

Chair Martin Bernal
Vice Chair Jenny Haruyama
Board Member Carlos Palacios
Board Member Jamie Goldstein



**SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY
(LFFA)
REGULAR BOARD MEETING
THURSDAY, AUGUST 3, 2017**

9:00 A.M.

**DOWNTOWN BRANCH LIBRARY
224 CHURCH STREET, SANTA CRUZ, CA 95060**

1. CALL TO ORDER / ROLL CALL

Board Members Jamie Goldstein, Jenny Haruyama, Carlos Palacios, and Chair Martin Bernal

2. ADDITIONAL MATERIALS

Additional information submitted after distribution of the agenda packet.

3. ADDITIONS AND DELETIONS TO AGENDA

4. ORAL COMMUNICATION

Any member of the audience may address the Board on any matter either on or off the agenda that is within the Board's jurisdiction. Note, however, that the Board is not able to undertake extended discussion or act on non-agendized items. Such items can be referred to staff for appropriate action which may include placement on a future agenda. If you intend to address a subject that is on the Agenda, please hold your comments regarding that item until it is before the Board, so that we may properly respond to all comments on that subject at the same time. In general 3 minutes will be permitted per speaker during Oral Communication; A MAXIMUM of 30 MINUTES is set aside for Oral Communications at this time.

5. EXECUTIVE DIRECTOR REPORT

A. Report of Executive Director

6. PROJECT UPDATES AND COMMENTS BY BOARD MEMBERS

7. CONSENT CALENDAR

- A. Approve Minutes of the June 1, 2017 Board Meeting
RECOMMENDED ACTION: Approve Minutes (PG.3-4)
- B. Approve Contract with Brown Armstrong for 2016-17 Audit Service
RECOMMENDED ACTION: Approve Contract (PG.5-14)
- C. Proposed FY 2017/18 LFFA Budget
RECOMMENDED ACTION: Approve Proposed FY 2017-18 Budget (PG.15-17)

All items listed in the "Consent Calendar" will be enacted by one motion in the form listed below. There will be no separate discussion on these items prior to the time the Board votes on the action unless members of the public or the Board request specific items to be discussed for separate review. Items pulled for separate discussion will be considered following General Business.

8. GENERAL BUSINESS

Other Business items are intended to provide an opportunity for public discussion of each item listed. The following procedure is followed for each Business item: 1) Staff explanation; 2) Board questions; 3) Public comment; 4) Board deliberation; 5) Decision.

9. SCHEDULED UPCOMING MEETINGS

September 7, 2017	Scotts Valley Branch Library	Agenda Items:
	251 Kings Village Road	
	Scotts Valley, CA 95066	

10. ADJOURNMENT

Adjourned to a Regular Meeting of the Libraries Facilities Financing Authority (LFFA) to be held on Thursday September 7, 2017 at 6:00 p.m. at the Scotts Valley Branch Meeting Room located at 251 Kings Village Road, Scotts Valley, CA 95066.

The Santa Cruz City-County Library System does not discriminate against persons with disabilities. Out of consideration for people with chemical sensitivities, we ask that you attend fragrance free. Upon request, the agenda can be provided in a format to accommodate special needs. Additionally, if you wish to attend this public meeting and will require assistance such as an interpreter for American Sign Language, Spanish, or other special equipment please call the Library Administration Office at (831)427-7706 at least five days in advance so that we can arrange for such special assistance, or email library_admin@santacruzpl.org.

**SANTA CRUZ PUBLIC LIBRARIES
A CITY-COUNTY SYSTEM**

**SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY
(LFFA)**

**REGULAR MEETING MINUTES
THURSDAY, JUNE 1, 2017
6:00 P.M.**

1. ROLL CALL

PRESENT: Chair Martin Bernal, Nicole Coburn (Alternate Board Member), Jamie Goldstein (Board Member), Scott Hamby (Alternate Board Member)
STAFF: Library Director Susan Nemitz

2. ADDITIONAL MATERIALS

Memo from Suzanne Harrell regarding the Bond Sale with short presentation by Edith Driscoll.

3. ADDITIONS AND DELETIONS TO AGENDA

The Agenda of June 1, 2017 was approved by consensus.

4. ORAL COMMUNICATIONS

None

5. EXECUTIVE DIRECTOR REPORT

None

6. PROJECT UPDATES AND COMMENTS BY BOARD MEMBERS

Jamie Goldstein reported that Capitola is going forward with the plans for the new Branch library, with ground breaking expected early 2018.

Nicole Coburn reported that the contract with Architect Teall Messer has been expanded to include interior design services for the Felton Branch.

Martin Bernal announced the first meeting of the Downtown Library Advisory Commission on June 14 in Council Chambers.

7. CONSENT CALENDAR

A. Approve Minutes of the May 4, 2017 Board Meeting
ACTION: Approved Minutes

B. Financial Report of FY 2016-17 Tax Receipts and Distribution
ACTION: Received Financial Report of FY 2016-17

RESULT:	APPROVED CONSENT CALENDAR:
	A. Approved Minutes of May 4, 2017.
	B. Received Financial Report of FY 2016-17 Tax Receipts and Distribution.
	[UNANIMOUS]
MOVER:	Jamie Goldstein (Board Member)
SECONDER:	Nicole Coburn (Alternate Board Member)
AYES:	Bernal, Goldstein, Coburn, Hamby

8. GENERAL BUSINESS

None

9. ADJOURNMENT

The Libraries Facilities Financing Authority (LFFA) adjourned at 6:17 p.m. to the Regular Meeting on Thursday, August 3 at 9:00 a.m. at the Downtown Branch Meeting Room located at 224 Church Street, Santa Cruz, CA 95060.

ATTEST: _____
Helga Smith, Clerk of the Board

All documents referred to in these minutes are available in the Santa Cruz Public Libraries – Library Headquarters Office, 117 Union Street, Santa Cruz.



STAFF REPORT

AGENDA: August 3, 2017
DATE: July 26, 2017
TO: Board of Directors
FROM: LFFA Treasurer-Controller
SUBJECT: Contract with Brown Armstrong for 2016-17 Audit Services

RECOMMENDATION

Approve contract with Brown Armstrong, CPAs in the amount of \$5,000 for 2016-17 audit services.

DISCUSSION

Pursuant to Section 4 (d) (i) of the Amended and Restated Joint Exercise of Powers Agreement, the LFFA Treasurer-Controller is required to “prepare or cause to be prepared an independent audit to be made by a certified public accountant, or a public accountant, as required under Sections 6505, 6505.5 and 6505.6 of the Joint Powers Act.”

The County currently contracts with Brown Armstrong, CPAs for audit related services. The attached contract with Brown Armstrong, CPAs has been prepared to provide the LFFA with an independent audit for 2016-17. The contract has a not to exceed cost of \$5,000 for the term of July 1, 2017 to June 30, 2018.

CONTRACT NO. _____

INDEPENDENT CONTRACTOR AGREEMENT

This Contract is entered into this 1st day of July, 2017, by and between the SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY, hereinafter called AGENCY, and BROWN ARMSTRONG, CPAs, hereinafter called CONTRACTOR. The parties agree as follows:

1. Duties

CONTRACTOR agrees to exercise special skill to audit the AGENCY for the year ended June 30, 2017, as set forth in Exhibit A attached hereto and incorporated herein by this reference. CONTRACTOR shall report all findings to the AGENCY or its designee(s).

2. Compensation

In consideration for CONTRACTOR accomplishing said result, AGENCY agrees to pay CONTRACTOR an amount not to exceed \$5,000 for audit related services for fiscal year 2016-2017.

This amount will be compensation in full for all services to be provided and all costs incurred by CONTRACTOR under this Contract, including but not limited to the audit and expenses incidental to the preparation of the required report. CONTRACTOR shall bill the AGENCY upon presentation and acceptance of the final report.

3. Term of Contract

The term of this Contract shall be: July 1, 2017 through June 30, 2018.

4. Purpose of Contract

The purpose of the Contract is to establish the terms and conditions under which the CONTRACTOR shall provide independent audit services to the AGENCY.

5. License and Permits

CONTRACTOR'S employees shall possess all applicable licenses and certifications required by the State of California and the AGENCY. Such licenses and certifications are to be presented to the AGENCY prior to the contract signing.

The CONTRACTOR shall also maintain all other business and professional licenses that may be required by Federal, State and local codes.

6. Compliance with Laws

CONTRACTOR shall comply with all applicable federal, state and local rules, regulations and laws.

7. Early Termination

The AGENCY reserves the right to terminate the Contract, in whole or in part, at any time, for any reason or no reason, without penalty. AGENCY shall give CONTRACTOR thirty (30) days written notification prior to the effective date of termination.

8. Nonassignment

CONTRACTOR shall not assign the Contract, or any interest herein, without the prior written consent of the AGENCY, and then only to a person or persons approved by the AGENCY on such terms and conditions as AGENCY may require. If CONTRACTOR is sold, thirty (30) days advanced notice must be provided to the AGENCY. The AGENCY may elect to cancel the contract at that time. In the AGENCY'S sole

discretion, new owner may be permitted to assume all existing terms and conditions of the contract.

9. Price Guarantee and Change Orders

The AGENCY'S cost will remain the same during the length of the contract. After award, no changes or additional service charges shall be made or imposed during the life of the Contract, nor will bills for changes or extra charges, modifications or deviations be recognized or paid for except as authorized in writing by the AGENCY and approved by the AGENCY.

10. Invoicing

CONTRACTOR shall itemize all applicable service and labor charges on its invoices, which shall be transmitted by the CONTRACTOR to the contracting department. Each invoice must clearly identify the following information:

- Contract number
- Service location
- Time and date of service

11. Off-Shore Outsourcing of Services

CONTRACTOR certifies that any services performed on any purchase order or contract with the AGENCY, either by CONTRACTOR or any subcontractor, will be performed solely by workers within the United States.

12. Severability

Should any part of the Contract be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the validity of the remainder of the Contract which shall continue in full force and effect; provided that the remainder of the Contract can, absent the excised portion, be reasonably interpreted to give effect to the intentions of the parties.

13. Controlling Law

The Contract shall only be governed and construed in accordance with the laws of the State of California and the County of Santa Cruz, and proper venue for legal action regarding the Contract shall only be in the County of Santa Cruz.

14. Amendment

Amendment to or modification of the terms and conditions of the Contract shall be effective only upon the mutual consent in writing by the parties hereto.

15. Indemnification for Damages, Taxes, and Contributions

CONTRACTOR shall exonerate, indemnify, defend, and hold harmless AGENCY (which for the purpose of Section 15 and 16 of this document shall include, without limitation, its officers, agents, employees and volunteers) from and against:

- a. Any and all claims, demands, losses, damages, defense costs, other legal costs, or liability of any kind or nature which AGENCY may sustain or incur or which may be imposed upon it at any time for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with the CONTRACTOR'S performance under the terms of this Contract, excepting any liability arising out of the sole negligence of the AGENCY. Such indemnification includes any damage to the person(s), or property(ies) of CONTRACTOR and third persons.
- b. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to CONTRACTOR and CONTRACTOR'S

officers, employees and agents engaged in the performance of this Contract (including, without limitation, unemployment insurance, social security and payroll tax withholding).

16. Insurance

CONTRACTOR, at its sole cost and expense, for the full term of this Contract (and any extensions thereof), shall obtain and maintain, at minimum, compliance with all of the following insurance coverage(s) and requirements. Such insurance coverage shall be primary coverage as respects AGENCY and any insurance or self-insurance maintained by AGENCY shall be considered in excess of CONTRACTOR'S insurance coverage and shall not contribute to it. If CONTRACTOR normally carries insurance in an amount greater than the minimum amount required by the AGENCY for this Contract, that greater amount shall become the minimum required amount of insurance for purposes of this Contract. Therefore, CONTRACTOR hereby acknowledges and agrees that any and all insurances carried by it shall be deemed liability coverage for any and all actions it performs in connection with this Contract.

If CONTRACTOR utilizes one or more subcontractors in the performance of this Contract, CONTRACTOR shall obtain and maintain Independent Contractor's Insurance as to each subcontractor or otherwise provide evidence of insurance coverage from each subcontractor equivalent to that required of CONTRACTOR in this contract, unless CONTRACTOR and AGENCY both initial here ____ / ____.

A. Types of Insurance and Minimum Limits

- 1) Worker's Compensation in the minimum statutorily required coverage amounts. This insurance coverage shall be required unless the CONTRACTOR has no employees and certifies to this fact by initialing here ____.
- 2) Automobile Liability Insurance for each of CONTRACTOR'S vehicles used in the performance of this Contract, including owned, non-owned (e.g. owned by CONTRACTOR'S employees), leased or hired vehicles, in the minimum amount of \$500,000 combined single limit per occurrence for bodily injury and property damage. This insurance coverage is required unless the CONTRACTOR does not drive a vehicle in conjunction with any part of the performance of this Contract and CONTRACTOR and AGENCY both certify to this fact by initialing here ____ / ____.
- 3) Comprehensive or Commercial General Liability Insurance coverage in the minimum amount of \$1,000,000 combined single limit, including coverage for: (a) bodily injury, (b) personal injury, (c) broad form property damage, (d) contractual liability, and (e) cross-liability.
- 4) Professional Liability Insurance in the minimum amount of \$1,000,000 combined single limit, if, and only if, this Subparagraph is initialed by CONTRACTOR and AGENCY ____ / ____.

B. Other Insurance Provisions

- A. If any insurance coverage required in this Contract is provided on a "Claims Made" rather than "Occurrence" form, CONTRACTOR agrees to maintain the required coverage for a period of three (3) years after the expiration of this Contract (hereinafter "post Contract coverage") and any extensions thereof. CONTRACTOR may maintain the required post Contract coverage by renewal or purchase of prior acts or tail coverage.

This provision is contingent upon post Contract coverage being both available and reasonably affordable in relation to the coverage provided during the term of this Contract. For purposes of interpreting this requirement, a cost not exceeding 100% of the last annual policy premium during the term of this Contract in order to purchase prior acts or tail coverage for post Contract coverage shall be deemed to be reasonable.

- B. All required Automobile and Comprehensive or Commercial General Liability Insurance shall be endorsed to contain the following clause:

"The Santa Cruz County Library Financing Authority, its officials, employees, agents and volunteers are added as an additional insured as respects the operations and activities of, and on behalf of, the named insured's performance under its/his/her/their contract with the Santa Cruz County Library Financing Authority."

- C. If any insurance policy of CONTRACTOR required by this document includes language conditioning the insurer's legal obligation to defend or indemnify AGENCY on the performance of any act(s) by the named insured, then said insurance policy, by endorsement, shall also name the Santa Cruz County Library Financing Authority as a named insured. Notwithstanding the foregoing, both the CONTRACTOR and its insurers agree that by naming the Santa Cruz County Library Financing Authority as a named insured, the COUNTY may at its sole direction, but is not obligated to, perform any act required by the named insured under said insurance policies.

- D. CONTRACTOR shall do all things required to be performed by it pursuant to its insurance policies including but not limited to paying within five (5) work days, all deductibles and self-insured retentions (SIR) required to be paid under any insurance policy that may provide defense or indemnity coverage to AGENCY or any additional insured.

- E. All required insurance policies shall be endorsed to contain the following clause:

"This insurance shall not be canceled until after thirty (30) days prior written notice has been given to:

Santa Cruz Libraries Facilities Financing Authority
Attn: Edith Driscoll
701 Ocean Street, Room 100
Santa Cruz, CA 95060

- F. CONTRACTOR agrees to provide its insurance broker(s) with a full copy of these insurance provisions and provide AGENCY on or before the effective date of this Contract with Certificates of Insurance for all required coverages. All Certificates of Insurance shall be delivered or sent to:

Santa Cruz Libraries Facilities Financing Authority
Attn: Edith Driscoll
701 Ocean Street, Room 100
Santa Cruz, CA 95060

17. Equal Employment Opportunity

During and in relation to the performance of this Contract, CONTRACTOR agrees as follows:

- A. The CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, physical or mental disability, medical condition (cancer related), marital status, sexual orientation, age (over 18), veteran status, gender, pregnancy, or any other non-merit factor unrelated to job duties. Such action shall include, but not be limited to, the following: recruitment; advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training (including apprenticeship), employment, upgrading, demotion, or transfer. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause.
- B. If this Contract provides compensation in excess of \$50,000 to CONTRACTOR and if CONTRACTOR employees fifteen (15) or more employees, the following requirements shall apply:
 1. The CONTRACTOR shall, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, ancestry, physical or mental disability, medical condition (cancer related), marital status, sexual orientation, age (over 18), veteran status, gender, pregnancy, or any other non-merit factor unrelated to job duties. Such action shall include, but not be limited to, the following: recruitment; advertising, layoff or termination; rates of pay or other forms of compensation; selection for training (including apprenticeship), employment, upgrading, demotion, or transfer. In addition, the CONTRACTOR shall make a good faith effort to consider Minority/Women/Disabled Owned Business Enterprises in CONTRACTOR'S solicitation of goods and services. Definitions for Minority/Women/Disabled Owned Business Enterprises are available from the County of Santa Cruz General Services Purchasing Division.
 2. In the event of the CONTRACTOR'S non-compliance with the non-discrimination clauses of this Contract or with any of the said rules, regulations, or orders said CONTRACTOR may be declared ineligible for further agreements with the AGENCY.
 3. The CONTRACTOR shall cause the foregoing provisions of this Subparagraphs 7B(1) and 7B(2) to be inserted in all subcontracts for any work covered under this Contract by a subcontractor compensated more than \$50,000 and employing more than fifteen (15) employees, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

18. Living Wage/Prevailing Wage

This Contract is covered under Living Wage provisions if this section is initialed by AGENCY _____

If Item # 18 above is initialed by the AGENCY, then this Contract is subject to the provisions of Santa Cruz County Code Chapter 2.122, which requires payment of a living wage to covered employees. Non-compliance during the term of the Contract with these Living Wage provisions will be considered a material breach, and may result in termination of the Contract and/or pursuit of other legal or administrative remedies.

CONTRACTOR agrees to comply with Santa Cruz County Code section 2.122.140, if applicable.

19. Default

- 1) The AGENCY may, by written notice of default to the CONTRACTOR, terminate the whole or any part of a contract:
 - a) The CONTRACTOR fails to make delivery of the supplies or to perform within the time specified herein or promised, or any extension thereof; or
 - b) The CONTRACTOR fails to perform any of the other provisions of this contract.

- 2) In the event the AGENCY terminates a contract in whole or in part, as provided in Paragraph (a), of this clause, the AGENCY may procure, upon such terms and in such manner as may deem appropriate, supplies, services or work similar to those so terminated, and the contractor shall be liable to the County for any excess costs for such similar supplies, services or work; PROVIDED, that the contractor shall continue the performance of this contract to the extent not terminated under the provisions of this clause. The contractor shall not be liable for any excess costs if the failure to perform the contract arises out of causes beyond the control and without the fault and negligence of the CONTRACTOR.

20. Independent Contractor Status

CONTRACTOR and AGENCY have reviewed and considered the principal test and secondary factors below and agree that CONTRACTOR is an independent contractor and not an employee of AGENCY. CONTRACTOR is responsible for all insurance (workers compensation, unemployment, etc.) and all payroll related taxes. CONTRACTOR is not entitled to any employee benefits. AGENCY agrees that CONTRACTOR shall have the right to control the manner and means of accomplishing the result contracted for herein.

Principal Test: The CONTRACTOR rather than AGENCY has the right to control the manner and means of accomplishing the result contracted for.

Secondary Factors: (a) The extent of control which, by agreement, AGENCY may exercise over the details of the work is slight rather than substantial; (b) CONTRACTOR is engaged in a distinct occupation or business; (c) In the locality, the work to be done by CONTRACTOR is usually done by a specialist without supervision, rather than under the direction of an employer; (d) The skill required in the particular occupation is substantial rather than slight; (e) The CONTRACTOR rather than the AGENCY supplies the instrumentalities, tools and work place; (f) The length of time for which CONTRACTOR is engaged is of limited duration rather than indefinite; (g) The method of payment of CONTRACTOR is by the job rather than by the time; (h) The work is part of a special or permissive activity, program, or project, rather than part of the regular business of AGENCY; (i) CONTRACTOR and AGENCY believe they are creating an independent contractor relationship rather than an employer-employee relationship; and (j) The AGENCY conducts public business.

It is recognized that it is not necessary that all secondary factors support creation of an independent contractor relationship, but rather that overall there are significant secondary factors that indicate that CONTRACTOR is an independent contractor.

By their signatures on this Contract, each of the undersigned certifies that it is his or her considered judgment that the CONTRACTOR engaged under this Contract is in fact an independent contractor.

21. Acknowledgement

CONTRACTOR may acknowledge in all reports and literature that the Santa Cruz County Library Financing Authority has provided funding to the CONTRACTOR.

22. Retention and Audit of Records

CONTRACTOR shall retain records pertinent to this Contract for a period of not less than five (5) years after final payment under this Contract or until a final audit report is accepted by AGENCY, whichever occurs first. CONTRACTOR hereby agrees to be subject to the examination and audit by the Santa Cruz County Auditor-Controller, the Auditor General of the State of California, or the designee of either for a period of five (5) years after final payment under this Contract.

23. Presentation of Claims

Presentation and processing of any or all claims arising out of or related to this Contract shall be made in accordance with the provisions contained in Chapter 1.05 of the Santa Cruz County Code, which by this reference is incorporated herein.

24. Attachments

This Contract includes the following attachments, which are incorporated herein:
Exhibit A – Scope of Services

25. Miscellaneous

This written Contract, along with any attachments, is the full and complete integration of the parties' agreement forming the basis for this Contract. The parties agree that this written Contract supersedes any previous written or oral agreements between the parties, and any modifications to this Contract must be made in a written document signed by all parties. Any arbitration, mediation, or litigation arising out of this Contract shall occur only in the County of Santa Cruz, notwithstanding the fact that one of the contracting parties may reside outside of the County of Santa Cruz.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first above written.

1. **BROWN ARMSTRONG, CPAs**

3. **SANTA CRUZ LIBRARIES FACILITIES
FINANCING AUTHORITY**

By: _____
SIGNED

By: _____
SIGNED

Jian Ou-Yang
PRINTED

Edith Driscoll
PRINTED

Title: Partner

Title: Treasurer-Controller

Company Name: Brown Armstrong, CPAs

Address: 5250 Claremont Avenue, Suite 150
Stockton, CA 95207

Telephone: 209-451-4833


Email: jyang@bacpas.com

2. **APPROVED AS TO INSURANCE:**

4. **APPROVED AS TO FORM:**



Risk Management



County Counsel

EXHIBIT A

SCOPE OF SERVICES

1. The CONTRACTOR shall conduct an examination of the AGENCY'S financial statements and express an opinion on the fair presentation of those statements in conformity with Generally Accepted Accounting Principles and compliance with provisions of Federal, State, and County statutes, ordinances, rules and regulations.
2. The CONTRACTOR shall perform the audit in accordance with Generally Accepted Auditing Standards (GAAS), Generally Accepted Government Auditing Standards (GAGAS) (the Yellow Book), and all applicable pronouncements of the American Institute of Certified Public Accountants (AICPA), Financial Accounting Standards Board (FASB) and the Governmental Accounting Standards Board (GASB).
3. The CONTRACTOR shall provide one (1) unbound original report and ten (10) bound copies of the report to the AGENCY by December 1 (unless circumstances of the AGENCY cause unforeseen delays), and provide all AGENCY report information in an electronic format to be agreed upon with the AGENCY.
4. The CONTRACTOR shall provide the AGENCY with a draft of the "Management Letter" which will include internal control evaluations, findings and recommendations by December 15.



STAFF REPORT

AGENDA: August 3, 2017
DATE: July 26, 2017
TO: Board of Directors
FROM: LFFA Treasurer-Controller
SUBJECT: Proposed 2017-18 LFFA Budget

RECOMMENDATION

Approve the Proposed 2017-18 LFFA Budget.

DISCUSSION

The attached 2017-18 Proposed Budget reflects the anticipated Sources and Uses of LFFA funds. These Sources are only related to the assessments and does not include any bond allocations. The Sources does include an undistributed 2016-17 Fund Balance of \$239,711. Included in the attached budget documents is a 2016-17 Financial Report reflecting this balance.

The LFFA Amended and Restated Joint Exercise of Powers Agreement provides that net special taxes and bond proceeds are to be distributed to the jurisdictions in the maximum amounts specified below using the percentages specified below. After 2016-17 allocations were distributed, and after the City of Capitola received a distribution from the 2017 LFFA bond issue, the City of Capitola has now reached its maximum distribution of \$8,000,000 and will receive no additional allocations.

	Maximum Amount	Percentage
City of Capitola	\$8,000,000	12.90%
City of Santa Cruz	\$25,000,000	40.32%
City of Scotts Valley	\$3,000,000	4.84%
County of Santa Cruz	\$26,000,000	41.94%
Total	\$62,000,000	100.00%

LFFA Fund 76190 Revenues & Expenditures
 FYR 2016-17 Financial Report

Object Title	YTD Adjusted Budget	TOTAL YTD E/A 6/30/17	VARIANCE
Fund 76190 -- SC LIBRARIES FAC FIN AUTH LFFA			
GL Key 701300 -- SC LIBRARIES FAC FIN AUTH LFFA			
Revenues			
40192 ASSESSMENTS	\$ 4,150,000	\$ 4,368,892	\$ (218,892)
40192 ASSESSMENTS Allowance for Adjustments 1%	\$ -	\$ -	\$ -
40430 INTEREST	\$ 10,000	\$ 4,565	\$ 5,435
Total Revenues (SOURCES)	\$ 4,160,000	\$ 4,365,397	\$ (205,397)
Expenditures			
TO RESERVE	\$ 165,436	\$ -	\$ 165,436
75230 CONTRIB TO OTHER AGENCIES-OTH LFA ADM	\$ 323,610	\$ 454,732	\$ (131,122)
75230 CONTRIB TO OTHER AGENCIES-OTH CITY CAP	\$ 473,553	\$ 473,554	\$ (1)
75230 CONTRIB TO OTHER AGENCIES-OTH CITY SC	\$ 1,480,129	\$ 1,480,128	\$ 1
75230 CONTRIB TO OTHER AGENCIES-OTH CITY SV	\$ 177,674	\$ 177,674	\$ -
75230 CONTRIB TO OTHER AGENCIES-OTH COUNTY	\$ 1,539,598	\$ 1,539,598	\$ -
Total Expenditures & RESERVE (USES)	\$ 4,160,000	\$ 4,125,686	\$ 34,314
Total GL Key 701300 at 6/30/17 to be distributed	\$ -	\$ 239,711	\$ (239,711)

Libraries Facilities Financing Authority
 2017-18 Proposed Budget
 Fund 76190 Revenues & Expenditures

Object Title	Proposed 17 18 Budget
Fund 76190 -- SC LIBRARIES FAC FIN AUTH LFFA	
GL Key 701300 -- SC LIBRARIES FAC FIN AUTH LFFA	
Revenues	
40192 ASSESSMENTS	\$ 4,405,137
40192 ASSESSMENTS - Prior year balance to distribute	\$ 239,711
40192 ASSESSMENTS Allowance for Adjustments	\$ -
40430 INTEREST	\$ 4,000
Total Revenues (SOURCES)	\$ 4,648,848
Expenditures	
Debt Service Principal	\$ 250,000
Debt Service Interest	\$ 970,501
75230 CONTRIB TO OTHER AGENCIES-OTH LFA ADM	\$ 100,000
75230 CONTRIB TO OTHER AGENCIES-OTH CITY CAPITOLA	\$ -
75230 CONTRIB TO OTHER AGENCIES-OTH CITY SANTA CRUZ	\$ 2,087,539
75230 CONTRIB TO OTHER AGENCIES-OTH CITY SCOTTS VLY	\$ 210,684
75230 CONTRIB TO OTHER AGENCIES-OTH COUNTY OF SC	\$ 1,030,123
Total Expenditures & RESERVE (USES)	\$ 4,648,848