



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

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LGS BOARD AGENDA

Agenda materials may be viewed on the Agency's web site LGS.CA.gov or by contacting the Executive Director prior to the meeting at the contact information below.

REGULAR MEETING

May 17, 2012

3:00 p.m.

Walnut Creek Downtown Library

Las Trampas Conference Room, 2nd Fl.

1644 N. Broadway

Walnut Creek, CA 94596

1. CALL TO ORDER

2. CHANGES TO THE ORDER OF AGENDA

3. APPROVAL OF CONSENT AGENDA

Consent agenda items are considered to be routine and will be enacted by one motion. There will be no separate discussion on these items unless members of the Board, staff or public request specific items to be removed for separate action.

A. Approval of **January 12, 2012** Minutes

Action

4. TREASURER'S REPORT

A. Approve Updated Conflict of Interest Code

Action

B. Approval of FY2013 Budget

Action

5. OLD BUSINESS

A. Approval of Cooperation Agreement Utilization Plan to Reduce Duplication

Action

6. NEW BUSINESS

None

7. 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.

8. NEXT MEETING: **August 16, 2012, 3:00 p.m., location to be determined**

9. ADJOURN

Americans with Disabilities Act

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Richard Averett at (831) 308.1508. Notification in advance of the meeting will enable Agency to make reasonable arrangements to ensure accessibility.

**LOCAL GOVERNMENT SERVICES
JOINT POWERS AUTHORITY
BOARD OF DIRECTORS MINUTES**

The Local Government Services Joint Powers Authority held a regular Board meeting on **January 12th, 2012** at Yountville Community Center, 6516 Washington Street, Yountville, CA 94599. The meeting was called to order at **3:06 p.m.**

1. CALL TO ORDER

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

Members Absent: None

Other Attendees: Richard Averett, Executive Director/CFO
Jennifer Bower, Human Resources Director
Jefferson Kise, Project Consultant
Mike Garvey, Executive Committee Chair
David Rendeiro, Keenan and Associates
Steve Bour, Keenan and Associates

2. CHANGES TO THE ORDER OF AGENDA – None

3. APPROVAL OF CONSENT AGENDA

A. Approval of **June 9, 2011** Minutes.

ACTION: **M/S Rogers/Mackle** to approve the June 9, 2011 Minutes as presented.

AYES: Chair Schwartz, Vice-Chair Rogers, Members Mackle, Pattillo and Pike

NOES: None

ABSTAIN: Member Nordhoff

4. TREASURER'S REPORT

A. Approval of Fiscal Year 2011 Audited Financial Statements. The Executive Director reviewed the results of the Financial Audit performed by Mayer Hoffman McCann. It was noted that the apparently reduced net gain compared to FY10 was the result of two extraordinary items: a write down of \$130,000 of revenue for the outstanding balance from TJPA and the initiation of OPEB expense contributions for both FY 2010 and FY 2011 made in FY 2011. Member Pattillo questioned whether it would be appropriate to establish an Audit Committee to further support the concept of transparency in audit findings. The Executive Director agreed to put this on the Board's agenda for the next meeting. Member Nordhoff asked if the FY 2013 audit should be put out to bid as another way to ensure a fresh perspective in reviewing the financial results of the Authority. Member Pike suggested the current audit firm at least change supervisors. The Executive Director/CFO will develop a proposed audit policy to establish an Audit Committee and recommended rebidding schedule.

ACTION: **M/S Rogers/Mackle** moved to approve the Audited Financial Statements

AYES: Chair Schwartz, Vice-Chair Rogers, Members Mackle, Nordhoff, Pattillo and Pike

NOES: None

ABSTAIN: None

5. OLD BUSINESS

None

6. NEW BUSINESS

A. Approve the Formation of Insurance JPA. The Executive Director discussed the events leading up to the recommendation to form the new Insurance JPA (Municipal Services Authority, or MSA) to serve RGS and LGS. The Insurance JPA would meet the need for both JPAs to secure General Liability, Workers' Compensation and Crime Insurance at a more competitive price by pooling the resources and using our low risk profile and experience. Members discussed how many members from each agency should be on the MSA Board, and decided this item would be reviewed at the next MSA meeting.

ACTION: **M/S Nordhoff/Rogers** moved to approve the formation of an insurance JPA as presented.

AYES: Chair Schwartz, Vice-Chair Rogers, Members Mackle, Nordhoff, Pattillo and Pike

NOES: None

ABSTAIN: None

B. Appointment of Board Representative and Alternate Representative to new JPA.
ACTION: **M/S Mackle/Pike** moved to nominate Member Nordhoff as the Board representative to MSA and Member Pattillo as the Alternate Representative to MSA.

AYES: Chair Schwartz, Vice-Chair Rogers, Members Mackle, Nordhoff, Pattillo and Pike

NOES: None

ABSTAIN: None

C. Adoption of an Amended Cooperation Agreement. The Executive Director commented that the Amended Cooperation Agreement updates the existing Agreement to reflect the evolution of services between the Authorities and adds MSA to the Agreement.

ACTION: **M/S Pike/Rogers** moved to approve the Amended Cooperation Agreement as presented.

AYES: Chair Schwartz, Vice-Chair Rogers, Members Mackle, Nordhoff, Pattillo and Pike

NOES: None

ABSTAIN: None

7. **PUBLIC COMMENT** – None

8. **NEXT MEETING** – Based on a consensus to move to quarterly in-person meetings with a three month cycle beginning with the next meeting to be held in May 2012.

9. **ADJOURNED** – Meeting adjourned at 4:05 p.m.



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TO: BOARD OF DIRECTORS **BOD Meeting: 5-17-12**
FROM: RICHARD H. AVERETT, EXECUTIVE DIRECTOR **Item: 4A**
SUBJECT: APPROVAL OF THE UPDATED CONFLICT OF INTEREST CODE

RECOMMENDATION

Approve the updated conflict of interest code.

BACKGROUND

Government Code Section 87300, et seq. requires every local agency to review their conflict of interest code and to either amend the code if necessary or report that no amendment is necessary every even-numbered year. This proposed amendment would be for the 2012 year, and the next review would be scheduled prior to July 1, 2014.

ANAYLSIS

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

FISCAL IMPACT

There is no fiscal impact to the JPA by approving the revisions to the Conflict of Interest Code.

EXHIBIT A

DESIGNATED OFFICERS AND EMPLOYEES

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

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

The Chief Executive Officer, or his or designee, may determine in writing on a case by case basis that a particular consultant, although a designed position, is hired to perform a range of duties that is limited in scope and thus does not require compliance, or full compliance with disclosure requirements. Any such written determination shall include a description of the consultant's duties and a statement as to the extent of disclosure requirements. The Chief Executive Officer may determine whether a contract consultant constitutes a "consultant" as defined in the Political Reform Act. The Chief Executive Officer's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

DISCLOSURE CATEGORY 1

Category 1: Persons in this category must disclose all investments and business positions in business entities, doing business in, and sources of income and interests in real property, in the state in which the Authority operates.



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TO: BOARD OF DIRECTORS
FROM: RICHARD H. AVERETT, Executive Director
SUBJECT: APPROVAL OF FY2013 BUDGET

BOD Meeting: 5-17-12

Item: 4B

RECOMMENDATION

Approve the Proposed FY2013 Budget.

BACKGROUND

The Fiscal Year (FY) 2013 proposed budget has been prepared in accordance with direction provided by the Executive Committee and Board of Directors. The budget is presented in the Profit and Loss (P&L) format provided to the Executive Committee at their regular meetings. Several budget assumptions have been made in developing the budget. They are:

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

FY2011 FINANCIAL PERFORMANCE

The LGS and RGS FY2011 budgets were adopted with projected addition to retained earnings of \$456,100 and \$101,300 respectively. Audited results show LGS adding \$143,059 and RGS adding \$181,613 for a net combined addition to retained earnings of \$324,672 in FY2011. The apparent underperformance was due to retroactively funding Other Post Employment Benefits for both FY2010 and 2011, as well as a revenue write-down for client revenue in dispute.

FY2012 FINANCIAL PERFORMANCE

The LGS and RGS FY2012 budgets were adopted with projected additions to retained earnings of \$47,401 and \$61,700 respectively. Through February (eight months of the fiscal year), combined financial performance is improved from last year's performance and this year's budget. Fiscal year-end performance for FY12 is estimated to add \$106,216 and \$302,535 or \$408,751 combined addition to retained earnings. FYE performance estimates include allowances for vacation and OPEB accruals.

Administrative expenses have continued to increase for accounting, staffing and IT services to support client needs. This year's performance confirms the success achieved since March 2007. In short: Providing scalable services to public agencies and sharing with our clients the savings of economies of scale, can be done affordably and sustainably.

FY2013 PROPOSED BUDGET

The proposed FY2013 budget is balanced, with revenues exceeding expenditures by a combined \$326,012.

NET ADDITION TO RETAINED EARNINGS

	<u>FY2011 Actual</u>	<u>FYE2012 Projected</u>	<u>FY2013 Budget</u>
LGS	\$ 143,059	\$ 106,216	\$ 36,141
RGS	<u>181,613</u>	<u>302,535</u>	<u>289,871</u>
Total	\$ 324,672	\$ 408,751	\$ 326,012

It is anticipated that next year three major clients (those for whom the JPAs assign multiple staff) will be undergoing changes that affect the JPAs. TJPA is longer a client, its 12 employees terminating December 31, 2011. MTC is planning to reduce the number of LGS staff by 12 positions, leaving 13 budgeted LGS staff assigned to MTC. Both of these two changes are incorporated in the FY2013 budget and primarily affect LGS. Gold Coast has asked us to employ 11 to 15 nurse case workers. Those positions have not been budgeted in FY2013, as we work with the agency to transition the staff from a private vendor.

New clients and additional staffing for existing clients were added during FY2012 and are budgeted to continue in FY2013. Administrative support services have increased in FY2012 and will continue into FY2013 to support client work. These services are provided by the Executive Director/CFO and hourly Director of Human Resources, Administrative Assistant, Project Coordinator, Executive Assistant and Project Manager, as well as contract financial, payroll and technology services.

Financial performance for the current fiscal year and projected for next year enables the JPAs to continue funding for Member Agency training. \$72,000 has been included for this purpose in the FY2013 proposed budget.

Local Government Services
FY2013 Budget

	Admin - JPAs				Lincoln			
	FY11 Actual	FY12 Budget	Proj. FYE12	FY13 Budget	FY11 Actual	FY12 Budget	Proj. FYE12	FY13 Budget
Ordinary Income/Expense								
Income								
440301 · Client Billings					154,826	122,986	182,905	182,905
440410 · Client Administrative Fees								
440600 · General Liability/EAP								
480000 · Miscellaneous	13,326							
Total Income	13,326				154,826	122,986	182,905	182,905
Expense								
511010 · Salaries - Regular	46,038				102,130	79,623	120,187	120,187
511020 · Salaries - Temp/Part Time								
511030 · Salaries - Overtime								
512002 · Medicare Employer Expense					1,498	1,166	1,769	1,769
512005 · Health Insurance Expense	1,972				1,579	632	8,048	8,048
512006 · Dental Insurance Expense					1,076	719	699	699
512007 · Vision Insurance Expense					245	161	183	183
512008 · Life Insurance Expense					300	208	421	421
512009 · Long Term Disability Expense					514	358	721	721
512010 · Stars 401A Expense								
512011 · Stars 457 Expense								
512012 · Calpers Retirement Expense	1,778				8,507	6,275	12,261	12,261
512014 · Short Term Disability Expense					493	342	715	715
512015 · Unemployment Insurance Expense	11,700		43,497					
520302 · Legal Services	4,550					360		
520501 · Professional Dues & Membership	2,756		4,134					
520801 · Mileage Reimbursement								
521109 · Interest Expense	444							
522798 · Miscellaneous Expense							3,000	
529997 · Administrative Services - RGS	-55,911		-172,311		15,307		15,386	15,386
Total Expense	13,326		-124,680	0	131,648	89,844	163,391	160,391
Net Ordinary Income	0		-124,680	0	23,178	33,142	19,513	22,513
Other Income/Expense								
Other Expense								
529994 · Allowed OPEB Expense	85,000		107,000	100,000				
529995 · Retrospective Gen Liab/WorkComp					-950			
529998 · Allocated Admin. Services - RGS	96,083					11,559	18,000	23,280
Total Other Expense	181,083		107,000	100,000	-950	11,559	18,000	23,280
Net Other Income	-181,083		-107,004	100,000	950	-11,559	-18,000	-23,280
Net Income	-181,083		-231,684	-100,000	24,128	21,583	1,513	-767

Local Government Services
FY2013 Budget

	MEA	MTC			
	FY11 Actual	FY11 Actual	FY12 Budget	Proj. FYE12	FY13 Budget
Ordinary Income/Expense					
Income					
440301 · Client Billings		2,301,620	2,222,920	2,318,332	1,228,716
440410 · Client Administrative Fees	215,959				
440600 · General Liability/EAP					
480000 · Miscellaneous		1,455		1,099	1,099
Total Income	215,959	2,303,075	2,222,920	2,319,431	1,229,815
Expense					
511010 · Salaries - Regular	193,706	1,382,260	1,456,055	1,453,721	770,472
511020 · Salaries - Temp/Part Time					
511030 · Salaries - Overtime					
512002 · Medicare Employer Expense	2,812	19,802	19,494	21,002	11,172
512005 · Health Insurance Expense	4,694	142,601	140,842	137,939	68,970
512006 · Dental Insurance Expense	1,762	20,482	19,149	22,153	11,077
512007 · Vision Insurance Expense	138	4,867	4,510	4,963	2,482
512008 · Life Insurance Expense	553	4,302	4,202	4,823	2,411
512009 · Long Term Disability Expense	923	7,403	7,218	8,188	4,094
512010 · Stars 401A Expense	7,558	147	177	-37	
512011 · Stars 457 Expense				53	
512012 · Calpers Retirement Expense	15,083	226,634	219,977	255,968	139,455
512014 · Short Term Disability Expense	827	7,507	7,176	8,167	4,084
512015 · Unemployment Insurance Expense				3,318	1,659
520302 · Legal Services		2,200			
520501 · Professional Dues & Membership			2,707		
520801 · Mileage Reimbursement		3,500	4,200		
521109 · Interest Expense					
522798 · Miscellaneous Expense				105,000	
529997 · Administrative Services - RGS		6,936	58,758	31,890	38,687
Total Expense	228,056	1,828,642	1,944,465	2,057,147	1,054,562
Net Ordinary Income	-12,097	474,434	278,455	262,284	175,253
Other Income/Expense					
Other Expense					
529994 · Allowed OPEB Expense					
529995 · Retrospective Gen Liab/WorkComp	-1,326	-14,254			
529998 · Allocated Admin. Services - RGS	21,351	227,811	259,968	217,934	179,230
Total Other Expense	20,026	213,557	259,968	217,934	179,230
Net Other Income	-20,026	-213,557	-259,968	-217,934	-179,230
Net Income	-32,123	260,877	18,487	44,350	-3,977

**Local Government Services
FY2013 Budget**

	MTD				Rohnert Park			
	FY11 Actual	FY12 Budget	Proj. FYE12	FY13 Budget	FY11 Actual	FY12 Budget	Proj. FYE12	FY13 Budget
Ordinary Income/Expense								
Income								
440301 · Client Billings	11,234	22,468			139,062	70,310	149,388	149,388
440410 · Client Administrative Fees	207,323	330,000	521,342	571,342				
440600 · General Liability/EAP								
480000 · Miscellaneous				51,256				
Total Income	218,557	352,468	521,342	622,598	139,062	70,310	149,388	149,388
Expense								
511010 · Salaries - Regular	194,139	250,000	364,178	369,178	77,359	37,789	88,361	88,361
511020 · Salaries - Temp/Part Time								
511030 · Salaries - Overtime								
512002 · Medicare Employer Expense	2,871	3,625	5,334	6,084	990	489	1,206	1,206
512005 · Health Insurance Expense	8,002	6,859	27,652	37,652	13,157	6,518	13,815	13,815
512006 · Dental Insurance Expense	3,296	4,474	6,737	6,737	825	411	835	835
512007 · Vision Insurance Expense	698	972	1,380	1,380	319	160	319	319
512008 · Life Insurance Expense	622	827	1,249	1,249				
512009 · Long Term Disability Expense	1,069	1,424	2,142	2,142				
512010 · Stars 401A Expense								
512011 · Stars 457 Expense								
512012 · Calpers Retirement Expense	17,466	30,000	37,968	52,968	13,016	6,279	15,896	15,896
512014 · Short Term Disability Expense	1,061	1,413	2,126	2,126				
512015 · Unemployment Insurance Expense								
520302 · Legal Services								
520501 · Professional Dues & Membership		1,000						
520801 · Mileage Reimbursement								
521109 · Interest Expense								
522798 · Miscellaneous Expense			10,000				5,000	
529997 · Administrative Services - RGS		-23,292		0				-120,432
Total Expense	229,223	277,302	458,766	479,516	105,666	51,646	125,432	-0
Net Ordinary Income	-10,667	75,166	62,576	143,082	33,397	18,664	23,956	28,956
Other Income/Expense								
Other Expense								
529994 · Allowed OPEB Expense								
529995 · Retrospective Gen Liab/WorkComp	-1,341				-854			
529998 · Allocated Admin. Services - RGS	21,578	56,419	44,887	121,041	13,739	15,489	23,956	28,956
Total Other Expense	20,237	56,419	44,887	121,041	12,885	15,489	23,956	28,956
Net Other Income	-20,237	-56,419	-44,887	121,041	-12,885	-15,489	-23,956	-28,956
Net Income	-30,904	18,747	17,688	22,041	20,512	3,175	0	0

Local Government Services
FY2013 Budget

	SBWMA				TAM			
	FY11 Actual	FY12 Budget	Proj. FYE12	FY13 Budget	FY11 Actual	FY12 Budget	Proj. FYE12	FY13 Budget
Ordinary Income/Expense								
Income								
440301 · Client Billings	173,475	172,645	177,357	177,357	1,863,237	1,843,414	1,927,483	1,927,483
440410 · Client Administrative Fees	750	900	1,125	1,125				
440600 · General Liability/EAP	354	425	0					
480000 · Miscellaneous	7,875	9,000	7,875	7,875			290	
Total Income	182,454	182,970	186,357	186,357	1,863,237	1,843,414	1,927,773	1,927,918
Expense								
511010 · Salaries - Regular	128,277	127,972	129,801	129,801	971,379	1,051,593	1,031,606	1,031,606
511020 · Salaries - Temp/Part Time								
511030 · Salaries - Overtime								
512002 · Medicare Employer Expense	1,867	1,862	1,886	1,886	14,019	14,010	14,888	14,888
512005 · Health Insurance Expense	16,277	16,157	16,958	16,958	72,808	73,075	70,802	70,802
512006 · Dental Insurance Expense	2,132	2,125	2,163	2,163	12,659	12,622	12,853	12,853
512007 · Vision Insurance Expense	477	477	477	477	2,907	2,907	2,908	2,908
512008 · Life Insurance Expense	429	428	435	435	3,274	3,271	3,003	3,003
512009 · Long Term Disability Expense	739	737	750	750	5,616	5,610	5,119	5,119
512010 · Stars 401A Expense				156				
512011 · Stars 457 Expense								
512012 · Calpers Retirement Expense	11,516	11,336	12,661	12,661	162,704	161,053	181,746	181,746
512014 · Short Term Disability Expense	715	715	715	715	5,283	5,171	4,656	4,656
512015 · Unemployment Insurance Expense								
520302 · Legal Services					2,573		2,031	
520501 · Professional Dues & Membership							290	
520801 · Mileage Reimbursement								
521109 · Interest Expense								
522798 · Miscellaneous Expense			2,000				50,000	
529997 · Administrative Services - RGS					264,116	256,595	320,047	320,047
Total Expense	162,429	161,809	167,846	166,002	1,514,765	1,585,907	1,699,950	1,647,629
Net Ordinary Income	20,025	21,161	18,511	20,355	348,473	257,507	227,823	280,289
Other Income/Expense								
Other Expense								
529994 · Allowed OPEB Expense								
529995 · Retrospective Gen Liab/WorkComp	-1,120				-11,436			
529998 · Allocated Admin. Services - RGS	18,027	18,197	17,747	23,719	184,293	244,371	203,601	278,076
Total Other Expense	16,907	18,197	17,747	23,719	172,857	244,371	203,601	278,076
Net Other Income	-16,907	-18,197	-17,747	-23,719	-172,857	-244,371	-203,601	-278,076
Net Income	3,118	2,964	764	-3,365	175,616	13,136	24,222	2,212

Local Government Services
FY2013 Budget

	TJPA			TOTAL			
	FY11 Actual	FY12 Budget	Proj. FYE12	FY11 Actual	FY12 Budget	Proj. FYE12	FY13 Budget
Ordinary Income/Expense							
Income							
440301 · Client Billings	2,061,950	179,047	1,366,515	6,705,405	4,633,790	6,121,980	3,665,848
440410 · Client Administrative Fees			8,500	443,288	330,900	530,967	572,467
440600 · General Liability/EAP	4,128	413		4,482	838	0	0
480000 · Miscellaneous	110,286	9,739	45,000	132,892	18,739	54,264	60,230
Total Income	2,176,364	189,199	1,420,015	7,286,067	4,984,267	6,707,210	4,298,545
Expense							
511010 · Salaries - Regular	1,483,101	124,227	895,053	4,593,387	3,127,259	4,082,907	2,509,605
511020 · Salaries - Temp/Part Time							0
511030 · Salaries - Overtime							0
512002 · Medicare Employer Expense	21,693	1,811	13,048	65,771	42,457	59,133	37,005
512005 · Health Insurance Expense	113,217	9,339	76,782	375,395	253,422	351,997	216,245
512006 · Dental Insurance Expense	16,170	1,344	10,302	58,629	40,844	55,741	34,363
512007 · Vision Insurance Expense	3,650	304	1,901	13,345	9,491	12,132	7,749
512008 · Life Insurance Expense	4,914	406	2,740	14,433	9,342	12,672	7,520
512009 · Long Term Disability Expense	7,908	656	4,373	24,243	16,003	21,293	12,826
512010 · Stars 401A Expense	19,005	1,496	16,717	26,711	1,673	16,680	156
512011 · Stars 457 Expense	317			317		53	0
512012 · Calpers Retirement Expense	247,932	20,453	157,734	707,131	455,373	674,234	414,988
512014 · Short Term Disability Expense	6,856	559	3,747	22,812	15,376	20,127	12,296
512015 · Unemployment Insurance Expense				11,700		46,815	1,659
520302 · Legal Services				6,750	360	2,031	0
520501 · Professional Dues & Membership				2,756	3,707	4,424	0
520801 · Mileage Reimbursement				3,500	4,200	0	0
521109 · Interest Expense		44		444	44	0	0
522798 · Miscellaneous Expense						175,000	0
529997 · Administrative Services - RGS	133,534		182,447	363,982	292,061	377,460	253,689
Total Expense	2,058,296	160,639	1,364,846	6,291,307	4,271,612	5,912,699	3,508,102
Net Ordinary Income	118,068	28,560	55,170	994,760	712,654.80	794,511.26	790,444
Other Income/Expense							
Other Expense							
529994 · Allowed OPEB Expense				85,000		107,000	100,000
529995 · Retrospective Gen Liab/WorkComp	-14,119			-45,400			
529998 · Allocated Admin. Services - RGS	229,219	26,122	55,170	812,101	632,125	581,295	654,303
Total Other Expense	215,100	26,122	55,170	851,701	632,125	688,295	754,303
Net Other Income	-215,100	-26,122	-55,170	-851,701	-632,125	-688,295	-754,303
Net Income	-97,032	2,438	0	143,059	80,530	106,216	36,141



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

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TO: BOARD OF DIRECTORS
FROM: RICHARD H. AVERETT, Executive Director
SUBJECT: COOPERATION AGREEMENT UTILIZATION PLAN

BOD Meeting: 5-17-12

Item: 5A

RECOMMENDATION

Approve utilization of the Cooperation Agreement to reduce duplication of shared administrative procedural and policy actions.

BACKGROUND

LGS, RGS and MSA adopted an updated Cooperation Agreement on January 12, 2012. The Cooperation Agreement states that the agencies will share administrative resources, including staff and vendor services, to more cost-effectively achieve and coordinate their operational needs.

Currently, administrative actions that are duplicated between agencies appear in all agency packets and are discussed and acted upon multiple times. Examples of such items include quarterly investment reports and annual updates of the Investment Policy and Personnel Rules & Regulations Policy. On those administrative items where RGS is lead agency and where the governing bodies of LGS and/or MSA would be taking identical actions and relying on RGS to implement those actions, governing body and staff time can be saved by using the Cooperation Agreement as authorization by the dependent JPA.

COOPERATION AGREEMENT UTILIZATION PLAN

In order to more fully realize the value of the Cooperation Agreement, it is recommended that shared administrative actions taken by RGS are effectively approved by LGS and MSA as signatories of the Cooperation Agreement. If LGS or MSA is the lead agency on administrative actions in the future, those actions will be effectively approved by the other agencies, as appropriate.

FISCAL IMPACT

The primary impacts of this action would be in reducing staff time spent duplicating reports and in reducing governing body time spent reviewing and acting on duplicated agenda items. Given the recent growth of the JPAs, both in number of employees and variety of activities (more contracts to manage, insurance pooling, investing funds, and internal functions to support growth such as adapting internal controls, coordinating activities, and improving support infrastructure), the time savings can be better allocated to these functions rather than duplicating efforts.