

LOCAL AND REGIONAL GOVERNMENT
SERVICES AUTHORITIES

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LGS EXECUTIVE COMMITTEE AGENDA

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

REGULAR MEETING
Via Teleconference

February 10, 2011
4:00 p.m.

Association of Bay Area Governments, Finance Dir. Office, Rm.301, 101 Eighth St., Oakland, CA 94604
Dublin Civic Center, City Manager's Office, 100 Civic Plaza, Dublin, CA 94568
San Mateo County Transit District, 3rd Floor Exec. Conf. Rm., 1250 San Carlos Ave., San Carlos, CA 94070
San Rafael City Hall, City Manager's Conference Room, 1400 Fifth Avenue, San Rafael, CA 94915
Yountville Town Hall, Town Manager's Office, 6550 Yount Street, Yountville, CA 94599

1. ROLL CALL

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 Executive Committee, staff or public request specific items to be removed for separate action.

A. Approval of **December 9th 2010** Minutes

Action

B. Approval of management services agreement with the City of Lincoln

Action

4. TREASURER'S REPORT

A. Review of Month-End Financial Reports through December 2010

Information

B. Approval of Payments and Deposits made November & December 2010

Action

C. Approval of Investments Report through January 2011

Action

D. Approval of LGS 2009-10 Year End Financial Statements

Action

5. OLD BUSINESS

A. None

6. NEW BUSINESS

A. Review Client Report

Discussion

B. Regularly Scheduled Meetings Calendar

Discussion

7. PUBLIC COMMENT

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

8. NEXT MEETING: **March 10th or April 14th at 4:00 p.m. via teleconference.**

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 (650) 587-7301. Notification in advance of the meeting will enable Agency to make reasonable arrangements to ensure accessibility.

6. NEW BUSINESS

- A. Client and Prospective Client Update. A contract with San Mateo County looks like it will most likely not come to fruition. Contracts with Marin Municipal Water District and the City of San Bruno are likely to start in the next couple of weeks. The City of Lincoln might also sign a contract before the next Executive Committee meeting.
- B. Regularly Scheduled Meetings – The Members reviewed the scheduled upcoming meeting, discussed and expressed a desire to cancel the January 13th meeting if no subsequent business required a meeting; with the next scheduled meeting date February 10th. This item was for discussion only, and no action was taken.

7. PUBLIC COMMENT – None.

8. NEXT MEETING – The January 13th meeting is cancelled if there are no items needing the Committee's attention. The next meeting would be at 4:00 p.m. on February 10, 2011 via teleconference.

9. ADJOURNED - Meeting adjourned at 4:45 p.m.



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

Providing Solutions to California Public Agencies

P.O. Box 1350 · Carmel Valley, CA 93924 · 650.587.7300

TO: EXECUTIVE COMMITTEE
FROM: RICHARD H. AVERETT, Executive Director
SUBJECT: CLIENT AGREEMENT – CITY OF LINCOLN

EC Meeting: 2-10-11

Item: 3B

RECOMMENDATION

Approve authorizing the Executive Director to execute a Client Agreement with the City of Lincoln.

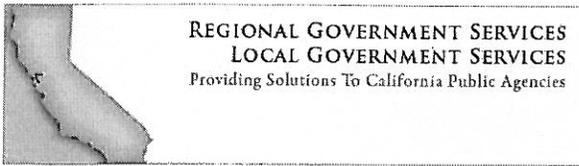
BACKGROUND

The City requested the JPAs provide a Director of Public Services to the City. A full-time employee began work in early January 2011 and will continue through December 31 2011.

The JPA's standard agreement form was used. JPA legal counsel has approved the agreement as to form. The agreement is included with the agenda packets posted to the JPA's website.

FISCAL IMPACT

The hourly rate being charged the agency is sufficient to pay all salary and benefit, insurance and administrative costs of the JPA.



REGIONAL GOVERNMENT SERVICES
LOCAL GOVERNMENT SERVICES
Providing Solutions To California Public Agencies

Business: 831/308-1508
Fax: 831/308-1509

Email: RAverett@LGS.ca.gov
PO Box 1350
Carmel Valley, CA 93924

Email: JBower@LGS.ca.gov
PO Box 1077
Camarillo, CA 93011-1077

AGREEMENT FOR MANAGEMENT AND ADMINISTRATIVE SERVICES

This Agreement for Management Services (“Agreement”) is made and entered into as of the 2nd day of December 2010, by and between the **City of Lincoln**, a municipal agency (“AGENCY”), and **Local Government Services Authority** (“LGS”), a joint powers authority, (each individually a “Party” and, collectively, the “Parties”).

RECITALS

THIS AGREEMENT is entered into with reference to the following facts and circumstances:

- A. That AGENCY desires to engage LGS to render certain services to it;
- B. That LGS is a management and administrative services provider and is qualified to provide such services to AGENCY; and
- C. That AGENCY has elected to engage the services of LGS upon the terms and conditions as hereinafter set forth.

TERMS AND CONDITIONS

Section 1. Services. The services to be performed by LGS under this Agreement shall include those services set forth in **Exhibit A**, which is by this reference incorporated herein and made a part hereof as though it were fully set forth herein.

Where in conflict, the terms of this Agreement supersede and prevail over any terms set forth in **Exhibit A**.

1.1 Standard of Performance. LGS shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which LGS is engaged in the geographical area in which LGS practices its profession. LGS shall prepare all work products required by this Agreement in a substantial, first-class manner and shall conform to the standards of quality normally observed by a person practicing in LGS’s profession.

1.2 Assignment of Personnel. LGS shall assign only competent personnel to perform services pursuant to this Agreement. In the

event that AGENCY, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, LGS shall consider reassigning such person or persons. LGS's Executive Director will notify AGENCY's Chief Executive Officer in writing prior to assigning a different LGS employee to provide services other than the initial LGS Staff identified on Exhibit A.

- 1.3 **Time.** LGS shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in above and to satisfy LGS's obligations hereunder in Exhibit A.

Section 2. Term of Agreement and Termination. Services shall commence on or about the date specified in Exhibit A and shall continue until the date anticipated in Exhibit A to terminate, at which time it may be extended by mutual consent of the Parties for up to one-year intervals until terminated. This agreement may be terminated by either Party, with or without cause, upon thirty days written notice. AGENCY has the sole discretion to determine if the services performed by LGS are satisfactory to the AGENCY, which determination shall be made in good faith. If the AGENCY determines that the services performed by LGS are not satisfactory, the AGENCY may terminate this agreement by giving written notice to LGS. Upon receipt of notice of termination by either Party, LGS shall cease performing duties on behalf of AGENCY on the termination date specified and the compensation payable to LGS shall include only the period for which services have been performed by LGS.

Section 3. Compensation. Payment under this Agreement shall be as provided in Exhibit A.

Section 4. Effective Date. This Agreement shall become effective on the date first herein above written.

Section 5. Relationship of Parties.

- 5.1 It is understood that the relationship of LGS to AGENCY is that of an independent contractor and all persons working for or under the direction of LGS are its agents or employees and not agents or employees of AGENCY. AGENCY and LGS shall, at all times, treat all persons working for or under the direction of LGS as agents and employees of LGS, and not as agents or employees of the AGENCY. AGENCY shall have the right to control LGS only insofar as the results of LGS's services rendered pursuant to this agreement and assignment of personnel pursuant to Section 1.

- 5.2 LGS shall provide services under this Agreement through one or more employees of LGS qualified to perform services contracted for

by AGENCY. Key LGS staff who will provide services to the AGENCY are indicated in Exhibit A. The Executive Director will not reassign any of the staff indicated in Exhibit A without first consulting with the AGENCY. The Executive Director will consult with AGENCY on an as-needed basis to assure that the services to be performed are being provided in a professional manner and meet the objectives of AGENCY.

- 5.3 AGENCY shall not have the ability to direct how services are to be performed, specify the location where services are to be performed, or establish set hours or days for performance of services, except as set forth in Exhibit A.
- 5.4 AGENCY shall not have any right to discharge any employee of LGS from employment.
- 5.5 LGS shall, at its sole expense, supply for its employees providing services to AGENCY pursuant to this Agreement any and all benefits, such as worker's compensation, disability insurance, or retirement benefits; obtain and maintain all licenses and permits usual or necessary for performing the services; pay any and all taxes incurred as a result of the employee(s) compensation, including estimated taxes, FICA and other employment taxes; and provide AGENCY with proof of payment of taxes on demand.

Section 6. Insurance Requirements. Before beginning any work under this Agreement, LGS, at its own cost and expense, shall procure "occurrence coverage" insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by LGS and its agents, representatives, employees, and subcontractors. LGS shall provide proof satisfactory to AGENCY of such coverage that meets the requirements of this section and under forms of insurance satisfactory in all respects to the AGENCY. LGS shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be paid by LGS. LGS shall not allow any subcontractor to commence work on any subcontract until LGS has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to AGENCY. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution.

- 6.1 **Workers' Compensation.** LGS shall, at its sole cost and expense, maintain statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by LGS. The statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS

(\$1,000,000.00) per accident. In the alternative, LGS may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. The insurer, if insurance is provided, or LGS, if a program of self-insurance is provided, shall waive all rights of subrogation against the AGENCY and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement where the subject loss is not proximately caused by the actions of or failure to act by a AGENCY officer, agent or employee or any person or entity other than the parties to the agreement.

An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits, except after 15 days' prior written notice has been given to the AGENCY.

6.2 Commercial General and Automobile Liability Insurance.

6.2.1 General requirements. LGS, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. LGS shall additionally maintain commercial general liability in an amount not less than TWO MILLION DOLLARS (\$2,000,000) aggregated for bodily injury, personal injury, and property damage. If a Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

6.2.2 Minimum scope of coverage. Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 or GL 0002 (most recent editions) covering comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form

Comprehensive General Liability. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (ed. 12/90) Code 8 and 9. No endorsement shall be attached limiting the coverage.

6.2.3 Additional requirements. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

- a. AGENCY and its officers, employees, agents, and volunteers shall be covered as insureds with respect to each of the following: liability arising out of activities performed by or on behalf of LGS including the insured's general supervision of LGS; products and completed operations; premises owned, occupied, or used by LGS; and automobiles owned, leased, or used by LGS. The coverage shall contain no special limitations on the scope of protection afforded to AGENCY or its officers, employees, agents, or volunteers.
- b. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- c. An endorsement must state that coverage is primary insurance with respect to the AGENCY and its officers, officials, employees and volunteers, and that no insurance or self-insurance maintained by the AGENCY shall be called upon to contribute to a loss under the coverage.
- d. An endorsement shall state that coverage shall not be suspended, voided, cancelled by either party, or reduced in coverage or in limits, except following reasonable notice to the AGENCY.

6.3 Professional Liability Insurance. Upon written request of AGENCY, LGS, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000) covering the licensed professionals' errors and omissions.

6.3.1 Any deductible or self-insured retention shall not exceed \$1,000 per claim.

6.3.2 An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits, except after 15 days' prior written notice has been given to the AGENCY.

- 6.3.3** The following provisions shall apply if the professional liability coverages are written on a claims-made form:
- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
 - b. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
 - c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, LGS must provide extended reporting coverage for a minimum of 5 years after completion of the Agreement or the work. The AGENCY shall have the right to exercise, at LGS's sole cost and expense, any extended reporting provisions of the policy, if LGS cancels or does not renew the coverage.
 - d. A copy of the claim reporting requirements must be submitted to the AGENCY prior to the commencement of any work under this Agreement.

6.4 All Policies Requirements.

6.4.1 Acceptability of insurers. All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.

6.4.2 Verification of coverage. Prior to beginning any work under this Agreement, LGS shall furnish AGENCY with notifications of coverage and with original endorsements effecting coverage required herein. The notifications and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The AGENCY reserves the right to require complete, certified copies of all required insurance policies, at any time.

6.4.3 Subcontractors. LGS shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

6.4.4 Variation. The AGENCY may approve a variation in the foregoing insurance requirements, upon a determination that the coverages, scope, limits, and forms of such insurance

are either not commercially available, or that the AGENCY'S interests are otherwise fully protected.

6.4.5 Deductibles and Self-Insured Retentions. LGS shall disclose to and obtain the approval of AGENCY for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement.

During the period covered by this Agreement, only upon the prior express written authorization of AGENCY'S Chief Executive Officer, LGS may increase such deductibles or self-insured retentions with respect to AGENCY, its officers, employees, agents, and volunteers. The AGENCY'S Chief Executive Officer may condition approval of an increase in deductible or self-insured retention levels with a requirement that LGS procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

6.4.6 Notice of Reduction in Coverage. In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, LGS shall provide written notice to AGENCY at LGS's earliest possible opportunity and in no case later than five days after LGS is notified of the change in coverage.

6.5 Remedies. In addition to any other remedies AGENCY may have if LGS fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, AGENCY may, at its sole option exercise any of the following remedies, which are alternatives to other remedies AGENCY may have and are not the exclusive remedy for LGS's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order LGS to stop work under this Agreement or withhold any payment that becomes due t hereunder, or both stop work and withhold any payment, until LGS demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

Section 7. Legal Requirements.

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** LGS and any subcontractors shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 **Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, LGS and any subcontractors shall comply with all applicable rules and regulations to which AGENCY is bound by the terms of such fiscal assistance program.
- 7.4 **Licenses and Permits.** LGS represents and warrants to AGENCY that LGS and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions and that LGS is authorized by law to provide the services contemplated by this agreement. LGS represents and warrants to AGENCY that LGS and its employees, agents, and subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions.
- 7.5 **Nondiscrimination and Equal Opportunity.** LGS shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided under this Agreement. LGS shall comply with all applicable federal, state, and Local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement.

Section 8. Keeping and Status of Records.

- 8.1 **Records Created as Part of LGS's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that LGS prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the

AGENCY. LGS hereby agrees to deliver those documents to the AGENCY upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the AGENCY and are not necessarily suitable for any future or other use.

8.2 Confidential Information. LGS shall hold any confidential information received from AGENCY in the course of performing this Agreement in trust and confidence and will not reveal such confidential information to any person or entity, either during the term of the Agreement or at any time thereafter. Upon expiration of this Agreement, or termination as provided herein, LGS shall return materials which contain any confidential information to AGENCY. For purposes of this paragraph, confidential information is defined as all information disclosed to LGS which relates to AGENCY past, present, and future activities, as well as activities under this Agreement, which information is not otherwise of public record under California law. AGENCY shall notify LGS what information and documents are confidential and thus subject to this section 8.2.

8.3 LGS's Books and Records. LGS shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the AGENCY under this Agreement for a minimum of 3 years, or for any longer period required by law, from the date of final payment under this Agreement.

8.4 Inspection and Audit of Records. Any records or documents that Section 8.2 of this Agreement requires LGS to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the AGENCY. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds \$10,000.00, the Agreement shall be subject to the examination and audit of the State Auditor, at the request of AGENCY or as part of any audit of the AGENCY, for a period of 3 years after final payment under the Agreement.

Section 8. Non-assignment. This Agreement is not assignable either in whole or in part without the written consent of the other party.

Section 9. Amendments. This Agreement may be amended or modified only by written agreement signed by both Parties.

Section 10. Validity The invalidity, in whole or in part, of any provisions of this Agreement shall not void or affect the validity of any other provisions of this Agreement.

Section 11. Governing Law/Attorneys Fees. This Agreement shall be governed by the laws of the State of California and any suit or action initiated by either party shall be brought in San Mateo County, California. In the event of litigation between the Parties hereto to enforce any provision of the Agreement, the prevailing Party shall be entitled to reasonable attorney's fees and costs of litigation.

Section 12. Mediation. Should any dispute arise out of this Agreement, the Parties shall meet in mediation and attempt to reach a resolution with the assistance of a mutually acceptable mediator. Neither Party shall be permitted to file legal action without first meeting in mediation and making a good faith attempt to reach a mediated resolution. The costs of the mediator, if any, shall be paid equally by the Parties. If a mediated settlement is reached, neither Party shall be deemed the prevailing party for purposes of the settlement and each Party shall bear its own legal costs.

Section 13. Entire Agreement. This Agreement, including Exhibit A, comprises the entire Agreement.

Section 14. Indemnity

14.1 LGS's indemnity obligations. LGS will defend and indemnify AGENCY, and hold it harmless, from any claim, demand or liability that is related to, or results from the manner in which LGS has performed this Agreement. Thus, LGS's indemnity obligations will arise when any claim or demand is made against AGENCY which premises AGENCY'S liability, in whole or in part, upon any of the following:

- a. the quality or character of the work of LGS's employees or subcontractors;
- b. the negligent acts or omissions of LGS or its officers, directors, employees, or agents; or
- c. the willful misconduct of LGS or its officers, directors, employees, or agents.

Further, LGS will defend and indemnify AGENCY, and hold it harmless, from any claim, demand or liability that is related to, or results from an assertion that as a result of providing services to AGENCY, an LGS employee or a person performing work pursuant to this agreement is entitled to benefits from, or is covered by, the Social Security retirement system or the California Public Employee Retirement Systems. Notwithstanding the foregoing, however, LGS's obligation for any payments to such a claimant shall be

limited to those payments which AGENCY may be required to pay.

- 14.2 AGENCY'S indemnity obligations.** AGENCY shall indemnify, defend and hold harmless LGS and its officers, directors, employees and agents from any and all claims and lawsuits where such persons are named in the lawsuit solely by virtue of the position they hold with AGENCY, or solely because of a duty any of them performs while in that position.

It is the intent of the parties here to define indemnity obligations that are related to or arise out of AGENCY'S actions as a governmental entity. Thus, AGENCY shall be required to indemnify and defend only under circumstances where a cause of action is stated against LGS, its employees or agents:

- a. which is unrelated to the skill they have used in the performance of the duties delegated to them under this Agreement;
- b. when the allegations in such cause of action do not suggest the active fraud or other misconduct of LGS, its employees, or agents; and
- c. where a AGENCY employee, if he had been acting in a like capacity, otherwise would be acting within the scope of that employment.

Whenever AGENCY owes a duty hereunder to indemnify LGS, its employees or agents, AGENCY further agrees to pay LGS a reasonable fee for all time spent by any LGS employee, or spent by any person who has performed work pursuant to this agreement, for the purpose of preparing for or testifying in any suit, action, or legal proceeding in connection with the services she has provided under this Agreement.

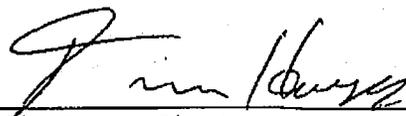
Section 15. Notices. All notices required by this Agreement shall be given to AGENCY and LGS in writing, by first class mail, postage prepaid, addressed as follows:

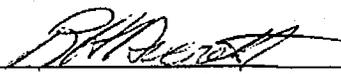
AGENCY: City of Lincoln
Jim Estep, City Manager
600 Sixth Street
Lincoln, CA 95648

LGS: Local Government Services Authority
P. O. Box 1350
Carmel Valley, CA 93924

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the date first written by their respective officers duly authorized on their behalf.

DATED: Dec. 17, 2010 AGENCY
By:  _____
Jim Estep, City Manager

APPROVED AS TO FORM:
DATED: DEC 22, 2010 By:  _____
Tim Hayes, City Attorney

DATED: 12-29, 2010 LOCAL GOVERNMENT SERVICES
By:  _____
Richard H. Averett, Executive Director

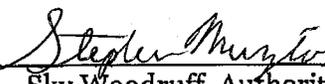
APPROVED AS TO FORM:
DATED: 12-29, 2010 By:  _____
FOR - Sky Woodruff, Authority Counsel

EXHIBIT A SCOPE OF SERVICES

LGS shall assign an LGS employee to serve as the AGENCY's Director of Public Services. Specific duties include:

- Performing the duties as listed in the AGENCY's Director of Public Services job description.
- Be available to meet with AGENCY officials as needed.

The LGS employee is expected to work on AGENCY business on a full time basis, and shall perform work at AGENCY offices in Lincoln or at other locations as appropriate.

COMPENSATION

1. **Fees.** The AGENCY agrees to pay to LGS the full cost of compensation and support, as shown in Exhibit A, for the assigned LGS employee(s). Compensation is shown on an hourly basis.

LGS and AGENCY acknowledge and agree that compensation paid by AGENCY to LGS under this Agreement is based upon LGS's costs of providing the services required hereunder, including salaries and benefits of employees. Consequently, the parties agree that adjustments to the hourly rate shown below for "LGS Staff" will be made for changes to the salary and/or benefits costs provided by LGS to such employee. The parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities for which LGS may be obligated for its employees or may otherwise be contractually obligated.

2. **Reimbursement of LGS's Administrative Cost.** The AGENCY shall reimburse LGS for overhead as part of the hourly rate specified below, and for direct external costs. Support overhead costs are those expenses necessary to administering this Agreement, and are included in the hourly rate. Direct external costs (e.g. required training, office supplies, or other costs borne for the exclusive benefit of AGENCY) will be invoiced to the AGENCY when received and without mark-up. These external costs will be due upon receipt.
3. **Terms of Payment.** LGS shall submit invoices monthly approximately 10 days following the end of the month in which services were provided and are due and shall be delinquent if not paid within 20 days of receipt. Delinquent payments will be subject to a late payment carrying charge computed at a periodic rate of 1% per month, which is an annual percentage rate of 12%, which will be applied to any unpaid balance owed commencing 7 days after the payment due date. Additionally, in the event the AGENCY fails to pay any undisputed amounts due to LGS within 15 days after payment due date, then the AGENCY agrees that LGS shall have the right to consider said default a total breach of this Agreement and

the duties of LGS under this Agreement may be terminated by LGS upon 10 working days advance written notice.

4. **Hiring LGS Employees.** Should the AGENCY desire to offer permanent or temporary employment to an LGS employee who is either currently assigned to the AGENCY or has been assigned to the AGENCY within the previous six months, said AGENCY will be charged a fee equal to the full-time cost of the LGS employee for one month, using the most recent LGS bill rate for the LGS employee's services to the Agency. This fee is not applicable if LGS provides services to the AGENCY for six months or more as envisioned in this agreement.

Payment Address. All payments due LGS shall be paid to:

LGS
C/O McGilloway & Ray Accounting and Consulting
2511 Garden Road, Suite A-180
Monterey, CA 93940-5381.

LGS STAFF

POSITION	NAME	HOURLY RATE
Director of Public Services		\$103.83

The start date for the services to be performed is anticipated to be on or about January 3rd, 2011, and this agreement is anticipated to remain in force through December 31st, 2011.



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

Providing Solutions to California Public Agencies

P.O. Box 1350 · Carmel Valley, CA 93924 · 650.587.7300

TO: EXECUTIVE COMMITTEE
FROM: RICHARD H. AVERETT, CFO/TREASURER
SUBJECT: FINANCIAL REPORT ANALYSIS

EC Meeting: 2-10-11
Item: 4A

RECOMMENDATION

No action is required of the Executive Committee. These are informational, preliminary financial reports through December 2010 month-end, and are attached for review. All reports are draft and unaudited.

P&L ANALYSIS

Through December 2010, the net income for the JPAs was as follows:

- LGS net income equals \$141,368 for the fiscal-year-to-date (FYTD). The balance sheet shows Total Equity of \$1,148,875.
- RGS net income equals \$132,280 for the FYTD. The balance sheet shows Total Equity of \$483,668.
- Combined LGS/RGS net income equals \$273,648 for the 2010 FYTD. Combined Total Equity equals \$1,632,543.

Accruals for earned but not paid leave time have not been posted to the financials. These accruals are posted at the conclusion of the fiscal year. The results shown are preliminary estimates. Combined financial performance has continued to be positive since ‘turning the corner’ in March 2007, because increased client services revenue has outstripped more modestly increasing support expenses. However, those support costs have increased more markedly in recent months in order to maintain service levels for a rapidly increasing customer and employee base. Support cost increases include outside accounting and technology services, and office, HR and analytical staff services.

Several factors could dampen future financial performance:

1. Loss of a major client (with 10 or more assigned staff) would negatively impact financial performance. No such loss is anticipated.
2. Several smaller client projects will be completed over the next several months. Normal attrition is expected to be replaced by new and repeat client project/interim work, as Executive Committee Members and staff continue to communicate to the public sector about JPA services.
3. Support services cost increases traditionally lag increases in client services provided. Due to growth in clients and employees, support services costs are or will increase for Human Resources management, financial services and administrative support. These increases will remain below client revenues, but are beginning to moderate the pace of net gain experienced in FY2010.
4. Historically low interest rates have reduced earnings, and are expected to remain depressed for some time.

Local Government Services
Profit & Loss by Class
July through December 2010

	<u>Admin - JPAs</u>	<u>C-IV</u>	<u>MEA</u>	<u>MTC</u>	<u>MTD</u>	<u>Rhonert Park</u>
Ordinary Income/Expense						
Income						
440301 - Client Billings	0.00	0.00	0.00	1,072,607.56	11,233.89	68,046.60
440410 - Client Administrative Fees	0.00	19,256.17	113,118.94	0.00	63,681.31	0.00
440600 - General Liability/EAP	0.00	0.00	0.00	0.00	0.00	0.00
480000 - Miscellaneous	13,276.12	0.00	0.00	1,455.00	0.00	0.00
Total Income	<u>13,276.12</u>	<u>19,256.17</u>	<u>113,118.94</u>	<u>1,074,062.56</u>	<u>74,915.20</u>	<u>68,046.60</u>
Expense						
511010 - Salaries - Regular	0.00	14,998.52	91,329.89	647,813.54	57,674.12	36,779.85
512002 - Medicare Employer Expense	0.00	219.22	1,315.11	9,433.33	869.98	501.79
512005 - Health Insurance Expense	0.00	1,089.10	2,407.32	65,199.60	0.00	6,277.44
512006 - Dental Insurance Expense	0.00	228.22	808.00	8,632.13	1,050.30	407.28
512007 - Vision Insurance Expense	0.00	44.63	76.40	2,093.66	238.44	159.54
512008 - Life Insurance Expense	0.00	40.90	277.00	1,960.66	194.88	0.00
512009 - Long Term Disability Expense	0.00	70.46	476.30	3,362.35	336.00	0.00
512010 - Stars 401A Expense	0.00	0.00	3,720.01	128.27	0.00	0.00
512011 - Stars 457 Expense	0.00	0.00	0.00	0.00	0.00	0.00
512012 - Calpers Retirement Expense	0.00	2,495.20	8,036.07	104,336.95	5,483.31	6,127.11
512014 - Short Term Disability Expense	0.00	69.92	472.67	3,337.22	333.48	0.00
512015 - Unemployment Insurance Expense	7,650.00	0.00	0.00	0.00	0.00	0.00
520107 - ADP Payroll Fees	-50.00	0.00	0.00	0.00	0.00	0.00
520801 - Mileage Reimbursement	0.00	0.00	0.00	3,500.00	0.00	0.00
521109 - Interest Expense	443.71	0.00	0.00	0.00	0.00	0.00
529997 - Administrative Services - RGS	5,232.41	0.00	0.00	18,093.58	0.00	0.00
Total Expense	<u>13,276.12</u>	<u>19,256.17</u>	<u>108,918.77</u>	<u>867,891.29</u>	<u>66,180.51</u>	<u>50,253.01</u>
Net Ordinary Income	0.00	0.00	4,200.17	206,171.27	8,734.69	17,793.59
Other Income/Expense						
Other Expense						
529998 - Allocated Admin. Services - RGS	0.00	0.00	11,838.44	112,517.02	7,810.24	7,111.33
Total Other Expense	<u>0.00</u>	<u>0.00</u>	<u>11,838.44</u>	<u>112,517.02</u>	<u>7,810.24</u>	<u>7,111.33</u>
Net Other Income	<u>0.00</u>	<u>0.00</u>	<u>-11,838.44</u>	<u>-112,517.02</u>	<u>-7,810.24</u>	<u>-7,111.33</u>
Net Income	<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>-7,638.27</u></u>	<u><u>93,654.25</u></u>	<u><u>924.45</u></u>	<u><u>10,682.26</u></u>

Local Government Services
Profit & Loss by Class
July through December 2010

	<u>SBWMA</u>	<u>TAM</u>	<u>TJPA</u>	<u>Unclassified</u>	<u>TOTAL</u>
Ordinary Income/Expense					
Income					
440301 · Client Billings	83,914.41	896,062.44	1,042,822.71	0.00	3,174,687.61
440410 · Client Administrative Fees	750.00	0.00	0.00	0.00	196,806.42
440600 · General Liability/EAP	354.00	0.00	4,128.00	0.00	4,482.00
480000 · Miscellaneous	3,375.00	0.00	59,286.00	0.00	77,392.12
Total Income	<u>88,393.41</u>	<u>896,062.44</u>	<u>1,106,236.71</u>	<u>0.00</u>	<u>3,453,368.15</u>
Expense					
511010 · Salaries - Regular	63,376.20	486,246.44	754,284.07	0.00	2,152,502.63
512002 · Medicare Employer Expense	922.08	7,114.79	11,025.26	0.00	31,401.56
512005 · Health Insurance Expense	7,837.44	34,466.28	51,134.35	0.00	168,411.53
512006 · Dental Insurance Expense	1,050.30	6,237.54	7,968.50	0.00	26,382.27
512007 · Vision Insurance Expense	238.44	1,453.44	1,824.84	0.00	6,129.39
512008 · Life Insurance Expense	212.28	1,631.15	2,390.31	0.00	6,707.18
512009 · Long Term Disability Expense	365.88	2,797.71	3,883.62	0.00	11,292.32
512010 · Stars 401A Expense	0.00	0.00	8,916.75	0.00	12,765.03
512011 · Stars 457 Expense	0.00	0.00	0.00	0.00	0.00
512012 · Calpers Retirement Expense	5,589.77	80,487.44	121,839.45	0.00	334,395.30
512014 · Short Term Disability Expense	357.60	2,584.12	3,314.42	0.00	10,469.43
512015 · Unemployment Insurance Expense	0.00	0.00	0.00	0.00	7,650.00
520107 · ADP Payroll Fees	0.00	0.00	0.00	0.00	-50.00
520801 · Mileage Reimbursement	0.00	0.00	0.00	0.00	3,500.00
521109 · Interest Expense	0.00	0.00	0.00	0.00	443.71
529997 · Administrative Services - RGS	0.00	120,250.80	37,026.84	0.00	180,603.63
Total Expense	<u>79,949.99</u>	<u>743,269.71</u>	<u>1,003,608.41</u>	<u>0.00</u>	<u>2,952,603.98</u>
Net Ordinary Income	8,443.42	152,792.73	102,628.30	0.00	500,764.17
Other Income/Expense					
Other Expense					
529998 · Allocated Admin. Services - RGS	9,238.81	93,856.61	117,023.92	0.00	359,396.37
Total Other Expense	<u>9,238.81</u>	<u>93,856.61</u>	<u>117,023.92</u>	<u>0.00</u>	<u>359,396.37</u>
Net Other Income	<u>-9,238.81</u>	<u>-93,856.61</u>	<u>-117,023.92</u>	<u>0.00</u>	<u>-359,396.37</u>
Net Income	<u><u>-795.39</u></u>	<u><u>58,936.12</u></u>	<u><u>-14,395.62</u></u>	<u><u>0.00</u></u>	<u><u>141,367.80</u></u>

Local Government Services Balance Sheet

As of December 31, 2010

	Dec 31, 10
ASSETS	
Current Assets	
Checking/Savings	
110010 · Wells Fargo - Cash	-46,241.70
Total Checking/Savings	-46,241.70
Accounts Receivable	
131320 · Accounts Receivable - Trade	647,425.60
Total Accounts Receivable	647,425.60
Other Current Assets	
143006 · Due from RGS	1,758,765.52
150000 · Employee Advances	250.00
Total Other Current Assets	1,759,015.52
Total Current Assets	2,360,199.42
TOTAL ASSETS	2,360,199.42
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
221001 · Calpers Retirement Liab	28,735.93
221003 · 457/401A Retirement Liab	11,289.29
221006 · FSA Health & Day Care	400.00
221009 · General Liability Insurance	-1,000.00
221015 · Health Insurance Liability	-38,421.69
221016 · Long Term Disability Liability	-2,017.32
221017 · Short Term Disability Liability	-1,858.86
221023 · Dental Insurance Liability	-5,429.85
221024 · Vision Insurance Liability	-1,175.87
221025 · Life Insurance/AD&D Liability	-1,160.79
230060 · Accrued Salaries, Wages & Taxes	181,183.24
240010 · Deferred Revenue	569,000.00
240011 · Refundable Deposits	240,402.70
250001 · Accrued Vacation, Sick & Admin	489,513.37
250002 · Contra Vacation, Sick and Admin	-258,136.08
Total Other Current Liabilities	1,211,324.07
Total Current Liabilities	1,211,324.07
Total Liabilities	1,211,324.07
Equity	
370000 · Fund Bal Unreserved/Unrestrictd	624,464.63
3900 · Retained Earnings	383,042.92
Net Income	141,367.80
Total Equity	1,148,875.35
TOTAL LIABILITIES & EQUITY	2,360,199.42



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

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TO: EXECUTIVE COMMITTEE **EC Meeting: 2-10-11**
FROM: RICHARD H. AVERETT, CFO/Treasurer **Item: 4B**
SUBJECT: PAYMENTS MADE IN NOVEMBER AND DECEMBER 2010

RECOMMENDATION

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

BACKGROUND

The Executive Committee reviews and approves expenditures made by the JPA on a monthly basis. This approval process is a component of the JPA's internal controls.

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

1. Invoices are received by the JPA fiscal agent, McGilloway Ray Brown & Kaufman Accounting and Consulting (MRBK);
2. The fiscal agent reviews for accuracy, including reviewing payments for employee benefits against payroll and employee census data, and prepares checks and supporting documentation for Executive Director;
3. The Executive Director reviews and signs/authorizes the check or electronic payment;
4. MRBK prepares and submits to our bank, Wells Fargo, a wire transfer record, and the Executive Director electronically reviews and approves each wire; and
5. All payments are brought to the next Executive Committee 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 Local Agency Investment Fund (LAIF) and CalTrust medium term and short term investment pools. Note that any apparent negative balances at the end of a month are due to timing of expenses consistent with accrual accounting. Staff seeks to minimize bank charges at all times.

The fiscal impact of approving the attached list of expenditures is included in the approved FY2011 budget or in subsequently approved action by the Executive Committee.

Local Government Services
Account QuickReport
As of December 31, 2010

110010 - Wells Fargo - Cash

Type	Date	Num	Name	Memo	Clr	Amount	Balance
							-38,957.97
Deposit	11/01/2010			Deposit	√	4,845.72	-34,112.25
Deposit	11/04/2010			Deposit	√	166,598.04	132,485.79
Check	11/04/2010		ADP Net Checks	10/31 Payroll	√	-123,845.29	8,640.50
Check	11/04/2010	EFT	ADP FWH/SWH/Med	10/31 Payroll	√	-42,752.75	-34,112.25
Deposit	11/05/2010			Deposit	√	18.00	-34,094.25
Check	11/05/2010		ADP Fees	10/31/10 Payroll	√	-18.00	-34,112.25
Deposit	11/10/2010			Deposit	√	30,572.30	-3,539.95
Check	11/12/2010	1698	CalPers - Retirement	10/31/10 Employer Code 1816	√	-29,499.00	-33,038.95
Deposit	11/12/2010			Deposit	√	12,226.33	-20,812.62
Check	11/12/2010		Wells Fargo	Service Charges	√	-186.04	-20,998.66
Check	11/12/2010		Unified Trust	10/31 401/457 Deductions	√	-10,286.89	-31,285.55
Check	11/12/2010		Unified Trust	10/31 401/457 Deductions	√	-868.15	-32,153.70
Check	11/12/2010		ADP Fees	10/31/10 Payroll	√	-482.55	-32,636.25
Deposit	11/17/2010			Deposit	√	29,499.00	-3,137.25
Deposit	11/19/2010			Deposit	√	167,315.20	164,177.95
Check	11/19/2010		ADP Net Checks	10/31 Payroll	√	-124,709.86	39,468.09
Check	11/19/2010	EFT	ADP FWH/SWH/Med	10/31 Payroll	√	-42,605.34	-3,137.25
Deposit	11/22/2010			Deposit	√	10,950.02	7,812.77
Check	11/22/2010		Unified Trust	11/15 401/457 Deductions	√	-10,056.64	-2,243.87
Check	11/22/2010		Unified Trust	11/15 401/457 Deductions	√	-893.38	-3,137.25
Check	11/23/2010	1699	CalPers - Retirement	11/15/10 Employer Code 1816	√	-29,377.05	-32,514.30
Check	11/23/2010	1700	Vision Service Plan	Dec premium-12 275218 0001	√	-1,046.12	-33,560.42
Check	11/23/2010	1701	Allied Administrators	Dec premium 4492.35	√	-4,492.35	-38,052.77
Check	11/23/2010	1702	CalPers	H2010121816000-Dec Premium	√	-30,504.12	-68,556.89
Deposit	11/26/2010			Deposit	√	4,803.15	-63,753.74
Check	11/26/2010		Wells Fargo	Service Charges	√	-310.80	-64,064.54
Deposit	11/29/2010			Deposit	√	1,046.12	-63,018.42
Check	11/30/2010	1703	Reliance	Dec Prepaid premiums	√	-4,975.65	-67,994.07
Deposit	11/30/2010			Deposit	√	30,504.12	-37,489.95
Deposit	12/01/2010			Deposit	√	32,527.05	-4,962.90
Check	12/06/2010	EFT	ADP Net Checks	11/30 Payroll	√	-126,759.72	-131,722.62
Check	12/06/2010	EFT	ADP FWH/SWH/Med	11/30 Payroll	√	-43,508.16	-175,230.78
Deposit	12/06/2010			Deposit	√	170,267.88	-4,962.90

Local Government Services
Account QuickReport
As of December 31, 2010

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Clr</u>	<u>Amount</u>	<u>Balance</u>	
Check	12/08/2010	EFT	Unified Trust	11/30 401/457 Deductions	√	-1,125.73	-6,088.63	
Check	12/08/2010	EFT	Unified Trust	11/30 401/457 Deductions	√	-9,547.64	-15,636.27	
Check	12/08/2010	EFT	Wells Fargo	Service Charges	√	-187.22	-15,823.49	
Deposit	12/08/2010			Deposit	√	10,673.37	-5,150.12	
Check	12/09/2010	1704	CalPers - Retirement	VOID: 11/30/10 Employer Code 1816	√	0.00	-5,150.12	
Check	12/10/2010	1705	CalPers - Retirement	11/30/10 Employer Code 1816	√	-28,652.74	-33,802.86	
Deposit	12/13/2010			Deposit	√	187.22	-33,615.64	
Deposit	12/14/2010			Deposit	√	4,975.65	-28,639.99	
Deposit	12/15/2010			Deposit	√	28,652.74	12.75	
Check	12/17/2010	EFT	ADP Fees	11/30/10 Payroll	√	-254.10	-241.35	
Deposit	12/17/2010			Deposit	√	254.10	12.75	
Check	12/21/2010	EFT	ADP Net Checks	12/15 Payroll	√	-141,330.35	-141,317.60	
Check	12/21/2010	EFT	ADP FWH/SWH/Med	12/15 Payroll	√	-54,884.32	-196,201.92	
Deposit	12/21/2010			Deposit	√	196,214.67	12.75	
Check	12/22/2010	EFT	Unified Trust	12/15 401/457 Deductions	√	-8,891.76	-8,879.01	
Check	12/22/2010	EFT	Unified Trust	12/15 401/457 Deductions	√	-1,519.32	-10,398.33	
Check	12/22/2010	EFT	AIG Retirement	12/15/10 401 EFT	√	-51.52	-10,449.85	
Check	12/22/2010	EFT	AIG Retirement	12/15/10 457 EFT	√	-33.70	-10,483.55	
Deposit	12/22/2010			Deposit	√	10,496.30	12.75	
Check	12/23/2010	1706	CalPers - Retirement	12/15/10 Employer Code 1816	√	-30,633.02	-30,620.27	
Check	12/29/2010	1707	Allied Administrators	Jan premium Employer I.D. 79360	√	-4,739.60	-35,359.87	
Check	12/29/2010	1708	CalPers	H2011011816000-Jan Premium		-35,572.21	-70,932.08	
Check	12/29/2010	1709	EDD	932-0540-9		-4,500.00	-75,432.08	
Check	12/29/2010	1710	Vision Service Plan	Jan premium-12 275218 0001		-1,107.24	-76,539.32	
Check	12/30/2010	1711	Reliance	Jan Prepaid premiums		-5,075.00	-81,614.32	
Check	12/31/2010	EFT	ADP Fees	12/15 Payroll	√	-316.30	-81,930.62	
Deposit	12/31/2010			Deposit	√	35,688.92	-46,241.70	
Total 110010 - Wells Fargo - Cash							-7,283.73	-46,241.70
TOTAL							-7,283.73	-46,241.70



LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

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TO: EXECUTIVE COMMITTEE
FROM: RICHARD H. AVERETT, CFO/Treasurer
SUBJECT: INVESTMENT REPORT

EC Meeting: 2-10-11

Item: 4C

RECOMMENDATION

Review and accept JPA investments made through January 2011.

BACKGROUND

The JPA Board of Directors approved an updated investment policy June 10, 2010, authorizing investments in Federal Treasures and Agency Notes, as well as allowing cash-flow loans to other public agencies. Federal notes can be for up to five years maturity in accordance with CA Code. The Board had previously approved an updated investment policy on June 10, 2009, enabling the agency to invest in bank sweep accounts, the Local Agency Investment Fund (LAIF), timed deposits such as Certificates of Deposit (CDs), and the California Investment Trust pool (CalTrust). RGS and LGS LAIF and CalTrust investment activity has been consolidated into a RGS LAIF account and a RGS CalTrust account.

Investments in LAIF began in June 22, 2007. Investments in CalTrust Medium Term began in late-January 2009, and investment in CalTrust Short Term began in November 2010. Investment activity for the current period is summarized in the attached material.

Loans and advances to other public agencies began in first quarter of fiscal year 2011. Two agencies are currently included: Gold Coast Health Plan (GCHP) and California Joint Powers Insurance Authority (CJPIA). GCHP is a new JPA and will receive earned cash flow for services beginning in May 2011. RGS is providing support and staffing services, and charging five percent on advances made. They have already begun making payments to RGS from other funds advanced to them. CJPIA approved an aggregate retrospective deposit repayment plan that permitted member agencies to prepay retrospective deposits and receive a discount of two percent per year. LGS and RGS prepaid the full obligations (\$135,095), saving \$9,288. Recently CJPIA announced current year calculations for retrospective obligations, and RGS and LGS anticipate prepaying these sums prior to June 30, 2011 in order to receive the two percent per year discounts.

FISCAL IMPACT

The impact of investment activity with Other Agencies, LAIF and CalTrust this period is projected to yield approximately \$1,500 to \$1,900 per month. Fiscal year 2011 budgeted earnings are \$15,000 and fiscal-year-to-date preliminary earnings are slightly exceeding budgeted earnings revenue. We are continuing to invest the maximum cash available, leaving only the minimum checking account balances needed to cover obligations.

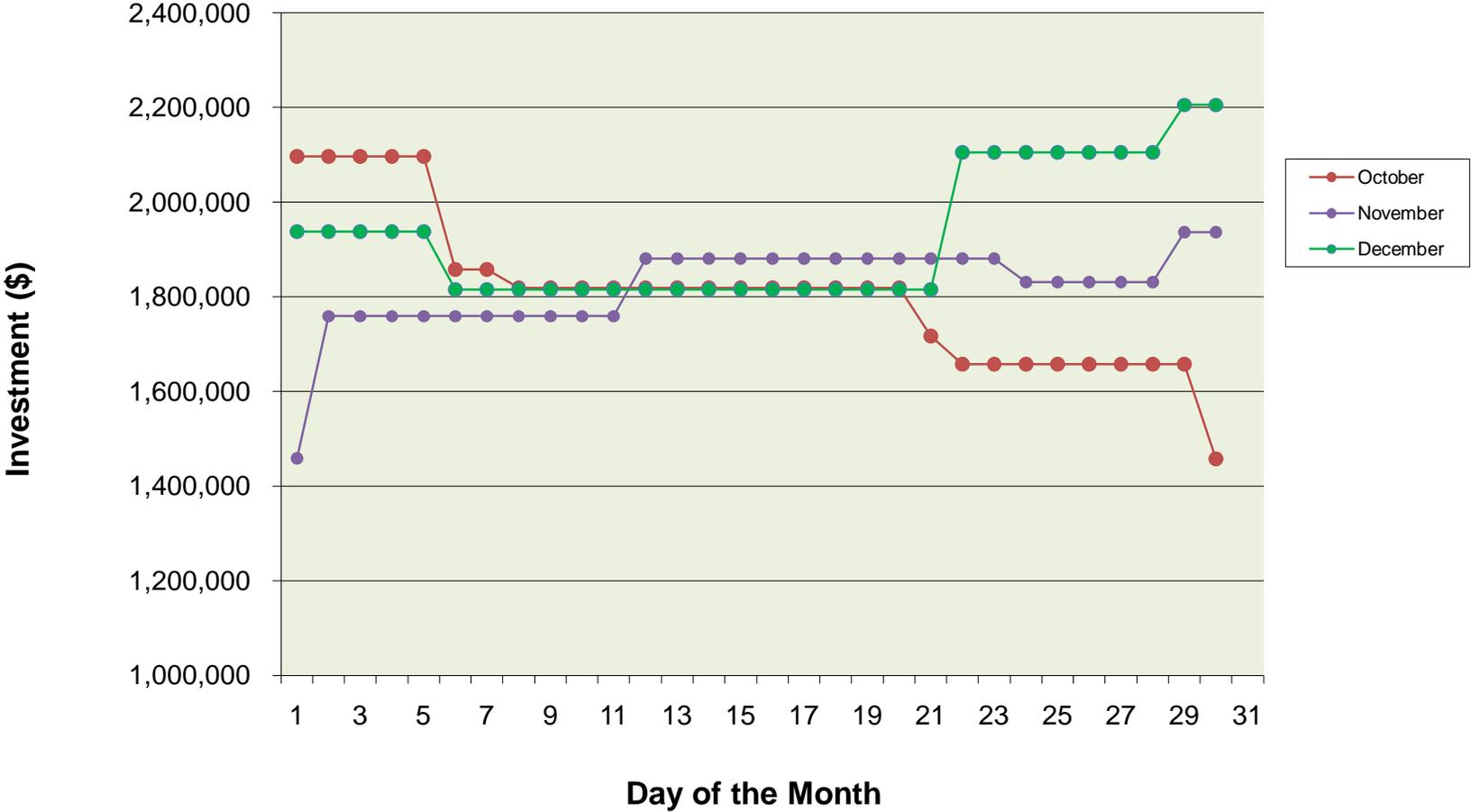
LAIF and CalTrust interest rates have resumed their moderate declines. CalTrust medium term investments are currently yielding approximately 80 basis points more than LAIF, and CalTrust short term investments are currently yielding 5 basis points more than LAIF. The Board of Directors annually reviews the investment policy at their June meetings.

INVESTMENT REPORT FY2011

Date	OCTOBER				NOVEMBER				DECEMBER			
	<u>JPIA.COHS</u>		<u>LAIF</u>	<u>Combined</u>	<u>JPIA.COHS</u>		<u>LAIF</u>	<u>Combined</u>	<u>JPIA.COHS</u>		<u>LAIF</u>	<u>Combined</u>
	<u>, CIV</u>	<u>CalTrust</u>			<u>, CIV</u>	<u>CalTrust</u>			<u>, CIV</u>	<u>CalTrust</u>		
1	289,287	1,220,395	586,778	2,096,461	230,118	1,021,620	207,179	1,458,917	168,410	1,522,678	246,179	1,937,267
2	289,287	1,220,395	586,778	2,096,461	230,118	1,021,620	507,179	1,758,917	168,410	1,522,678	246,179	1,937,267
3	289,287	1,220,395	586,778	2,096,461	230,118	1,021,620	507,179	1,758,917	168,410	1,522,678	246,179	1,937,267
4	289,287	1,220,395	586,778	2,096,461	230,118	1,021,620	507,179	1,758,917	168,410	1,522,678	246,179	1,937,267
5	289,287	1,220,395	586,778	2,096,461	230,118	1,021,620	507,179	1,758,917	168,410	1,522,678	246,179	1,937,267
6	289,287	1,220,395	347,778	1,857,461	230,118	1,021,620	507,179	1,758,917	168,410	1,522,678	124,179	1,815,267
7	289,287	1,220,395	347,778	1,857,461	230,118	1,021,620	507,179	1,758,917	168,410	1,522,678	124,179	1,815,267
8	289,287	1,220,395	308,778	1,818,461	230,118	1,021,620	507,179	1,758,917	168,410	1,522,678	124,179	1,815,267
9	289,287	1,220,395	308,778	1,818,461	230,118	1,021,620	507,179	1,758,917	168,410	1,522,678	124,179	1,815,267
10	289,287	1,220,395	308,778	1,818,461	230,118	1,021,620	507,179	1,758,917	168,410	1,522,678	124,179	1,815,267
11	289,287	1,220,395	308,778	1,818,461	230,118	1,021,620	507,179	1,758,917	168,410	1,522,678	124,179	1,815,267
12	289,287	1,220,395	308,778	1,818,461	230,118	1,021,620	629,179	1,880,917	168,410	1,522,678	124,179	1,815,267
13	289,287	1,220,395	308,778	1,818,461	230,118	1,021,620	629,179	1,880,917	168,410	1,522,678	124,179	1,815,267
14	289,287	1,220,395	308,778	1,818,461	230,118	1,021,620	629,179	1,880,917	168,410	1,522,678	124,179	1,815,267
15	289,287	1,220,395	309,179	1,818,861	230,118	1,021,620	629,179	1,880,917	168,410	1,522,678	124,179	1,815,267
16	289,287	1,220,395	309,179	1,818,861	230,118	1,021,620	629,179	1,880,917	168,410	1,522,678	124,179	1,815,267
17	289,287	1,220,395	309,179	1,818,861	230,118	1,021,620	629,179	1,880,917	168,410	1,522,678	124,179	1,815,267
18	289,287	1,220,395	309,179	1,818,861	230,118	1,021,620	629,179	1,880,917	168,410	1,522,678	124,179	1,815,267
19	289,287	1,220,395	309,179	1,818,861	230,118	1,021,620	629,179	1,880,917	168,410	1,522,678	124,179	1,815,267
20	289,287	1,220,395	309,179	1,818,861	230,118	1,021,620	629,179	1,880,917	168,410	1,522,678	124,179	1,815,267
21	289,287	1,220,395	207,179	1,716,861	230,118	1,021,620	629,179	1,880,917	168,410	1,522,678	124,179	1,815,267
22	230,118	1,220,395	207,179	1,657,692	230,118	1,021,620	629,179	1,880,917	168,410	1,522,678	414,179	2,105,267
23	230,118	1,220,395	207,179	1,657,692	230,118	1,021,620	629,179	1,880,917	168,410	1,522,678	414,179	2,105,267
24	230,118	1,220,395	207,179	1,657,692	230,118	1,521,620	79,179	1,830,917	168,410	1,522,678	414,179	2,105,267
25	230,118	1,220,395	207,179	1,657,692	230,118	1,521,620	79,179	1,830,917	168,410	1,522,678	414,179	2,105,267
26	230,118	1,220,395	207,179	1,657,692	230,118	1,521,620	79,179	1,830,917	168,410	1,522,678	414,179	2,105,267
27	230,118	1,220,395	207,179	1,657,692	230,118	1,521,620	79,179	1,830,917	168,410	1,522,678	414,179	2,105,267
28	230,118	1,220,395	207,179	1,657,692	230,118	1,521,620	79,179	1,830,917	168,410	1,522,678	414,179	2,105,267
29	230,118	1,220,395	207,179	1,657,692	168,410	1,521,620	246,179	1,936,209	168,410	1,622,678	414,179	2,205,267
30	230,118	1,020,395	207,179	1,457,692	168,410	1,521,620	246,179	1,936,209	168,410	1,622,678	414,179	2,205,267
31	230,118	1,020,395	207,179	1,457,692					168,410	1,622,678	414,179	2,205,267

	<u>BUDGETED EARNINGS</u>	<u>Proj'd CT mo. Int.</u>	<u>Proj'd LAIF mo. Int.</u>	<u>CUMULATIVE Budget/Proj'd</u>	<u>BUDGETED EARNINGS</u>	<u>Proj'd CT mo. Int.</u>	<u>Proj'd LAIF mo. Int.</u>	<u>CUMULATIVE Budget/Proj'd</u>	<u>BUDGETED EARNINGS</u>	<u>Proj'd CT mo. Int.</u>	<u>Proj'd LAIF mo. Int.</u>	<u>CUMULATIVE Budget/Proj'd</u>
Budget	\$1,250			\$5,000	\$1,250			\$6,250	\$1,250			\$7,500
Est. Earr	\$297	\$1,224	\$133	\$6,772	\$277	1,058	174	\$8,281	\$394	1,510	80	\$10,265

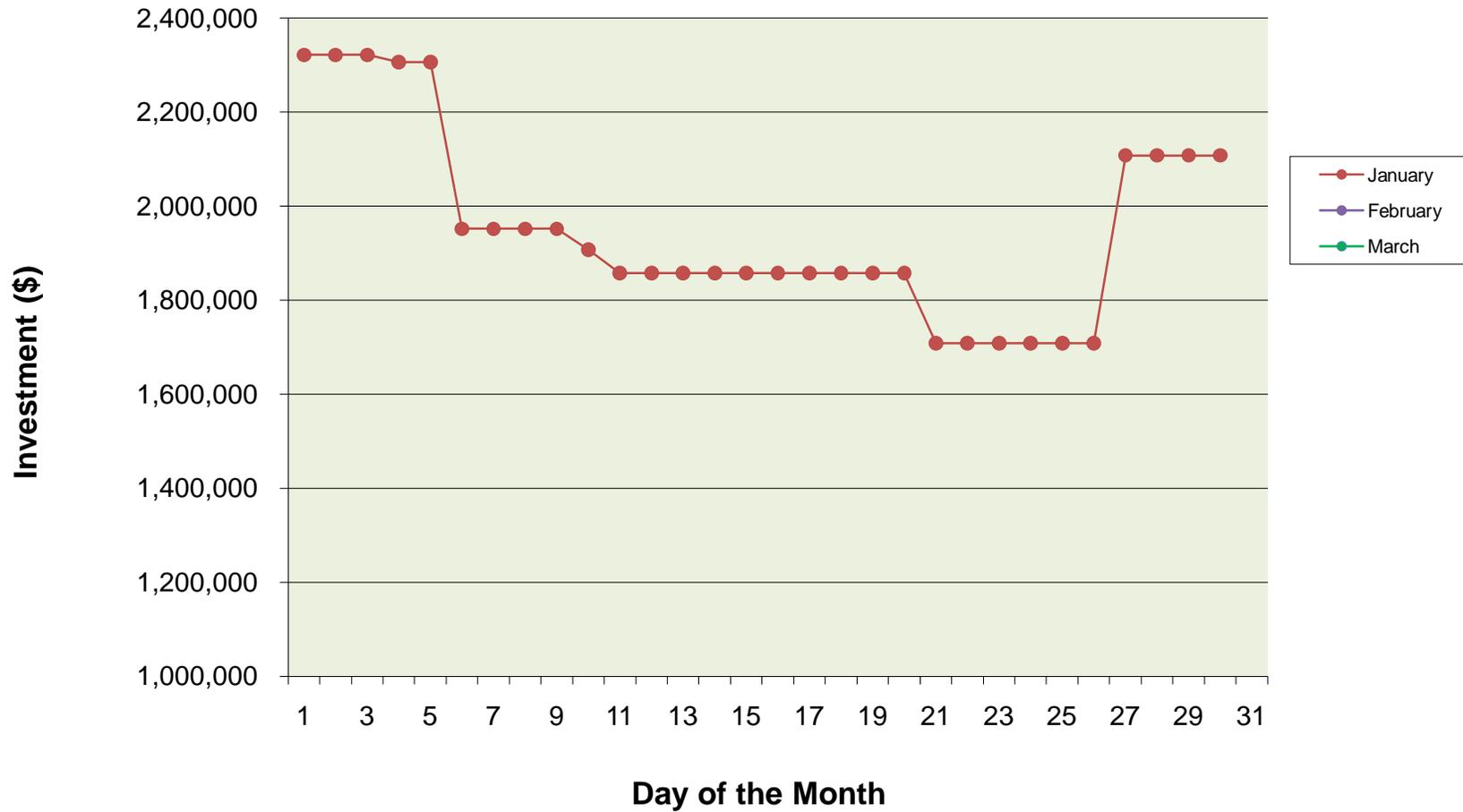
COMBINED INVESTMENTS



INVESTMENT REPORT FY2011

Date	JANUARY				FEBRUARY				MARCH			
	<u>JPIA,COHS</u>		<u>CalTrust</u>		<u>JPIA,COHS</u>		<u>CalTrust</u>		<u>JPIA,COHS</u>		<u>CalTrust</u>	
	<u>, CIV</u>	<u>LAIF</u>	<u>Short & Medium</u>	<u>LAIF</u>	<u>, CIV</u>	<u>Short & Medium</u>	<u>LAIF</u>	<u>Combined</u>	<u>, CIV</u>	<u>Short & Medium</u>	<u>LAIF</u>	<u>Combined</u>
1	283,308	1,624,187	414,179	2,321,674				-				-
2	283,308	1,624,187	414,179	2,321,674				-				-
3	283,308	1,624,187	414,179	2,321,674				-				-
4	283,308	1,624,187	399,179	2,306,674				-				-
5	283,308	1,624,187	399,179	2,306,674				-				-
6	283,308	1,624,187	44,179	1,951,674				-				-
7	283,308	1,624,187	44,179	1,951,674				-				-
8	283,308	1,624,187	44,179	1,951,674				-				-
9	283,308	1,624,187	44,179	1,951,674				-				-
10	283,308	1,624,187	179	1,907,674				-				-
11	283,308	1,574,187	179	1,857,674				-				-
12	283,308	1,574,187	179	1,857,674				-				-
13	283,308	1,574,187	179	1,857,674				-				-
14	283,308	1,574,187	566	1,858,062				-				-
15	283,308	1,574,187	566	1,858,062				-				-
16	283,308	1,574,187	566	1,858,062				-				-
17	283,308	1,574,187	566	1,858,062				-				-
18	283,308	1,574,187	566	1,858,062				-				-
19	283,308	1,574,187	566	1,858,062				-				-
20	283,308	1,574,187	566	1,858,062				-				-
21	283,308	1,424,187	566	1,708,062				-				-
22	283,308	1,424,187	566	1,708,062				-				-
23	283,308	1,424,187	566	1,708,062				-				-
24	283,308	1,424,187	566	1,708,062				-				-
25	283,308	1,424,187	566	1,708,062				-				-
26	283,308	1,424,187	566	1,708,062				-				-
27	283,308	1,424,187	400,566	2,108,062				-				-
28	283,308	1,424,187	400,566	2,108,062				-				-
29	283,308	1,424,187	400,566	2,108,062				-				-
30	283,308	1,424,187	400,566	2,108,062				-				-
31	283,308	1,424,187	400,566	2,108,062				-				-
	BUDGETED EARNINGS	Proj'd CT mo. Int.	Proj'd LAIF mo. Int.	CUMULATIVE Budget/Proj'd	BUDGETED EARNINGS	Proj'd CT mo. Int.	Proj'd LAIF mo. Int.	CUMULATIVE Budget/Proj'd	BUDGETED EARNINGS	Proj'd CT mo. Int.	Proj'd LAIF mo. Int.	CUMULATIVE Budget/Proj'd
Budget Est. Earn	\$1,250	\$1,527	\$53	\$8,750	\$1,250	1,058	174	\$10,000	\$1,250	1,510	80	\$11,250
	\$394			\$12,240	\$277			\$13,749	\$394			\$15,733

COMBINED INVESTMENTS





LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

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TO: EXECUTIVE COMMITTEE **EC Meeting: 2-10-11**
FROM: RICHARD H. AVERETT, CFO/Treasurer **Item: 4D**
SUBJECT: APPROVAL OF AUDIT REPORTS FOR FISCAL YEAR ENDING JUNE 30, 2010

RECOMMENDATION

Review and approve the independent audit reports for fiscal year 2010.

BACKGROUND

The outside audit firm of Mayer Hoffman McCann, P.C. was retained to complete the fiscal year (FY) 2007 and FY2008 audits, and had since completed the FY2009 audits of both Local and Regional Government Services Authorities. Mayer Hoffman recently completed the FY2010 audits, and hardcopies will be distributed to Members in approximately two weeks. All audit reports are posted to the JPA's web site.

AUDIT RESULTS

Summaries of LGS and RGS audit results are below, with more information and analysis in the Management Discussion and Analysis section of each audit report. Overall, the FY2010 audit results indicate continuation of very positive financial results based on a sound business model. These financial results better enable the JPAs to provide quality services to our clients and employees.

LGS FINANCIAL HIGHLIGHTS

- Total net assets increased \$309,835 in FY2010 and \$278,316 in FY2009.
- Revenues from client reimbursements for services provided increased in FY2010 by \$351,975 and in FY2009 increased by \$988,831 from the 2008 fiscal year.
- Total operating expenditures in FY2010 increased \$320,456 and in FY2009 increased \$1.03 million from the 2008 fiscal year.
- Net assets at the end of FY2010 were \$934,301 and at the end of FY2009 were \$624,466.

RGS FINANCIAL HIGHLIGHTS

- Total net assets increased \$227,635 in FY2010 and increased \$54,380 in FY2009.
- Revenues from client reimbursements for services provided increased \$1,218,079 in FY2010 from fiscal year 2009 and \$236,881 in FY2009 from fiscal year 2008.
- Total operating expenditures increased \$1,044,824 in FY2010 and increased \$196,639 in FY2009 from FY2008.
- Net assets at the end of the fiscal year were \$287,369 in FY2010 and were \$59,734 in FY2009.



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TO: EXECUTIVE COMMITTEE
FROM: RICHARD H. AVERETT, EXECUTIVE DIRECTOR
SUBJECT: CLIENT REPORT

EC Meeting: 2-10-11

Item: 6A

CURRENT CLIENTS:

The following is a listing of the twenty-eight LGS and RGS current clients. LGS has 47 positions supporting clients and RGS has 51 positions supporting clients and JPA administration.

Cities/Counties

Calistoga
Gilroy
Lincoln
San Bruno
San Mateo County
Sausalito

Davis
Larkspur
Rohnert Park
San Mateo City
San Rafael
Vallejo

Other Agencies

Consortium IV
Marin Emergency Radio Authority
Marin General Services Authority
Marin Telecommunications Authority
Menlo Park Fire Protection District
Sonoma-Marín Area Rail Transit District
Transbay Joint Powers Authority
Twin Cities Police Authority

Gold Coast Health Plan
Marin Energy Authority
Marin Municipal Water District
Marin Transit
Metropolitan Transportation Commission
South Bayside Waste Management Authority
Transportation Authority of Marin
Ventura County Transportation Commission

POTENTIAL CLIENTS AND CHANGES TO CURRENT CLIENT SERVICES:

The County of San Mateo, Davis, and San Bruno began work and the Cities of San Mateo and Larkspur and Twin Cities Police Authority returned as clients. The City of Gilroy also began utilizing RGS services.

Support staff has been added for the Gold Coast Health Plan, and MTC increased the number of LGS positions to 21. Other existing clients have added additional positions to compliment their staffing.

**Local Government Services
Position Allocation Chart**

Contracting Organization		TAM	TJPA	MTC	MEA	SBWMA	Marin Transit	Rohnert Park	Lincoln	Total FTE	Total Position count
LGS employee, FTE, and Position Title	Employee Name	LGS	LGS	LGS	LGS	LGS	LGS	LGS	LGS		
Accountant	Sylvia Wong		1.00							1.00	1.00
Administrative Assistant	Kimberly Sow			1.00						1.00	1.00
Assistant Program Coordinator	Rachel Zack			1.00						1.00	1.00
Associate Project Delivery Manager	Bill Whitney	1.00								1.00	1.00
Associate Project Delivery Manager	Dan Cherrier	1.00								1.00	1.00
Arterial Operations Coordinator	Vansi Tabjulu			1.00						1.00	1.00
City Engineer									1.00	1.00	1.00
Chief of Staff/Clerk of the Board	Nila Gonzales		1.00							1.00	1.00
Climate Initiative Coordinator	Brenda Dix			1.00						1.00	1.00
Climate Initiative Public Information Officer	Craig Noble			1.00						1.00	1.00
Clipper Customer Service Administrator	Rosemary Rentschler			1.00						1.00	1.00
Contract Compliance Manager/Finance Coordinator	Sara Gigliotti		1.00							1.00	1.00
Contract Compliance Officer	Eddie Phillips		1.00							1.00	1.00
Contract Coordinator	Winnie Chung			1.00						1.00	1.00
Contract Coordinator	Michele Gillaspie			1.00						1.00	1.00
Contract Coordinator	Christine Carrillo			1.00						1.00	1.00
Engineering Manager	Ed Sum		1.00							1.00	1.00
Director of Public Works	Mark Miller								1.00	1.00	1.00
Executive Assistant	Denise Merleno	1.00								1.00	1.00
Executive Director TAM	Dianne Steinhauer	1.00								1.00	1.00
Executive Director TJPA	Maria Ayerdi-Kaplan		1.00							1.00	1.00
Executive Director MEA	Dawn Weisz				1.00					1.00	1.00
FastTrack Administrator	Manuel Espiritu			1.00						1.00	1.00
Finance and Administration Specialist	Grace Zhaung	1.00								1.00	1.00
Finance and Grant Manager	Lauren Gradia						1.00			1.00	1.00
Finance and Systems Accountant	Araceli Fierro		1.00							1.00	1.00
511 Coordinator	Stefanie Hom			1.00						1.00	1.00
511 Transit	Alysha Nachtigall			1.00						1.00	1.00
Information Technology Manager	Mike Daniels		1.00							1.00	1.00
Interim Project Manager	Johnny Chung							0.80		0.80	1.00
Junior Planner	Rebecca Armenta		1.00							1.00	1.00
Landscape Architect Planner	Anna Young			1.00						1.00	1.00
Manager of Finance and Administration	Li Zhang	1.00								1.00	1.00
Manager of Programming and Legislation	David Chan	1.00								1.00	1.00
Planning Manager	Karita Zimmerman	1.00								1.00	1.00
Principal Engineer	Brian Dykes		1.00							1.00	1.00
Project Delivery Manager	Bill Gamlen	1.00								1.00	1.00
Project Coordinator	Jaime Tuckey				1.00					1.00	1.00
Receptionist	Nannette Brown	1.00								1.00	1.00
Recycling Program Manager	Cliff Feldman					1.00				1.00	1.00
Regional Rideshare Program Coordinator	Barbara Laurenson			0.60						0.60	1.00
Regional Transportation Funding Coord	Amy Burch			1.00						1.00	1.00
Senior Program Manager	Bob Beck		1.00							1.00	1.00
Toll Revenue Auditor	Raymond Woo			1.00						1.00	1.00
Translink Program Coordinator/Contract Analyst	Kimpreet Puar			1.00						1.00	1.00
Transportation Human Services Coordinator	Drennen Shelton			1.00						1.00	1.00
Traveler Information Coordinator	Andrew Pease			1.00						1.00	1.00
LGS FTE per Client Total		10.00	11.00	18.60	2.00	1.00	1.00	0.80	2.00	46.40	
Total Positions		10	11	19	2	1	1	1	2	47.00	47.00
Legend	Yellow: Pending selection; not in counts.	New clients (under small projects)									
2/1/11	Pink: Pending separation from employment	Clients Leaving									
	Green: FTE counts/totals	Tangerine Position counts/totals									

LOCAL AND REGIONAL GOVERNMENT SERVICES AUTHORITIES

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TO: EXECUTIVE COMMITTEE **EC Meeting: 2-10-11**
FROM: RICHARD H. AVERETT, CFO/TREASURER **Item: 6B**
SUBJECT: EXECUTIVE COMMITTEE AND BOARD OF DIRECTORS MEETINGS

Meeting Schedule for the next 12 Months

The following are regularly scheduled meetings for the upcoming year, along with special topics to be discussed. All meetings are conducted by teleconference on the second Thursday of each month, starting at 4:00 p.m. with the exception of the annual Budget Review and Adoption meeting, which will be conducted in person starting at 10 a.m.

Date	EXEC COMM	BOD	Special Topic	Location	Notes
February 10 (Thursday)	Yes			Teleconference	
March 10 (Thursday)	Yes			Teleconference	Recommend Cancelling
April 14 (Thursday)	Yes			Teleconference	
May 12 (Thursday)	Yes			Teleconference	
June 9 (Thursday)	Yes	Yes	FY12 Budget, Investment Policy, Rules & Regs, Conflict of Interest Policy (even years only)	To be confirmed: Cavallo Point, Marin County	
July 14 (Thursday)	Yes			Teleconference	
August 11 (Thursday)	Yes			Teleconference	
September 8 (Thursday)	Yes			Teleconference	
October 13 (Thursday)	Yes			Teleconference	
November 10 (Thursday)	Yes			Teleconference	
December 8 (Thursday)	Yes			Teleconference	
January 12 (Thursday)	Yes			Teleconference	