



TO: North County Library Authority (NCLA) Commission

FROM: Marcie Scott, Liaison

DATE: June 26, 2019

SUBJECT: Consideration and Adoption of FY 2019-2020 NCLA Operating Budget
Consideration and Adoption of Resolution 2019-02 Setting a Special Tax
Levy Rate
Consideration and Adoption of Resolution 2019-03 Setting the FY 19/20 Gann
Spending Limit Calculation

SUMMARY

Each May the NCLA Board considers the annual operating budget for the coming fiscal year. At the May 20th meeting the Board reviewed the proposed budget and made several minor modifications, which are included in the attached revision. Secondly, part of the NCLA budget adoption process each year includes adopting resolutions to affirm the Special Tax Rate of \$76 per parcel for Library Services and setting the FY 19/20 GANN spending limit.

NCLA Budget FY 19/20

The primary expenditure is the NCLA's funding paid to the Santa Clara County Library District for 17 additional operational hours per week at the Los Altos Library and 25 additional operational hours per week at the Woodland Branch Library. The proposed budget includes expenditures to support the Los Altos Library Redevelopment Project in the amount of \$157,000, as proposed in the preliminary budget prepared by the Redevelopment Task Force. Costs associated with this project have been separated so they can be tracked independently of other expenditures. Administrative costs are proposed consistent with the current fiscal year, with the understanding the NCLA Board will be discussing the payment of some administrative fees pursuant to the JPA language in an upcoming meeting.

The Board will see a change in the revenue side of the budget in FY 19/20. Santa Clara County is providing temporary additional funding to reach a benchmark service level in all libraries across the County. As a result, additional funding of \$448,689 is available to pay for the extra hours currently funded by NCLA. This is referred to as the "ERAF credit" on the proposed budget. These funds are not permanent, but are expected for the next two years. Another modification in the proposed budget is a new line to reflect interest received only for NCLA's investment fund in LAIF.

There is some uncertainty in the amount of interest earned in NCLA's other investment pooled with the City of Los Altos, therefore the actual FY 18/19 and proposed FY 19/20 will only reflect LAIF-generated interest. The actual interest earned for all funds will be reported after the conclusion of FY 18-19.

Resolution 2019-02 Setting a Special Tax Levy Rate

As a special tax district, the NCLA is funded by a parcel tax approved by the voters in June 2010. As such, the Authority is authorized to levy a qualified special tax of \$76 per parcel per year. This special tax will be levied for 20 consecutive fiscal years, beginning July 1, 2010 and ending June 30, 2030. The attached Resolution 2019-02 affirms the action by the NCLA governing body to set the parcel tax rate at its annual amount of \$76 per parcel. This administrative action is taken to accommodate the County filing process and documents this annual act. [Attachment C]

Resolution 2019-03 Setting the FY 19/20 Gann Spending Limit Calculation

Resolution No. 2019-03 is an annually required update of the State appropriation limit to be adopted along with the budget adoption. This year's calculation continues the use of County-wide population change factors, a technique used in building the historical values and applied for consistency. [Attachment D, E]

Attachments:

- A. Budget FY 2019/20
- B. Santa Clara County Library District Budget Request FY 19/20 dated 5/1/19
- C. Resolution 2019-02 Setting a Special Tax Levy Rate
- D. Resolution 2019-03 Setting the FY 19/20 Gann Spending Limit Calculation
- E. Gann Spending Calculation Table

NCLA
Operating Budget
Fiscal Year 2019/20

Item #3A
6/26/19

	2015/16	2016/17	2017/18	2018/19	2019/20
	Actual	Actual	Actual	As of 4/15/19	Budget
Rate per Parcel	76	76	76	76	76
OPERATING EXPENDITURES					
Service Costs					
County Staffing	545,158	600,704	665,653	723,670	738,523
(minus ERAF credit)					(448,689)
Administrative Costs*	10,784	10,779	12,369	22,700	32,450
Book Costs	25,000	0	0	0	0
Total Operating Expenditures	580,942	611,483	678,022	746,370	322,284
REVENUES					
Tax Revenue	1,046,401	1,048,695	1,049,447	1,048,695	1,048,695
Interest Income	14,045	9,480	10,461		
Interest Received-LAIF				5,577	6,500
Total Revenues	1,060,446	1,058,175	1,059,908	1,054,272	1,055,195
OPERATING SURPLUS/(DEFICIT)	479,504	446,692	381,886	307,902	732,911
Debt Payments	0	0	0	0	0
Activity Balance	479,504	446,692	381,886	307,902	732,911
LIBRARY REDEVELOPMENT PROJ					
Vendors, Consultants, other costs			17,000	39,000	82,000
Election Filing Fee					75,000
Total Library Project					157,000
FUND BALANCE as of June 30	\$3,127,134	\$3,573,826	\$3,955,712	\$4,263,614	\$4,839,525

*Administrative costs include: NBS parcel audit (6,350); BBK legal (12,500); Maze audit (2,800); MRG Liaison (10,800)



Services & Support Center, 1370 Dell Avenue, Campbell, CA 95008-6604 | www.sccl.org | 408-293-2326

Date: May 1, 2019
To: Marcie Scott, on behalf of the City of Los Altos
From: Nancy Howe, County Librarian, Santa Clara County Library District
Subject: NCLA Request for Fiscal Year 2019-2020

Personnel Budget

The total Santa Clara County Library District budget for personnel for the Los Altos Community Library and the Woodland Branch Library for FY 2019-20 is \$4,224,641, an increase of 6.74% from the current FY 2018-19 personnel budget. However, some of this increase is due to the addition of a full-time Library Clerk for the provision of Passport services. Annualizing this additional cost reduces the year-over-year increase to 4.67%.

NCLA's traditional portion of the personnel budget would be \$738,523, representing 17 hours/week of funding for the Los Altos Library and 25 hours/week funding at the Woodland Branch Library. However, due to increased property tax funding associated with ERAF reimbursements, an additional \$448,689 of Library funding is available for these hours, reducing the NCLA total to \$289,834.

Materials Budget

This request does not contemplate NCLA funding to augment the district's budget for library materials.

Total Request

\$289,834

cc: Marlene Iwamoto, Los Altos Community Librarian

North County Library Authority Personnel Budget Requests for FY 2019-20

ESTIMATED 2019/20 COSTS NCLA Extra Hours	Times	Salary & Benefit Cost/Hr	Hours per week	# of Staff	Cost per week	Weeks per year	Annual Cost
Librarian II	M-W 10-1	\$ 69.83	9	4.5	\$ 2,828.17	52	\$147,065
Senior Clerk	M-W 10-1	\$ 57.87	9	1	\$ 520.83	52	\$27,083
Library Clerk II	M-W 10-1	\$ 45.95	9	3	\$ 1,240.57	52	\$64,510
Library Page	M-W 10-1	\$ 33.86	9	3	\$ 914.31	52	\$47,544
Janitor (Prorated)	M-W 10-1	\$ 30.03	9	1	\$ 270.27	52	\$14,054
Librarian II	Th 6-9	\$ 69.83	3	2	\$ 418.99	52	\$21,787
Senior Clerk	Th 6-9	\$ 57.87	3	1	\$ 173.61	52	\$9,028
Library Clerk II	Th 6-9	\$ 45.95	3	1	\$ 137.84	52	\$7,168
Library Page	Th 6-9	\$ 33.86	3	2	\$ 203.18	52	\$10,565
Janitor (Prorated)	Th 6-9	\$ 30.03	3	1	\$ 90.09	52	\$4,685
Librarian II	Fri-Sun 6-7	\$ 69.83	3	2	\$ 418.99	52	\$21,787
Senior Clerk	Fri-Sun 6-7	\$ 57.87	3	1	\$ 173.61	52	\$9,028
Library Clerk II	Fri-Sun 6-7	\$ 45.95	3	1	\$ 137.84	52	\$7,168
Library Page	Fri-Sun 6-7	\$ 33.86	3	2	\$ 203.18	52	\$10,565
Janitor (Prorated)	Fri-Sun 6-7	\$ 30.03	3	1	\$ 90.09	52	\$4,685
Librarian II	Sun 10-12	\$ 69.83	2	2	\$ 279.33	52	\$14,525
Senior Clerk	Sun 10-12	\$ 57.87	2	1	\$ 115.74	52	\$6,019
Library Clerk II	Sun 10-12	\$ 45.95	2	1	\$ 91.89	52	\$4,779
Library Page	Sun 10-12	\$ 33.86	2	1	\$ 67.73	52	\$3,522
Janitor (Prorated)	Sun 10-12	\$ 30.03	2	1	\$ 60.06	52	\$3,123
Los Altos Subtotal							\$438,689
Librarian II		\$ 69.83	25	1	\$ 1,745.78	52	\$90,781
Senior Clerk		\$ 57.87	19	1	\$ 1,099.53	52	\$57,176
Library Clerk II		\$ 45.95	25	1	\$ 1,148.68	52	\$59,731
Library Clerk II		\$ 45.95	5	1	\$ 229.74	52	\$11,946
Library Page		\$ 33.86	25	1.5	\$ 1,269.88	52	\$66,034
Janitor (Prorated)		\$ 11.85	23	1	\$ 272.44	52	\$14,167
Woodland Subtotal*							\$299,835
GRAND TOTAL							\$738,523
ERAF FUNDING							(\$448,689)
NEW TOTAL							\$289,834

*Per the Santa Clara County Library JPA Agreement, Woodland Branch is operated a minimum of 20 hours per week (referred to as the "Platform.") Since 1991, NCLA has funded 12 additional hours per week. In FY 2008-09, NCLA funded an additional 7 hours per week (Mondays 1-8pm), bringing the total service hours per week to 45, of which 19 were funded by NCLA. Then, as of January 2018, NCLA began funding Sunday hours (11 am-5 pm), bringing the total services hours per week to 51, of which 25 are funded by NCLA.

RESOLUTION NO. 2019-02

**A RESOLUTION OF THE NORTH COUNTY LIBRARY AUTHORITY
SETTING A SPECIAL TAX RATE FOR LIBRARY SERVICES**

The Board members of the North County Library Authority hereby ordain as follow:

Section 1: Special Tax Levy

A Special Tax, of exactly \$76 (Seventy Six Dollars) in hereby levied and imposed on each improved parcel situated within the North County Library Authority, for the fiscal year 2019/20.

* * * * *

The above and foregoing resolution was duly and regularly introduced and adopted at a meeting of Board of the North County Library Authority held on the 26th day of June 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Courtenay C. Corrigan, PRESIDENT

ATTEST:

Jon Maginot, AUTHORITY CLERK

RESOLUTION NO. 2019-03

**A RESOLUTION OF THE NORTH COUNTY LIBRARY AUTHORITY
SETTING THE FY 2019/20 APPROPRIATIONS LIMIT**

WHEREAS, California Constitutional Article 13B limits the total annual appropriations of cities; and

WHEREAS, it is the desire of the North County Library Authority to establish its appropriations limit pursuant to Article 13B;

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of the North County Library Authority that said body hereby determines that said City's appropriations limit (as presented in calculation format in **Exhibit A**), pursuant to Article 13B of the California Constitution using the annual percent change in population for Santa Clara County and the percent change in California for per capita personal income, is as follows:

FY 2019/20 \$3,357,589

I HEREBY CERTIFY that the foregoing resolution was adopted by the Board of the North County Library Authority at a meeting of said Body held on the 26th day of June 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Courtenay C. Corrigan, PRESIDENT

Attest:

Jon Maginot, AUTHORITY CLERK

**North County Library Authority
Appropriation Limit Analysis
2019-20**

EXHIBIT A

Fiscal Year	Original Maximum Tax Collection	Proposed Appropriation Limit	Appropriation Limit Growth Factors		Change in Per Capita Income Or CPI
			Annual Combined Escalator	County Change	
2007-08	\$ 642,000	\$ 1,856,179			
			1.108523	1.0616	1.0442
2008-09	\$ 642,000	\$ 2,057,616	1.060838	1.0172	1.0429
2009-10	\$ 642,000	\$ 2,182,797	1.021897	1.0156	1.0062
2010-11	\$ 1,026,000	\$ 2,230,593	1.034223	1.0251	1.0089
2011-12	\$ 1,026,000	\$ 2,306,932	1.044756	1.0377	1.0068
2012-13	\$ 1,026,000	\$ 2,410,182	1.067704	1.0157	1.0512
2013-14	\$ 1,026,000	\$ 2,587,674	1.007780	1.0150	0.9977
2014-15	\$ 1,026,000	\$ 2,620,448	1.004270	1.0113	1.0382
2015-16	\$ 1,026,000	\$ 2,751,209	1.010670	1.0126	1.0537
2016-17	\$ 1,026,000	\$ 2,935,475	1.045299	1.0081	1.0369
2017-18	\$ 1,026,000	\$ 3,068,449	1.046963	1.0099	1.0367
2018-19	\$ 1,026,000	\$ 3,212,554	1.045146	1.0064	1.0385
2019-20	\$ 1,026,000	\$ 3,357,589			

Los Altos	31,225	31,190		
Los Altos Hills	8,720	8,785		
	39,945	39,975	30	0.075%
Population Change both communities				1.04515