

FY 2021/22 ADOPTED BUDGET AND WORKPLAN



Marin
General Services
Authority



DATE: May 13, 2021

TO: MGSA Board of Directors

FROM: Michael S. Frank, Executive Officer

SUBJECT: Fiscal Year 2021/22 Marin General Services Authority
Proposed Operating Budget and Workplan

Background

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

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

The significant structural change in this Budget which commenced with last year's budget, relates to the program responsibilities previously managed by the Marin Telecommunications Agency having been assumed by MGSA. The MTA was dissolved as an agency as of June 30, 2020 and the Cable Television Franchise and Public, Educational, and Government Access Program (CATV) was established beginning on July 1, 2020. The fund structure and program responsibilities are outlined later in this document.

This report proposes a budget for all five funds as well as describes and displays a detailed methodology for the allocation of various costs to JPA members for all programs. As part of MGSA’s responsibilities, the Board reviewed the Marin County Stormwater Pollution Prevention Program’s (MCSTOPPP) FY 2021/22 budget at its March Board Meeting. By Resolution 2021-01, the MGSA Board made a recommendation to the Board of Supervisors to approve the budget. MCSTOPPP’s budget is not included in this report since those funds are part of the County’s budget and are not under direct control of MGSA.

Discussion

This Budget development process is the second one conducted during the COVID-19 pandemic. The pandemic has significantly impacted MGSA financially as well as operationally. Unlike during the last budget process, the County is no longer in a “stay-in-place” order by the State and local health officials. Residents are becoming vaccinated, and life is slowly moving towards more normalcy. There continues, however, to be a great amount of uncertainty regarding the pandemic and its long-term impact on the economy.

The current year’s budget, however, continues to be a struggle. The bottom dropped out of the taxi industry during the pandemic impacting our permit fee revenue and one of our larger revenue sources. Along with cuts, the FY 20/21 Budget reached into reserves for its balancing. Through a combination of reduced contractor support, only absolutely vital expense charges, and the assumption of significant contractor support duties by the Executive Officer, we anticipate ending the year in a similar financial position as budgeted.

With this FY 21/22 Budget, MGSA continues to shrink its expenditure budget and look for opportunities to reduce costs and financial impacts on its member agencies. The most significant change is the Agency going virtual and eliminating its office suite rental, office internet, and copier lease. These expenses are slightly offset by a contract with the Transportation of Marin for a physical address, mail handling, and a 9 x 11 space to store legally mandated hard copy files.

In addition, MGSA continues to decrease its budget related to cost savings resulting from the absorption of MTA.

A blue rectangular graphic with rounded corners and a drop shadow. It contains the text 'Summary of Reductions' in white, underlined, and 'All MGSA Programs' in white below it. On the right side, there is a yellow starburst shape containing the text '-3.2%' in blue.

Summary of Reductions
All MGSA Programs **-3.2%**

As seen from the summary above, the FY 21/22 Proposed Budget is reducing jurisdiction contributions collectively by 3.2%.

One of the more complex issues with budgeting for MGSA is the numerous programs having very varied funding sources along with very varied allocation methodologies for jurisdiction funding. In addition, MGSA is sometimes acting as a passthrough of funds. For instance, the Abandoned Vehicle Abatement Program is approximately \$260,000 in budgeted expenditures but all except \$12,000 is distributed out to jurisdictions. This is also true of franchise fees collected by cable companies and distributed out by MGSA.

Proposed Workplan

The MGSA Board reviewed and provided input into the FY 2021/22 Proposed Workplan and Initiatives at their January 2021 meeting. This Budget supports the Proposed Workplan included as **Exhibit A** at the end of this budget document.

MGSA General Fund (without MCEP)

Table 1 displays the present year's adjusted (or revised) budget [Adj Budget 2020/21], an estimate of what year-end expenditures and revenues are anticipated [Est Actual 2020/21], and the proposed budget for the upcoming fiscal year [Proposed 2021/22]. The final column is the difference between the prior year adjusted budget and the proposed budget [Bud 20/21 vs Prop 21/22].

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

To date, only one budget change has been made to the Budget adopted for FY 2020/21. This occurred as a result of a grant received by MCEP of \$54,000.

Table 1 – MGSA General Fund Budget (without MCEP)

	Adj Budget 2020/21	Est Actual 2020/21	Proposed 2021/22	Bud 20/21 vs 21/22 Prop
Beginning Fund Balance	50,079	53,433	47,361	
Revenues				
Member Contributions	190,000	190,000	260,000	70,000
Taxicab Permit Fees	75,000	3,500	30,000	(45,000)
Management/Overhead Fees	47,440	47,440	48,909	1,469
Telecommunication Fees	30,000	15,000	30,000	-
Interest	5,000	2,500	3,000	(2,000)
Total Revenue	\$347,440	\$258,440	\$371,909	\$24,469
Expenditures				
Insurance	15,000	6,137	10,000	(5,000)
Contract Services	277,586	200,328	282,384	4,798
Legal	25,000	23,325	25,000	-
Audit/Accounting	15,500	15,500	15,500	-
Rent	9,000	8,736	2,400	(6,600)
Office Expense	15,000	10,486	13,000	(2,000)
Total Expenditures	\$357,086	\$264,512	\$348,284	\$(8,802)
Net	(9,646)	(6,072)	23,625	
Ending Fund Balance	40,433	47,361	70,986	

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

The “Member Contributions” line in **Table 1** is the amount needed to support the expenses (which have continued to be reduced) of the programs after other program specific revenues are considered. Member Contributions and their history are discussed in detail in the “Member Contributions” section of this document. The increase this coming fiscal year is directly related to the drop off of taxi permits and fees. Due to COVID-19, the program generated virtually no revenue. We anticipate a slow recovery next fiscal year.

Administration - General

The budgeted expenditures for the administration of MGSA are decreasing due to the continued financial benefits from the absorption of the MTA as well as the Authority going virtual and terminating its office lease and associated expenses. Expenditure reductions should continue in the following year’s budget process.

Animal Care and Control

In mid-2014/15, MGSA took on assisting the County of Marin in the management of the Animal Care and Control contract with Marin Humane (MH). A two-year contract with MH was negotiated and approved by the County Board of Supervisors on December 8, 2020. We are in the first year of the agreement with Marin Humane that has a flat contractual charge with no increase. As mentioned earlier, the contract amount, although invoiced by MGSA, is not located in our budget. It is part of the County's budget.

MGSA is provided approximately \$21,000 annually for managing this contract. In addition to facilitating the contract negotiations with MH, MGSA also invoices jurisdictions and is the interface with MH. Animal Services is 91% of what is proposed to be invoiced to jurisdictions in this budget and deposited with the County. The relatively small increase in Animal Services is due to an annual "true-up" that occurs following the issuance of the most recent CAFR.

Mediation

The Mediation Program is managed out of the District Attorney's Office, however, invoicing and coordination with jurisdictions is handled by MGSA. These funds are not considered revenue or expense for MGSA and are invoiced and directly transferred to the District Attorney's Office upon receipt. As requested by the District Attorney's Office, the Program's contributions for FY 2021/22 are 3.0% higher than FY 2020/21. The Board receives a separate report from the District Attorney's Office on the Mediation Program and its costs.

Streetlight Maintenance Program

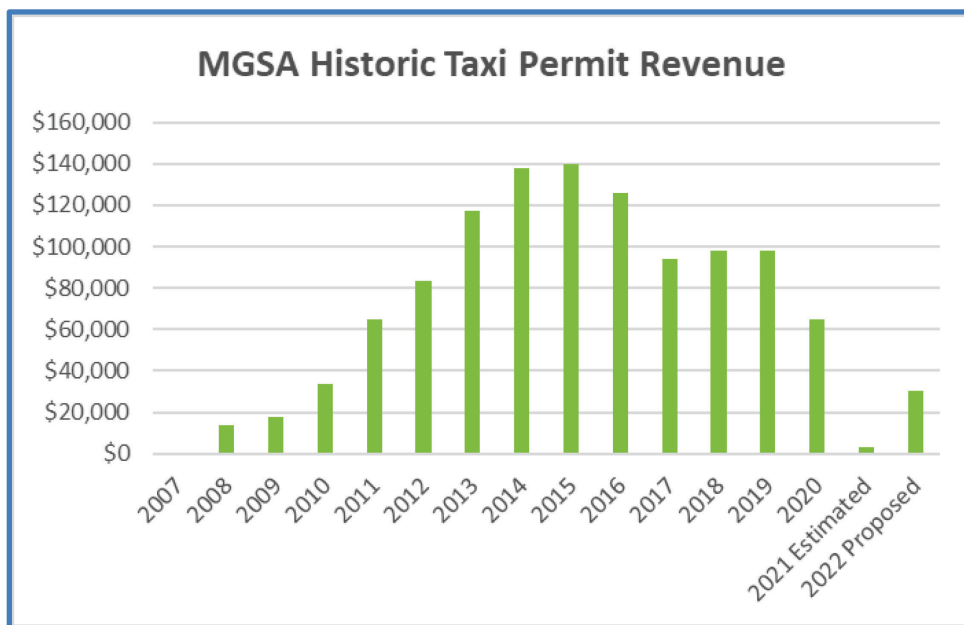
Aside from one GIS server, streetlights are MGSA's only asset. The Streetlight Maintenance Program was created in the mid-1980's and prompted the creation of MGSA's predecessor JPA. Because each jurisdiction makes decisions about streetlights in their locale and pays for all maintenance and replacement expenses under MGSA's master contract, the Program is mostly absent from MGSA's Budget. The exception is overhead charged to jurisdictions. For 2021/22, the Streetlight Program overhead is \$22,000 and is included in the "Member Contributions" line. Costs for the maintenance and replacement of individual streetlights are borne by the local jurisdiction. The overhead charged goes towards: 1) the management of the program including negotiating and managing the maintenance contract for approximately 16,000 streetlights owned by MGSA; 2) tracking all streetlight assets and transferring ownership to MGSA where there are new lights or changes in existing lights; and 3) addressing issues and opportunities that surface with residents or jurisdictions.

Streetlight Telecommunications Program

MGSA has signed master license agreements with five telecommunications companies. The agreements allow equipment on MGSA owned poles assuming permits are issued from local member jurisdictions. The agreements set up a per pole processing fee and then ongoing lease revenue for use of the poles. MGSA has not seen any applications to date. For this program in FY 2021/22, \$30,000 of revenue and \$30,000 in contract services expense is budgeted. This is the same as FY 2020/21.

Taxicab Regulation Program

Taxi permit fees were structured to cover the cost of the Taxi Regulation Program. As seen in the graph below, the permit rates were phased in over time. The costs are primarily the contract administrator of the program, the production of the permits, and administrative overhead. With the advent of Uber and Lyft which are regulated by the State CPUC and not by MGSA, Program revenue has fallen dramatically compared with its peak. Prior to the past year, the revenue slide had paused or reached its bottom. With COVID-19 and the stay-in-place order, the taxi industry came to a virtual halt and associated revenues with it. The MGSA Board waived taxi regulation fees for FY 20/21 to encourage those companies and drivers that were still surviving to get permits. Staff is projecting \$30,000 in revenue for FY 2021/22 as the industry recovers.



General Fund Reserve Policy

The Proposed Budget anticipates \$70,986 in General Fund reserves at the end of the fiscal year. This Budget restores reserves to comply with the Board's reserve policy. The policy calls for a minimum of 15% of expenditures or \$52,243.

Marin Climate and Energy Partnership

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

The program is directed by a Steering Committee with representation from each of the members. The MGSA's role has been to assist in contract administration with grantors and contractors and to provide assistance in invoicing, collection of grant and member contributions, contracting and paying for MCEP services, and advising the Steering Committee. While MGSA serves primarily as a fiscal agent, the MGSA Board has final say on contracts and policy positions. To date, the Partnership has been funded by annual contributions, as well as several grants and contracts totaling over \$825,000 since 2007 from sources such as the Bay Area Air Quality Management District, the Marin Community Foundation, the California Energy Commission, Transportation Authority of Marin (TAM), and several contracts with the County through the PG&E-Marine Energy Watch Partnership.

Although a separate cost center is maintained for MCEP, the funds are placed in the MGSA's General Fund. The resources and expenditures are shown in **Table 2**. During FY 2021/22, MCEP will be providing technical services related to climate inventory tracking and reporting and development of Climate Action Plan updates. Specifically, MCEP will develop community greenhouse gas inventories for all Marin jurisdictions for the inventory year 2020. MCEP will prepare and present a report for jurisdictions identified in the scope of work and update the MCEP website and Sustainability Tracker with the new information. This work is being paid for with \$25,000 in grant funding from the County through the Marin County Energy Watch Partnership.

Also, during FY 2021/22, MCEP will be developing a Countywide Electric Vehicle Readiness Plan that furthers members' climate action plan goals for EV adoption, conducts public outreach, and identifies the roles and responsibilities of local jurisdictions in supporting EV adoption in Marin County. This work is being paid for with a \$54,000 grant from TAM that was awarded in January 2020.

The budget also includes a \$10,612 expenditure to fund the nonprofit Resilient Neighborhoods (RN). MCEP has been partnering with RN since 2015 to implement the public outreach objectives of members' climate action plans. During FY 2020/21, MCEP contracted with RN for \$30,000 to organize and educate community-based climate action teams on strategies and resources available to improve home energy efficiency, shift to renewable energy, reduce transportation emissions, conserve water, reduce waste, and be more resilient to a changing climate. In response to the COVID-19 pandemic, RN successfully created an online version of their program. The \$10,612 expenditure represents \$4,597 in unused funds from the FY 2020/21 budget and an additional \$6,015 to continue to fund RN while the MCEP Steering Committee explores opportunities to develop a long-term funding plan to support RN.

Annual membership dues were reduced from \$2,500 to \$1,500 per agency in FY 2020/21 to financially assist agencies through the COVID-19 pandemic. The FY 2021/22 budget proposes to return dues to the previous level of \$2,500 per agency.

Table 2 – Marin Climate and Energy Partnership

	Adj Budget 2020/21	Est Actual 2020/21	Proposed 2021/22	Bud 20/21 vs 21/22 Prop
Beginning Fund Balance	94,376	56,934	33,361	
Revenue				
Member Contributions	22,500	22,500	37,500	15,000
Grant/TAM	54,000	8,700	45,300	(8,700)
Grant/County-PG&E	25,000	25,000	25,000	-
Total Revenue	\$101,500	\$56,200	\$107,800	6,300
Expenditures				
Overhead	7,000	7,000	7,000	-
Contract Services	129,550	72,773	96,661	(32,889)
Total Expenditures	\$136,550	\$79,773	\$103,661	(32,889)
Net	\$(35,050)	\$(23,573)	\$4,139	
Ending Fund Balance	\$59,326	33,361	\$37,500	

MCEP Reserve Policy

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

Marin Abandoned Vehicle Fund and Program

The Marin General Services Authority serves as the Marin Abandoned Vehicle Abatement (AVA) Program administrator. The program reimburses members for some of the costs of abating abandoned vehicles. All program funds are received from a \$1.00 surcharge on vehicle registration, collected by the California DMV and passed on to Marin County. The two areas of expenditure include the administrative cost incurred for the program and the payments made to the towns, cities and County to fund the abatement of abandoned vehicles. The Program contributes \$12,000 annually towards administration by MGSA. AVA will need to be reauthorized by MGSA, the County, and a majority of the jurisdictions in Marin making up a majority of the residents to continue the program for an additional 10 years. Staff will be bringing this option to the Board and if authorized, to all Marin jurisdictions.

Table 3 – Abandoned Vehicle Abatement Fund

	Adj Budget 2020/21	Est Actual 2020/21	Proposed 2021/22	Bud 20/21 vs 21/22 Prop
Beginning Fund Balance	\$15,860	\$5,533	\$5,333	
Revenue				
Interest	1,000	124	150	\$(850)
DMV Reimbursement	260,000	242,255	260,000	-
Total Revenue	\$261,000	\$242,379	\$260,150	\$(850)
Expenditures				
Program Administration	12,000	12,000	12,000	-
Jurisdiction Payments	249,000	230,379	248,150	(850)
Total Expenditures	\$261,000	\$242,379	\$260,150	\$(850)
Net	\$0	\$0	\$0	
Ending Fund Balance	\$15,860	\$5,333	\$5,333	

Abandoned Vehicle Abatement Fund Reserve Policy

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

MarinMap Fund and Program

Table 4 is the Proposed FY 2021/22 Budget as recommended by the MarinMap Executive and Steering Committees. In general, the proposed budget is similar to previous years with the exception of a rate holiday for members in FY 21/22. Member dues went unchanged for 18 years. This fiscal year, dues were reduced by \$3,000 per member. Over the years, the Program accumulated significant reserves. The reduction in member dues will reduce the reserve levels. Over the next fiscal year, MarinMap will be looking at its Program, its future given technology changes, and appropriate funding levels including reserves. It is anticipated that dues will return to previous levels in next year’s budget.

The MarinMap expenditure budget can be summarized as follows: the annual fixed costs to manage MarinMap (Matrix Team, Program Manager, maintenance and hardware) and GIS Projects which are developed with agency members and prioritized by the Executive Committee. In addition, \$7,000 is included in the Proposed Budget for MGSA overhead. There are a couple of proposed changes to base costs from last year which are as follows:

- Budgeted costs for the MATRIX technical team at the County have been reduced to better reflect actual costs.

Regarding project expenditures, the Executive Subcommittee identified Projects for the coming year in the amount of \$87,000, \$15,000 less than the prior year. This represents the annual member allocation for projects, training, plus incomplete projects carried over from FY 2020/21. In addition, the following changes were made:

- A new project for \$20,000 has been added to this year’s project list. It relates to conducting strategic planning for the MarinMap program following the Digital Marin strategic planning effort.
- As in last fiscal year’s budget, funds are being designated (\$7,500/year) for future orthophoto photographic needs. The Proposed Budget will have a total orthophoto designated reserve of \$22,500.
- As in past years’ budgets, funds are being designated (\$4,000/year) for any future server needs. The Proposed Budget has the server allocation designated in reserves of \$20,000.
- Tech/data services are reduced by \$5000, leaving \$5000 which is more in line with past expenditures.
- Budgeted but unallocated project fund is reduced from \$50,000 to \$25,000. This line item is for projects unforeseen at the time of budget development.

Table 4 – MarinMap Fund

	Adj Budget 2020/21	Est Actual 2020/21	Proposed 2021/22	Bud 20/21 vs 21/22 Prop
Beginning Fund Balance	213,363	230,883	242,163	
Revenue				
Member Contributions	108,000	108,000	-	(108,000)
Interest	4,000	4,000	3,000	(1,000)
Total Revenue	\$112,000	\$112,000	\$3,000	\$(109,000)
Expenditures				
Executive Officer/Overhead	7,000	7,000	7,000	-
Program Administration	32,640	32,640	32,640	-
Other Contract Services	78,000	52,080	73,000	(5,000)
Projects	102,000	9,000	87,000	(15,000)
Total Expenditures	\$219,640	\$100,720	\$199,640	\$(20,000)
Net	\$(107,640)	\$11,280	\$(196,640)	
Ending Fund Balance	\$105,723	\$242,163	\$45,523	

MarinMap Reserves and Reserve Policy

The Fund Balance anticipated for year-end in the Proposed MarinMap FY 2021/22 Budget is \$45,523. As seen in Table 5 below, almost all of the fund balance is designated. The amount in reserve, however, meets the proposed reserve policy which is a minimum of 20% of revenues plus any designated reserves. Staff believes this level of reserves is adequate for this upcoming fiscal year as the Program goals and funding is evaluated.

Table 5 – MarinMap Designated Reserves

	Adj Budget 2020/21	Est Actual 2020/21	Proposed 2021/22	Bud 20/21 vs 21/22 Prop
Designated Reserves				
Set aside for ortho photo	15,000	15,000	22,500	7,500
Set aside for server purchase	16,000	16,000	20,000	4,000
Total	\$31,000	\$31,000	\$42,500	\$11,500

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

CATV Operating Fund

The Cable Television Franchise and Public, Educational, and Government Access Program (CATV) is a new program for MGSA this current fiscal year. It started on July 1, 2020 and took over program responsibilities from the Marin Telecommunications Agency (MTA). The MTA was dissolved as an agency one day prior to MGSA assuming their responsibilities.

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

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

Unlike many of MGSA’s programs which are funded by member jurisdiction dues, CATV is funded by cable franchise fees. Fees are collected by MGSA, and then what is not Board approved for Program operations is distributed to member agencies (seen in the Table below as

“Jurisdiction Payments”). Any reduction in Program operational expenditures is an increase in member revenue.

Budgeted CATV Program operational expenses decreased this fiscal year by 7% and are proposed to decrease by an additional 19%. Future years should generate additional reductions in costs as elements of MTA’s work program become fully incorporated into the program structure of MGSA. It should also be acknowledged that MTA has been reducing its operational costs over the last decade.

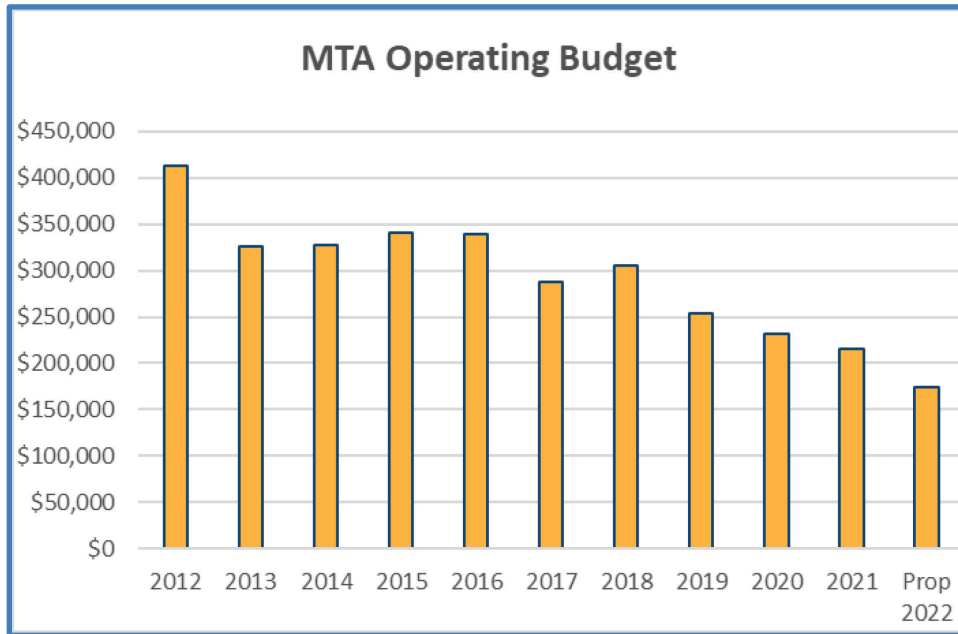


Table 6 – CATV Operating Fund

	Adj Budget 2020/21	Est Actual 2020/21	Proposed 2021/22	Bud 20/21 vs 21/22 Prop
Beginning Fund Balance	\$35,000	\$93,924	\$93,924	
Revenue				
Interest	5,000	2,000	2,000	(3,000)
Franchise Fees	3,500,000	3,125,000	3,300,000	(200,000)
Other Revenue	8,200	8,234	8,200	-
Total Revenues	3,513,200	3,135,234	3,310,200	\$(203,000)

Expenditures	Adj Budget 2020/21	Est Actual* 2020/21	Proposed 2021/22	Bud 20/21 vs 21/22 Prop
MGSA/Program Administration	45,929	45,929	45,929	-
Broadband for Jurisdictions	20,000	19,476	20,000	-
Professional Services	101,071	61,600	95,600	(5,471)
Other Expenses	48,500	45,000	13,000	(35,500)
Jurisdiction Payments	3,297,700	2,963,229	3,135,671	(162,029)
Total Expenditures	\$3,513,200	\$3,135,234	\$3,310,200	\$(203,000)
Net	-	-	-	
Ending Fund Balance	\$35,000	\$93,924	\$93,924	

CATV Operating Fund Reserve Policy

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

Jurisdictional Franchise Fee Payments for FY 2021/22

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

Franchise fee revenue of \$3,300,000 is a decrease of \$200,000 compared to the FY 2020/21 budget estimate. This decrease is attributed to expected lower franchise fee revenues from all providers. This reduction also reflects a more realistic projection of Franchise Fee revenues based on receipts over time. Comcast and AT&T franchise fees will continue to decline due to competitive pressure on rates and a noticeable shift to internet streaming media which has elements that are not subject to franchise fees.

Table 7 – Estimated Franchise Fee Payments

Member	Last 4 Availble Quarters of Fees	%	Estimated Jurisdictional Franchise Payments
Belvedere	58,907	1.89%	59,111
Corte Madera	185,981	5.95%	186,624
Fairfax	123,097	3.94%	123,522
Larkspur (Not a member)	N/A	N/A	N/A
Mill Valley	218,387	6.99%	219,141
Novato (Not a member)	N/A	N/A	N/A
Ross	44,392	1.42%	44,545
San Anselmo	181,338	5.80%	181,964
San Rafael	928,449	29.71%	931,657
Sausalito	157,863	5.05%	158,408
Tiburon	152,279	4.87%	152,805
Marin, Unincorp	1,074,182	34.38%	1,077,893
Total	\$3,124,875	1.00	\$3,135,671

CATV Public, Educational, and Government Fund (PEG)

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

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

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

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

	Adj Budget 2020/21	Est Actual 2020/21	Proposed 2021/22	Bud 20/21 vs 21/22 Prop
Beginning Fund Balance	\$0	\$972	\$972	
Revenue				
Interest	500	320	500	-
PEG Fees	750,000	675,519	750,000	-
Total Revenues	\$750,500	\$675,839	\$750,500	\$0
Expenditures				
Community Media Center Contract	750,000	675,519	750,500	-
Total Expenditures	\$750,000	\$675,519	\$750,500	\$0
Net	\$500	\$320	\$0	
Ending Fund Balance	\$500	\$1,292	\$972	

PEG Fund Reserve Policy

Maintain a minimum of \$500.

Member Contributions for MGSA (Animal Services Included for Information Only)

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

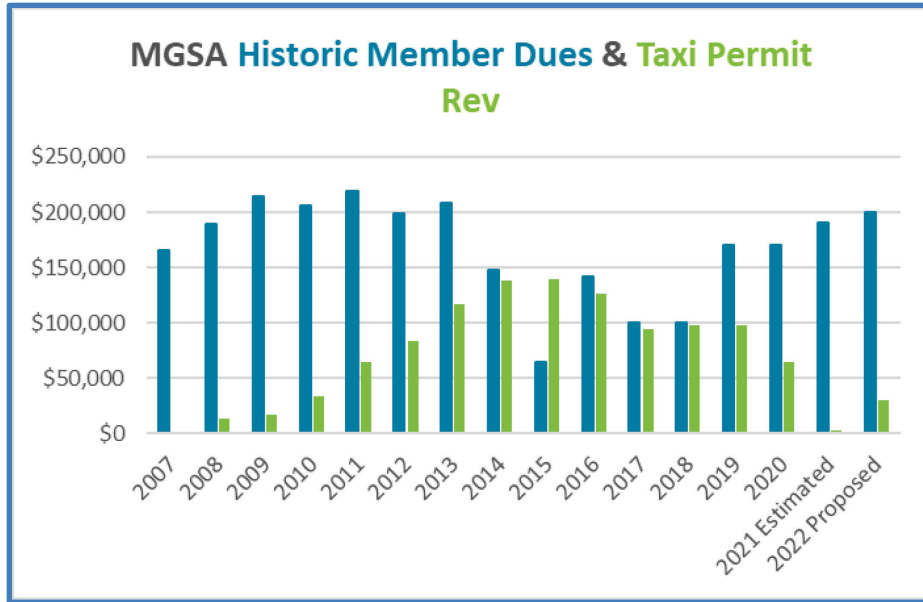
Table 9 – Member Contributions for FY 2021/22 (Animal Services Included for Information Only)

Member ¹	MGSA General		Streetlights		MCEP		MarinMap		Mediation		Animal Services ²		Total 2021/22
	20/21	21/22	20/21	21/22	20/21	21/22	20/21	21/22	20/21	21/22	20/21	21/22	
Belvedere	3,212	4,533	500	500	1,500	2,500	3,000	-	703	721	28,789	23,885	32,139
Corte Madera	6,801	9,735	1,019	1,019	1,500	2,500	6,000	-	3,286	3,434	107,947	113,007	129,694
County	45,477	64,372	2,833	2,827	1,500	2,500	7,000	-	22,681	23,312	1,010,679	1,011,951	1,104,961
Fairfax	4,119	5,723	811	810	1,500	2,500	3,000	-	2,525	2,512	94,762	92,458	104,005
Larkspur	8,560	12,039	1,048	1,075	1,500	2,500	6,000	-	4,114	4,160	133,041	151,860	171,634
Mill Valley	11,031	15,779	1,099	1,100	1,500	2,500	6,000	-	4,800	4,982	188,866	191,148	215,509
Novato	29,154	41,240	5,271	5,260	1,500	2,500	7,000	-	17,700	18,233	733,323	701,917	769,150
Ross	3,049	4,316	-	-	1,500	2,500	3,000	-	826	866	30,894	28,932	36,613
San Anselmo	7,783	11,044	908	906	1,500	2,500	6,000	-	4,220	4,331	149,495	137,266	156,048
San Rafael	33,533	47,568	6,114	6,108	1,500	2,500	7,000	-	19,640	20,306	685,254	726,637	803,119
Sausalito	6,232	8,765	897	894	1,500	2,500	6,000	-	2,426	2,462	99,738	117,578	132,199
Tiburon	9,047	12,887	500	500	1,500	2,500	6,000	-	3,062	3,239	109,399	97,856	116,982
BMK CSD	-	-	500	500	-	-	-	-	-	-	-	-	500
FCA	-	-	-	-	-	-	7,000	-	-	-	-	-	-
LAFCO	-	-	-	-	-	-	7,000	-	-	-	-	-	-
M. CSD	-	-	500	500	-	-	-	-	-	-	-	-	500
TAM	-	-	-	-	1,500	2,500	7,000	-	-	-	-	-	2,500
MCE	-	-	-	-	1,500	2,500	-	-	-	-	-	-	2,500
MMWD	-	-	-	-	1,500	2,500	7,000	-	-	-	-	-	2,500
SASM	-	-	-	-	-	-	7,000	-	-	-	-	-	-
RVSD	-	-	-	-	-	-	7,000	-	-	-	-	-	-
TOTAL	\$168,000	\$238,000	\$22,000	\$22,000	\$22,500	\$37,500	\$108,000	\$0	\$85,982	\$88,560	\$3,372,188	\$3,394,494	\$3,780,554

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

² Animal Control - The County pays 30% of Program directly to Marin Humane. They are not invoiced by MGSA. These #'s are included as information only since MGSA invoices for them.

The FY 2021/22 proposed General Fund operating budget, including the Streetlight Program overhead, is based on member contributions of \$260,000. The graph below shows historic member contributions as well as tax revenue. Agency payments declined starting in 2014 due to the receipt of ongoing tax revenue. Significant tax revenue started to be received in 2012 but member contributions were not reduced at that time. The result was a larger accumulated General Fund balance. Over the following years, member contributions were kept lower using those reserves. The falloff of tax revenues due to COVID-19 and stay-in-place orders is anticipated for this fiscal year as well as lingering impacts next fiscal year.



Member Contribution Methodology and Calculation

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

General

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

Table 10 – Member Contribution Share Calculation

Member	Assessed Value*	% AV	AV Share	Population	% Pop.	Popul. Share	Total Share
Belvedere	2,533,180,679	0.03	2,665	2,124	0.01	725	3,390
Corte Madera	3,639,731,678	0.04	3,829	10,114	0.04	3,451	7,281
Fairfax	1,668,940,195	0.02	1,756	7,399	0.03	2,525	4,281
Larkspur	4,584,135,907	0.05	4,823	12,253	0.05	4,181	9,004
Mill Valley	6,457,815,720	0.08	6,794	14,674	0.06	5,007	11,801
Novato	11,899,067,909	0.14	12,519	53,702	0.21	18,324	30,843
Ross	2,240,736,153	0.03	2,358	2,550	0.01	870	3,228
San Anselmo	3,713,398,385	0.04	3,907	12,757	0.05	4,353	8,260
San Rafael	14,417,466,218	0.17	15,169	59,807	0.23	20,407	35,576
Sausalito	3,878,487,438	0.05	4,081	7,252	0.03	2,475	6,555
Tiburon	6,066,751,289	0.07	6,383	9,540	0.04	3,255	9,638
Marin, Unincorp	23,491,468,782	0.28	24,716	68,659	0.26	23,428	48,143
Total	\$84,591,180,353	1.00	\$89,000	260,831	1.00	\$89,000	\$178,000

Streetlight - Maintenance

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

Table 11 – Streetlight Maintenance Share Calculation

Member	# of 2021/22 Streetlights	%	New % without <\$500	Share
Belvedere	154	1.0%		500
Bel Marin Keys District	144	0.9%		500
Corte Madera	754	4.8%	5.1%	1,019
County, Unincorporated	2,093	13.4%	14.1%	2,827
Fairfax	600	3.8%	4.1%	810
Larkspur	796	5.1%	5.4%	1,075
Marinwood District	290	1.9%		500
Mill Valley	814	5.2%	5.5%	1,100
Novato	3,894	24.8%	26.3%	5,260
Ross	N/A	N/A	N/A	N/A
San Anselmo	671	4.3%	4.5%	906
San Rafael	4,522	28.9%	30.5%	6,108
Sausalito	662	4.2%	4.5%	894
Tiburon	280	1.8%		500
Total	15,674	1.00	1.00	\$22,000

Streetlight – Telecommunications

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

Taxicab Regulation

By MGSA Board policy, this program is supposed to be funded by revenue generated by annual taxicab permits. The permit fees are set by the MGSA Board. As described earlier in this document, the Board waived fees for FY 20/21 due to the impacts of COVID-19. The Program is anticipated to slowly recover over the next couple of years.

Marin Climate and Energy Partnership

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

MarinMap

MarinMap is voluntarily funded by member fees, grants, and special assessments on members. Prior to this fiscal year, assessments were a flat \$10,000, \$9,000, or \$6,000 fee based on agency size. For this fiscal year, assessments were reduced by \$3,000 for each participating member. For this Proposed Budget (next fiscal year), assessments are being waived due to fund balance over reserve policy levels.

Abandoned Vehicle Abatement

This program is fully funded by a state-imposed \$1.00 surcharge on vehicle registration. The funding is distributed to agencies on a percentage basis developed from: 1) paperwork submitted showing the number of vehicles towed by each jurisdiction (50%); 2) population (45%); and 3) geography (5%).

Cable Franchise Television Public, Educational, and Government Access Program

This program is fully funded by cable franchise fees.

Animal Services (For Information Only)

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

Mediation

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

County Financial System FY 2021/22 Budget Entries

The County Auditor-Controller has requested that the Board be shown the budget data, including account numbers to be entered in the County accounting system.

MGSA General Fund Operating 8019 (Code 8641)

G/L		FY 2021/22
421225	Other Permits – Taxicab	(30,000)
441115	Interest on Pooled Funds	(3,000)
453110	Other Misc Rev (Overhead/Mngt Fee)	(48,909)
461250	City Contributions	(260,000)
462610	Charges Other – Telecom	(30,000)
522510	Professional Services	282,384
522545	Prof Services – Legal	25,000
522585	Administration & Finance Services	15,500
521615	Insurance Premiums	10,000
521310	Communications Services	3,000
522925	Rent & Operating Leases	2,400
522410	Office Supplies	10,000

MGSA General Fund MCEP 8019 (Code 8642)

G/L		FY 2021/22
453110	Grant Revenue/Other Misc. Rev	(70,300)
461250	City Contributions	(37,500)
522510	Professional Services	103,661

MGSA Abandoned Vehicle Abatement Fund – 8010

G/L		FY 2021/22
441115	Interest on Pooled Funds	(150)
451970	State - Abandoned Vehicle	(260,000)
522510	Professional Services	260,150

MGSA MarinMap Fund - 8020

G/L		FY 2021/22
441115	Interest on Pooled Funds	(3,000)
461250	City Contributions	0
522510	Professional Services	199,640

CATV Operating Fund - 8017

G/L		FY 2021/22
421610	Franchise Fees	(3,300,000)
441115	Interest on Pooled Funds	(2,000)

470310	Misc Revenues (Larkspur)	(8,200)
521315	Communication - Broadband	20,000
521615	Insurance Premiums	2,000
522210	Memberships	4,000
522410	Office Expense	1,000
522510	Professional Services	94,529
522545	Prof Services – Legal	30,000
522575	Prof Services – System Maintenance	1,500
522585	Prof Services – Audit and Accounting	15,500
522925	Rents and Leases	5,000
523410	Transportation and Travel	1,000
524710	Contribution Non-County Agency	3,135,671

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

G/L		FY 2021/22
421610	PEG Fees	(750,000)
441115	Interest on Pooled Funds	(500)
524710	Contribution Non-County Agency	750,500

EXHIBIT A

FY 2021/22 WORKPLAN

Mission Statement

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

Background

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

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

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



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The Joint Powers Authority Agreement creating MGSA states, "The purpose of this Agreement is to establish a public entity separate from the County, Cities, Towns, and Special Districts. This Authority will finance, implement and manage the various municipal services assigned to it." MGSA offers various public services effectively and efficiently throughout the county in a uniform manner with minimal overhead expense.

MGSA Oversight & Administration

Executive Oversight	
1	Provide effective management oversight of agency and nine programs
2	Represent the MGSA Board in dealings with media, member agencies, other governing agencies, professional associations, community organizations, and residents
3	Maintain positive Board relations and new Board Member orientation
4	Review, analyze, and develop recommendations regarding legislation related to MGSA programs where appropriate
5	Develop upcoming year's MGSA Work Plan and monitor progress
2021/22 Initiatives	
6	Implement new staffing structure, train on new job duties, and document organizational responsibilities (continued)
7	Continue transition to a virtual government agency and resolve any issues that surface
8	Continue to identify and implement budget saving measures as a result of the dissolution of MTA and its program responsibilities transitioned to MGSA
9	Continue to participate in the county-wide Digital Marin project by facilitating the Government & Emergency Management Needs Assessment Working Group as well as providing assistance, insight, and input to the project organizers.
Information Technology	
10	Develop, maintain, and manage electronic file software that controls and monitors file access, backup, and security
11	Ensure appropriate staff is trained on an ongoing basis on access to County systems through a Virtual Private Network and the Munis County Financial System including invoicing, vendor set up, budget input and changes, and reporting
12	Maintain website with accurate and timely information, keep software updated, and manage domains and hosting accounts
Finance	
13	Accurately handle all financial transactions including accounts payable, accounts receivable, invoicing, grants management, and jurisdiction/agency allocation of costs

14	Retain and work with financial accounting and auditing firm to develop, review, and produce the Annual Year-End Financial Report
15	Manage budget process for MGSA and all programs that is transparent and allows the Board an opportunity to discuss appropriate policy issues
16	Ensure compliance with all contract and other documents for federal, State, and County grants including all reporting and payment processing
2021/22 Initiatives	
17	Integrate MTA/CATV Program financials into the MGSA CAFR
Human Resources	
18	Supervise and manage ongoing contract program support and coordination
19	Recruit and manage orientation and training process for new contractors as needed
Property Management	
20	Manage office sublease with TAM and resolve any related issues including space, mail management, and copier use
Risk Management	
21	Manage insurance acquisition and renewal
Board Management / Clerk Functions	
22	Maintain required hard copy records as well as electronic records systems which are secure and backed up
23	Develop and maintain consistent logo, letterhead, and communication materials
24	Complete all required official filings including Form 700, LAFCO, and State Controller reporting
25	Manage the MGSA Board Agenda Process such that all agendas, staff reports, minutes, and resolutions are accurate, informative, and clear
26	Respond to public information requests and Grand Jury inquiries where appropriate

Programs (alphabetical)

Abandoned Vehicle Abatement (AVAP)

1	Manage and administer the Program in an accurate and equitable manner
2	Claim all available program monies from the State that originate from Marin's motor vehicle owners and distribute to appropriate jurisdictions
2021/22 Initiatives	
3	If approved by the MGSA Board, work with the Board of Supervisors and all jurisdictions to renew this Program for another 10-year period as outlined in State law

Animal Care & Control

1	Manage Animal Care and Control Program as outlined in the 12/8/20 Agreement between MGSA and Marin County for FY 21/22 and FY 22/23
2	Administer contract with Marin Humane for county-wide animal care and control including coordinating inquiries/complaints from the public and member jurisdictions
3	Prepare annual budget including coordinating allocation methodology with Marin Humane Society and with County budget staff
4	Respond to animal control policy issues and work with County Counsel relative to any needed changes to the Animal Control Ordinance

CATV - Marin Cable Franchise and Public, Educational, and Government Access

1	Collect cable franchise fees on behalf of member agencies and distribute appropriately
2	Collect State franchise public, educational, and government access fees and distribute to the designated access provider, Community Media Center of Marin County (CMCM)
3	Oversee the Program's designated PEG access provider agreement with Community Media of Marin County (CMCM), interface with the Executive Director and Board of CMCM, and problem solve any issues that surface
4	Manage consultant that audits state franchise holder records as appropriate and negotiate resolution of discrepancies with franchise holders
2021/22 Initiatives	
5	Continue to evaluate and implement areas for administrative cost reductions and efficiencies as a result of the transition from a separate government entity to a program within MGSA.
6	Work with the MGSA Board, General Counsel, franchise fee auditors, and specialized legal assistance to finalize the Comcast franchise fee audit and negotiate with Comcast an appropriate resolution

Marin Climate and Energy Partnership (MCEP)

1	Provide advice, management, and support to the MCEP Program contractor
2	Provide guidance and input to the MCEP Executive and Steering Committees
3	Pursue grant and other funding for cross-county projects
4	Monitor any grant terms for MGSA/MCEP compliance and enter into sub-contracts and process invoices for MCEP grants
5	Ongoing implementation of Climate Action Plans
6	Develop model ordinances for use by all jurisdictions
7	Develop community Greenhouse Gas Inventories for Marin jurisdictions

2021/22 Initiatives	
8	Update Climate Action Plans and/or develop content for General Plans for Fairfax, Corte Madera, Tiburon, Larkspur, San Anselmo, Mill Valley, Belvedere, Novato, and others as requested
9	Develop a model Reusable Foodware Ordinance and education and outreach materials that can be adopted and utilized by all Marin jurisdictions
10	Support Resilient Neighborhoods in the development of an ongoing funding mechanism to help maintain programs important to local Climate Action Plans
11	Develop a model ordinance to enforce compliance with SB 1383, which requires organic waste diversion

MarinMap

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

Steering Committee Goals

4	Provide improved customer service to customers seeking geographical information
5	Reduce the cost of service to taxpayers and ratepayers
6	Improve infrastructure maintenance
7	Enhance emergency response and disaster planning
8	Reduce negative environmental impacts and manage natural resources
9	Provide the opportunity for better decision-making
10	Encourage cooperation among public agencies, reducing redundancies, improving efficiency and minimizing conflicts
2021/22 Initiatives	
11	Following the development of the county-wide Digital Marin strategic planning effort, develop and implement a strategic planning process to envision the future of MarinMap and determine ongoing funding needs

MCSTOPPP

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

Mediation

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

Streetlight – Maintenance

1	Manage streetlight contractor's contract including getting input from public works directors, implementing rate changes, and exercising options for extensions where appropriate as outlined in contract
2	Administer annual process for all member jurisdictions to transfer streetlights added during the year to the MGSA inventory
3	Facilitate accurate inventory of streetlights between PG&E, DC Electric, and MarinMap GIS
2021/22 Initiatives	
3	Work with Marin Public Works Directors to determine whether to undertake a collaborative streetlight inspection program and if approved, negotiate and implement such a program

Streetlight – Telecommunications Equipment

1	Monitor legislation regarding telecommunications equipment in the public right-of-way and its impact related to MGSA assets
2	Ensure Agreement responsibilities are being met by carriers including collecting annual fees, all streetlight application processing fees, and insurance requirements
3	Review and process invoices for MGSA's streetlight vendor review of application packets
4	Review a) preauthorization forms and track use of poles by carriers and b) per pole application packets submitted by carriers and c) resolve any issues or concerns raised by MGSA's streetlight vendor or issues with local jurisdiction permits
2021/22 Initiatives	
5	Negotiate agreements with additional telecommunications carriers and providers if approached
6	Develop policy and process to distribute carrier fees to local agencies as determined by the MGSA Board once program is generating cost recovery revenue
7	Develop program as needed depending on scale and speed of equipment implementation and jurisdictional permit issuance
8	Complete a cost allocation plan to determine "true cost" of small cell application processing and appropriate lease payments
9	Once some applications have been processed and there is some experience, present policy options and get direction from the MGAS Board on the level of

telecommunications carrier equipment and other data to be collected from MGSA's application process and the local jurisdictional permit processes and shared (e.g. MarinMap) with governments and the public

Taxi Regulation

1	Ensure that MGSA member agencies are in compliance with California State tax law
2	Work towards maintaining a permit and fee structure that is cost recovery
3	Mediate disputes if possible, between local taxi drivers and companies in order to reduce local impacts on residents and public safety resources
4	Monitor Lyft/Uber legislative activity to understand any impacts to local taxi activity and regulation
	2021/22 Initiatives
5	Work to restore the program to its pre-COVID status including cost recovery



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