

MARIN GENERAL SERVICES AUTHORITY

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MEMORANDUM

DATE: May 14, 2015
TO: Board of Directors
FROM: Paul Berlant, Executive Officer
SUBJECT: AGENDA ITEM E-1: MGSA 2015-16 GENERAL OPERATING FUND BUDGET

RECOMMENDED ACTION: Adopt the fiscal year 2015-2016 general operating 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 and contract management for MCEP; recently added assistance in management of the county-wide Animal Services program, and overall JPA Administration. The budget for the Abandoned Vehicle Abatement Program (AVAP) and MarinMap are presented separately. The Board reviewed the MCSTOPPP 2015-16 budget at its March 12, 2015 meeting and made a recommendation to the Board of Supervisors to approve Option #2 of that budget as presented by MCSTOPPP staff.

Fiscal year 2014-15 was the third year of the three-year contract with Republic ITS (now Siemens) for streetlight maintenance services. Beginning in the fall of 2014, with the assistance of Andy Poster acting as an independent consultant and with assistance of public works staff from four Marin agencies, I issued a Request for Proposals, received three proposals and in a separate action on your agenda, I am recommending selection of a company to carry on the streetlight maintenance program.

As referenced above, in mid-2014-15, MGSA took on a program of assistance to the County of Marin in the management of the Animal Services contract with the Marin Humane Society. A new three-year contract with MHS was negotiated and approved by the County Board of Supervisors on April 21, 2015.

PROPOSED MGSA OPERATING BUDGET

The contributions shown in Table 8 on page 7 below reflect the County/towns/cities' share of the MGSA costs as well as the cities/towns' County Mediation Program and Animal Services program costs which are billed through MGSA. The Mediation Program contributions for 2015-16 are 2.5% higher than 2014-15. As the Board is aware, the Office of the District Attorney manages the program. These funds are not considered revenue or expense for MGSA and are directly transferred to the District Attorney's Office upon receipt. This year MGSA will also invoice the towns and cities for their share of the Animal Services program as part of its responsibilities under the MOU between the County and MGSA. As with the Mediation funds, Animal Services funds are not MGSA revenues or expenses, and will be directly transferred to the County 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 2015-16, the streetlight program overhead remains

\$11,000; however most of the member contributions have changed slightly due to changes in the inventory of streetlights in member jurisdictions.

Table 1 below shows budgeted and estimated actuals for 2014-15 and proposed 2015-16 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. Note that Fund balance/Carryover was unusually high going in to 2014-15, which allowed MGSA to fund its programs with significantly lower member contributions. Unfortunately, this is not the case in 2015-16.

Table 1	Final Budget	Est. Actual	Proposed	Difference
Expenditures	2014-15	2014-15	2015-16	Prop v Act
Insurance	12,000	10,500	12,000	1,500
Taxicab Program	7,000	5,000	7,000	2,000
Contract Services	185,200	218,025	208,000	(10,025)
Legal Expenses	30,000	25,000	25,000	-
Audit/Accounting	13,000	13,000	13,000	-
Rent	5,500	4,900	5,500	600
Office Expense	2,200	2,800	2,200	(600)
General Contingencies	50,000	-	50,000	50,000
Total MGSA General	\$ 304,900	\$ 279,225	\$ 322,700	\$ 43,475
MCEP Contract Services	73,000	45,900	94,000	38,100
MCEP Contingencies	20,651	-	24,069	34,069
Total MCEP	\$ 93,651	\$ 45,900	118,069	\$ 72,169
Total MGSA and MCEP	\$ 398,551	\$ 325,125	\$ 440,769	\$ 115,644
Resources				
Member Contributions	64,700	67,463	141,550	74,087
Interest	200	150	150	-
Taxicab Permit Fees	120,000	102,000	100,000	(2,000)
Animal Services		10,000	20,000	
Fund Balance/ Carryover	120,000	160,425	61,000	(99,425)
Total MGSA General	304,900	\$ 340,038	\$ 322,700	\$ (17,338)
MCEP Dues	28,000	30,000	30,000	-
Grants		32,300	-	(32,300)
Fund Balance/ Carryover	65,651	71,669	88,069	16,400
Total MCEP	\$ 93,651	\$ 133,969	\$ 118,069	\$ (15,900)
Total MGSA and MCEP	\$ 393,422	\$ 474,007	\$ 440,769	\$ (33,238)

The following is the detail for Contract Services.

Table 2	Budget 2014-15	Est. Actual 2014-15	Proposed 2015-16
Contract Services			
Office Staff	\$20,000	\$20,000	\$20,000
Executive Officer	94,200	102,200	110,000
Taxicab Regulation	70,000	70,000	72,000
Streetlight	0	5,000	5,000
Web/Technology Mgt.	500	0	500
Records Management	0	0	0
Taxi Database	500	0	500
Total	\$185,200	\$197,200	\$208,000

TAXICAB REGULATIONS

The taxi permit fee schedule was amended in November 2009 with the goal of bringing the taxi regulation program to full cost recovery in 2012. The expectation was achieved in 2012-13 and 2013-14. Based on conservative projections, fee revenues are expected to come within \$5000 (short) of balancing costs in 2014-15 and \$1000 (again short) in 2015-16. As we have done before, 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 operating, contract and legal services costs for administration of the Taxicab Program are included in the Table 1 above.

The taxicab regulation program detail and estimated actuals for 2014-15 and proposed for 2015-16 reflect the following costs and projected permit fee revenues in Table 3 below. As program revenues are projected to come close to balance, no adjustment to fees is recommended. We had thought the one case of litigation which has generated considerable cost since 2009 has been finally resolved, substantially reducing anticipated legal costs. Legal staff will explain the current status at the May 14th meeting.

Table 3	Budget 2014-15	Actual 2014-15	Proposed 2015-16
Taxicab Regulation			
Expenses			
Operating Costs	\$7,000	\$6,000	\$7,000
Legal	20,000	12,000	3,000
Program Admin	70,000	70,000	72,000
Exec Officer/Office Overhead	19,000	19,000	19,000
Total Expenses	116,000	107,000	101,000
Revenues	120,000	102,000	100,000
Net Cost to Members	(\$4,000)	\$5,000	\$1,000

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 and contracts; a \$75,000 grant from BAAQMD, two grants, each in the amount of \$80,000 from the Marin Community Foundation (MCF), and four contracts with the County through the PG&E-Marine Energy Watch Partnership totaling \$97,800 over four years. The MGSA’s role has been to assist in contract administration with grantors and contractors 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 again been asked to assess themselves to fund the program for 2015 -16 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.

Table 4
MCEP 2008- 2016

Resources	2008-13	2013-14	2014-15	2014 -15		Total 08-16
				Est.	2015-16	
				Actuals		
Member Contributions	\$ 124,000	\$ 28,000	\$ 28,000	\$ 30,000	\$ 30,000	\$ 212,000
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
County/PG&E 4				\$ 32,300		\$ 32,300
Subtotal Resources	\$ 404,000	\$ 48,500	\$ 28,000	\$ 62,300		\$ 544,800
Carryover	\$ 49,472	\$ 60,651	\$ 71,669	\$ 71,669	\$ 88,069	
Total Resources	\$ 453,472	\$ 109,151	\$ 99,669	\$ 133,969	\$ 118,069	
Expenditures	2008-13	2013-14	2014-15	14-15 EA	2015-16	Total 08-16
Start up	\$ 10,369					\$ 10,369
CA Director	\$ 100,000					\$ 100,000
Sustainability Coordinator	\$ 199,124	\$ 33,982	\$ 60,000	\$ 40,000	\$ 80,000	\$ 353,106
Misc. Exp	\$ 750					\$ 750
Web Development/Maintenance		\$ 3,500	\$ 3,000	\$ 5,900	\$ 4,000	\$ 13,400
Prof Services	\$ 33,106				\$ 10,000	\$ 43,106
Contingency			\$ 30,651		\$ 24,069	\$ 24,069
Total Expenditures	\$ 343,349	\$ 37,482	\$ 93,651	\$ 45,900	\$ 118,069	\$ 544,800
Balance/Carryover	\$ 60,651	\$ 71,669		\$ 88,069		

Resources and expenditures for 2008 through the proposed 2015-16 budget are shown above. 2015-16 figures are included in Table 1 and will be included in the County accounting system under the MGSA general operating fund. The “Contingency” line item reflects unbudgeted MCEP funds. During 2015-2016, MCEP will be coordinating a countywide effort to develop a vulnerability and risk assessment for the bay coast, developing a climate

action plan for Corte Madera, initiating greenhouse gas re-inventories for the year 2015 for all cities and towns, engaging in community outreach and education; promoting and updating the newly launched Marin Sustainability Tracker; and working with MCEP partners on energy efficiency programs, AB 811 financing programs, transportation demand programs, and EV infrastructure.

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 2015-16 general operating budget is based on member contributions of \$141,550 apportioned as shown below in Table 7. For purposes of complying with the JPA requirements, 2015-16 streetlight cost is estimated at \$11,000, the same amount as last year. The total calculations and member contributions, with comparisons to 2014-15 are shown in Tables 5, 6, 7, and 8 below. Members will be invoiced the amounts shown in Table 8 in June. The \$141,550 member contribution is \$76,850 more than last year due to slightly lower projected taxi permit revenues and a lesser actual 2014-15 carryover/fund balance.

Streetlight Overhead	\$ 11,000
General Operating	\$ <u>130,550</u>
TOTAL	\$ 141,550

Table 5
ASSESSED VALUATION SHARES

Member	Sec 2014/15 AV	Share of AV
Belvedere	1,728,682,290	0.03
Corte Madera	2,535,978,713	0.04
Fairfax	1,170,022,365	0.02
Larkspur	3,137,565,203	0.05
Mill Valley	4,459,895,478	0.07
Novato	8,700,432,172	0.14
Ross	1,609,842,891	0.03
San Anselmo	2,642,427,247	0.04
San Rafael	10,409,248,832	0.17
Sausalito	2,744,482,203	0.05
Tiburon	4,367,685,236	0.07
Unincorporated	16,976,123,988	0.28
Total	60,482,386,618	1.00

Source Marin County Assessor's Office, March 11, 2015

Table 6
POPULATION SHARES

Member	Population		Population	
	1/1/2013	Share 2014	1/1/2014	Share 2015
Belvedere	2,091	0.01	2,094	0.01
Corte Madera	9,346	0.04	9,381	0.04
Fairfax	7,520	0.03	7,541	0.03
Larkspur	12,054	0.05	12,102	0.05
Mill Valley	14,186	0.06	14,257	0.06
Novato	52,699	0.21	52,967	0.21
Ross	2,453	0.01	2,461	0.01
San Anselmo	12,466	0.05	12,514	0.05
San Rafael	58,339	0.23	58,566	0.23
Sausalito	7,136	0.03	7,175	0.03
Tiburon	9,056	0.04	9,090	0.04
Unincorporated	67,350	0.26	67,698	0.26
County Total	254,696	1.00	255,846	1.00

Source: DOF E1 3/9/2015

Table 7
GENERAL OPERATING MEMBER SHARE CALCULATION - 2014-15

Member	Assessed Value	% AV	AV Share	Population	% Pop	Pop Share	Total Share
Belvedere	1,728,682,290	0.03	1,866	2,094	0.01	534	2,400
Corte Madera	2,535,978,713	0.04	2,737	9,381	0.04	2,393	5,130
Fairfax	1,170,022,365	0.02	1,263	7,541	0.03	1,924	3,187
Larkspur	3,137,565,203	0.05	3,386	12,102	0.05	3,088	6,474
Mill Valley	4,459,895,478	0.07	4,813	14,257	0.06	3,637	8,451
Novato	8,700,432,172	0.14	9,390	52,967	0.21	13,514	22,904
Ross	1,609,842,891	0.03	1,737	2,461	0.01	628	2,365
San Anselmo	2,642,427,247	0.04	2,852	12,514	0.05	3,193	6,045
San Rafael	10,409,248,832	0.17	11,234	58,566	0.23	14,942	26,176
Sausalito	2,744,482,203	0.05	2,962	7,175	0.03	1,831	4,793
Tiburon	4,367,685,236	0.07	4,714	9,090	0.04	2,319	7,033
Marin, Unincorp	16,976,123,988	0.28	18,321	67,698	0.26	17,272	35,593
Total	\$ 60,482,386,618	1.00	\$ 65,275	255,846	1.00	\$ 65,275	\$ 130,550

Table 8

TOTAL MEMBER CONTRIBUTIONS - 2015-16

Member	Streetlights		MGSA General		Mediation		Animal Services*	Total	
	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2015-16	2014-15	2015-16
Belvedere	114	111	999	2,400	1,265	1,297	19,858	2,378	23,666
BMK CSD	105	101						105	101
Corte Madera	553	532	2,094	5,130	2,797	2,867	83,852	5,444	92,381
County	1,247	1,431	14,634	35,593	19,602	20,092		35,483	57,116
Fairfax	436	420	1,313	3,187	1,762	1,806	78,668	3,511	84,081
Larkspur	568	546	2,649	6,474	3,466	3,553	117,932	6,683	128,505
M CSD	212	201						212	201
Mill Valley	589	563	3,468	8,451	4,448	4,559	167,563	8,505	181,136
Novato	2,855	2,749	9,444	22,904	13,167	13,496	596,098	25,466	635,247
Ross			971	2,365	1,202	1,232	21,779	2,173	25,376
San Anselmo	476	470	2,497	6,045	3,393	3,478	120,089	6,366	130,082
San Rafael	3,170	3,226	10,793	26,176	14,692	15,059	599,322	28,655	643,783
Sausalito	473	455	1,963	4,793	2,668	2,735	84,807	5,104	92,790
Tiburon	202	195	2,876	7,033	3,754	3,848	79,924	6,832	91,000
TOTAL	\$11,000	\$11,000	\$53,701	\$130,551	\$72,216	\$74,022	\$1,969,892	\$136,917	\$2,185,465

*New for 2015-16, MGSA invoices the towns and cities for their share of county-wide Animal Services program costs. 2015-16 Animal Services costs will be invoiced semi-annually (i.e., one-half in June and one-half in December). All other costs will be fully invoiced in June for 2015-16.

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:

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

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

General Operating Fund to be entered in County system

<u>G/L</u>		<u>FY 2014-15</u>	<u>FY 2015-16</u>
4220610	Other Permits - Taxicab	(120,000)	(100,000)
4410125	Interest On Pooled Funds	(200)	(150)
4570115	Grant Revenue	-	-
4640322	City Contribution	(92,700)	(191,550)
5210100	Professional Services	258,200	302,000
5210131	Prof Services - Legal	30,000	25,000
5210200	Administration & Finance Services	13,000	13,000
5210500	Insurance Premiums	12,000	12,000
5210700	Communications Services	2,200	2,200
5211200	Rent & Operating Leases	5,500	5,500
5220100	Office Supplies	7,000	7,000
5200000	Total Service and Supplies	327,900	366,700
ZCONTIN	Contingencies	70,651	74,069

Note: Carryover of \$149,069 is not entered in to County system as revenue.

**MARIN GENERAL SERVICES AUTHORITY
ADOPTION OF 2015 – 2016 ANNUAL OPERATING BUDGET**

RESOLUTION 2015 – 04

WHEREAS, the Marin General Services Authority must adopt an annual spending plan for its operating budget; and

WHEREAS, the MGSA Board of Directors reviewed and considered a draft operating budget on May 14, 2015.

NOW THEREFORE, BE IT RESOLVED, that the Marin General Services Authority hereby adopts its Operating Budget for Fiscal Year 2015 – 2016 as shown in the attached Exhibit A.

Adopted this 14th day of May 2015.

Ayes: Barnes, Condry, Mackle, Frank, Schwarz

Noes: None

Absent: Eilerman, Politzer


Chair

Attested By:


Executive Officer

Exhibit A

General Operating Fund to be entered in County system

<u>G/L</u>		<u>FY 2015-16</u>
4220610	Other Permits - Taxicab	(100,000)
4410125	Interest On Pooled Funds	(150)
4570115	Grant Revenue	-
4640322	City Contribution	(191,550)
5210100	Professional Services	302,000
5210131	Prof Services - Legal	25,000
5210200	Administration & Finance Services	13,000
5210500	Insurance Premiums	12,000
5210700	Communications Services	2,200
5211200	Rent & Operating Leases	5,500
5220100	Office Supplies	7,000
5200000	Total Service and Supplies	366,700
ZCONTIN	Contingencies	74,069

Note: Carryover of \$149,069 not entered in to County system as revenue.