



LIBRARY JOINT POWERS AUTHORITY BOARD
FINANCE SUBCOMMITTEE

Monday April 28, 2014
Downtown Branch Meeting Room
224 Church Street, Santa Cruz, CA 95060

4:00 PM PUBLIC MEETING

1. ROLL CALL
2. APPROVE AGENDA OF APRIL 28, 2014
3. APPROVE MINUTES OF FEBRUARY 24, 2014
4. ORAL COMMUNICATIONS
5. STAFF REPORTS
 - a. Monthly Financial Report- March (PG.5-15)
 - b. Draft FY15 Budget (PG.16-23)
6. WRITTEN COMMUNICATIONS
7. FINANCE COMMITTEE MEETING CALENDAR
 - a. The Finance Committee will consider its current meeting schedule and may revise it as necessary.
8. NEXT MEETING

The next regularly scheduled meeting is June 23, 2014 at 4:00 p.m. at the Downtown Branch Library

ADJOURN

The Library Joint Powers Authority Board Finance Subcommittee will adjourn from the regularly scheduled meeting of Monday April 28, 2014 to the next regularly scheduled public meeting on Monday June 23, 2014 at 4:00 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

Downtown Branch Meeting Room
224 Church Street, Santa Cruz, CA 95060

February 24, 2014

6:30 PM PUBLIC MEETING

I. ROLL CALL

Present: Councilmember Mathews, Councilmember Termini, Citizen Member Dexter

Absent: Citizen Member English

Staff: Finance Director Marcus Pimentel, Library Director Teresa Landers

II. APPROVAL OF MEETING AGENDA OF FEBRUARY 24, 2014

Councilmember Mathews moved, seconded by Citizen Member Dexter

That the Finance Subcommittee approve the agenda of February 24, 2014

**AYES: Termini, Dexter
Absent: English**

III. APPROVAL OF MINUTES OF OCTOBER 29, 2013

Citizen Member Dexter moved, seconded by Councilmember Termini

That the Finance Subcommittee approve the minutes of October 29, 2013

**AYES: Termini, Dexter
Absent: English
Abstain: Mathews**

IV. ORAL COMMUNICATIONS

None

V. STAFF REPORTS

A. Monthly Financial Reports – January 2014

The Subcommittee reviewed the reports. Director Landers and Finance Director Pimentel responded to a number of questions. The Library Audit was costly which is reflected in the reports. Councilmember Mathews inquired about Trust fund administration and their investments. The Trusts vary; some are handled by banks, otherwise investments are through the City. A Planned Giving drive is underway by the Friends of the Library and they are setting it up through the Community Foundation.

VI. OTHER BUSINESS

A. Election of Chair and Co-Chair

Councilmember Mathews moved, seconded by Citizen Member Dexter

That the Finance Subcommittee members elect Councilmember Termini as Chair

**Ayes: Mathews, Dexter
Absent: English**

Councilmember Mathews moved, seconded by Councilmember Termini

That the Finance Subcommittee members elect Citizen Member Dexter as Co-Chair

**Ayes: Mathews, Termini
Absent: English**

VII. WRITTEN COMMUNICATIONS

None

VIII. FINANCE COMMITTEE MEETING CALENDAR

Proposed schedule for April-August 2014 at 4pm
April 28
June 23
August 25

The Finance Subcommittee Members agreed to the proposed meeting schedule keeping open the possibility of an additional meeting in May if needed.

ADJOURN

The regular meeting adjourned at 5:37 p.m.

The Library Joint Powers Authority Board Finance Subcommittee will adjourn from the regularly scheduled meeting of Monday February 24, 2014 to the next regularly scheduled public meeting on Monday April 28 at 4 pm in the downstairs Small Conference Room of the Downtown Branch Library.

Respectfully submitted,

Helga Smith
Clerk of the Board

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

TO: Finance Committee- Library Joint Powers Authority Board
 FROM: Marcus Pimentel, City of Santa Cruz Finance Director (04/22/14)
 RE: Monthly Dashboard Report: Library's March 2014 financials

**SANTA CRUZ
PUBLIC LIBRARIES**

March 2014
Preliminary,
Unaudited

Contained herein is the preliminary, UNAUDITED March 2014 Dashboard summary report. In general, revenues remain ahead of our target by 2.2% and expenditures are slightly over-budget by -0.1% due to one-time payments. This has resulted in a year-to-date net operating loss of \$-62,320. The planned operating loss includes those one time payments like the retirement of long term debt and services and supplies that were carried over from the prior year. At the mid-year review and after board approved mid-year adjustments, staff estimated the current year could finish with a small 1% surplus (approx \$120k).

Net operations (Major accounts)	Last 3-months Actual Results				Fiscal Year to Date	Percent of Budget Comparison			
	January	February	March	March		Annual Budget FY 2013/14	YTD Actuals	Months completed	Positive / negative
Revenue:									
(2) Sales Tax	\$ 474,904	\$ 621,553	\$ 617,571	\$ 617,571	\$ 5,263,816	\$ 6,617,000	79.5%	75.0%	4.5%
MOE- Member Contributions	426,225	426,225	426,225	426,225	3,833,859	5,135,000	74.7%	75.0%	(0.3%)
Library Fines	17,896	14,409	14,005	14,005	138,010	200,000	69.0%	75.0%	(6.0%)
Other Revenue	12,977	4,909	6,377	6,377	126,284	174,690	72.3%	75.0%	(2.7%)
Subtotal Operating Revenue	932,002	1,067,096	1,064,179	1,064,179	9,361,969	12,126,690	77.2%	75.0%	2.2%
Budgetary Financing Sources	-	-	-	-	-	455,497			
TOTAL REVENUE	\$ 932,002	\$ 1,067,096	\$ 1,064,179	\$ 1,064,179	\$ 9,361,969	\$ 12,582,187			
Expenditures:									
(4) Payroll	\$ 908,056	\$ 610,552	\$ 613,545	\$ 613,545	\$ 5,917,744	7,703,251	76.8%	75.0%	(1.8%)
(3) Books (w/Grants)	61,384	98,357	79,696	79,696	1,000,759	1,213,804	82.4%	75.0%	(7.4%)
Janitorial Services	14,196	8,863	10,086	10,086	83,116	117,100	71.0%	75.0%	4.0%
Building & Facility	49,375	21,624	45,952	45,952	238,257	496,743	48.0%	75.0%	27.0%
Rent (Equip, Building, Land)	25,924	25,571	25,571	25,571	234,114	312,500	74.9%	75.0%	0.1%
Utilities	42,626	33,284	47,151	47,151	315,139	430,000	73.3%	75.0%	1.7%
Other expenditures	235,869	120,017	144,095	144,095	1,635,160	2,308,789	70.8%	75.0%	4.2%
TOTAL EXPENDITURES	\$ 1,337,430	\$ 918,269	\$ 966,096	\$ 966,096	\$ 9,424,289	\$ 12,582,187	74.9%	75.0%	0.1%
Net Gain / (Loss)	\$ (405,428)	\$ 148,827	\$ 98,083	\$ 98,083	\$ (62,320)	\$ -			

Key Balance Sheet Items	March			Trust Current Assets (cont.)	
	January	February	March	Trust	Balance
(6) Total pooled cash	2,141,311	3,231,445	2,297,789	Trust	93,101
(6) 2-month reserve target	2,014,833	2,014,833	2,014,833	McCaskill- Hist	239,704
(6) Excess cash/(reserve deficit)	126,478	1,216,612	282,956	McCaskill- Vis	222,012
(7) Total Current Assets	3,054,416	3,243,306	3,353,565	Finkeldey	9,196
Accounts Payable	31,077	70,814	81,863	Whalen	92,613
				Gruber	27,938

- Notes:**
- After budget adoption, changes were made to reflect new revenue of \$37,690 for grants and donations and new expenditures of \$168,976 for matching grant expenditures and prior-year projects rebudgeted in the current year. In addition, the initial budget for Member Contributions was overstated by a \$125k budget estimate increase intended for Sales Tax. This correction has been posted.
 - For sales tax, September, December, March & June include the State's estimated revenue plus any balances for actuals vs. estimates for the prior 3-months (true-up).
 - The adopted budget included financing sources of an initial \$324k from board approved, one-time reserves to fund one-time payments (ILS, pay off debt, capital maintenance, materials, etc). The initial amount was increased for additional, prior-year projects re-budgeted in the current year using prior-year surpluses.
 - January payroll costs included a third payroll cycle that occurs twice per fiscal year. The first time was in August.
 - In March, the four largest expenditures within 'Other expenditures' included: [Financial services - outside at \$51k]; [Software maintenance services at \$21k]; [Library functional supplies at \$14k]; and [Vehicle work order charges - internal at \$24k].
 - Earlier this fiscal year, planned one-time costs temporarily reduced cash balances below the targeted, year-end reserve. For March, cash was above the reserve by \$282,956.
 - January and February's "Other Revenue" amounts were revised to reflect additional revenue accrual of \$1,454 and \$1,128 respectively.

Revenue Status Report

revstat.rpt
04/18/2014 1:59PM
Periods: 9 through 9

CITY OF SANTA CRUZ
3/1/2014 through 3/31/2014

Account Number	Adjusted Estimate	Revenues	Year-to-date Revenues	Balance	Prct Rcvd
41000					
TAXES					
951-00-00-0000-41211	6,617,000.00	617,571.47	5,263,816.16	1,353,183.84	79.55
Sales and use tax					
Total TAXES	6,617,000.00	617,571.47	5,263,816.16	1,353,183.84	79.55
43000					
INTERGOVERNMENTAL					
951-36-00-0000-43310	16,875.00	0.00	16,875.00	0.00	100.00
Local operating grants and contributions					
951-36-00-0000-43311	5,135,000.00	426,225.48	3,833,859.03	1,301,140.97	74.66
Maintenance of effort contributions					
951-36-55-3531-43210	3,000.00	0.00	1,159.14	1,840.86	38.64
State operating grants and contributions					
951-36-55-3560-43210	7,500.00	0.00	7,500.00	0.00	100.00
State operating grants and contributions					
Total INTERGOVERNMENTAL	5,162,375.00	426,225.48	3,859,393.17	1,302,981.83	74.76
44000					
CHARGES FOR SERVICES					
951-36-00-0000-44613	4,730.00	76.10	1,269.88	3,460.12	26.85
Internet use fee					
951-36-00-0000-44630	2,500.00	1,037.00	2,808.25	-308.25	112.33
Room rentals-library JPA					
951-36-00-0000-44901	8,500.00	1,087.22	10,549.76	-2,049.76	124.11
Photocopy fee					
Total CHARGES FOR SERVICES	15,730.00	2,200.32	14,627.89	1,102.11	92.99
45000					
FINES AND FORFEITS					
951-36-00-0000-45131	200,000.00	14,005.44	138,009.54	61,990.46	69.00
Library fines					
951-36-00-0000-45132	25,000.00	903.54	11,502.64	13,497.36	46.01
Lost library items					
Total FINES AND FORFEITS	225,000.00	14,908.98	149,512.18	75,487.82	66.45

CITY OF SANTA CRUZ
3/1/2014 through 3/31/2014

Account Number	Adjusted Estimate	Revenues	Year-to-date Revenues	Balance	Prct Rcvd
46000 MISCELLANEOUS REVENUES					
951-00-00-0000-46110 Pooled cash and investment interest	14,529.00	0.00	12,782.58	1,746.42	87.98
951-00-00-0000-46190 Interest earnings - other	0.00	119.29	1,290.11	-1,290.11	0.00
951-00-00-0000-46620 Internal investment & loan int receipts	2,481.00	0.00	0.00	2,481.00	0.00
951-00-00-0000-46910 Miscellaneous operating revenue	8,500.00	2,179.92	9,176.04	-676.04	107.95
951-00-00-0000-46990 Miscellaneous non-operating revenue	0.00	27.02	27.02	-27.02	0.00
951-36-00-0000-46303 Donations - library	13,500.00	947.50	23,561.77	-10,061.77	174.53
951-36-00-0000-46309 Donations - library - Friends of the Lib	79,260.00	0.00	500.00	78,760.00	0.63
951-36-00-0000-46916 Cash over/short	0.00	-0.76	92.00	-92.00	0.00
Total MISCELLANEOUS REVENUES	118,270.00	3,272.97	47,429.52	70,840.48	40.10
49000 OTHER FINANCING SOURCES					
951-00-00-0000-49122 From Library Private Trust Fund	37,411.75	0.00	27,190.00	10,221.75	72.68
Total OTHER FINANCING SOURCES	37,411.75	0.00	27,190.00	10,221.75	72.68
Grand Total	12,175,786.75	1,064,179.22	9,361,968.92	2,813,817.83	76.89

Expenditure Status Report
 CITY OF SANTA CRUZ
 3/1/2014 through 3/31/2014

Account Number	Adjusted Appropriation	Expenditures	Year-to-date Expenditures	Year-to-date Encumbrances	Balance	Prc't Used
51000 PERSONNEL-SERVICES						
951-36-50-3510-51110 Regular full time	496,078.00	38,490.41	382,829.90	0.00	113,248.10	77.17
951-36-50-3510-51111 Regular part time	48,676.00	4,036.96	37,906.49	0.00	10,769.51	77.88
951-36-50-3510-51122 Temporary	0.00	0.00	3,726.00	0.00	-3,726.00	0.00
951-36-50-3510-51132 Special vacation pay	2,606.00	0.00	4,554.77	0.00	-1,948.77	174.78
951-36-50-3510-51150 Vehicle-phone-data allowance	1,860.00	155.00	1,438.20	0.00	421.80	77.32
951-36-50-3510-51201 Retirement contribution	65,318.00	5,218.93	50,703.95	0.00	14,614.05	77.63
951-36-50-3510-51210 Group health insurance	108,931.00	9,213.20	81,615.11	0.00	27,315.89	74.92
951-36-50-3510-51212 Group dental insurance	9,312.00	770.67	7,067.83	0.00	2,244.17	75.90
951-36-50-3510-51213 Vision insurance	1,460.00	120.86	1,110.94	0.00	349.06	76.09
951-36-50-3510-51214 Medicare insurance	6,346.00	504.44	5,063.14	0.00	1,282.86	79.78
951-36-50-3510-51220 Group life insurance	131.00	10.90	100.59	0.00	30.41	76.79
951-36-50-3510-51221 Disability insurance	6,026.00	226.87	2,200.33	0.00	3,825.67	36.51
951-36-50-3510-51230 Unemployment insurance	3,004.00	234.32	2,344.99	0.00	659.01	78.06
951-36-50-3510-51240 Workers' compensation	20,062.00	1,571.07	15,382.82	0.00	4,679.18	76.68
951-36-51-3520-51110 Regular full time	691,212.00	54,246.75	535,418.63	0.00	155,793.37	77.46
951-36-51-3520-51111 Regular part time	25,011.00	0.00	17,913.14	0.00	7,097.86	71.62
951-36-51-3520-51115 Termination pay	0.00	0.00	0.25	0.00	-0.25	0.00
951-36-51-3520-51122 Temporary	0.00	0.00	1,071.30	0.00	-1,071.30	0.00
951-36-51-3520-51132 Special vacation pay	1,043.00	0.00	1,830.24	0.00	-787.24	175.48
951-36-51-3520-51201 Retirement contribution	91,876.00	7,382.39	74,310.35	0.00	17,565.65	80.88
951-36-51-3520-51210 Group health insurance	170,965.00	14,113.70	130,019.22	0.00	40,945.78	76.05
951-36-51-3520-51212 Group dental insurance	13,787.00	1,054.23	10,398.45	0.00	3,388.55	75.42
951-36-51-3520-51213 Vision insurance	2,261.00	177.66	1,711.93	0.00	549.07	75.72
951-36-51-3520-51214 Medicare insurance	7,590.00	640.84	6,032.34	0.00	1,557.66	79.48
951-36-51-3520-51220 Group life insurance	221.00	17.72	167.74	0.00	53.26	75.90
951-36-51-3520-51221 Disability insurance	7,483.00	283.35	2,827.17	0.00	4,655.83	37.78
951-36-51-3520-51230 Unemployment insurance	4,266.00	308.24	3,149.57	0.00	1,116.43	73.83
951-36-51-3520-51240 Workers' compensation	30,369.00	2,300.06	23,262.79	0.00	7,106.21	76.60
951-36-52-3530-51110 Regular full time	1,291,622.00	96,677.10	982,702.86	0.00	308,919.14	76.08
951-36-52-3530-51111 Regular part time	638,634.00	47,462.03	472,446.65	0.00	166,187.35	73.98
951-36-52-3530-51114 Overtime	0.00	0.00	495.49	0.00	-495.49	0.00
951-36-52-3530-51115 Termination pay	0.00	0.00	9,506.70	0.00	-9,506.70	0.00
951-36-52-3530-51122 Temporary	687,597.00	62,146.29	590,877.41	0.00	96,719.59	85.93

Expenditure Status Report
CITY OF SANTA CRUZ
3/1/2014 through 3/31/2014

Account Number	Adjusted Appropriation	Expenditures	Year-to-date Expenditures	Year-to-date Encumbrances	Balance	Prc't Used
951-36-52-3530-51130	0.00	0.00	828.52	0.00	-828.52	0.00
951-36-52-3530-51132	0.00	0.00	64.53	0.00	-64.53	0.00
951-36-52-3530-51133	0.00	0.00	130.97	0.00	-130.97	0.00
951-36-52-3530-51201	246,944.00	21,028.26	210,317.58	0.00	36,626.42	85.17
951-36-52-3530-51202	69,579.00	2,981.21	27,971.88	0.00	41,607.12	40.20
951-36-52-3530-51210	478,060.00	40,371.46	360,788.22	0.00	117,271.78	75.47
951-36-52-3530-51212	39,456.00	3,241.24	29,680.47	0.00	9,775.53	75.22
951-36-52-3530-51213	6,238.00	502.01	4,606.43	0.00	1,631.57	73.84
951-36-52-3530-51214	26,900.00	2,943.48	29,319.65	0.00	-2,419.65	108.99
951-36-52-3530-51220	566.00	45.34	416.53	0.00	149.47	73.59
951-36-52-3530-51221	20,117.00	702.65	7,560.89	0.00	12,556.11	37.58
951-36-52-3530-51230	9,526.00	1,273.95	12,230.18	0.00	-2,704.18	128.39
951-36-52-3530-51240	81,694.00	8,788.54	86,735.57	0.00	-5,041.57	106.17
951-36-52-3530-51911	0.00	0.00	-174.11	0.00	174.11	0.00
951-36-53-3515-51110	172,449.00	14,630.77	138,283.25	0.00	34,165.75	80.19
951-36-53-3515-51114	0.00	82.51	1,282.08	0.00	-1,282.08	0.00
951-36-53-3515-51201	23,330.00	2,035.97	19,911.91	0.00	3,418.09	85.35
951-36-53-3515-51210	29,147.00	3,783.92	28,567.10	0.00	579.90	98.01
951-36-53-3515-51212	4,561.00	380.10	3,489.32	0.00	1,071.68	76.50
951-36-53-3515-51213	675.00	56.22	516.12	0.00	158.88	76.46
951-36-53-3515-51214	1,678.00	132.79	1,291.67	0.00	386.33	76.98
951-36-53-3515-51220	50.00	4.20	38.57	0.00	11.43	77.14
951-36-53-3515-51221	1,166.00	75.28	695.78	0.00	470.22	59.67
951-36-53-3515-51222	786.00	67.05	636.03	0.00	149.97	80.92
951-36-53-3515-51223	10,312.00	874.91	8,269.51	0.00	2,042.49	80.19
951-36-53-3515-51240	462,711.00	35,898.19	325,001.87	0.00	137,709.13	70.24
951-36-54-3550-51110	0.00	407.35	815.11	0.00	-815.11	0.00
951-36-54-3550-51114	12,000.00	1,442.25	2,522.25	0.00	9,477.75	21.02
951-36-54-3550-51122	0.00	0.00	611.72	0.00	-611.72	0.00
951-36-54-3550-51130	878.00	0.00	1,511.65	0.00	-633.65	172.17
951-36-54-3550-51132	59,763.00	5,199.85	45,492.58	0.00	14,270.42	76.12
951-36-54-3550-51201	86,295.00	7,104.38	60,848.29	0.00	25,446.71	70.51
951-36-54-3550-51210	6,145.00	606.24	5,141.75	0.00	1,003.25	83.67
951-36-54-3550-51212	1,058.00	98.92	838.17	0.00	219.83	79.22
951-36-54-3550-51213	6,586.00	542.57	4,750.78	0.00	1,835.22	72.13
951-36-54-3550-51220	109.00	9.48	79.33	0.00	29.67	72.78

Expenditure Status Report
CITY OF SANTA CRUZ
3/1/2014 through 3/31/2014

Account Number	Adjusted Appropriation	Expenditures	Year-to-date Expenditures	Year-to-date Encumbrances	Balance	Prct Used
951-36-54-3550-51221	3,499.00	190.34	1,637.88	0.00	1,861.12	46.81
951-36-54-3550-51230	3,414.00	264.81	2,217.35	0.00	1,196.65	64.95
951-36-54-3550-51240	14,828.00	1,213.57	10,557.56	0.00	4,270.44	71.20
951-36-55-3560-51110	903,020.00	68,015.53	658,706.45	0.00	244,313.55	72.94
951-36-55-3560-51111	72,627.00	5,744.28	55,421.96	0.00	17,205.04	76.31
951-36-55-3560-51122	21,375.00	4,115.72	23,428.21	0.00	-2,053.21	109.61
951-36-55-3560-51130	0.00	0.00	55.72	0.00	-55.72	0.00
951-36-55-3560-51132	5,462.00	0.00	3,719.83	0.00	1,742.17	68.10
951-36-55-3560-51201	123,094.00	9,932.47	92,801.49	0.00	30,292.51	75.39
951-36-55-3560-51202	2,730.00	167.40	816.48	0.00	1,913.52	29.91
951-36-55-3560-51210	195,648.00	14,726.94	126,911.15	0.00	68,736.85	64.87
951-36-55-3560-51212	14,487.00	1,163.25	10,337.58	0.00	4,149.42	71.36
951-36-55-3560-51213	2,751.00	218.64	1,953.09	0.00	797.91	71.00
951-36-55-3560-51214	12,456.00	995.77	9,410.55	0.00	3,045.45	75.55
951-36-55-3560-51220	308.00	23.88	210.52	0.00	97.48	68.35
951-36-55-3560-51221	11,371.00	381.97	3,567.07	0.00	7,803.93	31.37
951-36-55-3560-51230	5,311.00	378.74	3,503.20	0.00	1,807.80	65.96
951-36-55-3560-51240	42,219.00	3,336.22	31,228.44	0.00	10,990.56	73.97
Total PERSONNEL SERVICES	7,727,126.00	613,544.61	5,917,743.97	0.00	1,809,382.03	76.58
52000						
SERVICES						
951-36-50-3510-52135	7,800.00	0.00	7,880.00	0.00	-80.00	101.03
951-36-50-3510-52199	123,619.24	0.00	54,021.77	36,856.49	32,740.98	73.51
951-36-50-3510-52240	4,100.00	431.16	2,703.51	0.00	1,396.49	65.94
951-36-50-3510-52248	18,490.00	0.00	13,910.00	0.00	4,580.00	75.23
951-36-50-3510-52302	4,000.00	0.00	1,508.74	0.00	2,491.26	37.72
951-36-50-3510-52304	34,400.00	4,691.19	28,439.58	0.00	5,960.42	82.67
951-36-50-3510-52403	0.00	0.00	390.20	0.00	-390.20	0.00
951-36-50-3510-52933	16,800.00	0.00	13,003.00	0.00	3,797.00	77.40
951-36-50-3510-52961	27,100.00	100.00	26,062.00	0.00	1,038.00	96.17
951-36-50-3510-52971	100.00	0.00	14.23	0.00	85.77	14.23
951-36-50-3510-52972	5,000.00	0.00	2,139.76	0.00	2,860.24	42.80
951-36-50-3540-52135	570,000.00	51,375.09	470,186.06	0.00	99,813.94	82.49
951-36-51-3520-52131	17,000.00	980.87	8,459.61	7,540.39	1,000.00	94.12
951-36-51-3520-52244	2,500.00	0.00	0.00	0.00	2,500.00	0.00
951-36-51-3520-52248	41,029.00	501.98	29,275.99	0.00	11,753.01	71.35

Expenditure Status Report
 CITY OF SANTA CRUZ
 3/1/2014 through 3/31/2014

Account Number	Adjusted Appropriation	Expenditures	Year-to-date Expenditures	Year-to-date Encumbrances	Balance	Prct Used
951-36-51-3520-52302	1,250.00	0.00	353.02	0.00	896.98	28.24
951-36-51-3520-52972	2,000.00	54.38	1,431.16	0.00	568.84	71.56
951-36-52-3530-52139	0.00	0.00	1,106.00	0.00	-1,106.00	0.00
951-36-52-3530-52240	800.00	0.00	0.00	0.00	800.00	0.00
951-36-52-3530-52244	1,000.00	0.00	0.00	0.00	1,000.00	0.00
951-36-52-3530-52302	980.00	0.00	0.00	0.00	980.00	0.00
951-36-52-3530-52972	0.00	0.00	-0.10	0.00	0.10	0.00
951-36-53-3515-52201	59,500.00	4,251.07	46,540.85	0.00	12,959.15	78.22
951-36-53-3515-52211	117,100.00	10,086.49	83,115.66	0.00	33,984.34	70.98
951-36-53-3515-52223	5,250.00	0.00	3,752.00	0.00	1,498.00	71.47
951-36-53-3515-52226	16,250.00	1,730.48	14,558.71	0.00	1,691.29	89.59
951-36-53-3515-52227	12,500.00	1,399.77	12,016.41	0.00	483.59	96.13
951-36-53-3515-52246	187,800.00	8,266.32	99,682.80	29,993.94	58,123.26	69.05
951-36-53-3515-52247	16,700.00	5,472.97	13,526.50	1,400.00	1,773.50	89.38
951-36-53-3515-52261	312,500.00	25,571.31	234,113.79	3,700.00	74,686.21	76.10
951-36-53-3515-52302	150.00	0.00	0.00	0.00	150.00	0.00
951-36-53-3515-52403	0.00	0.00	787.13	0.00	-787.13	0.00
951-36-53-3515-52932	17,050.00	1,420.83	12,787.47	0.00	4,262.53	75.00
951-36-53-3515-52933	36,550.00	0.00	26,408.00	0.00	10,142.00	72.25
951-36-54-3550-52199	107,287.48	23,757.73	67,442.50	33,213.00	6,631.98	93.82
951-36-54-3550-52248	358,377.00	19,535.40	218,934.65	268,801.02	-129,358.67	136.10
951-36-54-3550-52249	6,300.00	740.69	19,724.19	133.87	-13,558.06	315.21
951-36-54-3550-52302	2,170.00	0.00	767.91	0.00	1,402.09	35.39
951-36-54-3550-52403	167,900.00	28,770.34	111,338.51	10,859.93	45,701.56	72.78
951-36-55-3560-52199	5,000.00	0.00	0.00	0.00	5,000.00	0.00
951-36-55-3560-52248	10,704.00	625.00	6,763.99	1,875.00	2,065.01	80.71
951-36-55-3560-52302	6,450.00	200.12	2,511.80	0.00	3,938.20	38.94
951-36-55-3560-52960	8,400.00	60.33	6,075.08	0.00	2,324.92	72.32
951-36-55-3560-52972	10,000.00	816.01	7,332.69	0.00	2,667.31	73.33
Total SERVICES	2,341,906.72	190,839.53	1,649,065.17	394,373.64	298,467.91	87.26
53000						
951-36-50-3510-53101	3,500.00	79.91	1,217.20	0.00	2,282.80	34.78
951-36-50-3510-53102	3,900.00	453.07	3,616.08	0.00	283.92	92.72
951-36-51-3520-53106	1,105,163.74	74,169.29	917,580.67	0.00	187,583.07	83.03
951-36-51-3520-53107	118,640.15	5,526.52	83,178.27	0.00	35,461.88	70.11

Expenditure Status Report
CITY OF SANTA CRUZ
3/1/2014 through 3/31/2014

Account Number	Adjusted Appropriation	Expenditures	Year-to-date Expenditures	Year-to-date Encumbrances	Balance	Prct Used
951-36-51-3520-53112	188,500.00	14,051.43	92,546.30	0.00	95,953.70	49.10
951-36-52-3530-53102	15,000.00	469.16	7,731.47	0.00	7,268.53	51.54
951-36-52-3530-53109	7,200.00	1,518.40	4,476.00	0.00	2,724.00	62.17
951-36-53-3515-53108	4,710.00	0.00	482.58	0.00	4,227.42	10.25
951-36-53-3515-53113	18,500.00	1,933.65	15,079.81	0.00	3,420.19	81.51
951-36-53-3515-53311	173,400.00	11,155.16	137,812.30	0.00	35,587.70	79.48
951-36-53-3515-53312	29,200.00	2,974.10	18,269.91	0.00	10,930.09	62.57
951-36-55-3560-53102	500.00	28.39	528.10	0.00	-28.10	105.62
Total SUPPLIES	1,668,213.89	112,359.08	1,282,518.69	0.00	385,695.20	76.88
54000						
	OTHER MATERIALS AND SERVICES					
951-36-50-3510-54990	7,200.00	1,409.95	3,293.96	0.00	3,906.04	45.75
951-36-53-3515-54108	308,943.10	37,686.03	138,574.39	15,153.88	155,214.83	49.76
951-36-53-3515-54401	0.00	221.81	221.81	0.00	-221.81	0.00
951-36-54-3550-54990	24,000.00	363.98	14,127.84	0.00	9,872.16	58.87
951-36-55-3531-54990	3,000.00	0.00	1,159.14	0.00	1,840.86	38.64
951-36-55-3560-54990	33,690.00	1,137.11	14,396.74	0.00	19,293.26	42.73
Total OTHER MATERIALS AND SERVICES	376,833.10	40,818.88	171,773.88	15,153.88	189,905.34	49.60
56000						
	OTHER CHARGES					
951-36-52-3530-56995	2,000.00	27.50	1,052.00	0.00	948.00	52.60
Total OTHER CHARGES	2,000.00	27.50	1,052.00	0.00	948.00	52.60
57000						
	CAPITAL OUTLAY					
951-36-50-3510-57401	28,221.75	329.13	4,325.71	0.00	23,896.04	15.33
951-36-52-3530-57401	21,500.00	56.99	1,647.68	0.00	19,852.32	7.66
951-36-54-3550-57409	285,000.00	8,120.70	46,934.43	175.76	237,889.81	16.53
Total CAPITAL OUTLAY	334,721.75	8,506.82	52,907.82	175.76	281,638.17	15.86
58000						
	DEBT SERVICE					
951-36-50-3540-58140	268,561.00	0.00	262,010.74	0.00	6,550.26	97.56
951-36-50-3540-58240	0.00	0.00	6,550.27	0.00	-6,550.27	0.00
Total DEBT SERVICE	268,561.00	0.00	268,561.01	0.00	-0.01	100.00
59000						
	OTHER FINANCING USES					

Expenditure Status Report
 CITY OF SANTA CRUZ
 3/1/2014 through 3/31/2014

Account Number	Adjusted Appropriation	Expenditures	Year-to-date Expenditures	Year-to-date Encumbrances	Balance	Prct Used
951-00-00-0000-59191 Intra-entity fund transfer out	80,700.00	0.00	80,666.00	0.00	34.00	99.96
Total OTHER FINANCING USES	80,700.00	0.00	80,666.00	0.00	34.00	99.96
Grand Total	12,800,062.46	966,096.42	9,424,288.54	409,703.28	2,966,070.64	76.83

LIBRARY JOINT POWERS AUTHORITY	
COMBINED BALANCE SHEET	PRELIMINARY
JPA FUND AND ACCOUNT GROUPS	UNAUDITED
MARCH 2014	
	JPA
	Total
Assets	
Pooled cash	2,297,788.76
Pooled cash interest receivable	4,887.56
Other interest receivable	119.29
Taxes receivable - current	617,571.47
Accounts receivable	426,225.48
Grants receivable	-
Internal investment & loan receivable	-
Infrastructure	579,683.02
Accumulated depreciation - infrastructure	(268,713.75)
Lease improvements - buildings	2,018,031.67
Accumulated depreciation - lease imp-buildings	(1,333,371.07)
Machinery and equipment	1,630,552.10
Accumulated depreciation - machinery & equip	(1,570,540.27)
Software	3,983.14
Accumulated depreciation-software	(3,983.14)
Construction in progress	71,353.85
Total Assets	4,473,588.11
Liabilities	
Accounts payable	81,233.54
Salaries and benefits payable	-
Sales tax payable	124.34
Deferred grant revenue - unearned	-
Unclaimed funds	505.00
Payable to the County - noncurrent	-
Other intergovernmental payable-noncurrent	-
Total Liabilities	81,862.88
Equities	
Unreserved, undesignated fund balance	1,351,824.85
Committed - cash flow/unexpected expenditures	1,912,904.83
Investment in capital assets - Library	1,126,995.55
Reserved for long-term debt	-
Total Equities	4,391,725.23
Total Liabilities and Equities	4,473,588.11

LIBRARY JOINT POWERS AUTHORITY						
COMBINED BALANCE SHEET						
SPECIAL FUNDS						
MARCH 2014						
Fund #	956	960	961	Spec Funds		
Fund Description	Technology	Felton	Vehicle Replacement	Total		
Assets						
Pooled cash	4,893.90	1,163.68	236,910.68	242,968.26		
Pooled cash interest receivable	9.19	2.18	444.88	456.25		
Total Assets	4,903.09	1,165.86	237,355.56	243,424.51		
Equities						
Unreserved, undesignated fund balance	4,903.09	1,165.86	237,355.56	243,424.51		
Total Equities	4,903.09	1,165.86	237,355.56	243,424.51		

MEMORANDUM

DATE: April 21, 2014
TO: Library Finance Subcommittee
FROM: Teresa Landers, Library Director
SUBJECT: FY14/15 Budget

RECOMMENDATION:

That the Library Finance Subcommittee provide direction to the Library Director on the FY14/15 budget.

SUMMARY

Revenues are projected to increase by almost 4% and total expenditures are proposed to increase by the same amount, with some of this expense related to anticipated costs related to a possible ballot initiative.

BACKGROUND

The current JPA agreement states:

“The Library Joint Powers Board shall hold a public hearing on the Proposed Budget which shall be held during the last week of May.... Copies of the proposed budget shall be available for public inspection at least 10 days prior to the public hearing.”

The past practice has been to hold this hearing at the regular LJPB meeting the first Monday in May with final adoption at the regularly scheduled LJPB meeting in June. Since there is no regularly scheduled LJPB meeting the last week of May, upon the advice of the City Attorney, the current practice will continue to be followed and will be codified in the new JPA agreement. If any board member would like to have a special meeting during the last week of May with final approval at the regular meeting in June, a special meeting will be scheduled for Thursday May 29, 2014.

This year, the Library Finance Subcommittee requested a review of the FY14/15 budget prior to the May budget hearing. In order to comply with the ten day notice for the posting of the proposed budget, we are required to post the proposed budget before the Finance Subcommittee will have had a chance to provide direction. Thus, comments received at the April 28 Finance Subcommittee meeting will be provided to the Board for consideration at the May 5 budget hearing but will not be reflected in the proposed budget which is publicly noticed on April 25.

This report to the Library Finance Subcommittee focuses on recommendations for the FY14/15 proposed budget. The final budget resolution will be accompanied by a report which includes a comprehensive review of FY13/14.

The Board provided direction at the February 2014 meeting to prepare a budget reflecting a review of the service model that addresses those areas where the desired results have not yet been achieved. This focuses on the following two priorities:

1. Adjustments in personnel and public service related expenses as a result of ongoing review of the service model
2. Materials budget increasing to 9.5% of revenues

DISCUSSION

WORK PLAN PRIORITIES

The work plan priorities for the new fiscal year are listed here in order to provide context for the budget requests. A review of past year accomplishments and greater detail on the items below will be included in the final budget package.

- Implementation of the new LJPA and LFA agreements
- Ballot initiative for facilities improvements
- Focus on improving the customer experience
 - Reinstigate Interlibrary Loan
 - Complete Technovation 2014 projects
 - Customer experience focus in staff training
- Rearrangement of staff workspaces for greater efficiency

REVENUES

Revenues for FY14/15 are projected to increase. Final county projections will not be available until mid-June. Marcus Pimentel, City of Santa Cruz Finance Director, however, did provide projections in order to complete the budget process. Sales tax is projected to experience an 8% increase from \$6,617,000 to \$7,158,000. Maintenance of effort (MOE) is a lower expected increase of 2%. The MOE is largely dependent on property tax growth and has not seen an increase in many years, so this is exciting news. The increase is projected to be about \$500,300 from \$5,135,000 to \$5,237,000.

Based on past experience, the amounts for Grants and Donations and for Fines and Fees has been reduced. The Friends changed their donation form a couple of years ago which seems to have resulted in less money being designated for the purchase of materials. This form was recently changed back to make such donations more apparent, but there has not been enough time to measure the effect. Funds are not spent from this line unless they are received, and mid-year adjustments are easy to make if more funding is received than anticipated.

Fines have been reducing steadily over the past few years as the popularity of electronic materials has increased. These do not become overdue so no charges are incurred. We do expect an increase in the amount of outstanding fines collected with the implementation of the new self-

check units and the acceptance of credit cards. Since we have no data on which to make projections, this amount has been reduced in keeping with FY13/14 actuals and should additional revenues be received, it will be easy to make the changes necessary to accept the additional revenue.

PERSONNEL

The personnel budget is increasing by about \$302,900 (3.86%) from \$7,839,487 to \$8,142,358. This is due to the following factors:

- New bargaining unit agreements include a variety of changes in compensation. How much per year varies by bargaining unit and then individually based on benefits selected and position on compensation scale.
 - PERS and benefits (insurance) related costs that were agreed to be absorbed by the Library during contract negotiations total about 1.9% of payroll
 - Step increases are also about 1.9% of payroll.
- The following position changes as discussed in February

	COST	SAVINGS
STAFF REDUCTIONS		
Eliminate vacant 1.0 AAIL position		\$45,500
Non-renewal of AmeriCorps Volunteer contract		\$20,000
IT Consulting		\$10,000
STRUCTURAL SAVINGS		\$75,000
SERVICE MODEL STAFF ADJUSTMENTS		
1.0 LAII for Telephone Reference	\$ 41,000	
1.0 Onsite Services Assistant	\$ 63,200	
Bookmobile Library Assistant additional 3 hours per week	\$ 4,500	
Assistant to Volunteer Coordinator (LAII level)	\$ 41,000	
Information Technology Specialist I	\$ 65,700	
Library Aides DTN Computers (54 hpw)	\$ 32,200	
Library Aides Programming (20 hpw)	\$ 12,000	
On call LAII Programming (avg 2 hpw)	\$ 2,000	
Service Model Adjustments	\$261,600	
NET COST	\$186,600	

- Temporary Management Analyst to help cover during an upcoming maternity leave (\$10,000)

INFORMATION TECHNOLOGY

The Information Technology budget is increasing by \$8,000 which is about a 1% increase. This includes

- A 40% reduction in the use of consulting services
- Many changes in the areas of software and hardware maintenance based on a reconfiguration of our network (including important enhanced security measures) and the many new services being implemented such as PC timing and reservation, print management, self-check and ILS maintenance. It is not possible to accurately compare the two years with all the changes taking place. The FY14/15 budget should provide a new baseline.
- Telecommunications is increasing by about 4% due to the need for additional space at Cruzio in order to maintain a healthy environment for the servers. This increase will be offset by an anticipated increase in e-rate reimbursement that is anticipated, but not yet confirmed.

LIBRARY MATERIALS

At the budget priority meeting, the LJPB encouraged an increase in the percentage spent on materials to approximately 9.5% of expenses. Functional supplies were not increased, recognizing that a portion of the increase in the materials budget will go towards electronic materials which do not require additional processing.

The McCaskill Local History fund will be used to support the Soundswell local music project (\$10,000) and a Snapshot Stories local history project (\$2,500). The Soundswell project is a local database of streaming and archived music by local musicians. The Snapshot Stories project, in partnership with the Museum of Art and History, will include a large scale projection of historical images and film clips of the beach area to celebrate Santa Cruz's birthday and to commemorate other historical milestones in our community.

STAFF DEVELOPMENT

Staff development includes the cost of network administration training (\$10,000) which is offset by a reduction in the cost of IT consultants. Other small adjustments result in a small net increase of \$2,000 when the special IT training is excluded.

UTILITIES and BUILDING OPERATIONS AND MAINTENANCE

A 3.4% inflationary increase is budgeted in utilities. Some of this is due to water/sewer/garbage and some for electricity. Natural gas did not increase.

Janitorial services and landscaping are expected to hold even.

Overall, building operations and maintenance is expected to increase by less than 1%. This includes ongoing basic maintenance such as gutter cleaning, emergency lighting maintenance,

fire extinguisher maintenance, HVAC preventative maintenance, carpet/furniture cleaning, etc. as well as contingencies for HVAC, boiler and facility related emergency repairs.

SUPPLIES AND EQUIPMENT

This includes office, copier and janitorial supplies as well as office furniture and equipment. A modest inflationary increase of 1.6% is projected.

There are no major capital expenditures planned for this year as we continue to wait for the implementation of the facilities master plan. There was nothing major identified on the deferred maintenance schedule. While the possibility of major renovations and/or replacements is still under consideration it does not seem to be fiscally responsible to spend money on facilities that could be drastically changing in the relative near term. If there is no ballot initiative, or the initiative is unsuccessful, this will need to be revisited.

SYSTEM SERVICES

This area includes a number of system wide administrative expenses such as the contract with the City of Santa Cruz for administrative services, the collection agency, insurance, printing, advertising, dues and memberships, etc.

None of these is expected to increase at all or only by a nominal amount.

The line that has a significant increase is “Other Professional and Technical Expenses”. This includes potential expenses related to a ballot initiative. There will be direct election expenses as well as expenses related to providing information to the public. We do know that the actual cost of a special election could exceed the amount budgeted here, depending on what else is on the same ballot. The cost of a special election would be more than offset by the construction escalation costs which would be incurred by waiting until November 2016. This is all still under discussion so is presented here as a placeholder.

DEBT SERVICES

The loan to the City of Santa Cruz for the tenant improvements to the Headquarters facility has been paid off and there is no debt service at this time.

CARRYOVERS

Every year the LJPB must approve the carryover of unexpended funds from the previous fiscal year. These are typically projects that start late in the year and cannot be finished until the next fiscal year or projects for which staff did not have the time to start but would like to work on the

following fiscal year. At this point, nothing has been identified but this could change by final adoption in June.

FY 14/15 Budget Overview

	13/14 Adopted	14/15 Proposed
Revenue		
Sales Tax	\$ 6,916,000	\$ 7,158,000
Maintenance of Effort	\$ 5,110,000	\$ 5,237,000
Grants and Donations	\$ 175,325	\$ 108,197
Fines and Fees	\$ 183,000	\$ 163,500
Other	\$ 27,675	\$ 28,058
Revenue Subtotal	\$ 12,412,000	\$ 12,694,755
Personnel		
Regular Full and Part Time	\$ 4,909,000	\$ 5,044,247
Temporary	\$ 747,097	\$ 774,201
Misc. Personnel Costs	\$ 31,000	\$ 29,060
Benefits	\$ 2,182,000	\$ 2,294,850
Personnel Subtotal	\$ 7,869,097	\$ 8,142,358
Expenditures		
Information Technology		
Hardware Maintenance	\$ 14,000	\$ 27,000
Professional Services Other	\$ 108,000	\$ 56,000
Software Maintenance Services	\$ 224,000	\$ 265,248
Telecommunications	\$ 97,000	\$ 170,778
Computer Supplies	\$ -	\$ -
Computer Equipment	\$ 63,000	\$ 163,500
Subtotal	\$ 506,000	\$ 682,526
Library Materials		
Materials	\$ 1,205,164	\$ 1,163,370
Grants and Donations	\$ 124,000	\$ 49,507
Refunded Fines and Fees	\$ 1,000	\$ 2,000
Library Functional Supplies	\$ 96,000	\$ 188,500
Subtotal	\$ 1,426,164	\$ 1,403,377
Staff Development		
Travel	\$ 5,000	\$ 15,050
Training	\$ 34,400	\$ 46,200
LSTA Tuition	\$ -	\$ -
Subtotal	\$ 39,400	\$ 61,250
Utilities		
Water/Sewer/Refuse	\$ 65,000	\$ 63,330
Electricity	\$ 207,000	\$ 178,600
Natural Gas	\$ 13,000	\$ 29,200
Subtotal	\$ 285,000	\$ 271,130
Building O & M		
Building O & M	\$ 133,000	\$ 189,197
Landscaping	\$ 10,000	\$ 16,500

Janitorial Services	\$	99,000	\$	117,100
Vehicle O & M	\$	36,000	\$	32,524
Vehicle Replacement Fund	\$	80,700	\$	87,700
Other Machinery and Equipment			\$	70,000
Building Eqipt. And Rental	\$	314,000	\$	309,385
Subtotal	\$	672,700	\$	822,406
Supplies and Equipment				
Office Supplies	\$	17,000	\$	20,500
Copier Supplies	\$	2,000	\$	7,550
Janitorial Supplies	\$	18,000	\$	20,000
Misc. Supplies	\$	42,000	\$	64,450
Office Furniture and Equipment	\$	10,000	\$	26,295
Other Equipment			\$	3,500
Building Repairs-Library	\$	109,000	\$	50,000
Subtotal	\$	198,000	\$	192,295
System Services				
Professional Services Fiscal	\$	615,000	\$	577,900
Unique Management Collection Agency	\$	10,000	\$	17,000
Insurance	\$	70,400	\$	70,400
Postage	\$	1,000	\$	3,500
Printing and Advertising	\$	29,000	\$	27,670
Dues and Membership	\$	27,100	\$	34,126
Other Professional & Technical Services	\$	70,000	\$	355,000
Subtotal	\$	822,500	\$	1,085,596
Debt Services				
Loan Principal	\$	268,561	\$	-
Other Debt Principal	\$	-	\$	-
Loan Interest	\$	13,000	\$	-
Other Debt Interest	\$	-	\$	-
Subtotal	\$	281,561	\$	-
Expenditure Subtotal	\$	4,231,325	\$	4,518,580
Balance	\$	311,578	\$	33,817