



LIBRARY JOINT POWERS AUTHORITY BOARD
FINANCE SUBCOMMITTEE

Monday, June 4 2012
Downtown Branch Community Meeting Room
224 Church Street, Santa Cruz

6:30 PM PUBLIC MEETING

1. ROLL CALL
2. APPROVE AGENDA OF JUNE 4, 2012
3. APPROVE MINUTES OF APRIL 19, 2012
4. ORAL COMMUNICATIONS
5. STAFF REPORTS
 - a. Monthly Financial reports (PG. 4-13)
 - b. PERS update (PG. 14-16)
 - c. RDA Impact Discussion (PG. 17-20)
 - d. FY12/13 Proposed Budget (PG. 21-31)

6. FINANCE COMMITTEE MEETING CALENDAR

The Finance Committee will consider its current meeting schedule and may revise it as necessary.

7. NEXT MEETING

The next regularly scheduled meeting is Monday, June 25, 2012 at 6:00 p.m. at the Downtown Branch Library

ADJOURN

The Library Joint Powers Authority Board Finance Subcommittee will adjourn from the regularly scheduled meeting of June 4, 2012 to the next regularly scheduled public meeting on June 25, 2012 at 6:00 pm in the Community Meeting Room of the Downtown Branch Library.

SANTA CRUZ PUBLIC LIBRARIES
A CITY-COUNTY SYSTEM

LIBRARY JOINT POWERS BOARD
FINANCE SUBCOMMITTEE

MINUTES

April 19, 2012

Downtown Branch Meeting Room
224 Church Street, Santa Cruz

6:00 PM PUBLIC MEETING

I. ROLL CALL

Present: Citizen English, Councilmember Terrazas, Councilmember Storey

Staff: Director Landers, Finance Director Pimentel

II. APPROVAL OF MEETING AGENDA OF APRIL 19, 2012

Councilmember Storey moved, seconded by Citizen English

that the Committee approve the agenda of April 19, 2012

UNAN

III. APPROVAL OF MINUTES OF MARCH 26, 2012

Councilmember Storey moved, seconded by Citizen English

that the Committee approve the minutes of March 26, 2012

UNAN

IV. ORAL COMMUNICATIONS

None

V. STAFF REPORTS

A. Monthly Financial Report

Director Landers reported that e-rate still has not been received. The Finance Subcommittee reviewed the reports.

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B. Preliminary FY 12/13 Status Quo Budget

Finance Director Pimentel gave a detailed budget overview with projections for FY 2013-2016. The Finance Subcommittee discussed the information presented.

C. Draft follow up to LJPB Meeting

Director Landers presented a follow-up to the April LJPB meeting. The report addresses the Board's request for clarification in a variety of areas and provides information to assist in the preparation of the final budget for FY 12/13. The Finance Subcommittee discussed the report.

VI. NEXT MEETING

The Finance Subcommittee discussed the meeting dates for the months of May through December 2012.

The next regularly scheduled Finance Subcommittee meeting is scheduled for May 17, 2012 at 6:00 p.m. in the Small Conference Room (downstairs) of the Downtown Branch Library.

VII. ADJOURN

The regular meeting adjourned at 7:30 p.m.

Respectfully submitted,

Helga Smith
Clerk of the Board

All documents referred to in these minutes are available in the Library.

LIBRARY JOINT POWERS AUTHORITY		
COMBINED BALANCE SHEET		
JPA FUND AND ACCOUNT GROUPS		
APRIL 2012		
	JPA	
	Total	
Assets		
Pooled cash	2,273,894	
Pooled cash interest receivable	3,600	
Other interest receivable	-	
Taxes receivable - current	-	
Accounts receivable	-	
Internal investment & loan receivable	8,952	
Infrastructure	579,683	
Accumulated depreciation - infrastructure	(217,892)	
Lease improvements - buildings	2,018,032	
Accumulated depreciation - lease imp-buildings	(1,134,479)	
Machinery and equipment	1,648,085	
Accumulated depreciation - machinery & equip	(1,515,684)	
Software	3,983	
Accumulated depreciation-software	(3,983)	
Construction in progress	71,354	
Total Assets	3,735,545	
Liabilities		
Accounts payable	68,026	
Sales tax payable	232	
Deferred grant revenue - unearned	3,098	
Unclaimed funds	596	
Payable to the County - noncurrent	80,586	
Other intergovernmental payable-noncurrent	307,170	
Total Liabilities	459,708	
Equities		
Unreserved, undesignated fund balance	1,718,565	
Committed - cash flow/unexpected expenditures	495,929	
Investment in capital assets - Library	1,449,099	
Reserved for long-term debt	(387,756)	
Total Equities	3,275,837	
Total Liabilities and Equities	3,735,545	

LIBRARY JOINT POWERS AUTHORITY						
COMBINED BALANCE SHEET						
SPECIAL FUNDS						
APRIL 2012						
	Fund #	956	960	961	Spec Funds	
Fund Description		Technology	Felton	Vehicle Replacement		Total
Assets						
Pooled cash		4,782	1,137	73,782		79,701
Pooled cash interest receivable		12	3	125		140
Internal investment and loan receivable		43	10	-		53
Total Assets		4,837	1,150	73,907		79,894
Equities						
Unreserved, undesignated fund balance		4,837	1,150	73,907		79,894
Total Equities		4,837	1,150	73,907		79,894

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LIBRARY JOINT POWERS AUTHORITY										
COMBINED BALANCE SHEET										
TRUST FUNDS										
APRIL 2012										
Fund #	931	932	933	934	935	936	937	Trust Funds		
Fund Description	McCaskill Loc His	McCaskill Vis Imp	Finkeldey	Whalen	Leet-Corday	Morley	Hale	Total		
Assets										
Pooled cash	255,305	236,065	9,340	147,205	89,324	12,315	70,215	819,769		
Pooled cash interest receivable	654	604	24	370	229	31	180	2,092		
Internal investment and loan receivable	2,317	2,191	85	1,257	737	-	-	6,587		
Total Assets	258,276	238,860	9,449	148,832	90,290	12,346	70,395	828,448		
Equities										
Net assets held in trust-library prog	258,276	238,860	9,449	148,832	90,290	12,346	70,395	828,448		
Total Equities	258,276	238,860	9,449	148,832	90,290	12,346	70,395	828,448		

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Revenue Status Report
Library JPA
CITY OF SANTA CRUZ
4/1/2012 through 4/30/2012

83%
Prct Rcvd

Account Number	Library Joint Powers Authority	Adjusted Estimate	Revenues	Year-to-date Revenues	Balance	Prct Rcvd
951-41000	TAXES					
951-00-00-0000-41211	Sales and use tax	5,501,530.00	377,895.37	4,960,584.34	540,945.66	90.17
Total	TAXES	5,501,530.00	377,895.37	4,960,584.34	540,945.66	90.17
951-43000	INTERGOVERNMENTAL					
951-36-00-0000-43210	State operating grants and contributions	0.00	9,177.00	14,177.00	-14,177.00	0.00
951-36-00-0000-43310	Local operating grants and contributions	0.00	0.00	14,671.00	-14,671.00	0.00
951-36-00-0000-43311	Maintenance of effort contributions	5,146,100.00	428,530.10	4,282,592.33	863,507.67	83.22
951-36-55-3531-43210	State operating grants and contributions	2,500.00	0.00	1,550.98	949.02	62.04
951-36-55-3560-43190	Federal grants - other	17,756.00	0.00	3,956.00	13,800.00	22.28
951-36-55-3560-43210	State operating grants and contributions	0.00	0.00	4,800.00	-4,800.00	0.00
Total	INTERGOVERNMENTAL	5,166,356.00	437,707.10	4,321,747.31	844,608.69	83.65
951-44000	CHARGES FOR SERVICES					
951-36-00-0000-44613	Internet use fee	4,100.00	399.80	3,841.86	258.14	93.70
951-36-00-0000-44630	Room rentals-library JPA	2,500.00	37.00	2,597.00	-97.00	103.88
951-36-00-0000-44901	Photocopy fee	7,000.00	680.65	6,199.45	800.55	88.56
Total	CHARGES FOR SERVICES	13,600.00	1,117.45	12,638.31	961.69	92.93
951-45000	FINES AND FORFEITS					
951-36-00-0000-45131	Library fines	200,000.00	13,750.93	142,811.15	57,188.85	71.41
951-36-00-0000-45132	Lost library items	25,000.00	1,028.95	11,620.04	13,379.96	46.48
Total	FINES AND FORFEITS	225,000.00	14,779.88	154,431.19	70,568.81	68.64

Revenue Status Report

Library JPA

CITY OF SANTA CRUZ

4/1/2012 through 4/30/2012

Account Number	Library Joint Powers Authority	Adjusted Estimate	Revenues	Year-to-date Revenues	Balance	Prct Rcvd
951-46000	MISCELLANEOUS REVENUES					
951-00-00-0000-46110	Pooled cash and investment interest	0.00	2,188.74	10,681.36	-10,681.36	0.00
951-00-00-0000-46190	Interest earnings - other	4,096.00	100.32	2,487.09	1,608.91	60.72
951-00-00-0000-46620	Internal investment & loan int receipts	0.00	0.00	50.04	-50.04	0.00
951-00-00-0000-46910	Miscellaneous operating revenue	8,500.00	0.00	6,518.64	1,981.36	76.69
951-00-00-0000-46990	Miscellaneous non-operating revenue	0.00	0.00	22,303.44	-22,303.44	0.00
951-36-00-0000-46303	Donations - library	12,000.00	0.00	17,214.72	-5,214.72	143.46
951-36-00-0000-46309	Donations - library - Friends of the Lib	100,000.00	344.50	26,027.00	73,973.00	26.03
951-36-00-0000-46916	Cash over/short	0.00	11.36	194.48	-194.48	0.00
Total	MISCELLANEOUS REVENUES	124,596.00	2,644.92	85,476.77	39,119.23	68.60
951-49000	OTHER FINANCING SOURCES					
951-00-00-0000-49122	From Library Private Trust Fund	55,190.00	0.00	15,190.00	40,000.00	27.52
951-00-00-0000-49191	Intra-entity fund transfer in	9,959.00	0.00	10,036.41	-77.41	100.78
Total	OTHER FINANCING SOURCES	65,149.00	0.00	25,226.41	39,922.59	38.72
Total	Library Joint Powers Authority	11,096,231.00	834,144.72	9,560,104.33	1,536,126.67	86.16
	Grand Total	11,096,231.00	834,144.72	9,560,104.33	1,536,126.67	86.16

Expenditure Status Report
 Library JPA Fund
 CITY OF SANTA CRUZ
 4/1/2012 through 4/30/2012

951 Library Joint Powers Authority

83%

Account Number	Adjusted Appropriation	Expenditures	Year-to-date Expenditures	Year-to-date Encumbrances	Balance	Prc't Used
951-52000		SERVICES				
951-36-50-3510-52135	7,644.00	Financial services - outside	131.48	7,880.00	0.00	103.09
951-36-50-3510-52199	130,000.00	Other professional & technical services	0.00	10,000.00	0.00	7.69
951-36-50-3510-52240	4,020.00	Office equipment operation/maint	439.25	2,451.33	0.00	60.98
951-36-50-3510-52248	16,000.00	Software maintenance services	0.00	10,100.00	0.00	63.13
951-36-50-3510-52302	4,000.00	Travel and meetings	0.00	514.91	0.00	12.87
951-36-50-3510-52402	42,600.00	Telecommunications service - internal	0.00	31,950.00	0.00	75.00
951-36-50-3510-52403	3,300.00	Telecommunications service - outside	0.00	1,505.65	0.00	45.63
951-36-50-3510-52933	14,774.00	Liability insurance/surety bonds-outside	0.00	10,440.00	0.00	70.66
951-36-50-3510-52961	17,250.00	Dues and memberships	235.00	14,079.00	0.00	81.62
951-36-50-3510-52971	100.00	Printing and binding-internal	1.18	45.15	0.00	45.15
951-36-50-3510-52972	3,900.00	Printing and binding-outside	168.18	5,071.55	0.00	130.04
951-36-50-3540-52135	550,000.00	Financial services - outside	40,883.09	448,866.11	0.00	81.61
951-36-51-3520-52131	10,000.00	Claims management services - outside	844.02	5,693.61	5,830.06	115.24
951-36-51-3520-52244	1,680.00	Other equipment operation/maintenance	0.00	0.00	0.00	0.00
951-36-51-3520-52248	46,320.00	Software maintenance services	454.48	31,555.22	0.00	68.12
951-36-51-3520-52302	100.00	Travel and meetings	0.00	17.00	0.00	17.00
951-36-51-3520-52972	2,500.00	Printing and binding-outside	0.00	580.48	0.00	23.22
951-36-52-3530-52240	1,500.00	Office equipment operation/maint	0.00	248.00	0.00	16.53
951-36-52-3530-52244	2,180.00	Other equipment operation/maintenance	0.00	610.42	0.00	28.00
951-36-52-3530-52302	2,150.00	Travel and meetings	233.65	881.73	0.00	41.01
951-36-52-3530-52972	4,000.00	Printing and binding-outside	59.68	3,367.43	0.00	84.19
951-36-53-3515-52201	66,640.00	Water, sewer and refuse	2,571.37	46,574.22	0.00	69.89
951-36-53-3515-52211	125,000.00	Janitorial services	8,397.87	74,863.06	0.00	59.89
951-36-53-3515-52223	111,000.00	Vehicle operation charges - internal	2,606.05	47,194.28	0.00	42.52
951-36-53-3515-52246	183,800.00	Building and facility o & m - outside	22,230.92	149,236.13	13,319.90	88.44
951-36-53-3515-52247	17,000.00	Landscaping maintenance services	1,090.59	2,483.95	3,500.00	35.20
951-36-53-3515-52261	312,530.00	Equipment, building and land rentals	25,940.11	261,233.34	1,850.00	84.18
951-36-53-3515-52302	150.00	Travel and meetings	0.00	0.00	0.00	0.00
951-36-53-3515-52932	17,050.00	Liability insurance/surety bonds-interna	0.00	12,787.47	0.00	75.00
951-36-53-3515-52933	36,508.00	Liability insurance/surety bonds-outside	0.00	25,714.00	0.00	70.44
951-36-54-3550-52199	108,000.00	Other professional & technical services	9,881.25	32,706.50	23,193.50	51.76

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Expenditure Status Report

Library JPA Fund

CITY OF SANTA CRUZ

4/1/2012 through 4/30/2012

951 Library Joint Powers Authority

Account Number	Adjusted Appropriation	Expenditures	Year-to-date Expenditures	Year-to-date Encumbrances	Balance	Prct Used
951-36-54-3550-52248	169,835.49	2,919.02	61,757.80	11,750.00	96,327.69	43.28
951-36-54-3550-52249	91,700.00	0.00	42,160.16	1,005.30	48,534.54	47.07
951-36-54-3550-52302	1,350.00	233.66	965.16	0.00	384.84	71.49
951-36-54-3550-52403	73,234.00	14,041.49	126,437.27	22,556.88	-75,760.15	203.45
951-36-55-3560-52304	70,606.00	4,441.42	41,095.71	0.00	29,510.29	58.20
951-36-55-3560-52306	9,000.00	0.00	0.00	0.00	9,000.00	0.00
951-36-55-3560-52960	3,000.00	0.00	0.00	0.00	3,000.00	0.00
951-36-55-3560-52972	6,500.00	297.83	5,180.68	0.00	1,319.32	79.70
Total SERVICES	2,266,919.49	138,101.59	1,516,247.32	83,005.64	667,666.53	70.55
951-53000						
SUPPLIES						
951-36-50-3510-53101	8,000.00	148.81	2,672.37	0.00	5,327.63	33.40
951-36-50-3510-53102	2,400.00	186.67	2,706.23	0.00	-306.23	112.76
951-36-50-3510-53108	0.00	0.00	175.00	0.00	-175.00	0.00
951-36-51-3520-53106	872,269.00	81,860.17	648,309.41	0.00	223,959.59	74.32
951-36-51-3520-53107	75,000.00	0.00	6,407.29	0.00	68,592.71	8.54
951-36-51-3520-53112	113,550.00	2,843.80	40,688.96	39,193.59	33,667.45	70.35
951-36-52-3530-53102	12,300.00	1,008.93	10,614.98	444.26	1,240.76	89.91
951-36-52-3530-53109	6,630.00	0.00	4,141.10	0.00	2,488.90	62.46
951-36-53-3515-53108	2,370.00	0.00	1,864.49	0.00	505.51	78.67
951-36-53-3515-53113	18,360.00	1,529.99	10,969.31	0.00	7,390.69	59.75
951-36-53-3515-53311	167,748.00	9,779.01	125,240.14	0.00	42,507.86	74.66
951-36-53-3515-53312	26,133.00	3,005.29	22,949.99	0.00	3,183.01	87.82
951-36-54-3550-53110	22,000.00	1,804.83	19,007.39	4,000.00	-1,007.39	104.58
Total SUPPLIES	1,326,760.00	102,167.50	895,746.66	43,637.85	387,375.49	70.80
951-54000						
OTHER MATERIALS AND SERVICES						
951-36-50-3510-54990	3,445.00	0.00	752.90	0.00	2,692.10	21.85
951-36-52-3530-54990	7,000.00	0.00	3,319.90	0.00	3,680.10	47.43
951-36-53-3515-54108	44,000.00	450.00	450.00	0.00	43,550.00	1.02
951-36-55-3531-54990	0.00	209.00	2,090.00	0.00	-2,090.00	0.00
951-36-55-3560-54990	23,727.52	2,137.35	18,768.14	0.00	4,959.38	79.10
Total OTHER MATERIALS AND SERVICES	78,172.52	2,796.35	25,380.94	0.00	52,791.58	32.47

Expenditure Status Report
 Library JPA Fund
 CITY OF SANTA CRUZ
 4/1/2012 through 4/30/2012

951 Library Joint Powers Authority

Account Number	Adjusted Appropriation	Expenditures	Year-to-date Expenditures	Year-to-date Encumbrances	Balance	Prct Used
951-56000		OTHER CHARGES				
951-36-52-3530-56995	2,000.00	156.01	1,359.51	0.00	640.49	67.98
Total	2,000.00	156.01	1,359.51	0.00	640.49	67.98
951-57000		CAPITAL OUTLAY				
951-36-50-3510-57401	20,000.00	2,327.76	2,327.76	13,854.86	3,817.38	80.91
951-36-55-3560-57401	25,000.00	0.00	6,972.47	0.00	18,027.53	27.89
Total	45,000.00	2,327.76	9,300.23	13,854.86	21,844.91	51.46
951-58000		DEBT SERVICE				
951-36-50-3540-58140	40,961.00	0.00	43,008.92	0.00	-2,047.92	105.00
951-36-50-3540-58190	40,293.00	0.00	40,293.07	0.00	-0.07	100.00
951-36-50-3540-58240	19,600.00	0.00	17,508.96	0.00	2,091.04	89.33
951-36-50-3540-58290	3,500.00	0.00	414.21	0.00	3,085.79	11.83
Total	104,354.00	0.00	101,225.16	0.00	3,128.84	97.00
951-59000		OTHER FINANCING USES				
951-00-00-0000-59191	148,668.00	0.00	73,668.00	0.00	75,000.00	49.55
Total	148,668.00	0.00	73,668.00	0.00	75,000.00	49.55
Grand Total	3,971,874.01	245,549.21	2,622,927.82	140,498.35	1,208,447.84	69.57

Expenditure Status Report
 Library Personnel Costs
 CITY OF SANTA CRUZ
 4/1/2012 through 4/30/2012

951 Library Joint Powers Authority

Account Number		Adjusted Appropriation	Expenditures	Year-to-date Expenditures	Year-to-date Encumbrances	Balance	Prct Used
<i>83%</i>							
951-51000	PERSONNEL SERVICES						
Total	Regular full time	4,237,245.00	247,530.36	3,047,076.32	0.00	1,190,168.68	71.91
Total	Regular part time	747,294.00	80,750.58	712,314.74	0.00	34,979.26	95.32
Total	Overtime	3,000.00	1,335.52	3,778.57	0.00	-778.57	125.95
Total	Termination pay	0.00	1,924.89	78,900.06	0.00	-78,900.06	0.00
Total	Temporary	555,298.00	46,723.53	474,879.30	0.00	80,418.70	85.52
Total	Other pay	0.00	0.00	2,703.65	0.00	-2,703.65	0.00
Total	Special vacation pay	4,400.00	0.00	19,351.73	0.00	-14,951.73	439.81
Total	Special sick leave pay	0.00	0.00	0.00	0.00	0.00	0.00
Total	Vehicle-phone-data allowance	1,800.00	155.00	1,710.00	0.00	90.00	95.00
Total	Salary savings	0.00	0.00	0.00	0.00	0.00	0.00
Total	Retirement contribution	754,846.00	51,421.41	581,469.40	0.00	173,376.60	77.03
Total	F.I.C.A.	0.00	2,041.17	22,800.25	0.00	-22,800.25	0.00
Total	Group health insurance	1,119,068.00	76,008.88	844,533.62	0.00	274,534.38	75.47
Total	Group dental insurance	107,422.00	6,403.28	76,587.29	0.00	30,834.71	71.30
Total	Vision insurance	18,242.00	1,036.86	12,700.24	0.00	5,541.76	69.62
Total	Medicare insurance	64,309.00	4,977.94	57,162.91	0.00	7,146.09	88.89
Total	Employer-paid COBRA	0.00	1,247.64	4,148.92	0.00	-4,148.92	0.00
Total	Group life insurance	2,744.00	176.04	2,082.22	0.00	661.78	75.88
Total	Disability insurance	73,078.00	2,703.30	31,232.32	0.00	41,845.68	42.74
Total	Unemployment insurance	23,622.00	1,894.25	21,056.04	0.00	2,565.96	89.14
Total	Workers' compensation	208,640.00	15,698.99	177,899.06	0.00	30,740.94	85.27
Total	Intrafund labor - credit	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total		7,921,008.00	542,029.64	6,172,386.64	0.00	1,748,621.36	77.92

Library - Fund 951
 Month-End Cash Balances

	July	August	September	October	November	December	January	February	March	April	May	June
FY 2012 Pooled cash	894,190.39	994,042.19	759,933.36	925,760.72	911,230.93	1,083,486.87	1,323,144.44	2,379,377.39	2,211,047.06	2,273,893.52		
FY 2011 Pooled cash	72,541.96	250,794.12	312,607.59	1,397,052.22	604,129.15	539,173.69	1,586,968.17	875,122.12	1,076,342.48	1,227,629.78	1,164,416.13	806,095.53
FY 2010 Pooled cash	(908,343.59)	(797,637.50)	(752,924.76)	(597,787.31)	(558,459.72)	(707,533.76)	290,832.95	(990,345.22)	(62,933.26)	15,984.66	25,912.58	120,299.01
FY 2009 Pooled cash	(1,028,955.46)	(397,327.61)	(356,999.20)	252,949.44	(714,416.36)	(711,714.61)	(612,054.05)	(668,015.42)	(595,048.05)	(543,669.74)	222,502.65	(667,431.15)
FY 2008 Pooled cash	555,177.28	285,993.39	362,222.74	452,678.88	381,688.89	348,644.68	414,873.10	180,026.54	267,117.50	988,379.63	877,239.75	65,274.00
FY 2007 Pooled cash	378,173.37	260,209.81	(47,055.07)	77,967.52	141,276.32	331,082.13	1,134,207.34	1,970,264.04	582,080.73	688,990.25	693,402.17	260,082.00



California Public Employees' Retirement System
P.O. Box 942709
Sacramento, CA 94229-2709
(888) CalPERS (or 888-225-7377)
TTY: (877) 249-7442
www.calpers.ca.gov

Reference No.:
Circular Letter No.: 200-014-12
Distribution: VI
Special:

Circular Letter

May 23, 2012

TO: ALL PUBLIC AGENCY EMPLOYERS

SUBJECT: PHASE-IN OF IMPACT OF THE CHANGES IN ECONOMIC ASSUMPTIONS (INCLUDING DISCOUNT RATE)

The purpose of this Circular Letter is to inform you of recent changes to the CalPERS economic assumptions and the impact this will have on employer contribution rates.

At the March 14, 2012 meeting, the CalPERS Board of Administration (Board) approved a recommendation to lower the CalPERS discount rate assumption, or the rate of investment return the pension fund assumes, from 7.75 to 7.50 percent. This will increase public agency employer rates for the 2013-14 fiscal year.

At the April 18, 2012 meeting, the Board approved a recommendation to phase-in the employer contribution rate increases over a period of two years.

Agencies with non-pooled plans will have the opportunity to elect not to phase-in the higher rates for 2013-14 by notifying their plan actuary prior to May 1, 2013.

Background

At its March meeting, the Board directed staff to develop a phase-in of the impact of the change in the price inflation assumption and discount rate over the next two years. Staff recommended that the phase-in be accomplished by requiring public agency employers to pay in 2013-14 one-third of the amortization payment that would otherwise be required for the increase in actuarial liabilities resulting from the change in assumptions. The remaining two-thirds will be paid by public agency employers over the remaining 19 years so that at the end of 20 years, the full increase in actuarial liabilities will have been paid.

For most plans, the proposed method will allow for a phase-in of roughly 50 to 55 percent of the required increase in employer rates resulting from the change in actuarial assumptions adopted by the Board on March 14, 2012.

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Results

The Board's decision to phase-in the lower discount rate assumption will have the following estimated impacts on sample public agency employers:

**Estimated Increase in Employer Contribution Rates
 in Fiscal Year 2013-14
 (% of Payroll)**

Group	Without Phase-in	Phase-in Rate	Phase-in Percentage
Public Agency Miscellaneous			
Sample Agency A	1.24%	0.65%	52.4%
Sample Agency B	1.15%	0.63%	54.8%
Public Agency Safety			
Sample Agency A	1.94%	1.00%	51.5%
Sample Agency B	1.62%	0.90%	55.6%

Phasing-in the impact of the change in assumptions by reducing the amortization payment in the first year is expected to result in higher contribution rates in the 19 years following the phase-in. Staff determined that employer rates in the 2nd through 20th year would be approximately 0.04 to 0.05 percent of payroll higher than the rates without the phase-in for miscellaneous plans and approximately 0.05 to 0.08 percent of payroll higher for safety plans.

To help illustrate the impact of the phase-in, below is a table showing the expected increase in employer rates resulting from the change in assumptions for a sample miscellaneous plan with and without the phase-in.

**Estimated Increase in Employer Contribution Rates
 (% of Payroll)**

	Without Phase-in	With Phase-in	Difference
Sample Public Agency Miscellaneous			
Year 1	1.24%	0.65%	(0.59%)
Years 2 - 20	1.24%	1.29%	0.05%

The measured impact of the change in the discount rate assumption for each agency will be known when the Actuarial Office completes the June 30, 2011 actuarial valuations in fall 2012. The June 30, 2011 valuations will set the employer rates that take effect on July 1, 2013.

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May 23, 2012
Page 3

The valuations for non-pooled plans will reflect the employer rates with the phase-in and will also disclose what the rates would be without the phase-in. Employers will be assumed to be using the phased-in rates. However, public agencies with non-pooled plans will have until May 1, 2013 to notify their CalPERS actuary if they decide they would prefer not to phase-in the increased rates.

Potential Accounting Impact

It is possible that the funding contribution determined in the annual valuation may be less than the Annual Required Contribution (ARC) under the current Governmental Accounting Standards Board (GASB) rules. This could create an accounting event and require special accounting treatment for the difference. It is advised that you speak with your auditor concerning this issue.

If you have any questions, please call our CalPERS Customer Contact Center at **888 CalPERS** (or 888-225-7377).

ALAN MILLIGAN
Chief Actuary

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COUNTY OF SANTA CRUZ

MARY JO WALKER, AUDITOR-CONTROLLER
701 OCEAN STREET, SUITE 100, SANTA CRUZ, CA 95060-4073
(831) 454-2500 FAX (831) 454-2660

Edith Driscoll, Chief Deputy Auditor-Controller
Pam Silbaugh, General Accounting Manager
Mark Huett, Audit and Systems Manager
Marianne Ellis, Property Tax Accounting Manager

May 22, 2012

Gary Bloom, Superintendent
Santa Cruz City Schools
405 Old San Jose Road,
Soquel, CA 95073

Brian King, President
Cabrillo Community College
6500 Soquel Drive, Room 806
Aptos, CA 95003

Subject: Residual distribution from the Redevelopment Property Tax Trust Fund

Dear Mr. Bloom and Mr. King:

Thank you for your letter dated May 11, 2012, advocating that I do not rely on the Department of Finance's interpretation of the allocation and distribution of the Redevelopment Property Tax Trust Fund (RPTTF). I appreciate your interest in this issue.

I wanted to let you know that after much research and analysis, I decided to use the model for distributing the residual from the RPTTF which maintains the integrity of the passthrough agreements. This is the so-called "Department of Finance" (DOF) model, following the priorities described in H&S code section 34183.

You requested that I "cease and desist" from relying on the DOF model, and that I explain why my office should not accept the legal analysis of the League of California Cities to support the Legislative Analyst's Office (LAO). My decision was based on a number of factors.

LACK OF CLARITY

Fundamentally, it is very unclear which model is the "correct" way to distribute the residual. There are essentially two interpretations: one that maintains the integrity of the passthrough agreements to our local taxing entities, and one that redistributes those passthrough amounts to all taxing entities in the redevelopment area. The first model is being referred to as the DOF model, and the second is being referred to as the LAO model. There has been a good deal of discussion about this at the state and local level, and there are valid arguments in support of both models.

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THE DEPARTMENT OF FINANCE'S METHOD IS MOST COMMONLY USED

A clear majority of the county Auditor-Controllers throughout the state are using the DOF model, although this is not unanimous. This is my understanding from a number of Auditor-Controller and property tax meetings and conference calls I recently attended, and County Counsel's understanding from the County Counsel RDA working group conference calls. This is further supported by an informal survey performed by the California State Association of Counties (CSAC's).

THE DEPARTMENT OF FINANCE'S POSITION IS CLEAR

You attached a copy of a letter from the League of California Cities (the League) dated May 7, 2012, which stated that the DOF's position is flawed and unworkable, based on one of the DOF's "Frequently Asked Questions" on their website. I agree that the DOF's response was not well worded, and so did the DOF themselves, which is why they clarified their position on April 10, 2012, in an email that was provided to all Auditor-Controller's. The DOF's email said:

"Our position is still that the AB 1290/pre-AB 1290 passthrough payments in 34183 (a) (1) are protected in full. However, the haircutting in 34188 applies to both the distribution of residual property taxes pursuant to 34183 (a) (4), as well as to the distribution of any proceeds from the sale of assets. Previously I had said the haircutting applied only to the proceeds from the sale of assets, and that 34188 (a) (4) passthroughs were also protected in full."

The DOF reiterated their position in another Frequently Asked Questions posted on their website on March 17, 2012, which stated:

"Specifically, we believe Section 34188 does not require county auditor-controllers to reduce pre-AB 1290 or AB 1290 pass through payments. Instead, the reduction required by Section 34188 should only apply to "residual" pass through distributions made per Section 34183 (a) (4), and to any non-property tax revenues received by ATEs from the former redevelopment agencies, such as revenues from the sale of assets."

The DOF again clarified this position that same day in an email that was provided to all Auditor-Controller's, which read as follows:

Q: Pass-through payments 34183(a)(1) are not be adjusted (unless necessary to invoke subordination clauses when insufficient funds problem arise)?

A: Yes, this is correct.

Q: However 34188 does require that "residual" payments 34183(a)(4) and Other Money 34177(e) payments be adjusted to account for pass-through payments already received under 34183(a)(1) to the extent that when these payments are combined an ATE does not receive more money than it contributes to the RDA?

A: Yes, the 34183 (a) (4) and 34177 (e) payments should be "haircut" to the extent that those payments would, when added to the AB 1290/pre-AB 1290 passthrough payments, result in the ATE receiving more money than it contributed to the RDA.

LEAGUE OF CALIFORNIA CITIES MISREPRESENTS COUNTY AUDITOR'S POSITION

You may have read in the League's letter that the County Auditor's *Draft Uniform Guidelines for the Implementation of Assembly Bill No. 26* supports the alternative model which is identified by the Legislative Analyst Office (LAO). What the League's letter does not say, but should have, is that the final adopted version of our *Uniform Guidelines* does not support either model. Support for any model was stricken from the adopted *Uniform Guidelines*. The President of our State Association of County Auditors wrote a letter to the League informing them of the County Auditor's position, but the League has not yet corrected their letter.

CALIFORNIA STATE ASSOCIATION OF COUNTIES

The California State Association of Counties issued a letter dated April 24, 2012, in which it stated that "CSAC believes that the counties should have a consistent and state-wide approach and agree with the Department of Finance's interpretation." So once again, we have well informed and respected organizations taking opposite positions.

PROPOSITION 1A

You stated in your letter that you believe that the DOF model would violate Article XIII, Section 25.5(a)(3) of the California Constitution, which was added in 2004 by Proposition 1A. Once again, not everyone agrees with that position. The California Supreme Court itself made the following observation in their decision regarding AB X1 26 which dissolved Redevelopment Agencies:

"Finally, tax increment revenue that would have gone to redevelopment agencies must be deposited in a local trust fund each county is required to create and administer. All amounts necessary to satisfy administrative costs, pass-through payments, and enforceable obligations will be allocated for those purposes, while any excess will be deemed property tax revenue and distributed in the same fashion as balances and assets."

DISRUPTION TO OUR COMMUNITY AND CONTRACTUAL OBLIGATIONS

Another important factor which I took into account was the effect of both models on all taxing entities in our county. As I mentioned, it is unclear which model is "correct", and legal experts on both sides believe their positions are legally defensible, so I had to weigh other factors as well. The DOF model is the least disruptive to most (but not all) of the affected taxing entities in our county. Auditor-Controllers were required to estimate by May 1 the amount that will be distributed on June 1. If our county followed the model identified by the LAO, we estimated that a number of entities would lose very significant passthroughs that were negotiated decades ago, and have been receiving for all those years. These entities issued debt and made other legally binding agreements based on this revenue stream. We are still refining our May 1 estimates, and we expect them to change a bit, but we estimate the following entities which would lose the most under the LAO's model:

- Santa Cruz Public Library system - about \$850,000 annually, almost 10% of their annual budget.
- Central Fire Protection District - about \$4 million annually, more than 25% of their annual budget.
- Scotts Valley Fire Protection District - about \$400,000 annually, about 8% of their annual budget.
- County General Fund - about \$4 million annually, more than 4% of general purpose revenues.

GOVERNOR'S BUDGET MESSAGE

I would like to close with a quote from the Governor's budget update, known as the May Revision, released by his office on May 14, 2012. Please remember that the legislation which dissolved redevelopment agencies was originally authored by the Governor and his staff. In the section pertaining to Redevelopment Agencies, the May Revision says:

"Revenues that would have been directed to the former RDAs are now provided to the successor agencies to pay the debts of the former RDA, and to make the "pass-through" payments to which affected taxing entities were entitled before the RDAs were dissolved. The revenues remaining after debt service and pass-through payments are distributed as property taxes to cities, counties, school and community college districts, and special districts under existing law."

Please contact me if you would like to discuss this further.

Regards,



Mary Jo Walker
Auditor-Controller

Attachment

cc: Cabrillo College Board of Trustees
Santa Cruz City Schools Board of Education
Honorable Bill Monning, 27th District
Honorable Don Lane, Mayor, City of Santa Cruz
City of Santa Cruz City Council and City Manager
City of Santa Cruz Redevelopment Oversight Board and Community Development Director
Santa Cruz Public Library Joint Powers Board and Library Director
Central Fire Protection District Board of Trustees and Fire Chief
Scotts Valley Fire Protection District Board of Trustees and Fire Chief
Santa Cruz County Board of Supervisors, County Administrative Officer and County Council

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MEMORANDUM

DATE; May 31, 2012
TO: Library JPB
FROM: Teresa Landers, Library Director
SUBJECT: FY12/13 Budget

RECOMMENDATION:

That the Board approve the attached budget for FY12/13 including the staffing resolution.

BACKGROUND

The Board provided direction at their May 7, 2012 meeting to prepare a budget reflecting staffing increases. These increases include provisions to alleviate a number of pressure points identified in the new service model (remediation) and to achieve a minimum at all branches of 90% of the goal for hours set in the service model approved in April 2011. This budget achieves these recommendations.

Following is a review of the current year's work plan objectives, accomplishments and financial results. The report concludes with a review of the upcoming Fiscal Year 2012/2013 (FY12/13) priorities and the FY12/13 budgeted revenues and expenditures.

Status of Progress on Work Plan for FY11/12

- Implement the new service model and staffing plan. This was accomplished and we are continually evaluating it and recommending adjustments for improvement. A major piece of the new service model was establishing the Library's Volunteer Program.
- Revise the strategic plan's action steps in light of the new service model. This has been accomplished.
- Conduct a Facilities Master Plan. The Board approved moving forward on this in February 2012. The revised completion date is January 2013, requiring the funding to be carried over into FY12/13.
- Implement a new Integrated Library System (ILS). This was implemented in October 2011. Staff continues to work on implementation issues.
- Leverage technology for greater efficiency. This has been accomplished through projects such as adopting Liquid Space for meeting room reservation management, implementing Text-a-Librarian and moving the network to Cruzio.
- Continue the organizational cultural transformation. This was accomplished through the adoption of the principles of a learning organization.

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Other Key Accomplishments

- **Grants received:** The Library was successful in applying for and receiving several grants this past year:
 - “Big Read” through the Friends of the Library for a community wide reading program centered on Edgar Allan Poe (\$17,000).
 - LSTA for Eureka! Leadership participant: Funded a quality digital scanner to scan local documents (5,000)
 - LSTA for Eureka! Leadership participant: Funded a program to involve fathers and children in reading and playing together. This grant is in collaboration with the Papas Program (\$4,800).
 - The State Council on Developmental Disabilities, via the Scotts Valley Friends: Funded a program to establish a Special Needs Resource Center at the Scotts Valley Library (\$15,000).
 - County Office of Education: The County Office of Education provided two grants this year. One was to provide a parenting program during the summer (\$12,500) and the other an after school tutoring program (\$15,000).
 - Institute of Museums and Libraries (IMLS): Funded a grant for Year 3 (\$26,400) for work related to the new Integrated Library System (ILS).
 - First Five: Continued to fund a storage unit for early literacy materials. This will change in FY12/13 to support the “Read-To-Me” and “Play-With-Me” Kits. (\$2,700)
 - Libraries Inside Out: SCPL has been officially selected by an international organization to be an official “Inside Out” site (see sample photo of Lisbon’s project). This means our “posters” will be produced by the organization at no cost to us.
 - Coastal Dog Owners: Continue to support the “Tales to Tails” program both logistically and financially (\$1,000).
- **Key Partnerships:**
 - City IT: The Library and the City have been cooperating in the area of Information Technology. The City’s Chief Information Officer is attending senior library management meetings and providing technical expertise while the Library’s IT Manager position is vacant.
 - The County Office of Education has provided important grant funding.
 - Santa Cruz Writes: As part of the “Big Read” grant, this local community organization was in charge of a community and school wide writing contest. They have continued as a major partner in this year’s application for a “Big Read” grant.
 - Big Read partners: As part of the “Big Read” grant, the Library and Friends collaborated with a wide variety of community partners: American Red Cross, Museum of Art and History, Santa Cruz City Schools and many more. This has morphed into a year round celebration of reading with events at the Library, Santa Cruz Writes, the schools and various Big Read partners.
 - The Downtown Library is now a regular participant in the First Friday Art Tour.



- The Volunteer Center/AmeriCorps VIP program has asked us to expand our involvement.
 - The Friends of the Library and the associated chapters; particularly the Scotts Valley Branch Chapter which is now working to create a usable back patio.
 - Museum of Art and History: a variety of projects. Teresa Landers and Janis O'Driscoll serve on the MAH Community Focus Group which meets quarterly.
 - Community TV has produced a number of videos for the Library: "Big Read", "Tales to Tails", "Read-to-Me", "Battle of the Bands" and "Summer Reading."
- **Major Donations Received:**
 - The Dorothy A. Hale Trust provided \$70,000 for the Scotts Valley Branch.
 - The Friends of the Santa Cruz Public Libraries continue to support the Library. They allocated \$100,000 for technology and other expenses in FY11/12. These funds are being used to purchase digital signs for each branch and purchase new tables and chairs for the Downtown branch and new tables for Aptos.

Challenges Faced during FY11/12

The major challenges this year revolved around the implementation of the new service model and the implementation of the new Integrated Library System (ILS).

- The new service model created a time of great uncertainty for staff as they wondered if they would still have a job and if so, what would it be and for how many hours.
- A lot of time was spent by staff throughout the system working through the various service model and ILS changes.
- Training for new positions in new locations, training on the new ILS and transitioning to a different organizational culture using the learning organization model took a great deal of staff time and energy and continues to do so.
- The loss of the Library Network Administrator/IT Manager resulted in a greater reliance on contract consultants and the temporary (although still ongoing) redeployment of a key senior manager.
- The new ILS is a young system that has required a great deal of staff time to configure and manage.

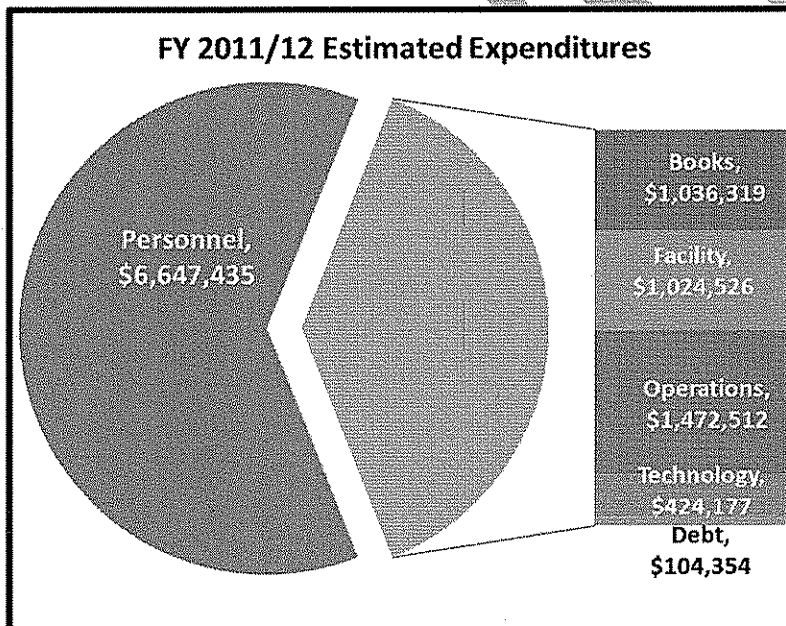
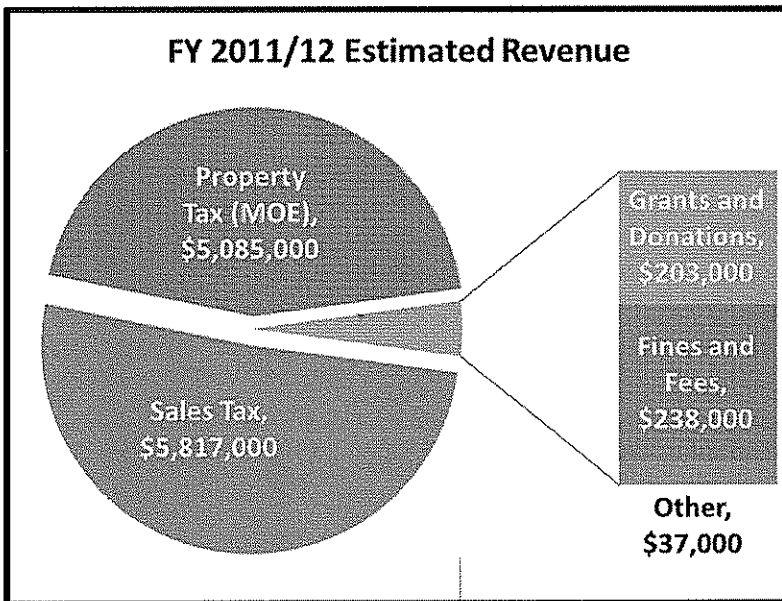
Financial Summary for FY11/12

Year end projections indicate final revenue will be about \$11.38 million with expenditures of about \$10.29 million. This results in a net gain of \$1.09 million. The bulk of this net gain is from the structural change that took place in January and a small increase in sales tax revenues which outweighed a reduction in income from property taxes.

There is a total of \$207,500 requested for carryovers. Carryovers include commitments made in FY11/12 that will not be invoiced until FY12/13. These will become part of the beginning fund balance for FY12/13. These are:

- The Facilities Master Plan (up to \$100,000)
- Technology Reserve (\$75,000)
- Whalen Trust appropriation for Felton (\$20,000 and an additional \$12,500 being requested 6/11/12)

The charts below provide an overview of revenue and expenditure by type.



FY12/13 REVIEW

Work Priorities for FY12/13

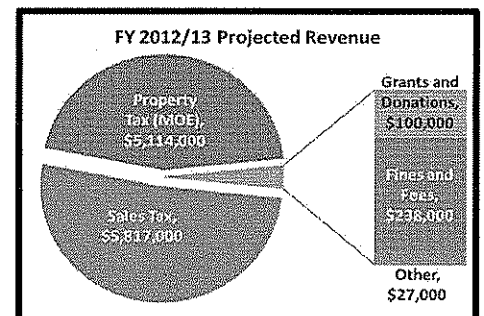
The draft budget reflects the following work priorities for FY12/13:

- Develop a Facilities Master Plan and strategize its implementation.
- Evaluate the service model and recommend improvements. These could include:
 - Continue to develop the volunteer program.
 - Achieve smoother functioning in the centralized Reference and Programming Teams delivering services in various ways throughout the Library's service area to persons of all ages.
 - Continue to develop a customer service philosophy reflective of the new model and responsive to patron needs.
- Continue upgrading and strategically using technology:
 - Conduct an IT Strategic Plan and begin implementing recommendations.
 - Upgrade public and staff computers.
 - Upgrade all branches to high speed fiber.
 - Explore and develop greater efficiencies such as floating collections, automated sub-finding, Collection HQ, Counting Opinions, and automated Interlibrary Loan.
 - Improve the library's web site as the Library's 11th Branch.
- Fully implement shelf ready acquisition of materials and clear backlogs.
- Develop greater functionality from Evergreen; particularly acquisitions and reporting.
- Market library services and resources so that residents are more aware of what the library can offer.

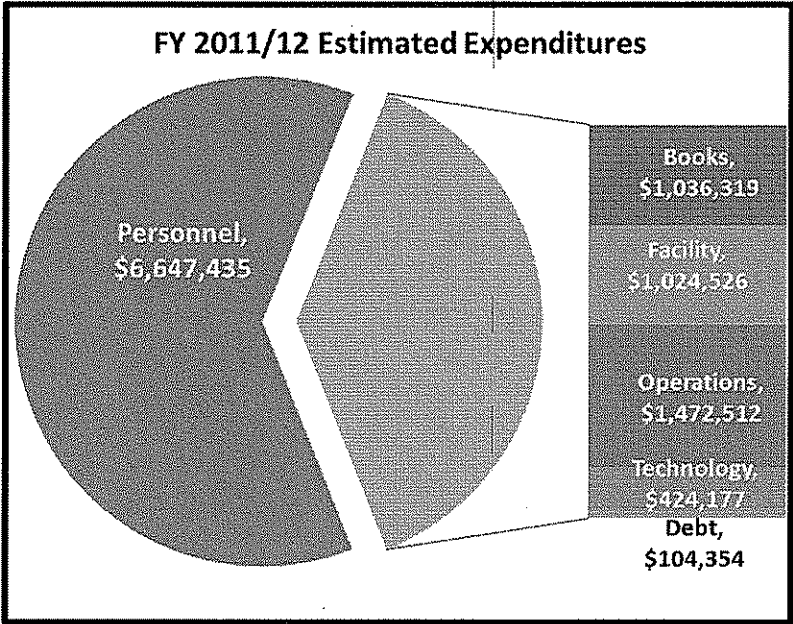
FY12/13 Revenues

We will not have final revenue projections from the Library Financing Authority until June. The preliminary revenue budget of \$11.27 million was prepared using estimates from January 2011. The projected revenue for FY12/13 from Maintenance of Effort and Sale & Use Tax alone is \$10.9 million. This reflects the County Auditor-Controller's currently proposed RDA distribution method, which leaves the County's former RDA property tax "pass-throughs" 100% intact. Staff will closely monitor any regional or state-wide changes that could alter this distribution method, which in turn reduces the County's funding stream they dedicate for their MOE requirements.

A known loss for FY 12/13 was the State's elimination of their "Public Library Fund" (\$70,000 for our system). However, the reimbursement program for staff currently pursuing a M.L.S. will continue at least one more year (\$3,000). No new reimbursements will be initiated.



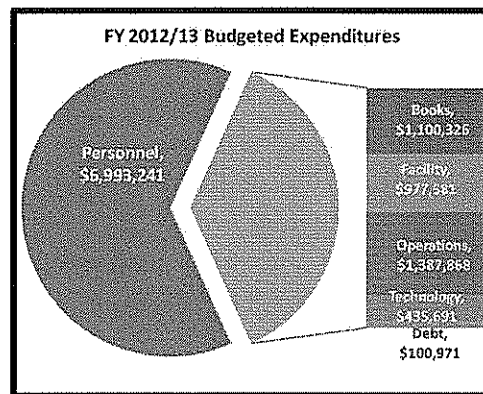
The estimate for funds donated to the Friends for the purchase of library materials has been decreased to reflect actual activity during FY11/12. There is a corresponding decrease in estimated expenditures from the donation line for materials.



FY12/13 Expenditures

PERSONNEL

As shown in the chart, the personnel budget is the largest segment of operating costs. The \$6,993,241 in Budgeted Expenditures is based on the current service model plus the additions recommend by the Board at their May 7th meeting. The implementation of the new service model was expected to result in structural savings; which it did for FY11/12. The budget, as presented, reflects modifications to address deficiencies in the current model (remediation) and to increase hours at all branches to a minimum of 90% of the hours set as a goal in April 2011.



Going forward, the personnel budget includes the cost to cover step increases which go into effect 6 months after the start of new service model, with most occurring on July 1, 2012.

The effect from the anticipated retirement plan increases approved by the CalPERS board in March 2012 will not be felt until July 2013. CalPERS anticipates sending us our new FY13/14 rates in October 2012. Staff will then report back to the board with what the increase will be for FY13/14.

INFORMATION TECHNOLOGY

Software maintenance is budgeted at \$114,000, which is \$19,400 less than last year. This is due to the new ILS which was paid for in FY11/12. Also included are the annual maintenance fees for various software packages. These were added last year to leverage technology to contribute to the success of the new service model.

Several new technological services have been added to keep current our delivery of services to patrons such as “Text a Librarian” and the “Discover and Go Museum Pass” program.

Predicting telecommunications costs for FY12/13 will be very complicated as we await a formal approval of the AT&T offer through the “e-rate” procurement process. We want to provide a fiber connection to the 6 branches that currently use DSL only. Last year, our e-rate certification notice was not received until January. While it’s retroactive to the beginning of the fiscal year, given the magnitude of our financial exposure should we not receive the e-rate funding for this conversion, we are waiting until we are certified to estimate the cost difference. It makes planning for FY12/13 very difficult so we have made our best estimate.

Finally, the service model calls for an investment of \$25,000 in innovative technologies.

LIBRARY MATERIALS

As per the service model, \$840,000 has been allocated for the purchase of library materials in all formats. This is calculated as 7.5% of revenues from sales tax, MOE, fines/fees and interest from trusts designated for materials.

We separate from the \$840,000 allocation any money donated for material purchases to the Friends and directly to the Library (estimated at \$40,000); as are proceeds from the Fleming Trust (\$30,000 requested in FY12/13). Fleming is the one trust that allows us to spend the principal. We have been doing this the past few years only to augment the regular materials budget for the purchase of materials benefitting the blind and physically challenged.

The cost of library functional supplies has been increased to reflect the move to "shelf ready" ordering. Costs average about \$4.00 per item and we will be receiving the majority of our materials in this way once fully implemented (anticipated for June 2012). \$3,500 is also included to continue to assist with reducing the backlog due to delays in implementation of "shelf ready" ordering.

STAFF DEVELOPMENT

The focus of our training efforts this coming year will be to address the needs created by the new service model; particularly how this has impacted how we provide customer service. Keeping staff current on technology trends is another important focus.

Where possible, we continue to make use of webinars so that staff does not need to travel to get training. With the loss of the LSTA training grant, we have reduced that specific training line item.

UTILITIES

No surprises or major changes.

BUILDING OPERATIONS AND MAINTENANCE

(see section on Capital Projects)

The cost of the basic janitorial contract decreased \$8,000 due to a new city wide contract despite the increase in hours.

The vehicle reserve has been increased by \$5,000 to cover the replacement costs associated with not outsourcing the courier service and the need to keep an additional vehicle.

We are applying again for an Air Quality Grant to assist with the purchase of a new bookmobile.

SUPPLIES

There are no major changes in this line.

SYSTEM SERVICES

The Pacific Library Partnership has changed its dues structure. Monterey Bay Area Consortium (MOBAC) members were paying the lowest rates in the system. The new dues structure is being phased in over four years. The current dues of \$14,961 will increase to \$18,500 in FY12/13.

FUND BALANCE AND RESERVE FUNDS

The cash flow/emergency reserve fund as of April 2012 was \$495,929. At the beginning of the current year, total Fund Balance was \$1.47 million. The estimated net gain in FY11/12 is \$1.3 million, bringing the total fund balance to an estimated \$2.77 million. After adjusting for the

current year carryovers, estimated fund balance at the end of FY11/12 will be \$2.56 million. For FY12/13, the budgeted net gain in operations is \$0.74 million, which would increase ending Fund Balance for FY12/13 to \$3.3 million.

CAPITAL PROJECTS

The Capital Maintenance budget was increased according to the service model to \$50,000. A list of potential projects is being compiled and the Facilities Master Plan will provide guidance for the second half of the year which may include requests for additional funding.

Also included is \$35,000 in funding for short term improvements to Downtown and the branches in order to efficiently and effectively utilize a single point of service

DEBT SERVICE

The following chart lists the current debt carried by the Library System.

DEBT	LOAN AMOUNT	ANNUAL PAYMENT (principal and interest)	FISCAL YEAR RETIRED
Internal improvements to Headquarters Building	\$467,000	\$60,518	2017-2018
Overpayment reimbursement to Watsonville	\$322,344	\$48,793 (interest varies)	2012-2013 (last payment August 2012)

YEAR END SUMMARY (all figures are rounded)

The table below provides a summary of estimated revenues, expenditures and fund balance projections for FY11/12 and FY12/13. As mentioned previously, the FY11/12 estimated year-end fund balance was reduced for the \$207,500 in carryover expenditures into FY12/13.

It is recommended that the Finance Committee schedule a mid-year discussion to formally create targeted reserves for emergency/unforeseen catastrophic events, for facilities maintenance and for future economic uncertainties (i.e., a “rainy day” fund). A January/February 2013 mid-year date is recommended to incorporate the new CalPERS rates review and to allow staff the time to evaluate the likelihood of any changes in the County’s dedicated property tax revenue from RDA methodology challenges.

<i>Amounts are rounded to nearest thousand</i>	FY11/12	FY12/13
Estimated Revenues	\$11,380,000	\$11,298,000
Estimated Expenditures ⁽¹⁾	<\$10,083,000>	<\$10,560,000>
Master Plan projects placeholder ⁽²⁾	\$ - 0 -	<\$ 200,000>
Net Gain/Loss	\$ 1,297,000	\$ 538,000
Previous FY Ending Fund Balance	<u>\$ 1,469,000</u>	<u>\$ 2,559,000</u>
Fund Balance (before carryovers)	<u>\$ 2,766,000</u>	<u>\$ 3,097,000</u>
LESS: FY 11/12 Carryovers ⁽¹⁾	<\$ 207,000>	<\$ - 0 ->
Available Fund Balance (less carryovers)	<u>\$ 2,559,000</u>	<u>\$ 3,097,000</u>
<p>(1) Estimated expenditures for FY11/12 do not include the \$207,500 carried over into FY12/13 operations. If they were spent during FY11/12, total estimated expenditures would have been approximately \$10,290,000.</p> <p>(2) Master plan projects costs represents a placeholder for potential board FY12/13 funding for projects resulting from completion of the Facility Master Plan and Information Technology Master Plan. Actual expenditures will require board approval and may vary according to needs and estimated project costs.</p>		

Budget Overview- FY 12/13 & 3 Year History

	12/13 Proposed	11/12 Projected
Revenue		
Sales Tax	\$ 5,817,473	\$ 5,817,473
Maintenance of Effort	\$ 5,114,416	\$ 5,085,508
Grants and Donations	\$ 100,190	\$ 203,361
Fines and Fees	\$ 238,600	\$ 238,600
Other	\$ 27,955	\$ 37,914
Revenue Subtotal	\$ 11,298,634	\$ 11,382,856
Personnel		
Regular Full and Part Time	\$ 4,303,000	\$ 4,414,702
Temporary	\$ 570,000	\$ 540,353
Misc. Personnel Costs	\$ 12,000	\$ 2,505
Benefits	\$ 1,334,000	\$ 1,614,875
Retirement Incentive	\$ 75,000	\$ 75,000
90%	\$ 699,241	
Personnel Subtotal	\$ 6,993,241	\$ 6,647,435
Expenditures		
Information Technology		
Hardware Maintenance	\$ 130,200	\$ 91,700
Professional Services Other	\$ 98,000	\$ 58,000
Software Maintenance Services	\$ 113,917	\$ 133,343
Telecommunications	\$ 69,574	\$ 119,134
Computer Supplies	\$ 24,000	\$ 22,000
Library Materials		
Materials	\$ 839,826	\$ 820,769
Grants and Donations	\$ 70,000	\$ 100,000
Refunded Fines and Fees	\$ 2,000	\$ 2,000
Library Functional Supplies	\$ 188,500	\$ 113,550
Staff Development		
Travel	\$ 13,230	\$ 7,750
Training	\$ 28,975	\$ 43,975
LSTA Tuition	\$ 3,000	\$ 9,000
Utilities		
Water/Sewer/Refuse	\$ 59,465	\$ 66,640
Electricity	\$ 173,400	\$ 167,748
Natural Gas	\$ 29,200	\$ 26,133
Building O & M		
Building O & M	\$ 154,752	\$ 176,475
Landscaping	\$ 16,645	\$ 17,000
Janitorial Services	\$ 117,097	\$ 125,000
Vehicle O & M	\$ 33,947	\$ 59,334
Vehicle Replacement Fund (Adjusted for Not Outsourcing Courier)	\$ 80,666	\$ 73,666
Building Equip. & Rental	\$ 312,409	\$ 312,530
Supplies and Equipment		
Office Supplies	\$ 18,500	\$ 14,700
Copier Supplies	\$ 7,150	\$ 6,630
Janitorial Supplies	\$ 18,500	\$ 18,360
Misc. Supplies	\$ 25,255	\$ 24,876
Office Furniture and Equipment	\$ 57,820	\$ 30,520
Other Equipment	\$ 3,500	\$ 3,860
Building Repairs-Library	\$ 35,000	\$ 40,000
System Services		
Professional Services Fiscal	\$ 577,800	\$ 557,644
Unique Management Collection Agen	\$ 17,000	\$ 10,000
Insurance	\$ 68,356	\$ 68,330
Postage	\$ 4,500	\$ 8,000
Printing and Advertising	\$ 21,750	\$ 20,000
Dues and Membership	\$ 26,841	\$ 17,250
Other Professional & Technical Serv	\$ 25,000	\$ 167,440
Moving Costs		
Debt Services		
Loan Principal	\$ 45,160	\$ 40,961
Other Debt Principal	\$ 40,293	\$ 40,293
Loan Interest	\$ 15,359	\$ 19,600
Other Debt Interest	\$ 159	\$ 3,500
Expenditure Subtotal	\$ 3,566,746	\$ 3,637,711
Balance Remaining	\$ 738,647	\$ 1,097,710