

**MARIN GENERAL SERVICES AUTHORITY**

555 Northgate Drive, Suite 230, San Rafael, CA 94903

Phone: (415) 448-0359

www.maringsa.org

**DATE:** May 15, 2014  
**TIME:** 10:00 a.m.  
**PLACE:** San Rafael City Hall – Council Chambers  
1400 Fifth Avenue, San Rafael, California

**BOARD MEETING AGENDA**

- A. Approve Minutes of March 13, 2014 Regular Meeting.
- B. Report from Executive Officer (Berlant)
- C. MarinMap Program Update (Berlant, Bush)
- D. Taxicab Regulation Program Update (Berlant, Rawles)
- E. 2012-13 Audit Report (Berlant)
- F. 2014-2015 Budgets (Berlant)
  - 1. MGSA Operating Fund
  - 2. Abandoned Vehicle Abatement Program
- G. Closed Session – Conference with Legal Counsel  
PENDING LITIGATION - Pursuant to Government Code § 54956.9(a): Marin General Services Authority and City of Novato v. Novato Taxi, et. al.
- H. Public Comment.  
*Anyone wishing to address the Board on matters not on the posted agenda may do so. Each speaker is limited to two minutes. As these items are not on the posted agenda, members of the Board may respond briefly but the Board's general policy is to refer such items to staff for attention, or have the matter placed on a future agenda for a more comprehensive action or report and formal public discussion.*
- I. Adjournment

NEXT SCHEDULED MEETING: July 10, 2014

cc: Clerk to the Board of Supervisors for posting; San Rafael City Clerk for posting; City/Town Managers/County Administrator; Novato City Clerk (w/minutes); Dave Byers, General Counsel; Wayne Bush; Jeff Rawles; Bruce Anderson; Thomas Horne; Madeline Thomas.

# MARIN GENERAL SERVICES AUTHORITY

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## BOARD MEETING NOTES

Meeting of March 13, 2014

The meeting came to order in the San Rafael City Council Chambers at 10:00 a.m.

Present: Vice Chair Dan Schwarz called the meeting to order with Sean Condry, Dan Eilerman, Nancy Mackle, and Adam Politzer, present. Jill Barnes arrived at 10:15. Absent: Michael Frank. Staff present: Executive Officer Paul Berlant, General Counsel David Byers, MarinMap Administrator Wayne Bush, and Taxicab Regulations Program Manager Jeff Rawles.

- A. Minutes of the November 14, 2013 Regular Meeting. Motion by Mackle, seconded by Eilerman to approve the minutes of the November 14, 2013 meeting. Motion carried 5 – 0.
- B. Report from Executive Officer. Berlant had no report.
- C. Closed Session. Taxicab Driver Permit Determination – One Applicant - Pursuant to Government Code §54956.7. The Board made the following announcement: Based on the evidence presented by staff, the board voted 5 – 0 to deny the appeal for a Taxicab Driver Permit.

Member Barnes arrived prior to Item D.

- D. MCSTOPPP 2014-15 Budget. This item was heard after Agenda Item I. Terri Fashing presented the draft 2014-15 MCSTOPPP budget. Fashing responded to questions from board members regarding overhead and indirect costs.

The board also noted that the yet to be completed annual audit report of MCSTOPPP may cause changes to reserve amounts shown in the budget tables. However, such changes are not expected to be substantive.

Motion by Eilerman, seconded by Condry to approve Resolution 2014-01 recommending the Board of Supervisors approve the 2014-15 MCSTOPPP budget. Motion carried 6 – 0.

- E. MarinMap Program Update, Amendment to 2013-14 MarinMap Budget, Consideration and Adoption of 2014-15 MarinMap Budget, Consideration and Approval of an Amendment to the MarinMap Joint Exercise of Powers Agreement (JEPA), and Consideration of an amended Fee Schedule. Berlant and Bush provided an update on MarinMap activities, a proposed amendment to the 2013-14 budget to use contingency/reserve funds to move specific projects forward; presented the draft 2014-15

budget; presented an amendment to the MarinMap JEPAs to authorize the added membership of independent fire districts and other JEPAs modifications; and presented an updated fee schedule to reflect the new membership of the fire districts.

Motion by Mackle, seconded by Condry to approve four resolutions: Resolution 2014-02, amending the 2013-2014 MarinMap budget, Resolution 2014-03 approving the 2014-2015 budget, Resolution 2014-04 approving amendments to the MarinMap JEPAs, and Resolution 2014-05 adopting the amended MarinMap Fee Schedule.

Motion carried 6 – 0.

- F. Taxicab Regulation Program Update. Berlant and Rawles provided an update on the taxicab regulation program, including the statistics of companies, vehicles and drivers, an update on taxi permit fee revenues and public references to “Uber” - type services in Marin County. No action was taken.
- G. Professional Services Contract with Candice Bozzard. Staff presented a contract with Candice Bozzard to provide office support services at the MGSA office in San Rafael. Motion by Mackle, seconded by Eilerman to approve the professional services contract. Motion carried 6 – 0.
- H. Change to November 2014 Board Meeting Date. Berlant requested a change to the November 2014 meeting date. The consensus of the board was to cancel the November 2014.
- I. Closed Session - Conference with Legal Counsel - Pending Litigation - Government Code Section 54956.9(a): Marin General Services Authority and City of Novato v. Novato Taxi, et. al.

There were no announcements.

- J. Public Comment. Robert DeWalt of Radio Cab recommended the Board communicate with the CPUC, asking that drivers of ride-sharing services regulated as TNC’s be required to be subject to random drug/alcohol testing as well as when first employed as such drivers.
- K. Adjournment. The meeting adjourned at 11:10 a.m.

**NEXT SCHEDULED MEETING: May 15, 2014 10:00 a.m.**

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Paul Berlant, Executive Officer

**Marin General Services Authority**  
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**MEMORANDUM**

**DATE:** May 15, 2014  
**TO:** MGSA Board of Directors  
**FROM:** Paul Berlant, Executive Officer and Wayne Bush, Program Director  
**SUBJECT:** AGENDA ITEM C: MarinMap: Program Update

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Recommendation

Receive this update regarding the MarinMap program. No action is requested.

Status of MarinMap Programs and Projects

Mr. Bush reports that he continues to work with the independent fire districts regarding the joint fire agency membership. To date, the MOU required for the districts to join as one member, per the amendments approved by the MGSA board in March, has not been finalized.

TAM reports that they are still working on an internal GIS system and are not ready to join MarinMap.

The Ross Valley Sanitary District Board of Directors took action to join MarinMap on March 18, 2014. Their action is effective July 1, 2014. One of Mr. Bushes' first actions will be to offer services and training to RVSD staff and post their sewer line maps to our expanding inventory of subsurface utilities.

With regard to the county-wide orthophoto project, Mr. Bush has been coordinating agency execution of the MOA with SFEI. As previously reported, this is not a MarinMap project per se, but Mr. Bush has agreed to assist with coordination among the Marin interested agencies and SFEI.

New 2014 FEMA flood zone data have been loaded into MarinMap database. All GIS applications using FEMA data have been updated to show 2014 data.

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## MEMORANDUM

**DATE:** May 15, 2014  
**TO:** MGSA Board of Directors  
**FROM:** Paul Berlant, Executive Officer  
**SUBJECT:** AGENDA ITEM D: Taxicab Regulation Program Update

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### Recommendation

Accept this update regarding the Marin County Taxi Regulation Program. No action is requested.

### Inventory Update and Permit Fees

As of mid-April there were 29 companies using 31 names. This total is the same as March, but one company has quit business and another one has started. There were 109 vehicles permitted versus 115 reported in March (this decline is mostly from one large company). Lastly, there were 180 drivers, an increase of four from March. There continues to be constant turnover among the drivers.

Most of the companies have renewed for 2014 with a few more pending. This is the first year that all companies have paid the same fees. In previous years the older, initial companies were granted five-year permits for their company permit, and a reduced fee for vehicle permits. All of the initial five-year permits have now expired and all the older, operating companies' permits have been renewed. The MGSA's fee structure is well understood by the taxicab companies. The workload for staff is stable with driver turnover, vehicles being replaced, and new companies applying for operating permits.

### Other Issues

As we have noted in the past, with the possible exception of the Golden Gate Transit Center in San Rafael, the City of Sausalito has more taxicabs congregating in the city than any other location in Marin. The Sausalito Police Department conducted one meeting with the taxicab operators in an effort to work together to alleviate traffic and encourage taxicab transportation of bicycles from downtown during the tourist season. MGSA staff has also met several times with the Sausalito officials and the Sausalito Chamber of Commerce to address taxicab congestion and operations. The City of Sausalito also moved a taxicab stand location several times over the last few years in order to better control and organize the taxicab access for customers.

Communication with the Sausalito Police Department over the last few years has also related to their concern that too many cabs were lining up at their taxi stand and taking police time and resources to control. MGSA does not limit the number of taxicab

company permits we issue, nor regulate the location in which the cabs operate. Therefore the number of taxicabs that attempt to pick up fares in Sausalito is not an issue MGSA staff has been able to resolve for the city. On the other hand, the Sausalito Chamber of Commerce has stated they need more taxicabs to pick up customers from local establishments. Staff does not have any recommendation on this issue, but feels it is noteworthy enough to bring it to the Board's attention.

Staff continues to monitor "Uber ride-share" type activities. Other than occasional questions and comments from drivers and company representatives, we have seen little of this type of activity.

We have again looked at revenues versus program costs, with an eye toward a balance. Attached are the latest data regarding permit revenues. We continue to show a small excess of revenue over projected costs, with the potentially large variables being legal costs due to pending litigation and the variation of revenue due to business cycles. As we have noted in each bi-monthly program update, the inventory of companies, drivers and vehicles is constantly changing and the smaller companies seem to be subject to the volatility of the market place, leading one to conclude that some variation of revenues can continue to be expected. Our conclusion remains that fees should remain as currently set.

Attachment

Taxi Permit Fee Revenues 2013- 2014

## 2013-14 Taxi Permit fee Revenue 7-1-13 thru 4-24-14

Permit Fees	Paid in 2012-13			Actual 7-1-13 through 4-24-14		
	#	Rate	Total	#	Rate	Total
Drivers	46	\$100	\$4,600	75	\$100	\$7,500
Vehicles	69	\$700	\$48,300	94	\$1,000	\$94,000
	35	\$1,000	\$35,000			
Companies	22	\$1,000	\$22,000	20	\$1,000	\$20,000
Total			\$109,900			\$121,500

Permit Fees	July 2013 Projection for 2013-14			April 2014 Projection for 2013-14		
	#*	Rate	Total	#*	Rate	Total
Drivers	90	\$ 100	\$ 9,000	80	\$ 100	\$ 8,000
Vehicles	100	\$ 1,000	\$ 100,000	100	\$ 1,000	\$ 100,000
Companies	28	\$ 1,000	\$ 28,000	20	\$ 1,000	\$ 20,000
Total			\$ 137,000			\$ 128,000

\*Driver and Vehicle Numbers Rounded to Nearest 10

### 2013-14 Budgeted Expenses

Professional Services	\$70,000
Legal	\$15,000
Admin/Office	\$16,000
Supplies/Services	\$7,000
	<u>\$108,000</u>

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**MEMORANDUM**

DATE: May 15, 2014  
TO: MGSA Board of Directors  
FROM: Paul Berlant, Executive Officer  
SUBJECT: AGENDA ITEM E: 2012 – 2013 Audit Report

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**Recommendation:** Accept the Audit Report for 2012 – 2013 prepared by John Maher Accountancy.

**Background:** John Maher Accountancy has prepared the audit report for the 2012 – 2013 fiscal year. As is customary, in the Management Representation letter to Maher Accountancy we included the following statement: “As part of your audit, you prepared the draft financial statements and related notes. We have designated a competent employee to oversee your services and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.” As we have done in the past, in order to meet the intent of that statement regarding review, a board member who has substantial municipal finance background reviewed the draft financial statement and audit report. Again this year, Michael Frank, served that role. Thank you, Mr. Frank.

**Audit Report Findings**

The report’s cover letter to the Board, referred to as the “Auditor’s Communication with the Board,” includes the following paragraph:

**“Other Audit Findings or Issues**

- Collections of money through the Taxi Program are not subject to adequate internal controls. We recommend that a formal process involving appropriate segregation of duties be implemented to this program. We also recommend that a formal collection procedure be communicated to drivers and cab companies that will allow for uniform system of collections.
- Payments to the members for AVA funds are printed by the county and mailed to the program manager for individual disbursement. We recommend that the county issue these payments directly to the members, preferably using an electronic payment method.”



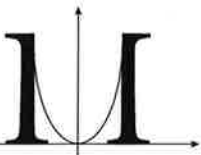
These findings/issues, as well as my responses, were further addressed by Mr. Maher in an "Internal Control Letter." I have worked with Mr. Maher to arrive at a set of procedures regarding invoicing and collection of taxi permit fee payments that address Mr. Maher's findings and recommendations. These include utilization of QuickBooks software made operational this fiscal year which will allow our office staff to initiate invoicing for and collection of Company and Vehicle Permit fees. Further routinized oversight on my part will add an additional layer of control. As to the AVAP payments, beginning in FY 2014 - 15, we will be asking the County to issue electronic fund transfers and automated email notification to the cities/towns for quarterly payments. These procedures should meet the concerns raised by Mr. Maher.

The report contains no exceptions or other management recommendations. Given the resolution of the issues raised in the Internal Control Letter and otherwise clean report, Mr. Maher has not been asked to attend the Board meeting. However, should a board member wish to discuss or review the report at the May 15<sup>th</sup> meeting with Mr. Maher, he is available to attend. Please let me know by Monday, May 12<sup>th</sup>, and I'll invite Mr. Maher.

c: John Maher

Attachment

2012 – 2013 Audit Report in Electronic Format (a hard copy is available)



April 25, 2014

To the Board of Directors  
Marin General Services Authority

We have audited the financial statements of the Marin General Services Authority for the year ended June 30, 2013, and have issued our report thereon April 25, 2014. Professional standards require that we provide you with the following information related to our audit.

**Our Responsibility under U.S. Generally Accepted Auditing Standards**

As stated in our engagement letter dated August 7, 2013, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

**Significant Audit Findings**

***Qualitative Aspects of Accounting Practices***

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Marin General Services Authority are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during year. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There are no significant estimates used in preparing the financial statements.

***Difficulties Encountered in Performing the Audit***

We encountered no significant difficulties in dealing with management in performing and completing our audit.

***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.



Board of Directors

April 25, 2014

Page 2 of 2

- Because MGSA's general ledger is maintained for each fund according to the modified accrual basis of accounting, we recommended adjustments to allow for the presentation of the government-wide financial statements on the full accrual basis since generally accepted accounting principles require that both presentations be made in the financial statements.
- We noted several misclassifications of expenditures that were made during the course of the year. We recommended adjusting entries which were accepted by management and incorporated in the financial statements.

Any other misstatements detected as a result of audit procedures and corrected by management were immaterial, either individually or in the aggregate, to the financial statements taken as a whole.

#### ***Disagreements with Management***

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### ***Management Representations***

We have requested certain representations from management that are included in the management representation letter dated March 4, 2014.

#### ***Management Consultations with Other Independent Accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### ***Other Audit Findings or Issues***

- Collections of money through the Taxi Program are not subject to adequate internal controls. We recommend that a formal process involving appropriate segregation of duties be implemented to this program. We also recommend that a formal collection procedure be communicated to drivers and cab companies that will allow for uniform system of collections.
- Payments to the members for AVA funds are printed by the county and mailed to the program manager for individual disbursement. We recommend that the county issue these payments directly to the members, preferably using an electronic payment method.

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of Board of Directors and management of Marin General Services Authority and is not intended to be and should not be used by anyone other than these specified parties.

*Maher Accountancy*

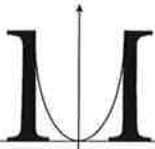
**MARIN GENERAL SERVICES AUTHORITY**

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**FINANCIAL STATEMENTS AND AUDITORS' REPORT  
YEAR ENDED JUNE 30, 2013**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Marin General Services Authority

We have audited the accompanying financial statements of the Marin General Services Authority (Authority) as of and for the year ended June 30, 2013, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of June 30, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The schedule of member contributions is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of member contributions is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The schedule has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not present an opinion or provide any assurance on it.

*Maher Accountancy*

April 25, 2014

# MARIN GENERAL SERVICES AUTHORITY

555 Northgate Dr., Suite 230

San Rafael, CA 94903

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis provides an overview of the Marin General Services Authority (MGSA) financial activities for the fiscal year ended June 30, 2013. Please read it along with the Authority's financial statements, which begin on page 7.

### FINANCIAL HIGHLIGHTS

The Authority's net position is \$364,000, an increase of \$71,000 from the prior year. Total revenues increased by \$174,000 and total expenses decreased by \$86,000.

Budgetary comparison schedules are found starting on page 21. Those schedules indicate we had a favorable variance of \$101,000 in the General Fund, a favorable variance of \$4,000 in the Abandoned Vehicle Fund, and a favorable variance of \$47,000 in the MarinMap Fund when comparing actual activity with budgeted.

### USING THIS ANNUAL REPORT

This annual report consists of financial statements for MGSA as a whole. The statement of net position and the statement of activities provide information about the activities of the Authority as a whole and present a long-term view of MGSA's finances. The fund financial statements present a short-term view of the Authority's activities (they include only current assets expected to be collected in the very near future and liabilities expected to be paid in the very near future).

### THE AUTHORITY AS A WHOLE

#### THE STATEMENT OF ACTIVITIES AND THE STATEMENT OF NET POSITION

One important question asked about MGSA's finances is, "Is MGSA better or worse off as a result of the year's activities?" The information in the government-wide financial statements helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the basis of accounting used by most private-sector companies.

The change in *net position* (the difference between total assets and total liabilities) over time is one indicator of whether MGSA's financial health is improving or deteriorating. However, one must consider other nonfinancial factors in making an assessment of the Authority's health, such as changes in the economy and changes in MGSA's activities, etc. to assess the *overall* health of MGSA.



## MARIN GENERAL SERVICES AUTHORITY

Changes in MGSA's net position is as follows:

	<u>June 30, 2013</u>	<u>June 30, 2012</u>	<u>Increase (decrease)</u>
Current assets	\$ 459,429	\$ 440,579	\$ 18,850
Noncurrent assets	12,154	0	12,154
Total assets	<u>471,583</u>	<u>440,579</u>	<u>31,004</u>
Current liabilities	<u>107,994</u>	<u>148,190</u>	<u>(40,196)</u>
Net position:			
Invested in capital assets	12,154	-	12,154
Restricted	219,832	236,235	(16,403)
Unrestricted	131,603	56,154	75,449
Total net position	<u>\$ 363,589</u>	<u>\$ 292,389</u>	<u>\$ 71,200</u>

Current assets increased primarily due to an increase in revenues from both the Taxi Program and contributions from members for MarinMap. The noncurrent assets reported above relates to additions of capital assets, net of depreciation. Liabilities at year end were significantly lower than the prior year due to the timing of the quarterly abandoned vehicle abatement (AVA) funds. The prior year saw a delay in the receipt of both the third and fourth quarter funds, so MGSA had a liability to remit these funds to its members. This year, only the fourth quarter AVA funds were not received at year end, creating a smaller liability.

Changes in MGSA's revenues were as follows:

	<u>June 30, 2013</u>	<u>June 30, 2012</u>	<u>Increase (decrease)</u>
General revenues:			
Member agency contributions	\$ 208,103	\$ 199,322	\$ 8,781
Investment earnings	320	496	(176)
Total general revenues	<u>208,423</u>	<u>199,818</u>	<u>8,605</u>
Program revenues:			
Member agency contributions	158,000	23,898	134,102
Grant income	17,088	22,733	(5,645)
Taxicab permits	116,950	83,440	33,510
Motor vehicle registration fees	233,564	245,348	(11,784)
Investment earnings	343	719	(376)
Miscellaneous	16,000	-	16,000
Total program revenues	<u>541,945</u>	<u>376,138</u>	<u>165,807</u>
Total revenue	<u>\$ 750,368</u>	<u>\$ 575,956</u>	<u>\$ 174,412</u>

A slight increase in required member agency contributions resulted in a positive change in general revenues. The significant increase in program revenues from member agency contributions relates to a continuation of MarinMap contributions after a one year hiatus. Taxi program revenue increased primarily because of increased permit fee rates. Miscellaneous revenue relates to fees from a technology company for the use of streetlight poles.

## MARIN GENERAL SERVICES AUTHORITY

Changes in MGSA's expenses and net position were as follows:

	<u>June 30, 2013</u>	<u>June 30, 2012</u>	<u>Increase (decrease)</u>
Expenses:			
Administration	\$ 298,229	\$ 355,510	\$ (57,281)
Abandoned vehicle program	233,847	241,057	(7,210)
MarinMap	147,092	168,388	(21,296)
Total expenses	<u>679,168</u>	<u>764,955</u>	<u>(85,787)</u>
Less program revenues	<u>541,945</u>	<u>376,138</u>	<u>165,807</u>
Net program (expense) revenue	(137,223)	(388,817)	251,594
General revenues	<u>208,423</u>	<u>199,818</u>	<u>8,605</u>
Change in net position	<u>\$ 71,200</u>	<u>\$ (188,999)</u>	<u>\$ 260,199</u>

The sharp decrease in administrative costs was the result of large prior year streetlight repair costs that did not occur this year. Other general and administrative costs also saw modest declines. The change in the abandoned vehicle program was very slight when compared to the prior year. The decrease in the reported MarinMap expenses is almost entirely due to capital assets acquired during the year that, for full accrual accounting purposes, are not entirely expensed in the year of acquisition. Overall activity for this program held fairly constant.

### FUND FINANCIAL STATEMENTS

The fund financial statements provide detailed information about MGSA's funds - the general fund and special revenue funds.

The fund financial statements provide a short-term view of the Authority's operations. They are reported using an accounting basis called *modified accrual* which measures amounts using only cash and other short-term assets and liabilities (receivables and payables) that will soon be converted to cash or will soon be paid with cash.

### CAPITAL ASSET AND DEBT ADMINISTRATION

MGSA's capital assets include street poles which are not assigned a value in these financial statements. (See Note 1 in the financial statements for further explanation.). Additionally, the MarinMap Fund's capital assets include the digital orthophotography database. The entity also carries no debt since its operations are financed entirely from member contributions, grants and investment earnings.

# MARIN GENERAL SERVICES AUTHORITY

## THE FUTURE OF MGSA

During fiscal year 2012-13 MGSA began permit renewal of the initial cohort of companies and drivers who received their first permits in Marin County's taxicab regulatory program in 2008. The initial permits were issued for multiple years, whereas subsequent changes to the regulations and permit fees have reduced the terms of these permits. There are currently 30 permitted companies, with 110 vehicles and 175 drivers. Permit renewal and issuance, as well as enforcement of regulations, will continue to be the focus of the program in 2013-14.

During 2011-12 Republic ITS, MGSA's original streetlight maintenance contractor, was purchased by the Siemens company, which began using the Siemens name in 2012-13. In 2012-13 a new, four-year contract with Siemens for streetlight maintenance went into effect, enhancing service to the MGSA members through additional services and reporting. 2014-15 will see continued efforts to help Siemens staff become more familiar with the members expectations and procedures.

The Marin Climate and Energy Partnership (MCEP) will continue under the direction of its Steering Committee with assistance of MGSA. In 2012-13 MCEP began development of its web page, which went on-line in the fall of 2013. During 2014-15 MCEP will develop a "report card," for members that will reflect the progress they have made in their efforts to reduce greenhouse gas emissions locally, and will assist members in the completions of their updates of their greenhouse gas emission inventories as required by their Climate Action Plans.

The MGSA will continue its oversight of the MarinMap county-wide GIS system. MarinMap receives direction from a Steering Committee, comprised of representatives of all members and an Executive Sub-committee responsible for day to day leadership. Day to day management of MarinMap continues with the assistance of a consultant.

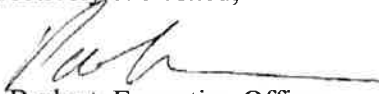
In 2014-15, MGSA will continue the administrative task of collecting data from and obtaining reimbursement for the County/towns/cities' efforts to abate motor vehicles abandoned within Marin County. Marin County utilizes a State program through which a \$1.00 fee is collected with annual registration of every motor vehicle registered in the county. These funds are returned to Marin County and, in turn, apportioned to the County/towns/ cities to reimburse local police agencies for their efforts.

## REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the Authority's finances and to demonstrate MGSA's accountability for the funds under its stewardship.

Please address any questions about this report or requests for additional financial information to the address on our letterhead.

Respectively submitted,

  
Paul Berlant, Executive Officer

## **BASIC FINANCIAL STATEMENTS**

# MARIN GENERAL SERVICES AUTHORITY

## STATEMENT OF NET POSITION YEAR ENDED JUNE 30, 2013

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets:	
Cash in County treasury	\$ 396,457
Receivables:	
State of California	60,622
Prepaid expenses	2,350
Total current assets	<u>459,429</u>
Noncurrent assets:	
Capital assets	244,791
Less: accumulated depreciation	<u>(232,637)</u>
Net	<u>12,154</u>
Total assets	471,583
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable and accrued liabilities	<u>107,994</u>
Total current liabilities	<u>107,994</u>
<b>NET POSITION</b>	
Invested in capital assets	12,154
Restricted:	
Abandoned Vehicle Abatement	26,346
MarinMap	133,177
Marin Climate Energy Partnership	60,309
Unrestricted	<u>131,603</u>
Total net position	<u>\$ 363,589</u>

The accompanying notes are an integral part of these financial statements.

# MARIN GENERAL SERVICES AUTHORITY

## STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2013

	<u>Total</u>	<u>Administration</u>	<u>Abandoned Vehicle Abatement</u>	<u>Marin Map</u>
<b>EXPENSES</b>				
Contract services	\$ 618,158	\$ 240,257	\$ 233,847	\$ 144,054
Legal	28,394	28,394		
Audit and accounting	12,675	12,675		
Insurance	9,488	9,488		
Rent	4,963	4,963		
Miscellaneous	2,452	2,452		
Depreciation	3,038			3,038
Total expenses	679,168	298,229	233,847	147,092
<b>PROGRAM REVENUES</b>				
Member contributions	158,000	26,000		132,000
Grant income	17,088	17,088		
Taxicab permits	116,950	116,950		
Motor vehicle registration fees	233,564		233,564	
Interest income	343		55	288
Miscellaneous	16,000	16,000		
Total program revenues	541,945	176,038	233,619	132,288
Net program revenue (expense)	(137,223)	\$ (122,191)	\$ (228)	\$ (14,804)
<b>GENERAL REVENUES</b>				
Member contributions	208,103			
Interest income	320			
Total general revenues	208,423			
Increase (decrease) in net position	71,200			
<b>NET POSITION, BEGINNING OF YEAR</b>				
	292,389			
<b>NET POSITION, END OF YEAR</b>				
	\$ 363,589			

The accompanying notes are an integral part of these financial statements.

# MARIN GENERAL SERVICES AUTHORITY

## BALANCE SHEET YEAR ENDED JUNE 30, 2013

	<u>General Fund 70050</u>	<u>Abandoned Vehicle Fund 70010</u>	<u>MarinMap Fund 70060</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash in County treasury	\$ 208,685	\$ 23,315	\$ 164,457	\$ 396,457
Total assets	<u>\$ 208,685</u>	<u>\$ 23,315</u>	<u>\$ 164,457</u>	<u>\$ 396,457</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 19,123	\$ -	\$ 31,280	\$ 50,403
Total liabilities	19,123	-	31,280	50,403
<b>FUND BALANCES</b>				
Restricted:				
Abandoned vehicle abatement		23,315		23,315
Assigned:				
MarinMap			133,177	133,177
Marin Climate				
Energy Partnership	60,309			60,309
Unassigned	129,253			129,253
Total fund balances	<u>189,562</u>	<u>23,315</u>	<u>133,177</u>	<u>346,054</u>
Total liabilities and fund balances	<u>\$ 208,685</u>	<u>\$ 23,315</u>	<u>\$ 164,457</u>	<u>\$ 396,457</u>

The accompanying notes are an integral part of these financial statements.

# MARIN GENERAL SERVICES AUTHORITY

## BALANCE SHEET YEAR ENDED JUNE 30, 2013 (CONTINUED)

### RECONCILIATION TO THE STATEMENT OF NET POSITION

Total governmental fund balance	\$ 346,054
Amounts reported for <i>governmental activities</i> in the statement of net assets are different because:	
Abandoned vehicle fees receivable that are not available to pay current period expenditures is deferred in the funds	60,622
Prepaid expenses	2,350
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	12,154
Abandoned vehicle fee distributions to local governments paid after received from State of California	<u>(57,591)</u>
Net position of governmental activities	<u>\$ 363,589</u>

The accompanying notes are an integral part of these financial statements.



# MARIN GENERAL SERVICES AUTHORITY

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 2013

	<u>General Fund 70050</u>	<u>Abandoned Vehicle Fund 70010</u>	<u>MarinMap Fund 70060</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Intergovernmental:				
Participating local agencies	\$ 234,103		\$ 132,000	\$ 366,103
Motor vehicle registration fees		\$ 232,728		232,728
Interest income	320	55	288	663
Grant income	17,088			17,088
Taxicab permits	116,950			116,950
Miscellaneous	16,000			16,000
Total revenues	<u>384,461</u>	<u>232,783</u>	<u>132,288</u>	<u>749,532</u>
<b>EXPENDITURES</b>				
Services and supplies				
Contract services	240,257	233,030	144,054	617,341
Legal	28,394			28,394
Audit and accounting	12,675			12,675
Insurance	9,488			9,488
Rent	4,963			4,963
Miscellaneous	2,452			2,452
Total services and supplies	<u>298,229</u>	<u>233,030</u>	<u>144,054</u>	<u>675,313</u>
Capital outlay	-	-	15,192	15,192
Total expenditures	<u>298,229</u>	<u>233,030</u>	<u>159,246</u>	<u>690,505</u>
Excess (deficiency) of revenues over expenditures	86,232	(247)	(26,958)	59,027
<b>FUND BALANCE, BEGINNING</b>	<u>103,330</u>	<u>23,562</u>	<u>160,135</u>	<u>287,027</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 189,562</u>	<u>\$ 23,315</u>	<u>\$ 133,177</u>	<u>\$ 346,054</u>

The accompanying notes are an integral part of these financial statements.

# MARIN GENERAL SERVICES AUTHORITY

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 2013 (CONTINUED)

### Reconciliation of the change in fund balance-total governmental funds to the change in net position of governmental activities:

Net change in fund balance	\$	59,027
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense		
Capital asset purchases capitalized		15,192
Depreciation expense		(3,038)
Revenues in the statement of activities that do not provide current resources are not reported as revenue in the fund financial statements		
Abandoned vehicle fees accrued at beginning of year		(59,786)
Abandoned vehicle fees accrued at end of year		60,622
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the fund financial statements:		
Payments from abandoned vehicle abatement fund to County, cities and towns:		
Accrued at beginning of year		56,774
Accrued at end of year		(57,591)
Insurance prepaid for the subsequent year		
Prepaid at beginning of year		(2,350)
Prepaid at end of year		2,350
Change in Net Position of Governmental Activities	\$	<u>71,200</u>

The accompanying notes are an integral part of these financial statements.

# MARIN GENERAL SERVICES AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### REPORTING ENTITY

The Marin General Services Authority (MGSA) was formed on October 1, 2005 under a joint powers agreement between the County of Marin, eleven municipalities within Marin County and two community service districts. The governing board of MGSA consists of seven directors representing member agencies as follows: Marin County Administrator, City Managers of San Rafael and Novato, two City or Town Managers appointed by the Marin Managers Association, and two Public Works Directors appointed by the Marin Public Works Association.

The purpose of MGSA is to administer, finance and govern various municipal services within Marin County, including maintaining street lights throughout the County. MGSA administers the Abandoned Vehicle Abatement Program whereby fees collected by the California Department of Motor Vehicles are paid to MGSA which, in turn, pays MGSA member agencies for towing abandoned vehicles from their respective jurisdictions.

MGSA oversees the MarinMap project which assists in the preparation and distribution of digital aerial photographic maps of various Marin County jurisdictions. MarinMap operates according to a joint exercise powers agreement between the members of MGSA and four special districts within Marin County, each of which make contributions in support of the activity.

MGSA also administers the Marin County Taxi Regulation Program.

MGSA services as an agent and collects payments from its participants on behalf of the Marin County Probation Department's Mediation Services Unit and remits collected funds to the Probation Department. As of year-end, MGSA had distributed all such amounts.

#### INTRODUCTION

MGSA's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

# MARIN GENERAL SERVICES AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### **BASIC FINANCIAL STATEMENTS GOVERNMENT-WIDE STATEMENTS**

MGSA's basic financial statements include both government-wide (reporting MGSA as a whole) and fund financial statements (reporting MGSA's major funds).

In the government-wide Statement of Net Position, MGSA's activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. MGSA's net position is reported in three parts: (1) invested in capital assets, net of related debt, (2) restricted net position, and (3) unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of MGSA's functions. The Statement of Activities reduces gross expenses by related program revenues. The net expenses (by function) are normally covered by general revenue (investment earnings).

The government-wide focus is more on the sustainability of MGSA as an entity and the change in MGSA's net position resulting from the current year's activities.

#### **FUND FINANCIAL STATEMENTS**

The financial transactions of MGSA are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures.

MGSA uses the following fund type:

#### **Governmental funds:**

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial positions (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of MGSA:

# MARIN GENERAL SERVICES AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**General fund** is the general operating fund of MGSA. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special revenue funds** are used to account for the proceeds of revenue sources that are legally restricted to expenditures for specified purposes. Following is a description of the funds included under this category:

The *Abandoned Vehicle Fund* is used to account for a \$1 per vehicle fee collected by the California Department of Motor Vehicles with vehicle registrations and distributed to member agencies to help fund the cost of towing or otherwise removing abandoned vehicles from public streets.

The *MarinMap Fund* is used to purchase services to develop digital aerial maps and to develop and maintain systems to share geographic information among governmental agencies in Marin County.

#### **BASIS OF ACCOUNTING**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

#### **Accrual:**

The governmental activities in the governmental-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

#### **Modified accrual:**

The government fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

# MARIN GENERAL SERVICES AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### FINANCIAL STATEMENT AMOUNTS

##### CASH AND CASH EQUIVALENTS:

MGSA has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with fiscal agent (County of Marin).

##### CAPITAL ASSETS

It is MGSA's policy to record purchases of items of furniture and equipment costing \$1,000 or less as office supplies. Items in excess of \$1,000 are classified as capital outlay or capitalized. MGSA's capital assets are classified as computers, peripherals and software and are depreciated on the straight-line basis over five year estimated useful lives beginning when placed in service.

MGSA is the successor to the Marin Streetlight Acquisition Joint Powers Authority (MSLJPA) which owned street poles throughout Marin County. Those street poles are considered infrastructure assets acquired prior to June 30, 2003 and are not recorded in these financial statements as allowed for "Phase 3" governments as defined by Governmental Accounting Standards Board Statement No. 34.

##### FUND BALANCE

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which MGSA is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned. Following is a description of the components applicable to MGSA:

Restricted – This component consists of amounts that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation.

Assigned – This component consists of amounts that are constrained by MGSA's intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance is expressed by the Board of Directors, Executive Officer or their designee as established in MGSA's fund balance policy.

Unassigned – This classification represents amounts that have not been restricted, committed or assigned to specific purposes within the general fund.

# MARIN GENERAL SERVICES AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### BUDGET

Both the original budget and the final budget (if changes were adopted) are included in these financial statements as approved by the Board of Directors. The budgetary basis is the modified accrual basis of accounting.

### 2. CASH

MGSA maintains all of its cash in the County of Marin pooled investment fund for the purpose of increasing interest earnings through pooled investment activities. Interest earned on the investment pool is allocated quarterly to the participating funds using the daily cash balance of each fund. This pool, which is available for use by all funds, is displayed in the financial statements as "Cash."

The County Pool includes both voluntary and involuntary participation from external entities. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer.

The County's investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the Treasurer are regulated by the California Government Code and by the County's investment policy. The objectives of the policy are in order of priority, safety, liquidity, yield, and public trust. The County has established a treasury oversight committee to monitor and review the management of public funds maintained in the investment pool in accordance with Article 6 Section 27131 of the California Government Code. The oversight committee and the Board of Supervisors review and approve the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the oversight committee and the investment pool participants every month. The report covers the types of investments in the pool, maturity dates, par value, actual costs and fair value.

# MARIN GENERAL SERVICES AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

### 2. CASH (continued)

#### INTEREST RATE RISK

In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment pool to 540 days, or 1.5 years. At June 30, 2013, the County's investment pool had a weighted average maturity of 178 days.

For purposes of computing weighted average maturity, the maturity date of variable rate notes is the length of time until the next reset date rather than the stated maturity date.

#### CREDIT RISK

State law and the County's Investment Policy limits investments in commercial paper, corporate bonds, and medium term notes to the rating of "A" or higher as provided by Moody's Investors Service or Standard & Poor's Corporation. The County's Investment Policy limits investments purchased by Financial Institution Investment Accounts, a type of mutual fund, to United States Treasury and Agency obligations with a credit quality rating of "AAA."

#### CONCENTRATION OF CREDIT RISK

The following is a summary of the concentration of credit risk by investment type as a percentage of each pool's fair value at June 30, 2013.

	Percent of portfolio
Investments in investment pool	
Federal agency - discount	81%
Federal agency - coupon	17%
Money market funds	2%
	<u>100%</u>



# MARIN GENERAL SERVICES AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

### 2. CASH (continued)

#### CUSTODIAL CREDIT RISK

For investments and deposits held with safekeeping agents, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or deposits that are in the possession of an outside party. At year end, the County's investment pool had no securities exposed to custodial credit risk.

#### LOCAL AGENCY INVESTMENT FUND

The County Treasurer's Pool maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisor Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State statute.

### 3. CAPITAL ASSETS

Changes in capital assets for MGSA were as follows:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Ending Balance</u>
Digital orthophotography database	\$ 225,843	\$ 15,192	\$ 241,035
Computer equipment	3,756		3,756
Subtotal	<u>229,599</u>	<u>15,192</u>	<u>244,791</u>
Less: accumulated depreciation	<u>229,599</u>	<u>3,038</u>	<u>232,637</u>
Net capital assets	<u>\$ -</u>	<u>\$ 12,154</u>	<u>\$ 12,154</u>

# MARIN GENERAL SERVICES AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

### 4. RISK MANAGEMENT

MGSA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and errors and omissions. During the year, MGSA purchased liability insurance with limits of \$5,000,000 and a deductible of \$1,000.

### 5. OPERATING LEASE

The Authority shares office space with Marin Telecommunications Agency (MTA). In March 2012, MGSA and MTA entered into a four year lease to rent office space. MGSA's share of the rent commences at \$408 and will not adjust during the remainder of the lease. Rent expense for the year was approximately \$5,000. The following is a schedule of required future minimum lease payments:

Year ended June 30,	
2014	4,896
2015	4,896
2016	3,264
	<u>\$ 13,056</u>

### 6. COMMITMENTS

As of June 30, 2013, the Authority has outstanding commitments relating to contracts with service providers that total approximately \$102,000.

### 7. TRANSACTIONS WITH RELATED PARTIES

In addition to financial transactions associated with its JPA agreement with members, the Marin General Services Authority engaged in financial transactions with one of its members, the County of Marin. During the fiscal year, expenses for services provided by various County of Marin departments were \$92,794. The County of Marin also contracts with MGSA for services provided by MGSA relating to the Marin Climate and Energy Partnership. MGSA received \$17,088 from the County of Marin under this agreement.

**REQUIRED SUPPLEMENTAL INFORMATION**

# MARIN GENERAL SERVICES AUTHORITY

## BUDGET COMPARISON SCHEDULE GENERAL (MGSA OPERATING) FUND YEAR ENDED JUNE 30, 2013

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>Revenues</b>			
Member agency contributions	\$232,100	\$ 234,103	\$ 2,003
Interest	1,000	320	(680)
Taxicab permit fees	81,000	116,950	35,950
Grant income		17,088	17,088
Total revenues	314,100	384,461	70,361
<b>Expenditures</b>			
Professional services	263,000	240,257	22,743
Legal	30,000	28,394	1,606
Administration and finance	12,000	12,675	(675)
Insurance premiums	11,000	9,488	1,512
Communication services	2,000	1,820	180
Rent	4,500	4,963	(463)
Office supplies	6,000	632	5,368
Total expenditures and outflows	328,500	298,229	30,271
<b>Excess (deficiency) of revenues over expenditures</b>	<b>\$ (14,400)</b>	<b>\$ 86,232</b>	<b>\$ 100,632</b>

# MARIN GENERAL SERVICES AUTHORITY

## BUDGET COMPARISON SCHEDULE ABANDONED VEHICLE ABATEMENT FUND SPECIAL REVENUE FUND YEAR ENDED JUNE 30, 2013

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<b>Revenues</b>			
DMV reimbursement	\$ 235,000	\$ 232,728	\$ (2,272)
Interest	1,000	55	(945)
Total revenues	236,000	232,783	(3,217)
<b>Expenditures</b>			
Professional services	240,000	233,030	6,970
Total expenditures	240,000	233,030	6,970
<b>Excess (deficiency) of revenues over expenditures</b>	<u>\$ (4,000)</u>	<u>\$ (247)</u>	<u>\$ 3,753</u>

# MARIN GENERAL SERVICES AUTHORITY

## BUDGET COMPARISON SCHEDULE MARINMAP FUND SPECIAL REVENUE FUND YEAR ENDED JUNE 30, 2013

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>Revenues</b>			
Member dues	\$ 132,000	\$ 132,000	\$ -
Interest income	1,000	288	(712)
Total revenues	133,000	132,288	(712)
<b>Expenditures</b>			
Professional services	207,384	144,054	63,330
Capital outlay	-	15,192	(15,192)
Total expenditures	207,384	159,246	48,138
<b>Excess (deficiency) of revenues over expenditures</b>	<b>\$ (74,384)</b>	<b>\$ (26,958)</b>	<b>\$ 47,426</b>

# **MARIN GENERAL SERVICES AUTHORITY**

## **NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION YEAR ENDED JUNE 30, 2013**

### **A. BUDGETARY BASIS OF PRESENTATION**

The budget included in these financial statements represents the original budget and amendments approved by the Board of Directors. The budgetary basis is the modified accrual basis of accounting. Various reclassifications have been made to the actual amounts to conform to classification included in the approved budget.

**OTHER SUPPLEMENTAL INFORMATION**



**MARIN GENERAL SERVICES AUTHORITY**

**SCHEDULE OF MEMBER CONTRIBUTIONS**

**YEAR ENDED JUNE 30, 2013**

	MGSA Fund			Total
	Operating	Streetlight	MCEP	
City of Belvedere	\$ 3,565	\$ 112	\$ 2,000	\$ 5,677
Bel Marin Keys CSD		102		102
Town of Corte Madera	7,674	548		8,222
County of Marin	53,946	1,484	2,000	57,430
Town of Fairfax	4,841	358	2,000	7,199
City of Larkspur	9,559	575	2,000	12,134
Marinwood CSD		207		207
City of Mill Valley	12,501	563	2,000	15,064
City of Novato	34,849	2,773	2,000	39,622
Town of Ross	3,475		2,000	5,475
Town of San Anselmo	9,086	466	2,000	11,552
City of San Rafael	39,926	3,134	2,000	45,060
City of Sausalito	7,200	465	2,000	9,665
Town of Tiburon	10,479	215	2,000	12,694
Marin Municipal Water District			2,000	2,000
Marin Local Agency Formation Commission				
Sewerage Agency of Southern Marin				
Transportation Authority of Marin			2,000	2,000
	<u>\$ 197,101</u>	<u>\$ 11,002</u>	<u>\$ 26,000</u>	<u>\$ 234,103</u>



Board of Directors and Management  
Marin General Services Authority

In planning and performing our audit of the financial statements of the Marin General Services Authority (MGSA) as of and for the year ended June 30, 2013, in accordance with auditing standards generally accepted in the United States of America, we considered MGSA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of MGSA's internal control. Accordingly, we do not express an opinion on the effectiveness of MGSA's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiency in MGSA's internal control to be a material weakness:

**Condition:** The Taxi Cab Regulation Program includes the collection of payments from the taxi companies and drivers. During the audit, we were informed that the head of the program meets with the payers, often individually, and collects payments. Payments are requested in the form of checks or money orders but could be offered in cash and MGSA's policy is that payments collected are delivered the day of collection to the MGSA office where a different staff member records the payments and sends them for deposit.

**Potential of loss:** Payments are subject to loss or theft.

**Recommendation regarding payments from taxi cab companies:**

Where payments can be anticipated, such as vehicle and taxi company permit fees, MGSA administrative staff will create invoices in the QuickBooks accounting system. Each month an invoice register and accounts receivable aging will be provided to the Executive Officer. In preparing bank deposits, administrative staff will record payments as received against accounts receivable. If adjustments to accounts receivable are



required, such as for the retirement of a vehicle, administrative staff will obtain documentation directly from the taxi company corroborating that event.

Before the beginning of each month, the taxi program manager will provide a *list of scheduled permit expirations* for the upcoming month and provide it to the Executive Officer and Administrative Staff.

During the course of the month:

- (a) Administrative Staff will issue invoices to taxi companies for company and vehicle permits from the *list of scheduled permit expirations*. Invoices will indicate that payments are to be remitted only to MGSA offices at 555 Northgate Drive, San Rafael.
- (b) Administrative Staff will notify Program Administrator that money is received for vehicle or company permits.
- (c) Program Administrator will provide authorization for administrative staff to purchase specific permits.
- (d) Program Administrator will pick up permits at printer and issue to permit holder.

At month end, administrative staff will print a *transaction list by type* and an *accounts receivable aging report* as of current month end and for the prior month end and Executive Officer will:

- (a) Check that the *accounts receivable aging* as of prior month end agrees to the report received in the prior month (to ensure that there were not new postings dated in earlier periods).
- (b) Check that “adjustment” transactions included on the *transaction list by type* are properly supported.
- (c) Compare invoices included in the *transaction list by type* with the *list of scheduled permit expirations*. Inspect documentation related to invoices included in the *transaction list by type* that were not included in the *list of scheduled permit expirations*.
- (d) Compare “payments received” included in the *transaction list by type* to deposits posted to the County MERIT general ledger.

**Management Response:** Management has agreed to implement the procedures recommend above.

**Recommendation regarding taxi cab driver permit fees:**

We recommend that management implement a policy that specifies certain dates and times that collections can take place and that collections can only take place at the MGSA office when two or more MGSA staff are present.

**Management Response:** Management agrees that the lack of segregation of duties is a weakness with respect to driver permit fees but believes that since driver permit fees are received haphazardly and are a relatively small portion of program revenue, that the cost of requiring two staff to process payments would exceed the risk of loss. Executive

Officer will continue to provide a high-level review to validate the reasonableness of driver permit fees received and recorded.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in MGSA's internal control to be significant deficiencies:

**Condition:** We noted that checks to member jurisdictions related to the Abandoned Vehicle Abatement Program are processed by the County of Marin finance department, made out to the various jurisdictions, and mailed directly to the program manager's home office. The program manager then delivers to the various jurisdictions.

**Potential of loss:** Payments are at risk of misappropriation.

**Recommendation:** We recommend that management request that the County send payment directly to the jurisdictions, preferably using an electronic payment method.

**Management Response:** Management agrees to implement the recommendation. Further, MGSA will contact jurisdiction to ensure payment was received.

This communication is intended solely for the information and use of management and the board of directors, and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Maher Accountancy*

April 25, 2014

# MARIN GENERAL SERVICES AUTHORITY

555 Northgate Drive, San Rafael CA 94903

Phone: (415) 448-0359

www.maringsa.org

## MEMORANDUM

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

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

### BACKGROUND

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

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

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

### PROPOSED MGSA OPERATING BUDGET

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

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

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

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

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

The following is the detail for Contract Services.

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

**TAXICAB REGULATIONS**

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

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

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

**MARIN CLIMATE AND ENERGY PARTNERSHIP**

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

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

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

**Table 4**  
**MCEP 2008- 2015**

<b>Resources</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>Total 08-1</b>
Member Contributions	\$ 28,000	\$ 24,000	\$ 24,000	\$ 22,000	\$ 26,000	\$ 28,000	\$ 28,000	\$ 180,000
BAAQMD	\$ 75,000							\$ 75,000
MCF1		\$ 80,000						\$ 80,000
MCF2			\$ 80,000					\$ 80,000
County/PG&E 1					\$ 25,000			\$ 25,000
County/PG&E 2					\$ 20,000	\$ 8,500		\$ 28,500
County/PG&E 3						\$ 12,000		\$ 12,000
<b>Subtotal Resources</b>	<b>\$ 103,000</b>	<b>\$ 104,000</b>	<b>\$ 104,000</b>	<b>\$ 22,000</b>	<b>\$ 71,000</b>	<b>\$ 48,500</b>	<b>\$ 28,000</b>	<b>\$ 480,500</b>
<b>Carryover</b>		\$ 36,631	\$ 47,020	\$ 77,946	\$ 49,472	\$ 60,651	\$ 65,651	
<b>Total Resources</b>		\$ 140,631	\$ 151,020	\$ 99,946	\$ 120,472	\$ 109,151	\$ 93,651	
<b>Expenditures</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>Total 08-1</b>
Start up	\$ 10,369							\$ 10,369
CA Director	\$ 56,000	\$ 44,000						\$ 100,000
Consultants		\$ 24,156						\$ 24,156
Sustainability Coordinator		\$ 24,705	\$ 67,074	\$ 49,449	\$ 57,896	\$ 40,000	\$ 60,000	\$ 299,120
Graphic Design			\$ 6,000	\$ 1,025				\$ 7,025
Staff Assistance					\$ 1,925			\$ 1,925
Misc. Expenses		\$ 750						\$ 750
Web Development						\$ 3,000	\$ 1,500	\$ 4,500
Web Maintenance						\$ 500	\$ 1,500	\$ 2,000
Prof Services							\$ 10,000	\$ 10,000
Contingency							\$ 20,651	\$ 20,651
<b>Total Expenditures</b>	<b>\$ 66,369</b>	<b>\$ 93,611</b>	<b>\$ 73,074</b>	<b>\$ 50,474</b>	<b>\$ 59,821</b>	<b>\$ 43,500</b>	<b>\$ 93,651</b>	<b>\$ 480,500</b>
<b>Balance/Carryover</b>	<b>\$ 36,631</b>	<b>\$ 47,020</b>	<b>\$ 77,946</b>	<b>\$ 49,472</b>	<b>\$ 60,651</b>	<b>\$ 65,651</b>	<b>\$ -</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/County costs are shared on an assessed value/population basis using the data below. The Community Services Districts do not participate in general costs. The 2014-15 general operating budget is based on member contributions of \$64,700 apportioned as shown below in Table 7. For purposes of complying with the JPA requirements, 2014-15 streetlight cost is estimated at \$11,000, the same amount as last year. The total calculations and member contributions, with comparisons to 2013-14 are shown in Tables 5, 6, 7, and 8 below. Members will be invoiced the amounts shown in Table 8 in June. The \$64,700 member contribution is \$83,500 less than last year due to slightly greater taxi permit revenues and greater actual 2013-14 and budgeted 2014-15 carryover/fund balance.

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

**Table 5**  
**ASSESSED VALUATION SHARES**

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

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

**Table 6**  
**POPULATION SHARES**

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

Source DOF E1 3-5-14

**Table 7**  
**GENERAL OPERATING MEMBER SHARE CALCULATION - 2014-15**

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

**Table 8**  
**TOTAL MEMBER CONTRIBUTIONS - 2014-15**

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

$$(AVM)(GB)(.5) + (PM)(GB)(.5) = C$$

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**

MGSA General Fund to be entered in County system

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

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

# MARIN GENERAL SERVICES AUTHORITY

555 Northgate Drive, Suite 230, San Rafael, CA 94903

Phone: (415) 448-0359

www.maringsa.org

## MEMORANDUM

**DATE:** May 15, 2014

**TO:** Board of Directors

**FROM:** Paul Berlant, Executive Officer

**SUBJECT:** AGENDA ITEM F-2: FY 2014-15 BUDGET FOR THE ABANDONED VEHICLE ABATEMENT PROGRAM

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Recommended Action: Adopt FY 2014-15 budget for the Abandoned Vehicle Abatement Program.

Background: The Marin General Services Authority serves as the Marin Abandoned Vehicle Abatement Program Authority. The program reimburses members for some of the costs of abating abandoned vehicles pursuant to a locally determined formula. All program funds are received from a \$1.00 surcharge on vehicle registration, collected by the state DMV and passed on to Marin County through the MGSA's AVA Program. The two areas of expenditure include the administrative cost incurred by the program administrator retained by MGSA and the payments made to towns/cities/ County to fund the abatement of abandoned vehicles. This budget is virtually identical to that of last year.

<b>Expenditures</b>	<b>Final Budget FY 2013-14</b>	<b>Estimated Actual FY 2013-14</b>	<b>Proposed Budget FY 2014-15</b>	<b>Difference vs Es. Actual</b>
Contract Services (Administration)	\$12,000	\$12,000	\$12,000	0
Contract Services (jurisdiction payments)	228,000	228,000	228,000	0
Contingencies	15,000	15,000	15,040	0
<b>TOTAL</b>	<b>\$255,000</b>	<b>\$255,000</b>	<b>\$255,040</b>	<b>0</b>

<b>Resources</b>				
Interest	\$1,000	\$40	\$40	-\$960
DMV Reimbursement	235,000	235,000	235,000	0
Subtotal	236,000	235,040	235,040	0
Fund Balance	19,000	20,000	20,000	0
<b>TOTAL</b>	<b>\$255,000</b>	<b>\$255,040</b>	<b>\$255,040</b>	<b>0</b>

MGSA Abandoned Vehicle Abatement Program as Entered in to County System.

<u>G/L</u>		<u>FY2013-14</u>	<u>FY 2014-15</u>
4410125	Interest On Pooled Funds	-1,000	-40
4530511	State - Abandoned Vehicle	-235,000	-235,000
REVCAT	Revenue Categories - CI	-236,000	-235,040
5210100	Professional Services	240,000	240,000
EXPENCAT	Expenditure Categories - CI	240,000	240,000
9000010	Appropriated for Contingency	15,000	15,040

Note: Carryover of \$20,000 is not entered into County system as revenue.

**MARIN GENERAL SERVICES AUTHORITY  
ADOPTION OF 2014 – 2015 ANNUAL OPERATING BUDGET**

**RESOLUTION 2014 –**

**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 15, 2014.

**NOW THEREFORE, BE IT RESOLVED**, that the Marin General Services Authority hereby adopts its Operating Budget for Fiscal Year 2014 – 2015 as shown in the attached Exhibit A.

Adopted this 15<sup>th</sup> day of May 2014.

Ayes: ‘

Noes: ‘

Absent: ‘

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Chair

Attested By:

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Executive Officer



## Exhibit A

Marin General Services Authority JPA Fund 70050 2014-15 Budget to be entered in County system

G/L	FY 2014-15
4220610 Other Permits - Taxi Cab	-120,000
4410125 Rev fr Use of Mny Prop - Int On Pooled	-200
4570115 Grant Revenue	0
4640322 Chrgs for Cur Svcs - City Contribution	-92,700
5210100 Professional Services	288,200
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	327,900
ZCONTIN Contingencies	70,651

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

**MARIN GENERAL SERVICES AUTHORITY  
ADOPTION OF 2014 – 2015 ANNUAL  
ABANDONED VEHICLE ABATEMENT PROGRAM BUDGET**

**RESOLUTION 2014 –**

**WHEREAS**, the Marin General Services Authority must adopt an annual spending plan for its Abandoned Vehicle Abatement Program (AVAP); and

**WHEREAS**, the MGSA Board of Directors reviewed and considered a draft AVAP budget on May 15, 2014.

**NOW THEREFORE, BE IT RESOLVED**, that the Marin General Services Authority hereby adopts its AVAP Budget for Fiscal Year 2014– 2015 as shown in the attached Exhibit A.

Adopted this 15<sup>th</sup> day of May 2014.

Ayes:

Noes:

Absent:

\_\_\_\_\_  
Chair

Attested By:

\_\_\_\_\_  
Executive Officer

## Exhibit A

MGSA Abandoned Vehicle Abatement Program 2014-15 Budget to be Entered in to County System.

G/L		FY 2014-15
4410125	Rev fr Use of Mny Prop - Int On Pooled	-40
4530511	State - Abandoned Vehicle	-235,000
REVCAT	Revenue Categories - CI	-235,040
5210100	Professional Services	240,000
EXPENCAT	Expenditure Categories - CI	240,000
9000010	Approp for Contingency #General	15,040

Note: Carryover of \$20,000 is not entered into County system as revenue.