

MARIN GENERAL SERVICES AUTHORITY
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MEMORANDUM

DATE: June 14, 2007
TO: MGSA Board of Directors
FROM: Michael Garvey, Interim Executive Officer *MPG*
SUBJECT: AGENDA ITEM C1: PROPOSED MGSA FY 2007-08 BUDGET

Recommended Action: Receive and consider the proposed fiscal year 2007-08 budget for the Marin General Services Authority and adopt a final budget.

Background:

The budget for this year is faced with a number of uncertainties and is, therefore, reliant on a Contingency Fund that is a bit larger than might otherwise be recommended. The uncertainty comes from the need for the Board to make a number of decisions, based on the recommendations contained in the April "White Paper" on the structure and future of the JPA. Those decisions will not be before the Board until later in the year, meaning a prudent budget will afford a contingency amount.

The MGSA proposed budget includes financing for the following projects:

1. Streetlight Management.
2. Management of the Taxicab Regulation Program.
3. Completion of the Wireless Marin research project.
4. JPA Administration.

Two programs mentioned last year are omitted: the Transfer of MarinMap and Energy Oversight. The first is not included because of the timing of the transfer. As the program is unlikely to transfer before July 1, it seems most logical to complete the budget process within MTA, transferring assets and liabilities when the approvals have been received from member agencies.

The Energy Oversight project was a one-time event last year and, if repeated, will be added in a specific budget action.

Proposed Budget FY2007-2008:

Expenditures	Final Budget FY 2006-07	Proposed Budget FY 2007-08	Difference
Insurance	\$ 10,000	\$ 10,000	\$ 0
Contract Services	194,000	205,000	11,000
Taxicab Regulation	0	18,000	18,000
Legal Expense	15,000	15,000	0
Audit/Accounting	17,000	22,000	5,000
General Contingencies	56,000	100,000	44,000
TOTAL EXPENDITURES	\$292,000	\$370,000	\$ 78,000

Revenue	Final Budget FY 2006-07	Proposed Budget FY 2007-08	Difference
Member Agency Contribution	\$103,500	\$173,500	\$70,000
MarinMap Administration	5,000	5,000	0
9201 – Interest	5,000	5,000	0
Taxicab Permit Fees	22,500	22,500	0
Fund Balance	156,000	164,000	8,000
TOTAL RESOURCES	\$292,000	\$370,000	\$ 78,000

Discussion:

1. Taxicab Regulation. This program anticipates the following costs:

a. Drug Testing	\$12,500
b. Office Expense	4,500
c. Telephone	<u>1,000</u>
TOTAL TAXICAB REGULATION	\$18,000

(The costs for the Taxicab Program administration are in the Contract Services budget.)
 Note that staff will investigate the possibility of charging a fee for these drug tests, as it may make better sense to ask the general taxpayers to underwrite this cost. The funds are included in the budget as that policy decision has not yet been considered.

2. Contract Services

a) Bartle Wells (Energy Issues)	\$ 5,000
b) Executive Director	106,000
c) Taxicab Regulation Enforcement officer	25,000
d) Wireless RFP (Phase II)	45,000
e) Staff and office (County)	<u>24,000</u>
TOTAL CONTRACT SERVICE	\$205,000

Discussion – Resources

1. Member Contributions

The Marin General Services Authority's Joint Powers Agreement provides for funding the agency as follows:

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:

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

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

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.)

Based on these provisions, I recommend the following member cost shares:

a) Streetlights

In past years, most of our costs have involved PG&E energy cost disputes, resolution of the Metricom issue and the related legal fees. There seems little future streetlight related costs for the JPA. For purposes of complying with the JPA requirements, I have estimated a FY 2006-07 streetlight cost of \$7,500.

b) Taxicabs

The proposed budget plans for the following costs and permit revenues:

Operating costs	\$18,000
Program Administration	<u>25,000</u>
	\$43,000
Projected Revenues	<u>22,500</u>
Net Cost to Members	<u>\$20,500</u>

Future costs will depend on decisions as to programs such as the drug testing.

The general budget is based on member contributions of \$173,500 apportioned as follows:

1. Streetlight	\$ 7,500
2. General	<u>166,000</u>
TOTAL	\$173,500

The Community Services Districts do not participate in “general costs.” They are shared on an assessed value/population basis:

ASSESSED VALUATION SHARES

Member	Assessed Value	Percent of Assessed Value
City of Belvedere	1,262,341,103	0.026516923
Town of Corte Madera	1,910,387,168	0.040129873
Town of Fairfax	938,571,394	0.019715768
City of Larkspur	2,293,174,745	0.048170765
City of Mill Valley	3,265,268,943	0.068590719
City of Novato	7,699,711,806	0.161741276
Town of Ross	1,136,174,873	0.023866656
Town of San Anselmo	1,992,495,859	0.041854660
City of San Rafael	8,536,102,398	0.179310620
City of Sausalito	2,117,651,910	0.044483707
Town of Tiburon	3,277,239,924	0.068842183
County of Marin, Unincorporated	13,175,993,278	0.276776849

From the Assessor’s assessment roll as of July 1, 2006.

POPULATION SHARES

Member	DOF 01/01/07 Population	Percent of Population
City of Belvedere	2,163	0.008536990
Town of Corte Madera	9,399	0.037096239
Town of Fairfax	7,326	0.028914464
City of Larkspur	12,040	0.047519813
City of Mill Valley	13,735	0.054209687
City of Novato	51,130	0.201801332
Town of Ross	2,357	0.009302674
Town of San Anselmo	12,418	0.049011714
City of San Rafael	57,349	0.226346658
City of Sausalito	7,394	0.029182849
Town of Tiburon	8,818	0.034803132
County of Marin, Unincorporated	69,239	0.273274447
TOTAL	253,341	100.00%

CALCULATION

Member	Percent of Assessed Value	Average Share of Costs	Percent of Population	Population Share of Costs	Total Costs
City of Belvedere	0.026746343	\$2,219.95	0.00853699	\$708.57	\$2,928.52
Town of Corte Madera	0.040366052	3,350.38	0.037096239	3,078.99	6,429.37
Town of Fairfax	0.019907228	1,652.30	0.028914464	2,399.90	4,052.20
City of Larkspur	0.048513276	4,026.60	0.047519813	3,944.14	7,970.75
City of Mill Valley	0.068615131	5,695.06	0.054209687	4,499.40	10,194.46
City of Novato	0.157383951	13,062.87	0.201801332	16,749.51	29,812.38
Town of Ross	0.023690254	1,966.29	0.009302674	772.12	2,738.41
Town of San Anselmo	0.041725366	3,463.21	0.049011714	4,067.97	7,531.18
City of San Rafael	0.179169593	14,871.08	0.226346658	18,786.77	33,657.85
City of Sausalito	0.045262162	3,756.76	0.029182849	2,422.18	6,178.94
Town of Tiburon	0.068976616	5,725.06	0.034803132	2,888.66	8,613.72
County of Marin	0.279644029	23,210.45	0.273274447	22,681.78	45,892.23
	100.00%	\$83,000.00	100.00%	\$83,000.00	\$166,000.00