

MUNICIPAL SERVICES AUTHORITY (MSA) AGENDA

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

SPECIAL MEETING

Via Teleconference

December 21, 2017

10:10 a.m. or immediately following the preceeding meeting

Dublin Civic Center, City Manager's Office, 100 Civic Plaza, Dublin, CA 94568
Larkspur City Hall, City Manager's Office, 400 Magnolia Avenue, Larkspur, CA 94939
Walnut Creek City Hall, City Manager's Office, 1666 North Main Street, Walnut Creek, CA 94596
Yountville Town Hall, Town Manager's Office, 6550 Yount Street, Yountville, CA 94599

1. CALL TO ORDER / ROLL CALL

2. PUBLIC COMMENT

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

3. APPROVAL OF CONSENT AGENDA

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

A. Approval of **November 16, 2017** Minutes

Action

4. TREASURER'S REPORT

A. Approval of Independently Audited FY2017 Financial Statements

Action

5. OLD BUSINESS - None

6. NEW BUSINESS - None

7. EXECUTIVE DIRECTOR AND MEMBER REPORTS

A. Executive Director:

Information

B. Members:

Information

8. ADJOURN

The next Regular Meeting will take place on February 15, 2018 at 1:00 p.m. in Dublin.

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) 587-7300. Notification in advance of the meeting will enable Agency to make reasonable arrangements to ensure accessibility.

**MUNICIPAL SERVICES AUTHORITY
BOARD OF DIRECTORS MINUTES
NOVEMBER 16, 2017**

The Municipal Services Authority held a regular meeting of the Board of Directors on November 16, 2017 at the Yountville Town Hall Council Chambers. The meeting was called to order at 11:18 a.m.

1. CALL TO ORDER / ROLL CALL

Members Present: Steve Rogers, Chair
Dan Schwarz, Vice-Chair
Fran Robustelli, Member

Other Attendees: Richard Averett, Executive Director
Jennifer Bower, Director of Administrative Services
Jeff Kise, Finance and Operations Manager
Sky Woodruff, General Counsel
Scott Kivel, Special Counsel
Julie Carter

2. PUBLIC COMMENT - None

3. APPROVAL OF CONSENT AGENDA

A. Approval of **August 24, 2017** Minutes
Action: Moved and seconded (Robustelli/Schwarz) to approve consent agenda
AYES: Rogers, Schwarz, Robustelli
NOES: None
ABSTAIN: None

4. TREASURER'S REPORT

A. Review of Preliminary Fiscal-Year-To-Date Financial Reports through June 2017
Information item; no action was taken. Executive Director Averett noted that the Authority financial performance is on track with expectations and budget, except FY2017 audit recognition of additional costs for likely claims expenses reduced fiscal year contributions to additional reserves.

B. Approval of Independently Audited FY2017 Financial Statements
The Board deferred action on this item until statements are available review.

5. OLD BUSINESS - None

6. NEW BUSINESS

A. MSA Insurance Claims
Executive Director noted a claim for eligible CalPERS expenses has been made.

B. Dental Pool Committee Proposal
Executive Director Averett noted that an advisory committee of representatives from participating agencies would enable those agencies to have input in the direction and decisions of the pool without ceding governance control of the JPA to non-member agencies.
Action: Moved and seconded (Schwarz/Robustelli) to approve Dental Pool Committee Proposal as presented
AYES: Rogers, Schwarz, Robustelli
NOES: None
ABSTAIN: None

11:32 a.m.

Recess to Closed Session

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Government Code Section
54956.9(d)(4): One potential case.

Reconvene Regular Meeting

11:50 a.m.

- C. Report from Closed Session
The Chair stated that no reportable action was taken.

7. EXECUTIVE DIRECTOR AND COMMITTEE MEMBERS

- A. Executive Director: none.
- B. Members: none.

8. **ADJOURN** – The meeting adjourned at 11:51 p.m. The next regular meeting is scheduled for February 15, 2018 at 1:00 p.m. in Dublin.



TO: BOARD OF DIRECTORS **BOD Meeting: 12-21-2017**
FROM: RICHARD AVERETT, Executive Director/CFO **Item: 4A**
**SUBJECT: APPROVAL OF AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR
ENDING JUNE 30, 2017**

RECOMMENDATION

Review and approve the independent audit reports for fiscal year (FY) 2017.

BACKGROUND

The outside audit firm of Badawi and Associates was retained to complete the FY2017 audit. The June 30, 2017 audited financial statements for the JPA, along with the audit report and Management Letter have been posted to the JPA web site.

AUDIT RESULTS

Audit results are summarized below, with more information and analysis in the Management Discussion and Analysis section of the audit report. The net financial position of the JPAs will permit a continued ability to provide insurance and benefit pooling services for member agencies and employees.

MSA FINANCIAL HIGHLIGHTS

- In the fiscal year ended June 30, 2017, the Authority had a net loss of \$42,894. The loss is due to \$206,893 in retrospective and IBNR claims accruals.
- A planned increase in administrative costs associated with the CalPERS audit is the other significant additional expense for the year.
- MSA's unrestricted net assets remained essentially unchanged with a 2% decrease to \$2,092,088. Prior fiscal period strategies to increase reserves positioned the JPA for claims accrual adjustments such as those incurred in FY17.