

FY 2020/21 ADOPTED BUDGET AND WORKPLAN



Marin
General Services
Authority

555 Northgate Drive, Suite 102
San Rafael, CA 94903-3680
415 446 4428
mgsastaff@marinjpas.org

DATE: May 14, 2020

TO: MGSA Board of Directors

FROM: Michael S. Frank, Executive Officer

SUBJECT: Fiscal Year 2020/21 Marin General Services Authority
Proposed Operating Budget and Workplan

Background

The MGSA Proposed Budget is comprised of a series of Funds including: General Fund, Abandoned Vehicle Abatement Program (AVAP) Fund, MarinMap Program Fund, and two funds associated with the soon to be dissolved Marin Telecommunications Agency (MTA). Within the General Fund, the following programs are accounted for: Streetlight Maintenance; Streetlight Telecommunications; Taxicab Regulation; Animal Control management, and MGSA Administration. The Marin Climate and Energy Partnership (MCEP) is also located in the General Fund but is held in separate accounts with reserves tracked separately. As such, we have separated its resources into different charts in this document.

In partnership with Marin County, MGSA manages the Animal Care and Control Program contract and a management charge for that service is included in this Budget. From a financial perspective, MGSA staff budget, invoice agencies, and transfer funds to the County for this Program. MGSA plays a similar financial role with the Mediation Program run by the District Attorney. Although the allocated charges to relevant jurisdictions is located in a table in the MGSA Budget document for information, the revenue and expenses associated with these programs are not considered revenue or expense for MGSA and therefore do not show up in the JPA's audited financials. Invoicing and coordination, however, with jurisdictions is handled by MGSA and directly transferred to County accounts for the Animal Care and Control Program and the District Attorney's Office upon receipt.

The significant structural change in this Budget relates to the program responsibilities previously managed by the Marin Telecommunications Agency having been assumed by MGSA. The MTA is being dissolved as an agency as of June 30, 2020 and the Cable Television Franchise and Public, Educational, and Government Access Program is being established to begin on July 1, 2020. The fund structure and program responsibilities are outlined later in this document.

This report proposes a budget for all five funds as well as describes and displays a detailed methodology for the allocation of various costs to JPA members for all programs. As part of MGSA’s responsibilities, the Board reviewed the Marin County Stormwater Pollution Prevention Program’s (MCSTOPPP) FY 2020/21 budget at its January 9 Board Meeting. By Resolution 2020-01, the MGSA Board made a recommendation to the Board of Supervisors to approve the budget. MCSTOPPP’s budget is not included in this report since those funds are part of the County’s budget and are not under direct control of MGSA.

Discussion

This Budget development process finds us in a pandemic, COVID-19, that is impacting every Marin jurisdiction financially and organizationally. The County is presently in a stay-in-place order by the State and local health officials. Most businesses are closed except for those determined to be essential. The financial impacts over the near and long term are unclear.

The Marin Manager’s Association created a subcommittee comprised of two city/town managers, two assistant city/town managers and three finance directors to review and provide input on changes that might reduce JPA’s membership contributions. The Committee requested a budget scenario that reduced member contributions by 5%. Staff changed its preliminary budget to address the financial situation and met with the Committee twice to review the Proposed Budget.

Summary of Reductions	
All MGSA Programs	0.8%
All MGSA Programs without Animal Services	-6.9%

As seen from the summary table above, the Proposed Budget exceeded the 5% target and is reducing jurisdiction contributions collectively by 6.9%. Although Animal Control Services is invoiced by MGSA and we are paid to manage the program by the County, its budget is in the County’s budget and is not part of MGSA’s financials. We are in the third year of an agreement with Marin Humane that has a contractual increase of 2%. Animal Services is 85% of what is proposed to be invoiced to jurisdictions in this budget and deposited with the County. There is virtually no flexibility to reduce this budget for this coming fiscal year. Nevertheless, if included in the calculation above, jurisdiction payments are going up less than three quarters of one percent.

One of the more complex issues with budgeting for MGSA is that the numerous programs have very varied funding sources along with very varied allocation methodologies for jurisdiction funding. In addition, MGSA is sometimes acting as a passthrough of funds. For instance, the

Abandoned Vehicle Abatement Program is approximately \$260,000 in budgeted expenditures but all of it except \$12,000 is distributed out to jurisdictions.

Proposed Workplan

The MGSA Board reviewed and provided input into the FY 2020/21 Proposed Workplan and Initiatives at their January 9, 2020 meeting. Given the change in circumstances since January, some of the Initiatives have been revised. This Budget supports the revised Workplan. The Proposed Workplan is included as **Exhibit A** at the end of this budget document.

MGSA General Fund (without MCEP)

Table 1 displays the present year’s adjusted (or revised) budget [Adj Budget 2019/20], an estimate of what year-end expenditures and revenues are anticipated [Est Actual 2019/20], and the proposed budget for the upcoming fiscal year [Proposed 2020/21]. The final column is the difference between the prior year adjusted budget and the proposed budget [Bud 19/20 vs Prop 20/21]. To date, no budget changes have been made to the Budget adopted for FY 2019/20.

The Marin Climate and Energy Partnership (MCEP) is accounted for within the General Fund but within separate accounts. The Program’s fund balance is also tracked separately in MGSA’s financial statements. As such, MCEP’s financials and budget are captured separately in **Table 2**.

Table 1 – MGSA General Fund Budget (without MCEP)

	Adj Budget 2019/20	Est Actual 2019/20	Proposed 2020/21	Bud 19/20 vs 20/21 Prop
Beginning Fund Balance	93,882	74,339	50,079	
Revenues				
Member Contributions	170,000	170,000	190,000	20,000
Taxicab Permit Fees	100,000	75,000	75,000	(25,000)
Management/Overhead Fees	27,917	27,917	47,440	19,523
Telecommunication Fees	30,000	20,000	30,000	-
Interest	4,000	5,500	5,000	1,000
Total Revenue	\$331,917	\$298,417	\$347,440	15,523

Table 1 (continued) – MGSA General Fund Budget (without MCEP)

Expenditures	Adj Budget 2019/20	Est Actual 2019/20	Proposed 2020/21	Bud 19/20 2020/21
Insurance	15,000	11,000	15,000	-
Contract Services	270,000	245,962	277,586	7,586
Legal	25,000	28,365	25,000	-
Audit/Accounting	15,500	14,350	15,500	-
Rent	9,000	9,000	9,000	-
Office Expense	13,000	14,000	15,000	2,000
Total Expenditures	\$347,500	\$322,677	\$357,086	9,586
Net	(15,583)	(24,260)	(9,646)	5,936
Ending Fund Balance	78,299	50,079	40,433	(37,866)

Table 1 contains several programs, the financial details of which are below.

The “Member Contributions” line in **Table 1** is the amount needed to support the expenses of the programs after other revenues are considered. Member Contributions and their history are discussed in detail in the “Member Contributions” section of this document. The increase this coming fiscal year is directly related to the drop off of taxi permits and fees. Those fees are anticipated to be down \$25,000 this fiscal year and \$25,000 next fiscal year.

Administration - General

The budgeted expenditures for the administration of MGSA are increasing primarily due to the impact of a court case which clarified what the conditions were for someone to be considered an employee versus a contractor. Any person hired to assist with general clerical or transactional tasks on an ongoing basis needs to be an employee. Since MGSA does not have an HR or payroll function, administrative staff resources need to be hired through an agency like Regional Government Services (RGS) which in our case has a 60% rate for benefits and overhead above the employee’s hourly rate. This increase is offset by a reduction in the taxi regulation program administration due to restructuring.

Animal Care and Control

In mid-2014/15, MGSA took on assisting the County of Marin in the management of the Animal Care and Control contract with Marin Humane (MH). Two years ago, a three-year contract with MH was negotiated and approved by the County Board of Supervisors on March 27, 2018. MGSA is provided approximately \$21,000 annually for managing this contract in partnership with the County. In addition to facilitating the contract negotiations with MH, MGSA also invoices jurisdictions and is the interface with MH. The contract for this upcoming year is a 2% increase over the prior year. Since we are in the last year of the 3-year contract, we will start

contract negotiations with MH in the fall. It is important to note that the contract amount, although invoiced by MGSA, is not located in our budget. It is part of the County's budget.

Mediation

The Mediation Program is managed out of the District Attorney's Office, however, invoicing and coordination with jurisdictions is handled by MGSA. These funds are not considered revenue or expense for MGSA and are invoiced and directly transferred to the District Attorney's Office upon receipt. The Program's contributions for FY 2020/21 are 3.0% higher than FY 2019/20. The Board received a separate report from the District Attorney's Office on the Mediation Program and its costs.

Streetlight Maintenance Program

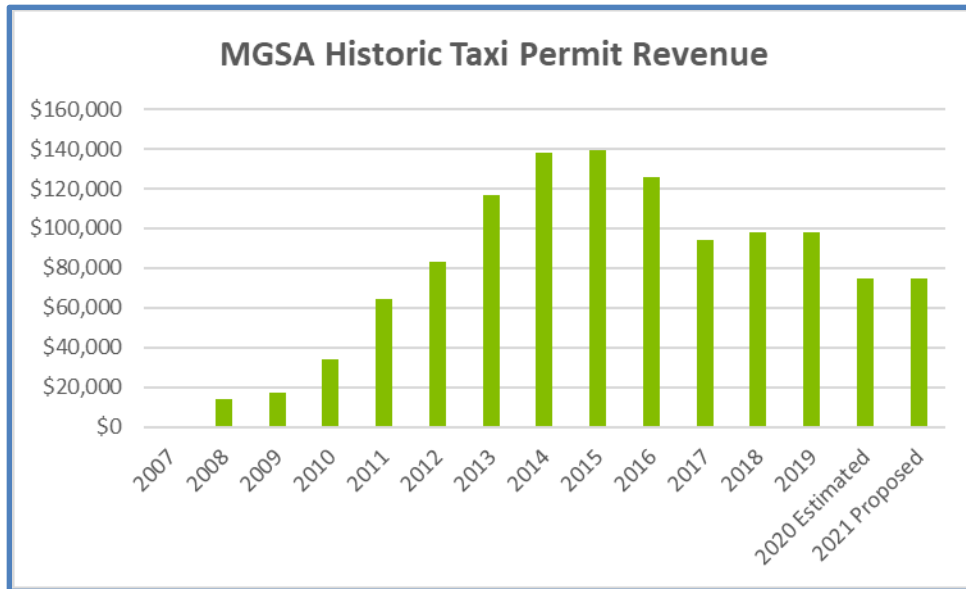
For 2020/21, the Streetlight Program overhead was increased to \$22,000 and is included in the "Member Contributions" line. Costs for the maintenance and replacement of streetlights are borne by individual agencies. The overhead goes towards: 1) the management of the program including negotiating and managing the maintenance contract for all approximately 16,000 streetlights owned by MGSA; 2) tracking all streetlight assets and transferring ownership to MGSA where there are new lights or changes in existing lights; and 3) addressing issues and opportunities that surface with residents or jurisdictions.

Streetlight Telecommunications Program

MGSA has signed master license agreements with four telecommunications companies. The agreements allow equipment on MGSA owned poles assuming permits are issued from local member jurisdictions. The agreements set up a per pole processing fee and then ongoing lease revenue for use of the poles. MGSA has not seen any applications to date. For this program in FY 2020/21, \$30,000 of revenue and \$30,000 in contract services expense is budgeted. This is the same as FY 2019/20.

Taxicab Regulation Program

Taxi permit fees were structured to cover the cost of the Taxi Regulation Program. As seen in the graph below, the permit rates were phased in over time. The costs are primarily the contract administrator of the program, the production of the permits, and administrative overhead. With the advent of Uber and Lyft which are regulated by the State CPUC and not by MGSA, Program revenue has fallen dramatically compared with its peak. Up until recently, the revenue slide has paused or reached its bottom. With COVID-19 and the stay-in-place order, revenues dropped significantly. Staff is projecting a 25% drop for FY 2019/20 and FY 2020/21. It is unclear what this industry looks like following social distancing measures.



General Fund Reserve Policy

The Proposed Budget anticipates \$40,433 in General Fund reserves at the end of the fiscal year. This is below the proposed reserve policy which is a minimum of 15% of expenditures or \$55,563. Staff believes that it is appropriate to dip into reserves given the financial condition of the economy at the present time.

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, TAM and MCE Clean Energy. MCEP’s mission is to work collaboratively, share resources, and secure funding to: 1) discuss, study and implement overarching policies and programs, ranging from emission reduction strategies to adaptation, contained in each agency’s Climate Action Plan; and 2) collect data and report on progress in meeting each partner member’s individual greenhouse gas emission targets. MCEP meets monthly and is supported by a part-time Sustainability Coordinator.

The program is directed by a Steering Committee with representation from each of the members. The MGSA serves as fiscal agent. To date, the Partnership has been funded by voluntary annual contributions (previously \$2,500 per member) as well as several grants and contracts: a \$75,000 seed grant from BAAQMD in FY 2008/09; two grants, each in the amount of \$80,000 from the Marin Community Foundation in FY 2009/10 and FY 2010/11; a grant from the California Energy Commission in FY 2017/18 and FY 2018/19 for \$275,000; and several contracts with the County through the PG&E-Marine Energy Watch Partnership totaling over \$200,000 since FY 2012/13. The MGSA’s role has been to assist in contract administration with grantors and contractors and to provide assistance in invoicing, collection of grant and member contributions, contracting and paying for MCEP services, and advising the Steering Committee.

Although a separate cost center is maintained for MCEP, the funds are placed in the MGSA's General Fund. The resources and expenditures are shown in **Table 2**. During FY 2020/21, MCEP will be providing technical services related to climate inventory tracking and reporting and development of Climate Action Plan updates. Specifically, MCEP will develop community greenhouse gas inventories for all Marin jurisdictions for the inventory year 2019. MCEP will prepare and present a report for jurisdictions identified in the scope of work and update the MCEP website and Sustainability Tracker with the new information. This work is expected to be paid for with a \$25,000 grant from the County through the Marin County Energy Watch Partnership.

The budget also includes a \$30,000 expenditure to fund the nonprofit Resilient Neighborhoods (RN). MCEP has been partnering with RN since 2015 to implement the public outreach objectives of members' climate action plans. During FY 2020/21, RN will continue to organize and educate community-based climate action teams on strategies and resources available to improve home energy efficiency, shift to renewable energy, reduce transportation emissions, conserve water, and reduce waste. In response to anticipated social distancing and shelter-in-place directives, RN will focus on developing virtual teams and online programming.

To financially assist jurisdictions at this time, annual membership dues are being reduced from \$2,500 to \$1,500 per agency.

Table 2 – Marin Climate and Energy Partnership

	Adj Budget 2019/20	Est Actual 2019/20	Proposed 2020/21	Bud 19/20 vs 20/21 Prop
Beginning Fund Balance	23,431	48,232	94,376	
Revenue				
Member Contributions	35,000	37,500	22,500	(12,500)
Federal Grant/CEC	69,625	48,142	-	(69,625)
County Grant/PG&E	14,360	25,981	25,000	10,640
Total Revenue	\$118,985	\$111,623	\$47,500	(71,485)
Expenditures				
Overhead	7,000	7,000	7,000	-
Contract Services	75,220	58,479	75,550	330
Total Expenditures	\$82,220	\$65,479	\$82,550	330
Net	\$36,765	\$46,144	-\$35,050	(71,815)
Ending Fund Balance	\$60,196	94,376	\$59,326	(870)

MCEP Reserve Policy

The Proposed MCEP Budget anticipates \$59,326 in reserves at the end of the fiscal year. This meets the proposed reserve policy which is one year's MCEP dues or \$37,500.

Marin Abandoned Vehicle Fund and Program

The Marin General Services Authority serves as the Marin Abandoned Vehicle Abatement (AVA) Program administrator. The program reimburses members for some of the costs of abating abandoned vehicles. All program funds are received from a \$1.00 surcharge on vehicle registration, collected by the California DMV and passed on to Marin County. The two areas of expenditure include the administrative cost incurred for the program and the payments made to the towns, cities and County to fund the abatement of abandoned vehicles. The expenditure budget for FY 2020/21 is smaller than the previous year. The Program has been carrying a fund balance over \$25,000 for at least a decade. The FY 19/20 Budget paid out most of those resources to jurisdictions. The Program contributes \$12,000 annually towards administration by MGSA.

Table 3 – Abandoned Vehicle Abatement Fund

	Adj Budget 2019/20	Est Actual 2019/20	Proposed 2020/21	Bud 19/20 vs 19/20 Prop
Beginning Fund Balance	\$28,162	\$31,232	\$15,860	(\$12,302)
Revenue				
DMV Reimbursement	1000	1,100	1,000	-
Interest	260,000	244,528	260,000	-
Total Revenue	\$261,000	\$245,628	\$261,000	-
Expenditures				
Program Administration	12,000	12,000	12,000	-
Jurisdiction Payments	270,000	249,000	249,000	(21,000)
Total Expenditures	\$282,000	\$261,000	\$261,000	(\$21,000)
Net	(\$21,000)	(\$15,372)	\$0	\$21,000
Ending Fund Balance	\$7,162	\$15,860	\$15,860	\$8,698

Abandoned Vehicle Abatement Fund Reserve Policy

The AVA Program does not have a reserve policy since all fund received are distributed out to jurisdictions.

MarinMap Fund and Program

Table 4 is the Proposed FY 2020/21 Budget as recommended by the MarinMap Executive and Steering Committees. After their approval, MGSA staff added \$7,000 to the Proposed Budget for MGSA overhead which had not been previously allocated. This was prompted by the recent recession and significant financial challenges facing local agencies.

The MarinMap budget can be summarized as follows: the annual fixed costs to manage MarinMap (Matrix Team, Program Manager, maintenance and hardware) and GIS Projects which are developed with agency members and prioritized by the Executive Committee.

In general, the proposed budget is similar to previous years with the exception of a reduction in member dues for FY 20/21. Member dues are proposed to be reduced by \$3,000 per agency after having gone unchanged for 18 years. Regarding general expenditures, there are a couple of proposed changes to base costs from last year which are as follows:

- As mentioned above, MGSA administrative overhead has been added to the Program budget for the first time. This overhead includes program oversight, accounting, auditing, and financial support including budget development, legal contract review, vendor registration and invoice processing in financial system, Board agenda processing, and insurance.
- Budgeted costs for the MATRIX technical team at the County have been reduced to better reflect actual costs.

Regarding project expenditures, the Executive Subcommittee identified Projects for the coming year in the amount of \$102,000 (vs \$104,000 last year). This represents the annual member allocation for projects, training, plus incomplete projects carried over from FY 2019/20. In addition, the following changes were made:

- A new project for \$10,000 has been added to this year's project list. It relates to the development of tools to assist neighborhood emergency preparedness groups throughout the County collaborate and be more effective.
- As in last fiscal year's budget, funds are being designated (\$7,500/year) for future orthophoto needs. The Proposed Budget will have a total orthophoto designated reserve of \$15,000.
- As in past years' budgets, funds are being designated (\$4,000/year) for any future server needs. In past budgets the full designation was budgeted as a project. Starting in FY 2020/21, the Proposed Budget will have the server allocation designated in reserves of \$16,000.

Table 4 – MarinMap Fund

	Adj Budget 2019/20	Est Actual 2019/20	Proposed 2020/20	Bud 19/20 vs 20/21 Prop
Beginning Fund Balance	143,291	163,493	213,363	
Revenue				
Member Contributions	162,000	162,000	108,000	(54,000)
Interest	4,000	4,000	4,000	-
Total Revenue	\$166,000	\$166,000	\$112,000	\$(54,000)
Expenditures				
Executive Officer/Overhead	-	-	7,000	7,000
Program Administration	32,640	32,640	32,640	-
Other Contract Services	96,880	72,490	78,000	(18,800)
Projects	104,000	11,000	102,000	(2,000)
Total Expenditures	\$233,520	\$116,130	\$219,640	\$(13,880)
Net	\$(67,520)	\$49,870	\$(107,640)	\$(40,120)
Ending Fund Balance	\$75,771	\$213,363	\$105,723	\$29,952

MarinMap Reserves and Reserve Policy

The Fund Balance anticipated for year-end in the Proposed MarinMap FY 2020/21 Budget is \$105,723. As seen in Table 5 below, some of the fund balance is designated. The amount in reserve meets the proposed reserve policy which is a minimum of 20% of revenues plus any designated reserves.

Table 5 – MarinMap Designated Reserves

	Adj Budget 2019/20	Est Actual 2019/20	Proposed 2020/20	Bud 19/20 vs 20/21 Prop
Designated Reserves				
Set aside for ortho photo	7,500	7,500	15,000	7,500
Set aside for server purchase	-	-	16,000	16,000
Total	\$0	\$7,500	\$31,000	\$31,000

Cable Television Franchise and Public, Educational, and Government Access Program (CATV)

CATV Operating Fund

The Cable Television Franchise and Public, Educational, and Government Access Program (CATV) is a new program for MGSA in this coming fiscal year. It will start on July 1, 2020 and take over program responsibilities from the Marin Telecommunications Agency (MTA). The MTA, a joint powers agency organized under Section 6500 et seq. of the Government Code, includes as its members the County of Marin and the cities/towns of Belvedere, Corte Madera, Fairfax, Mill Valley, Ross, San Anselmo, San Rafael, Sausalito, and Tiburon.

The MTA was formed in 1997 to oversee local cable television franchise agreements. In the early years, MTA was considered a potential telecommunications policy and operations oversight agency. In 2006, the State of California passed the Digital Infrastructure and Video Competition Act (“DIVCA”), which eliminated local cable television franchises and created the existing state franchise system. Additional changes to state and federal law have continued to erode local government regulatory control and oversight of telecommunications facilities.

Following extensive discussions, both the MTA and MGSA Boards decided the transition made sense from an efficiency and financial perspective given MTA’s eroded policy making role over time. Ultimately, the collective financial benefit to member jurisdictions is significant.

Unlike many of MGSA’s programs which are funded by member jurisdiction dues, CATV is funded by cable franchise fees. Fees are collected by MGSA, and then what is not needed for Program operations is distributed to member agencies (seen in the Table below as “Jurisdiction Payments”). Any reduction in Program operational expenditures is an increase in member revenue.

Program operational expenses this first fiscal year are decreasing by 7%. The decrease would have been higher but \$28,000 of one-time franchise fee audit expenses is included in FY 2020/21. Future years should generate annual savings as elements of MTA’s work program become fully incorporated into the program structure of MGSA. It should be recognized that MTA has been reducing its operational costs over the last decade.

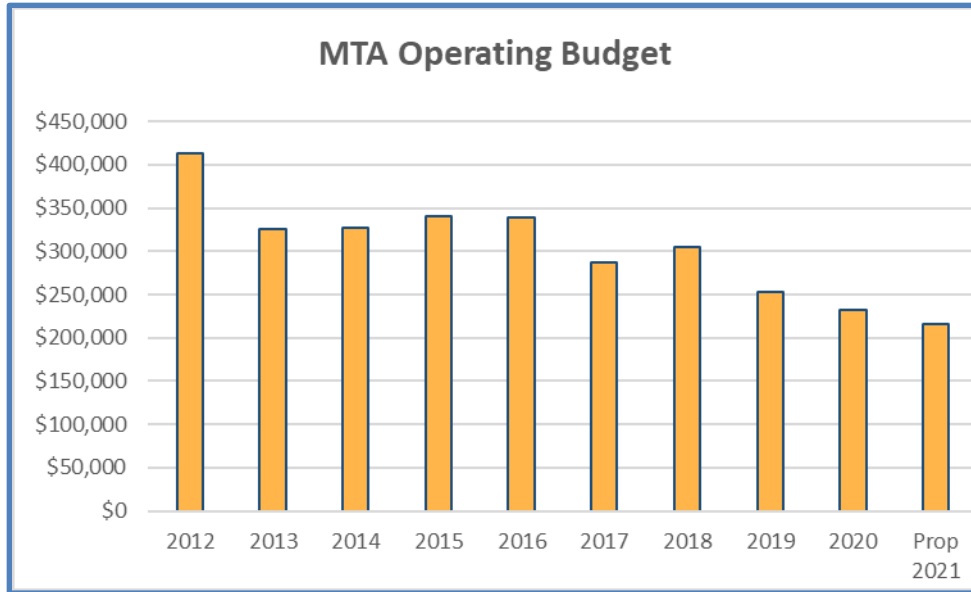


Table 6 – CATV Operating Fund

	Adj Budget 2019/20	Est Actual* 2019/20	Proposed 2020/20	Bud 19/20 vs 20/21 Prop
Beginning Fund Balance	\$226,771		\$35,000	
Revenue				
Interest	5,000		5,000	-
Franchise Fees	4,000,000		3,500,000	(500,000)
Other Revenue	8,100		8,200	100
Total Revenues	4,013,100		3,513,200	(\$500,000)
Expenditures				
MGSA/Program Administration	82,000		45,929	(36,071)
Broadband for Jurisdictions	24,000		20,000	(4,000)
Professional Services	97,000		101,071	4,071
Other Expenses	29,000		48,500	19,500
Jurisdiction Payments	3,781,100		3,297,700	(483,400)
Total Expenditures	\$4,013,100		\$3,513,200	(\$499,900)
Net	\$0		\$0	-
Ending Fund Balance	\$226,771		\$35,000	(\$191,771)

NOTE: * Estimated Actuals are not included for FY 19/20. On June 30, 2020, the MTA (Marin Telecommunications JPA ceased operations and MGSA took on program responsibilities. Towards the end of the fiscal year, MTA distributed excess fund balance and Comcast settlement monies.

CATV Operating Fund Reserve Policy

Maintain a minimum of \$35,000 in order to maintain a positive cash flow with expenses given the timing of franchise fee payments.

Jurisdictional Franchise Fee Payments for FY 2020/21

Five percent franchise fees are paid by cable and video providers on a quarter basis. The providers in Marin are Comcast, AT&T, and Horizon. Comcast makes up the vast majority of the fees at approximately 94% of the total.

Franchise fee revenue of \$3,513,200 is a decrease of \$499,900 compared to the FY 2019/20 budget estimate. This decrease is attributed to expected lower franchise fee revenues from all providers. This reduction also reflects a more realistic projection of Franchise Fee revenues based on receipts over time. Comcast and AT&T franchise fees will continue to decline due to competitive pressure on rates and a noticeable shift to internet streaming media which is not subject to franchise fees. It is unclear what impact the recession and the stay-in-place order will have on fees.

Table 7 – Estimated Franchise Fee Payments

Member	Last 4 Available Quarters of Fees	%	Estimated Jurisdictional Franchise Payments
Belvedere	60,076	1.71%	56,391
Corte Madera	193,577	5.51%	181,703
Fairfax	137,366	3.91%	128,940
Larkspur (Not a member)	N/A	N/A	N/A
Mill Valley	298,271	8.49%	279,975
Novato (Not a member)	N/A	N/A	N/A
Ross	57,616	1.64%	54,082
San Anselmo	249,437	7.10%	234,137
San Rafael	995,641	28.34%	934,569
Sausalito	174,606	4.97%	163,896
Tiburon	201,306	5.73%	188,958
Marin, Unincorp	1,145,303	32.60%	1,075,050
Total	3,513,199	1.00	\$3,297,700

CATV Public, Educational, and Government Fund (PEG)

As described above, the California Legislature adopted the Digital Infrastructure and Video Competition Act (“DIVCA”), which changed the manner in which video services are regulated by replacing local franchising with a state franchising system administered by the California Public Utilities Commission. DIVCA requires state franchise holders to offer at least three channels to each community in which they operate for public, educational, and governmental (“PEG”) programming.

DIVCA also authorizes local entities to adopt an ordinance imposing a fee on video service providers that hold a state franchise to support PEG programming facilities. The maximum amount allowed under state law is 1% of a franchise holder’s gross revenues. MGSA has passed such an ordinance along with all member agencies passing resolutions delegating to MGSA the authority to collect their PEG fees.

The MTA designated the Community Media Center of Marin (CMCM) as a Designated Access Provider (“DAP”) to establish, operate, and manage a Media Center and the PEG access channels pursuant to the law. CMCM established a Media Center in downtown San Rafael. PEG fees are fully distributed to CMCM. They can only be used to support public access as outlined in the code.

Table 8 – CATV Public, Educational, and Government Fund (PEG)

	Adj Budget 2019/20	Est Actual 2019/20	Proposed 2020/20	Bud 19/20 vs 20/21 Prop
Beginning Fund Balance			\$500	\$500
Revenue				
Interest	500		500	-
PEG Fees	850,000		750,000	(100,000)
Total Revenues	\$850,500		\$750,500	(\$100,000)
Expenditures				
Community Media Center Contract	850,000		750,500	(99,500)
Total Expenditures	\$850,000		\$750,500	(\$99,500)
Net	\$500		\$0	(\$500)
Ending Fund Balance	\$500		\$500	\$0

PEG Fund Reserve Policy

Maintain a minimum of \$500.

Member Contributions

The contributions shown in **Table 9** below reflect the County, cities', and towns' share of MGSA costs as well as program costs which are billed through MGSA which include the Mediation Program managed in the District Attorney's Office and the Animal Care and Control Program. The MGSA's Joint Powers Agreement provides for funding the agency as described in the next section. The next section also outlines allocation methodologies related to each program.

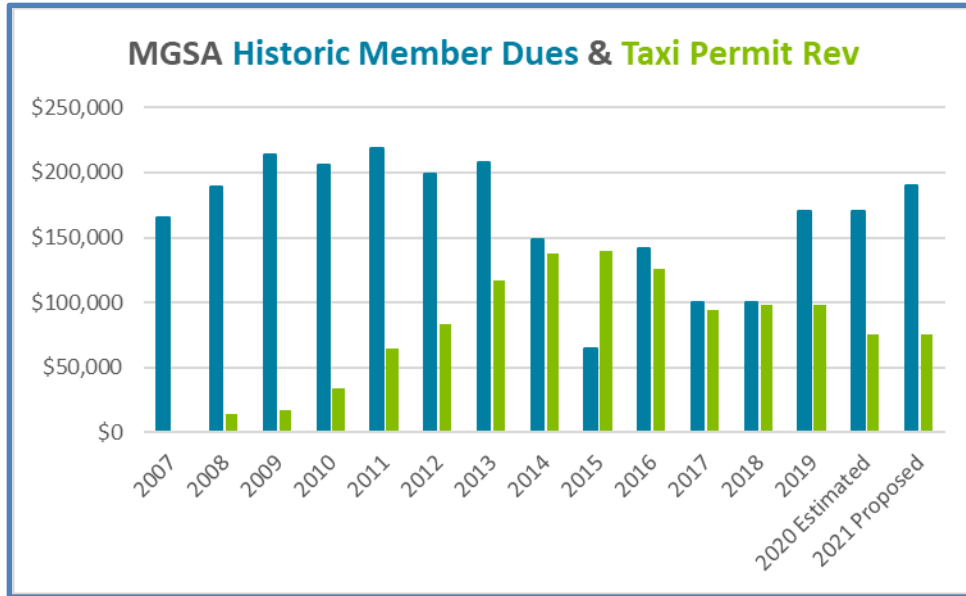
Table 9 – MGSA Member Contributions for FY 2020/21

Member ¹	MGSA General		Streetlights		MCEP		MarinMap		Mediation		Animal Services ²		Total 2020/21
	19/20	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20	20/21	
Belvedere	3,017	3,212	110	500	2,500	1,500	6,000	3,000	675	703	26,069	28,789	37,704
Corte Madera	6,430	6,801	532	1,019	2,500	1,500	9,000	6,000	3,176	3,286	108,349	107,947	126,554
County	42,941	45,477	1,478	2,833	2,500	1,500	10,000	7,000	21,908	22,681	989,189	1,010,679	1,090,170
Fairfax	3,827	4,119	423	811	2,500	1,500	6,000	3,000	2,383	2,525	92,464	94,762	106,718
Larkspur	7,959	8,560	547	1,048	2,500	1,500	9,000	6,000	3,907	4,114	137,702	133,041	154,262
Mill Valley	10,526	11,031	568	1,099	2,500	1,500	9,000	6,000	4,733	4,800	156,972	188,866	213,296
Novato	27,757	29,154	2,778	5,271	2,500	1,500	10,000	7,000	17,257	17,700	714,560	733,323	793,948
Ross	2,875	3,049	-	-	2,500	1,500	6,000	3,000	801	826	26,709	30,894	39,270
San Anselmo	7,367	7,783	474	908	2,500	1,500	9,000	6,000	4,112	4,220	152,553	149,495	169,907
San Rafael	31,828	33,533	3,123	6,114	2,500	1,500	10,000	7,000	19,186	19,640	689,013	685,254	753,041
Sausalito	5,828	6,232	462	897	2,500	1,500	9,000	6,000	2,286	2,426	101,812	99,738	116,793
Tiburon	8,644	9,047	198	500	2,500	1,500	9,000	6,000	3,052	3,062	101,905	109,399	129,508
BMK CSD	-	-	102	500	-	-	-	-	-	-	-	-	500
FCA	-	-	-	-	-	-	10,000	7,000	-	-	-	-	7,000
LAFCO	-	-	-	-	-	-	10,000	7,000	-	-	-	-	7,000
M. CSD	-	-	205	500	-	-	-	-	-	-	-	-	500
TAM	-	-	-	-	2,500	1,500	10,000	7,000	-	-	-	-	8,500
MCE	-	-	-	-	2,500	1,500	-	-	-	-	-	-	1,500
MMWD	-	-	-	-	-	1,500	10,000	7,000	-	-	-	-	8,500
SASM	-	-	-	-	-	-	10,000	7,000	-	-	-	-	7,000
RVSD	-	-	-	-	-	-	10,000	7,000	-	-	-	-	7,000
TOTAL	\$159,000	\$168,000	\$11,000	\$22,000	\$35,000	\$22,500	\$162,000	\$108,000	\$83,478	\$85,982	\$3,297,296	\$3,372,188	\$3,778,670

¹ BMK, Bel Marin Keys Community Services District; FCA, Fire Chiefs Association; M. CSD, Marinwood Community Services District; TAM, Transportation Authority of Marin; MCE, Marin Clean Energy; MMWD, Marin Municipal Water District; RVSD, Ross Valley Sanitary District.

² Animal Control - The County pays 30% of Program directly to Marin Humane. They are not invoiced by MGSA.

The FY 2020/21 proposed General Fund operating budget, including the Streetlight Program overhead, is based on member contributions of \$190,000. The graph below shows historic member contributions as well as tax revenue. Agency payments declined starting in 2014 due to the receipt of ongoing tax revenue. Significant tax revenue started to be received in 2012 but member contributions were not reduced at that time. The result was a larger accumulated General Fund balance. Over the following years, member contributions were kept low by the use of those reserves. A significant falloff of tax revenues due to stay-in-place order is anticipated for this year and next.



Member Contribution Methodology and Calculation

The allocation methodologies of the different programs of MGSA are outlined in the JPA ordinance approved by all participating agencies. This section summarizes the methodologies and provides the calculation for members’ contributions to MGSA.

General

Those programs or administration considered “general” budget items are based on a combination of two factors designed to develop an equitable and proportional sharing of costs. The formula uses the factors equally: assessed valuation (AV) of real property and population. Each year, the most current values for these two factors are updated when calculating the member contributions. For the County, the variables are based on the unincorporated assessed value of real property and the population in the unincorporated area.

Table 10 – Member Contribution Share Calculation

Member	Assessed Value*	% AV	AV Share	Population	% Pop.	Popul. Share	Total Share
Belvedere	2,432,930,004	0.03	2,526	2,148	0.01	686	3,212
Corte Madera	3,458,264,453	0.04	3,591	10,047	0.04	3,210	6,801
Fairfax	1,591,373,675	0.02	1,652	7,721	0.03	2,467	4,119
Larkspur	4,373,087,415	0.05	4,541	12,578	0.05	4,019	8,560
Mill Valley	6,107,628,391	0.08	6,342	14,675	0.06	4,689	11,031
Novato	11,425,094,634	0.14	11,863	54,115	0.21	17,292	29,154
Ross	2,159,634,730	0.03	2,242	2,526	0.01	807	3,049
San Anselmo	3,525,392,074	0.04	3,660	12,902	0.05	4,123	7,783
San Rafael	13,817,217,825	0.17	14,346	60,046	0.23	19,187	33,533
Sausalito	3,719,446,906	0.05	3,862	7,416	0.03	2,370	6,232
Tiburon	5,832,631,927	0.07	6,056	9,362	0.04	2,992	9,047
Marin, Unincorp	22,459,346,219	0.28	23,319	69,343	0.26	22,158	45,477
Total	\$80,902,048,253	1.00	\$84,000	262,879	1.00	\$84,000	\$168,000

Streetlight - Maintenance

Members pay the overhead and administrative costs of this function in proportion to the number of streetlights owned by the Authority in each members' jurisdiction (see **Table 11**). The exception is that starting this fiscal year, FY 2020/21, there is a minimum jurisdictional payment of \$500 for the base cost of running the Streetlight Management Program. Streetlight maintenance costs are based on service provided to individual agencies and charged directly to those jurisdictions. Special Districts are included only for the administration and operation of the Streetlight Program. The streetlights in the Town of Ross and Marin City are not owned by MGSA and are not included in this program. The program administration costs were increased to \$22,000 after over a decade at \$11,000. This increase in costs more accurately reflects the time and effort spent addressing Program issues.

Table 11 – Streetlight Maintenance Share Calculation

Member	# of 2020/21 Streetlights	%	New % without <\$500	Share
Belvedere	156	1.0%		500
Bel Marin Keys District	144	0.9%		500
Corte Madera	753	4.8%	5.1%	1,019
County, Unincorporated	2,093	13.4%	14.2%	2,833
Fairfax	599	3.8%	4.1%	811
Larkspur	774	4.9%	5.2%	1,048
Marinwood District	290	1.9%		500
Mill Valley	812	5.2%	5.5%	1,099
Novato	3,894	24.9%	26.4%	5,271
Ross	N/A	N/A	N/A	N/A
San Anselmo	671	4.3%	4.5%	908
San Rafael	4,517	28.9%	30.6%	6,114
Sausalito	663	4.2%	4.5%	897
Tiburon	280	1.8%		500
Total	15,646	1.00	1.00	\$22,000

Streetlight – Telecommunications

This program, through Master License Agreements, allows telecommunications carriers to place equipment on MGSA owned streetlight poles at rates outlined in agreements with each carrier. There are presently four agreements. This program is in its infancy. There have been no applications submitted to place equipment on MGSA poles. Staff work is presently covered through general administration costs. It is anticipated that this program will be fully cost recovery once more fully implemented.

Taxicab Regulation

This program is primarily funded by revenue generated by annual taxicab permits. The permit fees are set by the MGSA Board. Staff is in the process of a Program review and a total restructuring to reduce costs.

Marin Climate and Energy Partnership

The MCEP program is voluntary for participating members, however, all MGSA cities, towns, and County participate. In addition, the Marin Municipal Water District, Marin Clean Energy, Marin Fire Chief's Association and the Transportation Authority of Marin also participate voluntarily. The Partnership has been funded by member contributions as well as several grants and contracts with the County and federal government. Members assess themselves to fund the program at a flat \$2,500 per agency. For this fiscal year, member assessments are being reduced by \$1,000 per agency.

MarinMap

MarinMap is voluntarily funded by member fees, grants, and special assessments on members. Previously, assessments were a flat \$10,000, \$9,000, or \$6,000 fee based on agency size. For this fiscal year, assessments are being reduced by \$3,000 for each participating member.

Abandoned Vehicle Abatement

This program is fully funded by a state-imposed \$1.00 surcharge on vehicle registration. The funding is distributed to agencies on a percentage basis developed from paperwork submitted showing the number of vehicles towed.

Cable Franchise Television Public, Educational, and Government Access Program

This program is fully funded by cable franchise fees.

Animal Services

Thirty percent of the cost of the Animal Care and Control Budget is paid directly to Marine Humane by the County. The allocation methodology for the remaining costs to jurisdictions is based on a combination of two factors used equally in an effort to develop a fair apportionment of costs: 1) animals handled the previous year and 2) population.

Mediation

The Mediation Program costs submitted by the District Attorney's Office are allocated based on the most recent population estimates.

County Financial System FY 2020/21 Budget Entries

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.

MGSA General Fund Operating 8019 (Code 8641)

G/L		FY 2020/21
421225	Other Permits – Taxicab	(75,000)
441115	Interest on Pooled Funds	(5,000)
453110	Other Misc Rev (Overhead/Mngt Fee)	(47,440)
461250	City Contributions	(190,000)
462610	Charges Other – Telecom	(30,000)
522510	Professional Services	277,586
522545	Prof Services – Legal	25,000
522585	Administration & Finance Services	15,500
521615	Insurance Premiums	15,000
521310	Communications Services	5,000
522925	Rent & Operating Leases	9,000
522410	Office Supplies	10,000

MGSA General Fund MCEP 8019 (Code 8642)

G/L		FY 2020/21
453110	Grant Revenue/Other Misc. Rev	(25,000)
461250	City Contributions	(22,500)
522510	Professional Services	82,550

MGSA Abandoned Vehicle Abatement Fund – 8010

G/L		FY 2020/21
441115	Interest on Pooled Funds	(1,000)
451970	State - Abandoned Vehicle	(260,000)
522510	Professional Services	261,000

MGSA MarinMap Fund - 8020

G/L		FY 2020/21
441115	Interest on Pooled Funds	(4,000)
461250	City Contributions	(108,000)
522510	Professional Services	219,640

CATV Operating Fund - 8017

G/L		FY 2020/21
421610	Franchise Fees	(3,500,000)
441115	Interest on Pooled Funds	(5,000)

470310	Misc Revenues (Larkspur)	(8,200)
521315	Communication - Broadband	20,000
521615	Insurance Premiums	2,000
522210	Memberships	4,000
522410	Office Expense	1,000
522510	Professional Services	100,000
522545	Prof Services – Legal	30,000
522575	Prof Services – System Maintenance	1,500
522585	Prof Services – Audit and Accounting	43,500
522925	Rents and Leases	12,500
523410	Transportation and Travel	1,000
524710	Contribution Non-County Agency	3,297,700

CATV Public, Educational, and Government Access (PEG) Fund - 8018

G/L		FY 2020/21
421610	PEG Fees	(750,000)
441115	Interest on Pooled Funds	(500)
524710	Contribution Non-County Agency	750,500

EXHIBIT A

FY 2020/21 WORKPLAN

Mission Statement

The Marin General Services Authority provides the administration of a variety of programs and services where the policy issues are generally established, in arenas that are more cost effective to provide collectively or are significantly enhanced through partnering for the benefit of the greater Marin community. – adopted January 11, 2018

Background

The Marin General Services Authority (MGSA) was formed in 2005 by the cities, towns and County of Marin. While today the Marin General Services Agency ("MGSA") administers widely different government programs, it was originally formed in 1985 as the Marin Street Light Acquisition Authority ("MSLAJPA") to acquire streetlights from PG&E to save maintenance costs.

MGSA is a joint powers authority (JPA). A joint powers authority is an entity permitted under the laws of some U.S. states, whereby two or more public entities (e.g. local governments, or utility or transport districts), may jointly exercise any power common to all of them. Joint powers authorities are particularly widely used in California (where they are permitted under Section 6502 of the State Government Code), but they are also found in other states.

The authorizing agreement states the powers the new authority will be allowed to exercise. Joint powers authorities receive existing powers from the creating governments; thus, they are distinct from special districts, which receive new delegations of sovereign power from the state.

The Joint Powers Authority Agreement creating MGSA states, "The purpose of this Agreement is to establish a public entity separate from the County, Cities, Towns, and Special Districts. This



555 Northgate Drive, Suite 102
San Rafael, CA 94903-3680
415 446 4428
mgsastaff@marinjpas.org

Authority will finance, implement and manage the various municipal services assigned to it." MGSA offers various public services effectively and efficiently throughout the county in a uniform manner with minimal overhead expense.

MGSA Oversight & Administration

Executive Oversight	
1	Provide effective management oversight of agency and nine programs
2	Represent the MGSA Board in dealings with media, member agencies, other governing agencies, professional associations, community organizations, and residents
3	Maintain positive Board relations and new Board Member orientation
4	Review, analyze, and develop recommendations regarding legislation related to MGSA programs where appropriate
5	Develop upcoming year's MGSA Work Plan and monitor progress
2020/21 Initiatives	
6	If approved by MGSA and MTA Boards, transition the responsibilities of MTA to MGSA including assets, contracts, and program management
7	Implement new staffing structure, train on new job duties, and document organizational responsibilities
8	As directed by the MGSA Board, work on evaluating budget reduction measures for the development of the FY 21/22 Budget
Information Technology	
9	Develop, maintain, and manage electronic file software that controls and monitors file access, backup, and security
10	Ensure appropriate staff is trained on an ongoing basis on access to County systems through a Virtual Private Network and the Munis County Financial System including invoicing, vendor set up, budget input and changes, and reporting
2020/21 Initiatives	
11	Implement new agency website including underlying platform, content management software, and ability to provide search and notification features
Finance	
12	Accurately handle all financial transactions including accounts payable, accounts receivable, invoicing, grants management, and jurisdiction/agency allocation of costs
13	Retain and work with financial accounting and auditing firm to develop, review, and produce the Annual Year-End Financial Report
14	Manage budget process for MGSA and all programs that is transparent and allows the Board an opportunity to discuss appropriate policy issues

15	Ensure compliance with all contract and other documents for federal, State, and County grants including all reporting and payment processing
	2020/21 Initiatives
16	Work with County staff and auditors to transition the financial and approval processing from MTA to MGSA.
17	If approved by MGSA and MTA Boards, produce two CAFR's for FY 2019/20; one for MGSA and one for the dissolved MTA
Human Resources	
18	Supervise and manage ongoing contract program support and coordination
19	Recruit and manage orientation and training process for new contractors as needed
Property Management	
20	Manage office lease and resolve property related issues including IT, phone, mail delivery, and building signage
Risk Management	
21	Manage insurance acquisition and renewal
	2020/21 Initiatives
22	Review and evaluate existing insurance coverage and research any other potential insurance needs and review with Board, particularly in light of assumption of MTA program responsibilities
Board Management / Clerk Functions	
23	Maintain required hard copy records as well as electronic records systems which are secure and backed up
24	Develop and maintain consistent logo, letterhead, business cards and communication materials
25	Complete all required official filings including Form 700, LAFCO, and State Controller reporting
26	Manage the MGSA Board Agenda Process such that all agendas, staff reports, minutes, and resolutions are accurate, informative, and clear
27	Respond to public information requests and Grand Jury inquiries where appropriate
	2020/21 Initiatives
28	Follow and research public meeting requirements and implement public comment and meeting solutions during Covid-19 crisis

Programs (alphabetical)

Abandoned Vehicle Abatement

1	Manage and administer the Program in an accurate and equitable manner
2	Claim all available program monies from the State that originate from Marin's motor vehicle owners and distribute to appropriate jurisdictions

Animal Care & Control

1	Manage Animal Care and Control Program as outlined in 3/29/18 Agreement between MGSA and Marin County
2	Administer contract with Marin Humane for county-wide animal care and control including coordinating inquiries/complaints from the public and member jurisdictions
3	Prepare annual budget including coordinating allocation methodology with Marin Humane Society and with County budget staff
4	Respond to animal control policy issues and work with County Counsel relative to any needed changes to the Animal Control Ordinance
2020/21 Initiatives	
5	Facilitate and implement the renegotiation of the Marin Humane animal care and control contract with Marin Humane, the County of Marin, and a subcommittee of the Marin Manager's Association. The existing contract ends June 30, 2021

Marin Cable Franchise and Public, Educational, and Government Access

1	Collect cable franchise fees on behalf of member agencies and distribute appropriately
2	Collect State franchise public, educational, and government access fees and distribute to the designated access provider, Community Media Center of Marin County (CMCM)
3	Oversee the Program's designated PEG access provider agreement with Community Media of Marin County (CMCM), interface with the Executive Director and Board of CMCM, and problem solve any issues that surface
4	Manage contractor that audits state franchise holder records as appropriate and negotiate resolution of discrepancies with franchise holders
2020/21 Initiatives	
5	If transition of MTA to MGAS is determined to be financially and programmatically advantageous, hire program staff if appropriate, develop program structure, and budget for a smooth transition.
6	Evaluate areas for administrative cost reductions and efficiencies as a result of the transition from a JPA to a program within MGSA

Marin Climate and Energy Partnership

1	Provide oversight to MCEP program contractor
2	Provide guidance and input to the MCEP Executive and Steering Committees
3	Monitor numerous federal grant terms for MGSA/MCEP compliance
4	Enter into sub-contracts and process invoices for MCEP grants
5	Ongoing implementation of Climate Action Plans
6	Develop model ordinances for use by all jurisdictions
7	Develop community Greenhouse Gas Inventories for Marin jurisdictions
2020/21 Initiatives	
8	Update Climate Action Plans and/or develop content for General Plans for Fairfax, Corte Madera, Tiburon, Larkspur, Mill Valley, Belvedere, Novato and others as requested
9	Collaborate and implement existing grant-funded projects: <ul style="list-style-type: none"> ▪ Electrify Marin (funded by BAAQMD; lead agency is the County of Marin) ▪ Food Waste Prevention and Rescue Grant Program (funded by CalRecycle; lead agency is Novato)
10	Pursue grant and other funding for cross-county projects
11	Develop a model Reusable Foodware Ordinance that can be adopted by all Marin jurisdictions
12	Support Resilient Neighborhoods in the development of an online method for program delivery; conduct outreach in all jurisdictions and strive to graduate 125 households

MarinMap

1	Provide management, financial, and contract support and oversight to the MarinMap Program
2	Staff and facilitate the MarinMap Steering Committee and the Executive Subcommittee meetings
3	Resolve various program issues that surface or intercede with various agencies and contractors if needed such as the County Assessor and Streetlight Electric Contractor

Steering Committee Goals

4	Provide improved customer service to customers seeking geographical information
5	Reduce the cost of service to taxpayers and ratepayers
6	Improve infrastructure maintenance
7	Enhance emergency response and disaster planning
8	Reduce negative environmental impacts and manage natural resources
9	Provide the opportunity for better decision-making

10	Encourage cooperation among public agencies, reducing redundancies, improving efficiency and minimizing conflicts
2020/21 Initiatives	
11	Resolve long-standing issues with streetlight GPS locations and data coordination with DC Electric
12	Negotiate with new County Assessor longstanding data request issues once their Cost Allocation Plan is completed and proposal provided to MGSA
13	In coordination with the Larkspur/Corte Madera Neighborhood Response Groups, set up parameters to host neighborhood emergency data to be used throughout County (e.g. locations of resource trailers, homes with special needs, and boundaries)

MCSTOPPP

1	Provide budgetary and high-level programmatic oversight and coordination with local jurisdictions
2	Work with County and MCSTOPPP staff on annual budget which is reviewed and recommended annually by the MGSA Board to the Marin County Flood Control District

Mediation

1	Act as Mediation Program liaison between District Attorney's Office and MGSA member agencies
2	Coordinate allocation methodology with District Attorney's Office, check for accuracy, assess costs, collect payments, and distribute to the District Attorney's Office

Streetlight – Maintenance

1	Manage streetlight contractor's contract including getting input from public works directors, implementing rate changes, and exercising options for extensions where appropriate as outlined in contract
2	Administer annual process for all member jurisdictions to transfer streetlights added during the year to the MGSA inventory
2020/21 Initiatives	
3	Facilitate accurate inventory of streetlights between PG&E, DC Electric, and MarinMap GIS
4	Complete procurement and implementation of new streetlight maintenance contract with new or existing vendor

Streetlight – Telecommunications Equipment

1	Monitor legislation regarding telecommunications equipment in the public right-of-way and its impact related to MGSA assets
---	---

2	Ensure Agreement responsibilities are being met by carriers including collecting annual fees, all streetlight application processing fees, and insurance requirements
3	Review and process invoices for MGSA's streetlight vendor review of application packets
4	Review a) preauthorization forms and track use of poles by carriers and b) per pole application packets submitted by carriers and c) resolve any issues or concerns raised by MGSA's streetlight vendor or issues with local jurisdiction permits
2020/21 Initiatives	
5	Negotiate agreements with additional telecommunications carriers and providers if approached
6	Develop policy and process to distribute carrier fees to local agencies as determined by the MGSA Board once program is generating cost recovery revenue
7	Develop program as needed depending on scale and speed of equipment implementation and jurisdictional permit issuance
8	Present policy options and get direction from the MGAS Board on the level of telecommunications carrier equipment and other data to be collected from MGSA's application process and the local jurisdictional permit processes and shared (e.g. MarinMap) with governments and the public

Taxi Regulation

1	Ensure that MGSA member agencies are in compliance with California State tax law
2	Maintain a permit and fee structure that is cost recovery
3	Mediate disputes if possible, between local taxi drivers and companies in order to reduce local impacts on residents and public safety resources
4	Monitor Lyft/Uber legislative activity to understand any impacts to local taxi activity and regulation
2020/21 Initiatives	
5	Continue analysis of regulatory framework and program structure. Research other jurisdictions. Implement program and staffing changes where appropriate
6	Manage a Covid-19 related fee deferral and associated transactions and communications



555 Northgate Drive, Suite 102
 San Rafael, CA 94903-3680
 415 446 4428
mgsastaff@marinjpas.org