

**NORTH COUNTY LIBRARY AUTH FUND
CITY OF LOS ALTOS
Summary of Revenues and Expenditures
7/1/2018 - 6/30/2018**

11/26/2018
Agenda Item 3
Attachment A

	Fiscal Year 17/18
REVENUES	
Taxes & Special Assessments	1,049,447.52
Interest	42,590.67
Unrealized Gain(Loss)	<u>(32,129.23)</u>
TOTAL REVENUES	1,059,908.96
EXPENDITURES	
Salaries & Wages	665,646.00
Administrative Costs	37,013.99
Book Costs	<u>-</u>
TOTAL EXPENDITURES	<u>702,659.99</u>
NET CHANGE	<u><u>357,248.97</u></u>

CITY OF LOS ALTOS
 7/1/2017 - 6/30/2018
 Transaction Details

11/26/2018
 Agenda Item 3
 Attachment B

Account Number	Org Key Title	Object Desc.
00050-4300	NORTH COUNTY LIBRARY AUTH FL	INTEREST INCOME

Date	Reference	Sb	Misc.	Description	Amount
7/1/2017	JE180720	2018 JE		GASB 31 NCLA LAIF MKT VAL 6/17	-325.78
10/31/2017	JE181017	2018 JE		LAIF Int - NCLA 9/17	-833.69
1/31/2018	JE180112	2018 JE		LAIF Int - NCLA 12/17	-937.58
4/30/2018	JE180410	2018 JE		LAIF Int - NCLA 3/18	-1,152.50
6/30/2018	JE180636	2018 JE		NCLA LAIF INT ACCRUAL-6/18	-1,475.32
				Object 4300 Total:	
				Object Total:	-4,724.87
				Net EN:	0
				Object Total with EN:	-4,724.87

Account Number	Org Key Title	Object Desc.
00050-4305	NORTH COUNTY LIBRARY AUTH FL	PORTFOLIO INCOME

Date	Reference	Sb	Misc.	Description	Amount
10/31/2017	JE181015	2018 JE		PFM PORTFOLIO INTEREST 6/17	-6,139.19
1/31/2018	JE180115	2018 JE		PFM PORTFOLIO INTEREST 12/17	-11,128.69
4/30/2018	JE180424	2018 JE		PFM PORTFOLIO INTEREST 3/18	-8,692.97
6/30/2018	JE180634	2018 JE		PFM PORTFOLIO INTEREST 6/18	-11,904.95
				Object 4305 Total:	
				Object Total:	-37,865.80
				Net EN:	0.00
				Object Total with EN:	-37,865.80

Account Number	Org Key Title	Object Desc.
00050-4310	NORTH COUNTY LIBRARY AUTH FL	UNREALIZED GAIN/LOSS

Date	Reference	Sb	Misc.	Description	Amount
7/1/2017	JE180721	2018 JE		GASB 31 PFM MKT VAL 6/17 REV	-13,156.61
1/31/2018	JE180116	2018 JE		GASB31 PFM MKT VAL 1st QTR	820.46
4/30/2018	JE180425	2018 JE		GASB31 PFM MKT VAL 2nd QTR	14,076.75
4/30/2018	JE180427	2018 JE		GASB31 PFM MKT VAL 3RD QTR	15,174.34
6/30/2018	JE180639	2018 JE		GASB 31 NCLA LAIF MKT VAL ACC	582.38
6/30/2018	JE180637	2018 JE		GASB31 PFM MKT VAL 4TH QTR	1,475.30
6/30/2018	JE180669	2018 JE		GASB 31 PFM MKT VAL 6/17 REV	13,156.61
				Object 4310 Total:	
				Object Total:	32,129.23
				Net EN:	0.00
				Object Total with EN:	<u>32,129.23</u>

Account Number Org Key Title Object Desc.
00050-4905 NORTH COUNTY LIBRARY AUTH FL LIBRARY TAX COLLECTIONS

Date	Reference	Sb	Misc.	Description	Amount
1/31/2018	JE180111	2018 JE		CO SC SEC 12/10/17 FINAL	-677,769.52
6/30/2018	JE180611	2018 JE		CO SC SEC 4/10/18 FINAL	-371,678.00
				Object 4905 Total:	
				Object Total:	-1,049,447.52
				Net EN:	0.00
				Object Total with EN:	<u>-1,049,447.52</u>
TOTAL REVENUES					-1,059,908.96

Account Number Org Key Title Object Desc.
00050-5010 NORTH COUNTY LIBRARY AUTH FL SALARIES

Date	Reference	Sb	Misc.	Description	Amount
3/31/2018	JE180332	2018 JE		To reclass NCLA expense	372,883.61

6/30/2018	62818	2018 OH	SANTA CLARA COU LIBRARY COST 0	292,762.39
6/30/2018	15528CM	2018 OH	SANTA CLARA COU REVERSE INV 01	-372,883.61
6/30/2018	15528DB	2018 OH	SANTA CLARA COU ADD PO TO INV	372,883.61
Object 5010 Total:			Object Total:	665,646.00
			Net EN:	0.00
			Object Total with EN:	665,646.00

Account Number	Org Key Title	Object Desc.
00050-5270	NORTH COUNTY LIBRARY AUTH FL	PROFESSIONAL SERVICES

Date	Reference	Sb	Misc.	Description	Amount
8/16/2017	617000122	2017 OH		NBS GOVERNMENT NORTHCOUNTYLIBR	1,488.48
11/2/2017	817000352	2018 OH		NBS GOVERNMENT MEASURE L/TAX R	1,541.82
11/3/2017	26277	2018 OH		MAZE & ASSOCIAT SVC OCTOBER-AU	1,200.00
11/15/2017	580408	2018 OH		BERLINER COHEN 17395.001 SVC T	300
1/11/2018	101700333	2018 OH		NBS GOVERNMENT NORTHCOUNTYLIBR	1,541.82
2/22/2018	27034	2018 OH		MAZE & ASSOCIAT SVC DEC 2017 F	1,058.00
2/22/2018	9947	2018 OH		GROUP 4 ARCHITE 18510-01 SVC T	3,495.00
3/22/2018	12918	2018 OH		SANTA CLARA COU LIBRARY COSTS	372,883.61
3/22/2018	587901	2018 OH		BERLINER COHEN 17395.001 013 S	90
3/22/2018	9966	2018 OH		GROUP 4 ARCHITE 18510-01 SVC	5,130.09
3/31/2018	JE180332	2018 JE		To reclass NCLA expense	-372,883.61
4/19/2018	9985	2018 OH		GROUP 4 ARCHITE 18510-01 THRO	4,436.30
4/19/2018	5848	2018 OH		STRATA A/P INC SVC THROUGH 040	30,695.40
5/4/2018	318000238	2018 OH		NBS GOVERNMENT SVC 040118-0630	1,541.84
5/14/2018	TTLAR	2018 AR		AutoID: AR180504 Job: 319693	-4,736.66
5/14/2018	TTLAR	2018 AR		AutoID: AR180503 Job: 319694	-4,736.66
5/16/2018	10009	2018 OH		GROUP 4 ARCHITE 18510-01 THRO	1,148.61
5/22/2018	TTLAR	2018 AR		AutoID: AR180507 Job: 319980	-11,368.66
5/22/2018	TTLAR	2018 AR		AutoID: AR180506 Job: 319981	-11,368.66
6/1/2018	5855	2018 OH		STRATA A/P INC 255-18 SVC APR	3,410.60
6/30/2018	JE180688	2018 JE		RECLASS NCLA PORTION FOR PFM	2,905.17
6/30/2018	JE180663	2018 JE		MRG Invoices Reclass 3-18-134, 3-18-240	6,800.00

6/30/2018	826811	2018 OH	BEST BEST & KRI 38093.00001 TO	531
6/30/2018	826812	2018 OH	BEST BEST & KRI 38093.00002 T	112.5
6/30/2018	826813	2018 OH	BEST BEST & KRI 38093.00100 T	1,798.00
		Object 5270 Total:	Object Total:	37,013.99
			Net EN:	<u>0.00</u>
			Object Total with EN:	37,013.99
		TOTAL EXPENDITURES		<u>702,659.99</u>
		NET CHANGE		<u><u>(357,248.97)</u></u>

**NCLA Proposed
Operating Budget
Fiscal Year 2018/19**

11/26/18
Item 3 C

	2014/15	2015/16	2016/17	2017/18	2018/19
	Actual	Actual	Actual	Projected	Budget
Rate per Parcel	\$ 76	76	76	76	76
OPERATING EXPENDITURES					
Service Costs					
County Staffing	513,142	545,158	600,704	665,653	723,670
Administrative Costs	7,039	10,784	10,779	12,369	22,700
Election Expenses					
Proposed Library Project*				17,000	39,000
Book Costs	25,000	25,000	0	0	0
Total Operating Expenditures	545,181	580,942	611,483	695,022	785,370
REVENUES					
Tax Revenue	1,057,375	1,046,401	1,048,695	1,049,447	1,049,447
Interest Income**	7,025	14,045	9,480	29,210	22,205
Total Revenues	1,064,400	1,060,446	1,058,175	1,078,657	1,071,652
OPERATING SURPLUS/(DEFICIT)	519,219	479,504	446,692	383,635	286,282
Debt Payments	0	0	0	0	0
Activity Balance	519,219	479,504	446,692	383,635	286,282
FUND BALANCE as of June 30	\$ 2,647,630	\$ 3,127,134	\$ 3,573,826	\$ 3,957,461	\$ 4,243,743

*Proposed Library Project will track costs associated with the Los Altos Library project and include legal support and professional services (architecture research, design, community survey, etc)

** Interest income for FY 2017/18 is actual through 4/30/18.

NORTH COUNTY LIBRARY AUTHORITY (NCLA)
Los Altos, CA
FUND BALANCE PROJECTIONS

Row #		Actual Fiscal Year 2010-11	Actual Fiscal Year 2011-12	Actual Fiscal Year 2012-13	Actual Fiscal Year 2013-14	Actual Fiscal Year 2014-15	Actual Fiscal Year 2015-16	Actual Fiscal Year 2016-17	Projected Fiscal Year 2017-18	Budgeted Fiscal Year 2018-19	Projected Fiscal Year 2019-20	Projected Fiscal Year 2020-21	Projected Fiscal Year 2021-22	Projected Fiscal Year 2022-23	Projected Fiscal Year 2023-24	Projected Fiscal Year 2024-25	Projected Fiscal Year 2025-26	Projected Fiscal Year 2026-27	Projected Fiscal Year 2027-28	Projected Fiscal Year 2028-29	Projected Fiscal Year 2029-2030
REVENUES																					
1	Taxes & Special Assessments A	1,034,625	1,029,885	1,030,186	1,039,441	1,042,375	1,046,401	1,048,695	1,049,447	1,049,447 B	1,048,700	1,048,700	1,048,700	1,048,700	1,048,700	1,048,700	1,048,700	1,048,700	1,048,700	1,048,700	1,048,700
2	Interest	5,239	1,420	2,430	4,083	7,025	14,045	9,480	29,210 D	22,205 C	24,189	25,873	27,243	28,277	28,956	29,254	29,149	28,615	27,625	26,150	24,160
	<i>Interest Earnings as % of Investment</i>	2.76%	0.41%	0.43%	0.38%	0.44%	0.68%	0.38%	1.01%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%
3	TOTAL REVENUES	1,039,864	1,031,305	1,032,616	1,043,524	1,049,400	1,060,446	1,058,175	1,078,657	1,071,652	1,072,889	1,074,573	1,075,943	1,076,977	1,077,656	1,077,954	1,077,849	1,077,315	1,076,325	1,074,850	1,072,860
EXPENDITURES																					
4	Salaries & Wages (Main = 12 hours eff 1991) (Woodland = 19 hours eff 2008)	473,730	464,271	443,640	480,011	513,142	545,158	558,057	544,262	723,670 E	764,196	806,990	852,182	899,904	950,299	1,003,515	1,059,712	1,119,056	1,181,723	1,247,900	1,317,782
5	Administrative Costs	23,687	-	15,000	9,820	7,039	10,784	10,779	12,369	22,700	23,971	25,314	26,731	28,228	29,809	31,478	33,241	35,102	37,068	39,144	41,336
6	Proposed Library Project *								17,000	39,000											
7	Miscellaneous	4,125	86,054	(40,000)	-	(15,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Book Costs	65,000	-	56,825	25,000	25,000	25,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Additional Hours funded by NCLA																				
	Main Library (+ 5 hr/wk eff 1/3/17)	-	-	-	-	-	-	42,647	90,070												
	Woodland Library (+6 hrs/wk eff 1/2/18)	-	-	-	-	-	-	-	31,321	-	-	-	-	-	-	-	-	-	-	-	-
9	TOTAL EXPENDITURES	566,542	550,325	475,465	514,831	530,181	580,942	611,483	695,022	785,370	788,167	832,304	878,913	928,132	980,108	1,034,994	1,092,953	1,154,159	1,218,792	1,287,044	1,359,118
OTHER FINANCING SOURCES/(USES)																					
	Special Tax Bonds	(336,205)	(331,843)	-	-	-	-	-	-	#	-	-	-	-	-	-	-	-	-	-	-
	TOTAL OTHER SOURCES/(USES)	(336,205)	(331,843)	-	-	-	-	-	-	#	-	-	-	-	-	-	-	-	-	-	-
10	NET CHANGE IN FUND BALANCE	137,117	149,137	557,151	528,693	519,219	479,504	446,692	383,635	286,282	284,722	242,269	197,030	148,845	97,548	42,960	(15,104)	(76,844)	(142,467)	(212,194)	(286,259)
11	BEGINNING FUND BALANCE	756,313	893,430	1,042,567	1,599,718	2,128,411	2,647,630	3,127,134	3,573,825	3,957,461	4,243,742	4,528,465	4,770,734	4,967,763	5,116,609	5,214,157	5,257,117	5,242,013	5,165,169	5,022,702	4,810,508
12	ENDING FUND BALANCE	893,430	1,042,567	1,599,718	2,128,411	2,647,630	3,127,134	3,573,825	3,957,461	4,243,742	4,528,465	4,770,734	4,967,763	5,116,609	5,214,157	5,257,117	5,242,013	5,165,169	5,022,702	4,810,508	4,524,249

1st Yr Tot Exp Exceeds Tot Rev

13 **NOTES & ASSUMPTIONS:**

14 **A** On June 8, 2010 the voters of Los Altos and Los Altos Hills approved a renewal of the prior tax at \$76 per parcel for a twenty (20) year term.

15 FY 2017-18's budgeted tax revenues have been amended to reflect the Assessor's 14,451 parcels at \$76 each = \$1,060,048 less the 1% County fee.

16 **B** Assessment projections are flat as the voter approved rate is flat for all 20 years and the change in parcel numbers is minimal.

17 Cash available for investment is calculated at prior year's ending balance, less current year's expenditures. 2,878,803 3,172,091 3,455,576 3,696,161 3,891,821 4,039,631 4,136,501 4,179,163 4,164,164 4,087,854 3,946,378 3,735,658 3,451,390

18 **C** Interest Income is projected at various rates ranging from 0.7% - 2% as shown here. 0.70% 0.70% 0.70% 0.70% 0.70% 0.70% 0.70% 0.70% 0.70% 0.70% 0.70%

19 **D** Interest income of \$29,210 is actual through 4/30/18
NCLA to discuss this projection based on PFM investment 20,152 22,205 24,189 25,873 27,243 28,277 28,956 29,254 29,149 28,615 27,625 26,150 24,160

20 **E** The County has estimated an annual increase in personnel costs at 5.6% for the duration. This increase is based on an estimated 3% annual increase in wages with the remaining increase due to health benefit and PERS cost increases. This same percentage increase is being applied to Administrative Costs.

21 FY 15-16 Ending Fund Balance includes \$55,000 unclaimed bondholder monies.

22 *Proposed Library Project will track costs associated with the Los Altos Library project and include legal support and professional services (architecture research, design, community survey, etc)

Jean Mordo, Mayor,
Christopher Jordan, City Manager, and
Cindy Hill, North County Library Authority President
One North San Antonio Road
Los Altos, CA 94022

Dear Mayor Mordo and City Manager Jordan, and President Hill

At the October 25, 2018 Santa Clara County Library District (SCCLD) Joint Powers Authority (JPA) Board meeting, the JPA approved an increase to the SCCLD staffing budget, including the Los Altos Libraries. The purpose of this action is to open all SCCLD libraries seven days per week with at least four hours of service on Sundays, by providing additional staffing for the Campbell, Gilroy, Morgan Hill and Saratoga Community Libraries. The Library District strives to make service available on the days and hours most desired by our communities, and based on our customer satisfaction survey, weekend hours are in high demand. In addition, the service provided is intended to attract the greatest number of residents to become new and/or more engaged library patrons.

To preserve funding equity in accordance with the JPA's Joint Exercise of Powers Agreement funding formula, an additional \$314,815 will be allocated to the Los Altos Community Library for staffing in fiscal year 2019-2020.

The increased revenue comes from higher than expected property tax and ERAF payments. We estimate that revenue will continue at this level for at least two years, but cannot predict the likelihood of availability beyond this period.

The North County Library Authority (NCLA) currently contributes \$723,670 to staff the Los Altos Community Library an additional 17 open hours per week, and the Woodland Branch Library an additional 25 hours per week. With Los Altos' additional funding formula-derived library staffing budget increase of \$314,815, we are asking for your consideration of the following directions as a starting point to discuss FY 2019/20 budget dollars:

1. NCLA continues to fund additional hours and add more open hours. Based on the previous request from NCLA to expand evening hours later in the week and weekend at the Woodland Branch Library, staff suggests Woodland could be open from 11:00 am – 6:00 pm on Thursday through Sunday. This would provide 4 additional hours per week and allow the library to be open an extra hour until 6:00 pm on these days. Other hours could be explored if NCLA is interested.
2. NCLA augments library funding for services. Staff suggests adding additional headcount for the Go Go Biblio library outreach service to provide 5-8 stops in Los Altos per week.
3. Temporarily suspend the NCLA funding for a minimum of two years from \$723,670 to \$408,855 with no change to current open hours. Should the increased property tax and ERAF revenue no

longer be available after two years (beginning July 1, 2021), the city's current contribution of \$723,670 (adjusted for increases in salary and benefit costs) would likely be needed to maintain the current 17 additional open hours per week at the Los Altos Community Library and 25 additional open hours per week at the Woodland Branch Library.

We value our partnership and appreciate the opportunity to provide excellent library services to enhance the lives of Los Altos and Los Altos Hills residents. We will contact you to schedule a meeting in December to discuss these and other directions in more detail.

Sincerely,



Mike Wasserman, Chair
Joint Powers Authority Board



Nancy Howe
County Librarian