

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

**REGULAR MEETING
May 16, 2024
2:00 p.m.**

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

1. CALL TO ORDER / ROLL CALL

2. PUBLIC COMMENT

Each speaker is limited to two minutes. If you are addressing the Board on a non-agenda item, the Board may briefly respond to statements made or questions posed as allowed by the Brown Act (Government Code Section 54954.2). However, the Board’s general policy is to refer items to staff for attention, or have a matter placed on a future Board 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 Board, staff or public request specific items to be removed for separate action.

A. Approval of **February 15, 2024** Minutes *Action*

4. TREASURER’S REPORT - None

5. OLD BUSINESS - None

6. NEW BUSINESS

A. Approval of FY25 Proposed Budget *Action*
B. Approval of Pay Schedule Update *Action*

7. EXECUTIVE DIRECTOR AND MEMBER REPORTS

A. Executive Director: *Information*
B. Members: *Information*

8. ADJOURN

Next Regular Meeting February 20, 2025 via teleconference

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
BOARD OF DIRECTORS MINUTES
FEBRUARY 15, 2024**

The Regional Government Services Authority held a regular meeting of the Board of Directors on February 15, 2024 via teleconference. The meeting was called to order at 1:06 p.m.

1. CALL TO ORDER / ROLL CALL

Executive Director Selivanoff announced that Vice Chair Dan Schwarz has informed her that he is delegating the City of Larkspur service on the RGS Board of Directors and Executive Committee to Shannon O'Hare. Shannon O'Hare introduced herself as the Assistant to the City Manager from Larkspur. In the absence of the Board Chair, Vice Chair O'Hare began the meeting.

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

Members Absent: None

Other Attendees: Sophia Selivanoff, Executive Director
Rich Oppenheim, Administrative Services Manager
Gina Schuchard, Interim Deputy CFO
Deona Knight, HR Manager
Lindsay Rice, Accounting Manager
Cherie Johnson, RGS Advisor
Tiffany Buraglio, Executive Assistant
Sky Woodruff, Authority Counsel

A. Election of Officers

Action: Moved and seconded (Smith/Buckshi) to nominate Hilary Straus as Board Chair and Shannon O'Hare as Board Vice Chair.

AYES: O'Hare, Buckshi, Raulston, Smith, Straus

NOES: None

ABSTAIN: None

1:10 p.m. Member Hunter joined the meeting

2. PUBLIC COMMENT - None

3. APPROVAL OF CONSENT AGENDA

A. Approval of January 11, 2024 Minutes

Action: Moved and seconded (Smith/Buckshi) to approve consent agenda.

AYES: Straus, O'Hare, Buckshi, Hunter, Raulston, Smith

NOES: None

ABSTAIN: None

4. TREASURER'S REPORT - None

5. OLD BUSINESS - None

6. NEW BUSINESS

A. Appointment of Executive Committee Members

Executive Director Selivanoff noted that service on the Board and Executive Committee have long overlapped, and staff feels the system is working well for the agency. If members also feel the arrangement works well, staff expressed their appreciation for their service. Executive Director Selivanoff has no other volunteers in mind to serve on the Executive Committee at this time.

Action: Moved and seconded (Buckshi/Hunter) to appoint the Board in its entirety to serve on the Executive Committee.

AYES: Straus, O'Hare, Buckshi, Hunter, Raulston, Smith

NOES: None

ABSTAIN: None

1:15 p.m. Recess to Closed Session

PUBLIC EMPLOYEE APPOINTMENT

Title: General Counsel

1:18 p.m. Member Habkirk joined the meeting

2:14 p.m. Reconvene Meeting

Report Out of Closed Session - The Board Chair reported that there was no reportable action taken.

7. EXECUTIVE DIRECTOR AND MEMBER REPORTS

A. Executive Director: None

B. Members: Member Straus detailed a District event which necessitated his District to look into the details of their PERS death benefit. Member Straus specifically encouraged all members to investigate the details of the 2W option and evaluate whether it would be a good idea to have that benefit for their own agency employees.

8. ADJOURNMENT - The meeting adjourned at 2:18 p.m. The next regular meeting date is scheduled for May 16-17, 2024.

TO: BOARD OF DIRECTORS
FROM: GINA SCHUCHARD, Deputy CFO
SUBJECT: APPROVAL OF FY2025 BUDGET

BOD Meeting: 05-16-2024
Item: 6A

RECOMMENDATION

Approve Proposed RGS FY2025 Budget.

FY2024 PROJECTED FINANCIAL PERFORMANCE

Forecasted fiscal year-end revenue will be \$863,259 higher than budgeted primarily due to increased client services in core service lines. The consulting side of RGS business is anticipated to grow by 8% in FY24 over budgeted expectations. Fiscal year-end net income is conservatively forecasted to be \$282,352 as CalSAWS subcontracting reductions were implemented during the second half of the year. Overall, FY24 continued as a year of investment as new service lines and programs such as Transparent Government and Payroll Services were fully implemented.

FY2025 PROPOSED BUDGET

Total budgeted revenue is projected to decrease by 3% or \$697,680 from the projected FY24 revenue total. Underlying the decrease is a continued reduction of CalSAWS subcontracting operations as the program continues to move from implementation into the project maintenance phase. Included in the FY25 client billing projection is an increase of 1% overall associated with the continued growth of core services and emerging service lines and CPI increases on existing services. The strong growth is also expected to generate replacement work for normally expiring contracts.

Payroll and employee benefits make up most expenses, along with litigation, legal, and technology. Conferences and outreach expenses continued to increase year over year as the resumption of client related travel continues. Medical insurance premiums are anticipated to increase by 7% overall. The investment in technology will continue at prior year budgeted levels as Deltek, an ERP project based system, will be implemented resulting in increased efficiencies and transparency as systems are consolidated. Legal costs remain elevated due to the ongoing CalPERS actions. The client pass-through expenses reflect the CalSAWS subcontracting costs which are billed to the client at a markup.

With these additional items included the proposed budget for RGS has a projected conservative net gain of \$33,996.

IMPACT ON RESERVES

RESERVES	Current Target Balances	FY23 Audited Retained Earnings	FYE24 Projected Retained Earnings	FY25 Projected Retained Earnings
Operating	\$2,300,000	\$1,331,072	\$1,613,424	\$1,647,420
Claims	\$590,000	\$590,000	\$590,000	\$590,000
Bonus	\$590,400	\$590,400	\$590,400	\$590,400
Totals	\$3,480,400	\$2,511,472	\$2,793,824	\$2,827,820

Regional Government Services
Profit & Loss Budget vs. Actual
 FY 23-24 Projected Actuals and FY 24-25 Budget

	FY 23 Actual	FY 24 Budget	FY 24 Projected	FY 24 Variance	FY25 Budget
Ordinary Income/Expense					
Income					
440301 · Client Billings	18,163,483	18,260,233	19,113,396	853,163	19,297,926
440400 · Admin Services					
440402 · MSS	7,200	5,000	12,000	7,000	5,000
440403 · Muncipal Dental Pool	73,370	62,000	74,000	12,000	74,000
440404 · STARS	19,937	20,000	20,000	0	20,000
Total 440400 · Admin Services	100,507	87,000	106,000	19,000	99,000
480000 · Miscellaneous Income					
480100 · Client Expense Reimbursement	4,880,508	3,787,114	3,776,721	-726	2,903,000
480200 · Purchasing Card Rebate	5,437	5,000	4,274	-726	5,000
480600 · Insurance Recovery	0	0	0	0	0
480900 · Other	912,654	0	2,215	2,215	0
Total 480000 · Miscellaneous Income	5,798,599	3,792,114	3,783,210	763	2,908,000
Total Income	24,062,590	22,139,347	23,002,606	872,926	22,304,926
Gross Profit	24,062,590	22,139,347	23,002,606	872,926	22,304,926
Expense					
511010 · Salaries - Regular	13,510,105	13,513,000	14,102,000	589,000	14,352,000
511072 · Salaries - Nonbillable	78,092	128,000	85,000	-43,000	85,000
512002 · Medicare Employer Expense	194,473	198,000	203,000	5,000	198,000
512003 · Workers' Comp Exp clerical	10	0	0	0	0
512004 · Employee Assistance Program	3,422	5,000	5,000	0	5,000
512005 · Health Insurance Expense	1,641,716	1,934,300	1,795,000	-139,300	1,920,650
512006 · Dental Insurance Expense	138,846	138,000	152,000	14,000	140,760
512007 · Vision Insurance Expense	16,580	20,000	21,000	1,000	20,000
512008 · Life Insurance Expense	10,898	12,000	15,000	3,000	15,000
512009 · Long Term Disability Expense	16,319	17,000	16,000	-1,000	17,000
512011 · Stars 401A Expense	1,345,270	1,378,800	1,413,000	34,200	1,413,000
512014 · Short Term Disability Expense	18,772	16,000	20,000	4,000	17,000
512015 · Unemployment Expense	39,485	50,000	39,520	-10,480	39,520
512017 · Bad Debt Expense	147,549	0	0	0	0
512018 · FSA Health & Day Care Expense	3,739	4,000	5,000	1,000	4,000
512019 · Employee Expense Allowances	164,592	168,000	171,000	3,000	168,000
512020 · HRA Retirement Benefit Expense	240,062	203,000	222,175	19,175	225,000
520107 · APS (ADP) Payroll Fees	20,483	25,000	24,000	-1,000	25,000
520108 · Communications - Agency Expense	5,440	5,000	5,000	0	5,000
520201 · Office Supplies	535	1,000	20	-980	1,000
520202 · Bank Fees & Services	7,085	6,000	16,621	10,621	8,000
520204 · Printing & Postage	9,043	11,000	11,000	0	11,000
520301 · Audit Services	18,105	18,470	18,467	-3	20,000
520302 · Legal Services	67,161	30,000	75,000	45,000	50,000
520303 · Legal - litigation	154,626	166,000	350,565	184,565	266,000
520314 · Administrative Services	9,617	10,000	13,000	3,000	13,000
520320 · Professional Services	56,159	35,000	17,000	-18,000	17,000
520501 · Professional Dues & Membership	85,315	70,300	60,000	-10,300	60,000

	FY 23 Actual	FY 24 Budget	FY 24 Projected	FY 24 Variance	FY25 Budget
520502 · Training & Development	5,950	48,000	18,000	-30,000	18,000
520503 · Conferences & Outreach	75,103	55,000	60,000	5,000	50,000
520504 · Publications	57,458	45,000	70,000	25,000	70,000
520505 · Program Hosting Expenses	0	6,000	4,000	-2,000	6,000
520508 · Licenses & Fees	476	2,000	2,500	500	2,000
520509 · Meeting Expenses	0	25,000	0	-25,000	25,000
520700 · Workers Comp Insurance Expense	36,704	17,000	34,000	17,000	34,000
520701 · General Liability Insurance Exp	59,572	60,000	60,000	0	60,000
520702 · Claims Expense	13,056	19,000	25,000	6,000	25,000
520801 · Mileage Reimbursement	68,550	56,000	65,000	9,000	56,000
520803 · Travel Reimbursement	297,277	219,000	320,000	101,000	219,000
520805 · Supplies & Meals Reimbursement	53,169	36,000	50,000	14,000	36,000
520904 · Technology, Licensing & Support	162,871	200,000	98,000	-102,000	200,000
521001 · Pass through client expenses	4,367,135	3,186,467	3,115,769	-70,698	2,400,000
522798 · Miscellaneous Expense	-0	2,000	0	-2,000	2,000
560100 · Service Group Admin costs	0	0	0	0	0
570100 · Equipment Purchase	5,664	7,000	2,000	-5,000	7,000
Total Expense	23,206,481	22,146,337	22,779,637	633,300	22,305,930
Net Ordinary Income	856,109	-6,990	222,969	239,626	-1,004
Other Income/Expense					
Other Income					
520100 · Investment Income	38,237	35,000	44,000	9,000	35,000
520200 · Insurance Claim Reimbursements	15,540	0	15,383	15,383	0
Total Other Income	53,777	35,000	59,383	24,383	35,000
Other Expense					
529991 · RGS Claims Reserve Contribution					
529997 · Unallocated Admin. Svcs - RGS	-2,514,733		-3,008,263		
529999 · Allocated Unbillable Expenses	2,514,733		3,008,263		
Total Other Expense					
Net Other Income	53,777	35,000	59,383	24,383	35,000
Net Income	909,885	28,010	282,352	264,009	33,996

TO: BOARD OF DIRECTORS
FROM: DEONA KNIGHT, Human Resources Manager
SUBJECT: **UPDATED PAY SCHEDULE**

BOD Meeting: 05-16-2024
Item: 6B

RECOMMENDATION

Approval of the pay schedule for Regional Government Services Authority.

BACKGROUND

As part of its business plan implementation, RGS sets a pay table in coordination with contractual bill rates for services. RGS pay schedules are established with consideration of both labor market data and general economic metrics. The RGS pay schedule was last updated in May 2023 to align with broad work role classifications.

RGS' analysis of both CPI and ECI data required by service agreements revealed a CPI of 5.6 % and an ECI of 4.7% for the region and time period listed. This will result in bill rate adjustments of up to 5% for existing agreements, as well as an update of 5% for the new business rate table for FY25. As noted above, pay is coordinated and accordingly the top of several the pay ranges have been adjusted by 3%; not all pay ranges are adjusted, as last year's adopted pay schedule was smoothed to avoid gaps in the schedule. It is also noted that minor overlap has been created; roles within RGS are may also overlap, so this model seems workable. This year's adjustment allows for improved recruitment and retention at all levels of experience.

Administration of pay remains at management discretion. Appointments may be made at any place on the salary schedule. Neither performance-based raises or cost of living adjustments (COLAs) are automatic. Compensation administration actions are clearly delineated in a personnel action form for the employee. This updated pay schedule will replace the current pay schedule on our public website.

FISCAL IMPACT

None. The pay schedule rather than any specific paid compensation is being modified. Further, all pay and benefits are recovered by bill rates paid for services.

RGS 2024-2025 PAY SCHEDULE

Title	Hourly Rate/Equivalent		
Agency Executive	\$97	to	\$125
Strategic Services Consultant	\$74	to	\$99
Senior Advisor	\$57	to	\$75
Advisor	\$43	to	\$56
Technical Specialist	\$33	to	\$42
Administrative Specialist	\$25	to	\$32

Regional Government Services may charge travel expenses at the current Federal rate for advisor travel to and from agency worksite.