

# MARIN GENERAL SERVICES AUTHORITY

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## MEMORANDUM

**DATE:** June 10, 2010  
**TO:** Board of Directors  
**FROM:** Paul Berlant, Executive Officer  
**SUBJECT:** AGENDA ITEM E-1: PROPOSED MGSA FY 2010-11 BUDGET

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**RECOMMENDED ACTION:** Adopt the fiscal year 2010-2011 general fund budget for the Marin General Services Authority.

### BACKGROUND

The MGSA proposed budget includes funding the following programs:

- Streetlight Management;
- Management of the Taxicab Regulation Program;
- Grant management for MCEP; and
- Overall JPA Administration.

The proposed budget for 2010-11 reflects program changes made during 2009-10, including the rent for the new office space to which MGSA, along with MERA and MTA moved in April 2009.

The contributions shown in the table on Page 6 also reflect the towns/cities' share of the County Mediation Program costs, which are billed through MGSA. Mediation Program contributions for 2010-11 are the same as 2009-10. All of those funds are directly paid to the County upon receipt.

A new activity to be undertaken this year under the streetlight maintenance program is an effort to proactively repair and/or replace, as needed, streetlight poles and fixtures throughout the county. During 2009-2010, our streetlight maintenance contractor, Republic ITS, visited the entire inventory of streetlights, identifying condition issues, if any, on each pole. In November 2009, the Board approved an optional service MGSA members may avail themselves of from Republic. This program is a physical inspection and treatment of wooden poles. Based on the initial visual inspection, Republic has identified the poles and fixtures that are in need of some form of maintenance. In some cases, the recommended action is replacement, rather than repair.

For budgeting purposes, \$60,000 is proposed to be added to the streetlight maintenance program budget for repair/replacement of deteriorated streetlight poles and fixtures. In order to find an equitable manner of allocating this added \$60,000, three alternate methods were developed to "spread" to all the MGSA members (see attached): (1) the same manner as the general "overhead" cost of managing streetlight maintenance; (2) directly to the member in whose jurisdiction all types of repairs are located; (3) divided equally between alternate 1 and 2. Exhibit B of the JPA agreement (below on page 8) 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.*" However, to my knowledge, this method has been used solely for the relatively small cost of distributing the overhead cost, not a large expenditure of repair/replacement, which one

could argue benefits some members more than others. For 2010-11, the overhead has been increased from \$8000 to \$11,000 to reflect the added time I will spend on streetlights. This increase in overhead does not add to the overall budget, rather it reduces the costs to the other MGSA programs by a like amount.

A separate agenda item for this meeting has been prepared to address the actual streetlight repair program. That item has been scheduled to appear on the agenda prior to budget consideration so that the Board may have a sense of the scale of the program it wishes to pursue prior to taking action on the budget.

The budgets for the Abandoned Vehicle Abatement Program (AVAP) and MarinMap are presented separately for Board approval. The Board will also review the MCSTOPPP 2010-11 budget on June 10, 2010 at which time the Board will make a recommendation to the County Board of Supervisors for its approval.

In response to directives from the Auditor/Controller, staff has input data into the County's accounting system based on this draft. We will make any necessary changes upon adoption of the budget by the MGSA Board.

**PROPOSED MGSA OPERATING BUDGET**

The tables below show budgeted and estimated actuals for 2009-10 and proposed 2010-11 revenues and expenditures for MGSA. These figures do not include MCEP expenditures, grants, and member contributions, which are shown below in a separate discussion.

<b>Expenditures</b>	<b>Final Budget 2009-10</b>	<b>Estimated Actual 2009-10</b>	<b>Proposed 2010-11</b>	<b>Difference Proposed vs Actual</b>
Insurance	\$12,000	\$11,000	\$10,000	(\$1,000)
Taxicab Regulation	7,000	7,000	7,000	0
Contract Services	192,000	203,000	203,000	0
Legal Expense	25,000	41,000	25,000	(16,000)
Audit/Accounting	12,000	11,000	12,000	1,000
Rent	6,500	4,500	5,000	500
Office Expenses	500	1000	1000	0
General Contingencies	50,000	0	50,000	50,000
Sub-total	305,000	278,500	313,000	34,500
Streetlight Pole Repair			60,000	60,000
<b>Total</b>	<b>\$305,000</b>	<b>\$278,500</b>	<b>\$373,000</b>	<b>\$94,500</b>
<b>Resources</b>				
Member Contributions	\$214,000	\$214,000	\$219,000	\$45,000
Interest	6,000	4,000	4,000	0
Taxicab Permit Fees	10,000	27,000	40,000	13,000
Fund Balance/Carry Forward	75,000	110,000	110,000	0
<b>Total</b>	<b>\$305,000</b>	<b>\$355,000</b>	<b>\$373,000</b>	<b>\$58,000</b>

Contract Services	<b>Budget 2009-10</b>	<b>Actual 2009-10</b>	<b>Proposed 2010-11</b>
Staff (shared with MTA)	\$30,000	\$30,000	\$30,000
Executive Officer	110,000	110,000	110,000
Taxicab Regulation	50,000	62,000	62,000
Web Management	500	500	500
Records Management	1500	500	500
<b>Total</b>	<b>\$192,000</b>	<b>\$203,000</b>	<b>\$203,000</b>

### TAXICAB REGULATIONS

The costs for administration of the Taxicab Program are in the tables above. As the Board will recall, fees charged for taxi company, driver and vehicle permits were adjusted in November 2008 and again in November 2009. The latter change calls for a gradual increase in vehicle permit fees, which over three years are projected to bring the program to full cost recovery.

The approved and estimated actual 2009-10 and proposed 2010-11 budget reflects the following costs and permit fee revenues. Given the fee structure with multi-year permits for drivers and companies, and the lag in fee increases, revenues will not cover costs in 2011-12.

	<b>Budget 2009-10</b>	<b>Actual 2009-10</b>	<b>Proposed 2010-11</b>
Operating Costs	\$7,000	\$7,000	\$7,000
Legal	10,000	15,000	10,000
Program Admin	<u>50,000</u>	<u>62,000</u>	<u>62,000</u>
	\$67,000	84,000	\$79,000
Projected Revenues	10,000	27,000	40,000
<b>Net Cost to Members</b>	<b>\$57,000</b>	<b>\$57,000</b>	<b>\$39,000</b>

### MARIN CLIMATE AND ENERGY PARTNERSHIP

The Marin Climate and Energy Partnership (MCEP) is comprised of all 11 incorporated towns and cities in Marin County, the County, MMWD, and TAM. The program is directed by a Steering Committee with representation by each of the members. The MGSA serves solely as a fiscal agent, and does not have a leadership role in determining how funds are obtained or spent. The MCEP program budget is summarized below.

To date, the Partnership has been funded by a \$75,000 grant from BAAQMD and an \$80,000 grant from the Marin Community Foundation (MCF). The MCF grant was recently completed and final report submitted in May. A second MCF grant of \$80,000 is pending, with action by the MCG board expected in June or July. MCF staff has expressed an expectation of approval of the second grant. \$2000 matching fund contributions from each of the members for the first two years the program have also been provided to the program. The MGSA's role has been to assist in contract administration with BAAQMD and MCF 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 2010 -11 at the same annual dues level of \$2,000.

During first half of 2090-10 the contractor serving as Climate Action Director assisted the Steering Committee in completing the tasks laid out in the BAAQMD grant. Full grant compliance was achieved and full payment received. In January 2010, the Steering Committee opted to hire a “Sustainability Coordinator” to help the Committee in moving forward with completion of the MCF grant, and Climate Action Plans (CAP’s) and to obtain further grant funding. As noted above, a grant application for \$80,000 to complete the CAP’s is pending with MCF.

Resources and expenditures for 2008 through the proposed 2010-11 budget are shown below. The 2010-11 expenditures and revenues for MCEP have been input into the County accounting system under the MGSA general fund using the proposed 2010-11 column in the table. The Contingency line item reflects unbudgeted MCEP funds.

2008-2011				
<b>Resources</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>Total</b>
MCEP Member contributions	\$ 28,000	\$24,000	\$24,000	\$ 76,000
BAAQMD	\$ 75,000			\$ 75,000
MCF1	\$ 80,000			\$ 80,000
MCF2			\$80,000	\$ 80,000
<b>Total Resources</b>	<b>\$183,000</b>	<b>\$24,000</b>	<b>\$104,000</b>	<b>\$311,000</b>
<b>Carryover</b>		\$116,631	\$ 46,725	
<b>Expenditures</b>				
Start up	\$ 10,369			\$ 10,369
CAD (Schorske)	\$ 56,000	\$ 44,000		\$100,000
CA Assoc (Kitahara)		\$ 5,000		\$ 5,000
Green Purchasing Consultant		\$ 1,000		\$ 1,000
BKI		\$ 14,994		\$ 14,994
Northcross, Hill & Ach		\$ 3,162		\$ 3,162
Sustainability Coordinator (O'Rourke)		\$ 25,000		\$ 25,000
Mtg Exp		\$ 750		\$ 750
Prof Services 2010-11			\$ 80,000	\$ 80,000
Contingency			\$70,725	\$70,725
<b>Total Expenditures</b>	<b>\$ 66,369</b>	<b>\$ 93,906</b>	<b>\$150,725</b>	<b>\$311,000</b>
<b>Balance /Carryover Forward</b>	<b>\$116,631</b>	<b>\$46,725</b>		

### 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 and 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 member contributions to the countywide mediation program, for which MGSA sends invoices to members and distributes to the County, are included in the Total Contributions table. The general operating budget is based on member contributions of \$219,000 apportioned

as shown below. For purposes of complying with the JPA requirements, FY 2010-11 streetlight cost is estimated at \$11,000, an increase of \$3000 over last year. The total share calculation and member contribution, with comparisons to 2009-10 are shown on page 6.

Streetlight Overhead	\$ 11,000
Streetlight Repair	\$ 60,000
General Operating	<u>\$148,000</u>
TOTAL	\$219,000

**ASSESSED VALUATION SHARES**

Member	Assessed Value	Share of AV
Belvedere	1,535,627,508	0.028034034
Corte Madera	2,252,757,562	0.041125782
Fairfax	1,081,162,220	0.019737428
Larkspur	2,720,829,908	0.049670794
Mill Valley	3,908,326,395	0.071349434
Novato	8,346,217,083	0.152366462
Ross	1,342,274,315	0.024504226
San Anselmo	2,360,483,952	0.043092408
San Rafael	9,647,482,524	0.17612204
Sausalito	2,504,931,297	0.045729402
Tiburon	3,877,178,638	0.070780808
Marin, Unincorp	15,199,987,034	0.277487181
Total	54,777,258,436	1

Source: Marin County Assessor's Office, April 5, 2010

**POPULATION SHARES**

Member	1/1/2009	1/1/2010	Percent 2010
Belvedere	2,158	2,175	0.00834449
Corte Madera	9,739	9,816	0.03765955
Fairfax	7,434	7,492	0.02874342
Larkspur	12,255	12,398	0.04756552
Mill Valley	14,006	14,144	0.05426413
Novato	52,921	53,357	0.20470668
Ross	2,401	2,422	0.00929212
San Anselmo	12,644	12,744	0.04889296
San Rafael	58,363	58,822	0.22567341
Sausalito	7,532	7,596	0.02914242
Tiburon	8,941	9,000	0.03452893
Unincorporated	70,224	70,685	0.27118638
County Total	258,618	260,651	1

Source: California DOF, May 1, 2010

**GENERAL OPERATING MEMBER SHARE CALCULATION (2010-11)**

Member	AV	Percent of AV	AV Share	Population	Percent of Pop	Population Share	Total Share
Belvedere	1,535,627,508	0.028034034	\$ 2,074.52	2,175	0.008344491	\$ 617.49	\$ 2,692.01
Corte Madera	2,252,757,562	0.041125782	\$ 3,043.31	9,816	0.037659552	\$ 2,786.81	\$ 5,830.11
Fairfax	1,081,162,220	0.019737428	\$ 1,460.57	7,492	0.028743416	\$ 2,127.01	\$ 3,587.58
Larkspur	2,720,829,908	0.049670794	\$ 3,675.64	12,398	0.047565519	\$ 3,519.85	\$ 7,195.49
Mill Valley	3,908,326,395	0.071349434	\$ 5,279.86	14,144	0.054264131	\$ 4,015.55	\$ 9,295.40
Novato	8,346,217,083	0.152366462	\$ 11,275.12	53,357	0.204706677	\$ 15,148.29	\$ 26,423.41
Ross	1,342,274,315	0.024504226	\$ 1,813.31	2,422	0.009292119	\$ 687.62	\$ 2,500.93
San Anselmo	2,360,483,952	0.043092408	\$ 3,188.84	12,744	0.048892964	\$ 3,618.08	\$ 6,806.92
San Rafael	9,647,482,524	0.17612204	\$ 13,033.03	58,822	0.22567341	\$ 16,699.83	\$ 29,732.86
Sausalito	2,504,931,297	0.045729402	\$ 3,383.98	7,596	0.029142416	\$ 2,156.54	\$ 5,540.51
Tiburon	3,877,178,638	0.070780808	\$ 5,237.78	9,000	0.034528929	\$ 2,555.14	\$ 7,792.92
Marin, Unincorp	15,199,987,034	0.277487181	\$ 20,534.05	70,685	0.271186376	\$ 20,067.79	\$ 40,601.84
<b>Total</b>	<b>54,777,258,436</b>	<b>1</b>	<b>\$ 74,000.00</b>	<b>260,651</b>	<b>1</b>	<b>\$ 74,000.00</b>	<b>\$148,000.00</b>

**TOTAL MEMBER CONTRIBUTIONS (2010-11)**

Member	Streetlights		MGSA General		St. Lt Repair	Mediation	Total	
	2009-10	2010-11	2009-10	2010-11	2010-11	2010-11	2009-10	2010-11
Belvedere	\$ 80.28	\$ 111.51	\$ 3,634.83	\$ 2,692.01	\$ 610.46	\$ 1,181.00	\$ 4,896.11	\$ 4,594.98
BMK CSD	\$ 73.63	\$ 102.28			\$ 559.91		\$ 73.63	\$ 662.19
Corte Madera	\$ 394.73	\$ 548.33	\$ 8,071.48	\$ 5,830.11	\$ 2,955.09	\$ 2,610.00	\$ 11,076.21	\$ 11,943.53
County	\$ 1,046.66	\$ 1,483.76	\$ 56,400.47	\$ 40,601.84	\$ 8,044.84		\$ 57,447.13	\$ 50,130.44
Fairfax	\$ 257.19	\$ 357.98	\$ 4,988.70	\$ 3,587.58	\$ 2,329.08	\$ 1,644.00	\$ 6,889.89	\$ 7,918.64
Larkspur	\$ 408.54	\$ 574.61	\$ 9,943.51	\$ 7,195.49	\$ 3,036.74	\$ 3,234.00	\$ 13,586.05	\$ 14,040.84
M CSD	\$ 149.30	\$ 207.40			\$ 1,131.49		\$ 149.30	\$ 1,338.89
Mill Valley	\$ 403.43	\$ 562.54	\$ 12,777.17	\$ 9,295.40	\$ 3,149.50	\$ 4,150.00	\$ 17,330.60	\$ 17,157.44
Novato	\$ 1,974.69	\$ 2,772.91	\$ 37,464.17	\$ 26,423.41	\$ 15,137.06	\$ 12,287.00	\$ 51,725.86	\$ 56,620.38
Ross	\$ 144.19	\$ -	\$ 3,435.84	\$ 2,500.93	\$ -	\$ 1,121.00	\$ 4,701.03	\$ 3,621.93
San Anselmo	\$ 334.91	\$ 465.94	\$ 9,402.20	\$ 6,806.92	\$ 2,523.49	\$ 3,071.00	\$ 12,808.11	\$ 12,867.35
San Rafael	\$ 2,243.64	\$ 3,133.73	\$ 41,562.03	\$ 29,732.86	\$ 16,933.45	\$ 13,711.00	\$ 57,516.67	\$ 63,511.04
Sausalito	\$ 334.40	\$ 464.52	\$ 7,606.26	\$ 5,540.51	\$ 2,527.38	\$ 2,490.00	\$ 10,430.66	\$ 11,022.41
Tiburon	\$ 154.42	\$ 214.50	\$ 10,713.33	\$ 7,792.92	\$ 1,061.50	\$ 3,503.00	\$ 14,370.75	\$ 12,571.92
<b>TOTAL</b>	<b>\$ 8,000.01</b>	<b>\$ 11,000.01</b>	<b>\$ 205,999.99</b>	<b>\$ 147,999.98</b>	<b>\$ 59,999.99</b>	<b>\$ 49,002.00</b>	<b>\$ 263,002.00</b>	<b>\$ 268,001.98</b>

**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:

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

AVAM                      PAM

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
2. Taxicab – Funded by fees set by the Authority. function in proportion to the number of streetlights owned by the Authority in each member’s jurisdiction.
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 that is to be entered in to the County accounting system. The budget resolution will include the approved budget data input in to County system.

MGSA as entered in County system

G/L		FY 2009-10	FY 2010-11
4220610	Other Permits - Taxi Cab	-7,000	-40,000
4410125	Rev fr Use of Mny Prop - Int On Pooled	-7,000	-4,000
4640322	Chrgs for Cur Svcs - City Contribution	-278,500	-243,000
4710642	Misc Rev # Other (grant)	-135,500	-80,000
REVCAT	Revenue Categories - CI	-428,000	80,000
5210100	Professional Services	348,500	368,000
5210110	Professional Services	0	0
5210122	Prof Svcs - Advertising & Marketing	0	0
5210131	Prof Svcs - Legal	0	0
5210200	Administration & Finance Services	12,000	12,000
5210500	Insurance Premiums	11,000	10,000
5210800	Utilities	1,000	1,000
5210840	Utilities - Other	0	0
5211200	Rent & Operating Leases	5,000	5,000
5211270	Rent & Operating Leases - Office Space	0	0
5211440	Travel - Mileage	0	200
5220100	Office Supplies	500	6,300
5220125	Office Supplies - Printing Supplies	0	0
5220130	Office Supplies - Copier Supplies and Se	0	0
5220146	Office Supplies - Postage	0	0
5220910	Equipment Other - Telecomm Equipment	0	0
5200000	Service and Supplies	378,000	502,000
ZCONTIN	Contingencies	50,000	71,000

Note: Carryover of \$156,725 is not entered in to County system

**MEMBER CONTRIBUTION WITHOUT STREETLIGHT REPAIR COSTS**

Should the Board decide to not undertake a streetlight repair program, the overall cost distribution would be as shown below. The General Operating budget would be reduced by \$60,000.

Member	Streetlight		MGSA Operating		Mediation	Total	
	2009-10	2010-11	2009-10	2010-11	2010-11	2009-10	2010-11
Belvedere	\$ 80.28	\$ 111.51	\$ 3,634.83	\$ 2,692.01	\$ 1,181.00	\$ 4,896.11	\$ 3,984.52
BMK CSD	\$ 73.63	\$ 102.28				\$ 73.63	\$ 102.28
Corte Madera	\$ 394.73	\$ 548.33	\$ 8,071.48	\$ 5,830.11	\$ 2,610.00	\$ 11,076.21	\$ 8,988.44
County	\$ 1,046.66	\$ 1,483.76	\$ 56,400.47	\$ 40,601.84		\$ 57,447.13	\$ 42,085.60
Fairfax	\$ 257.19	\$ 357.98	\$ 4,988.70	\$ 3,587.58	\$ 1,644.00	\$ 6,889.89	\$ 5,589.56
Larkspur	\$ 408.54	\$ 574.61	\$ 9,943.51	\$ 7,195.49	\$ 3,234.00	\$ 13,586.05	\$ 11,004.10
M CSD	\$ 149.30	\$ 207.40				\$ 149.30	\$ 207.40
Mill Valley	\$ 403.43	\$ 562.54	\$ 12,777.17	\$ 9,295.40	\$ 4,150.00	\$ 17,330.60	\$ 14,007.94
Novato	\$ 1,974.69	\$ 2,772.91	\$ 37,464.17	\$ 26,423.41	\$12,287.00	\$ 51,725.86	\$ 41,483.32
Ross	\$ 144.19	\$ -	\$ 3,435.84	\$ 2,500.93	\$ 1,121.00	\$ 4,701.03	\$ 3,621.93
San Anselmo	\$ 334.91	\$ 465.94	\$ 9,402.20	\$ 6,806.92	\$ 3,071.00	\$ 12,808.11	\$ 10,343.86
San Rafael	\$ 2,243.64	\$ 3,133.73	\$ 41,562.03	\$ 29,732.86	\$13,711.00	\$ 57,516.67	\$ 46,577.59
Sausalito	\$ 334.40	\$ 464.52	\$ 7,606.26	\$ 5,540.51	\$ 2,490.00	\$ 10,430.66	\$ 8,495.03
Tiburon	\$ 154.42	\$ 214.50	\$ 10,713.33	\$ 7,792.92	\$ 3,503.00	\$ 14,370.75	\$ 11,510.42
<b>TOTAL</b>	<b>\$ 8,000.01</b>	<b>\$11,000.01</b>	<b>\$ 205,999.99</b>	<b>\$147,999.98</b>	<b>\$49,002.00</b>	<b>\$263,002.00</b>	<b>\$208,001.99</b>

Attachment:

Alternate Distribution of Streetlight Pole Repair/Replacement Costs