

**LIBRARIES FACILITIES FINANCING AUTHORITY
(LFFA) AND THE LIBRARY JOINT POWERS
AUTHORITY (LJPA) BOARD**

On Thursday May 4, 2023 at 9:00 AM

This is a hybrid in person and online provided meeting open to the public.

Public Viewing:

The meeting will be broadcast through the Santa Cruz Libraries YouTube channel <https://www.youtube.com/user/SantaCruzPL> which you can access through the Santa Cruz Libraries website by scrolling to the bottom of the page and clicking on the YouTube icon.

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Public comment: There are three ways to comment during this meeting. All comments must be received prior to the close of public comment on that agenda item:

1. How to comment on agenda items via email before the meeting begins:

Members of the public may provide public comment by sending an email to the Library Board Clerk at clerk@santacruzpl.org

- Identify the agenda item number in the subject line of the email
- Emailed comments should be a maximum of 500 words, which corresponds to approximately 3 minutes of speaking time.

- All correspondences received prior to 12:00 p.m. on the Wednesday preceding a LJPA Meeting will be distributed to Board members to review prior to the meeting. Information submitted after 12 p.m. on that Wednesday may not have time to reach Board members, nor be read by them prior to consideration of an item.

2. *How to comment on agenda items during the meeting and prior to the close of public comment on an item, using the Zoom Q&A feature:*

- Type your comment using the “Q&A” feature found on the Zoom control bar
- Identify the agenda item first, then type your comment
- Your comment will be read aloud

3. *How to comment aloud on agenda items, during the meeting and prior to the close of public comment on an item, via the Zoom “raise hand” feature:*

If you are accessing the meeting using the Zoom app and using computer audio:

- During the comment period for that agenda item, use the “raise hand” icon found on the Zoom control bar
- The moderator will announce your name or the last 3 digits of your phone number when it is your turn to speak
- Unmute yourself using the microphone icon
- Identify the agenda item
- Introduce yourself using your first and last name
- You will have three minutes of speaking time

If you are accessing the meeting using telephone audio:

- During the comment period for that agenda item, press *9 to raise your hand
- The moderator will announce the last 3 digits of your phone number when it is your turn to speak
- Unmute yourself using *6 – to toggle the mute/unmute feature
- Identify the agenda item
- Introduce yourself using your first and last name
- You will have three minutes of speaking time
-

Chair Carlos Palacios
Vice Chair Jamie Goldstein
Board Member Mali LaGoe
Board Member Matt Huffaker



SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY (LFFA) REGULAR BOARD MEETING AGENDA

THURSDAY MAY 4, 2023

9:00 A.M.

Location:
Scotts Valley Branch Library
251 Kings Village Road, Scotts Valley CA 95066

1. CALL TO ORDER / ROLL CALL

Board Members Matt Huffaker, Mali LaGoe, Jamie Goldstein and Carlos Palacios

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. LIBRARY DIRECTOR REPORT

Library Director's Report for May 2023 (p.6-7)

6. CONSENT CALENDAR

- A. Consider the February 2, 2023 LFFA Board Meeting Minutes
Staff Recommendation: Approve Board Meeting Minutes for February 2, 2023 (p.8-10)
- B. Special Tax Bond Quarterly Financial Reports as of March 31, 2023
Staff Recommendation: Accept and file the attached financial statements of the Community Facilities District No. 2016-1 as of March 31, 2023. (p.11-13)
- C. Amendment to Agreement with Brown Armstrong, CPAs for Audit Services
Staff Recommendation: Approve two-year amendment to agreement with Brown Armstrong, CPAs in the annual amount of \$5,500, resulting in a total cost of \$11,000, for audit related services for Fiscal Years 2022-2023 and 2023-2024, and authorize the Chair of the Board of Directors to sign the amendment. (p.14-16)
- D. Revised Community Facilities District (CFD) Reports from the City of Scotts Valley fiscal years ended June 30, 2019, 2020, 2021 and 2022.
Staff Recommendation: Accept the Revised Annual Community Facilities District Reports for fiscal years ended June 30, 2019, 2020, 2021 and 2022, from the City of Scotts Valley. (p.17-26)

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.

7. GENERAL BUSINESS

- A. Libraries Facilities Financing Authority Proposed Budgets for 2023-24
Staff Recommendation: Accept the Proposed 2023-2024 Libraries Facilities Financing Authority (LFFA) Budgets including the General Fund Proposed Budget and the Debt Service Fund Proposed Budget and recommend placing the approval of the Final Budgets on the next agenda. (p.27-29)

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.

8. PROJECT UPDATES AND COMMENTS BY BOARD MEMBERS

9. SCHEDULED UPCOMING MEETINGS

June 1, 2023	Branciforte Branch Library	Anticipated Upcoming Agenda Items
9:00 am	230 Gault Street Santa Cruz, CA 95062	

10. ADJOURNMENT

Adjourned to a Regular Meeting of the Libraries Facilities Financing Authority (LFFA) to be held on Thursday June 1, 2023 at 9:00 a.m. at the Branciforte Branch Library, Santa Cruz, CA 95062.

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

May 4, 2023



Library Director's Report to the LFFA

APTOS: Library Services Suspended. Construction is Underway

The existing 8,000 sf building, built in 1975, suspended services in June 2021. Demolition took place on May 18, 2022 with a formal groundbreaking on June 11, 2022. The new 12,000 sf library will feature flexible community, meeting and study rooms; garden and terrace areas; a local history section; children, teen and adult reading areas; it will also maximize its energy efficiency. Project Team: Design-Build by Anderson Brule Architects and Bogard Construction; Project Management and Administration by Santa Cruz County Department of Public Works Capital Projects Division. Opening in Fall 2023.

BOULDER CREEK: Construction Complete

Interior remodel of the existing 4,500 sf library includes new infrastructure (HVAC, plumbing, entry, electrical, and lighting); upgrades throughout to comply with accessibility standards and increased exterior lighting of the parking lot; complete redo of the children's area; renovation of the main room and meeting room. Project Team: Design by Jayson Architecture; Construction by CRW builders; Construction Management by Bogard Construction, Project Management and Administration by Santa Cruz County Department of Public Works Capital Projects Division. The Library reopened May 7, 2022. Additional work on the HVAC system was completed in June.

BRANCIFORTE: Grand Reopening May 13, 2023

The renovation builds on the character of this iconic mid-century building (1967), refreshing the 6,800 SF interior for improved flexibility, function, and accessibility with areas for adult reading, children, and teens; electrical and telecommunication upgrades; the project also includes the development of a new community room and a children's outdoor patio. Design by Jayson Architecture; JPB Designs builder; construction management by Bogard. Library staff began set up of the building in April. The Grand Reopening takes place May 13, 2023 from 10 am to 2 pm.

CAPITOLA: Construction Complete

The previous temporary facility has been replaced with a stunning new 11,700 sf library. The new branch opened to the public in June and is already quite busy. A hub for community activity, the new library features a large meeting room, expanded children's wing, study and reading rooms, outdoor deck, fireplace and teen space. Solar panels and an energy efficient design make this one of the greenest buildings in the Library system. The new library opened June 12, 2021.

DOWNTOWN SANTA CRUZ: The library at 224 Church Street remains open; planning continues for the new Downtown Library and Affordable Housing Project on Cedar Street.

The Santa Cruz City Council approved permits for the Downtown Library Affordable housing project on Tuesday, March 14, 2023. The project included direction for the City to plant 36 new trees in the downtown area to replace the 12 on-site and to try to incorporate any viable wood from the felled trees into the project. A CEQA Notice of Exemption (NOE) for the Library/Affordable Housing Project was posted on the County's website on March 16, 2023. The thirty-five day statute of limitations for filing a CEQA challenge, expired April 20, 2023 with no challenges to the project.

The Downtown Library Affordable Housing project at Cedar and Lincoln Street (Lot 4) incorporates a new 41,000+ square foot facility with a large community room and outdoor rooftop deck, an upgraded children's programming room, teen room, and special collections room for genealogy and local history. The affordable housing component features 124 units of very low income housing with greenspaces, 243 parking spaces, and 258 bike parking spaces. Griffin Structures serves as the Owner's

Representative; Eden Housing and For the Future Housing are the affordable housing team; Jayson Architecture is the master architect for the Library project. Construction is set to begin in 2024, with completion in late 2026.

FELTON: Construction Complete

The Felton Library branch operated for nearly 60 years in a historic church building; a charming, but not a modern library. The first Measure S project to be completed, the new 9,000 sf branch located on 2 acres of land connects to the Felton Discovery County Park. This stunning space includes comfortable reading areas, free computers/WiFi, teen and children's areas, community room and adjacent discovery park. Teall Messer architect, Noll and Tam interior, Thompson Builders contractor. The Library opened in February 22, 2020.

GARFIELD PARK: Construction Complete

The renovation brought new life to the historic 2,300 sf Carnegie library building (1915) with refreshed and cohesive design. Features include a central seating area around the fireplace, a children's area, a more open plan, better use of windows for natural light, meeting room and refreshed outdoor space. Design by Jayson Architecture; CRW builders, construction management by Bogard. The Library reopened on June 11, 2022. The Library was closed January 23 and 24, 2023 to make minor repairs to the floor.

LA SELVA BEACH: Construction Complete

The project included replacement of dilapidated interior finishes plus new lighting, electrical, and mechanical systems. A sliding glass wall between the adult and children's areas improves acoustics, lighting and flexibility. Lounge seating areas are provided for both children and adults for reading, tutoring and community programs; and an expanded deck increases usable outdoor space. Jayson Architecture design, C2Builders construction. Renovation completed March 20, 2021.

LIVE OAK: Construction Complete

The Live Oak Library renovation revitalized the children's area, transforming it into an ocean themed learning space. New acoustic wood ceiling and wall treatments, carpeting and redesigned seating completed the functional yet playful setting. A custom designed wall separates the children's collections from an "under-the-sea" inspired reading lounge and homework room. Design by Jayson Architecture. Live Oak Library branch reopened October 1, 2022.

LIVE OAK ANNEX: Construction began April 2022

The new Library Annex is attached to the Simpkins Swim Center. It provides a Library programming room and individual study rooms for patrons. Design by Noll and Tam; CRW builders, construction management by Bogard. The Santa Cruz Board of Supervisors selected team Sobrante dba ARTful Catalyst LLC on January 10, 2023, to provide the public art for the Live Oak Library Annex project. Construction delays pushed the opening date into August 2023.

SCOTTS VALLEY: Construction Complete

This 13,150-sf library was opened in 2011 with design by Group 4, transforming a previous roller rink with contemporary library features such as flexible space, dedicated areas for children, teens and adults, community room and courtyard. A new roof, HVAC system, and parking lot repairs were completed in early 2021; seismic and operational upgrades were made. The Grand Reopening of the Scotts Valley Library branch took place August 6, 2022. Additional work to provide a brighter lighting solution is underway. The installation may require a branch closure day in the future.

Chair Mali LaGoe
Vice Chair Carlos Palacios
Board Member Jamie Goldstein
Board Member Matt Huffaker



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

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

Virtual Meeting

**REGULAR MEETING MINUTES
THURSDAY FEBRUARY 2, 2023**

9:00 A.M.

1. ROLL CALL

PRESENT: Carlos Palacios, Mali LaGoe, Matt Huffaker
ABSENT: Chloe Woodmansee
STAFF: Yolande Wilburn, Library Director

2. ADDITIONAL MATERIALS

None

3. ADDITIONS AND DELETIONS TO AGENDA

The Agenda of February 2, 2023 was approved by consensus.

4. ORAL COMMUNICATIONS

None

5. LIBRARY DIRECTOR REPORT

A. Library Director's Report – February 2023

Library Director Yolande Wilburn reported on the recent activities of the libraries and the status of facilities. The Branciforte Branch Library opening is delayed but work is moving forward. Anticipated opening is at the end of March 2023.

6. CONSENT CALENDAR

<p>RESULT: APPROVED CONSENT CALENDAR</p> <p>A. Adopted Resolution No. 2023-001 Authorizing Continued Remote Teleconference Meetings pursuant to Assembly Bill 361.</p> <p>B. Approved Minutes of November 10 and December 15, 2022.</p> <p>C. Accepted and filed the attached financial statements of the Community Facilities District No. 2016-1 as of December 31, 2022.</p> <p>D. Accepted and filed the basic financial statements and independent Auditor’s report for the FY ended June 30, 2022 and related correspondence.</p> <p>[UNANIMOUS]</p> <p>MOVER: Matt Huffaker SECONDER: Carlos Palacios AYES: Palacios, LaGoe, Huffaker ABSENT: Woodmansee</p>
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7. GENERAL BUSINESS

A. Elect Chair and Vice Chair for 2023.

Based on a previously established rotation schedule, the Chair for 2023 shall be Carlos Palacios, County of Santa Cruz and Vice Chair Jamie Goldstein, City of Capitola.

<p>RESULT: ELECTED CHAIR AND VICE CHAIR</p> <p>A. County of Santa Cruz and City of Capitola respectively.</p> <p>MOVER: Matt Huffaker SECONDER: Carlos Palacios AYES: Palacios, LaGoe, Huffaker ABSENT: Woodmansee</p>

8. PROJECT UPDATES BY BOARD MEMBERS

None

9. SCHEDULED UPCOMING MEETINGS

10. ADJOURNMENT

The Libraries Facilities Financing Authority (LFFA) adjourned at 9:13 a.m. to the Regular Meeting on Thursday May 4, 2023 at 9:00 a.m. at the Boulder Creek Branch Library, 13390 West Ave., Boulder Creek, CA 95006.

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.

Chair Carlos Palacios
Vice Chair Jamie Goldstein
Board Member Mali LaGoe
Board Member Matt Huffaker



STAFF REPORT

AGENDA: May 4, 2023
DATE: April 19, 2023
TO: Libraries Facilities Financing Authority Board
FROM: LFFA Treasurer-Controller
RE: Special Tax Bond Quarterly Financial Reports as of March 31, 2023

RECOMMENDATION

Accept and file the attached financial statements of the Community Facilities District No. 2016-1 as of March 31, 2023.

DISCUSSION

The attached statements provide your Board with a summary of the activity and balances for funds held in trust at Bank of New York as well as an accounting of bond and special tax distributions as of March 31, 2023.

The first attachment, Improvement Fund Activity and Balances of Member Accounts Held in Trust at Bank of New York as of March 31, 2023, provides your Board with an accounting of the funds received into member trust accounts and distributed to members from both the 2017 and the 2020 bond issuances. As of March 31, 2023, the total balance in trust accounts with Bank of New York for these funds is \$2,914,008.03.

The 2017 Special Tax Bond was sold in June 2017. As of March 31, 2023, all 2017 bond funds have been drawn down to reimburse eligible expenditures. The remaining \$0.89 is interest income.

The second attachment, Member Distribution Summary as of March 31, 2023, provides your Board with an accounting of the \$40,962,660 total bond proceeds received from the two bond issuances as well as a reporting of the \$19,225,397 special tax that has been allocated to each member. Because the City of Capitola and the County of Santa Cruz have received their full distribution amounts the special tax remaining after debt payments are made will be distributed only to the City of Santa Cruz and the City of Scotts Valley until they also reach their maximum distribution amount through either bond proceeds or special tax payments.

Attachment #1 – Improvement Fund Activity and Balances of Member Accounts Held in Trust of Bank of New York

Attachment #2 – Member Distribution Summary

SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY

Community Facilities District No. 2016-1

2017 & 2020 Special Tax Bonds

Improvement Fund Activity and Balances of Member Accounts Held in Trust at Bank of New York

As of March 31, 2023

Summary of activity and account balances of bond funds held in trust at Bank of New York

Description	Santa Cruz Cnty	Santa Cruz City	Capitola	Scotts Valley	Total
2017 Bonds					
Proceeds	\$ 13,100,000.00	\$ 500,000.00	\$ 7,526,447.00	\$ 500,000.00	\$ 21,626,447.00
Excess Cost of Issuance	11,756.08	448.70	6,754.33	448.70	19,407.81
Interest	465,064.78	22,723.24	263,490.15	23,524.55	774,802.72
Available funds	13,576,820.86	523,171.94	7,796,691.48	523,973.25	22,420,657.53
Drawdowns	(13,576,820.86)	(523,171.60)	(7,796,691.48)	(523,972.70)	(22,420,656.64)
Current balance 2017 Bonds	-	0.34	-	0.55	0.89
2020 Bonds					
Proceeds	15,386,032.00	-	1,824,947.00	2,094,000.00	19,304,979.00
Excess Cost of Issuance	-	-	-	11,825.62	11,825.62
Interest	198,944.86	-	661.79	3,965.66	203,572.31
Available funds	15,584,976.86	-	1,825,608.79	2,109,791.28	19,520,376.93
Drawdowns	(12,672,433.35)	-	(1,825,608.79)	(2,108,327.65)	(16,606,369.79)
Current balance 2020 Bonds	2,912,543.51	-	-	1,463.63	2,914,007.14
March 31, 2023 Balance at BNY:	\$ 2,912,543.51	\$ 0.34	\$ -	\$ 1,464.18	\$ 2,914,008.03

**Santa Cruz Libraries Facilities Financing Authority
Community Facilities District No. 2016-1
Maximum Distribution Amounts & Member Distribution History
As of March 31, 2023**

Modified authorized distribution amounts and member balances.

Object Code	Member	Original Distribution Percentage	Authorized Distribution Amount	Bond Proceeds	Special Tax Distribution	Total Distributions	Balance to Distribute	Modified Distribution Percentage
75236	City of Capitola	12.90%	\$ 10,000,000	\$ 9,358,148	\$ 641,852	\$ 10,000,000	\$ -	0.00%
75237	City of Santa Cruz	40.32%	31,250,000	500,449	13,670,396	14,170,845	17,079,155	98.66%
75238	City of Scotts Valley	4.84%	3,750,000	2,606,275	910,937	3,517,212	232,788	1.34%
75239	County of Santa Cruz	41.94%	32,500,000	28,497,788	4,002,212	32,500,000	-	0.00%
Total		100.00%	\$ 77,500,000	\$ 40,962,660	\$ 19,225,397	\$ 60,188,057	\$ 17,311,943	

Chair Carlos Palacios
Vice Chair Jamie Goldstein
Board Member Mali LaGoe
Board Member Matt Huffaker



STAFF REPORT

AGENDA: May 4, 2023
TO: Libraries Facilities Financing Authority Board
FROM: LFFA Treasurer-Controller
RE: Amendment to Agreement with Brown Armstrong, CPAs for Audit Services

RECOMMENDATION

Approve two-year amendment to agreement with Brown Armstrong, CPAs in the annual amount of \$5,500, resulting in a total cost of \$11,000, for audit related services for Fiscal Years 2022-2023 and 2023-2024, and authorize the Chair of the Board of Directors to sign the amendment.

DISCUSSION

Pursuant to Section 4 (d) (i) of the Amended and Restated Joint Exercise of Powers Agreement, the Santa Cruz County Auditor-Controller-Treasurer-Tax Collector is designated as the LFFA Treasurer-Controller and 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 attached two-year amendment to the agreement with Brown Armstrong, CPAs provides audit related services for Fiscal Years 2022-2023 and 2023-2024. The cost will not exceed \$5,500 annually for a total two-year cost of \$11,000.

FIRST AMENDMENT TO AGREEMENT

The parties hereto agree to amend that certain Contract dated July 1, 2020, by and between the SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY, hereinafter called AGENCY, and BROWN ARMSTRONG, CPAs, hereinafter called CONTRACTOR, as follows:

1. Section 1 **DUTIES** of the Contract is hereby amended as follows:

CONTRACTOR agrees to extend the audit services through Fiscal Years 2022-2023 and 2023-2024 as reflected in Exhibit A: Amendment One, which is attached to this amendment and hereby incorporated by reference

2. Section 2 **COMPENSATION** of the Contract is hereby amended as follows:

In consideration for CONTRACTOR accomplishing said result, AGENCY agrees to pay CONTRACTOR as follows:

Audit related services for Fiscal Year 2022-2023	\$5,500
Audit related services for Fiscal Year 2023-2024	<u>\$5,500</u>
Total for 2-year period	\$11,000

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. Payment will be processed after receipt and project manager approval of monthly invoices based upon the amount of actual progress achieved during the preceding month.

3. Section 3 **TERM** of the Contract is hereby amended as follows:

The term of this Contract is extended through June 30, 2025.

4. All other provisions of said Contract shall remain the same.

Dated: _____

**SANTA CRUZ LIBRARIES FACILITIES FINANCING
AUTHORITY**

By: _____
Carlos J. Palacios, Chair of the LFFA Board

Dated: _____

BROWN ARMSTRONG, CPAs

By: _____
Eric Xin, Partner

Address: 4200 Truxtun Ave. Suite 300
Bakersfield, CA 93309
Telephone: (661) 324-4971

APPROVED AS TO INSURANCE:

APPROVED AS TO FORM:

Risk Management

County Counsel

EXHIBIT A: AMENDMENT ONE

SCOPE OF SERVICES

Annual Audit of Santa Cruz Libraries Facilities Financing Authority

Contractor agrees to:

1. Conduct a separate audit of the financial statements of the Santa Cruz Libraries Facilities Financing Authority for a total 2-year period:
 - a) Audit related services for Fiscal Year 2022-2023
 - b) Audit related services for Fiscal Year 2023-2024
2. Express an opinion of 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.
3. Perform the audit in accordance with Generally Accepted Auditing Standards, Generally Accepted Government Auditing Standards (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).
4. Provide one unbound original report and up to ten (10) copies of the report to the Santa Cruz County Auditor-Controller-Treasurer-Tax Collector by December 15 of each year of the agreement. Provide all Santa Cruz Libraries Facilities Financing Authority information in an electronic format to be agreed upon with the Auditor.
5. Provide the Santa Cruz County Auditor-Controller-Treasurer-Tax Collector with a draft of the "Management Letter" which will include internal control evaluations, findings and recommendations by December 15 of each year of the agreement.

Chair Carlos Palacios
Vice Chair Jamie Goldstein
Board Member Mali LaGoe
Board Member Matt Huffaker



STAFF REPORT

AGENDA: May 4, 2023
DATE: April 24, 2023
TO: Libraries Facilities Financing Authority Board
FROM: LFFA Treasurer-Controller
RE: Revised Community Facilities District (CFD) Reports from the City of Scotts Valley for fiscal years ended June 30, 2019, 2020, 2021 and 2022

RECOMMENDATION

Accept the Revised Annual Community Facilities District Reports for fiscal years ended June 30, 2019, 2020, 2021 and 2022, from the city of Scotts Valley.

DISCUSSION

Per the Joint Community Facilities Agreement, paragraph 4, Annual Reporting: Each Member shall, no later than 90 days after the end of the Member's fiscal year, file with the Authority a written report (the "Annual CFD (Community Facilities District) Report") containing the following information for the prior fiscal year:

- i. The amount of Bond proceeds received and expended during such fiscal year, any cash balance of Bond proceeds remaining on hand at the end of such fiscal year, and a summary of the Facilities for which Bond proceeds were expended.
- ii. The amount of Special Taxes received and expended during such fiscal year, any cash balance of Special Taxes remaining on hand at the end of such fiscal year, and a summary of the Facilities for which Special Taxes were expended.

Revised Annual CFD Reports from the City of Scotts Valley for fiscal years ended June 30, 2019, 2020, 2021 and 2022, are provided as attached:

Attachment #1	Scotts Valley CFDR for the fiscal year ended June 30, 2019
Attachment #2	Scotts Valley CFDR for the fiscal year ended June 30, 2020
Attachment #3	Scotts Valley CFDR for the fiscal year ended June 30, 2021
Attachment #4	Scotts Valley CFDR for the fiscal year ended June 30, 2022

Revised Annual Community Facilities District Report
Proceeds and Expenditures of
Library Facilities Financing Authority Bond and Special Tax Revenue
For the City of Scotts Valley
Fiscal Year Ended June 30, 2019

This report is prepared pursuant to the Santa Cruz Libraries Facilities Financing Authority Joint Exercise of Powers Agreement, paragraph 4: Annual Reporting, dated January 6, 2017; which requires each member to file with the Authority a written report (the "Annual CFD Report") containing the following information for the prior fiscal year:

- i. The amount of Bond proceeds received and expended during the fiscal year, any cash balance of Bond proceeds remaining on hand at the end of the fiscal year and a summary of the Facilities for which Bond proceeds were expended.
- ii. The amount of Special Taxes received and expended during the fiscal year, any cash balance of Special Taxes remaining on hand at the end of the fiscal year and a summary of the Facilities for which Special Taxes were expended.

	On hand July 1, 2018	Bond Proceeds Received	Expended	[1] On hand June 30, 2019
PROCEEDS FROM BONDS				
Scotts Valley Library	\$ (11,197.21)	\$ -	\$ 23,947.79	\$ (35,145.00)
PROCEEDS FROM SPECIAL TAXES				
Scotts Valley Library	\$ 377,824.00	\$ 188,045.42	\$ -	\$ 565,869.42
Interest Earnings	2,922.48	9,734.22	-	12,656.70
	<u>\$ 380,746.48</u>	<u>\$ 197,779.64</u>	<u>\$ -</u>	<u>\$ 578,526.12</u>

[1] See Note section for negative balance explanation.

I certify that to the best of my knowledge and belief that the representations contained in this report are true and correct.

Stephanie Hill, Administrative Services Director

Name & Title of responsible party

Date

Balance of bond proceeds are held in trust at the Bank of New York Mellon and distributed to members by the LFFA upon request.

Special Taxes are collected by the LFFA and distributed to members of the Authority by the Treasurer twice annually in January and June, or as soon as practical.

**Revised Annual Community Facilities District Report
Facilities Projects Summary of
Library Facilities Financing Authority Bond and Special Tax Revenue
For the City of Scotts Valley
Fiscal Year Ended June 30, 2019**

Scotts Valley Library - 251 Kings Village Road, Scotts Valley, CA 95066

Design and planning for replacement of the HVAC system, roof repairs, installation of sound attenuation equipment, major building improvements and parking lot improvements.

Painting of exterior deck.

Construction of outside shed for storage.

Exterior and interior improvements including major seismic upgrades, enclosing the fireside room, constructing a new entrance vestibule, moving the circulation desks, redesignating areas for age groups, and updating fixtures, carpet, paint and landscaping.

Proceeds of bonds are held in trust at the Bank of New York Mellon.

Special Taxes are collected and distributed to members of the Authority by the Treasurer twice annually in January and June, or as soon as practical upon receipt.

Revised Annual Community Facilities District Report
Proceeds and Expenditures of
Library Facilities Financing Authority Bond and Special Tax Revenue
For the City of Scotts Valley
Fiscal Year Ended June 30, 2020

This report is prepared pursuant to the Santa Cruz Libraries Facilities Financing Authority Joint Exercise of Powers Agreement, paragraph 4: Annual Reporting, dated January 6, 2017; which requires each member to file with the Authority a written report (the "Annual CFD Report") containing the following information for the prior fiscal year:

- i. The amount of Bond proceeds received and expended during the fiscal year, any cash balance of Bond proceeds remaining on hand at the end of the fiscal year and a summary of the Facilities for which Bond proceeds were expended.
- ii. The amount of Special Taxes received and expended during the fiscal year, any cash balance of Special Taxes remaining on hand at the end of the fiscal year and a summary of the Facilities for which Special Taxes were expended.

	<u>On hand July 1, 2019</u>	<u>Bond Proceeds Received</u>	<u>Expended</u>	<u>On hand June 30, 2020</u>
<u>PROCEEDS FROM BONDS</u>				
Scotts Valley Library	\$ (35,145.00)	\$ 55,858.00	\$ 20,713.00	\$ -
	<u>On hand July 1, 2019</u>	<u>Special Taxes Received</u>	<u>Expended</u>	<u>On hand June 30, 2020</u>
<u>PROCEEDS FROM SPECIAL TAXES</u>				
Scotts Valley Library	\$ 565,869.42	\$ 260,699.90	\$ 4,932.94	\$ 821,636.38
Interest Earnings	12,656.70	12,920.97	-	25,577.67
	<u>\$ 578,526.12</u>	<u>\$ 273,620.87</u>	<u>\$ 4,932.94</u>	<u>\$ 847,214.05</u>

I certify that to the best of my knowledge and belief that the representations contained in this report are true and correct.

Stephanie Hill, Administrative Services Director

Name & Title of responsible party

Date

Balance of bond proceeds are held in trust at the Bank of New York Mellon and distributed to members by the LFFA upon request.

Special Taxes are collected by the LFFA and distributed to members of the Authority by the Treasurer twice annually in January and June, or as soon as practical.

**Revised Annual Community Facilities District Report
Facilities Projects Summary of
Library Facilities Financing Authority Bond and Special Tax Revenue
For the City of Scotts Valley
Fiscal Year Ended June 30, 2020**

Scotts Valley Library - 251 Kings Village Road, Scotts Valley, CA 95066

Design and planning for replacement of the HVAC system, roof repairs, installation of sound attenuation equipment, major building improvements and parking lot improvements.

Painting of exterior deck.

Construction of outside shed for storage.

Exterior and interior improvements including major seismic upgrades, enclosing the fireside room, constructing a new entrance vestibule, moving the circulation desks, redesignating areas for age groups, and updating fixtures, carpet, paint and landscaping.

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	<u>On hand July 1, 2020</u>	<u>Bond Proceeds Received</u>	<u>Expended</u>	<u>On hand June 30, 2021</u>
<u>PROCEEDS FROM BONDS</u>				
Scotts Valley Library	\$ -	\$ 394,145.67	\$ 394,145.67	\$ -
	<u>On hand July 1, 2020</u>	<u>Special Taxes Received</u>	<u>Expended</u>	<u>On hand June 30, 2021</u>
<u>PROCEEDS FROM SPECIAL TAXES</u>				
Scotts Valley Library	\$ 821,636.38	\$ 30,989.00	\$ 233,489.55	\$ 619,135.83
Interest Earnings	25,577.67	640.51		26,218.18
	<u>\$ 847,214.05</u>	<u>\$ 31,629.51</u>	<u>\$ 233,489.55</u>	<u>\$ 645,354.01</u>

I certify that to the best of my knowledge and belief that the representations contained in this report are true and correct.

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Fiscal Year Ended June 30, 2022

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	On hand July 1, 2021	Bond Proceeds Received	Expended	On hand June 30, 2022	
PROCEEDS FROM BONDS					
Scotts Valley Library	\$ -	\$ 2,182,296.68	\$ 2,182,296.68	\$ -	
					[1]
	On hand July 1, 2021	Special Taxes Received	Expended	Temporary Funding draw/(reimbursement)	On hand June 30, 2022
PROCEEDS FROM SPECIAL TAXES					
Scotts Valley Library	\$ 619,135.83	\$ 31,988.76	\$ 795,408.48	\$ 144,283.89	\$ -
Interest Earnings	26,218.18	620.74	26,838.92	-	-
	<u>\$ 645,354.01</u>	<u>\$ 32,609.50</u>	<u>\$ 822,247.40</u>	<u>\$ 144,283.89</u>	<u>\$ -</u>

[1] See Note section for negative balance explanation.

I certify that to the best of my knowledge and belief that the representations contained in this report are true and correct.

Stephanie Hill, Administrative Services Director

Name & Title of responsible party

Date

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Revised Annual Community Facilities District Report
Notes to Proceeds and Expenditures of
Library Facilities Financing Authority Bond and Special Tax Revenue
For the City of Scotts Valley
Fiscal Year Ended June 30, 2022

NOTE TO REPORT-

1. Special Taxes are collected by the LFFA and distributed to members of the Authority by the Treasurer twice annually in January and June, or as soon as practical. There are timing issues for when the revenues are received compared to expenditures. The City of Scotts Valley is supplementing funding from the City's Library Impact Fees fund, to be reimbursed as Special Tax revenues are received. Below shows the supplemental funding and the related Special Tax to be distributed at a future date.

City of Scotts Valley Supplemental Funding:

Special Tax related supplemental funding for Fiscal Year Ended June 30, 2022	\$	144,283.89
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Santa Cruz Libraries Facilities Financing Authority CFD 2016-1 Statement:

Balance to Distribute to City of Scotts Valley as of June 30, 2022	\$	254,178.00
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Chair Carlos Palacios
Vice Chair Jamie Goldstein
Board Member Mali LaGoe
Board Member Matt Huffaker



STAFF REPORT

AGENDA: May 4, 2023
TO: Libraries Facilities Financing Authority Board
FROM: LFFA Treasurer-Controller
RE: Libraries Facilities Financing Authority Proposed Budgets for 2023-24

RECOMMENDATION

Accept the Proposed 2023-2024 Libraries Facilities Financing Authority (LFFA) Budgets including the General Fund Proposed Budget and the Debt Service Fund Proposed Budget and recommend placing the approval of the Final Budgets on the next agenda.

DISCUSSION

The attached Proposed Budgets reflect the anticipated Sources and Uses of LFFA Funds. The primary source of funds is Measure S Special tax revenue. After the payment of debt service each member receives a share of net special tax revenue up to their maximum authorized distribution amounts.

Upon issuance of the second series of bonds, the City of Capitola and the County of Santa Cruz received their maximum authorized distribution amounts, and therefore will not receive distributions of net special tax in 2023-24. Distributions of net special tax will continue to be made to the City of Scotts Valley and the City of Santa Cruz until such time as a final bond is issued to fund the remaining allocation.

In prior years the County Treasury netted accounting and auditing fees with Special Tax assessments distributed to the LFFA. To improve transparency the LFFA is reporting gross Special Tax assessments and accounting fees separately. The result is in an increase in estimated actuals and proposed budget for assessments and accounting and auditing fees.

The allocation of Special Tax in the 2023-24 budget is based on the percentages reflected below.

Member	Maximum Distribution Amounts per JPA	Distribution Percentages per JPA	Speical Tax Distribution Percentage
City of Capitola	\$10,000,000	12.90%	Fully distributed
City of Santa Cruz	31,250,000	40.32%	98.65%
City of Scotts Valley	3,750,000	4.84%	1.35%
County of Santa Cruz	32,500,000	41.94%	Fully distributed
Total	\$77,500,000	100.00%	100.00%

Libraries Facilities Financing Authority
General Fund - 76190
Proposed Budget

Fiscal Year: 2023-24

Detail by Revenue and Expenditure Object	2021-22 Actuals	2022-23 YTD Adj Budget	2022-23 YTD Actuals	2022-23 Estimated Actuals	2023-24 Proposed Budget
REVENUES					
ASSESSMENTS	40192	\$ 4,400,171	\$ 4,425,000	\$ 2,200,834	\$ 4,444,000
INTEREST	40430	5,605	3,000	12,167	7,000
TOTAL REVENUES		4,405,776	4,428,000	2,213,001	4,451,000
EXPENDITURES					
ACCOUNTING AND AUDITING FEES	62301	4,960	5,000	4,980	49,000
CONTRIB TO CITY OF SANTA CRUZ	75237	2,337,510	2,166,585	1,563,073	2,160,911
CONTRIB TO CITY OF SCOTTS VALL	75238	31,989	29,649	21,390	29,572
TOTAL EXPENDITURES		2,374,459	2,201,234	1,589,443	2,239,483
TRANSFERS					
OPERATING TRANSFERS OUT	90000	(2,214,031)	(2,226,766)	-	-
INTRAFUND TRANSFERS OUT	95002	-	-	(618,912)	(2,211,517)
INTRAFUND TRANSFERS	95046	5,524	-	-	-
TOTAL TRANSFERS		(2,208,507)	(2,226,766)	(612,209)	(2,211,517)
CHANGE		(177,190)	-	11,349	-
BEGINNING FUND BALANCE		177,190	-	-	-
ENDING FUND BALANCE		-	-	11,349	-

Libraries Facilities Financing Authority
 Debt Service Fund - 76191
 Proposed Budget

Fiscal Year: 2023-24

Detail by Revenue and Expenditure Object		2021-22 Actuals	2022-23 YTD Adj Budget	2022-23 YTD Actuals	2022-23 Estimated Actuals	2023-24 Proposed Budget
REVENUES						
INTEREST-NON COUNTY TREASURER	40435	\$ 12	\$ 15	\$ 185	\$ 15	\$ 15
TOTAL REVENUES		12	15	185	15	15
EXPENDITURES						
ADMINISTRATIVE COSTS	62305	6,000	-	-	-	-
FISCAL AGENTS FEES	62345	2,815	10,000	2,500	4,500	4,500
PRINCIPAL ON LONG-TERM DEBT	74110	905,000	945,000	945,000	945,000	995,000
INTEREST ON LONG-TERM DEBT	74425	1,291,656	1,245,406	1,245,406	1,245,406	1,196,906
TOTAL EXPENDITURES		2,205,471	2,200,406	2,192,906	2,194,906	2,196,406
INTRAFUND TRANSFERS						
OPERATING TRANSFERS IN	42462	2,214,031	2,226,766	(6,703)	-	-
INTRAFUND TRANSFERS IN	95001	-	-	618,912	2,225,084	2,211,517
INTRAFUND TRANSFERS	95046	(5,524)	-	-	-	-
TOTAL TRANSFERS		2,208,507	2,226,766	612,209	2,225,084	2,211,517
CHANGE		3,048	26,375	(1,580,512)	30,193	15,126
BEGINNING FUND BALANCE		1,577,649	1,580,697	1,580,697	1,580,697	1,610,890
ADJUSTMENT TO ADD COI FUND HELD AT BNY						
BEGINNING FUND BALANCE AS ADJUSTED		1,577,649	1,580,697	1,580,697	1,580,697	1,610,890
ENDING FUND BALANCE		1,580,697	1,607,072	185	1,610,890	1,626,016 *

* Required for September debt service