

MARIN GENERAL SERVICES AUTHORITY

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MEMORANDUM

DATE: May 15, 2014
TO: Board of Directors
FROM: Paul Berlant, Executive Officer
SUBJECT: AGENDA ITEM F-1: MGSA 2014-15 GENERAL OPERATING FUND BUDGET

RECOMMENDED ACTION: Adopt the fiscal year 2014-2015 general fund budget for the Marin General Services Authority.

BACKGROUND

The MGSA proposed budget includes funding the following programs: the Streetlight Maintenance Program; management of the Taxicab Regulation Program; grant management for MCEP; and overall JPA Administration. The budget for the Abandoned Vehicle Abatement Program (AVAP) is presented separately. The Board adopted the 2014-15 MarinMap budget on March 13, 2014 at which time it also reviewed the MCSTOPPP 2014-15 budget and made a recommendation to the Board of Supervisors to approve that budget as presented by MCSTOPPP staff.

Fiscal year 2013-14 was the second year under the three-year contract with Republic Electric (now Siemens) for streetlight maintenance services. The transition of new staff and internal Siemens procedures resulted in some service quality and timeliness issues. Reports from the public works staffs indicate that some, but not all, of the issues have been resolved. As we go into FY 2014-15, I will enlist assistance from cities/county staffs to evaluate and make a recommendation regarding a possible extension of the contract (the agreement goes through June 30, 2015 and allows for a four-year extension) or, if indicated, prepare and issue a request for qualifications and proposals from Siemens and other potential service providers for a new contract. If the board decides to consider an extension of the Siemens contract, I will have to negotiate any changes either MGSA, the cities/towns/County, or Siemens may request, including rate schedules.

As has been noted in earlier reports to the board, the taxicab regulation program has matured to the point of full cost recovery. We anticipate that situation to continue through the next fiscal year. A more detailed discussion of permit fees follows under discussion of the taxicab regulation program.

PROPOSED MGSA OPERATING BUDGET

The contributions shown in the table on page 7 below reflect the County/towns/cities' share of the MGSA costs as well as the cities'/towns' County Mediation Program costs which are billed through MGSA. The Mediation Program contributions for 2014-15 are 2% higher than 2013-14. As the Board is aware, the Office of the District Attorney manages the county-wide mediation program. These funds are not considered revenue or expense for MGSA and are directly transferred to the District Attorney's Office upon receipt.

Exhibit B of the JPA agreement (page 8 below) addresses the manner of allocating the cost of the streetlight program, "*Streetlights – Members shall pay the costs of this function in proportion to the number of streetlights owned by the Authority in each member's jurisdiction.*" For 2014-15, the overhead remains \$11,000; however most

of the member contributions have altered slightly due to changes in the inventory of streetlights in member jurisdictions.

The tables below show budgeted and estimated actuals for 2013-14 and proposed 2014-15 revenues and expenditures for the MGSA general fund, including MCEP. Detailed expenditures, grants, and member contributions since inception of the MCEP program are discussed separately below. Although a separate cost center is maintained for MCEP, the funds are placed in the MGSA general fund.

Table 1	Final Budget	Est. Actual	Proposed	Difference
Expenditures	2013-14	2013-14	2014-15	Prop v Act
Insurance	\$ 11,000	\$ 11,000	\$ 12,000	\$ 1,000
Taxicab Program	\$ 7,000	\$ 6,000	\$ 7,000	\$ 1,000
Contract Services	\$ 186,700	\$ 183,600	\$ 185,200	\$ 1,600
Legal Expenses	\$ 30,000	\$ 27,000	\$ 30,000	\$ 3,000
Audit/Accounting	\$ 12,000	\$ 12,000	\$ 13,000	\$ 1,000
Rent	\$ 5,000	\$ 5,000	\$ 5,500	\$ 500
Office Expense	\$ 1,000	\$ 2,100	\$ 2,200	\$ 100
General Contingencies	\$ 50,000	\$ -	\$ 50,000	\$ 50,000
Total MGSA General	\$ 302,700	\$ 246,700	\$ 304,900	\$ 58,200
MCEP Contract Services	\$ 62,400	\$ 43,500	\$ 73,000	\$ 29,500
MCEP Contingencies	\$ 26,122	\$ -	\$ 20,651	\$ 20,651
Total MCEP	\$ 88,522	\$ 43,500	\$ 93,651	\$ 50,151
Total MGSA and MCEP	\$ 391,222	\$ 290,200	\$ 398,551	\$ 108,351
Resources				
Member Contributions	\$ 148,200	\$ 148,200	\$ 64,700	\$ (83,500)
Interest	\$ 500	\$ 200	\$ 200	\$ -
Taxicab Permit Fees	\$ 100,000	\$ 120,000	\$ 120,000	\$ -
Fund Balance/ Carryover	\$ 54,000	\$ 100,000	\$ 120,000	\$ 20,000
Total MGSA General	\$ 302,700	\$ 368,400	\$ 304,900	\$ (63,500)
MCEP Dues	\$ 26,000	\$ 28,000	\$ 28,000	\$ -
Grants	\$ 8,500	\$ 20,500	\$ -	\$ (20,500)
MCEP Fund Balance/ Carryover	\$ 54,022	\$ 60,651	\$ 65,651	\$ 5,000
Total MCEP	\$ 88,522	\$ 109,151	\$ 93,651	\$ (15,500)
Total MGSA and MCEP	\$ 391,222	\$ 477,551	\$ 398,551	\$ (79,000)

The following is the detail for Contract Services.

Table 2	Budget 2013-14	Est. Actual 2013-14	Proposed 2014-15
Contract Services			
Office Staff	\$ 20,000	\$ 20,000	\$ 20,000
Executive Officer	94,200	94,200	94,200
Taxicab Regulation	70,000	70,000	70,000
Web/Technology Mgt.	1,000	1,100	500
Records Management	500	0	0
Taxi Database	0	0	500
Total	\$ 186,700	\$ 185,300	\$ 185,200

TAXICAB REGULATIONS

As the Board will recall, the taxi permit fee schedule was last amended in November 2009, including incremental increases which were projected to bring the program to full cost recovery in 2012. That expectation was achieved. Based on the assumption that permit fees will not change, we again expect fee revenues to achieve cost recovery for 2014-15, with a small cushion. Office overhead and Executive Officer's time has been allocated to the Taxicab Regulation program in an effort to reflect the actual cost of the program. The contract and legal services costs for administration of the Taxicab Program are included in the Table 1 above.

The taxicab regulation program budget and estimated actuals for 2013-14 and proposed 2014-15 budget reflect the following costs and projected permit fee revenues. As program revenues are projected to pretty well balance, no adjustment to fees is recommended.

Table 3	Budget 2013-14	Actual 2013-14	Proposed 2014-15
Taxicab Regulation			
Expenses			
Operating Costs	\$ 7,000	\$ 6,000	\$ 7,000
Legal	15,000	22,000	20,000
Program Admin	70,000	70,000	70,000
Exec Officer/Office	16,000	19,000	19,000
Overhead			
Total Expenses	108,000	117,000	116,000
Revenues	108,000	120,000	120,000
Net Cost to Members	\$ 0	\$ -3,000	\$ -4,000

MARIN CLIMATE AND ENERGY PARTNERSHIP

The Marin Climate and Energy Partnership (MCEP) is comprised of the incorporated towns and cities in the county, the County of Marin, MMWD, TAM, and Marin Clean Energy, which joined MCEP in April 2014. The program is directed by a Steering Committee with representation from each of the members. The MGSA serves as fiscal agent and does not have a leadership role in determining how funds are obtained or spent. To date, the Partnership has been funded by voluntary member contributions as well as several grants; a \$75,000 grant from

BAAQMD, two grants, each in the amount of \$80,000 from the Marin Community Foundation (MCF), and three contracts with the County through the PG&E-Marine Energy Watch Partnership totaling \$65,500 over three years. The MGSA’s role has been to assist in contract administration with grantors and to provide assistance with invoicing, collection of grant and member contributions, contracting and paying for MCEP services, and advising the Steering Committee. The MCEP partners have been asked to assess themselves to fund the program again for 2014 -15 at the same level of \$2,000 each. Historically, MCEP has been successful in collecting dues from almost all members. Non-payment of the dues has not resulted in loss of membership.

Resources and expenditures for 2008 through the proposed 2014-15 budget are shown below. 2014-15 figures are included in Table 1 above and will be included in the County accounting system under the MGSA general operating fund. The “Contingency” line item reflects unbudgeted MCEP funds. During 2013-2014, MCEP will have launched its website, developed a Climate Action Plan for Fairfax, collaborated on plastic bag ban ordinance adoption, researched sea level rise vulnerability assessment and climate adaptation planning strategies, developed a communications plan, and obtained grant funding. For 2014-2015, MCEP will develop a “Marin Report Card” to compare sustainability and GHG reduction metrics for all Marin jurisdictions, develop the Sausalito Climate Action Plan, expand the website and outreach efforts, and seek funding to develop a sea level rise vulnerability assessment for the bay coast.

Table 4
MCEP 2008- 2015

Resources	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Total 08-15
Member Contributions	\$ 28,000	\$ 24,000	\$ 24,000	\$ 22,000	\$ 26,000	\$ 28,000	\$ 28,000	\$ 180,000
BAAQMD	\$ 75,000							\$ 75,000
MCF1		\$ 80,000						\$ 80,000
MCF2			\$ 80,000					\$ 80,000
County/PG&E 1					\$ 25,000			\$ 25,000
County/PG&E 2					\$ 20,000	\$ 8,500		\$ 28,500
County/PG&E 3						\$ 12,000		\$ 12,000
Subtotal Resources	\$ 103,000	\$ 104,000	\$ 104,000	\$ 22,000	\$ 71,000	\$ 48,500	\$ 28,000	\$ 480,500
Carryover		\$ 36,631	\$ 47,020	\$ 77,946	\$ 49,472	\$ 60,651	\$ 65,651	
Total Resources		\$ 140,631	\$ 151,020	\$ 99,946	\$ 120,472	\$ 109,151	\$ 93,651	
Expenditures	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Total 08-15
Start up	\$ 10,369							\$ 10,369
CA Director	\$ 56,000	\$ 44,000						\$ 100,000
Consultants		\$ 24,156						\$ 24,156
Sustainability Coordinator		\$ 24,705	\$ 67,074	\$ 49,449	\$ 57,896	\$ 40,000	\$ 60,000	\$ 299,124
Graphic Design			\$ 6,000	\$ 1,025				\$ 7,025
Staff Assistance					\$ 1,925			\$ 1,925
Misc. Expenses		\$ 750						\$ 750
Web Development						\$ 3,000	\$ 1,500	\$ 4,500
Web Maintenance						\$ 500	\$ 1,500	\$ 2,000
Prof Services							\$ 10,000	\$ 10,000
Contingency							\$ 20,651	\$ 20,651
Total Expenditures	\$ 66,369	\$ 93,611	\$ 73,074	\$ 50,474	\$ 59,821	\$ 43,500	\$ 93,651	\$ 480,500
Balance/Carryover	\$ 36,631	\$ 47,020	\$ 77,946	\$ 49,472	\$ 60,651	\$ 65,651	\$ -	

MGSA MEMBER CONTRIBUTIONS

The resources available to the MGSA include member contributions, fees and grants. The MGSA’s Joint Powers Agreement provides for funding the agency as shown in Article 8 and Exhibit B, which are found at the end of this memorandum. City/town/County costs are shared on an assessed value/population basis using the data below. The Community Services Districts do not participate in general costs. The 2014-15 general operating budget is based on member contributions of \$64,700 apportioned as shown below in Table 7. For purposes of complying with the JPA requirements, 2014-15 streetlight cost is estimated at \$11,000, the same amount as last year. The total calculations and member contributions, with comparisons to 2013-14 are shown in Tables 5, 6, 7, and 8 below. Members will be invoiced the amounts shown in Table 8 in June. The \$64,700 member contribution is \$83,500 less than last year due to slightly greater taxi permit revenues and greater actual 2013-14 and budgeted 2014-15 carryover/fund balance.

Streetlight Overhead	\$ 11,000
General Operating	\$ <u>53,700</u>
TOTAL	\$ 64,700

Table 5
ASSESSED VALUATION SHARES

<u>Member</u>	<u>Sec 20012/13 AV</u>	<u>Share of AV</u>
Belvedere	1,655,434,418	0.03
Corte Madera	2,358,017,582	0.04
Fairfax	1,106,137,260	0.02
Larkspur	2,931,772,286	0.05
Mill Valley	4,194,452,754	0.07
Novato	8,269,652,441	0.14
Ross	1,515,444,203	0.03
San Anselmo	2,515,187,163	0.04
San Rafael	9,873,635,611	0.17
Sausalito	2,575,350,058	0.05
Tiburon	4,087,399,034	0.07
Unincorporated	16,022,855,063	0.28
Total	57,105,337,873	1.00

Source: Marin County Assessor’s Office, March 17, 2014

Table 6
POPULATION SHARES

Member	Population 1/1/2012	Share 2013	Population 1/1/2013	Share 2014
Belvedere	2,078	0.01	2,086	0.01
Corte Madera	9,297	0.04	9,320	0.04
Fairfax	7,479	0.03	7,499	0.03
Larkspur	11,989	0.05	12,021	0.05
Mill Valley	14,091	0.06	14,147	0.06
Novato	52,149	0.21	52,554	0.21
Ross	2,429	0.01	2,446	0.01
San Anselmo	12,396	0.05	12,431	0.05
San Rafael	57,982	0.23	58,182	0.23
Sausalito	7,097	0.03	7,116	0.03
Tiburon	9,007	0.04	9,031	0.04
Unincorporated	67,380	0.27	67,174	0.26
County Total	253,374	1.00	254,007	1.00

Source DOF E1 3-5-14

Table 7
GENERAL OPERATING MEMBER SHARE CALCULATION - 2014-15

Member	AV	% of AV	AV Share	Population	% of Pop	Pop Share	Total Share
Belvedere	\$ 1,655,434,418	0.03	\$ 778	2,086	0.01	\$ 221	\$ 999
Corte Madera	\$ 2,358,017,582	0.04	\$ 1,109	9,320	0.04	\$ 985	\$ 2,094
Fairfax	\$ 1,106,137,260	0.02	\$ 520	7,499	0.03	\$ 793	\$ 1,313
Larkspur	\$ 2,931,772,286	0.05	\$ 1,378	12,021	0.05	\$ 1,271	\$ 2,649
Mill Valley	\$ 4,194,452,754	0.07	\$ 1,972	14,147	0.06	\$ 1,495	\$ 3,468
Novato	\$ 8,269,652,441	0.14	\$ 3,888	52,554	0.21	\$ 5,555	\$ 9,444
Ross	\$ 1,515,444,203	0.03	\$ 713	2,446	0.01	\$ 259	\$ 971
San Anselmo	\$ 2,515,187,163	0.04	\$ 1,183	12,431	0.05	\$ 1,314	\$ 2,497
San Rafael	\$ 9,873,635,611	0.17	\$ 4,642	58,182	0.23	\$ 6,150	\$ 10,793
Sausalito	\$ 2,575,350,058	0.05	\$ 1,211	7,116	0.03	\$ 752	\$ 1,963
Tiburon	\$ 4,087,399,034	0.07	\$ 1,922	9,031	0.04	\$ 955	\$ 2,876
Marin, Unincorp	\$16,022,855,063	0.28	\$ 7,534	67,174	0.26	\$ 7,101	\$ 14,634
Total	\$57,105,337,873	1.00	\$ 26,850	254,007	1.00	\$ 26,850	\$53,700

Table 8
TOTAL MEMBER CONTRIBUTIONS - 2014-15

Member	Streetlights		MGSA General		Mediation	Total	
	2013-14	2014-15	2013-14	2014-15	2014-15	2013-14	2014-15
Belvedere	\$ 112	\$ 114	\$ 2,531	\$ 999	\$ 1,265	\$ 3,883	\$ 2,378
BMK CSD	\$ 103	\$ 105				\$ 103	\$ 105
Corte Madera	\$ 541	\$ 553	\$ 5,339	\$ 2,094	\$ 2,797	\$ 8,622	\$ 5,444
County	\$ 1,457	\$ 1,247	\$ 37,505	\$ 14,634	\$ 19,602	\$ 58,180	\$ 35,483
Fairfax	\$ 426	\$ 436	\$ 3,355	\$ 1,313	\$ 1,762	\$ 5,508	\$ 3,511
Larkspur	\$ 556	\$ 568	\$ 6,736	\$ 2,649	\$ 3,466	\$ 10,690	\$ 6,683
M CSD	\$ 207	\$ 212				\$ 207	\$ 212
Mill Valley	\$ 576	\$ 589	\$ 8,832	\$ 3,468	\$ 4,448	\$ 13,769	\$ 8,505
Novato	\$ 2,793	\$ 2,855	\$ 24,066	\$ 9,444	\$ 13,167	\$ 39,768	\$ 25,466
Ross			\$ 2,460	\$ 971	\$ 1,202	\$ 3,638	\$ 2,173
San Anselmo	\$ 466	\$ 476	\$ 6,360	\$ 2,497	\$ 3,393	\$ 10,152	\$ 6,366
San Rafael	\$ 3,102	\$ 3,170	\$ 27,596	\$ 10,793	\$ 14,692	\$ 45,102	\$ 28,655
Sausalito	\$ 463	\$ 473	\$ 5,050	\$ 1,963	\$ 2,668	\$ 8,129	\$ 5,104
Tiburon	\$ 198	\$ 202	\$ 7,370	\$ 2,876	\$ 3,754	\$ 11,248	\$ 6,832
TOTAL	\$ 11,000	\$ 11,000	\$ 137,200	\$ 53,701	\$ 72,216	\$ 218,999	\$ 136,917

Excerpts from JPA Agreement

ARTICLE 8: FUNDING OF THE AUTHORITY

8.1 The Board shall adopt annual budgets for the Authority's activities within ninety (90) days of the effective date of this Agreement and by June 1 of each succeeding year. Public funds may not be disbursed by the Authority without adoption of the approved budget and all receipts and disbursements shall be in strict accordance with the approved budget. The budget shall identify the programs of the Authority and allocate funds by the program. The Board shall allocate these costs for each program with the adoption of the annual budgets.

8.2 Members shall contribute funds to the Authority. The contributions of Members shall be based on their participation in the duties specified in Exhibit A. All budget items shall be considered general unless identified as special in Exhibit B. The formula for contributions for general budget items is based on a combination of two pro rata factors designed to develop an equitable and proportional sharing. The formula uses two factors equally: assessed valuation of real property and population in an effort to develop a fair apportionment of costs.

To fund general budget items, each Member shall contribute a sum equal to:

$$(\text{AVM})(\text{GB})(.5) + (\text{PM})(\text{GB})(.5) = \text{C}$$

AVM means the most current Assessed Valuation of Real Property of an individual Member as determined by the County Assessor;

AVAM means the most current Assessed Valuation of Real Property of All Members as determined by the County Assessor;

GB means general budget items;

PM means Population of Member;

PAM means Population of all Members;

C means Contribution of Member.

For the County, the variables shall be based on the unincorporated assessed value of real property and the population in the unincorporated area.

8.3 Special Districts shall only be obligated for those programs related specifically to the administration and operation of street lighting facilities. Special budget items shall be funded by the participating Members as designated in Exhibit B.

EXHIBIT B, JPA Agreement

FUNDING OF MARIN SPECIAL BUDGET ITEMS

1. Streetlights – Members shall pay the costs of this function in proportion to the number of streetlights owned by the Authority in each member’s jurisdiction.
2. Taxicab – Funded by fees set by the Authority.
3. Abandoned Vehicle Program – Funded by state imposed surcharge on vehicle registration. (This program is presented in a separate budget.)
4. MarinMap – Funded by member fees, grants, and special assessments on members. General Services Authority’s administration, accounting, and legal costs will be reimbursed by the MarinMap budget. (Only the reimbursement for administrative oversight appears in this budget. The complete budget will be transferred in when the program makes the transition from MTA to MGSA.)

The County Auditor-Controller has requested that the Board be shown the budget data, including account numbers to be entered in the County accounting system.

Table 9

MGSA General Fund to be entered in County system

<u>G/L</u>		<u>FY 2013-14</u>	<u>FY 2014-15</u>
4220610	Other Permits - Taxicab	-100,000	-120,000
4410125	Interest On Pooled Funds	-500	-200
4570115	Grant Revenue	-8500	0
4640322	City Contribution	-166,200	-92,700
5210100	Professional Services	241,100	258,200
5210131	Prof Services - Legal	30,000	30,000
5210200	Administration & Finance Services	12,000	13,000
5210500	Insurance Premiums	11,000	12,000
5210700	Communications Services	2000	2,200
5211200	Rent & Operating Leases	5,000	5,500
5220100	Office Supplies	6,000	7,000
5200000	Total Service and Supplies	307,100	327,900
ZCONTIN	Contingencies	76,122	70,651

Note: Carryover of \$185,651 is not entered in to County system as revenue.