

## 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**  
**May 19, 2016**  
**2:45 p.m.**

**Central Marin Police Authority**  
**Community Room**  
250 Doherty Drive  
Larkspur, CA 94939

**1. CALL TO ORDER**

- A. Election of Officers

*Action*

**2. 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.

**3. APPROVAL OF CONSENT AGENDA**

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

- A. Approval of **February 18, 2016** Minutes  
B. Approval of Payments and Deposits made January 2016 through March 2016  
C. Acceptance of LGS Position Listings

*Action*

**4. TREASURER'S REPORT**

- A. Review of Preliminary Fiscal-Year-To-Date Financial Reports through March 2016  
B. Authorization to Extend External Auditor Engagement

*Information*  
*Action*

**5. OLD BUSINESS** - None

**6. NEW BUSINESS** - None

**7. ADJOURN**

**The next Meeting will take place August 18, 2016 at 1:00 p.m. in Walnut Creek.**

**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.

**LOCAL GOVERNMENT SERVICES AUTHORITY  
EXECUTIVE COMMITTEE MINUTES  
FEBRUARY 18, 2016**

The Local Government Services Authority held a regular meeting of the Executive Committee on February 18, 2016 at Dublin Civic Center Regional Meeting Room. The meeting was called to order at 3:32 p.m.

**1. CALL TO ORDER**

Members Present: Steve Rogers, Chair  
Julie Carter, Alternate Member  
Dan Schwarz, Member  
Ken Nordhoff, Member

Members Absent: Mike Garvey, Member

Other Attendees: Richard Averett, Executive Director  
Jennifer Bower, Director of Administrative Services  
Tara Sanders, Deputy Clerk of the Board

**2. PUBLIC COMMENT – None.**

**3. APPROVAL OF CONSENT AGENDA**

- A. Approval of **November 19, 2015** Minutes
  - B. Approval of Payments and Deposits made October 2015 through December 2015
  - C. Acceptance of LGS Position Listings
- Action:** Moved and seconded (Nordhoff/Schwarz) to approve consent agenda items A, B, and C.
- AYES:** Nordhoff, Schwarz, Carter, Rogers
- NOES:** None
- ABSTAIN:** None

**4. TREASURER’S REPORT**

- A. Review of Preliminary Fiscal-Year-To-Date Financial Reports through December 2015  
Executive Director Averett reviewed financial performance, noting that while LGS is not in positive territory fiscal year to date, over the first six months of the fiscal year LGS had contributed substantially to administrative cost recovery and still is maintaining the minimum target net equity. This is an information item and no action was taken.

**5. OLD BUSINESS**

**Recess to Closed Session 3:37 p.m.**

- 1. CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION Initiation of litigation pursuant to Government Code Section 54956.9(d) (4): One potential case.

**Reconvene Regular Meeting 3:48 p.m.**

- A. Report from Closed Session – Direction was provided to legal counsel and staff with a request for a report back to the Committee in approximately a month.

**6. NEW BUSINESS**

A. Considered Amendments to the Restated Joint Powers Agreement to provide that the JPA will indemnify Member Agencies and to add Associate Membership status.

**Action:** Moved and seconded (Schwarz/Rogers) to continue for a comprehensive review of the JPA Agreement and return of recommended policy changes, including indemnification.

**AYES:** Nordhoff, Schwarz, Carter, Rogers

**NOES:** None

**ABSTAIN:** None

B. Authorize the Appointment of a Board Secretary

**Action:** Moved and seconded (Schwarz/Carter) to approve the appointment of Tiffany Buraglio as Board Secretary.

**AYES:** Nordhoff, Schwarz, Carter, Rogers

**NOES:** None

**ABSTAIN:** None

**7. ADJOURNMENT** – The meeting adjourned at 3:49 p.m. The next regular meeting is scheduled for May 19, 2016 at 1:00 p.m. in Larkspur.

**TO:** EXECUTIVE COMMITTEE **EC Meeting: 05-19-2016**  
**FROM:** Richard Averett, CFO **Item: 3B**  
**SUBJECT: PAYMENTS AND DEPOSITS – JANUARY 2016 THROUGH MARCH 2016**

**RECOMMENDATION**

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

**BACKGROUND**

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

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

1. Invoices are received by staff.
2. JPA staff review invoices for accuracy and assignment to correct general ledger accounts.
3. The Executive Director or designee reviews, prints and signs/authorizes checks. All payments, including electronic payments, are reviewed by the Executive Director in a weekly disbursement report submitted by the Finance Department. This report contains all disbursements from the previous week. Information provided includes: date of transaction, amount, vendor or recipient, method of payment, identity of first and second staff approvers, and check or journal number.
4. All payments are brought to the next regular meeting of Executive Committee (or Board of Directors) meeting for review and approval.

**FISCAL IMPACT**

The net impact of all payments and deposits made this period maintains a minimal bank cash balance consistent with meeting funding obligations, while maximizing interest earnings in the Rabobank money market account, in the Local Agency Investment Fund (LAIF) investment pool and in the CalTrust medium term and short term investment pools. Staff seeks to minimize bank charges at all times.

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

Local Government Services  
Transaction Detail by Account  
January through March 2016

	Type	Date	Num	Name	Memo	Amount	Balance
110060 - Rabobank Checking	General Journal	01/07/2016	949		12/31/15 net pay	-97,367.45	-97,367.45
	Deposit	01/07/2016			Deposit	97,367.45	0.00
	General Journal	01/08/2016	950		12/31/15 payroll taxes & fees	-42,900.19	-42,900.19
	Deposit	01/08/2016			Deposit	42,900.19	0.00
	General Journal	01/11/2016	947		12/31/15 UTC 457 contributions	-6,627.86	-6,627.86
	Deposit	01/12/2016			Deposit	6,627.86	0.00
	General Journal	01/15/2016	952		12/31/15 PERS R Classic contribution Confirm #1000650812	-11,318.59	-11,318.59
	General Journal	01/15/2016	952		12/31/15 PERS R PEPRA contribution Confirm #1000650813	-6,973.99	-18,292.58
	Deposit	01/19/2016			Deposit	18,292.58	0.00
	Deposit	01/21/2016			Deposit	461.00	461.00
	Check	01/21/2016	137	California State Disbursement Unit		-461.00	0.00
	General Journal	01/22/2016	953		01/15/16 net pay	-88,768.42	-88,768.42
	Deposit	01/22/2016			Deposit	88,768.42	0.00
	General Journal	01/25/2016	954		01/15/16 payroll taxes & fees	-34,551.49	-34,551.49
	Deposit	01/25/2016			Deposit	34,551.49	0.00
	Check	01/25/2016	138	California State Disbursement Unit		-336.00	-336.00
	General Journal	01/27/2016	956		1/15/16 UTC 457 contributions	-6,526.21	-6,862.21
	Deposit	01/27/2016			Deposit	6,526.21	-336.00
	General Journal	01/28/2016	955		01/15/16 PERS R Classic contribution Confirm #1000655894	-10,737.40	-11,073.40
	General Journal	01/28/2016	955		01/15/16 PERS R PEPRA contribution Confirm #1000655895	-7,416.93	-18,490.33
	General Journal	01/28/2016	957		Calpers Survivor Empl'yr Contrib FY16	-1,722.00	-20,212.33
	Deposit	01/29/2016			Deposit	19,876.33	-336.00
	Deposit	02/01/2016			Deposit	336.00	0.00
	General Journal	02/04/2016	968		1/31/16 net pay	-94,236.55	-94,236.55
	Deposit	02/04/2016			Deposit	94,236.55	0.00
	General Journal	02/05/2016	969		1/31/16 payroll taxes & fees	-32,154.37	-32,154.37
	Deposit	02/05/2016			Deposit	32,154.37	0.00
	Check	02/05/2016	139	California State Disbursement Unit		-336.00	-336.00
	General Journal	02/10/2016	974		1/31/16 UTC 457 contributions	-6,788.10	-7,124.10
	Deposit	02/10/2016			Deposit	7,124.10	0.00
	General Journal	02/16/2016	977		1/31/16 PERS R Classic contribution Confirm #1000663799	-10,287.25	-10,287.25
	General Journal	02/16/2016	977		1/31/16 PERS R PEPRA contribution Confirm #1000663800	-7,374.02	-17,661.27
	Deposit	02/17/2016			Deposit	17,661.27	0.00
	General Journal	02/19/2016	975		02/15/16 net pay	-95,091.99	-95,091.99
	Deposit	02/19/2016			Deposit	95,091.99	0.00
	General Journal	02/22/2016	976		02/15/16 payroll taxes & fees	-31,933.11	-31,933.11
	Deposit	02/22/2016			Deposit	31,933.11	0.00
	Check	02/22/2016	140	California State Disbursement Unit		-336.00	-336.00
	General Journal	02/24/2016	978		02/15/16 UTC 457 contributions	-6,719.02	-7,055.02
	Deposit	02/25/2016			Deposit	6,719.02	-336.00

## Local Government Services Transaction Detail by Account January through March 2016

Type	Date	Num	Name	Memo	Amount	Balance
General Journal	03/01/2016	993		2/15/16 PERS R Classic contribution Confirm #1000668821	-10,752.51	-11,088.51
General Journal	03/01/2016	993		2/15/16 PERS R PEPRA contribution Confirm #1000668822	-7,962.88	-19,051.39
General Journal	03/04/2016	991		02/29/16 net pay	-94,907.40	-113,958.79
General Journal	03/07/2016	992		02/29/16 payroll taxes & fees	-32,529.84	-146,488.63
Check	03/07/2016	141	California State Disbursement Unit		-336.00	-146,824.63
General Journal	03/08/2016	997		02/29/16 UTC 457 contributions	-7,208.56	-154,033.19
General Journal	03/14/2016	1015		02/29/16 PERS R Classic contribution Confirm #1000674672	-10,882.82	-164,916.01
General Journal	03/14/2016	1015		02/29/16 PERS R PEPRA contribution Confirm #1000674673	-7,270.06	-172,186.07
General Journal	03/21/2016	1001		03/15/16 net pay	-91,738.49	-263,924.56
General Journal	03/22/2016	1000		03/15/16 payroll taxes & fees	-31,750.00	-295,674.56
General Journal	03/25/2016	1014		3/15/16 UTC 457 contributions	-7,378.61	-303,053.17
General Journal	03/29/2016	1023		3/15/16 PERS R Classic contribution Confirm #1000680123	-10,428.90	-313,482.07
General Journal	03/29/2016	1023		3/15/16 PERS R PEPRA contribution Confirm #1000680124	-8,013.67	-321,495.74
Deposit	03/31/2016			Deposit	321,495.74	0.00
Total 110060 - Rabobank Checking					<u>0.00</u>	<u>0.00</u>
<b>TOTAL</b>					<b><u>0.00</u></b>	<b><u>0.00</u></b>

## LGS Position Listings

May 1, 2016

<b>Job Title</b>	<b>Base Department</b>	<b>Status Fulltime</b>
Administrative Specialist	6020-032 - MTC-9130	1
Technical Specialist	6020-032 - MTC-9130	1
Administrative Specialist	6020-033 - MTC-1153	1
Program Coordinator	6020-034 - MTC-1612	1
Project Manager	6020-039 - MTC-8933	1
Advisor	6030-000 - SBWMA-General Hours	1
Program Advisor	6040-000 - TAM-General Hours	1
Program Advisor	6040-000 - TAM-General Hours	1
Program Advisor	6040-000 - TAM-General Hours	1
Administrative Support	6040-000 - TAM-General Hours	1
Advisor	6040-000 - TAM-General Hours	1
CEO - Urban	6040-000 - TAM-General Hours	1
Program Advisor	6040-000 - TAM-General Hours	1
Advisor	6040-000 - TAM-General Hours	1
Technical Assistant	6040-000 - TAM-General Hours	1
	<b>FTE</b>	<b>15</b>
	<b>Employee Count</b>	<b>15</b>

**TO:** EXECUTIVE COMMITTEE  
**FROM:** Richard Averett, Executive Director/CFO  
**SUBJECT:** FINANCIAL REPORT ANALYSIS

**EC Meeting: 05-19-2016**  
**Item: 4A**

**RECOMMENDATION**

No action is required of the Executive Committee. These are informational, preliminary financial reports through March 2016, and are attached for review.

**ANALYSIS**

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

Fiscal year to-date (FYTD), the net income for the JPA was down \$55,475. Through the same period, net equity for the JPA was \$473,801. Financial performance has been negatively impacted by added outside and staffing costs associated with the CalPERS audit and its impact on JPA client agencies.

**Local Government Services**  
**Profit & Loss**  
July 2015 through March 2016

	<b>TOTAL</b>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
440301 · Client Billings	4,042,809
480000 · Miscellaneous	21,376
<b>Total Income</b>	<b>4,064,185</b>
<b>Gross Profit</b>	4,064,185
<b>Expense</b>	
511010 · Salaries - Regular	2,496,419
511072 · Salaries non-billable	-29,103
512002 · Medicare Employer Expense	36,463
512004 · Employee Assistance Program	921
512005 · Health Insurance Expense	279,844
512006 · Dental Insurance Expense	27,935
512007 · Vision Insurance Expense	4,205
512008 · Life Insurance Expense	4,206
512009 · Long Term Disability Expense	4,816
512010 · Stars 401A Expense	15
512012 · Calpers Retirement Expense	328,182
512014 · Short Term Disability Expense	4,626
512015 · Unemployment Insurance Expense	12,695
512018 · FSA Health & Day Care Expense	705
512019 · Employee Expense Allowances	42,779
520107 · APS (ADP) Payroll Fees	3,632
520109 · Communications - Employee Reimb	1,906
520202 · Bank Fees & Services	222
520204 · Printing & Postage	2,965
520302 · Legal Services	31,107
520320 · Professional Services	14,951
520501 · Professional Dues & Membership	230
520503 · Conferences & Meetings	1,234
520504 · Publications	1,246
520801 · Mileage Reimbursement	91
520803 · Travel Reimbursement	3,730
520805 · Supplies and Meals	348
522798 · Miscellaneous Expense	
529997 · Administrative Services - RGS	654,293
<b>Total Expense</b>	<b>3,930,663</b>
<b>Net Ordinary Income</b>	133,522
<b>Other Income/Expense</b>	
<b>Other Expense</b>	
529994 · Allowed OPEB / HRA Expense	189,000
529998 · Allocated Admin. Services - RGS	652,508
529999 · Allocated Unbillable Expenses	-652,508
<b>Total Other Expense</b>	<b>189,000</b>
<b>Net Other Income</b>	<b>-189,000</b>
<b>Net Income</b>	<b>-55,478</b>

**Local Government Services**  
**Balance Sheet**  
As of March 31, 2016

	<u>Mar 31, 16</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Accounts Receivable</b>	
131320 · Accounts Receivable - Trade	55,939
<b>Total Accounts Receivable</b>	<u>55,939</u>
<b>Other Current Assets</b>	
143006 · Due from RGS	2,726,052
150006 · Prepaid Expenses	17,011
150007 · Prepaid Insurance	80
<b>Total Other Current Assets</b>	<u>2,743,143</u>
<b>Total Current Assets</b>	2,799,082
<b>Other Assets</b>	
170000 · Deferred Outflows	405,765
<b>Total Other Assets</b>	<u>405,765</u>
<b>TOTAL ASSETS</b>	<b><u><u>3,204,847</u></u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
2100*OE · Payroll Liabilities	0
214071 · Claims Reserve Payable MSA	1,292,649
221001 · Calpers Retirement Liab	41,312
221003 · 457/401A Retirement Liab	7,104
221006 · FSA Health & Day Care	854
221015 · Health Insurance Liability	4,787
221016 · Long Term Disability Liability	-41
221017 · Short Term Disability Liability	-17
221023 · Dental Insurance Liability	-230
221024 · Vision Insurance Liability	-13
221025 · Life Insurance/AD&D Liability	14
221026 · Child Support IWO	672
221028 · Misc Benefits Liability	13
221029 · Garnishments	539
230060 · Accrued Salaries, Wages & Taxes	138,848
240010 · Deferred Revenue	140,000
240011 · Refundable Deposits	0
250001 · Accrued Vacation	137,622
250002 · Contra Vacation, Sick and Admin	0
250003 · Claims Payable	8,391
<b>Total Other Current Liabilities</b>	<u>1,772,504</u>
<b>Total Current Liabilities</b>	1,772,504
<b>Long Term Liabilities</b>	
260003 · Health Reimbursement Account	159,750
270000 · Net Pension Liability	592,858
280000 · Deferred Inflows	205,934
<b>Total Long Term Liabilities</b>	<u>958,542</u>
<b>Total Liabilities</b>	2,731,046
<b>Equity</b>	
32000 · Retained Earnings	-281,624
370000 · Fund Bal Unreserved/Unrestrictd	1,334,881
380000 · Prior Period Adjustment	-523,981
Net Income	-55,475
<b>Total Equity</b>	<u>473,801</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u><u>3,204,847</u></u></b>



**LOCAL  
GOVERNMENT  
SERVICES**

SERVING PUBLIC AGENCIES SINCE 2002

**TO:** EXECUTIVE COMMITTEE **EC Meeting: 5-19-2016**  
**FROM:** RICHARD AVERETT, Executive Director **Item: 4B**  
**SUBJECT: AUTHORIZE EXECUTIVE DIRECTOR TO EXTEND EXTERNAL AUDITOR  
ENGAGEMENT**

**RECOMMENDATION**

Authorize the Executive Director to extend external auditor engagement for one additional year.

**BACKGROUND**

The engagement with James Marta and Associates was approved for independent audit of fiscal years 2013 through 2015. JPA policy allows for the possibility of a two-year extension. This engagement was for RGS, LGS and MSA. Three fiscal year financial reports have been performed for the JPAs and staff is requesting the Executive Committee extend the engagement for the FY2016 audits. The firm has performed well and gained a sound understanding of the needs of all three JPAs. Given the current workload on staff, it is requested that a one-year extension be approved so staff can focus the time and expense necessary to solicit and select a new auditor to higher priority work.

**FISCAL IMPACT**

The three-year engagement used a cost of living escalator for the second and third year services. The last year of audit costs total \$26,250 and the fourth year costs would be \$28,800.