

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 18 at which no business will be discussed. Members of the Executive Committee will be having a working breakfast during a Workshop on Friday, May 19. The Workshop may continue through lunch. Members of the public are invited to participate any of the meals at their own expense Contact Tiffany Buraglio at tburaglio@rgs.ca.gov or 831.308.2717 by 8:00 a.m. Wednesday, May 17 if you would like to be included in any meal.

**REGULAR MEETING
May 18, 2023
3:05 p.m., or immediately following the preceeding meeting**

**Monterey Plaza Hotel
Carmel Room
400 Cannery Row
Monterey, CA 93940**

1. CALL TO ORDER / ROLL CALL

- A. Election of Officers

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 16, 17, March 23, and April 11, 2023** Minutes *Action*
- B. Approval of Regularly Scheduled Meetings Calendar
- C. Approval of Payments and Deposits made January through March 2023
- D. Approval of Investments Report through March 2023
- E. Receive and File Management Services Agreements Update
- F. Receive and File Municipal Dental Pool Update
- G. Receive and File Agency Bonus Awards

4. TREASURER'S REPORT

- A. Review of Preliminary FYTD Financial Reports & Business Development through March 2023 *Information*

5. OLD BUSINESS

- A. Approval of Updates to the Strategic Plan *Action*

6. NEW BUSINESS

- A. Adoption of **Resolution RGSEC2023-02** to Appoint New Executive Director and Approve Executive Director Employment Contract *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 Habkirk and Immediate Past Executive Committee Chair Smith
Unrepresented employee: Executive Director

Recess to Open Session

Possible Report Out of Closed Session Information

- | | |
|--|--------|
| B. Approval of Executive Director Ad Hoc Committee Appointments | Action |
| C. Approval of Resolution of CJPIA Liability | Action |
| D. Approval of Cash Flow Protection Strategies | Action |
| E. Adoption of Resolution RGSEC2023-03 in Appreciation of Service for Richard Averett | Action |

7. EXECUTIVE DIRECTOR, COMMITTEE AND MEMBER REPORTS

- A. Executive Director:
- B. Members:

8. ADJOURN MEETING

The next Regular Meeting will take place via teleconference on **September 21, 2023**

Americans with Disabilities Act

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

**REGIONAL GOVERNMENT SERVICES AUTHORITY
EXECUTIVE COMMITTEE MINUTES
February 16, 2023**

The Regional Government Services Authority held a regular meeting of the Executive Committee on February 16, 2023 via videoconference. The meeting was called to order at 1:49 p.m.

1. CALL TO ORDER / ROLL CALL

Members Present: Liz Habkirk, Chair
Dan Buckshi, Vice Chair
Steve Rogers, Member
Dan Schwarz, Member
Linda Smith, Member
Hilary Straus, Member
Edward Tewes, Member

Members Absent: None

Other Attendees: Richard Averett, Executive Director
Sophia Selivanoff, Deputy Executive Director for Client Services
Rich Oppenheim, Administrative Services Manager
Gina Schuchard, Interim Deputy CFO
Lindsay Rice, Accounting Manager
Chris Paxton, Interim Human Resources Manager
Ashley Metzger, Senior Advisor, Communications and Engagement
Cherie Johnson, Senior Human Resources Advisor
Tiffany Buraglio, Executive Assistant

2. PUBLIC COMMENT – None

3. APPROVAL OF CONSENT AGENDA

- A. Approval of **November 17, 2022** and **January 12, 2023** Minutes
- B. Approval of Regularly Scheduled Meetings Calendar
- C. Approval of Payments and Deposits made October through December 2022
- D. Approval of Investments Report through December 2022
- E. Receive and File Management Services Agreements Update
- F. Receive and File Municipal Dental Pool Update
- G. Adopt Resolution **RGSEC2023-01** Authorizing Remote Teleconference Meetings Under the Brown Act as Amended by Assembly Bill 361 (2021)
 - Action:** Moved and seconded (Rogers/Smith) to approve Consent Calendar items A-G.
 - AYES:** Habkirk, Buckshi, Rogers, Schwarz, Smith, Straus, Tewes
 - NOES:** None
 - ABSTAIN:** None

4. TREASURER’S REPORT

- A. Review of Preliminary FYTD Financial Reports through December 2022
This is an informational item only. No action was taken.

Accounting Manager Rice reviewed the JPA’s financial performance with an explanation for the lag in growth being due to later than anticipated on-boarding of contracted employees for a major client. A question was raised if the JPA budgeted by categories and the Executive Director clarified that the JPA budgets off aggregate actuals to date, not by service line. A question was raised if there were any service lines which had performed better or worse than expected which might have impacted the JPA business model. The Executive Director stated that staff is always experimenting with service line growth and development. In particular, the Recruitment and Training service lines have been growing and appear to be able to grow to whatever level the JPA can develop and offer

services. These service lines are able to grow out of state as well. Service lines are developed based upon a known need so are generally well-received, but adjustments and fine-tuning are continually assessed.

5. OLD BUSINESS

A. Approval of Updates to the Strategic Plan

Administrative Services Manager Oppenheim noted that the report covered a longer time period than usual. It was asked if staff has a running document of goals and updates since the Strategic Plan began and Administrative Services Manager Oppenheim indicated there was a historical record. Executive Director Averett noted that the overall progress could be provided to the Committee via the file sharing site for reference at any time.

Action: Moved and seconded (Smith/Buckshi) to approve updates to the Strategic Plan.

AYES: Habkirk, Buckshi, Rogers, Schwarz, Smith, Straus, Tewes on recommendation of the chair

NOES: None

ABSTAIN: None

6. NEW BUSINESS

A. Approval of Separation of Policies from Procedures and Approval Processes Going Forward

Administrative Services Manager Oppenheim detailed the process staff is implementing to separate HR procedures from HR policies which were approved in November 2021. A question was asked if there were any current procedures and the Executive Director answered that the JPA has current procedures which until now had been included in a comprehensive Personnel Rules and Regulations document. Appreciation was expressed from the Committee to only focus on the policies and to remain removed from procedural elements.

Action: Moved and seconded (Smith/Straus) to approve separation of policies from procedures and approval processes going forward.

AYES: Habkirk, Buckshi, Rogers, Schwarz, Smith, Straus, Tewes

NOES: None

ABSTAIN: None

B. Receive and File Agency Bonus Awards

This is an information item only. No action was taken.

Interim Human Resources Manager Paxton explained this is the first report to the Committee since the policy was approved. The program is funded, no awards have been granted yet, and three requests are pending. It was asked how bonuses would be awarded and Human Resources Manager Paxton stated awards could either be spot awards for one-time, excellent performance, or contribution-based reflecting a substantial contribution over a longer period of time.

C. Approval of Client Services Risk Management Plan

Deputy Director Selivanoff explained that the JPA's biggest risk lies with agencies who have contracts with CalPERS because CalPERS can unilaterally decide who is and is not an employee of the agency at any time and claim both system contributions and pension paybacks. Staff has come to accept that without bright line regulations, there is no way to manage the risk of exposure successfully and fairly to a system which loads the majority of the risk on to the annuitant worker. Staff believes the best course of action is to further reduce the risks with various measures outlined in the report such as expanding low risk services and to expand our business with non-CalPERS agencies both in-state and out-of-state. The JPA has begun to move towards technology platform-sharing services and is adding more lower risk services to the JPA's portfolio.

Staff noted that an option to address this risk was to add a surcharge to CalPERS-contracted clients to build a reserve to be used for future impacts. A committee member stated they would rather see risk-reduction strategies than adding on a surcharge fee.

A question was asked if the JPA has any policies regarding representing employees who are retirees. Deputy Director Selivanoff explained that RGS' employment agreements address the employee's responsibility for this risk, and that retirees who to work for the JPA are educated on the potential risks to their CalPERS benefits before hiring on with the JPA and during their tenure. Selivanoff further noted that annuitant workers are permitted to decline assignments based on their own risk assessments without penalty.

Another question arose about whether there were similar retirement risks in contracting to provide services in other states. Deputy Director Selivanoff answered that research has been done and will continue to be ongoing into the details of other state retirement programs. Director Averett added that services to out-of-state clients is initially being provided by California employees and eventually will shift to having out-of-state employees providing low-risk work. It will be some time before the JPA can build out-of-state business to a level where the JPA is employing a large number of out-of-state employees.

The committee questioned whether a JPA is the correct vehicle for RGS if business is shifting to more intentionally include out-of-state Member Agencies and clients.

An additional question was raised about how the JPA was evaluating whether or not out-of-state business opportunities would be profitable. Deputy Director Selivanoff responded that the JPA was already responding to requests for work consistent with the consulting model, and that the JPA is responding to a need and following the natural trajectory of the business opportunity, which has been successful to date.

Overall, the committee praised the JPA for their creativity in dealing with the risk of doing business with CalPERS-contracted agencies and there was a consensus to examine further the appropriateness of a JPA model in light of new plans.

Action: Moved and seconded (Smith/Schwarz) to approve the Client Services Risk Management Plan
AYES: Habkirk, Buckshi, Rogers, Schwarz, Smith, Straus
NOES: None
ABSTAIN: Tewes

7. EXECUTIVE DIRECTOR, COMMITTEE AND MEMBER REPORTS

- A. Executive Director: 352 Clients since inception, 183 current employees, 105 FTE, which is a record # of FTEs for RGS. Officer elections are being held in May instead of at the current meeting due to the upcoming change in representatives from two Member Agencies. RGS is continuing to wait on a resolution with CJPIA and staff is working with counsel to see if the process can be moved along. Executive Director Averett noted that this would likely be his last meeting.
- B. Members: All members thanked Executive Director Averett and praised his leadership in building RGS to the scale and scope to which it has become.

- 8. ADJOURN** – The meeting adjourned at 2:50 p.m. The next regular meeting is scheduled for May 19, 2023, in Monterey.

**REGIONAL GOVERNMENT SERVICES AUTHORITY
EXECUTIVE COMMITTEE MINUTES
February 17, 2023**

The Regional Government Services Authority held a special meeting of the Executive Committee on February 17, 2023 at Napa City Hall in Napa, CA. The meeting was called to order at 10:30 am.

1. CALL TO ORDER / ROLL CALL

Members Present: Liz Habkirk, Chair
Dan Buckshi, Vice Chair
Steve Rogers, Member
Dan Schwarz, Member
Linda Smith, Member
Hilary Straus, Member

Members Absent: Edward Tewes, Member

Other Attendees: Sophia Selivanoff, Deputy Executive Director for Client Services

2. PUBLIC COMMENT – None

3. APPROVAL OF CONSENT AGENDA - None

4. TREASURER’S REPORT - None

5. OLD BUSINESS – None

10:35 a.m. - Recess to Closed Session

PUBLIC EMPLOYEE APPOINTMENT/PUBLIC EMPLOYMENT (Gov. Code, § 54957.)

Title: Executive Director

CONFERENCE WITH LABOR NEGOTIATORS

Agency designated representatives: Liz Habkirk, Chair, and Linda Smith, Member

Unrepresented employee: Executive Director

12:50 p.m. – Reconvene to Open Session

Report Out of Closed Session

Direction to the Ad Hoc Committee (Habkirk/Smith) to negotiate an Employment Agreement with Sophia Selivanoff for the position of Executive Director and to set a special Executive Committee Meeting Closed Session with Labor Negotiators.

6. NEW BUSINESS - None

7. EXECUTIVE DIRECTOR, COMMITTEE AND MEMBER REPORTS - None

8. ADJOURN – The meeting adjourned at 12:55 p.m. The next regular meeting is scheduled for May 19, 2023, in Monterey.

**REGIONAL GOVERNMENT SERVICES AUTHORITY
EXECUTIVE COMMITTEE MINUTES
March 23, 2023**

The Regional Government Services Authority held a special meeting of the Executive Committee on March 23, 2023 via videoconference. The meeting was called to order at 4:04 p.m.

1. CALL TO ORDER / ROLL CALL

Members Present: Liz Habkirk, Chair
Dan Buckshi, Vice Chair
Linda Smith, Member
Hilary Straus, Member
Edward Tewes, Member
Members Absent: Steve Rogers, Member
Dan Schwarz, Member
Other Attendees: None

2. PUBLIC COMMENT – None

3. APPROVAL OF CONSENT AGENDA - None

4. TREASURER’S REPORT - None

5. OLD BUSINESS – None

4:05 p.m. Recess to Closed Session

PUBLIC EMPLOYEE APPOINTMENT/PUBLIC EMPLOYMENT (Gov. Code, § 54957.)
Title: Executive Director

CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Liz Habkirk, Chair, and Linda Smith, Member
Unrepresented employee: Executive Director

4:50 p.m. Reconvene to Open Session

Report Out of Closed Session – No reportable action was taken

6. NEW BUSINESS - None

7. EXECUTIVE DIRECTOR, COMMITTEE AND MEMBER REPORTS

A. Executive Director: None

B. Members: None

8. ADJOURN – The meeting adjourned at 4:50 p.m. The next regular meeting is scheduled for May 18, 2023, in Monterey.

**REGIONAL GOVERNMENT SERVICES AUTHORITY
EXECUTIVE COMMITTEE MINUTES
April 11, 2023**

The Regional Government Services Authority held a special meeting of the Executive Committee on April 11, 2023 via videoconference. The meeting was called to order at 4:06 p.m.

1. CALL TO ORDER / ROLL CALL

Members Present: Linda Smith, Vice Chair
Dan Schwarz, Member
Hilary Straus, Member
Edward Tewes, Member

Members Absent: Liz Habkirk, Chair
Julie Baldia, Alternate Member
Dan Buckshi, Member

Other Attendees: Sky Woodruff, Authority General Counsel

2. PUBLIC COMMENT – None

3. APPROVAL OF CONSENT AGENDA - None

4. TREASURER’S REPORT - None

5. OLD BUSINESS – None

4:07 p.m. Recess to Closed Session

PUBLIC EMPLOYEE APPOINTMENT/PUBLIC EMPLOYMENT (Gov. Code, § 54957.)

Title: Executive Director

CONFERENCE WITH LABOR NEGOTIATORS

Agency designated representative: Liz Habkirk, Chair, and Linda Smith, Member

Unrepresented employee: Executive Director

4:49 p.m. Reconvene to Open Session

Report Out of Closed Session – No reportable action was taken

6. NEW BUSINESS - None

7. EXECUTIVE DIRECTOR, COMMITTEE AND MEMBER REPORTS

A. Executive Director: None

B. Members: None

8. ADJOURN – The meeting adjourned at 4:50 p.m. The next regular meeting is scheduled for May 18, 2023, in Monterey.

TO: EXECUTIVE COMMITTEE **EC Meeting: 05-18-2023**
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 |
|----------------------------------|-----------|-------|---|---------------------|-----------------|
| 2023 | | | | | |
| May 18-19 (Thursday-Friday) | RGS | RGS | Appoint Members to Executive Committee, Election of Officers (all), Budget, Exec Dir Ad Hoc Committee Formation; workshop | In person, Monterey | 1.5 days |
| September 21 (Thursday) | RGS | | Meeting Schedule for 2024 | Telephonic | 1:00pm-3:00pm |
| November 16 (Thursday) | RGS | | FY23 Audited Financial Statements, RGS service presentation | Telephonic | 1:00pm-3:00pm |
| 2024 | | | | | |
| February 15 (Thursday) | RGS | RGS | Election of Officers (all), Appoint Members to Executive Committee | Telephonic | 1:00pm-3:00pm |
| May 16-17 (Thursday - Friday) | RGS | RGS | Budget, Conflict of Interest (even years); workshop | TBD | TBD |
| September 19 | RGS | | Meeting Schedule for 2025 | Telephonic | 1:00pm-3:00pm |
| November 21 (Thursday) | RGS | | FY24 Audited Financial Statements, RGS service presentation | TBD | TBD |
| 2025 | | | | | |
| February 20 (Thursday) | RGS | RGS | Election of Officers (all), Appoint Members to Executive Committee | Telephonic | 1:00pm – 3:00pm |

TO: EXECUTIVE COMMITTEE **EC Meeting: 05-18-2023**
FROM: LINDSAY RICE, Accounting Manager **Item: 3C**
SUBJECT: PAYMENTS AND DEPOSITS – JANUARY THROUGH MARCH 2023

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. All payments, including electronic payments, are reviewed again by the Executive Director in a weekly disbursement report submitted by the Finance Department. This report contains all disbursements from the previous week. 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 Community Bank of the Bay money market account, in the Local Agency Investment Fund (LAIF) investment pool and in the CalTrust medium term and short-term investment pools. Staff always seeks to minimize bank charges.

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 31, 2023

3:33 AM

04/24/2023

Accrual Basis

| Type | Date | Num | Name | Memo | Amount | Balance |
|--|------------|--------|------------------------------------|---------------------------------|-------------|-------------------|
| 110090 - Community Bank of the Bay Chkg | | | | | | 145,115.83 |
| Deposit | 01/03/2023 | | | Deposit | 584.89 | 145,700.72 |
| General Journal | 01/03/2023 | 4094 | | MX Merchant Fee Payment 2022-12 | -310.01 | 145,390.71 |
| Deposit | 01/04/2023 | | | Deposit | 54,268.42 | 199,659.13 |
| Deposit | 01/04/2023 | | | Deposit | 228.00 | 199,887.13 |
| Deposit | 01/04/2023 | | | Deposit | 16,744.93 | 216,632.06 |
| Deposit | 01/04/2023 | | | Deposit | 2,398.50 | 219,030.56 |
| Deposit | 01/04/2023 | | | Deposit | 67,489.71 | 286,520.27 |
| Transfer | 01/04/2023 | | | Funds Transfer | 200,000.00 | 486,520.27 |
| General Journal | 01/04/2023 | 4084 | | Health Ins premiums 2023-01 | -148,749.18 | 337,771.09 |
| General Journal | 01/04/2023 | 4084 | | Dental Ins premium 2023-01 | -12,197.96 | 325,573.13 |
| Deposit | 01/06/2023 | | | Deposit | 11,969.04 | 337,542.17 |
| General Journal | 01/06/2023 | 4045 | | 12/31/22 net pay | -386,187.86 | -48,645.69 |
| Transfer | 01/06/2023 | | | Funds Transfer | 400,000.00 | 351,354.31 |
| Deposit | 01/09/2023 | | | Deposit | 20,270.07 | 371,624.38 |
| General Journal | 01/09/2023 | 4046 | | 12/31/22 payroll taxes and fees | -107,392.70 | 264,231.68 |
| General Journal | 01/09/2023 | 4054 | | 401a CContribution PPE 12-31-22 | -53,558.53 | 210,673.15 |
| General Journal | 01/09/2023 | 4054 | | 401a CContribution PPE 12-31-22 | -55,729.19 | 154,943.96 |
| Check | 01/09/2023 | 603 | California State Disbursement Unit | | -244.00 | 154,699.96 |
| Deposit | 01/09/2023 | | | Deposit | 950.00 | 155,649.96 |
| General Journal | 01/10/2023 | 4085 | | Wrkr Comp Reimbursement | -2,959.23 | 152,690.73 |
| Bill Pmt -Check | 01/10/2023 | CC Pay | Employment Research Services | | -142.00 | 152,548.73 |
| General Journal | 01/10/2023 | 4088 | | Rcl ERS Credit Card Payment | 142.00 | 152,690.73 |
| General Journal | 01/10/2023 | 4091 | | FSA Admin Fee Payment 2022-12 | -252.35 | 152,438.38 |
| General Journal | 01/10/2023 | 4092 | | FSA Contribution PPE 12-31-22 | -3,773.03 | 148,665.35 |
| General Journal | 01/10/2023 | 4097 | | Payroll Fee Payment 2022-12 | -1,577.75 | 147,087.60 |
| Bill Pmt -Check | 01/11/2023 | 16241 | CDM Smith | | -8,962.36 | 138,125.24 |
| Bill Pmt -Check | 01/11/2023 | 16242 | Netfile | | -500.00 | 137,625.24 |
| Bill Pmt -Check | 01/11/2023 | 16243 | Standard Insurance Company | Policy Number 160-760643 | -1,697.12 | 135,928.12 |
| Deposit | 01/11/2023 | | | Deposit | 950.00 | 136,878.12 |
| Bill Pmt -Check | 01/11/2023 | CC Pay | Employment Research Services | | -263.50 | 136,614.62 |
| Deposit | 01/12/2023 | | | Deposit | 39,247.10 | 175,861.72 |
| Bill Pmt -Check | 01/12/2023 | wire | Abila | | -1,766.64 | 174,095.08 |
| Deposit | 01/13/2023 | | | Deposit | 400.00 | 174,495.08 |
| Bill Pmt -Check | 01/13/2023 | Wire | Scott N. Kivel | | -50,597.77 | 123,897.31 |
| Deposit | 01/17/2023 | | | Deposit | 53,871.80 | 177,769.11 |
| Deposit | 01/17/2023 | | | Deposit | 1,190.00 | 178,959.11 |
| Transfer | 01/18/2023 | | | Funds Transfer | 475,000.00 | 653,959.11 |

| Type | Date | Num | Name | Memo | Amount | Balance |
|-----------------|------------|--------|------------------------------------|--------------------------------|--------------|--------------|
| General Journal | 01/19/2023 | 4079 | | 1/15/23 net pay | -389,263.21 | 264,695.90 |
| Deposit | 01/20/2023 | | | Deposit | 39,384.35 | 304,080.25 |
| General Journal | 01/20/2023 | 4080 | | 1/15/23 payroll taxes and fees | -103,464.60 | 200,615.65 |
| Deposit | 01/20/2023 | | | Deposit | 175.00 | 200,790.65 |
| Deposit | 01/20/2023 | | | Deposit | 680.00 | 201,470.65 |
| Check | 01/20/2023 | 604 | California State Disbursement Unit | | -244.00 | 201,226.65 |
| Deposit | 01/23/2023 | | | Deposit | 1,236,623.34 | 1,437,849.99 |
| Deposit | 01/23/2023 | | | Deposit | 9,264.67 | 1,447,114.66 |
| Transfer | 01/23/2023 | | | Funds Transfer | -955,000.00 | 492,114.66 |
| Bill Pmt -Check | 01/25/2023 | Wire | Cinnovx | | -88,663.00 | 403,451.66 |
| Bill Pmt -Check | 01/25/2023 | Wire | David Sodergren | | -21,220.12 | 382,231.54 |
| Bill Pmt -Check | 01/25/2023 | Wire | GovTech Consulting | | -1,000.00 | 381,231.54 |
| Bill Pmt -Check | 01/25/2023 | Wire | Mary E Uzupis | | -20,460.96 | 360,770.58 |
| Bill Pmt -Check | 01/25/2023 | Wire | Placesoft Inc. | | -18,560.00 | 342,210.58 |
| Bill Pmt -Check | 01/25/2023 | Wire | Quantum Consulting Services | | -47,328.00 | 294,882.58 |
| Bill Pmt -Check | 01/25/2023 | Wire | Soconus, Inc | | -103,777.50 | 191,105.08 |
| Bill Pmt -Check | 01/25/2023 | Wire | Xtrategi, Inc | | -21,560.00 | 169,545.08 |
| Bill Pmt -Check | 01/25/2023 | 16244 | CDM Smith | | -1,580.76 | 167,964.32 |
| Bill Pmt -Check | 01/25/2023 | 16245 | Chmura | | -10,818.61 | 157,145.71 |
| Bill Pmt -Check | 01/25/2023 | 16246 | City of Ridgecrest | | -300.00 | 156,845.71 |
| Bill Pmt -Check | 01/25/2023 | 16247 | Urban Economics | | -600.00 | 156,245.71 |
| Bill Pmt -Check | 01/25/2023 | Wire | Neogov | | -10,556.01 | 145,689.70 |
| Bill Pmt -Check | 01/25/2023 | Wire | Rincon Consultants | | -364.50 | 145,325.20 |
| Bill Pmt -Check | 01/25/2023 | Wire | Scott N. Kivel | | -5,246.45 | 140,078.75 |
| Bill Pmt -Check | 01/25/2023 | Wire | US Bank | | -21,144.38 | 118,934.37 |
| Deposit | 01/25/2023 | | | Deposit | 21,422.32 | 140,356.69 |
| Deposit | 01/26/2023 | | | Deposit | 6,747.40 | 147,104.09 |
| General Journal | 01/26/2023 | 4083 | | 1/15/23 MM 401a remittance | -54,203.75 | 92,900.34 |
| General Journal | 01/26/2023 | 4083 | | 1/15/23 MM 457 remittance | -48,970.17 | 43,930.17 |
| Deposit | 01/26/2023 | | | Deposit | 1,658.00 | 45,588.17 |
| Bill Pmt -Check | 01/26/2023 | CC Pay | Employment Research Services | | -542.37 | 45,045.80 |
| Deposit | 01/27/2023 | | | Deposit | 1,225.60 | 46,271.40 |
| Transfer | 01/27/2023 | | | Funds Transfer | 500,000.00 | 546,271.40 |
| General Journal | 01/27/2023 | 4093 | | FSA Contribution PPE 1-15-23 | -3,773.03 | 542,498.37 |
| General Journal | 01/27/2023 | 4095 | | OR Wrkr Comp Payment | -19.84 | 542,478.53 |
| Transfer | 01/30/2023 | | | Funds Transfer | -500,000.00 | 42,478.53 |
| Deposit | 01/30/2023 | | | Deposit | 76,014.49 | 118,493.02 |
| Deposit | 01/30/2023 | | | Deposit | 85,655.59 | 204,148.61 |
| Deposit | 01/31/2023 | | | Deposit | 12,086.00 | 216,234.61 |
| Deposit | 02/02/2023 | | | Deposit | 48,602.44 | 264,837.05 |
| Deposit | 02/02/2023 | | | Deposit | 818.84 | 265,655.89 |

| Type | Date | Num | Name | Memo | Amount | Balance |
|-----------------|------------|--------|------------------------------------|-----------------------------------|-------------|------------|
| General Journal | 02/02/2023 | 4099 | | Health Premium Payment 2023-02 | -153,937.44 | 111,718.45 |
| General Journal | 02/02/2023 | 4099 | | Dental Premium Payment 2023-02 | -11,786.42 | 99,932.03 |
| General Journal | 02/02/2023 | 4135 | | MX Fee 2023-01 Payment | -93.67 | 99,838.36 |
| Transfer | 02/03/2023 | | | Funds Transfer | 475,000.00 | 574,838.36 |
| Deposit | 02/03/2023 | | | Deposit | 330.80 | 575,169.16 |
| Deposit | 02/03/2023 | | | Deposit | 17,382.17 | 592,551.33 |
| Deposit | 02/03/2023 | | | Deposit | 519.92 | 593,071.25 |
| Deposit | 02/03/2023 | | | Deposit | 10,930.00 | 604,001.25 |
| Deposit | 02/03/2023 | | | Deposit | 8,962.36 | 612,963.61 |
| Deposit | 02/03/2023 | | | Deposit | 5,066.24 | 618,029.85 |
| Deposit | 02/03/2023 | | | Deposit | 5,528.20 | 623,558.05 |
| General Journal | 02/06/2023 | 4081 | | 1/31/23 net pay | -456,020.88 | 167,537.17 |
| Transfer | 02/06/2023 | | | Funds Transfer | 100,000.00 | 267,537.17 |
| Deposit | 02/06/2023 | | | Deposit | 510.00 | 268,047.17 |
| Deposit | 02/06/2023 | | | Deposit | 2,252.25 | 270,299.42 |
| Deposit | 02/06/2023 | | | Deposit | 950.00 | 271,249.42 |
| Deposit | 02/06/2023 | | | Deposit | 83,519.53 | 354,768.95 |
| General Journal | 02/07/2023 | 4082 | | 1/31/23 payroll taxes and fees | -119,095.86 | 235,673.09 |
| Check | 02/07/2023 | 605 | California State Disbursement Unit | | -244.00 | 235,429.09 |
| Deposit | 02/07/2023 | | | Deposit | 3,500.00 | 238,929.09 |
| Transfer | 02/08/2023 | | | Funds Transfer | 75,000.00 | 313,929.09 |
| Deposit | 02/08/2023 | | | Deposit | 22,102.15 | 336,031.24 |
| General Journal | 02/08/2023 | 4133 | | FSA Admin Fee Payment 2023-02 | -1,136.40 | 334,894.84 |
| General Journal | 02/09/2023 | 4146 | | 401a 457 Contributiun PPE 1-31-23 | -62,291.12 | 272,603.72 |
| General Journal | 02/09/2023 | 4146 | | 401a 457 Contributiun PPE 1-31-23 | -52,846.42 | 219,757.30 |
| Bill Pmt -Check | 02/10/2023 | 16248 | Ericksen Arbuthnot | VOID: | 0.00 | 219,757.30 |
| Bill Pmt -Check | 02/10/2023 | 16249 | Glicksman Consulting, LLC | | -2,500.00 | 217,257.30 |
| Deposit | 02/10/2023 | | | Deposit | 362.50 | 217,619.80 |
| Deposit | 02/10/2023 | | | Deposit | 4,265.78 | 221,885.58 |
| General Journal | 02/10/2023 | 4127 | | Payrol Fee Payment 2023-01 | -2,745.08 | 219,140.50 |
| Deposit | 02/10/2023 | | | Deposit | 4,387.50 | 223,528.00 |
| Bill Pmt -Check | 02/13/2023 | Wire | Abila | | -1,266.65 | 222,261.35 |
| Bill Pmt -Check | 02/13/2023 | Wire | Meyers Nave | | -3,515.83 | 218,745.52 |
| Bill Pmt -Check | 02/13/2023 | Wire | Scott N. Kivel | | -2,835.24 | 215,910.28 |
| Deposit | 02/13/2023 | | | Deposit | 7,550.00 | 223,460.28 |
| Deposit | 02/13/2023 | | | Deposit | 77,141.04 | 300,601.32 |
| Deposit | 02/13/2023 | | | Deposit | 1,900.00 | 302,501.32 |
| Deposit | 02/13/2023 | | | Deposit | 2,402.10 | 304,903.42 |
| Bill Pmt -Check | 02/13/2023 | CC Pay | Employment Research Services | | -212.37 | 304,691.05 |
| General Journal | 02/13/2023 | 4145 | | HRA Funding | -3,750.00 | 300,941.05 |
| Deposit | 02/14/2023 | | | Deposit | 14,620.16 | 315,561.21 |

| Type | Date | Num | Name | Memo | Amount | Balance |
|-----------------|------------|--------|------------------------------------|-----------------------------------|--------------|--------------|
| Deposit | 02/14/2023 | | | Deposit | 950.00 | 316,511.21 |
| Deposit | 02/14/2023 | | | Deposit | 950.00 | 317,461.21 |
| General Journal | 02/14/2023 | 4134 | | FSA Contribution PPE 01/31/23 | -3,723.03 | 313,738.18 |
| Deposit | 02/15/2023 | | | Deposit | 680.00 | 314,418.18 |
| Deposit | 02/17/2023 | | | Deposit | 1,449.35 | 315,867.53 |
| Deposit | 02/17/2023 | | | Deposit | 2,330.00 | 318,197.53 |
| General Journal | 02/20/2023 | 4089 | | FY23 Q4 Dental Pool Revenue | 19,311.32 | 337,508.85 |
| Transfer | 02/21/2023 | | | Funds Transfer | 225,000.00 | 562,508.85 |
| Deposit | 02/21/2023 | | | Deposit | 950.00 | 563,458.85 |
| General Journal | 02/22/2023 | 4123 | | 2/15/23 net pay | -423,808.61 | 139,650.24 |
| Deposit | 02/23/2023 | | | Deposit | 1,198.00 | 140,848.24 |
| Deposit | 02/23/2023 | | | Deposit | 21,422.32 | 162,270.56 |
| General Journal | 02/23/2023 | 4124 | | 2/15/23 payroll taxes | -107,398.82 | 54,871.74 |
| Deposit | 02/23/2023 | | | Deposit | 1,226,874.95 | 1,281,746.69 |
| Deposit | 02/23/2023 | | | Deposit | 1,973.70 | 1,283,720.39 |
| Check | 02/23/2023 | 606 | California State Disbursement Unit | | -244.00 | 1,283,476.39 |
| Deposit | 02/24/2023 | | | Deposit | 2,231.25 | 1,285,707.64 |
| Bill Pmt -Check | 02/24/2023 | Wire | Cinnovx | | -84,320.00 | 1,201,387.64 |
| Bill Pmt -Check | 02/24/2023 | Wire | David Sodergren | | -27,773.76 | 1,173,613.88 |
| Bill Pmt -Check | 02/24/2023 | Wire | Mary E Uzupis | | -33,457.75 | 1,140,156.13 |
| Bill Pmt -Check | 02/24/2023 | Wire | Quantum Consulting Services | | -58,634.66 | 1,081,521.47 |
| Bill Pmt -Check | 02/24/2023 | Wire | Soconus, Inc | | -121,663.50 | 959,857.97 |
| Bill Pmt -Check | 02/24/2023 | Wire | Xtrategi, Inc | | -23,430.00 | 936,427.97 |
| Bill Pmt -Check | 02/24/2023 | Wire | Placesoft Inc. | | -19,720.00 | 916,707.97 |
| Deposit | 02/24/2023 | | | Deposit | 37,058.75 | 953,766.72 |
| Transfer | 02/24/2023 | | | Funds Transfer | -740,000.00 | 213,766.72 |
| Bill Pmt -Check | 02/27/2023 | 16250 | Rincon Consultants | | -1,327.75 | 212,438.97 |
| Bill Pmt -Check | 02/27/2023 | 16251 | Software Simplified | | -337.50 | 212,101.47 |
| Bill Pmt -Check | 02/27/2023 | 16252 | Tripepi Smith & Associates | | -525.75 | 211,575.72 |
| General Journal | 02/27/2023 | 4100 | | Reimburse Wrkr Comp | -2,613.97 | 208,961.75 |
| Deposit | 02/27/2023 | | | Deposit | 133.00 | 209,094.75 |
| Bill Pmt -Check | 02/27/2023 | CC Pay | Employment Research Services | | -203.00 | 208,891.75 |
| General Journal | 02/27/2023 | 4147 | | 401a 457 Contribution PPE 2-15-23 | -58,557.98 | 150,333.77 |
| General Journal | 02/27/2023 | 4147 | | 401a 457 Contribution PPE 2-15-23 | -50,830.58 | 99,503.19 |
| Deposit | 02/28/2023 | | | Deposit | 1,668.00 | 101,171.19 |
| Deposit | 02/28/2023 | | | Deposit | 400.00 | 101,571.19 |
| Deposit | 02/28/2023 | | | Deposit | 66,038.49 | 167,609.68 |
| Bill Pmt -Check | 02/28/2023 | Wire | US Bank | | -30,668.92 | 136,940.76 |
| Deposit | 03/01/2023 | | | Deposit | 1,445.00 | 138,385.76 |
| Deposit | 03/01/2023 | | | Deposit | 170.50 | 138,556.26 |
| Deposit | 03/01/2023 | | | Deposit | 547.47 | 139,103.73 |

| Type | Date | Num | Name | Memo | Amount | Balance |
|-----------------|------------|-------|------------------------------------|--------------------------------------|-------------|-------------|
| Transfer | 03/01/2023 | | | Funds Transfer | 127,000.00 | 266,103.73 |
| General Journal | 03/01/2023 | 4174 | | FSA Contribution PPE 2-15-23 | -3,723.03 | 262,380.70 |
| Deposit | 03/02/2023 | | | Deposit | 300.00 | 262,680.70 |
| Deposit | 03/02/2023 | | | Deposit | 2,081.71 | 264,762.41 |
| Deposit | 03/02/2023 | | | Deposit | 254,981.65 | 519,744.06 |
| General Journal | 03/02/2023 | 4129 | | Health Insur Premium Payment 2023-03 | -153,018.71 | 366,725.35 |
| General Journal | 03/02/2023 | 4129 | | Dental Premium Payment 2023-03 | -12,073.58 | 354,651.77 |
| Deposit | 03/02/2023 | | | Deposit | 950.00 | 355,601.77 |
| General Journal | 03/02/2023 | 4178 | | MX Merchanf Fee 2023-02 Payment | -577.37 | 355,024.40 |
| Deposit | 03/03/2023 | | | Deposit | 4,505.00 | 359,529.40 |
| Deposit | 03/03/2023 | | | Deposit | 6,670.20 | 366,199.60 |
| Transfer | 03/03/2023 | | | Funds Transfer | 150,000.00 | 516,199.60 |
| Deposit | 03/03/2023 | | | Deposit | 7,290.00 | 523,489.60 |
| Deposit | 03/06/2023 | | | Deposit | 3,973.50 | 527,463.10 |
| Deposit | 03/06/2023 | | | Deposit | 190,257.74 | 717,720.84 |
| General Journal | 03/06/2023 | 4125 | | 2/28/23 net pay | -395,305.52 | 322,415.32 |
| General Journal | 03/07/2023 | 4126 | | 2/28/23 payroll taxes | -96,647.12 | 225,768.20 |
| Deposit | 03/07/2023 | | | Deposit | 311.94 | 226,080.14 |
| Deposit | 03/07/2023 | | | Deposit | 14,950.00 | 241,030.14 |
| Check | 03/07/2023 | 607 | California State Disbursement Unit | | -244.00 | 240,786.14 |
| General Journal | 03/08/2023 | 4175 | | FSA Admin Fee 2023-02 Payment | -255.50 | 240,530.64 |
| Deposit | 03/09/2023 | | | Deposit | 1,692.25 | 242,222.89 |
| Deposit | 03/09/2023 | | | Deposit | 9,653.25 | 251,876.14 |
| Deposit | 03/09/2023 | | | Deposit | 3,500.00 | 255,376.14 |
| General Journal | 03/09/2023 | 4169 | | 2/28/23 MM 401a remittance | -55,376.16 | 199,999.98 |
| General Journal | 03/09/2023 | 4169 | | 2/28/23 MM 457 remittance | -49,147.71 | 150,852.27 |
| Transfer | 03/09/2023 | | | Funds Transfer | -300,000.00 | -149,147.73 |
| Bill Pmt -Check | 03/10/2023 | 16253 | City of Brawley | | -199.50 | -149,347.23 |
| Bill Pmt -Check | 03/10/2023 | 16254 | City of Ridgecrest | | -300.00 | -149,647.23 |
| Bill Pmt -Check | 03/10/2023 | 16255 | Standard Insurance Company | Policy Number 160-760643 | -1,681.16 | -151,328.39 |
| Bill Pmt -Check | 03/10/2023 | 16256 | Urban Economics | | -400.00 | -151,728.39 |
| Deposit | 03/10/2023 | | | Deposit | 28,228.14 | -123,500.25 |
| Deposit | 03/10/2023 | | | Deposit | 4,450.00 | -119,050.25 |
| General Journal | 03/10/2023 | 4165 | | 3/13/23 Special Net Pay | -2,000.19 | -121,050.44 |
| General Journal | 03/10/2023 | 4167 | | 2023-02 Payroll Fee Payment | -2,150.18 | -123,200.62 |
| Transfer | 03/10/2023 | | | Funds Transfer | 300,000.00 | 176,799.38 |
| Deposit | 03/10/2023 | | | Deposit | 3,500.00 | 180,299.38 |
| Deposit | 03/13/2023 | | | Deposit | 25,206.33 | 205,505.71 |
| General Journal | 03/13/2023 | 4166 | | 3/13 Special payroll taxes | -58.86 | 205,446.85 |
| General Journal | 03/13/2023 | 4173 | | FSA Contribution PPE 2-28-23 | -3,773.03 | 201,673.82 |
| General Journal | 03/16/2023 | 4183 | | Reverse Bank Fees | 260.00 | 201,933.82 |

| Type | Date | Num | Name | Memo | Amount | Balance |
|-----------------|------------|-------|------------------------------------|-------------------------------|--------------|--------------|
| General Journal | 03/16/2023 | 4183 | | Bank Fees 2023-03 | -259.85 | 201,673.97 |
| Deposit | 03/17/2023 | | | Deposit | 340.00 | 202,013.97 |
| Deposit | 03/17/2023 | | | Deposit | 90.00 | 202,103.97 |
| Deposit | 03/17/2023 | | | Deposit | 3,625.80 | 205,729.77 |
| Deposit | 03/17/2023 | | | Deposit | 28,246.05 | 233,975.82 |
| Deposit | 03/17/2023 | | | Deposit | 137.26 | 234,113.08 |
| Deposit | 03/17/2023 | | | Deposit | 13,528.00 | 247,641.08 |
| Deposit | 03/17/2023 | | | Deposit | 19,318.75 | 266,959.83 |
| Transfer | 03/20/2023 | | | Funds Transfer | 286,000.00 | 552,959.83 |
| Deposit | 03/21/2023 | | | Deposit | 950.00 | 553,909.83 |
| General Journal | 03/21/2023 | 4161 | | 3/15/23 net pay | -467,307.69 | 86,602.14 |
| Transfer | 03/21/2023 | | | Funds Transfer | 70,000.00 | 156,602.14 |
| General Journal | 03/22/2023 | 4162 | | 3/15/23 payroll taxes | -113,190.79 | 43,411.35 |
| Check | 03/22/2023 | 608 | California State Disbursement Unit | | -244.00 | 43,167.35 |
| Deposit | 03/23/2023 | | | Deposit | 1,203,175.90 | 1,246,343.25 |
| Deposit | 03/23/2023 | | | Deposit | 1,173.02 | 1,247,516.27 |
| Deposit | 03/23/2023 | | | Deposit | 21,422.32 | 1,268,938.59 |
| Deposit | 03/24/2023 | | | Deposit | 42,709.24 | 1,311,647.83 |
| Bill Pmt -Check | 03/24/2023 | Wire | Cinnovx | | -51,289.00 | 1,260,358.83 |
| Bill Pmt -Check | 03/24/2023 | Wire | David Sodergren | | -29,432.49 | 1,230,926.34 |
| Bill Pmt -Check | 03/24/2023 | Wire | Mary E Uzupis | | -27,806.31 | 1,203,120.03 |
| Bill Pmt -Check | 03/24/2023 | Wire | Placesoft Inc. | | -19,488.00 | 1,183,632.03 |
| Bill Pmt -Check | 03/24/2023 | Wire | Quantum Consulting Services | | -52,984.83 | 1,130,647.20 |
| Bill Pmt -Check | 03/24/2023 | Wire | Soconus, Inc | | -128,289.50 | 1,002,357.70 |
| Bill Pmt -Check | 03/24/2023 | Wire | Xtrategi, Inc | | -24,090.00 | 978,267.70 |
| Deposit | 03/24/2023 | | | Deposit | 1,566.00 | 979,833.70 |
| Deposit | 03/24/2023 | | | Deposit | 3,800.00 | 983,633.70 |
| General Journal | 03/24/2023 | 4182 | | 401a Contribution PPE 3-15-23 | -61,382.10 | 922,251.60 |
| General Journal | 03/24/2023 | 4182 | | 457 Contribution PPE 3-15-23 | -55,543.31 | 866,708.29 |
| Deposit | 03/24/2023 | | | Deposit | 1,774.00 | 868,482.29 |
| Deposit | 03/24/2023 | | | Deposit | 400.00 | 868,882.29 |
| Deposit | 03/27/2023 | | | Deposit | 87,623.56 | 956,505.85 |
| Deposit | 03/27/2023 | | | Deposit | 250.00 | 956,755.85 |
| Deposit | 03/28/2023 | | | Deposit | 39,336.25 | 996,092.10 |
| Bill Pmt -Check | 03/28/2023 | 16257 | Careers in Government | | -3,100.00 | 992,992.10 |
| Bill Pmt -Check | 03/28/2023 | 16258 | City of Ridgecrest | | -300.00 | 992,692.10 |
| Bill Pmt -Check | 03/28/2023 | 16259 | Standard Insurance Company | Policy Number 160-760643 | -1,754.65 | 990,937.45 |
| Bill Pmt -Check | 03/28/2023 | 16260 | Urban Economics | | -3,000.00 | 987,937.45 |
| Deposit | 03/28/2023 | | | Deposit | 500.00 | 988,437.45 |
| Transfer | 03/28/2023 | | | Funds Transfer | -560,000.00 | 428,437.45 |
| Transfer | 03/28/2023 | | | Funds Transfer | -770,000.00 | -341,562.55 |

| <u>Type</u> | <u>Date</u> | <u>Num</u> | <u>Name</u> | <u>Memo</u> | <u>Amount</u> | <u>Balance</u> |
|---|-------------|------------|-------------|------------------------------|--------------------------|--------------------------|
| Transfer | 03/28/2023 | | | Funds Transfer | 420,000.00 | 78,437.45 |
| General Journal | 03/28/2023 | 4179 | | FSA Contribution PPE 3-15-23 | -3,739.70 | 74,697.75 |
| Deposit | 03/29/2023 | | | Deposit | 25,312.75 | 100,010.50 |
| Deposit | 03/29/2023 | | | Deposit | 59,019.04 | 159,029.54 |
| Bill Pmt -Check | 03/29/2023 | Wire | US Bank | | -22,523.03 | 136,506.51 |
| Bill Pmt -Check | 03/29/2023 | Wire | Meyers Nave | | -3,525.77 | 132,980.74 |
| Deposit | 03/30/2023 | | | Deposit | 3,236.38 | 136,217.12 |
| Transfer | 03/30/2023 | | | Funds Transfer | 160,000.00 | 296,217.12 |
| Deposit | 03/31/2023 | | | Deposit | 7,817.29 | 304,034.41 |
| Deposit | 03/31/2023 | | | Deposit | 3,088.35 | 307,122.76 |
| Deposit | 03/31/2023 | | | Deposit | 8,212.60 | 315,335.36 |
| Deposit | 03/31/2023 | | | Deposit | 44,492.73 | 359,828.09 |
| Deposit | 03/31/2023 | | | Deposit | 948.00 | 360,776.09 |
| General Journal | 03/31/2023 | 4172 | | Rcl ERS CC Payment | 263.50 | 361,039.59 |
| General Journal | 03/31/2023 | 4172 | | Rcl ERS CC Payment | 542.37 | 361,581.96 |
| General Journal | 03/31/2023 | 4172 | | Rcl ERS CC Payment | 212.37 | 361,794.33 |
| General Journal | 03/31/2023 | 4172 | | Rcl ERS CC Payment | 203.00 | 361,997.33 |
| General Journal | 03/31/2023 | 4180 | | HRA Q1 2023 | -72,052.92 | 289,944.41 |
| General Journal | 03/31/2023 | 4181 | | MOO Premium Payment Q1 2023 | -15,817.23 | 274,127.18 |
| Total 110090 · Community Bank of the Bay Chkg | | | | | <u>129,011.35</u> | <u>274,127.18</u> |
| TOTAL | | | | | <u>129,011.35</u> | <u>274,127.18</u> |

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

EC Meeting: 05-18-2023
Item: 3D

RECOMMENDATION

Review and accept JPA investments made through March 2023.

BACKGROUND

The Executive Committee regularly reviews the investment policy, with the latest approved policy being February 7, 2020. The approved 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 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

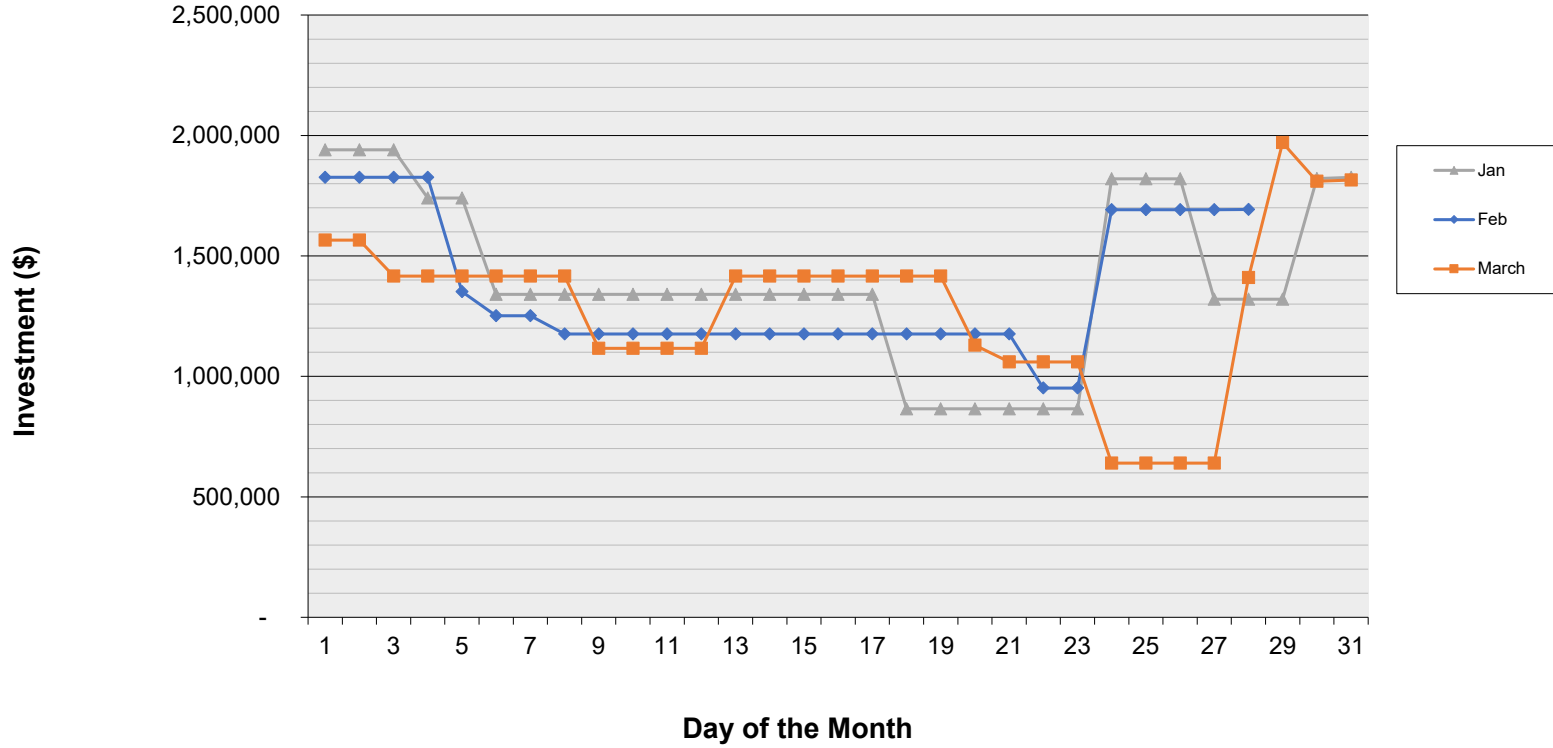
Market fluctuations result in unrealized net gains and net losses in the CalTrust portfolio returns. The JPA does not post mark-to-market entries every month because they distort the operating performance measurement. Interest earnings are posted monthly, and the mark-to-market entries will be made for the fiscal year end statements.

Interest rates are rising as the Federal Reserve responds to inflation. As of March 31st, the CalTrust average short-term yield was running at 4.01%, the medium-term average was 3.32%, and the LAIF yield was 2.83%. The Community Bank of the Bay Money Market rate is currently 2.00%. Investment earnings and balances were projected conservatively in the current budget. During the first three quarters, investment balances increased allowing for greater returns in the current market. Rates have increased for all four investment vehicles resulting in more competitive yields. Actual investment earnings are exceeding the budget.

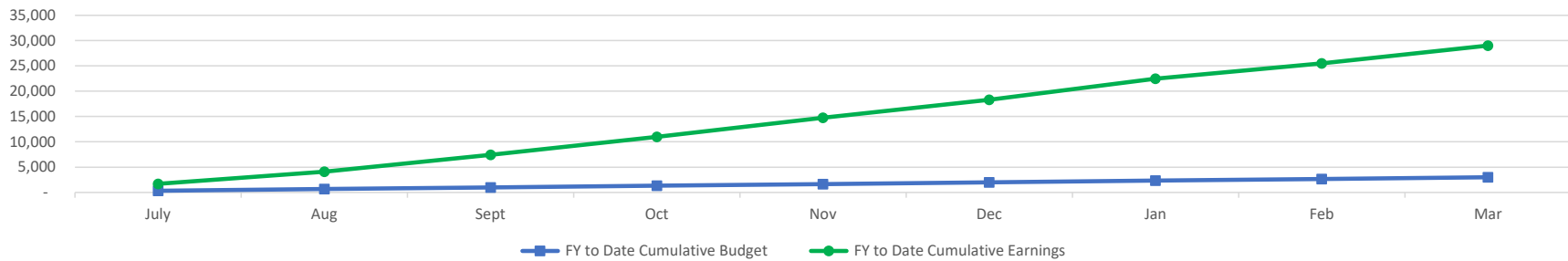
**INVESTMENT REPORT
FY 2023**

| Date | Jan | | | | Feb | | | | March | | | |
|------|------------------|---------------------------|-------------|-----------------|------------------|---------------------------|-------------|-----------------|------------------|---------------------------|-------------|-----------------|
| | <u>Money Mkt</u> | <u>CalTrust</u> | <u>LAIF</u> | <u>Combined</u> | <u>Money Mkt</u> | <u>CalTrust</u> | <u>LAIF</u> | <u>Combined</u> | <u>Money Mkt</u> | <u>CalTrust</u> | <u>LAIF</u> | <u>Combined</u> |
| | <u>Accounts</u> | <u>Short & Medium</u> | | | <u>Accounts</u> | <u>Short & Medium</u> | | | <u>Accounts</u> | <u>Short & Medium</u> | | |
| 1 | 244,941 | 1,594,153 | 101,367 | 1,940,462 | 500,398 | 1,224,702 | 101,367 | 1,826,468 | 638,692 | 825,948 | 101,367 | 1,566,007 |
| 2 | 244,941 | 1,594,153 | 101,367 | 1,940,462 | 500,398 | 1,224,702 | 101,367 | 1,826,468 | 638,692 | 825,948 | 101,367 | 1,566,007 |
| 3 | 244,941 | 1,594,153 | 101,367 | 1,940,462 | 500,398 | 1,224,702 | 101,367 | 1,826,468 | 488,692 | 825,948 | 101,367 | 1,416,007 |
| 4 | 44,941 | 1,594,153 | 101,367 | 1,740,462 | 500,398 | 1,224,702 | 101,367 | 1,826,468 | 488,692 | 825,948 | 101,367 | 1,416,007 |
| 5 | 44,941 | 1,594,153 | 101,367 | 1,740,462 | 25,398 | 1,224,702 | 101,367 | 1,351,468 | 488,692 | 825,948 | 101,367 | 1,416,007 |
| 6 | 44,941 | 1,194,153 | 101,367 | 1,340,462 | 25,398 | 1,124,702 | 101,367 | 1,251,468 | 488,692 | 825,948 | 101,367 | 1,416,007 |
| 7 | 44,941 | 1,194,153 | 101,367 | 1,340,462 | 25,398 | 1,124,702 | 101,367 | 1,251,468 | 488,692 | 825,948 | 101,367 | 1,416,007 |
| 8 | 44,941 | 1,194,153 | 101,367 | 1,340,462 | 25,398 | 1,049,702 | 101,367 | 1,176,468 | 488,692 | 825,948 | 101,367 | 1,416,007 |
| 9 | 44,941 | 1,194,153 | 101,367 | 1,340,462 | 25,398 | 1,049,702 | 101,367 | 1,176,468 | 188,692 | 825,948 | 101,367 | 1,116,007 |
| 10 | 44,941 | 1,194,153 | 101,367 | 1,340,462 | 25,398 | 1,049,702 | 101,367 | 1,176,468 | 188,692 | 825,948 | 101,367 | 1,116,007 |
| 11 | 44,941 | 1,194,153 | 101,367 | 1,340,462 | 25,398 | 1,049,702 | 101,367 | 1,176,468 | 188,692 | 825,948 | 101,367 | 1,116,007 |
| 12 | 44,941 | 1,194,153 | 101,367 | 1,340,462 | 25,398 | 1,049,702 | 101,367 | 1,176,468 | 188,692 | 825,948 | 101,367 | 1,116,007 |
| 13 | 44,941 | 1,194,153 | 101,367 | 1,340,462 | 25,398 | 1,049,702 | 101,367 | 1,176,468 | 188,692 | 1,125,948 | 101,367 | 1,416,007 |
| 14 | 44,941 | 1,194,153 | 101,367 | 1,340,462 | 25,398 | 1,049,702 | 101,367 | 1,176,468 | 188,692 | 1,125,948 | 101,367 | 1,416,007 |
| 15 | 44,941 | 1,194,153 | 101,367 | 1,340,462 | 25,398 | 1,049,702 | 101,367 | 1,176,468 | 188,692 | 1,125,948 | 101,367 | 1,416,007 |
| 16 | 44,941 | 1,194,153 | 101,367 | 1,340,462 | 25,398 | 1,049,702 | 101,367 | 1,176,468 | 188,692 | 1,125,948 | 101,367 | 1,416,007 |
| 17 | 44,941 | 1,194,153 | 101,367 | 1,340,462 | 25,398 | 1,049,702 | 101,367 | 1,176,468 | 188,692 | 1,125,948 | 101,367 | 1,416,007 |
| 18 | 44,941 | 719,153 | 101,367 | 865,462 | 25,398 | 1,049,702 | 101,367 | 1,176,468 | 188,692 | 1,125,948 | 101,367 | 1,416,007 |
| 19 | 44,941 | 719,153 | 101,367 | 865,462 | 25,398 | 1,049,702 | 101,367 | 1,176,468 | 188,692 | 1,125,948 | 101,367 | 1,416,007 |
| 20 | 44,941 | 719,153 | 101,367 | 865,462 | 25,398 | 1,049,702 | 101,367 | 1,176,468 | 188,692 | 839,948 | 101,367 | 1,130,007 |
| 21 | 44,941 | 719,153 | 101,367 | 865,462 | 25,398 | 1,049,702 | 101,367 | 1,176,468 | 118,692 | 839,948 | 101,367 | 1,060,007 |
| 22 | 44,941 | 719,153 | 101,367 | 865,462 | 25,398 | 824,702 | 101,367 | 951,468 | 118,692 | 839,948 | 101,367 | 1,060,007 |
| 23 | 44,941 | 719,153 | 101,367 | 865,462 | 25,398 | 824,702 | 101,367 | 951,468 | 118,692 | 839,948 | 101,367 | 1,060,007 |
| 24 | 999,941 | 719,153 | 101,367 | 1,820,462 | 765,398 | 824,702 | 101,367 | 1,691,468 | 118,692 | 419,948 | 101,367 | 640,007 |
| 25 | 999,941 | 719,153 | 101,367 | 1,820,462 | 765,398 | 824,702 | 101,367 | 1,691,468 | 118,692 | 419,948 | 101,367 | 640,007 |
| 26 | 999,941 | 719,153 | 101,367 | 1,820,462 | 765,398 | 824,702 | 101,367 | 1,691,468 | 118,692 | 419,948 | 101,367 | 640,007 |
| 27 | 499,941 | 719,153 | 101,367 | 1,320,462 | 765,398 | 824,702 | 101,367 | 1,691,468 | 118,692 | 419,948 | 101,367 | 640,007 |
| 28 | 499,941 | 719,153 | 101,367 | 1,320,462 | 765,692 | 825,948 | 101,367 | 1,693,007 | 118,692 | 1,189,948 | 101,367 | 1,410,007 |
| 29 | 499,941 | 719,153 | 101,367 | 1,320,462 | | | | | 678,692 | 1,189,948 | 101,367 | 1,970,007 |
| 30 | 499,941 | 1,219,427 | 101,367 | 1,820,736 | | | | | 518,692 | 1,189,948 | 101,367 | 1,810,007 |
| 31 | 500,398 | 1,224,702 | 101,367 | 1,826,468 | | | | | 518,692 | 1,194,877 | 101,367 | 1,814,936 |

COMBINED INVESTMENTS



Investment Earnings



Management Services Agreement Report

| Agency Name | Services Provided | Type | Services Group | Service Span | Agreement Date | Agreement Expiration | Contract Amount |
|---|--|------------------|--------------------|--------------|----------------|----------------------|-----------------|
| Akron Regional Transit Authority | NEOGOV Implementation | Agreement | HR | Project | 5/1/2023 | 12/31/2023 | 80800 |
| Alameda County Mosquito Abatement District | Mgmt & Adm Svcs - Amend #3 | Amend | HR | On Call | 7/28/2017 | N/A | 30000 |
| Alamo-Lafayette Cemetery District | HR Services | Agreement | HR | Project | 10/3/2022 | 10/2/2023 | 5000 |
| Auburn | Code Revision and GP Update (Amend #1) | Amend | Planning | Project | 9/26/2022 | 9/30/2023 | 39600 |
| Auburn | Planning Service - Code Phase 2 | Agreement | Planning | Project | 5/1/2023 | 9/30/2024 | 150000 |
| Banning | Recruiting FY 2022-2023 | Agreement | Recruitment | Project | 7/1/2022 | 6/30/2023 | 24999 |
| Belmont | Financial Services Amend #1 | Amend | Finance | Continuous | 8/10/2022 | N/A | 140000 |
| Belvedere | Planning (Amend #2) | Agreement | Public Works | Continuous | 10/17/2022 | 12/31/2023 | 85000 |
| Belvedere | Recruitment (Amend #1) | Amend | HR | Project | 10/17/2022 | N/A | 35000 |
| Berkeley | HR Services for Public Works (PO) | PO | HR | Project | 6/1/2021 | None | 5000 |
| Brawley | Election Assistance | Agreement | HR | Project | 6/20/2022 | N/A | 15000 |
| Byron - Brentwood - Knightsen Union Cemetery District | On Call HR Services (Amend #2) | Amend | HR | On Call | 7/26/2021 | N/A | 20000 |
| Calistoga | HR Manager (Amend 3) | Amend | HR,Recruitment | On Call | 7/1/2010 | N/A | no NTE |
| Calistoga | Recruiting | Agreement | Recruitment | Project | 11/10/2022 | 6/30/2023 | 29000 |
| CalSAWS | Mgmt. & Admin Services (Amend # 36) | Amend | Contract Staffing | Continuous | 2/17/2009 | N/A | no NTE |
| Cameron Park Community Services District | HR Services 2023 (Amend #1) | Agreement | HR | Continuous | 7/1/2023 | N/A | 52858 |
| Cameron Park Community Services District | Recruiting Services | Agreement | HR | Project | 5/22/2023 | 12/1/2023 | 15000 |
| Carmel Valley Recreation & Parks District | Grant Assistance | Agreement | Finance | Project | 4/6/2022 | 6/30/2024 | 62500 |
| Carpinteria | HR Services Amend #1 | Amend | HR | Continuous | 7/25/2022 | 6/30/2023 | 160000 |
| Castro Valley Sanitary District | HR Services Amend #1 | Agreement | HR | Continuous | 12/14/2021 | 12/31/2024 | 90000 |
| Central California Tristeza Eradication Agency | On Call HR Services Amend #1 | Amend | HR | Continuous | 2/18/2021 | 12/31/2025 | 30000 |
| Central Coast Marketing Team | Econ Development & Recruiting - Amend #2 | Amend | ED | Continuous | 5/1/2021 | 6/30/2023 | 109200 |
| Citrus Heights Water District | Comm & Engagement (Task Order 2023-01) | Task Order | Outreach | Continuous | 5/17/2017 | 12/31/2023 | no NTE |
| Citrus Heights Water District | Finance Services (Task Order 2023-02) | Task Order | Finance | Continuous | 5/17/2017 | N/A | no NTE |
| Citrus Heights Water District | HR Mgmt. Services | Master Agreement | HR | On Call | 5/20/2017 | N/A | no NTE |
| Citrus Heights Water District | HR Mgmt. Services (TO #2018-02) | Task Order | HR | On Call | 5/17/2017 | N/A | no NTE |
| Citrus Heights Water District | HR Mgmt. Services (TO #2019-02) | Task Order | HR | On Call | 5/17/2017 | N/A | no NTE |
| Clear Creek Community Services District | General HR Services | Agreement | HR | Continuous | 5/1/2023 | 6/30/2024 | 15000 |
| Clearlake | Finance Services 2023 | Agreement | Finance | Continuous | 3/1/2023 | 6/30/2023 | 20000 |
| Colusa Groundwater Authority | Program Admin | Agreement | Contract Staffing | Continuous | 5/25/2022 | 6/30/2023 | 175000 |
| Community Medical Centers | Emergency Grant Assistance (Amend #2) | Amend | Emergency Services | Continuous | 11/11/2020 | 12/31/2023 | 70000 |
| Contra Costa Transportation Authority | HR Mgmt. Services | Agreement | HR | On Call | 7/1/2022 | 6/30/2024 | 60000 |
| Del Paso Manor Water District | Governance Support | Agreement | HR | Continuous | 7/3/2023 | 6/30/2024 | \$30,000 |
| Del Paso Manor Water District | Public Meeting Support | Agreement | Clerk Services | Project | 1/24/2022 | N/A | 30000 |
| Del Rey Oaks | Financial Services (Master Agreement) | Master Agreement | Finance | Continuous | 8/1/2022 | 6/30/2025 | 198000 |
| Delta Diablo | HR Consulting (Amend #2) | Agreement | HR | On Call | 8/15/2019 | N/A | 65000 |
| Desert Water Agency | Communication & Engagement | Agreement | Outreach | Project | 12/1/2022 | 12/31/2023 | 210000 |
| Douglas County | Tyler New World Implementation | Agreement | Finance | Project | 4/1/2021 | N/A | 80000 |
| El Centro | Finance Services (Confidential) | Agreement | Finance | Project | 4/17/2023 | 6/30/2024 | 50000 |
| Emeryville | Finance Svcs Amend #2 (HR Svcs) | Agreement | HR | Continuous | 9/2/2022 | 8/31/2023 | 82000 |
| Fairfield | HR Services | Agreement | HR | On Call | 4/16/2019 | N/A | 100000 |
| Fairfield | Recruitments (Amend #1) | Amend | Recruitment | On Call | 12/16/2020 | N/A | 51000 |
| Feather River Air Quality Management District | HR Services Amend #1 | Agreement | HR | Continuous | 7/1/2021 | 12/31/2023 | 70000 |
| Folsom | Finance & Payroll Services | Agreement | Finance | Continuous | 10/12/2022 | 10/30/2023 | no NTE |
| Fort Ord Reuse Authority (Monterey County) | Dissolution Assistance (Amend #4) | Amend | Finance | Project | 6/15/2020 | 6/30/2023 | 200000 |
| Foster City | Levee Project Mgmt. (Amend #2) | Amend | Public Works | Continuous | 1/3/2021 | 12/31/2023 | 334620 |
| Golden Hills Community Services District | GM Admin Svcs - Amend 1 | Master Agreement | Training | On Call | 9/21/2017 | N/A | no NTE |
| Gonzales | ED Services | Agreement | ED | On Call | 5/8/2023 | 3/31/2024 | 20000 |
| Greater Vallejo Recreation District | Succession Planning (Amend #1) | Amend | Org. Dev. | Continuous | 11/11/2022 | 6/30/2023 | 8208 |

Management Services Agreement Report

| Agency Name | Services Provided | Type | Services Group | Service Span | Agreement Date | Agreement Expiration | Contract Amount |
|---|--------------------------------------|-----------|-------------------|--------------|----------------|----------------------|-----------------|
| Greenfield | Project Assessment (Amend #1) | Agreement | Public Works | Continuous | 12/20/2021 | 6/30/2023 | 85000 |
| Grossmont Healthcare District | Comp Study Amend #1 | Amend | HR | Project | 12/1/2022 | 12/31/2023 | 19902 |
| Hercules | HR Support | Agreement | HR | Continuous | 1/9/2023 | 6/30/2024 | 50000 |
| Hollister | Finance and HR Services | Agreement | Multiple | Project | 4/17/2023 | 6/30/2024 | 75000 |
| Indian Wells Valley Groundwater Authority | Admin Services 2023 | Agreement | HR | Continuous | 1/3/2023 | 12/31/2024 | no NTE |
| Ironhouse Sanitary District | HR Mgmt. Services (Amend #1) | Amend | HR | Continuous | 4/5/2016 | N/A | no NTE |
| James Irvine Foundation | Grant Advisement Services | Agreement | ED | Project | 7/1/2022 | 6/30/2023 | 25000 |
| Larkspur | Coaching/Team Building (Amend #6) | Amend | Training | On Call | 3/17/2012 | N/A | no NTE |
| Las Gallinas Valley Sanitary District | Master Agreement Amend #3 | Amend | Finance,HR | On Call | 12/4/2020 | 6/30/2024 | 173000 |
| Los Vaqueros Reservoir JPA | Clerk Services | Agreement | HR | Continuous | 3/8/2023 | 12/31/2023 | 25000 |
| Marin Clean Energy | Staff Coaching Services | Agreement | Training | Project | 5/1/2022 | N/A | 25000 |
| Marin County | HR Grievance Services | Agreement | HR | On Call | 5/16/2022 | 6/30/2023 | 48000 |
| Marin Emergency Radio Authority | Exec Officer 2023 - Amend #1 | Agreement | HR | Continuous | 1/1/2022 | 6/30/2023 | no NTE |
| Marin Emergency Radio Authority | Project Mgr - Amend #9 | Amend | HR | Continuous | 5/8/2013 | 6/30/2024 | no NTE |
| Marin Municipal Water District | General HR & Recruitment (Amend #1) | Amend | HR | Continuous | 12/2/2021 | 12/31/2023 | 100000 |
| Marina | HR Services Recruiting (2023) | Agreement | HR,Recruitment | Project | 1/6/2023 | N/A | 15000 |
| Marina | Planning Projects | Agreement | Planning | Project | 9/30/2020 | N/A | no NTE |
| Marina | Class, Comp & Recruiting | Agreement | HR | Project | 2/13/2023 | 6/30/2023 | 25000 |
| Marina Coast Water District | Class & Comp Study | Agreement | HR | Project | 5/1/2023 | 6/30/2024 | 42600 |
| Marina Coast Water District | Financial Analysis & Reporting | Agreement | Finance | Project | 2/15/2023 | 6/30/2023 | 49000 |
| Marina Coast Water District | HR Services | PO | HR | On Call | 5/15/2023 | 12/31/2023 | 39500 |
| Mendocino County | Fiscal System Review | Agreement | Finance | Project | 10/7/2022 | 6/30/2023 | 38000 |
| Mill Valley | HR Planning Scope (Amend #1) | Amend | HR | On Call | 8/16/2018 | N/A | no NTE |
| Monterey County Convention and Visitors Bureau | Recruiting Services | Agreement | HR | Project | 5/9/2023 | 12/31/2023 | 19500 |
| Monterey Peninsula Regional Park District | Finance Services | Agreement | Finance | On Call | 11/10/2021 | N/A | 40000 |
| Monterey Peninsula Regional Park District | Project Mgmt, Grants, Permitting | Agreement | Multiple | Continuous | 8/1/2022 | 6/30/2023 | 115000 |
| Monterey Peninsula Water Management District | HR Services (Amend #6) | Amend | HR | Continuous | 12/20/2016 | 6/30/2023 | 105000 |
| Napa | Payroll Assistance | Agreement | Finance | Project | 1/18/2022 | 12/31/2023 | 50000 |
| Nevada County Consolidated Fire District | HR Support | Agreement | HR | On Call | 5/1/2023 | 6/30/2024 | 5000 |
| North Sierra Air Quality Management District | HR Policy Manual Update | Agreement | HR | Project | 7/2/2021 | N/A | 10000 |
| Novato | Finance Projects (Amend #2) | Agreement | Finance | Continuous | 6/29/2020 | N/A | 108000 |
| Novato Fire District | Finance Services | Agreement | Finance | Project | 2/1/2022 | N/A | 50000 |
| Orange County | Recruitment Assistance | Agreement | HR | Project | 6/16/2022 | 6/16/2023 | 50000 |
| Pacific Grove | Planning & Housing | Agreement | Planning | Project | 10/1/2022 | 9/30/2023 | 39000 |
| Pacifica | Finance Services - Amend #1 | Amend | Finance | Continuous | 1/1/2022 | 6/30/2023 | 100000 |
| Patterson | Finance Payroll | Agreement | Finance | Project | 3/28/2022 | N/A | 59500 |
| Patterson | Fire Department Team Building | Agreement | Training | Project | 8/25/2021 | N/A | 17360 |
| Peninsula Clean Energy | HR Projects | Agreement | HR | On Call | 4/25/2019 | N/A | no NTE |
| Pinole | Procurement Assistance Amend #1 | Amend | Finance | Continuous | 6/7/2022 | 12/31/2023 | 9000 |
| Placer Mosquito and Vector Control District | HR Services (Amend #1) | Amend | HR | On Call | 8/1/2021 | N/A | 60000 |
| Pleasanton | NeoGov Insight & OHC Optimization | Agreement | HR | Project | 5/5/2023 | 8/4/2023 | 15000 |
| Regional Water Authority | HR Recruiting Services - (Amend #1) | Amend | HR | Project | 5/25/2022 | N/A | 34000 |
| Richardson Bay Regional Agency | Executive Mgmt. | Agreement | Contract Staffing | Continuous | 10/15/2021 | N/A | HOURLY |
| Richmond | Finance & HR Support (Amend #2) | Agreement | Multiple | Continuous | 3/1/2022 | 6/30/2024 | 700000 |
| Sacramento | Class & Comp Study | Agreement | HR | On Call | 1/23/2019 | 6/30/2023 | 500000 |
| Sacramento Metropolitan Cable Television Commission | Class & Comp Study | Agreement | HR | Project | 5/9/2023 | 10/31/2023 | 30600 |
| Sacramento Reg Co Sanitation District/Sac Area Sewer District | HR Services | Agreement | HR | Project | 4/4/2023 | 12/31/2023 | 110400 |
| Salinas | Finance Projects | Agreement | Finance | Project | 3/6/2023 | 6/30/2024 | 100000 |
| Salinas | Recruiting and Class with General HR | Agreement | HR,Recruitment | Project | 7/19/2021 | N/A | no NTE |

Management Services Agreement Report

| Agency Name | Services Provided | Type | Services Group | Service Span | Agreement Date | Agreement Expiration | Contract Amount |
|--|--|------------------|-----------------------|---------------------|-----------------------|-----------------------------|------------------------|
| Salinas Valley Basin Groundwater Sustainability Agency | Mgmt. Services (Amend #5) | Amend | Contract Staffing | Continuous | 8/1/2017 | N/A | no NTE |
| San Bernardino County | GASB 87 Services | PO | Finance | Project | 7/1/2022 | N/A | 50000 |
| San Diego Local Agency Formation Commission | HR Services | Agreement | HR | Continuous | 11/4/2022 | 6/30/2024 | 100000 |
| San Joaquin Valley Regional Planning Agencies | Regional Early Action Planning | Agreement | Planning | Project | 2/12/2021 | N/A | 70200 |
| San Juan Bautista | HR Services (Amend #1) | Amend | HR | Project | 12/20/2021 | 6/30/2023 | 50000 |
| San Juan Bautista | Procurement Assistance | Agreement | Finance | Project | 4/15/2022 | 6/30/2023 | 50000 |
| San Luis Obispo County Air Pollution Control District | Payroll Consulting Services | Agreement | HR | On Call | 4/14/2023 | 12/31/2023 | 10000 |
| San Marcos | Payroll and Finance Support | Agreement | Multiple | Continuous | 11/14/2022 | 12/31/2023 | no NTE |
| San Mateo County Harbor District | HR Investigation Services | Agreement | HR | Project | 5/9/2022 | N/A | 8200 |
| Sand City | Finance & HR Support | Agreement | Finance,HR | On Call | 2/16/2023 | 6/30/2023 | 68000 |
| Santa Barbara County | Master Agreement FY23-24 | Agreement | HR | Continuous | 4/28/2023 | 6/30/2024 | 250000 |
| Santa Cruz County Regional Transportation Commission | Org. Dev. Services (Amend #1) | Amend | Multiple | Project | 5/10/2022 | 12/31/2023 | 43920 |
| Santa Rosa | Strategic Planning | Agreement | Training | Project | 6/15/2022 | 12/31/2025 | 5624 |
| Scotts Valley | Community Development Projects | Agreement | Planning | Continuous | 12/15/2016 | N/A | no NTE |
| Self-Directed Tax-Advantaged Retirement System | Fiscal and Admin Support (Amend #1) | Amend | Contract Staffing | Continuous | 12/13/2016 | N/A | no NTE |
| Selma | HR & Finance (Amend #2) | Amend | Multiple | Continuous | 4/11/2022 | 12/31/2024 | 421200 |
| Solano County Mosquito Abatement District | Recruiting Services | Agreement | HR | Project | 5/9/2023 | 12/31/2023 | 17500 |
| Solano County Water Agency | HR & Financial Services (Amend #1) | Amend | Finance,HR | On Call | 7/1/2020 | 6/30/2023 | 150000 |
| Soledad | Broadband Services | Agreement | ED | Project | 4/15/2023 | 12/31/2023 | 15000 |
| Sonoma County | Class & Comp Study | Master Agreement | HR | On Call | 12/14/2020 | 11/20/2023 | 100000 |
| Sonoma Mendocino Economic Development District | Mgmt. Services (Amend #1) | Agreement | ED | Continuous | 11/14/2022 | 6/30/2023 | 240000 |
| Sonora | Compensation Study Amend #1 | Amend | HR | Project | 2/6/2023 | 7/31/2023 | 33500 |
| South San Luis Obispo County Sanitation District | HR Advisors | Agreement | HR | On Call | 3/1/2017 | N/A | no NTE |
| St Helena | Financial Services (Amend #1) | Amend | Finance | Continuous | 8/9/2022 | N/A | 50000 |
| St Helena | HR Services Amend #2 | Amend | HR | Project | 8/5/2022 | 6/30/2023 | 116200 |
| Stanislaus Consolidated Fire Protection District | HR and Clerk Services (Payroll) | Agreement | Clerk Services,HR | On Call | 4/29/2021 | N/A | no NTE |
| Sunnyvale | Finance Services | Agreement | Finance | Project | 12/20/2022 | 12/31/2024 | 100000 |
| Sunnyvale | Procurement Assistance (Amend #1) | Amend | Other | On Call | 3/19/2020 | 3/18/2024 | 90000 |
| Templeton Community Services District | Financial Services 2023 PO | PO | Finance | Project | 9/29/2022 | 6/30/2023 | 7000 |
| The University Corporation at Monterey Bay | DART Initiative (Amend #1) | Agreement | ED | Project | 7/29/2022 | 9/30/2023 | 404000 |
| Tri-Valley San Joaquin Valley Regional Rail Authority | On Call HR Services | Agreement | HR | On Call | 10/25/2021 | N/A | 40000 |
| Utica Water and Power Authority | HR Support | Agreement | HR | Project | 4/18/2023 | 6/30/2023 | 5000 |
| Valley Water | Emergency Response Procedures | Agreement | Emergency Services | Continuous | 2/1/2023 | 12/31/2023 | 225000 |
| Valley Water | Property Rights Negotiations | Agreement | Planning | Project | 4/15/2023 | 12/31/2025 | 225000 |
| Valley Water | 2022/23 Leadership Academies | PO | Training | Project | 7/1/2022 | 6/30/2023 | 15000 |
| Ventura County Department of Airports | Strategic Planning | PO | Planning | Project | 3/13/2023 | 6/30/2023 | 9990 |
| Walnut Creek | Budget Project (TO 2023-01) | Task Order | Finance | Continuous | 1/1/2022 | N/A | no NTE |
| Walnut Creek | Master Agreement | Agreement | Emergency,HR,Planning | Continuous | 1/1/2022 | N/A | 495000 |
| Walnut Creek | Master Agreement (Amend #1) | Amend | HR | Continuous | 1/1/2022 | N/A | 775000 |
| Walnut Creek | Master Agreement (TO 2022-01) | Task Order | Emergency Services | Project | 1/1/2022 | N/A | no NTE |
| Walnut Creek | Master Agreement (TO 2022-02) | Task Order | Planning | Project | 1/1/2022 | N/A | no NTE |
| Walnut Creek | Master Agreement (TO 2022-03) | Task Order | Recruitment | Project | 1/1/2022 | N/A | 50000 |
| West Business Development Center | ED Support (Mendocino County) | Agreement | ED | Continuous | 6/16/2022 | 6/30/2023 | 50925 |
| West County Wastewater | HR and Finance Services (FY 2022-2023) | Agreement | Multiple | Continuous | 7/1/2022 | 6/30/2023 | 50000 |
| West Valley Sanitation District | HR Services PO 7350 | Agreement | HR | Continuous | 7/16/2021 | 6/30/2023 | 83000 |
| West Valley Water District | Staffing Assessment and Compensation Study | Agreement | HR | Project | 6/20/2022 | N/A | 6200 |
| Westlake Village | Financial Services | Agreement | Finance | Continuous | 4/12/2023 | 4/11/2024 | 10000 |
| Wildomar | Council Meeting Support | Agreement | HR | Continuous | 2/8/2023 | 7/8/2023 | 21000 |
| Woodside | CEQA Assistance | Agreement | Planning | Project | 4/11/2023 | 7/24/2023 | 33015 |

Management Services Agreement Report

| Agency Name | Services Provided | Type | Services Group | Service Span | Agreement Date | Agreement Expiration | Contract Amount |
|-------------|--|-----------|----------------|--------------|----------------|----------------------|-----------------|
| Yountville | Parks Master Plan Public Engagement (Amend #5) | Amend | Training | Project | 7/19/2016 | N/A | 13800 |
| Yountville | Recruiting (Amend #7) | Amend | HR | Project | 7/19/2016 | N/A | no NTE |
| Yreka | Yreka - Compensation Study | Agreement | HR | Project | 5/2/2022 | N/A | 25800 |

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: 05-18-2023**
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-two agencies currently participate in the RGS Dental Pool as Associate Members. These agencies represent approximately 5,000 subscribers.

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

REVIEW FOR THIS MEETING

Effective January 1, 2023, three new agencies joined the pool: Cities of Firebaugh and Laguna Niguel and the Sacramento Area Council of Governments. Keenan is still communicating with a few agencies who have asked for rate quotes with the potential to join the pool effective July 1, 2023.

Renewal rates are projected to be available in late August and the goal for next year is another rate pass.

FISCAL IMPACT

Adding new Associate Members will stabilize monthly premiums paid into the pool after the loss of the County. RGS' administrative fee is 1 percent of premiums paid. Annualized RGS MDP administrative fee revenue through March is 21% over budget with a total of \$56,668 collected to date.

TO: EXECUTIVE COMMITTEE **EC Meeting: 05-18-2023**
FROM: DEONA KNIGHT, HR Manager **Item: 3G**
SUBJECT: RECEIVE AND FILE AGENCY BONUS AWARDS UPDATE

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. Since the decision to award bonuses resides with the Executive Director, it was suggested by staff that the report also note if the actual awards were consistent with the recommendations of HR.

REVIEW FOR THIS MEETING

Two awards totaling \$6,000 were proposed and reviewed by HR. Both have been approved and awarded consistent with HR recommendations. HR staff have also met individually with all the Service Line Leaders to introduce the program and explain the nomination and award process. Several have reported that they are in process of preparing nomination documentation. An email explaining the program has also gone out to all employees.

FISCAL IMPACT

The bonus program funding was authorized at the September 15, 2022 meeting. No changes or additional impacts are expected at this time.

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

EC Meeting: 05-18-2023
Item: 4A

RECOMMENDATION

Review preliminary financial reports for FY23 through March 2023.

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 reversed and revenue is recognized. There is no impact on net position of the agency.

FISCAL YEAR 2023

For the month of March 2023, the JPA had a net gain of \$82,000. Through 9 months (75%) the JPA performance resulted in net income of \$124,943 on \$17,116,000 in revenue. This is 33% of the fiscal year-to-date budget. The most significant contributing factor is client billings tracking under budget and salaries paid slightly over budget.

Nearly \$1M of revenue growth in FY23 was predicated on projecting CalSAWS-dedicated staff growth of six additional full-time employees at the beginning of the fiscal year. While the first three of those additions were onboarded in February, CalSAWS has sustained fluctuations in staffing. Based on year-to-date billings, these factors lead to a shortfall of budgeted revenue totaling \$391k for the first nine months of the fiscal year.

RGS is investing in new/expanded service lines that increase costs ahead of service line revenue. On average, administrative hours due to more communications, meeting time, business development, etc. have increased 764 hours per month over last fiscal year. With March-June typically being profitable months for the JPA, staff anticipates positive results to continue through the end of the current fiscal year.

FYTD SERVICE LINE REVENUE

| | |
|----------------------|------------|
| Contract Staff | 13,013,836 |
| HR | 1,431,665 |
| Finance | 972,269 |
| Economic Development | 596,691 |
| Planning | 358,289 |
| Recruiting | 222,494 |
| Training | 158,770 |
| Public Works | 112,599 |
| Agency Admin | 81,439 |
| Comm & Engagement | 77,313 |
| Emergency Mgmt. | 46,268 |
| Clerk Services | 33,214 |
| Outreach | 10,851 |

Reserve balances are in the table below. These targets reflect the revised operating reserve resulting from the budget adjustment approved at the November 2022 Executive Committee meeting. FYTD the Claims and Bonus targets have been met, and Operating Reserve funding is 24% of target.

| RESERVES | FY23 Policy | FYE22 | FY23 Budget | FY23 To Date |
|-----------------|--------------------|--------------------|--------------------|---------------------|
| Operating | \$2,300,000 | \$421,184 | \$922,184 | \$547,273 |
| Claims | \$590,000 | \$590,000 | \$590,000 | \$590,000 |
| Bonus | \$590,400 | \$590,400 | \$590,400 | \$590,400 |
| Total | \$3,480,400 | \$1,601,584 | \$2,102,584 | \$1,727,673 |

Regional Government Services Profit & Loss Budget vs. Actual

July 2022 through March 2023

Accrual Basis

| | Jul '22 - Mar 23 | Budget | \$ Over Budget | % of Budget |
|--|-------------------|-------------------|--------------------|-------------|
| Ordinary Income/Expense | | | | |
| Income | | | | |
| 440301 · Client Billings | 13,311,770 | 18,216,000 | (4,904,230) | 73% |
| 440400 · Admin Services | | | | |
| 440402 · MSS | 4,200 | 5,000 | (800) | 84% |
| 440403 · Muncipal Dental Pool | 58,007 | 62,000 | (3,993) | 94% |
| 440404 · STARS | 15,303 | 21,000 | (5,697) | 73% |
| Total 440400 · Admin Services | 77,510 | 88,000 | (10,490) | 88% |
| 480000 · Miscellaneous Income | | | | |
| 480100 · Client Expense Reimbursement | 3,722,490 | 4,889,000 | (1,166,510) | 76% |
| 480200 · Purchasing Card Rebate | 3,928 | 3,000 | 928 | 131% |
| Total 480000 · Miscellaneous Income | 3,726,418 | 4,892,000 | (1,165,582) | 76% |
| Total Income | 17,115,699 | 23,196,000 | (6,080,301) | 74% |
| Gross Profit | 17,115,699 | 23,196,000 | (6,080,301) | 74% |
| Expense | | | | |
| 511010 · Salaries - Regular | 9,972,305 | 13,122,000 | (3,149,695) | 76% |
| 511072 · Salaries - Nonbillable | 64,732 | 154,000 | (89,268) | 42% |
| 512002 · Medicare Employer Expense | 143,808 | 188,000 | (44,192) | 76% |
| 512004 · Employee Assistance Program | 3,422 | 7,000 | (3,578) | 49% |
| 512005 · Health Insurance Expense | 1,261,363 | 1,701,000 | (439,637) | 74% |
| 512006 · Dental Insurance Expense | 103,777 | 152,000 | (48,223) | 68% |
| 512007 · Vision Insurance Expense | 14,337 | 22,000 | (7,663) | 65% |
| 512008 · Life Insurance Expense | 9,337 | 12,000 | (2,663) | 78% |
| 512009 · Long Term Disability Expense | 12,789 | 19,000 | (6,211) | 67% |
| 512011 · Stars 401A Expense | 995,896 | 1,322,000 | (326,104) | 75% |
| 512014 · Short Term Disability Expense | 11,633 | 17,000 | (5,367) | 68% |
| 512015 · Unemployment Expense | 36,434 | 55,000 | (18,566) | 66% |
| 512018 · FSA Health & Day Care Expense | 3,168 | 3,000 | 168 | 106% |
| 512019 · Employee Expense Allowances | 121,950 | 153,000 | (31,050) | 80% |
| 512020 · HRA Retirement Benefit Expense | 147,735 | 207,000 | (59,265) | 71% |
| 520107 · APS (ADP) Payroll Fees | 15,474 | 25,000 | (9,526) | 62% |
| 520108 · Communications - Agency Expense | 3,832 | 5,000 | (1,168) | 77% |
| 520201 · Office Supplies | 20 | 1,000 | (980) | 2% |
| 520202 · Bank Fees & Services | 4,599 | 4,000 | 599 | 115% |
| 520204 · Printing & Postage | 8,450 | 3,000 | 5,450 | 282% |
| 520301 · Audit Services | 18,105 | 18,000 | 105 | 101% |
| 520302 · Legal Services | 22,414 | 39,000 | (16,586) | 57% |
| 520303 · Legal - litigation | 116,115 | 250,000 | (133,885) | 46% |
| 520314 · Administrative Services | 7,194 | 11,000 | (3,806) | 65% |

| | <u>Jul '22 - Mar 23</u> | <u>Budget</u> | <u>\$ Over Budget</u> | <u>% of Budget</u> |
|--|-------------------------|-----------------------|-------------------------|--------------------|
| 520320 · Professional Services | 43,381 | 80,000 | (36,619) | 54% |
| 520501 · Professional Dues & Membership | 65,753 | 69,000 | (3,247) | 95% |
| 520502 · Training & Development | 4,142 | 35,000 | (30,858) | 12% |
| 520503 · Conferences & Outreach | 41,401 | 40,000 | 1,401 | 104% |
| 520504 · Publications | 43,102 | 39,000 | 4,102 | 111% |
| 520505 · Program Hosting Expenses | - | 6,000 | (6,000) | 0% |
| 520508 · Licenses & Fees | 92 | 2,000 | (1,908) | 5% |
| 520509 · Meeting Expenses | - | 25,000 | (25,000) | 0% |
| 520700 · Workers Comp Insurance Expense | 12,513 | 40,000 | (27,487) | 31% |
| 520701 · General Liability Insurance Exp | 44,844 | 60,000 | (15,156) | 75% |
| 520702 · Claims Expense | 13,989 | 25,000 | (11,011) | 56% |
| 520801 · Mileage Reimbursement | 41,650 | 75,000 | (33,350) | 56% |
| 520803 · Travel Reimbursement | 164,485 | 82,000 | 82,485 | 201% |
| 520805 · Supplies & Meals Reimbursement | 27,192 | 22,000 | 5,192 | 124% |
| 520904 · Technology, Licensing & Support | 116,544 | 200,000 | (83,456) | 58% |
| 521001 · Pass through client expenses | 3,302,062 | 4,400,000 | (1,097,938) | 75% |
| 522798 · Miscellaneous Expense | - | 2,000 | (2,000) | 0% |
| 560100 · Service Group Admin costs | - | - | - | - |
| 570100 · Equipment Purchase | 2,696 | 7,000 | (4,304) | 39% |
| Total Expense | <u>17,022,733</u> | <u>22,699,000</u> | <u>(5,676,267)</u> | <u>75%</u> |
| Net Ordinary Income | 92,966 | 497,000 | (404,034) | 19% |
| Other Income/Expense | | | | |
| Other Income | | | | |
| 520100 · Investment Income | 29,021 | 4,000 | 25,021 | 726% |
| 520200 · Insurance Claim Reimbursements | 2,955 | - | 2,955 | - |
| Total Other Income | <u>31,977</u> | <u>4,000</u> | <u>27,977</u> | <u>799%</u> |
| Other Expense | | | | |
| 529991 · RGS Claims Reserve Contribution | - | - | - | 0% |
| 529997 · Unallocated Admin. Svcs - RGS | (2,213,861) | - | (2,213,861) | - |
| 529999 · Allocated Unbillable Expenses | 2,213,861 | - | 2,213,861 | - |
| Total Other Expense | <u>-</u> | <u>-</u> | <u>-</u> | <u>0%</u> |
| Net Other Income | <u>31,977</u> | <u>4,000</u> | <u>27,977</u> | <u>799%</u> |
| Net Income | <u><u>124,943</u></u> | <u><u>501,000</u></u> | <u><u>(376,057)</u></u> | <u><u>25%</u></u> |

Regional Government Services
Balance Sheet
As of March 31, 2023

Accrual Basis

Mar 31, 23

ASSETS

Current Assets

Checking/Savings

| | |
|--|-----------|
| 110030 · LAIF Account | 101,573 |
| 110040 · CalTRUST Medium Term Fund | 50,806 |
| 110050 · CalTRUST Short Term Fund | 1,148,936 |
| 110080 · Union Bank Worker Comp Checking | 670 |
| 110090 · Community Bank of the Bay Chkg | 272,640 |
| 111000 · Community Bank of the Bay MMkt | 519,223 |

Total Checking/Savings 2,093,848

Accounts Receivable

| | |
|------------------------------|-----------|
| 131130 · Accounts Receivable | 3,043,593 |
|------------------------------|-----------|

Total Accounts Receivable 3,043,593

Other Current Assets

| | |
|-------------------------------------|---------|
| 120005 · Prepaid Expenses | 114,451 |
| 120010 · Prepaid Insurance | 32,747 |
| 120100 · FSA Funding Deposit | 4,528 |
| 131131 · Accounts Receivable - Misc | 82,759 |

Total Other Current Assets 234,484

Total Current Assets 5,371,926

Other Assets

| | |
|--------------------------|-------|
| 180001 · Loan due to JPA | 1,814 |
|--------------------------|-------|

Total Other Assets 1,814

TOTAL ASSETS 5,373,740

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

| | |
|---------------------------|---------|
| 220010 · Accounts Payable | 378,531 |
|---------------------------|---------|

Total Accounts Payable 378,531

Other Current Liabilities

| | |
|--|---------|
| 214070 · Due To/From MSA | 0 |
| 220012 · Accounts Payable - Misc. | 2,512 |
| 221003 · 457/401A Retirement Liability | 116,925 |
| 221006 · FSA Liability | 4,971 |
| 221008 · Workers' Comp. Liability | (10) |
| 221015 · Health Insurance Liability | 62,642 |
| 221016 · Long Term Disability Liability | (110) |
| 221017 · Short Term Disability Liability | (1,507) |
| 221023 · Dental Insurance Liability | (4,499) |
| 221024 · Vision Insurance Liability | 4,556 |
| 221025 · Life Insurance/AD&D Liability | 3,529 |
| 221026 · Child Support IWO | 244 |
| 221029 · Garnishments | 50 |
| 230060 · Accrued Salaries, Wages & Taxes | 594,941 |
| 240010 · Deferred Revenue | 80,354 |
| 250001 · Accrued Vacation | 593,457 |

Total Other Current Liabilities 1,458,055

| | <u>Mar 31, 23</u> |
|--|-------------------------|
| Total Current Liabilities | 1,836,587 |
| Long Term Liabilities | |
| 260005 · Health Reimbursement Account | (53,352) |
| 260006 · IBNR - GL | 25,000 |
| 260009 · Workers Comp Claims Liability | 155,166 |
| 260010 · General Liability Claims | <u>1,682,666</u> |
| Total Long Term Liabilities | <u>1,809,480</u> |
| Total Liabilities | 3,646,067 |
| Equity | |
| 32000 · Retained Earnings | 710,712 |
| 370000 · Fund Bal Unreserved/Unrestrictd | 892,019 |
| Net Income | <u>124,943</u> |
| Total Equity | <u>1,727,673</u> |
| TOTAL LIABILITIES & EQUITY | <u><u>5,373,740</u></u> |

TO: EXECUTIVE COMMITTEE
FROM: RICHARD OPPENHEIM, Administrative Services Manager
SUBJECT: UPDATES TO ADOPTED STRATEGIC PLAN

EC Meeting: 05-18-2023
Item: 5A

RECOMMENDATION

Staff recommends approval of actions taken to achieve strategic plan goals.

STRATEGIC PLAN UPDATES

Goal 1: Outstanding Service

- RGS received positive feedback from the City of San Marcos for payroll and finance services.
- Economic Development service line completed an internal service line strategic plan and team-building retreat facilitated by RGS Organizational Development service line lead.

Goal 2: Leadership, Staffing, and Teamwork

- The first bonuses from RGS' new bonus program were awarded to several employees.

Goal 3: Financial and Risk Management

- Developed Administrative Tools cost database to better understand the cost of various administrative tools RGS uses to conduct a remote business and deliver services.

Goal 4: RGS Growth

- Split Organizational Development services from Training Programs and assigned a new Organizational Development service line lead.
- The Training service line launched Culture, Conflict, and Change webinar series in May 2023.
- RGS' Leave and Disability Management Team reached a 500-case milestone guiding employers and employees through difficult processes and keeping them in compliance with complicated, evolving state and federal requirements.

Goal 5: Industry Leadership

- Renewed partnership with the Institute of Local Government.
- Agreed to establish membership with the Government Alliance on Race and Equity to access Diversity, Equity, and Inclusion (DEI) resources and network in support of DEI service development.
- RGS Board of Directors joined a large group of public agencies and associations and voted unanimously to oppose Initiative 1935 which would impact RGS' ability to set its fees for services performed for California agencies.
- RGS, through its direction and management of Monterey Bay DART, partnered with CalTrans to publish a monthly Advanced Air Mobility newsletter.
- RGS' Economic Development team attended the EDA Roundtable in Seattle with our partners from the Sonoma-Mendocino Economic Development District in search of new ways to promote growth and innovation.

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.

FISCAL IMPACT

There is no fiscal impact for approving the updates.

TO: EXECUTIVE COMMITTEE **EC Meeting: 05-18-2023**
FROM: AD HOC COMMITTEE **Item: 6A**
**SUBJECT: ADOPTION OF RESOLUTION APPOINTING EXECUTIVE DIRECTOR/CHIEF
FINANCIAL OFFICER, APPROVING EMPLOYMENT AGREEMENT**

RECOMMENDATION

Adopt Resolution RGSEC2023-02:

“A RESOLUTION OF THE EXECUTIVE COMMITTEE OF REGIONAL GOVERNMENT SERVICES AUTHORITY APPOINTING SOPHIA SELIVANOFF TO THE POSITION OF EXECUTIVE DIRECTOR/CHIEF FINANCIAL OFFICER AND APPROVING AN EMPLOYMENT AGREEMENT ESTABLISHING SALARY AND BENEFITS IN CONNECTION WITH SAID APPOINTMENT.”

BACKGROUND

Executive Director/Chief Financial Officer Richard Averett provided notice to the Regional Government Services Authority’s Executive Committee of his intent to resign from the positions of Executive Director and Chief Financial Officer effective at the end of the day on May 18, 2023. Chief Financial Officer is a working title for the role of Finance Director described in the JPA agreement and should be understood to continue to refer to this role; which role has been held concurrently with the role of Executive Director since the JPA’s inception.

The Executive Committee conducted an internal recruitment for a new Executive Director/Chief Financial Officer. The Executive Committee and an Ad Hoc Committee consisting of Chair Liz Habkirk and Member Linda Smith met with Sophia Selivanoff to discuss the possibility of Ms. Selivanoff serving as Executive Director/Chief Financial Officer. The Executive Committee determined Ms. Selivanoff possesses the necessary experience, qualifications, skills, and characteristics required for the position and is the best candidate to serve as Executive Director/Chief Financial Officer for Regional Government Services Authority.

Mr. Averett appointed Deputy Executive Director Sophia Selivanoff as Acting Executive Director/Chief Financial Officer effective at the beginning of the day, April 17, 2023.

With the assistance of RGS Counsel, the Ad Hoc Committee negotiated with Sophia Selivanoff the terms of an employment agreement to serve as the Executive Director/Chief Financial Officer, which is before the Executive Committee for approval.

FISCAL IMPACT

Since Ms. Selivanoff is currently employed as Acting Executive Director and has been a JPA employee for several years, the majority of her benefits remain the same. The contract represents primarily a 10% increase in salary for Ms. Selivanoff (with no cost of living increase), which is less than Mr. Averett’s current salary and the benefits are comparable. Therefore, there will likely not be an increase in costs to the JPA from this agreement.

RESOLUTION NO. RGSEC2023-02

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF REGIONAL GOVERNMENT SERVICES AUTHORITY APPOINTING SOPHIA SELIVANOFF TO THE POSITION OF EXECUTIVE DIRECTOR/CHIEF FINANCIAL OFFICER AND APPROVING AN EMPLOYMENT AGREEMENT ESTABLISHING SALARY AND BENEFITS IN CONNECTION WITH SAID APPOINTMENT.

WHEREAS, Executive Director/Chief Financial Officer Richard Averett provided notice to the Regional Government Services Authority’s Executive Committee of his intent to resign from the position of Executive Director effective at the end of the day on May 18, 2023, and that his last day actively serving in the position will be May 18, 2023; and

WHEREAS, Executive Director/Chief Financial Officer Richard Averett appointed Deputy Executive Director Sophia Selivanoff Acting Executive Director effective at the beginning of the day, April 17, 2023; and

WHEREAS, as planning for an Executive Director/Chief Financial Officer replacement progressed, the Executive Committee, an ad hoc subcommittee—consisting of Chair Liz Habkirk and Member Linda Smith, and Ms. Selivanoff discussed the possibility of Ms. Selivanoff taking on the Executive Director/Chief Financial Officer position. The ad hoc subcommittee and Ms. Selivanoff negotiated the terms of an employment agreement for Ms. Selivanoff to serve as Executive Director/Chief Financial Officer; and

WHEREAS, Sophia Selivanoff possesses the necessary experience, qualifications, skills, and characteristics to serve in the capacity of Executive Director/Chief Financial Officer of Regional Government Services Authority; and

WHEREAS, the Executive Committee desires to appoint Sophia Selivanoff to the position of Executive Director/Chief Financial Officer of Regional Government Services Authority and Ms. Selivanoff desires to accept the appointment, and the Executive Committee and Ms. Selivanoff desire to execute an employment agreement to outline the salary, benefits, and other terms of employment for service as Executive Director/Chief Financial Officer.

NOW, THEREFORE, THE EXECUTIVE COMMITTEE OF REGIONAL GOVERNMENT SERVICES AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Effective upon the full execution of the Employment Agreement, attached as Exhibit A, Sophia Selivanoff is appointed to the position of Executive Director/Chief Financial Officer of Regional Government Services Authority, with all powers, duties, rights, and privileges thereto, pursuant to the terms of Regional Government Services Authority’s Joint Powers Agreement and any applicable ordinances and resolutions and Authority policies, and shall assume any other positions to which the Executive Director/Chief Financial Officer has been appointed by the Executive Committee.

Section 2. The Employment Agreement, attached hereto as Exhibit A, is hereby approved.

Section 3. The Executive Committee Chair is hereby authorized to execute the attached Employment Agreement on behalf of the Regional Government Services Authority on the Authority's behalf.

Section 4. This Resolution shall be effective immediately upon adoption.

PASSED AND ADOPTED by the Executive Committee of Regional Government Services Authority, this 18th day of May 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTESTED:

Chair, RGS Executive Committee

Tiffany Buraglio
Authority Clerk

EXECUTIVE DIRECTOR EMPLOYMENT AGREEMENT

THIS AGREEMENT (this “Agreement”), entered into this 18th day of May, 2023 (“Effective Date”), by and between the Regional Government Services Authority (hereafter referred to as “RGS”), a joint powers authority duly formed and operating under the Joint Exercise of Powers Act (hereafter referred to as the “Act,” Government Code §§ 6500 *et seq.*), and Sophia Selivanoff (hereafter referred to as “Selivanoff” or “Employee”)(individually a “Party” and collectively the “Parties”).

RECITALS

WHEREAS, RGS desires to employ Selivanoff as Executive Director and Chief Financial Officer (hereafter referred to as “Executive Director”), and Selivanoff desires to serve in such capacity.

WHEREAS, the Amended and Restated Joint Powers Agreement Creating the Regional Government Services Authority (hereafter referred to as the “JPA Agreement”) establishes the powers of RGS the duties and responsibilities of the Executive Director. The RGS Board of Directors (hereafter referred to as “Board”) has adopted Board Policies setting forth additional expectations of the Executive Director.

WHEREAS, the Executive Committee of the Board, as appointing authority, and Selivanoff desire to agree in writing on the terms and conditions of Selivanoff’s employment.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and representations hereinafter set forth, the Parties hereto do now agree as follows:

SECTION 1. EMPLOYMENT.

RGS hereby agrees to employ Selivanoff as Executive Director to perform the functions and duties specified in the Act, the JPA Agreement, the Board Policies, and other resolutions and policies of the Board or Executive Committee, and to perform other legally permissible and proper duties and functions as the Board or Executive Committee may from time to time assign, on the terms and conditions and for the compensation set forth in this Agreement.

SECTION 2. SCOPE OF DUTIES AND SERVICES.

(a) Under the terms and conditions of this Agreement, Employee shall personally provide all the services and duties ordinarily performed by the Executive Director for RGS under the direction and control of the Board and Executive Committee and as set forth in the Act, the JPA Agreement, the Board Policies, and other applicable laws, written policies and rules, including but not limited to the Executive Director/Chief Financial Officer Class Description, the current version of which is attached as **Exhibit A**. Among other things, Employee has the authority to interview, hire and fire employees, and direct the workforce subject to the specific limitations set forth in the JPA Agreement and Board Policies. In addition, Employee shall assume any other positions to which the Executive Director has been appointed by the Board or Executive Committee. Employee shall perform her obligations and responsibilities diligently within the time parameters indicated by the Board and Executive

Committee, applying the highest degree of professionalism, ethics, integrity and competency to the discharge of every aspect of her obligations.

(b) Employee shall not engage in any activity which is or may become a conflict of interest, prohibited contract, or which may create an incompatibility of office as defined under California law. Employee shall comply fully with her reporting and disclosure obligations under regulations promulgated by the Fair Political Practices Commission (“FPPC”).

(c) Employee agrees to remain in the exclusive employ of the RGS during the term of this Agreement. Employee shall dedicate her full energies and qualifications to her employment as the Executive Director, and shall not engage in any other employment except as may be specifically approved in writing in advance by the Board or Executive Committee. However, the Executive Committee recognizes that Selivanoff may actively participate in community affairs and shall be permitted to volunteer time, energy and expertise, and from time-to-time, to serve and hold office in charitable, non-profit, public service, service club, religious, and/or community area organizations.

(d) Selivanoff’s spouse is also an employee of RGS, in an at-will, unrepresented position. RGS has an existing policy regarding employment of relatives, which is currently contained in RGS Human Resources Policies, Section B: Working Conditions, Subsection 3: Conflict of Interest, Section 7: Employment of Relatives. Consistent with that policy, Selivanoff shall not participate in or interfere with decisions related to her spouse’s employment, including but not limited to compensation, work assignments, performance evaluation, promotion, retention, or discipline. Such decisions shall be made in accordance with RGS policies with ultimate oversight by the Administrative Services Manager until a Deputy Executive Director is appointed and then by the Deputy Executive Director. In the event that the position of Administrative Services Manager or Deputy Executive Director is renamed or reorganized, the oversight role described in this paragraph shall be assigned to their successors. Selivanoff may be informed about decisions related to her spouse’s employment as necessary for RGS operational needs and budgeting purposes.

SECTION 3. TERM; HOURS OF WORK; AT-WILL EMPLOYMENT.

(a) Selivanoff’s employment as Executive Director shall commence on May 18, 2023.

(b) The term of this Agreement shall be from the date stated in subsection (a), above, until May 15, 2026 or until terminated by either Party in accordance with the provisions of Section 5 of this Agreement. On May 15, 2026 and each May 15 thereafter, the term of this Agreement shall renew for an additional year unless, pursuant to Section 5 of this Agreement, Selivanoff has given notice of her voluntary resignation or the Executive Committee has either terminated Selivanoff’s employment or forced her resignation. If the term of this Agreement does not automatically renew on any May 15, the parties may amend this agreement to provide for a specified termination date. Selivanoff shall serve at the pleasure of the Executive Committee.

(c) The Executive Director is expected to engage in those hours of work that are necessary to fulfill the obligations of the Executive Director position, as set forth in Section 2 of this Agreement. The Executive Director does not have set hours of work and has discretion over the work schedule and work location. The Executive Director shall be generally available to respond to members of the Executive Committee and the Board and is expected to attend all meetings of the Executive Committee and the Board, unless arrangements are made in advance with Chairs for the Executive Director to be absent.

(d) The Parties recognize and affirm that: 1) Selivanoff is an “at will” employee whose employment may be terminated by the Executive Committee with or without cause; 2) there is no express or implied promise made to Selivanoff for any form of continued employment; and 3) this Agreement is the sole and exclusive basis for an employment relationship between Selivanoff and RGS.

SECTION 4. COMPENSATION AND BENEFITS.

For the services to be provided pursuant to this Agreement, Employee shall receive the following compensation and benefits:

(a) Compensation. Employee shall be paid an annual base salary of two hundred thirty thousand dollars and no cents (\$230,000.00), which is an equivalent hourly rate of one hundred ten dollars and fifty-eight cents (\$110.58). Employee’s salary shall be payable in installments at the same time as other employees of RGS. Any action to increase salary or benefits shall comply with Government Code Section 3511.2(a), Government Code Section 54953(c)(3), and Government Code Section 54956(b).

(b) Compensation Adjustments and Performance Bonus. Employee may receive compensation adjustments as determined by the Executive Committee subsequent to a performance evaluation, as set forth in Section 6, below. In addition, Employee is eligible to receive an annual performance bonus of up to 10% of base salary based upon reasonable achievement of annual performance goals agreed upon by Employee and the Executive Committee an overall rating of above average or excellent. Any adjustment to Employee’s base salary will require a written amendment to this Agreement.

(c) General Benefits. Except as may be otherwise provided herein, Employee shall be provided the benefits set forth in **Exhibit B**. In the event of any conflict between this Agreement and **Exhibit B**, this Agreement shall prevail.

(d) Overtime and FLSA Status. Employee shall not be compensated for any hours worked overtime because Employee is exempt from overtime under the Federal Fair Labor Standards Act.

SECTION 5. TERMINATION OF EMPLOYMENT AND SEVERANCE.

(a) Employee is an at-will employee serving at the pleasure of the Executive Committee. Selivanoff's employment as Executive Director may be terminated by one of the following means:

- (i) Voluntary Resignation: Selivanoff may voluntarily resign by delivering a letter of resignation to the Executive committee not less than 60 days prior to the effective date of resignation.
- (ii) Termination or Forced Resignation by the Executive Committee: The Executive Committee may terminate the employment of Selivanoff in accordance with any applicable Board Policies and State law, by giving written notice not less than 60 days prior to the effective date of termination, or by causing Selivanoff's resignation by a majority of the Executive Committee requesting Selivanoff to resign and Selivanoff then volunteering to resign after such action by the Executive Committee.

(b) In the event Selivanoff is terminated from employment by the Executive Committee without cause, or is caused to resign by the Executive Committee pursuant to subsection (a)(ii) above without cause, and contingent upon Selivanoff's execution of a comprehensive general release and waiver of all claims of any nature, known or unknown, against RGS, Selivanoff shall be entitled to six (6) month's severance pay of her base pay compensation and the amount or premiums paid by RGS for her medical/health insurance benefits. In no event will Selivanoff be entitled to severance pay absent execution of a comprehensive general release and waiver of all claims in a form acceptable to RGS. Such severance shall be paid in full upon the effective date of her termination or forced resignation. Selivanoff shall not be eligible for the severance pay provided for in this subsection (b) in the event that Selivanoff's employment is terminated for cause as set forth in subsection (c), below.

(c) This Section 5 does not confer any property rights on Selivanoff, as she remains an at-will employee. If the Executive Committee terminates Selivanoff's employment for cause (also terminating this Agreement), Selivanoff shall not be entitled to any additional compensation or payment, including severance, but shall be entitled only to accrued base salary and vacation pay, and any other accrued and unused benefit allowances according to their terms. The phrase "termination for cause" only pertains to Selivanoff's eligibility for severance as described subsection (b), above. A "termination for cause" may include, but shall not be limited to, the following:

- (i) Conviction of or plea of guilty or nolo contendere to any criminal offense involving moral turpitude or any other crime (other than minor traffic violations or similar offenses) which is likely to have a material adverse impact on RGS or on the Employee's reputation, provided that Employee may be placed on administrative leave without pay should she be charged with such a crime or crimes;

- (ii) Conviction of any crime involving an “abuse of office or position,” as that term is defined in Government Code Section 53243.4;
- (iii) Conviction of a felony or misdemeanor with a nexus to the workplace;
- (iv) Purposefully violating administrative policies and procedures;
- (v) Failure to properly perform assigned duties;
- (vi) Insubordination;
- (vii) Failure to maintain satisfactory working relationships with other employees or the public;
- (viii) Willful destruction, theft, misappropriation, or misuse of RGS property;
- (ix) Intoxication on duty, whether by alcohol or non-prescription drugs;
- (x) Unexcused absence;
- (xi) Dishonesty, fraud, or misconduct in office;
- (xii) Fraud or dishonesty in securing this appointment;
- (xiii) Violation of State or federal discrimination laws concerning race, religious creed, color, national origin, ancestry, physical or mental disability, marital status, sex or age concerning either members of the general public or RGS employees;
- (xiv) Willful or unlawful retaliation against any other RGS official or employee or member of the general public who in good faith reports, discloses, divulges or otherwise brings to the attention of any appropriate authority any facts or information relative to actual or suspected violations of any law occurring on the job or directly related thereto;
- (xv) Refusal to comply with any lawful direction, decision or order given or made by a majority of the Board or Executive Committee or with the terms of this Agreement, after reasonable notice from the Board or Executive Committee;
- (xvi) Any grossly negligent action or inaction by Employee that materially and adversely: (a) impedes or disrupts the operations of RGS or its organizational units; (b) is detrimental to employees or public safety; or (c) violates RGS’s properly-established rules or procedures; and
- (xvii) Other failure of good behavior either during or outside of employment such that the Employee’s conduct causes discredit to RGS.

(d) Pursuant to Government Code section 53243.2, any cash settlement related to the termination of this Agreement received by Selivanoff from RGS shall be fully reimbursed to RGS if Selivanoff is convicted of a crime involving an abuse of her office or position as defined in California Government Code section 53243.4.

SECTION 6. EVALUATION OF PERFORMANCE.

(a) The Executive Committee shall review and evaluate the performance of Selivanoff annually or more frequently if requested by the Executive Committee in its sole discretion. Said review and evaluation shall be in accordance with specific criteria developed by the Executive Committee with consultation from Selivanoff. Said criteria may be added to or deleted from as the Executive Committee may from time to time determine, in consultation with Selivanoff. Further, the Executive Committee shall provide Selivanoff with a summary written statement of the findings of the Executive Committee and provide an adequate opportunity for Selivanoff to discuss her evaluation with the Executive Committee, if requested by Selivanoff.

(b) The Executive Committee and Selivanoff may annually hold a facilitated meeting as part of the performance evaluation and/or to define such goals and performance objectives which they determine necessary for the proper operations of RGS and in the attainment of the Executive Committee's policy objectives, and may further establish a relative priority among those various goals and objectives, said goals and objectives to be reduced to writing. They shall generally be reasonably attainable within the time limitations as specified in the annual operating and capital budgets and appropriations provided.

SECTION 7. BONDING.

RGS shall bear the full cost of any fidelity or other bond required of Employee as the Executive Director under any law or ordinance.

SECTION 8. NOTICES.

Any notice to either Party shall be in writing and given by delivering the same to such Party in person; by sending the same by registered mail, return receipt requested, with postage prepaid; or by email, to the following addresses:

RGS: Executive Committee

With copy to: General Counsel
Regional Government Services Authority
1999 Harrison Street, 9th Floor
Oakland, CA 94612

EMPLOYEE: Sophia Selivanoff
ADDRESS
ADDRESS

[TO BE FILLED IN BUT REDACTED IN PUBLIC VERSION]

Either Party may change its mailing address at any time by giving 10 days' written notice to the other Party. Notice shall be deemed given as of the date of personal service or as the date of deposit of such written notice in the United States Postal Service. Notice by email transmission shall be deemed given upon verification of receipt if received before 5:00 p.m. on a regular business day or else on the next business day.

SECTION 9. HOLD HARMLESS AND INDEMNIFICATION

RGS shall defend, hold harmless, and indemnify Employee, using legal counsel of RGS's choosing, in any action or proceeding alleging an act or omission within the scope of Employee's employment. The defense provided by RGS under this section shall extend until a final determination of all issues in the action or proceeding. In the event that there is a conflict of interest between RGS and Employee, such that independent counsel is required for Employee, Employee may engage her own legal counsel, and RGS shall indemnify Employee, including direct payment of all reasonable fees and costs of Employee's legal counsel. Notwithstanding anything to the contrary in this Agreement, in accordance with California Government Code section 825(a), Employer reserves the right to not pay any judgment, compromise, or settlement subject to that section if it is established that the action or proceeding arose out of an act or omission that did not occur within the scope of Employee's employment pursuant to this Agreement. Further, notwithstanding anything to the contrary in this Agreement, Employer reserves the right to refuse to provide for the defense of Employee for the reasons set forth in California Government Code section 995.2 or other applicable provisions of law. Any RGS funds provided for the legal criminal defense of Employee shall be fully reimbursed in accordance with California Government Code section 53243.1, if Employee is convicted of a crime involving an abuse of her office or position as defined in California Government Code section 53243.4.

SECTION 10. GENERAL PROVISIONS

(a) Binding Agreement: This Agreement shall be binding on the heirs, successors and assigns of the Parties.

(b) The Rights of Parties: Unless expressly set forth in this Agreement, nothing in this agreement shall abrogate any rights, responsibilities, benefits, or privileges to which either party would otherwise be entitled.

(c) Amendment: This agreement may be amended only in writing by mutual agreement of the Parties.

(d) State Law: The rights and obligations of the Parties shall be governed by the laws of the State of California.

(e) Abuse of Office: Government Code sections 53243, 53243.1, 53243.2, and 53243.3 are incorporated by this reference as if fully set forth herein.

(f) Recitals: Recitals are incorporated by reference into this agreement.

(g) Failure to Act: Failure to exercise any right or remedy shall not act as a waiver to exercise that right.

(h) Entire Agreement: This Agreement, including Exhibits A and B, contains the entire agreement between the Parties and supersedes any prior agreement.

(i) Severability: Should any paragraph, subparagraph, sentence clause or word included in this Agreement be found invalid by a court of competent jurisdiction, the balance of this Agreement shall remain in full force and effect.

(j) Attorneys' Fees: The prevailing party of any dispute over the terms and conditions of this Agreement is entitled to attorney fees.

(k) Assignment: This Agreement is not assignable by either RGS or Selivanoff.

IN WITNESS WHEREOF, the Parties hereto have hereunto affixed their signatures as of the date and year first above written.

REGIONAL GOVERNMENT SERVICES
AUTHORITY

EMPLOYEE

By: _____
LIZ HABKIRK
Chair, Executive Committee

By: _____
SOPHIA SELIVANOFF

ATTEST:

TIFFANY BURAGLIO
Board Clerk

APPROVED AS TO FORM:

SKY WOODRUFF
General Counsel

EXECUTIVE DIRECTOR/ CHIEF FINANCIAL OFFICER

Definition

Under policy direction of the JPA Board of Directors serves as chief executive officer and chief financial officer coordinating and directing the affairs of the JPA; serving as consultant and advisor to the board regarding issues, policy formulation; representing the JPA with other agencies and professional organizations; facilitating agency efforts to develop services and meet customer needs; managing the agency's financial obligations by serving as the JPA's treasurer and auditor; providing overall leadership and direction to staff; and performing related work as required.

Distinguishing Characteristics

This chief executive position exercises independent judgment and initiative and is able to foster and maintain positive relationships with diverse constituencies.

Typical and Important Duties

1. Plans, organizes, develops and administers all phases of the JPA's programs and services.
2. Facilitates strategic planning activities that include the development and implementation of multi-year goals, objectives and administrative policies and procedures.
3. Selects and guides operational and administrative leadership staff, supporting their acquisition and deployment of talent through appropriate compensation and management strategies.
4. Serves as a role model and reinforces the JPA's core purpose and values in the community and the organization.
5. Implements programs that engage and build the community and public agency organizations.
6. Oversees the preparation and administration of the budget, including long-term planning and funding options.
7. Guides the overall marketing and communications programs of the JPA, ensuring brand integrity and consistent messaging about the values, services and programs of the JPA.
8. Guides the formulation of service, programs and project scopes; authorizes and oversees the administration of contracts; and serves as a partnership liaison with client agencies.
9. Provides the Board with the necessary data and effective processes to set long range policy direction.

10. Oversees the JPA's financial, human resources, IT and other support services.
11. Involves executive team appropriately in improving and/or resolving operational and administrative issues.
12. Coordinates the JPA's collaboration with other governmental agencies and outside organizations.
13. Directs the preparation of financial reports as required by law; oversees investments and maintains records of funds and bonds.
14. Guides the preparation and presentation of financial and administrative reports and resolutions to the Board.

Job-related Qualifications

Knowledge of:

- Principles of public and business administration
- Current social, political, legal and economic trends impacting the operation of local governments.
- Applicable federal and state laws, rules, and regulations regarding local government operations.

Ability to:

- Be a creative and strategic thinker.
- Be a positive and optimistic leader, who can effectively synthesize the ideas and coordinate the activities of a virtual organization.
- Consistently demonstrate compassionate, ethical and professional conduct.
- Consistently demonstrate a strong customer service and client-centered focus.
- Analyze, interpret, summarize, and present complex information and action paths in an effective manner.
- Communicate effectively in writing and orally.
- Coordinate and facilitate the work of other leadership staff, as well as ensuring appropriate frameworks are in place to guide professional, technical, and administrative support staff.
- Represent the JPAs effectively in contacts with representatives of other agencies, client agencies, and the public.
- Take a proactive approach to mitigation of risks and prevention of a range of organizational and operational problems.

Experience and Training

Any combination of experience and training that would provide the required knowledge, skills, and abilities would be qualifying.

Special Requirements

Essential duties require the following physical skills and work environment:

Physical Demands: Able to use standard office equipment, including a computer; vision to read printed materials and a computer screen; hearing and speech to communicate in person, over the telephone, and to make public presentations.

Ability to: Work irregular hours as needed to respond to emergent needs, and coordinate with Board members and key staff.

Developed: January 2007

Revised Date: March 2023

Status: Contract/Unclassified/Exempt/At Will/Full-time

**EXHIBIT B
Employee Benefits**

1. Holidays

1.1 Actual Holidays

Employee shall be paid without the requirement of working or of use of any accrued leave for 10 eight-hour holidays per calendar year as indicated in the JPA's holiday, payroll, and accounts payable calendar.

| | | |
|----|-----------------------------|-----------------------------|
| 1 | January 1 | New Year's Day |
| 2 | Third Monday in January | Martin Luther King, Jr. Day |
| 3 | Third Monday in February | President's Day |
| 4 | Last Monday in May | Memorial Day |
| 5 | July 4 | Independence Day |
| 6 | First Monday in September | Labor Day |
| 7 | November 11 | Veterans Day |
| 8 | Fourth Thursday in November | Thanksgiving Day |
| 9 | Fourth Friday in November | Day after Thanksgiving |
| 10 | December 25 | Christmas Day |

1.2 Holidays Falling on a Weekend Day

If any of the listed holidays falls on a Saturday, the Friday preceding shall be celebrated as a holiday; if the holiday falls on a Sunday, the following Monday shall be celebrated as the holiday.

2. Paid Time Off

2.1 Entitlement

Employee shall accrue paid time off (PTO) in equal amounts each pay period totaling 300 hours annually.

2.2 PTO Accrual

A balance not to exceed 1.33 multiplied by the total annual entitlement of accrued and unused PTO time may be carried over from one calendar year to the next. PTO accrued in excess of the maximum carryover amount allowed will be paid out each year by monetary payment at the employee's current rate of pay during the month of December.

3. Other Leaves

3.1 Family Sick Leave

Employee is entitled to use PTO for the care of the employee's ill or injured immediate family member (mother, father, spouse, child, domestic partner as defined in California law) for up to half of the employee's annual sick leave accrual. Such leave for this purpose will be deducted from the employee's PTO

leave balance. Extended leave taken to care for an ill family member may be subject to FMLA/CFRA rules.

3.2 Bereavement Leave

In case of death within the immediate family, Employee shall be entitled to remain absent from duty with pay in order to attend the funeral or memorial service for a maximum of 3 (preferably consecutive) workdays.

3.3 Family Definition

For the purpose of this Bereavement Leave Section, immediate family is defined in the Personnel Rules, Regulations, and Policies manual. Such bereavement leave shall not be charged against any leave balances or as leave without pay. If additional leave is needed any accrued available leave or leave without pay for a reasonable period of time may be used.

3.4 Family Care Leave and Pregnancy Disability Leave

Family Care Leave and Pregnancy Disability Leave are granted in accordance with the Federal and State law as adopted in Agency's Family Care Leave Policy and Pregnancy Disability Leave Policy.

3.5 Jury Duty

Employee may be absent from duty with full pay for up to 10 working days per jury assignment if summoned to jury duty. If a jury assignment lasts longer than 10 working days Employee may use any accrued available leave or leave without pay.

4. Health and Welfare Plans

4.1 Medical Plan

Pursuant to the Agency's Medical Plan, employer shall contribute up to ninety percent (90%) of the health plan premium for Employee and their dependents. Medical plans are based on the terms and conditions of the contract with the medical plan provider.

4.2 Dental Plan

Agency shall contribute the premium cost for employees to participate in the dental plan to provide for dental care for qualified employees and their eligible dependents. The dental plan is based on the terms and conditions of the contract with the plan provider.

4.3 Vision Plan

Agency shall provide a vision plan for employees and shall pay the monthly premium amount for qualified employees and their eligible dependents. The vision plan is based on the terms and conditions of the contract with the plan provider.

4.4 Short- and Long-term Disability

Employee shall be provided short- and long-term disability insurances at no cost to the employee, and plan components are based on the terms and conditions of the contract with the provider.

4.5 Life Insurance

Employee shall receive employer-paid life insurance premiums in the amount of one times regular salary to the nearest thousand to a maximum of \$200,000.00. The plan is based on the terms and conditions of the contract with the plan provider.

4.6 Employee Assistance Program

The Agency provides an Employee Assistance Program. All employees and their qualifying dependents are eligible to participate in, based on the terms and conditions of the contract with the plan provider.

4.7 Flexible Spending Account and Dependent Care Account

The Agency provides a Flexible Spending and Dependent Care Accounts that employees may contribute own funds to this tax-advantaged program. Term and conditions are based on IRS law and the contract with the plan provider.

5. Retirement

5.1 Self-directed Retirement Plan

A. The Agency has adopted a self-directed retirement plan under Section 401(a) of the Internal Revenue Service Code to which the Agency contributes an amount equal to 10 percent of the Employee's base salary.

B. In addition to the contribution described above in 5.1(A), Employee shall receive an employer "match" contribution of an additional 5% of the Employee's base salary if the Employee contributes 5% or more to the 457(b) deferred compensation plan provided by RGS.

C. Employee vests in the 401(a) retirement plan immediately.

5.2 Deferred Compensation Plan

RGS has a 457 plan for employees to participate.

5.3 Social Security Participation

Agency does not participate in the Social Security Administration's retirement system.

6. Legally Required Benefits

The Agency follows all legally mandated requirements, including providing Medicare, and workers' compensation coverage as well following California Domestic Partnership laws, and any other such laws as is required.

7. Expenses

Employee will receive a monthly allowance of \$600 for automobile, internet, and cell phone expenses in lieu of itemized reimbursement. Should the employee at any time elect to receive itemized reimbursement for the expenses covered by the allowance, the allowance will be discontinued. Employees may not receive both options. Employee will also be issued and is expected to routinely use an RGS-issued CalCard for incidental expenses rather than claim reimbursement for such expenses. When driving any vehicle while on duty, Employee must follow the Agency's policy on equipment and vehicle use. All travel must follow the Agency's policy on travel and training.



TO: EXECUTIVE COMMITTEE **EC Meeting: 05-18-2023**
FROM: RICHARD OPPENHEIM, Administrative Services Manager **Item: 6B**
**SUBJECT: APPROVE APPOINTMENTS TO EXECUTIVE DIRECTOR AD HOC
COMMITTEE**

RECOMMENDATION

Staff recommends the following actions regarding the Ad Hoc Committee:

- Form the Ad Hoc Committee to review Executive Director performance and compensation.
- Appoint the new Chair of the Executive Committee and the immediate past Executive Committee Chair to the Ad Hoc Committee for the upcoming Fiscal Year.

BACKGROUND

In November 2019, the Executive Committee approved an annual process recommended by the Ad Hoc Committee to review the RGS Executive Director's compensation and performance. The process specifies the appointment of a new Ad Hoc Committee annually to work with staff to complete this review and make recommendations to the Executive Committee. Members of the Ad Hoc Committee would be composed of the existing Chair of the Executive Committee and the immediate past Chair of the Executive Committee.

In February 2023, elections for the Executive Committee Chair and Vice Chair were delayed until the May 18, 2023 meeting, so the current Chair in effect after this meeting will not be known until the meeting is held. The past immediate Chair would be Member Liz Habkirk.

Once formed, staff will coordinate with the Ad Hoc Committee in moving through the steps in the annual process for Executive Director performance and compensation review. Due to the appointment of a new Executive Director/Chief Financial Officer mid-year, the previously adopted process will be revised as agreed between the Executive Committee and Sophia Selivanoff to accommodate establishing Executive Director performance goals and an appropriate time frame for review. The adopted process will resume the following year unless otherwise directed.

FISCAL IMPACT

There is no fiscal impact to forming the Ad Hoc Committee to review Executive Director compensation and performance.

TO: EXECUTIVE COMMITTEE
FROM: SOPHIA SELIVANOFF, Executive Director
SUBJECT: RESOLUTION OF CJPIA LIABILITY

EC Meeting: 05-18-2023
Item: 6C

RECOMMENDATION

1. Approval of commitment from Municipal Shared Services Corporation (“MSS”) (dated May 12, 2023) to assume the retrospective calculation of Local Government Services Authority (“LGS”), a dissolved JPA, in exchange for the payment of LGS’ share of the total amount owed California Joint Powers Insurance Authority (“CJPIA”) under the proposed agreement;
2. Approval of agreement with CJPIA to resolve the total amount owed by LGS and RGS, and to establish a payment plan to retire the debt by 2026.

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. The insurance pool was/is a risk sharing pool, so both agencies had lingering exposure to their own claims as well as losses from the pool. Eleven years after leaving the insurance pool, the agencies’ outstanding liability is calculated by CJPIA to be \$1,859,478 and \$77,628, respectively, for a total of \$1,937,106.

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. Most of those matters, such as transfer of CalPERS service credit to other contracting agencies and settlement with those whose service could not be transferred, have been resolved. CalPERS owes MSS \$67,000 in remaining plan assets after termination of the LGS Retirement Plan. However, it is unknown when CalPERS will release the plan assets. MSS has agreed to pay RGS for its share of the proposed resolution agreement with CJPIA (\$60,111) from those proceeds when received from CalPERS.

Last July RGS proposed to resolve the debt with CJPIA for approximately \$900,000. Negotiations resumed recently and a proposed agreement is attached. The agreement calls for payment of \$1.5 million over three-plus years, and would end further sharing of pool risks. The \$1.5 million represents a 22.56 percent discount of the latest retrospective adjustment of \$1,937,106, leaving \$60,111 owed by LGS and \$1,439,880 owed by RGS. LGS does not have the assets on hand to pay its share but when CalPERS distributes LGS Plan assets, has agreed to reimburse RGS for its share of the settlement - \$60,111

CJPIA has indicated a willingness to settle the \$1.9 million total for \$1.5 million paid over three years: \$500,000 now, \$250,000 at the end of next fiscal year, \$250,000 in 2025 and \$500,000 in 2026. The CJPIA Board will consider the proposed agreement at a meeting on May 24, 2023; it is anticipated that the amounts described here will be confirmed in the approved agreement.

FISCAL IMPACT

Approving the proposed agreement with CJPIA will result in a \$419,598 reduction in RGS long-term liability, improving the Total RGS Equity to almost \$2.1 million. Amortization to the remaining \$1.4 million of long-term liability over the next three years will remove the debt to CJPIA, but will reduce cash on-hand and/or may require financing to preserve cash on-hand at acceptable levels.

**PAYMENT AGREEMENT BETWEEN REGIONAL GOVERNMENT SERVICES AUTHORITY AND
THE CALIFORNIA JOINT POWERS INSURANCE AUTHORITY**

This Payment Agreement is made on May 24, 2023 by and between Regional Government Services Authority ("RGS") and the California Joint Powers Insurance Authority (the "Authority"). RGS and the Authority are both legal entities formed pursuant to The Joint Exercise of Powers Act (Government Code Section 6500, et. seq.). Both RGS and the Authority may be referred to individually herein as a "Party," and collectively as the "Parties."

RECITALS

A. The Authority is a public agency formed pursuant to the Joint Exercise of Powers Act (Government Code Section 6500, et. seq.) and is one of the largest municipal self-insured pools providing risk management solutions to its members through a comprehensive portfolio of programs and services, including liability coverage ("Liability Protection Program").

B. RGS and Local Government Services Authority ("LGS"), were members of the Authority and participated in the Authority's Primary Liability Program (PLP) and Primary Workers' Compensation Program (PWCP) from August 1, 2008, through June 30, 2012.

C. LGS was a public agency formed pursuant to the Joint Exercise of Powers Act (Government Code Section 6500, et. seq.). It dissolved in December 2018. Prior to dissolution, LGS entered into an agreement with Municipal Shared Services Corporation ("MSS"), a public benefit non-profit corporation, to resolve remaining LGS matters. MSS has agreed with RGS for RGS to include LGS's retrospective adjustment in this agreement.

D. Pursuant to Article 25 of the California Joint Powers Insurance Authority Joint Powers Agreement as amended as of July 17, 2019 ("Joint Powers Agreement"), the withdrawal or removal of a member from participation in the PLP or PWCP does not terminate the member's responsibility to contribute its share of contributions or funds in the program(s) until all claims and other unpaid liabilities covering the time-period the member was part of the program(s) have been fully resolved.

E. On June 17, 2011, RGS and LGS provided the Authority with a notice of intent to initiate membership cancellation procedures. Accordingly, RGS's and LGS's coverage under the PLP and PWCP were terminated, effective July 1, 2012.

F. Subsequent to RGS and LGS discontinuing membership in the PLP and PWCP, retrospective adjustments have accumulated, with partial payments being made, and a balance remaining unpaid.

G. RGS, acting on behalf of itself and MSS on behalf of LGS, and the Authority now desire to formalize the repayment of the liability owing by RGS and LGS to the Authority by providing a payment schedule as well as mutually agreeing to a principal amount that will eliminate the annual retrospective adjustments. The Authority staff will provide a proposal to the Authority's Executive Board at a public meeting on May 24, 2023.

H. The Authority is authorized to enter into a payment agreement with RGS pursuant to Section 17(e) and Section 25 of the Joint Powers Agreement and by action of the Executive Board at its May 24, 2023 meeting, it authorized the Authority's Chief Executive Officer to enter into this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

Section 1. Recitals. The recitals set forth above are expressly incorporated herein as terms of this Agreement as if set forth in full.

Section 2. Outstanding Liability. The Parties agree that as of March 31, 2023, the amount owed to the Authority by RGS is \$1,859,478 and the amount owed by LGS is \$77,628, which represents each agency's's allocated share of pooled claims and expenses attributable to the coverage provided to RGS and LGS by the Authority ("Liability Amount").

Section 3. Satisfaction of Outstanding Liability and Payment Plan. The Parties agree to a payment plan to satisfy the combined Liability Amount as follows: (i) The Liability Amount shall be discounted by \$437,106 to \$1,500,000; (ii) RGS will make periodic payments pursuant to a payment plan as further set forth in Exhibit A and as described herein in this Section 3 ("Payment Plan"); (iii) interest of 5% per annum will be charged on the outstanding Liability Amount; (iv) the Payment Plan shall be comprised of four (4) annual payments, comprised of both principal and interest as reflected in Exhibit A to this agreement; (v) early payment is allowed any time before the final scheduled payment per Exhibit A subject to an aggregated minimum interest paid of \$50,000; (vi) Payments by RGS to the Authority shall commence no later than September 1, 2023; (vii) the Authority agrees that the Liability Amount will not be subject to the Authority's "annual retrospective adjustments" as described in the Authority's "Statement of Retrospective Deposit Activity;" and (viii) RGS on behalf of itself and LGS and MSS, agrees not to seek additional recovery for any claims related to events that occurred during the coverage periods when RGS and LGS were members of the Authority.

Section 4. Revocation of Discount. RGS agrees to make the payments as described in Exhibit A and understands that if such payments are not timely made, it will be considered a default, and the Discount is automatically revoked and shall be payable at the end of the term of the Payment Plan. For purposes of this Section, "timely made" means that RGS fails to remit to the Authority any payment set forth in the Payment Plan, subject to the notice and cure provisions of Section 5.

Section 5. Repayment Terms and Default. RGS shall make all payments hereunder in cash, warrant, ACH, or wire transfer and payments shall be received by the Authority on or before each date specified in the Payment Plan. If any payment is not received by the Authority within three days of the date the payment is due, the Authority shall provide RGS with a written notice to cure the violation and RGS shall have five business days to cure the default. If payment is not received by the Authority within that time-period, the payment shall be deemed to have not been made for purposes of default in Section 4.

Section 6. Full Satisfaction and Release. The Parties agree that if RGS satisfies its obligations pursuant to the Payment Plan, the Authority on behalf of itself, its officials, members and successors and assigns, whether past, present and future, does hereby release and forever discharge RGS and LGS and their respective officers, elected officials, agents and representatives from any and all claims, demands,

costs, liabilities, rights of action and causes of action of any kind or character whatsoever, whether past, present or future, known or unknown, whether in law or in equity, in which the Authority may have against RGS or LGS and their respective officers, elected officials, agents and representatives that arise out of, or any way related to the Liability Amount ("Released Claims"). The Authority recognizes that it may not now fully know the number and magnitude of all claims it now may have or in the future may have against RGS, but nevertheless, intends to assume the risk that it is releasing such unknown claims that arise out of the Released Claims.

The Authority agrees that this Agreement is a full and final release of all such claims and as a further consideration and inducement for this settlement, agrees to waive the provisions of California Civil Code Section 1542, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

The Authority acknowledges that a material part of this Agreement is the deliberate extinguishing of any claims which currently are unknown or which may not yet exist, so that there is no possibility of future claims concerning the Released Claims.

Section 7. Advice of Counsel. The Parties acknowledge and agree that they have read this Agreement, that they fully understand their rights, privileges and duties under this Agreement, and that they enter into this Agreement freely and voluntarily. They further acknowledge that they had the opportunity to consult with their attorneys to explain the terms of this Agreement and the consequences of signing it.

Section 8. Notices. Any notice, consent, request, demand, bill, invoice, report or other communication required or permitted under this Agreement shall be in writing and conclusively deemed effective: (a) on personal delivery, (b) on confirmed delivery by courier service during Authority's and RGS's regular business hours, (c) electronic communication (i.e. email), or (d) five Business Days after deposit in the United States mail, by first class mail, postage prepaid, and addressed to the Party to be notified as set forth below: If to RGS: Executive Director, Regional Government Services, P.O. Box 1350 Carmel Valley, CA 93924, sselivanoff@rgs.ca.gov. If to Authority: California Joint Powers Insurance Authority, Chief Executive Officer, 8018 Moody Street, La Palma, California, 90623, [email address].

Section 9. Integration and Neutral Construction. This Agreement, including Exhibit A, constitutes the entire agreement among the Parties. All understandings between the Parties are incorporated in this Agreement and its terms are intended by the Parties as a final, complete, and exclusive expression of their Agreement with respect to its subject matter and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. The Parties agree that this Agreement may not be altered, amended, modified or otherwise changed except by a writing executed by the parties to it. The Parties further agree that because each Party has been active in the preparation and negotiation of the terms of this Agreement, it shall not be construed against any Party in the event of any dispute as to the meaning of its terms.

Section 10. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the state of California, without giving effect to any choice or conflict of law

provision or rule (whether of the state of California or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the state of California.

Section 11. Assignment. Neither Party may assign this Agreement without the express written consent of the other Party. If consent is granted, this Agreement shall be binding on each party's successors and assigns.

Section 12. No Third-Party Beneficiaries. Nothing herein is intended or shall be construed to confer upon any person or entity other than the Parties and their successors or assigns, any rights or remedies under or by reason of this Agreement.

Section 13. Severability. If any of the provisions contained in this Agreement shall be held invalid, illegal or unenforceable by competent judicial authority, the validity of the remainder of the Agreement shall be unaffected and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein unless such enforceability materially affects the Parties' rights under this Agreement.

Section 14. Authority. Each person executing this Agreement represents and warrants that they are duly authorized to execute this Agreement on behalf of the Party they purport to represent.

Section 15. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one agreement.

Section 16. Recovery of Attorney Fees. In the event of an action to enforce any term of this agreement, the prevailing party shall be entitled to attorney fees and costs.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

CALIFORNIA JOINT POWERS INSURANCE
AUTHORITY:

By: _____
Jonathan Shull, Chief Executive Officer

REGIONAL GOVERNMENT SERVICES:

Sophia Selivanoff, Executive Director

ATTEST:

APPROVED AS TO FORM:

DRAFT

Exhibit A - Payment Plan

Retrospective Balance

Regional Government Services and Local Government Services

DRAFT

The following payment schedule reflects the longest allowable duration. Per the agreement, earlier payment is allowed. Interest will accrue based on the outstanding balance, with a minimum interest accrual of \$50,000.

| Date | Principal | Interest Rate | Interest Amount | Total Payment | Outstanding Balance |
|-------------|------------------|----------------------|------------------------|----------------------|----------------------------|
| | | | | | \$ 1,500,000 |
| 9/1/2023 | \$ 500,000 | 5.00% | \$ 12,739.73 | \$ 512,739.73 | \$ 1,000,000 |
| 6/1/2024 | \$ 250,000 | 5.00% | \$ 37,534.25 | \$ 287,534.25 | \$ 750,000 |
| 6/1/2025 | \$ 250,000 | 5.00% | \$ 37,500.00 | \$ 287,500.00 | \$ 500,000 |
| 6/1/2026 | \$ 500,000 | 5.00% | \$ 25,000.00 | \$ 525,000.00 | \$ - |

Municipal Shared Services Corporation

Sophia Selivanoff
Acting 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 12th, 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 the Local Government Services Authority share of the negotiated settlement with California Joint Powers Insurance Authority. That share is approximately \$60,111 and will be paid from LGS plan termination proceeds anticipated from CalPERS.

Sincerely,



Richard H. Averett
MSS Board President



TO: EXECUTIVE COMMITTEE
FROM: GINA SCHUCHARD, Interim Deputy CFO
SUBJECT: CASH FLOW PROTECTION

EC Meeting: 05-18-2023
Item: 6D

RECOMMENDATIONS

1. Approval of cash flow protection strategies described;
2. Provide additional direction to staff to develop strategies to meet higher cash flow needs such as those posed by a delayed State budget adoption.

BACKGROUND

Recent negotiations with CJPIA to resolve a longstanding insurance pool liability have underscored a JPA financial weakness – cash on hand.

Another cash flow exposure is posed by the State’s payment of a major RGS client, who then reimburses RGS for services. If the State Legislature doesn’t pass a budget bill for the upcoming fiscal year by midnight on June 15, reimbursements to RGS could be delayed until passage. Historically, this delay could last for three to four months, and were this to occur, it would leave RGS without reimbursements of \$4 million to \$6 million. This cash flow risk has been lessened but not eliminated by the passage of voter-approved Proposition 25 in 2010, which penalizes legislators if they fail to pass a budget bill on or before June 15. Proposition 25 requires lawmakers to permanently forfeit both their pay and any travel and living expense reimbursement for each day after June 15 that the budget bill is not passed and forwarded to the governor. In 2011, when the June 15 deadline came and went, then State Controller John Chiang decided that Proposition 25 required him to withhold the paychecks of state legislators until they passed a balanced budget. A Budget has been passed by the June 15 deadline every year since, starting with 2012, according to the State’s records. Most observers feel it would also take an unexpected loss of Democratic control in the 2024 state elections to impact RGS beginning in 2025.

DISCUSSION

RGS’ net equity has gradually grown and now totals approximately \$1.6 million, but cash on hand can sometimes dip to \$600,000 because client billing occurs after services have been rendered. Expending cash on hand toward the first payment of the CJPIA liability would create an unacceptable risk of not having sufficient cash on hand, even though the liability reduction would add \$400,000 to the JPA’s net equity position (\$1.9 less \$1.5 million). Options considered to take advantage of the debt reduction opportunity and meet the resulting potential cash shortage include:

1. Financing the liability with bank financing (Bank Financing)
 2. Borrowing from Member Agencies (Member Agencies Borrowing)
1. Bank Financing – Both a line of credit and a lump sum loan have been explored, directly with RGS’ current bank as well as through brokerage services. Costs (annual fees, interest rates, and brokerage fees) make this the most expensive option, although it is an appropriate option if better options aren’t achievable. RGS’s current bank is interested in structuring a line of credit or loan agreement that minimizes the costs.
 2. Member Agencies Borrowing – There are several ways this could be done.
 - a) A Member Agency or Agencies buy the debt for \$1.5 million and provide terms to RGS of repayment over 10 to 15 years at 2 percent above LAIF yield, as determined each June 30. Member Agencies may find it necessary to modify their Investment Policies in order to participate in the financing.
 - b) A Member Agency or Agencies loan RGS funds to cover anticipated cash flow needs and only until cash on hand is sufficient to meet operational needs. Several loans may be needed if RGS

only borrows what it needs to meet CJPIA payments. Again, assumed (for planning purposes) interest paid would be two percent over LAIF yield. Member Agencies may find it necessary to modify their Investment Policies in order to participate in the financing.

- c) A Member Agency or Agencies advance or deposit an amount roughly equivalent to five years of each Member Agency's cost of RGS services and are then paid back with the services they want at a five percent discount per year until the advance is used up or the deposit returned. If RGS services aren't used at the average rate, RGS would pay two percent above the LAIF yield. If RGS services are used at a faster rate than the last five-year average, the deposit would be recouped more quickly; this may cause RGS to need to seek additional Member Agency deposits depending upon cash flow needs at that time. Investment policy changes are not required of Member Agencies participating in this advance deposit strategy. It should be noted that it was a fairly common occurrence for larger RGS clients to pay an estimated monthly amount in advance and a true-up performed after expenses were known.

Cash flow challenges presented by failure to approve the State budget are, as noted, potentially larger than can be addressed with Member Agency advances. Therefore, it is recommended that staff evaluate the viability and likelihood of success of the Advances strategy to determine if it can be expanded – both in amounts advanced and eligible agencies to participate – to meet this contingency, and also whether complementary and alternative strategies exist, such as working with the client and/or the State to establish a reserve pool accessible under situations such as delays in the passage of the State budget.

ANALYSIS

Private (i.e., commercial) borrowing, whether as a line of credit or as a lump sum is estimated to cost 6.5 percent in interest, plus brokerage costs of \$80,000 or annual reservation costs of up to 1%. Borrowing from another public agency is expected to cost approximately 5 percent, depending on the fiscal year-end LAIF rate used.

Interagency financing is recommended as a priority to be pursued because it gives RGS the most flexibility to meet its cash flow needs without incurring upfront expenses, it doesn't require Member Agencies to participate but gives them an option to realize a better return than they would earn on traditional municipal investments.

FISCAL IMPACT

RGS has increased its net equity by \$1.6 million over the last two fiscal years. Assuming this fiscal year and next will be stabilizing and building years, FY2025 and FY2026 could add sufficient cash to obviate the need for continued borrowing (or deposits) of this type. If \$500,000 to \$1 million is needed for the next five years, interest costs would be \$25,000 to \$50,000 per year.

RESOLUTION NO. RGSEC2023-03

A RESOLUTION OF APPRECIATION OF THE EXECUTIVE COMMITTEE OF REGIONAL GOVERNMENT SERVICES AUTHORITY FOR RICHARD AVERETT, EXECUTIVE DIRECTOR.

WHEREAS, on March 1, 2001, the City of San Carlos and the Association of Bay Area Governments formed a Joint Powers Authority called Regional Government Services Authority; and

WHEREAS, Regional Government Services Authority initiated services in 2002; and

WHEREAS, the Regional Government Services Authority (RGS) appointed Richard Averett as its first Executive Director; and

WHEREAS, RGS' vision was to support the mission accomplishment of other public agencies, understanding the challenges faced as agencies navigated increasing demands with limited resources; and

WHEREAS, RGS' staff are expected to provide expert and cost effective project delivery and consulting services in a broad range of disciplines to meet the needs of partner agencies to achieve outstanding service to communities; and

WHEREAS, Richard Averett has served RGS as an outstanding Executive Director and a visionary and inspiring leader, whose commitment to excellent public service, unimpeachable ethics, and the values of collaboration and innovation have attracted outstanding talent, highly motivated to deliver the best possible practices in public administration, community engagement, and transparent and effective leadership; and

WHEREAS, under Richard Averett's leadership, RGS has served nearly 400 agencies, employs approximately 200 team members, and is recognized statewide as a source of reliable expertise to advise and support local agency missions;

NOW THEREFORE, be it resolved that the Executive Committee of the Board of Directors of Regional Government Services Authority does hereby extend its heartfelt appreciation for and recognition of the commitment and excellent work of Richard Averett as the Agency's founding Executive Director and wishes him much happiness and success in the future.

PASSED AND PRESENTED by the Executive Committee of Regional Government Services Authority, this 18th day of May 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTESTED:

Chair, RGS Executive Committee

Tiffany Buraglio
Authority Clerk