government Code Section 53600.3).

Maturity: It is the JPA's full intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal dollars. However, it is realized that market prices of securities will vary depending on economic and interest rate conditions at any point in time. It is further recognized that in a well-diversified investment portfolio, occasional measured losses are inevitable due to economic, bond market or individual security credit analysis. These occasional losses must be considered within the context of the overall investment program objectives and the resultant long-term rate of return.

Personal Responsibility: The JPA Treasurer and other individuals assigned to manage the investment portfolio, acting within the intent and scope of the investment policy and other written procedures and exercising due diligence, shall be relieved of personal responsibility and liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

**Investment Instruments and Maturities**

Permitted Investments: Investments will be within statutory limits imposed by Government Code Section 53601, as further limited herein.

- Local Agencies Investment Fund (LAIF) which is a State of California managed investment pool, Investment Trust of California (the CalTRUST JPA pool) which is a joint powers authority under the provision of Title 1, Division 7, Chapter 5 of the California Government Code, **California Cooperative Liquid Assets Securities System (California Class) which is joint exercise of powers entity authorized under Section 6509.7, of the California Government Code**, and California county investment pools, may be used up to the maximum permitted by California State Law.

## PART I – FINANCIAL POLICIES

- Time deposits, non-negotiable and collateralized in accordance with the California Government Code, may be purchased through banks or savings and loan associations. Since time deposits are not liquid, no more than 25% of the investment portfolio may be invested in this investment type.
- Various daily money market or sweep account funds administered for or by trustees, paying agents and custodian banks contracted by the JPA may be purchased as allowed under State of California Government Code. Only funds holding U.S. Treasury or Government obligations can be utilized.
- Direct obligations of the United States Treasury or any other obligation guaranteed as to principal and interest by the United States government, per CA Code 53601.7 e(1).
- Bonds, notes, warrants, or other indebtedness of the JPA, or any local agencies within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agencies, or by a department, board, Agencies, or authority of the local Agencies, per CA Code 53601.7 e(4).
- JPA receivables.
- Customized investments in or with other local governments, specifically and individually approved by the Board.

Maximum Percentage Limits: The following summary of maximum percentage limits, by instrument, is established for the Agencies' total portfolio. Maturities of investments will be selected based on liquidity requirements to minimize interest rate risk and maximize earnings.

<i>Investment Type</i>	<i>Percentage/Amount</i>
Local Agencies Investment Fund	\$0 to \$40,000,000 per account
CalTrust, California Class Prime Fund and County Pools	0% to 100%
Time Certificates of Deposit	0% to 25%
Money Market or Sweep Accounts – not applicable (E.g. Five Star)	0% to 100%
U.S. Government Obligations	0% to 25%
California Agencies' Indebtedness	0% to 75%, limited to one-year maturity
JPA Receivables	0% to 75%, limited to one-year maturity

Excluded Investments: Ineligible investments are those that are not described herein, including but not limited to: common stocks; long term (over five years in maturity) notes and bonds; Reverse Repurchase Agreements; financial futures and financial options, inverse floaters, range notes, or interest-only strips that are derived from a pool of mortgages; any derivative security that could result in a zero interest accrual if held to maturity; and Guaranteed Small Business Administration (SBA) notes.

## PART I – FINANCIAL POLICIES

Investment Performance Evaluation: The JPA's investment portfolio is designed to attain safety and liquidity, with the rate of return being maximized while taking into account risk constraints, cash flow characteristics of the portfolio, and compliance with state and federal regulations. The JPA did not establish a benchmark. Investment performance is monitored and evaluated by the JPA's Executive Committees. Performance statistics and activity reports are generated on a quarterly basis for presentation to the Executive Committees at their regularly scheduled meetings. Annually, a statement of investment policy, and any proposed changes to the policy, will be rendered to the Boards of Directors for Board consideration at a public meeting.

Authority to Invest Monies: Government Code sections 53600 through 53601.6 provide legal authorization for investment of the funds of local agencies. All investments of the authority shall conform to the restrictions of those laws. The Board assigns responsibility for investing unexpended cash to the JPA Treasurer, who shall establish procedures for the operation consistent with this investment policy.

Ethics and Conflict of Interest: Officers and employees involved in the investment process shall refrain from personal business activity that conflicts with proper execution of the investment program, or impairs their ability to make impartial investment decisions. Additionally, the Treasurer/CFO and other JPA officials authorized to approve investment transactions are required to annually file applicable financial disclosures as required by the Fair Political Practices Commission (FPPC).

Internal Controls: A system of internal controls is established and maintained in written form. These controls are designed to prevent losses of public funds arising from fraud, error, misrepresentation of third parties, unanticipated changes in financial markets, or imprudent actions by employee/officers of the JPA. Important controls include: control of collusion, separation of duties, separation of transaction authority from accounting and bookkeeping, custodial safekeeping, delegation of authority, limitations regarding securities losses and remedial action, written confirmation of telephone transactions, minimization of the number of authorized investment officials, documentation of transactions and strategies, and annual review of controls by the Treasurer. In recognition of the current limited investment staffing (one primary person performing daily cash management, and one primary approver plus one backup staff approver) and limited funds to invest, the JPA's relies heavily on: separation of wire transfer preparation and approval of funds duties between staff; Executive Committee quarterly reviews of investments; annual independent audit of investments and investment transactions; and an extremely conservative investment strategy that reduces risks associated with frequent investment transaction, negotiated investments, and with complex transactions. The investment products will be limited by this policy until such time that funds available to invest are sufficient to enable longer-term commitments. Proper documentation obtained from confirmation and cash disbursement wire transfers is required for each investment transaction. Timely bank reconciliation is conducted to ensure proper handling of all transactions. The investment portfolio and all related transactions are reviewed and balanced to appropriate general ledger accounts on a monthly basis. An independent analysis by an external auditor shall be conducted annually to review internal control, account activity and compliance with policies and procedures.

## PART I – FINANCIAL POLICIES

Reporting: The Treasurer shall render quarterly reports to the Executive Committee. These reports shall include the face amount of the cash investment, the classification of the investment, the name of the institution or entity, the rate of interest, the maturity date, the current market value and accrued interest due for all securities. At the annual Boards of Directors meeting, the investment policy shall be submitted for review and adoption.

Banks and Securities Dealers: In selecting financial institutions for the deposit or invest JPA funds, the Treasurer shall consider their credit worthiness and shall continue to monitor their credit characteristics and financial history throughout the period in which funds are deposited or invested. A commercial rating or bank watch service may be used to accomplish this objective. Financial institutions/investment managers shall annually sign a certification form attesting that the individual responsible for the Authority's account with that firm has reviewed and understands the investment policy and intends to present only those investment transactions appropriate under the policy.

Legislative Changes: Any State of California legislative action that further restricts allowable maturities, investment type, or percentage allocations will be incorporated into the JPA's Investment Policy and supersedes any and all previous applicable language.

Limiting Market Value Erosion: To limit the potential effects from erosion in market values, the JPA shall adhere to the following:

- All immediate and anticipated liquidity requirements will be addressed prior to purchasing all investments.
- Maturity dates for long-term investments will coincide with significant cash flow requirements where possible, to assist with short term cash requirements at maturity.
- All long-term securities will be purchased with the intent to hold all investments to maturity under then prevailing economic conditions. However, economic or market conditions may change, making it in the Agencies' best interest to sell or trade a security prior to maturity.

Portfolio Management Activity: The investment program shall seek to augment returns consistent with the intent of this policy, identified risk limitations, and prudent investment principals. These objectives will be achieved by use of the following strategies:

Active Portfolio Management: Through active fund and cash flow management, taking advantage of current economic and interest rate trends, the portfolio yield may be enhanced with limited and measurable increases in risk by extending the weighted maturity of the total portfolio.

Portfolio Maturity Management: When structuring the maturity composition of the portfolio, the following shall be evaluated: current and expected interest rate yields and necessary cash flow requirements.

Policy Review: The JPA's investment policy shall be reviewed internally each year and will be brought to the governing body when changes are necessitated in accordance with California code. This investment policy shall be reviewed internally at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and yield, and its relevance to current law and financial and economic trends. Any amendments to the policy shall be forwarded to the governing body for approval.



Financial Glossary of Terms

- **Accrued Interest:** Interest earned but not yet received.
- **Active Deposits:** Funds which are immediately required for disbursement.
- **Amortization:** An accounting practice of gradually decreasing (increasing) an asset's book value by spreading its depreciation (accretion) over a period of time.
- **Asked Price:** The price a broker dealer offers to sell securities.
- **Basis Point:** One basis point is one hundredth of one percent (.01).
- **Bid Price:** The price a broker dealer offers to purchase securities.
- **Bond:** A financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.
- **Bond Swap:** Selling one bond issue and buying another at the same time in order to create an advantage for the investor. Some benefits of swapping may include tax-deductible losses, increased yields, and an improved quality portfolio.
- **Book Entry Securities:** Securities, such stocks held in street name, that are recorded in a customer's account, but are not accompanied by a certificate. The trend is toward a certificate-free society in order to cut down on paperwork and to diminish investors' concerns about the certificates themselves. All the large New York Agencies banks, including those that handle the bulk of the transactions of the major government securities dealers, now clear most of their transactions with each other and with the Federal Reserve through the use of automated telecommunications and the book-entry custody system maintained by the Federal Reserve Bank of New York. These banks have deposited with the Federal Reserve Bank a major portion of their government and Agencies securities holdings, including securities held for the accounts of their customers or in a fiduciary capacity. Virtually all transfers for the account of the banks, as well as for the government securities dealers who are their clients, are now affected solely by bookkeeping entries. The system reduces the costs and risks of physical handling and speeds the completion of transactions.
- **Bearer and Registered Bonds:** In the past, bearer and registered bonds were issued in paper form. Those still outstanding may be exchanged at any Federal Reserve Bank or branch for an equal amount of any authorized denomination of the same issue. Outstanding bearer bonds are interchangeable with registered bonds and bonds in book-entry form. That is, the latter exist as computer entries only and no paper securities are issued. New bearer and registered bonds are no longer being issued. Since August 1986, the Treasury's new issues of marketable notes and bonds are available in book-entry form only. All Treasury bills and more than 90% of all other marketable securities are now in book-entry form. Book-entry obligations are transferable only pursuant to regulations prescribed by the Secretary of the Treasury.
- **Book Value:** The value at which a debt security is shown on the holder's balance sheet. Book value is acquisition cost less amortization of premium or accretion of discount.
- **Broker:** In securities, the intermediary between a buyer and a seller of securities. The broker, who usually charges a commission, must be registered with the exchange in which he or she is trading, accounting for the name registered representative.
- **Certificate of Deposit:** A deposit insured up to \$100,000 by the FDIC at a set rate for a specified period of time.
- **Collateral:** Securities, evidence of deposit or pledges to secure repayment of a loan. This also refers to securities pledged by a bank to secure deposit of public moneys.
- **Comprehensive Annual Financial Report (CAFR):** The annual financial report for multi-fund municipal agencies. It includes five combined statements and basic financial statements for each individual fund and account group prepared in conformity with Generally Accepted Accounting Principles (GAAP).
- **Constant Maturity Treasury (CMT):** An average yield of a specific Treasury maturity sector for

## PART I – FINANCIAL POLICIES

a specific time frame. This is a market index for reference of past direction of interest rates for the given Treasury maturity range.

- **Coupon:** The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.
- **Credit Analysis:** A critical review and appraisal of the economic and financial conditions or of the ability to meet debt obligations.
- **Current Yield:** The interest paid on an investment expressed as a percentage of the current price of the security.
- **Custody:** A banking service that provides safekeeping for the individual securities in a customer's investment portfolio under a written agreement which also calls for the bank to collect and pay out income, to buy, sell, receive and deliver securities when ordered to do so by the principal.
- **Delivery versus Payment (DVP):** Delivery of securities with a simultaneous exchange of money for the securities.
- **Discount:** The difference between the cost of a security and its value at maturity when quoted at lower than face value.
- **Diversification:** Dividing investment funds among a variety of securities offering independent returns and risk profiles.
- **Duration:** The weighted average maturity of a bond's cash flow stream, where the present value of the cash flows serve as the weights; the future point in time at which on average, an investor has received exactly half of the original investment, in present value terms; a bond's zero-coupon equivalent; the fulcrum of a bond's present value cash flow time line.
- **Fannie Mae:** Trade name for the Federal National Mortgage Association (FNMA), a U.S. sponsored corporation.
- **Federal Reserve System:** The central bank of the U.S. that consists of a seven-member Board of Governors, 12 local banks and 5,700 commercial banks that are members.
- **Federal Deposit Insurance Corporation (FDIC):** Insurance provided to customers of a subscribing bank that guarantees deposits to a set limit (currently \$100,000) per account.
- **Fed Wire:** A wire transmission service established by the Federal Reserve Bank to facilitate the transfer of funds through debits and credits of funds between participants within the Fed system.
- **Freddie Mac:** Trade name for the Federal Home Loan Mortgage Corporation (FHLMC), a U.S. sponsored corporation.
- **Ginnie Mae:** Trade name for the Government National Mortgage Association (GNMA), a direct obligation bearing the full faith and credit of the U.S. Government.
- **Inactive Deposits:** Funds not immediately needed for disbursement.
- **Interest Rate:** The annual yield earned on an investment, expressed as a percentage.
- **Investment Agreements:** An agreement with a financial institution to borrow public funds subject to certain negotiated terms and conditions concerning collateral, liquidity and interest rates.
- **Liquidity:** Refers to the ability to rapidly convert an investment into cash.
- **Market Value:** The price at which a security is trading and could presumably be purchased or sold.
- **Maturity:** The date upon which the principal or stated value of an investment becomes due and payable.
- **Negotiable CD:** An uncollateralized CD issued by a large banking institution which trades in the secondary market. Minimum size is \$1 million, but most are much larger.
- **New Issue:** Term used when a security is originally brought to market.

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- **Perfected Delivery:** Refers to an investment where the actual security or collateral is held by an independent third party representing the purchasing entity.
- **Portfolio:** Collection of securities held by an investor.
- **Primary Dealer:** A group of government securities dealers that submit daily reports of market activity and security positions held to the Federal Reserve Bank of New York and are subject to its informal oversight.
- **Purchase Date:** The date in which a security is purchased for settlement on that or a later date.
- **Rate of Return:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.
- **Repurchase Agreement (REPO):** A transaction where the seller (bank) agrees to buy back from the buyer (Agencies) the securities at an agreed upon price after a stated period of time.
- **Reverse Repurchase Agreement (REVERSE REPO):** A transaction where the seller (Agencies) agrees to buy back from the buyer (bank) the securities at an agreed upon price after a stated period of time.
- **Risk:** Degree of uncertainty of return on an asset.
- **Safekeeping:** see custody.
- **Sallie Mae:** Trade name for the Student Loan Marketing Association (SLMA), a U.S. sponsored corporation.
- **Secondary Market:** A market made for the purchase and sale of outstanding issues following the initial distribution.
- **Settlement Date:** The date on which a trade is cleared by delivery of securities against funds.
- **Time Deposit:** A deposit in an interest-paying account that requires the money to remain on account for a specific length of time. While withdrawals can generally be made from a passbook account at any time, other time deposits, such as certificates of deposit, are penalized for early withdrawal.
- **Treasury Bills:** U.S. Treasury Bills which are short-term, direct obligations of the U.S. Government issued with original maturities of 13 weeks, 26 weeks and 52 weeks; sold in minimum amounts of \$10,000 in multiples of \$5,000 above the minimum. Issued in book entry form only. T-bills are sold on a discount basis.
- **U.S. Government Agencies:** Instruments issued by various US Government Agencies most of which are secured only by the credit worthiness of the particular Agencies.
- **Yield:** The rate of annual income return on an investment, expressed as a percentage. It is obtained by dividing the current dollar income by the current market price of the security.
- **Yield to Maturity:** The rate of income return on an investment, minus any premium or plus any discount, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond, expressed as a percentage.
- **Yield Curve:** The yield on bonds, notes or bills of the same type and credit risk at a specific date for maturities up to thirty years.

**TO:** EXECUTIVE COMMITTEE **EC Meeting: 05-16-2024**  
**FROM:** TIFFANY BURAGLIO, Executive Assistant/Management Analyst **Item: 3J**  
**SUBJECT: CONFLICT OF INTEREST POLICY UPDATE**

**RECOMMENDATION**

Approval of the JPA Conflict of Interest Policy with no amendments.

**BACKGROUND**

Human Resources Policies and Procedures underwent a comprehensive rewrite in 2021 and were approved at the November 2021 meeting. At that time, staff identified that the Finance, Administrative and Board policies would be separated, reformatted, and updated. These policies will be presented as a comprehensive document at a later date.

Government Code Section 87300, et seq. requires every local agency to review their Conflict of Interest code and to either amend the code if necessary or report that no amendment is necessary every even-numbered year. Staff is removing the Conflict of Interest policy from the rest of the Finance and Operations policies for review per legislative requirement. This proposed amendment would be for the 2024 year, and the next review would be scheduled prior to June 1, 2026.

**ANAYLSIS**

The JPA positions listed in the current policy will be required to submit the Form 700 disclosure report. The JPA will continue compliance as changes occur in Board Members, staff and key consultants.

**FISCAL IMPACT**

There are no fiscal impacts.

## **Conflict of Interest Policy – June 2020**

### **Definition**

The Political Reform Act of 1974 (Government Code) requires state and local government agencies to adopt and promulgate Conflict of Interest Codes.

The Fair Political Practices Commission has adopted a regulation that contain the terms of a standard Conflict of Interest Code and can be incorporated by reference in an agency's code.

The terms of 2 California Code Regulations Section and any amendments duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. These regulations and the attached appendix, designating officials and employees and establishing disclosure categories, shall constitute the Conflict of Interest Code of the Regional Government Services Joint Powers Authority.

Designated officials and employees shall file statements of economic interests with the Regional Government Services Authority who will make the statements available for public inspection and reproduction (Gov. Code Section 81008.) The Secretary will retain statements for all designated officials and employees.

The Government Code requires every local agency to review their conflict of interest code and to either amend the code if necessary or report that no amendment is necessary every even-numbered year.

### **Designated officers and employees**

Position	Disclosure Category
Board Directors, Alternates, and Executive Committee Members	1
Executive Director/Chief Financial Officer	1
General Counsel	1
Department Directors	1
Consultants*	1

\*Consultants shall be included in the list of designated officials and employees and shall disclose pursuant to the broadest disclosure category in the Code subject to the following limitation:

### **Consultant determination**

The Chief Executive Officer, or designee, may determine in writing on a case by case basis that a particular consultant, although a designed position, is hired to perform a range of duties that is limited in scope and thus does not require compliance, or full compliance with disclosure requirements. Any such written determination shall include a description of the consultant's

duties and a statement as to the extent of disclosure requirements. The Chief Executive Officer may determine whether a contract consultant constitutes a consultant as defined in the Political Reform Act. The Chief Executive Officer's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

Disclosure Category 1

Persons in this category must disclose all investments and business positions in business entities, doing business in, and sources of income and interests in real property, in the state in which the Authority operates.

**TO:** EXECUTIVE COMMITTEE **EC Meeting: 2024-05-16**  
**FROM:** DEONA KNIGHT, HR Manager **Item: 3K**  
**SUBJECT: UPDATE TO LEAVE ADMINISTRATION SECTION OF HUMAN RESOURCES  
POLICIES**

**RECOMMENDATION**

Approve an addition to the RGS Human Resources Policies, Section D., Leave Administration.

**BACKGROUND**

RGS offers various leave benefits to employees based on the employee’s benefit classification. On January 1, 2024, RGS implemented a Paid Time Off program for those employees who work an average of 20 hours or more per week based on an annual look-back basis. This leave program meets the January 1, 2024, updated requirements of the Healthy Workplace Healthy Family Act and provides additional leave flexibility for the employee.

Staff is proposing inserting following language as the third leave item described in Section D, Leave Administration:

“A variable intermittent employee may receive PTO if worked time averages 20 or more hours per week on an annual look-back basis. Eligible employee will be provided with 40 hours of Paid Time Off (PTO) which is front-loaded each January 1. Any PTO hours in an employee’s PTO bank, not used by December 31 of the same year, will be cashed out at the employee’s current rate of pay during the first paycheck of January. Employee receiving PTO is not eligible to accrue sick leave.

If during a measurement period, the employee’s weekly average hours reduce below 20 hours per week, then employee will no longer be eligible for PTO and will begin accruing Paid Sick Leave hours in the following calendar year based on the requirements of the Healthy Workplaces, Healthy Families Act.”

**FISCAL IMPACT**

No fiscal impact resulting from approving this policy. Cost of leave as required by HWHFA is already built into bill rates for services.

**TO:** EXECUTIVE COMMITTEE  
**FROM:** LINDSAY RICE, Accounting Manager  
**SUBJECT:** PRELIMINARY FINANCIAL PERFORMANCE

**EC Meeting: 05-16-2024**  
**Item: 4A**

### **RECOMMENDATION**

Review preliminary financial reports for FY23-24 through March 2024.

### **REPORT NOTATIONS**

All reports are draft and unaudited. Accruals for earned but not paid vacation leave time are posted to the financials monthly. When cash is received on an advanced billing, it is posted to the deferred revenue liability account. Upon invoicing for services rendered the deferred revenue is adjusted and revenue is recognized. There is no impact on net position of the agency.

### **FISCAL YEAR 23-24**

For the month of March 2024, the JPA had a net gain of \$203,381 bringing the year-to-date net income to \$580,678. March has been the most profitable month for the JPA this fiscal year since August. Client billings are the highest they have been by \$40,000.

### **FYTD23-24 ACTUAL VERSUS FY23-24 BUDGET:**

#### REVENUE

- RGS client billing revenue is budgeted for \$18,260,233. Through nine months (75%), client billing revenue is \$1.4M over the year-to-date budget amount, totaling \$15.1M or 83% of the annual budgeted amount.
- Interest earnings are currently \$32,770 and exceed the year-to-date budget by \$6,520.

#### EXPENDITURE

- Expenses through March total \$17.4M or 79% of the annual budget amount. Expenses for the JPA are averaging \$1.9M per month. March expenses for the JPA are below average at \$1.8M.
- As of October, the CalSAWS included vacation accrual liability will no longer accrue as CalSAWS will reimburse RGS directly for vacation cashouts. This was previously accrued in salaries-nonbillable.
- In January, a new Paid Time Off leave program was accounted for in salaries-nonbillable which has increased the line-item by \$5k year-to-date but will decrease as PTO is used.
- Life Insurance exceeds budget as of March due to an over accrual correction but will be in line with budget after a year-end adjustment.
- Both legal services, which include Meyers Nave and general legal services, and legal litigation which are CalPERS related items, are over budget by \$33,000 and \$115,000 respectively for the year. Increased PERS activity August through October lead to a significant increase in expense.
- Bank fees have exceeded the budget for the year by \$7,621 as the JPA had \$6,000 in one-time fees for the line of credit obtained from Five Star Bank in August. This line of credit is to be used as a backstop for the JPA while fulfilling payment obligations to CJPIA.
- Publications, travel, mileage, and meal reimbursement are over budget amounts, but these expenses are largely billable.
- Technology related costs will increase towards the end of the fiscal year as annual payments for software licensing are processed. As of March, this line item is \$76,000 under the year-to-date budget with expenses expected to increase in Q4 as implementation nears.

#### OUTCOME



- A conservative net gain of \$28,010 is projected for the fiscal year. The year-to-date net income of \$580,678 is 2,073% of the budgeted amount. An increase in clients, service lines, and training academies over the last fiscal year and into the current fiscal year have put RGS in a solid financial position. Client Expense Reimbursement income has decreased by \$1M or 27% since last year due to the anticipated decrease in CalSAWS subcontractor operations.

**FY23-24 VERSUS FY22-23:**

- Total budgeted revenue is projected to decrease by 3% from projected FY22-23 revenue totals. Underlying the decrease is a reduction of CalSAWS subcontracting operations as the program moves from implementation into the next planned project maintenance phase. Included in the FY23-24 overall budgeted amount is the continued growth of emerging service lines, CPI increases on existing services, and continued growth in core services. The strong growth is also expected to generate replacement work for normally expiring contracts.
- Client billing revenue grew by \$1.8M or 14% when comparing year-to-date totals March 2024 to March 2023. This is due to several continuing factors that include: an increase in clients, new service lines, training seminar revenue, and an increase in public service staffing/consultant needs due to COVID and labor trends.
- Payroll and employee benefits make up the most expenses. For the fiscal year, at March 2024 payroll and benefits have increased by \$910,000 or 7% when compared to March 2023. The JPA headcount has increased by 13 employees or 7% when comparing the two periods.
- Travel, mileage, supplies & meal reimbursement expenses in FY2023-2024 continue to be ahead of expenses for FY2022-2023 as expected due to increased travel. Through March 2024, totals for the three expense categories are \$368,557 compared to \$233,326 in March 2023. The majority of these expenses are billable to clients.
- The client pass-through expenses reflect the CalSAWS consultant costs which are billed to the client at a markup. These expenses were anticipated to decrease through FY23-24 as the program enters a maintenance phase. Comparing totals in March 2024 to that of March 2023, there has been a decrease of \$859,000 or 26%. This is \$95,500 on average per month.

**SERVICE LINE PROFITABILITY:**

Direct service line administrative expenses are charged as operating expenses to each P&L. Overall JPA administrative expense is allocated as other expenses below the operating expense line.

PRELIMINARY FY23-24 SERVICE LINE REVENUE

Contract Staff	13,175,854	Public Works	111,124
Finance	1,614,568	Misc Billings <sup>2</sup>	109,006
HR	1,249,371	Land Use Services <sup>1</sup>	93,465
Economic Development	560,938	Transparent Gvt <sup>3</sup>	90,962
Recruiting	299,216	Agency Admin <sup>4</sup>	92,905
Comm & Engagement	274,252	Org Development	24,592
Training	242,182		
<b>Total Preliminary FY23-24 Service Line Revenue</b>			<b>17,938,435</b>

<sup>1</sup> Land Use Services was formerly known as Planning.

<sup>2</sup> Misc Billing consists of the following services lines: Emergency Management, Public Safety, Risk Management, and Outreach

<sup>3</sup> Transparent Gvt was formerly known as Clerk Services.

<sup>4</sup> Agency Admin includes income from MSS, STARS, Municipal Dental Pool, purchasing card rebates, ERC refund, and the CJPIA adjustment.

**RESERVES:**

- Reserve policy is illustrated in the table below.

RESERVES	Current Target Balances	FYE22 Audited Retained Earnings	FYE23 Audited Retained Earnings	<b>FY24 Projected Retained Earnings</b>
Operating	\$2,300,000	\$421,184	\$1,331,072	\$1,613,424
Claims	\$590,000	\$590,000	\$590,000	\$590,000
Bonus	\$590,400	\$590,400	\$590,400	\$590,400
Totals	<b>\$3,480,400</b>	<b>\$1,601,584</b>	<b>\$2,511,472</b>	<b>\$2,793,824</b>

# Regional Government Services Profit & Loss Budget vs. Actual

July through March 2024

Accrual Basis

	<u>Jul - Mar 24</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>440301 · Client Billings</b>	15,122,933	18,260,233	(3,137,300)	83%
<b>440400 · Admin Services</b>				
<b>440402 · MSS</b>	9,000	5,000	4,000	180%
<b>440403 · Muncipal Dental Pool</b>	55,541	62,000	(6,459)	90%
<b>440404 · STARS</b>	14,865	20,000	(5,135)	74%
<b>Total 440400 · Admin Services</b>	79,406	87,000	(7,594)	91%
<b>480000 · Miscellaneous Income</b>				
<b>480100 · Client Expense Reimbursement</b>	2,722,595	3,787,114	(1,064,519)	72%
<b>480200 · Purchasing Card Rebate</b>	2,825	5,000	(2,175)	57%
<b>480900 · Other</b>	10,674	-	10,674	100%
<b>Total 480000 · Miscellaneous Income</b>	2,736,095	3,792,114	(1,056,019)	72%
<b>Total Income</b>	17,938,434	22,139,347	(4,200,913)	81%
<b>Gross Profit</b>	17,938,434	22,139,347	(4,200,913)	81%
<b>Expense</b>				
<b>511010 · Salaries - Regular</b>	10,576,561	13,513,000	(2,936,439)	78%
<b>511072 · Salaries - Nonbillable</b>	91,345	128,000	(36,655)	71%
<b>512002 · Medicare Employer Expense</b>	152,204	198,000	(45,796)	77%
<b>512004 · Employee Assistance Program</b>	-	5,000	(5,000)	0%
<b>512005 · Health Insurance Expense</b>	1,345,976	1,934,300	(588,324)	70%
<b>512006 · Dental Insurance Expense</b>	113,750	138,000	(24,250)	82%
<b>512007 · Vision Insurance Expense</b>	15,529	20,000	(4,471)	78%
<b>512008 · Life Insurance Expense</b>	70,255	12,000	58,255	585%
<b>512009 · Long Term Disability Expense</b>	11,842	17,000	(5,158)	70%
<b>512010 · Stars 457 Expense</b>	-	27,500	(27,500)	0%
<b>512011 · Stars 401A Expense</b>	1,059,814	1,351,300	(291,486)	78%
<b>512014 · Short Term Disability Expense</b>	14,760	16,000	(1,240)	92%
<b>512015 · Unemployment Expense</b>	39,520	50,000	(10,480)	79%
<b>512018 · FSA Health &amp; Day Care Expense</b>	3,419	4,000	(581)	85%
<b>512019 · Employee Expense Allowances</b>	128,017	168,000	(39,983)	76%
<b>512020 · HRA Retirement Benefit Expense</b>	188,458	203,000	(14,542)	93%
<b>520107 · APS (ADP) Payroll Fees</b>	17,873	25,000	(7,127)	71%
<b>520108 · Communications - Agency Expense</b>	4,009	5,000	(991)	80%
<b>520201 · Office Supplies</b>	145	1,000	(855)	14%
<b>520202 · Bank Fees &amp; Services</b>	13,621	6,000	7,621	227%
<b>520204 · Printing &amp; Postage</b>	8,789	11,000	(2,211)	80%
<b>520301 · Audit Services</b>	18,467	18,470	(3)	100%

	<b>Jul - Mar 24</b>	<b>Budget</b>	<b>\$ Over Budget</b>	<b>% of Budget</b>
520302 · Legal Services	63,230	30,000	33,230	211%
520303 · Legal - litigation	280,565	166,000	114,565	169%
520314 · Administrative Services	9,394	10,000	(606)	94%
520320 · Professional Services	12,657	35,000	(22,343)	36%
520501 · Professional Dues & Membership	54,533	70,300	(15,767)	78%
520502 · Training & Development	13,370	48,000	(34,630)	28%
520503 · Conferences & Outreach	45,165	55,000	(9,835)	82%
520504 · Publications	56,013	45,000	11,013	124%
520505 · Program Hosting Expenses	2,830	6,000	(3,170)	47%
520508 · Licenses & Fees	1,949	2,000	(51)	97%
520509 · Meeting Expenses	-	25,000	(25,000)	0%
520700 · Workers Comp Insurance Expense	25,535	17,000	8,535	150%
520701 · General Liability Insurance Exp	45,181	60,000	(14,819)	75%
520702 · Claims Expense	19,911	19,000	911	105%
520801 · Mileage Reimbursement	54,054	56,000	(1,946)	97%
520803 · Travel Reimbursement	269,450	219,000	50,450	123%
520805 · Supplies & Meals Reimbursement	45,054	36,000	9,054	125%
520904 · Technology, Licensing & Support	73,227	200,000	(126,773)	37%
521001 · Pass through client expenses	2,442,792	3,186,467	(743,675)	77%
522798 · Miscellaneous Expense	-	2,000	(2,000)	0%
560100 · Service Group Admin costs	-	-	-	0%
570100 · Equipment Purchase	1,263	7,000	(5,737)	18%
<b>Total Expense</b>	<b>17,390,527</b>	<b>22,146,337</b>	<b>(4,755,810)</b>	<b>79%</b>
<b>Net Ordinary Income</b>	<b>547,907</b>	<b>(6,990)</b>	<b>554,897</b>	<b>-7838%</b>
<b>Other Income/Expense</b>				
<b>Other Income</b>				
520100 · Investment Income	32,770	35,000	(2,230)	94%
<b>Total Other Income</b>	<b>32,770</b>	<b>35,000</b>	<b>(2,230)</b>	<b>94%</b>
<b>Other Expense</b>				
529997 · Unallocated Admin. Svcs - RGS	(2,256,197)	-	(2,256,197)	100%
529999 · Allocated Unbillable Expenses	2,256,197	-	2,256,197	100%
<b>Total Other Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0%</b>
<b>Net Other Income</b>	<b>32,770</b>	<b>35,000</b>	<b>(2,230)</b>	<b>94%</b>
<b>Net Income</b>	<b>580,677</b>	<b>28,010</b>	<b>552,667</b>	<b>2073%</b>

**Regional Government Services**  
**Balance Sheet**  
As of March 31, 2024

**Accrual Basis**  
**Mar 31, 24**

**ASSETS**

**Current Assets**

**Checking/Savings**

110030 · LAIF Account	661.85
110080 · US Bank Worker Comp Checking	2,822.65
111100 · Five Star - Checking	301,394.32
111110 · Five Star - Money Market	2,103,079.74

**Total Checking/Savings** 2,407,958.56

**Accounts Receivable**

131130 · Accounts Receivable	2,788,972.52
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**Total Accounts Receivable** 2,788,972.52

**Other Current Assets**

120005 · Prepaid Expenses	176,809.41
120010 · Prepaid Insurance	46,053.10
120100 · FSA Funding Deposit	4,527.70
131131 · Accounts Receivable - Misc	81,245.58

**Total Other Current Assets** 308,635.79

**Total Current Assets** 5,505,566.87

**TOTAL ASSETS** 5,505,566.87

**LIABILITIES & EQUITY**

**Liabilities**

**Current Liabilities**

**Accounts Payable**

220010 · Accounts Payable	274,509.67
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**Total Accounts Payable** 274,509.67

**Other Current Liabilities**

220012 · Accounts Payable - Misc.	2,844.07
221003 · 457/401A Retirement Liability	107,731.03
221006 · FSA Liability	7,154.68
221011 · Calpers Retirement Liability	2.88
221015 · Health Insurance Liability	90,715.37
221016 · Long Term Disability Liability	1,708.56
221017 · Short Term Disability Liability	2,056.96
221023 · Dental Insurance Liability	-1,092.61
221024 · Vision Insurance Liability	-375.12
221025 · Life Insurance/AD&D Liability	64,642.04

	<b>Mar 31, 24</b>
221026 · Child Support IWO	3,976.65
221029 · Garnishments	-2,836.13
230060 · Accrued Salaries, Wages & Taxes	468,877.53
230062 · Compensated Absences - RGS	187,174.14
240010 · Deferred Revenue	128,609.84
<b>Total Other Current Liabilities</b>	<b>1,061,189.89</b>
<b>Total Current Liabilities</b>	<b>1,335,699.56</b>
<b>Long Term Liabilities</b>	
260005 · Health Reimbursement Account	65,457.00
260006 · IBNR - GL	25,000.00
260012 · Due to CJPIA	987,260.27
<b>Total Long Term Liabilities</b>	<b>1,077,717.27</b>
<b>Total Liabilities</b>	<b>2,413,416.83</b>
<b>Equity</b>	
32000 · Retained Earnings	1,619,453.92
370000 · Fund Bal Unreserved/Unrestrictd	892,019.16
<b>Net Income</b>	<b>580,677.56</b>
<b>Total Equity</b>	<b>3,092,150.64</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>5,505,567.47</b>

**TO:** EXECUTIVE COMMITTEE  
**FROM:** SOPHIA SELIVANOFF, Executive Director  
**SUBJECT:** AUDIT OF FISCAL YEAR ENDING JUNE 30, 2023

**EC Meeting: 05-16-2024**  
**Item: 4B**

**RECOMMENDATION**

Approval of Fiscal Year 2022-2023 audited financial statements.

**BACKGROUND**

The Pun Group is the JPA’s auditor and FY22-23 is the third year in which they have performed the JPA audit.

**RESULTS**

The final report was completed on March 29, 2024 and is included for your review.

FY22-23 operating revenue and expenses continued their year-over-year growth. Total revenue was up \$2,346,503 or 10.8% compared to the prior fiscal year. Revenues were \$866,590 or 3.7% over budget, reflecting continued growth for advisory services in addition to consistent RGS services to the California Statewide Automated Welfare System (CalSAWS), the Authority’s largest client. Aligned with the JPA business model, all revenue growth has corresponding salary and benefit expense increases as well.

Net income for the year was \$909,888, reflecting profitable operating activities. In addition to revenue growth, several year-end adjustments resulted in a favorable increase in net position: liabilities were reduced by \$500,642 to a claims liability agreement made with CJPIA and an adjustment to CalSAWS compensated absences which was due to a change in the administration of the contract. The net income is up \$29,278 from the prior fiscal year’s income of \$880,610.

As a result of the FY22-23 net income, the JPA’s net position grew from \$1,601,584 at the end of FY21-22 to \$2,511,472 as of June 30, 2023. The allocation of the net position is as follows:

<b>RESERVES</b>	<b>Current Target Balances</b>	<b>FYE22-23 Audited Retained Earnings</b>
Operating	\$2,300,000	\$1,331,072
Claims	\$590,000	\$590,000
Bonus	\$590,400	\$590,400
<b>Total</b>	<b>\$3,480,400</b>	<b>\$2,511,472</b>

# **Regional Government Services Authority**

Carmel Valley, California

## **Basic Financial Statements and Independent Auditors' Report**

*For the Years Ended June 30, 2023 and 2022*





**Regional Government Services Authority**  
**Basic Financial Statements**  
**For the Years Ended June 30, 2023 and 2022**

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## INDEPENDENT AUDITORS' REPORT



Board of Directors  
Regional Government Services Authority  
Carmel Valley, California

### Opinion

We have audited the accompanying financial statements of the of Regional Government Services Authority (the "Authority"), which comprise of the statements of net position as of June 30, 2023 and 2022, and the related statements of revenues, expenses, and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority, as of June 30, 2023 and 2022, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Santa Ana, California  
March 29, 2024

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of the Regional Government Services Authority (the "Authority" or "RGS") financial performance provides an overview of the Authority's financial activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the Authority's financial statements which follow this section.

### FINANCIAL HIGHLIGHTS

- In the fiscal year ended June 30, 2023, the Authority's net gain of \$909,888 compares favorably to the Authority's gain of \$880,610 in the prior fiscal year and exceeds the budgeted gain of \$501,000.
- Charges for services increased 10.8% in fiscal year 2022-23 as compared to fiscal year 2021-22. Correspondingly, operating expenses increased 11.0% to provide those services.
- For the twelve months ending June 30, 2023, revenues were \$866,590 (3.7%) over budget, reflecting continued growth for advisory services in addition to the growth of RGS services to the California Statewide Automated Welfare System (CalSAWS), the Authority's largest client.
- In addition to revenue growth, several year-end adjustments resulted in a favorable increase in net position: liabilities were reduced by \$500,642 to a claims liability agreement made with CJPIA and an adjustment to CalSAWS compensated absences which was due to a change in the administration of the contract.

### OPERATIONAL HIGHLIGHTS

- The Authority's expanding services now number sixteen: Communications & Engagement, Classification and Compensation, Disability and Leave Management, Economic Development, Emergency Management Services, Finance, Groundwater Sustainability Agency Management, Human Resources, NeoGov Support Services, Land Use Planning, Payroll, Pooled Programs, Recruitment, Training and Development, Transition Management, and Transparent Government.
- RGS provides agency administration for unstaffed JPA's including three Groundwater Sustainability agencies, two Interoperability agencies, and CalSAWS plus marketing functions for the STARS program (401a and 457b Plans); and financial and support functions for the Municipal Dental Pool and the Municipal Shared Services (MSS), a non-profit, tax-exempt benefit corporation.
- The investments in JPA resources results in lower operating costs, improved reporting and controls, and increased capacity to take on additional client work and new client services.
- The Authority continues to review its remaining technology needs, including improving the cost model, enhancements to financial and time recording data gathering and reporting, and better utilization of social media platforms and customer relations management software. The JPA will be implementing Professional Services Automation (PSA) software in fiscal year 2024-25 which will combine its current timekeeping and accounting functions into an integrated project management-based system.
- The Authority has administrative personnel, technical infrastructure, internal processes, and outreach activities in place to control costs and grow RGS services revenue.

## **USE OF FINANCIAL STATEMENTS TO ANALYZE THE AUTHORITY'S CONDITION**

Financial statements can be used to answer the question, "Is an agency better off or worse off as a result of this year's activities?" The financial statements report information about the Authority's activities in a way that helps answer this question. The statements are prepared on the accrual basis of accounting, which means that all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. An explanation of each of the statements and the information they report follows.

### **THE STATEMENT OF NET POSITION**

The Statement of Net Position details the Authority's assets, liabilities, and the difference between them, known as net position, for fiscal years, June 30, 2023, June 30, 2022, June 30, 2021, and June 30, 2020. The level of net position is one way to measure the Authority's financial health. Over time, increases or decreases in the Authority's net position are one indicator of whether its financial health is improving or deteriorating.

### **THE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

The Statement of Revenues, Expenses and Changes in Net Position presents information which shows how the Authority's net position changed during the fiscal year. The statement measures the success of the Authority's operations during the year and determines whether the Authority has recovered its costs through user fees, its only revenue source other than nominal interest earnings and client reimbursements.

### **THE STATEMENT OF CASH FLOWS**

The Statement of Cash Flows provides information regarding the Authority's cash receipts and disbursements during the fiscal years. Cash activity is grouped in the following two categories: operations and investing. These statements differ from the Statements of Revenues, Expenses and Changes in Net Position, because they only account for transactions that result in cash receipts or disbursements. For example, the amount shown as receipts from customers on the first line of the statements represents cash received during the fiscal year, rather than revenue earned.

### **THE NOTES TO FINANCIAL STATEMENTS**

The Notes to Financial Statements provide a description of accounting policies used to prepare the financial statements and present material disclosures required by generally accepted accounting principles of the United States that are not otherwise present in the financial statements.

## FINANCIAL ANALYSIS

### NET POSITION

The Authority's net position as of June 30, 2023, totaled \$2,511,472 compared with \$1,601,584 at June 30, 2022 and \$720,974 at June 30, 2021. A summary of the Authority's asset, liability and net position balances at the end of the current and prior fiscal years appears on the following chart.

	2020	2021	2022	2023	Change	Percent Change
Current Assets	\$3,224,023	\$4,010,274	\$5,011,972	\$5,421,219	\$409,247	8.2%
Current Liabilities	641,146	1,192,421	1,289,572	2,086,832	797,260	61.8
Non-Current Liabilities	2,439,524	2,096,879	2,120,816	822,915	-1,297,901	-61.2
Total Liabilities	3,080,670	3,289,300	3,410,388	2,909,747	-500,641	-14.7
Net Position						
Unrestricted	143,353	720,974	1,601,584	2,511,472	909,888	56.8

Within Current Assets, the cash and cash equivalents balance of \$1,886,562 was down \$188,772 from the balance at the end of the prior year. Accounts receivable grew \$500,444 and reflects typical billing and client payment cycle fluctuations. The Authority invested surplus cash in a Money Market account at the Community Bank of the Bay, the Local Agency Investment Fund, a governmental investment pool managed and directed by the California State Treasurer, and in the Investment Trust of California (CalTRUST), a public joint powers authority formed to pool and invest the funds of public agencies.

Current liabilities increased by \$797,260. The increase is due to accrued payable and related liabilities and vacation liability.

Non-current liabilities decreased by \$1,297,901. The decrease is due to adjustments to vacation liability and the CJPIA claims liability.

### REVENUES, EXPENSES AND CHANGES IN NET POSITION

Operating revenue and expenses continued their year-over-year growth. Operating expenses include all costs related to payroll and employee benefits, as well as general and administrative expenses. Professional services expense growth reflects a client's use of independent contractors, for which the Authority is reimbursed. The fiscal year 2022-23 Administrative costs were suppressed by long term liability adjustments at year end. Administrative costs increased by 120.9% due to increased travel post-covid, bad debt expense, initiation of the PSA implementation process and insurance related costs. Historically, the JPA's experience is that operating revenue and expense growth are directly linked.



The following table summarizes the Authority’s Statement of Revenues, Expenses and Changes in Net Position for the current and prior fiscal years:

	2020	2021	2022	2023	Change	Percent Change
<b>Operating Revenues:</b>						
Charges for services	\$ 13,195,143	\$ 17,483,143	\$ 21,716,087	\$ 24,062,590	\$ 2,346,503	10.8%
Insurance recovery			65,894			
<b>Total Operating Revenues</b>	<b>13,195,143</b>	<b>17,483,143</b>	<b>21,781,981</b>	<b>24,062,590</b>	<b>2,280,609</b>	<b>10.5</b>
<b>Operating Expenses:</b>						
Salaries and benefits	10,300,415	12,580,672	15,335,925	17,422,380	2,086,455	13.6
Professional services	2,329,567	4,275,453	5,048,833	4,663,185	-385,648	-7.6
Administration	674,817	54,051	500,418	1,105,374	604,956	120.9
<b>Total Operating Expenses</b>	<b>13,304,799</b>	<b>16,910,176</b>	<b>20,885,176</b>	<b>23,190,939</b>	<b>2,305,763</b>	<b>11.0</b>
Operating Income (Loss)	-109,656	572,967	830,911	871,651	-25,154	-2.8
<b>Non-Operating Revenues</b>						
Investment income	26,276	4,654	-16,195	38,237	54,432	336.1
Change in net position	-83,380	577,621	880,610	909,888	29,278	3.3
Beginning Net Position	226,733	143,353	720,974	1,601,584	880,610	
Ending Net Position	\$ 143,353	\$ 720,974	\$ 1,601,584	\$ 2,511,472	\$ 909,888	56.8%

## CAPITAL ASSETS

On June 30, 2023, the Authority had no capital assets, no depreciation expenses, and no plans to acquire capital assets in the future.

## ECONOMIC FACTORS AND BUDGET

The Authority is a unique government agency in that it is 100% fee-for-service driven and that it provides general and administrative services to public agencies and their non-profit partners. How RGS can be of value to local governments varies from agency to agency, and it has been a market needs-based approach that has led to the Authority’s expanding service offerings. Agencies use the Authority’s services when they determine it is in their best interest to do so. Because financial pressures on local governments are cyclical but ever increasing, the demand for RGS services is expected to vary, but generally to increase over time as long as those services are relevant to and cost effective for local governments. Prior investment in shared financial software is enabling RGS to provide full financial services to several government agencies, with several additional agencies considering using the platform. Investment in the RGS training program is expected to enable RGS to offer additional academies this fiscal year. Other investments in staffing are expected to contribute to the JPA’s long-term fiscal health.

The Authority's governing bodies – its Board of Directors and committees – guide and ensure that the Authority stays current with its mission to serve local agencies in a fiscally sustainable manner. The Authority's growth over the last 20 years has seen over 483 client agencies served since inception, including 102 over the course of the last fiscal year. This growth and client loyalty is confirmation of the value of the Authority's mission. There have been and will continue to be challenges which will require adjustments and investments in the Authority's capacity. Fiscal year 2022 was a year of continued growth in the number of partner agencies served, as well as the range of service offerings. RGS continued to invest in its capacity to improve existing services as well as develop new ones by hiring committed and professional staff who have an interest in the Authority's mission. The Authority has also continued to invest in RGS sponsorship of local agency trade groups and professional organizations as well as outreach so that more cities, special districts and joint powers authorities know of RGS' services and value. RGS continues to increase training and professional development of RGS Advisors and core administrative staff so that the Authority's workforce remains highly skilled and relevant.

The fiscal year 2023-24 budget reflects a stable base of large partner agencies, some growth in advisory and consulting services, continued investments in conference and sponsorship activities, and the careful monitoring and adjustments to the amount charged for services. The fiscal year 2023-24 financial performance is expected to show a net income of \$28,010 as the JPA continues to absorb legal and administrative costs associated with CalPERS' increased involvement in local government operations.

The Regional Government Services Authority is constantly striving to be a valuable partner to the local government community through innovation and excellent customer service. With the continued contributions from staff, Board of Directors/Executive Committee Members, and client agencies, it will remain a valuable public asset long into the future. The Strategic Plan adopted by the governing body in fiscal year 2020-21 will guide the Authority as it strives to meet its strategic objectives and accomplish its mission.

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## **BASIC FINANCIAL STATEMENTS**

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**Regional Government Services Authority**  
**Statements of Net Position**  
**June 30, 2023 and 2022**

	2023	2022
<b>ASSETS</b>		
Current assets:		
Cash and investments	\$ 1,886,562	\$ 2,075,334
Accounts receivable	3,348,768	2,848,324
Due from other agencies	158	8,282
Prepaid expenses	185,731	80,032
Total current assets	5,421,219	5,011,972
<b>Total assets</b>	5,421,219	5,011,972
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	491,743	441,212
Accrued payroll and related liabilities	723,573	561,102
Unearned revenue	73,600	22,894
Compensated absences, due in one year	47,916	264,364
Retrospective contributions payable, due in one year	500,000	-
Total current liabilities	1,836,832	1,289,572
Noncurrent liabilities		
Compensated absences, due in more than one year	47,916	264,364
Claims payable	25,000	25,000
Retrospective contributions payable, due in more than one year	1,000,000	1,831,452
Total noncurrent liabilities	1,072,916	2,120,816
<b>Total liabilities</b>	2,909,747	3,410,388
<b>NET POSITION</b>		
Unrestricted	2,511,472	1,601,584
<b>Total net position</b>	\$ 2,511,472	\$ 1,601,584

**Regional Government Services Authority**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**For the Years Ended June 30, 2023 and 2022**

	2023	2022
<b>OPERATING REVENUES:</b>		
Charges for services	\$ 24,062,590	\$ 21,716,087
Insurance Recovery	-	65,894
<b>Total operating revenues</b>	<b>24,062,590</b>	<b>21,781,981</b>
<b>OPERATING EXPENSES:</b>		
Salaries and benefits	17,422,380	15,335,925
Professional services	4,663,185	5,048,833
Administration	1,105,374	500,418
<b>Total operating expenses</b>	<b>23,190,939</b>	<b>20,885,176</b>
<b>OPERATING INCOME</b>	<b>871,651</b>	<b>896,805</b>
<b>NONOPERATING REVENUES (LOSS):</b>		
Investment income (loss)	38,237	(16,195)
<b>Total nonoperating revenues (loss)</b>	<b>38,237</b>	<b>(16,195)</b>
<b>NET INCOME</b>	<b>909,888</b>	<b>880,610</b>
<b>NET POSITION:</b>		
Beginning of year	1,601,584	720,974
End of year	<b>\$ 2,511,472</b>	<b>\$ 1,601,584</b>

**Regional Government Services Authority**  
**Statements of Cash Flows**  
**For the Years Ended June 30, 2023 and 2022**

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers for services performed	\$ 23,620,976	\$ 20,915,088
Cash paid to supplier for goods and services	(6,155,179)	(5,511,840)
Cash paid to employees for services	(17,692,806)	(15,178,894)
<b>Net cash provided by (used in) operating activities</b>	<b>(227,009)</b>	<b>224,354</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Investment earnings (losses)	38,237	(16,195)
<b>Net cash provided by (used in) investing activities</b>	<b>38,237</b>	<b>(16,195)</b>
<b>Net change in cash and cash equivalents</b>	<b>(188,772)</b>	<b>208,159</b>
<b>CASH AND CASH EQUIVALENTS:</b>		
Beginning of year	2,075,334	1,867,175
End of year	<b>\$ 1,886,562</b>	<b>\$ 2,075,334</b>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>		
Operating income	\$ 871,651	\$ 896,805
Adjustments to reconcile operating income to net cash provided by (used in) operating activities		
Changes in assets and liabilities:		
Accounts receivable	(500,444)	(797,565)
Due from other agencies	8,124	(677)
Prepaid expenses	(105,699)	4,703
Accounts payable	50,531	536
Accrued payroll and related liabilities	162,471	41,713
Unearned revenue	50,706	(2,757)
Claims payable	-	(50,000)
Retrospective contributions payable	(331,452)	16,278
Compensated absences	(432,897)	115,318
<b>Total adjustments</b>	<b>(1,098,660)</b>	<b>(672,451)</b>
<b>Net cash provided by operating activities</b>	<b>\$ (227,009)</b>	<b>\$ 224,354</b>



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**Regional Government Services Authority**  
**Notes to Basic Financial Statements**  
**For the Years Ended June 30, 2023 and 2022**

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**Note 1 – Summary of Significant Accounting Policies**

**A. Reporting Entity**

The Regional Government Services Authority (the “Authority”) is an independent administrative and fiscal government agency whose purpose is to provide services for public agencies and other non-profit entities at reduced net costs. The Authority was established by a Joint Powers Agreement on March 2001, under the provisions of the Joint Exercise of Powers Act of the Government Code of the State of California.

Members of the Authority include the City of Soledad, the City of Larkspur, the City of Napa, the Town of Yountville, the City of Walnut Creek, the Citrus Heights Water District, and the City of Dublin. A seven-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.

**B. Basis of Presentation**

The basic financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”). The Authority is accounted for as an enterprise fund and its financial statements are prepared using the economic measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when liabilities are incurred, regardless of the timing of related cash flows. Operating revenues and expenses generally result from providing services in connection with the Authority’s principal ongoing operations. The principal operating revenue of the Authority are fee for services. Operating expenses of the Authority include the cost of personnel providing the services, administrative expenses, and other professional services. All revenues and expenses not meeting this definition are reporting as nonoperating revenue and expense.

**C. Financial Statements**

The financial statements (i.e., the statement of net position, statement of revenues, expenses, and changes in net position, and statement of cash flows) report information on all the activities of the Authority. The statement of revenues, expenses, and changes in net position demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

**D. Measurement Focus and Basis of Accounting**

The financial statements are reported using the “*economic resources*” measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liability is incurred, regardless of the timing of related cash flows.

The Authority distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the Authority’s principal ongoing operations. The principal operating revenues of the Authority are fee for services. Operating expenses of the Authority include the cost of personnel providing the services, administrative expenses, and other professional services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**E. Use of Restricted/Unrestricted Assets**

When both restricted and unrestricted resources are available for use, it is the Authority’s policy to use restricted resources first, then unrestricted resources as they are needed.

**Regional Government Services Authority**  
**Notes to Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

***F. Cash, Cash Equivalents, and Investments***

The Authority considers all highly liquid investments with a maturity of three months or less when purchased to be cash and cash equivalents.

*Risk Disclosures* – Certain disclosures requirements, if applicable for deposit and investment risk, are specified for the following areas:

- Interest Rate Risk
- Credit Risk
  - Overall
  - Custodial Credit Risk
  - Concentration of Credit Risk

*Investment Valuation* – GASB Statement No. 72, *Fair Value Measurement and Application*, defines fair value, establishes a framework for measuring fair value and establishes disclosures about fair value measurement. Investments, unless otherwise specified, recorded at fair value in the statement of net position, are categorized based upon the level of judgement associated with the inputs used to measure their fair value. Levels of inputs are as follows:

Level 1 – Inputs are unadjusted, quoted prices for identical assets and liabilities in active markets at the measurement date.

Level 2 – Inputs, other than quoted prices included in Level 1, that are observable for the assets or liability through corroboration with market data at the measurement date.

Level 3 – Unobservable inputs that reflect management’s best estimate of what market participants would use in pricing the asset or liability at the measurement date.

***G. Accounts Receivable***

The Authority extends credit to customers in the normal course of operations. All receivables are shown net of an allowance for uncollectible. For the year ended June 30, 2023, a provision has been made to the allowance for uncollectible receivables.

***H. Prepaid Expenses***

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid expenses in the statement of net position.

***I. Compensated Absences***

Vested or accumulate vacation leave are recorded as expenses and liabilities as benefits accrued to employees.

***J. Unearned Revenue***

When the Authority collect fees in advance for services provided to others, these amounts are recorded as unearned revenue on the statement of net position until the respective services have been provided.

**Regional Government Services Authority**  
**Notes to Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

**K. Net Position**

Net position of the Authority includes the following component.

**Unrestricted net position** – This component of net position consists of net position that does not meet the definition of “net investment in capital assets”, or “restricted net position”.

**L. Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**M. Implementation of New GASB Pronouncements**

In May 2020, GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements (GASB Statement No. 96), to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for SBITAs; (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. Under this Statement, a government is required to recognize a subscription liability and an intangible right-to-use subscription asset. The effective date of GASB Statement No. 96 is for fiscal years beginning after June 15, 2022. Implementation of this Statement did not have financial impact on the Authority’s financial statements.

**Note 2 – Cash and Investments**

Cash and investments at June 30, 2023 and 2022 are classified in the accompanying financial statements as follows:

	2023	2022
Demand Deposits	\$ 870,612	\$ 74,817
Investments:		
Money Market Account	153,001	647,297
CalTrust Funds	760,692	1,151,550
Local Agency Investment Fund	102,257	201,670
Total cash and investments	\$ 1,886,562	\$ 2,075,334

**A. Demand Deposits**

As of June 30, 2023, the carrying amount of demand deposits was \$870,612 and the bank balance was \$189,782 compared to \$74,817 and \$84,476 at June 30, 2022, of which the total amount was collateralized or insured with securities held by the pledging financial institutions in the Authority’s name as discussed below under *Disclosures Relating Custodial Credit Risk*.

**Regional Government Services Authority**  
**Notes to Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

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**Note 2 – Cash and Investments (Continued)**

**B. Investments**

Under provisions of the Authority’s investment policy, and in accordance with Section 53601 of the California Government Code, the Authority may deposit and invest in the following:

- Local Agency Bonds
- U.S. Treasury Obligation
- U.S. Agency Securities
- Negotiable Certificates of Deposit
- CalTrust Investment Pool
- Local Agency Investment Fund

**C. CalTrust Investment Pool**

The Authority is a voluntary participant in the Investment Trust of California (CalTrust), a public joint powers authority formed to pool and invest the funds of public agencies. CalTrust invests in fixed income securities eligible for investment pursuant to California Government Code Sections 53601 and 53635. Investment guidelines adopted by the board of Trustees may further restrict the types of investments that are held by the Trust. Leveraging within the Trust’s portfolios is prohibited. The fair value of the Authority’s investment in this pool is reported in the accompanying financial statements at amounts based upon the Authority’s pro-rata share of the fair value provided by CalTrust for the entire CalTrust portfolio (in relation to the amortized cost of that portfolio). As of June 30, 2023 and 2022, the Authority had \$760,692 and \$1,151,550, respectively, invested in CalTrust.

**D. Local Agency Investment Fund**

The Authority is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by Code Section 16429 under the oversight of the Treasurer of the State of California. The Authority’s investments with LAIF at June 30, 2023 and 2022, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

**Structured Notes** – are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or have embedded forwards or options.

**Asset-Backed Securities** – the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2023, the Authority had \$102,257 invested in LAIF, which had invested 2.78% of the pool investment funds in Structured Notes and Asset-Backed Securities as compared to 1.88% in the previous year. The LAIF fair value factor of 0.984828499 was used to calculate the fair value of the investments in LAIF.

As of June 30, 2022, the Authority had \$201,670 invested in LAIF, which had invested 1.88% of the pool investment funds in Structured Notes and Asset-Backed Securities as compared to 2.31% in the previous year. The LAIF fair value factor of 0.987125414 was used to calculate the fair value of the investments in LAIF.

**Regional Government Services Authority**  
**Notes to Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

**Note 2 – Cash and Investments (Continued)**

**E. Fair Value Measurement**

The following is a summary of the fair value hierarchy of investments held by the Authority as of June 30, 2023 and 2022:

	2023	2022
<b>Investment not subject to fair value hierarchy:</b>		
Money Market Account	\$ 153,001	\$ 647,297
CalTrust Funds	760,692	1,151,550
Local Agency Investment Fund	102,257	201,670
Total investments	\$ 1,015,950	\$ 2,000,517

**F. Risk Disclosures**

*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 is to changes in market interest rates. One of the ways that an agency 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.

Investment Type	2023	Maturities
	Fair Value	1 year or Less
Money Market Account	\$ 153,001	\$ 153,001
CalTrust Funds	760,692	760,692
Local Agency Investment Fund	102,257	102,257
Total investments	\$ 1,015,950	\$ 1,015,950

Investment Type	2022	Maturities
	Fair Value	1 year or Less
Money Market Account	\$ 647,297	\$ 647,297
CalTrust Funds	1,151,550	1,151,550
Local Agency Investment Fund	201,670	201,670
Total investments	\$ 2,000,517	\$ 2,000,517

*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. The monies held in the CalTrust and LAIF investment pools are not subject to categorization by risk category. It is also not rated as to credit risk by a nationally recognized statistical rating organization.

**Regional Government Services Authority**  
**Notes to Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

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**Note 2 – Cash and Investments (Continued)**

**F. Risk Disclosures (Continued)**

*Disclosures Relating to Custodial 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 the year ended June 30, 2023 and 2022.

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 government 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 deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2023 and 2022, none of the Authority’s deposits with financial institutions in excess of the Federal insurance limits were held in collateralized accounts.

**Note 3 – Compensated Absences**

Summary of changes in compensated absences for the years ended June 30, 2023 and 2022, were as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due within One Year	Due in More Than One Year
June 30, 2023	\$ 528,728	\$ 481,001	\$ (913,898)	\$ 95,831	\$ 47,916	\$ 47,916
June 30, 2022	413,410	421,625	(306,307)	528,728	264,364	264,364

**Note 4 – Risk Management**

For the year ended June 30, 2023 and 2022, liability and workers’ compensation coverages are purchased from commercial insurance companies.

**Personal Injury and Property Coverage**

Limit: \$5 million in aggregate, \$50,000 per occurrence self-insured retention.

**Non-Owned and Hired Automotive Liability Coverage**

Limit: \$5 million in aggregate, \$50,000 per occurrence self-insured retention.

**Regional Government Services Authority**  
**Notes to Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

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**Note 4 – Risk Management (Continued)**

**Public Officials Errors and Omissions Coverage**

Limit: \$5 million in aggregate, \$50,000 per occurrence self-insured retention.

**Employment Practice Liability Coverage**

Limit: \$5 million in aggregate, \$50,000 per occurrence self-insured retention.

The claims liability for the years ended June 30, 2023 and 2022 was based on actuarial valuation. The schedule below represents changes in claims liabilities for the Authority for the years ended June 30, 2023, 2022, and 2021:

	Beginning Balance	New Claims and Changes in Estimates	Claims Payments	Ending Balance
June 30, 2023	\$ 25,000	\$ -	\$ -	\$ 25,000
June 30, 2022	75,000	32,720	(82,720)	25,000
June 30, 2021	160,500	(61,032)	(24,468)	75,000

**Note 5 – Retrospective Contribution**

The Authority was a member of Municipal Services Authority (MSA), which provided coverage for workers’ compensation, general liability, and errors and omissions. MSA dissolved during fiscal year 2019, and risk for workers’ compensation, general liability, and errors and omissions was assumed by the Authority.

The financial statements reflect the assumption of the retrospective contribution liabilities related to prior participation in California Joint Powers Insurance Authority (CJPIA), a risk sharing pool. These liabilities were previously assumed and reported by MSA, however, were transferred to the Authority after MSA’s dissolution during fiscal year 2019.

The amounts assumed by Authority for the workers’ compensation and general liability programs for the year ended June 30, 2022 were \$148,786 and \$1,682,666, respectively.

The Authority entered an payment agreement with CJPIA on May 24, 2023 to reduce the amount of retrospective contribution liability to \$1,500,000. The payment schedule is as follows:

Date	Principal	Interest Rate	Interest Amount	Total Payment	Outstanding Balance
5/24/2023					\$ 1,500,000
9/1/2023	\$ 500,000	5.00%	\$ 12,740	\$ 512,740	1,000,000
6/1/2024	250,000	5.00%	37,534	287,534	750,000
6/1/2025	250,000	5.00%	37,500	287,500	500,000
6/1/2026	500,000	5.00%	25,000	525,000	-



**Regional Government Services Authority**  
**Notes to Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

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**Note 6 – Employee Retirement Plans**

**A. *Deferred Compensation Plan***

The Authority had 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. However, there is no deferred compensation plan provided by the Authority for the year ended June 30, 2023. Employee contributions to the plan for the years ended June 30, 2023 and 2022 were \$1,365,428 and \$1,043,013, respectively.

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 its deferred compensation plan 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.

**B. *Other Defined Contribution Plans***

The Authority has also established a defined contribution plan in accordance with Internal Revenue Code Section 401(a). The employer contributes 10% of regular salary on behalf of the employee and may contribute an additional amount up to 5% subject to individual employee's 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. Contributions to the plan for the years ended June 30, 2023 and 2022 totaled \$1,383,037 and \$1,188,172 respectively, and were contributed by the Authority.

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 the accompanying financial statements.

**Note 7 – Other Postemployment Benefits**

**A. *Health Reimbursement Account (HRA) Plan***

Effective January 1, 2014, the Authority implemented a Health Reimbursement Account (HRA) plan. Those employees participating in the medical plan are now enrolled in the HRA plan. Employees are separated by tiers and these tiers dictate the amount of annual contributions made by the Authority into the HRA for each individual employee. Contributions are made for all employees at \$250 per quarter. Additionally, select employees are divided into two tiers, the first tier receives a contribution of \$2,500 per year that vests after five years of service and the second tier receives a contribution of \$10,000 per year that vests after ten years of service.

The Authority contracts with MidAmerica Administrative and Retirement Solutions to administer its HRA plan. The Authority funds the Plan fully each year, as vesting and subsequent years of service requirements are met.

**Regional Government Services Authority**  
**Notes to Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2023 and 2022**

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**Note 8 – Commitments and Contingencies**

***A. Litigation***

In the ordinary course of operations, the Authority is subject to other claims and litigation from outside parties. After consultation with legal counsel, the Authority believes the ultimate outcome of such matters, will not materially affect its financial condition.

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**TO:** EXECUTIVE COMMITTEE **EC Meeting: 05-16-2024**  
**FROM:** SOPHIA SELIVANOFF, Executive Director **Item: 6A**  
**SUBJECT: APPROVAL OF ARTIFICIAL INTELLIGENCE POLICY**

**RECOMMENDATION**

Approve artificial intelligence (AI) policy.

**BACKGROUND**

Artificial intelligence is increasingly built into many of the tools we use daily. During the last half of 2023, new and existing generative AI tools became prominent in media discussions of applications and risks. The Executive Director convened a working group with the Administrative Services Manager and Communications & Engagement Service Line Lead to surface and understand AI usage at RGS, provide guidance for appropriate application of these tools, and explore implications for client service delivery.

A specific deliverable for this working group was to prepare an AI policy for RGS. This is a new policy, and is intended for RGS, both in our administrative work and as we engage with deliverables for clients.

**ACTION PLAN**

This policy will become a part of the Finance and Operations Policies document. This policy establishes a framework guiding the ethical and responsible use of AI systems by, or on behalf of, RGS and will be distributed to all employees, as well as incorporated into orientation and training related to RGS automation. It enables RGS to appropriately use AI systems to benefit employees and clients while reducing risks for negative outcomes. Service leaders will be accountable for ensuring that deliverables that use AI are fully vetted before deployment.

The policy will be supported by additional AI administrative procedures and guidance tools/resources to guide staff usage.

**FISCAL IMPACT**

There are no fiscal impacts of approving these policies.

**Policy Title:** Artificial Intelligence Policy  
**Date Adopted:** TBD

## 1. Purpose

Regional Government Services (RGS) recognizes that Artificial Intelligence (AI) tools can enhance service quality and operational efficiency. This policy establishes a framework guiding the ethical and responsible use of AI systems by, or on behalf of, RGS. It enables RGS to use AI systems to benefit employees and clients while safeguarding against potential harm.

## 2. Policy

RGS recognizes the value of AI tools that through thoughtful application can significantly benefit our agency, our clients, and the communities they serve. We are equally mindful of the risks and challenges associated with AI and the potential for unintended consequences. Our goal is to understand AI systems and tools, their ethical and equitable use, and manage associated risks. Our approach to AI adoption is a careful balance between innovation and caution.

This policy encompasses all employees, contractors, and partners of RGS. It covers the use of existing and future AI tools, systems, and platforms, including but not limited to Large Language Models (LLMs), AI-powered plug-ins, and data-driven analytical tools. The scope extends to all operational and decision-making processes within RGS where AI technologies are utilized, ensuring our approach to AI remains human-centered, adaptive, and forward-thinking.

When operating, configuring, purchasing, developing, or maintaining AI systems, RGS will:

- Uphold this AI policy and any other related AI policies and procedures. RGS uses AI to provide comprehensive insights, predictive analysis, and streamlined processes, while human expertise ensures that final decisions are made with compassion, ethical consideration, and a deep understanding of the internal and external communities we serve. RGS will also adhere to all relevant legal frameworks governing AI, including data protection, privacy, and intellectual property laws. Our policy mandates continuous monitoring of the legal landscape to ensure compliance with both local and international AI regulations, safeguarding against legal and ethical risks.
- Conduct AI tool/system reviews to assess potential risk. RGS is committed to utilizing AI responsibly, preventing harm and avoiding facilitation of malicious activities. RGS will provide clear information about how AI is being used within our organization, the data it processes, and the decision-making frameworks it supports.
- Obtain technical documentation about AI tools/systems in use.
- Require AI contractors to comply with established requirements. RGS requires adherence to ethical and legal standards from all third-party AI providers and systems

to safeguard the integrity and respect for individual rights in AI-related activities.

- Follow an Incident Response Plan in the event of an AI tool/system incident.

### **3. Prohibited Uses**

The use of certain AI systems or specific activities using AI systems are prohibited due to the sensitive nature of the information processed and severe potential risk. When using AI systems, RGS employees, contractors and business partners may not:

- Enter or otherwise share personal, confidential or individually identifying health information.
- Use real-time and covert biometric identification or falsification (e.g., facial recognition, voice identification or simulation).
- Use emotion analysis.
- Enable fully automated decisions that do not include meaningful human oversight and substantially impact individuals' legal rights, financial status, employment opportunities, workplace accommodation, disciplinary status, access to essential services, health, safety, or privacy.
- Enable social scoring, or the use of AI systems to track and classify individuals based on their behaviors, socioeconomic status, or personal characteristics.
- Engage in cognitive behavioral manipulation of people.

### **4. AI-Related Definitions**

Artificial Intelligence: "Artificial intelligence" or "AI" is any machine-based system that can, for a given set of human-defined objectives, make predictions, recommendations, or decisions influencing real or virtual environments. Artificial intelligence systems use machine- and human-based inputs to perceive real and virtual environments; abstract such perceptions into models through analysis in an automated manner; and use model inference to formulate options for information or action.

Algorithm: A series of logical steps through which an agent (typically a computer or software program) turns particular inputs into particular outputs.

AI system: Any system, software, sensor, or process that automatically generates outputs including, but not limited to, predictions, recommendations, or decisions that augment or replace human decision-making. This extends to software, hardware, algorithms, and data generated by these systems, used to automate large-scale processes or analyze large data sets.

Cognitive behavioral manipulation of people or specific vulnerable groups: Cognitive behavioral

manipulation refers to AI-driven tools or algorithms designed to influence or alter an individual's decision-making process or belief system. These systems use psychological, behavioral, or emotional data to create targeted strategies that can manipulate thoughts, feelings, or actions, particularly focusing on vulnerable groups or individuals.

Emotion analysis: Computer vision techniques to classify human facial expressions and body language to infer emotions or sentiment (e.g., positive, negative, neutral, happy, angry, nervous).

Personal and medical identifying information: Personal identifying information includes data that identifies an individual personally, such as name, address, email address, social security number, passport number, driver's license number, financial information, and telephone number. Individually identifiable health information includes data related to an individual's physical or mental health condition, provision of health care, or payment for the provision of healthcare that can be linked to a specific individual. This includes medical records, health insurance information, laboratory test results, medical history, and other individually identifiable data collected during the provision of healthcare services.

Real-time and covert biometric identification: The live identification of an individual using technologies including, but not limited to, facial recognition and iris scanning, without that individual's knowledge or meaningful consent.

Social scoring: The use of AI systems to track and classify individuals based on their behaviors, socioeconomic status, or personal characteristics. Refers to artificial intelligence or algorithmic systems that aggregate and interpret an individual's personal data to assign a quantifiable score or rating that ranks them against other individuals and impacts their access to services, opportunities, or societal privileges. These systems are characterized by their use of data related to behavior, preferences, interactions, financial transactions, and other personal attributes which are not directly linked to the application of the score. They can be part of a comprehensive profile that is used to make significant decisions about an individual's rights, opportunities, or social standing.

## **5. Responsibilities of Users**

All RGS employees are responsible for following this policy, as well as any other RGS AI-related policies or procedures.

- RGS employees must notify their supervisor when they are using AI tools or systems for work. Supervisors are responsible for ensuring that staff are properly trained to both use the AI tool and to assess and mitigate potential negative consequences.
- If RGS staff become aware of an instance where an AI system has caused harm, staff must report the instance to both their supervisor and the designated RGS administrative staff member. If RGS employees are harmed, staff must also notify RGS' Human Resources Manager.

- If an AI system operated by RGS or on its behalf ceases to provide a positive utility to RGS' employees, clients, and/or client community, then the use of that AI system must be discontinued. If the abrupt cessation of the AI system would significantly disrupt service delivery, usage of the AI system shall be phased out.
- RGS is subject to the California Public Records Act (CPRA). RGS staff must follow all current procedures for records retention and disclosure of any records associated with AI systems.
- Appropriate remedial measures and corrective action, including termination, will be instituted if prohibited behavior or violations of this policy are found.

## **6. Oversight Roles**

RGS' Executive Director will designate a member of administrative management to develop and enforce such procedures or practices as are needed to:

- Ensure AI systems are used in accordance with this policy and any other RGS policies and procedures.
- Oversee AI enterprise security infrastructure, cybersecurity operations, updating security policies, procedures, standards, guidelines, and policy compliance.
- Notify RGS departments when an update to this policy or any other RGS AI policies or procedures are released.
- Oversee the procurement of AI systems and require vendors to comply with RGS organizational values and policy standards through contractual agreements.
- Consult with RGS' Legal Counsel as needed regarding any legal issues or risks associated with RGS AI systems usage.
- At their discretion, inspect the usage of AI systems and require a department/service line to alter or cease its usage of AI systems or a partner's usage of AI systems on behalf of the department/service line.



**TO:** EXECUTIVE COMMITTEE **EC Meeting: 05-16-2024**  
**FROM:** CHRIS PAXTON, CLIENT RELATIONSHIP MANAGER **Item: 6B**  
**SUBJECT: RECEIVE AND FILE CLIENT SATISFACTION SURVEY PRESENTATION**

**RECOMMENDATION**

Receive and file presentation on initial Client Satisfaction Survey results.

**BACKGROUND**

RGS has had a long-standing goal to create a more intentional approach to customer relations. Data about the customer experience is foundational to building this program. During March and April of 2024, RGS staff developed and distributed our first-ever RGS Client Satisfaction Survey. The inaugural survey was recently constructed and delivered via email to agencies currently under contract for 90 days or more. Over 400 individual client staff contacts received this email, and to date only about 1% have responded. The goal was to reach those individuals who would have personal knowledge of RGS services, billing and contracting. A presentation of the initial results of this simple 5-minute survey are provided for the Executive Committee's information.

**ACTION PLAN**

The goal of this survey is to continue to develop and improve our services to local government agencies, as noted in our strategic plan. While this dataset is not definitive, it does point to several key areas for customer service development, including:

- Nurturing existing relationships
- Focusing outreach based on trusted relationships
- Communicating our service approach effectively to ensure aligned expectations

Further data analysis, program design, and regular reporting regarding customer service is indicated. Staff will report progress at subsequent meetings.

**FISCAL IMPACT**

There is no fiscal impact.



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GOVERNMENT  
SERVICES

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# RGS Client Survey

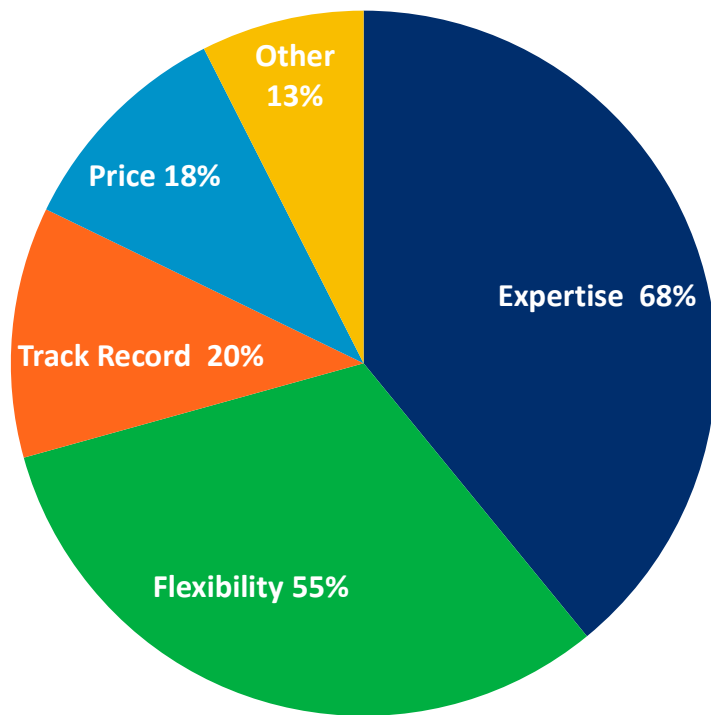
*Initial Data*

## Overview

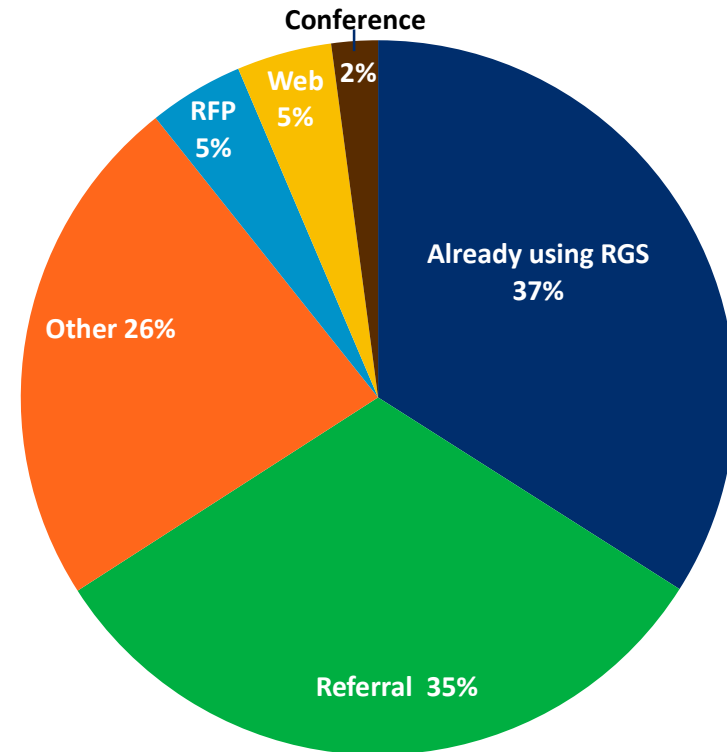
- Collected basic agency information and satisfaction with RGS services
- Included items on a ranking scale and written commentary
- Completed in 5 Minutes
- Distributed to RGS Clients under contract for >90 Days
- Emailed to contacts with knowledge of RGS services, billing, and contracting

## Initial Questions: May 6

Why did you select RGS?

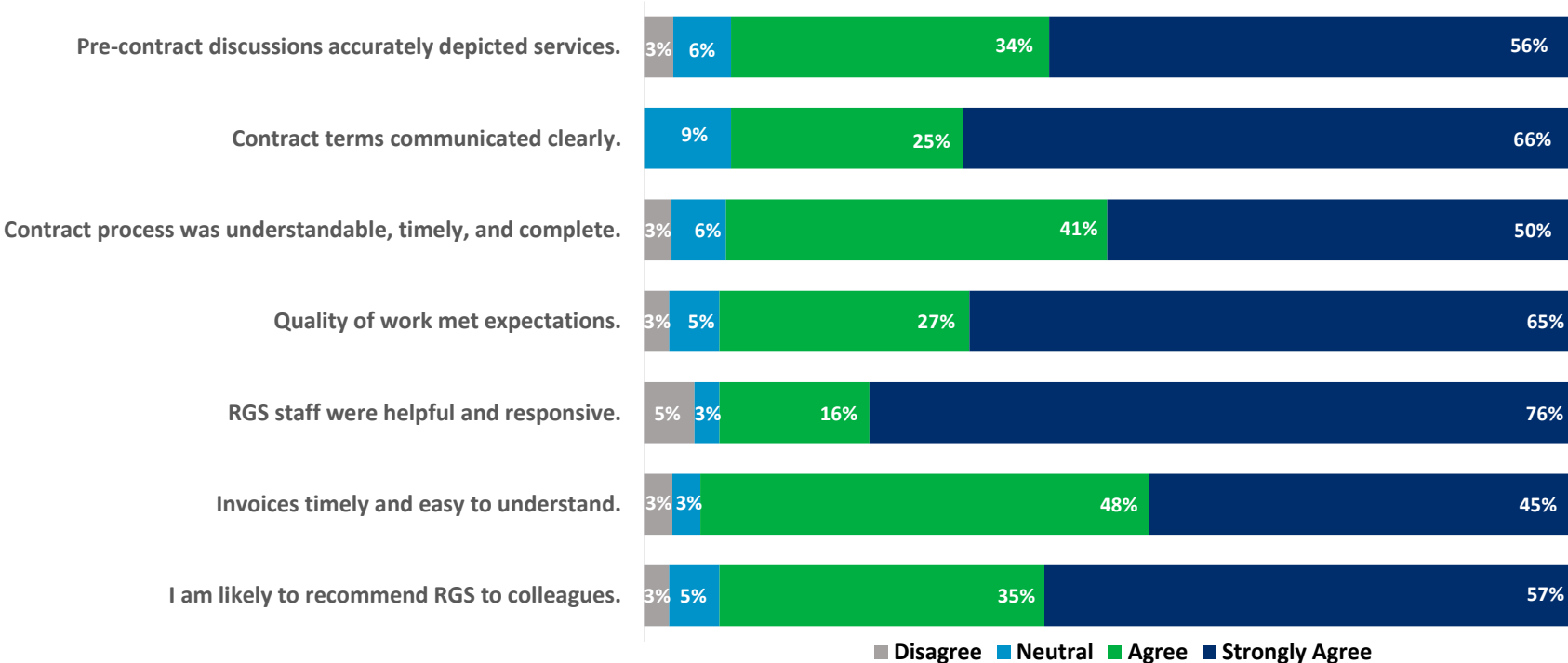


How did your agency find RGS?



# RGS Experience Ratings: May 6

RGS Client Survey Ratings



■ Disagree ■ Neutral ■ Agree ■ Strongly Agree

NOTE: No ratings for Strongly Disagree



## Comments of Note

*“Thank you for providing this pool of expertise for those of us facing issues outside of our own knowledge and experience.”*

*“Appreciate the immediate availability of RGS staff for various services. This is really important to us.”*

*“Big help for a small city staff that needs help in a big way”*

*“Harry Tregenza was great. He was quick to pick things up, had great follow through, and was very pleasant and professional to work with”*

*“David Prieto consistently provides awesome service and support.”*

*“Hazel has been great to work with and has navigated FEMA policy and strategy as a true subject matter expert. Appreciate her efforts as we drive our cost recovery from COVID.”*

*“Most recently we worked with Annie Chin and Leanne Leak to assist us with pregnancy leaves and other medical leave situations. We have received positive feedback from staff who worked with both on a one-on-one situation”*

## Conclusions

- Preliminary results of our inaugural survey are positive.
- RGS's reputation for expertise and adaptability is a major driver of business
- Repeat customers truly are business partners. Look for value-added approaches to these relationships!
- Focus our efforts to get the word out and grow our business.

More to Come!



**TO:** EXECUTIVE COMMITTEE **EC Meeting: 05-16-2024**  
**FROM:** SOPHIA SELIVANOFF, Executive Director **Item: 6C**  
**SUBJECT: AUTHORIZATION TO APPROVE AN MSS REPAYMENT PLAN**

**RECOMMENDATION**

Authorize Executive Director to approve a repayment plan as presented (or substantially similar plan) in the attached correspondence, and if requested, from Municipal Shared Services Corporation (“MSS”), regarding funds advanced by RGS to resolve the amount owed by RGS and LGS to the California Joint Powers Insurance Authority (“CJPIA”) under the payment agreement dated May 24, 2023.

**BACKGROUND AND ANALYSIS**

RGS and LGS, a client of RGS, were member agencies of CJPIA, an insurance JPA, from August 2, 2008 through June 30, 2011. In December 2018, LGS dissolved. Prior to dissolution, LGS entered an agreement with MSS, a public benefit non-profit corporation, to resolve remaining LGS matters. In May 2023, a payment plan was negotiated with CJPIA to resolve any outstanding amounts owed to the insurance pool by both RGS and LGS. At that time, MSS agreed to pay RGS for its share of the proposed resolution agreement with CJPIA (\$60,111) from pension plan termination proceeds when received from CalPERS.

On March 13, 2024, MSS received a plan termination payment of \$73,091.00 from CalPERS. With the completion of its original mission, the MSS Board is meeting on May 21, 2024 to consider other appropriate functions for this non-profit organization. As indicated in the attached letter from MSS Board President Richard Averett, MSS intends to honor its repayment commitment but understands that the funds in hand represent a unique opportunity to potentially launch other valuable public benefit services. Lump sum repayment to RGS essentially negates this opportunity; and the MSS Board will consider making a request to repay this debt over time in order to develop a work plan to achieve financial sustainability for MSS. If the MSS Board approves this request on May 21, the attached proposal will be formally sent to RGS for consideration and approval.

The timing of these events indicates that if RGS desires in any way to support the effort of MSS to provide public benefit services, the Executive Director should be authorized to consider and potentially approve, the repayment plan, if requested by the MSS Board subsequent to its meeting on May 21, 2024.

RGS is not in any way obligated to this path; however, interest in alternative business vehicles for service provision has been expressed by the RGS Executive Committee on several occasions. MSS is such a vehicle, with potential for partnering with public agencies to achieve valuable objectives that may be outside the scope of the agency-to-agency relationships presently engaged in by RGS. MSS represents a potential alliance with RGS to accomplish a range of innovative services. RGS as a public agency also has a public policy perspective that supports the value of public benefit organizations, as has been demonstrated by governance direction to staff to expand RGS’ mission to engage in service agreements with 501(c)3 entities providing public benefits.

Since MSS is unstaffed, and has limited expenses, it is anticipated that RGS will recover a full FY of repayments, representing half of the principal owed to RGS. Recovery of additional funds in the second year of repayment is of course contingent on MSS’ success in building revenue sources.

**FISCAL IMPACT**

Since RGS entered into the agreement with CJPIA with an unknown window of possible repayment from MSS on behalf of LGS, the repayment agreement with CJPIA was predicated on RGS’ financial position being adequate to the entire CJPIA repayment indefinitely. Approving the repayment agreement shown (or a substantially similar agreement) with MSS is expected to result in definite and relatively prompt recovery of \$30,000 of the funds RGS is paying to CJPIA. It is possible that the remaining \$30,111 and any yet-to-be determined share of interest costs would be unrecoverable from MSS.



## Municipal Shared Services Corporation

Sophia Selivanoff  
Executive Director  
Regional Government Services Authority  
P.O. Box 1350  
Carmel Valley, CA 93924  
via email: sselivanoff@rgs.ca.gov

Dear Ms. Selivanoff,

At the May 12<sup>th</sup>, 2023, meeting of the Municipal Shared Services Corporation Board of Directors, the Board took action to approve the proposed resolution of outstanding CJPIA liabilities, and specifically approved payment to Regional Government Services Authority for the Local Government Services Authority share of the negotiated settlement with California Joint Powers Insurance Authority. The share of the principal owed to CJPIA by LGS was set at \$60,111 and MSS agreed to repay RGS from LGS plan termination proceeds when received from CalPERS. There was no discussion of the interest RGS would charge MSS at the time of entering the agreement.

On March 13, 2024, MSS received a plan termination payment of \$73,091.00 from CalPERS. MSS intends to honor its repayment commitment but requests repayment of this debt over time in order to develop a work plan to achieve financial sustainability for MSS. MSS will consider making the following proposal to RGS at its next Board meeting on May 21, 2024.

1. Beginning July 1, 2024, pay RGS \$7,500 per quarter toward principal debt of \$60,111.
2. Beginning May 2024, reduce the monthly RGS services charge to MSS of \$1,000 per month to \$200 per month. This reduction reflects the very minimal hours of RGS services currently provided now that the LGS dissolution is completed.
3. By June 30, 2024, MSS must demonstrate a fiscal sustainability plan and credible revenue plans. If MSS is unable to adopt a credible budget by June 30, 2025, documenting a plan to both maintain the repayment schedule to RGS and secure sufficient new revenue to pay necessary administrative and/or operational expenses, MSS will dissolve and transfer remaining funds to RGS in full or partial repayment of the remaining debt.
4. If MSS has demonstrated fiscal sustainability, then beginning July 1, 2025, MSS will add interest repayment in the amount of \$1,129.83 per quarter to the RGS repayments. (This interest amount [in total] represents 4.0074% of the entire interest payable to CJPIA per the agreement; and is consistent with the principal owed, which is 4.0074% of the \$1.5M.) A final payment of \$111.00 made on July 1, 2026 will complete the reimbursement program.

If approved by the MSS Board on May 21, 2024, I will re-send this letter for RGS' consideration without the "draft" watermark.

Sincerely,



Richard H. Averett  
MSS Board President