



DATE: June 5, 2014

AGENDA ITEM # 4

**TO:** North County Library Authority (NCLA) Commission

**FROM:** Marcia Somers, Staff Liaison

**SUBJECT:** Adoption of the Budget for Fiscal Year 2014/15

### **RECOMMENDATION:**

- A. Presentation of the County NCLA Budget Detail and Service Levels
- B. Presentation and Adoption of the FY 2014/15 Proposed Budget
- C. Adopt Resolution No. 2014-05 setting FY 2014/15 GANN Spending Limit Calculation

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### **BACKGROUND**

On annual basis, in line with the NCLA norms, the budget is to be adopted by June 30 preceding any one fiscal year.

### **DISCUSSION**

The attached resolution serves to adopt the NCLA budget for fiscal year 2014/15 and the related and annual required GANN spending limit.

The bulk of the NCLA budget is made up of staffing support costs passed through from the Santa Clara County Library system, this discussion is initiated with the presentation of the County budget detail. This information, presented as Attachment A, highlights the staffing and hours of service proposed for the 2014/15 fiscal year. This same report highlights changes from the prior year noting that the County budget reflects an 6.9% increase in labor costs, or an increase of \$33,131.

The personnel costs have been incorporated into Attachment B, the proposed operating NCLA budget for fiscal year 2014/15. A review of the budget reveals the following highlights: - The County personnel costs have increased by 6.0% - Services of operations remain unchanged - Revenue projects have been netted to reflect County administration fees - and \$25,000 in book support is again included. Should the proposed budget be adopted, Los Altos City staff will proceed to file with the County as part of the 2014/15 property tax roll.

Resolution No. 2014-05 is an annually required update of the State appropriation limit to be adopted along with the budget adoption. This year's calculation includes a modification of the 2013/14 limit to reflect the use County-wide population change factors, a technique used in building the historical values and reverted back to for consistency.

Attachments:

- A. Santa Clara County NCLA budget request
- B. FY 2014/15 proposed budget
- C. Resolution No. 2014-05

**Date:** June 2, 2014  
**To:** Marcia Somers, City Manager, City of Los Altos  
**From:** Derek Wolfgram, Deputy County Librarian, Santa Clara County Library District  
**Subject:** NCLA Request for Fiscal Year 2014-15



### **Personnel Budget**

The total Santa Clara County Library District budget for personnel for the Los Altos Library and the Woodland Branch for FY 2014-15 is \$3,013,552, an increase of 6.2% from FY 2013-14.

For the district as a whole, salary and benefit costs are projected to increase approximately 6% above 2013-14 levels in the attached calculations, primarily resulting from negotiated salary increases and increased funding for retiree healthcare costs.

NCLA's anticipated portion of the personnel budget is \$513,142, an increase of 6.9% from the approved FY 2013-14 NCLA budget. However, the requested personnel budget is only 2% above the FY 2008-09 approved personnel budget of \$503,105 due to furloughs, staffing level adjustments, and other cost containment strategies applied over the last five years.

The proposed budget represents staffing for a total of 66 hours per week at Los Altos Library (12 hours funded by NCLA) plus 39 hours per week at Woodland Branch (19 hours funded by NCLA).

### **Materials Budget**

The NCLA Board has set the ongoing improvement of the collection as a high priority. It is requested that NCLA continue the \$25,000 augmentation of the book budget to reflect this policy.

### **Total Request**

\$513,142 for personnel + \$25,000 for books and other materials = \$538,142

**Cc:** Nancy Howe, County Librarian, Santa Clara County Library District  
Judith Gregg, Los Altos Community Librarian

**North County Library Authority Personnel Budget Request for FY2014-15**

| <b>ESTIMATED<br/>2014/15 COSTS<br/>NCLA Extra Hours</b>                     | <b>Type<br/>of<br/>Staff</b> | <b>Salary &amp;<br/>Benefit<br/>Cost/Hr</b> | <b>Hours<br/>per<br/>week</b> | <b>#<br/>of<br/>Staff</b> | <b>Cost<br/>per<br/>week</b> | <b>Weeks<br/>per<br/>year</b> | <b>Annual<br/>Cost</b> |
|---|------------------------------|---|-------------------------------|---------------------------|------------------------------|-------------------------------|------------------------|
| <b>Librarian II</b>   | Coded                        | \$ 59.41                                    | 12                            | 4                         | \$ 2,851.59                  | 52                            | \$148,283              |
| <b>Senior Clerk</b>   | Coded                        | \$ 49.51                                    | 12                            | 1                         | \$ 594.09                    | 52                            | \$30,893               |
| <b>Library Clerk II</b>   | Coded                        | \$ 39.75                                    | 12                            | 4                         | \$ 1,908.14                  | 52                            | \$99,223               |
| <b>Library Page</b>   | Coded                        | \$ 29.87                                    | 12                            | 4                         | \$ 1,433.54                  | 52                            | \$74,544               |
| <b>Library Page</b>   | Extra Help                   | \$ 12.65                                    | 12                            | 4                         | \$ 607.00                    | 52                            | \$31,564               |
| <b>Janitor</b>  | Coded                        | \$ 39.23                                    | 12                            | 1                         | \$ 470.76                    | 52                            | \$24,479               |
| <b>Los Altos Subtotal</b>   |                              |   |                               |                           |                              |                               | <b>\$408,986</b>       |
| <b>Librarian II</b>   | Coded                        | \$ 59.41                                    | 19                            | 1                         | \$ 1,128.76                  | 52                            | \$58,695               |
| <b>Library Clerk II</b>   | Coded                        | \$ 39.75                                    | 19                            | 1                         | \$ 755.30                    | 52                            | \$39,276               |
| <b>Library Page</b>   | Coded                        | \$ 29.87                                    | 19                            | 1.5                       | \$ 851.16                    | 52                            | \$44,261               |
| <b>Janitor</b>  | Coded                        | \$ 39.23                                    | 19                            | 0.5                       | \$ 372.68                    | 52                            | \$19,380               |
| <b>Woodland Subtotal</b>  |                              |   |                               |                           |                              |                               | <b>\$161,611</b>       |
| <b>GRAND TOTAL</b>  |                              |   |                               |                           |                              |                               | <b>\$570,597</b>       |
| Total service population  |                              |   |                               |                           |                              | 42,317                        |                        |
| Non-NCLA residents  |                              |   |                               |                           |                              | 4,261                         |                        |
| NCLA City residents   |                              |   |                               |                           |                              | 38,056                        |                        |
| % funded by NCLA  |                              |   |                               |                           |                              | 89.9%                         |                        |
| <b>Total NCLA Personnel Funding Request (Total cost x % NCLA residents)</b> |                              |   |                               |                           |                              |                               | <b>\$513,142</b>       |

**NCLA Proposed Operating Budget  
Fiscal Year 2014-2015**

ATTACHMENT B

|                                     | 2010-11<br>Actual | 2011-12<br>Budget   | 2011-12<br>Actual   | 2012-13<br>Budget   | 2012-13<br>Actual   | 2013-14<br>Budget   | 2014-15<br>Proposed |
|-------------------------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Rate per Parcel                     | \$ 76             | \$ 76               | \$ 76               | \$ 76               | \$ 76               | \$ 76               | \$ 76               |
| <b>OPERATING EXPENDITURES</b>       |                   |                     |                     |                     |                     |                     |                     |
| Service Costs                       |                   |                     |                     |                     |                     |                     |                     |
| County Staffing                     | 473,730           | 484,979             | 464,271             | 443,640             | 443,640             | 480,011             | 513,142             |
| Administrative Costs                | 23,687            | 25,000              | 21,055              | 15,000              | 15,000              | 15,000              | 15,450              |
| Election Expenses                   | 4,125             |                     | -                   |                     |                     |                     |                     |
| Contingency Funding                 | 0                 | 10,000              | 0                   | 0                   | 0                   | 0                   | 0                   |
| Book Costs                          | 65,000            | 65,000              | 65,000              | 65,000              | 56,825              | 25,000              | 25,000              |
| <b>Total Operating Expenditures</b> | <b>566,542</b>    | <b>584,979</b>      | <b>550,326</b>      | <b>523,640</b>      | <b>515,465</b>      | <b>520,011</b>      | <b>553,592</b>      |
| <b>REVENUES</b>                     |                   |                     |                     |                     |                     |                     |                     |
| Tax Revenue                         | 1,034,625         | 1,040,000           | 1,029,885           | 1,040,000           | 1,070,186           | 1,029,000           | 1,070,186           |
| Interest Income                     | 5,239             | 6,355               | 1,423               | 6,200               | 2,430               | 4,116               | 2,000               |
| <b>Total Revenues</b>               | <b>1,039,864</b>  | <b>1,046,355</b>    | <b>1,031,308</b>    | <b>1,046,200</b>    | <b>1,072,616</b>    | <b>1,033,116</b>    | <b>1,072,186</b>    |
| <b>OPERATING SURPLUS/(DEFICIT)</b>  | 473,322           | 461,376             | 480,982             | 522,560             | 557,151             | 513,105             | 518,594             |
| Debt Payments                       | 336,205           | 338,662             | 338,662             | 0                   | 0                   | 0                   | 0                   |
| Activity Balance                    | 137,117           | 122,714             | 142,320             | 522,560             | 557,151             | 513,105             | 518,594             |
| <b>FUND BALANCE as of June 30</b>   | <b>\$ 900,247</b> | <b>\$ 1,022,961</b> | <b>\$ 1,042,567</b> | <b>\$ 1,565,127</b> | <b>\$ 1,599,718</b> | <b>\$ 2,078,232</b> | <b>\$ 2,070,521</b> |
| Reserve/Final Debt Service Payment  | \$ 338,663        |                     | \$ -                |                     |                     |                     |                     |
| Reserve for Service Levels          | \$ 561,584        | \$ 1,022,961        | \$ 1,042,567        | \$ 1,565,127        | \$ 1,599,718        | \$ 2,078,232        | \$ 2,070,521        |

# ATTACHMENT C

## RESOLUTION NO. 2014-05

### A RESOLUTION OF THE NORTH COUNTY LIBRARY AUTHORITY SETTING THE FY 2014-15 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 2014-15      \$2,620,448**

**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 5<sup>th</sup> day of June 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Lenelle Smith, PRESIDENT

Attest:

\_\_\_\_\_  
Jon Maginot, AUTHORITY CLERK

**North County Library Authority  
Appropriation Limit Analysis  
2014-15**

**EXHIBIT A  
EXHIBIT A**

| Fiscal Year | Original Maximum Tax Collection | Proposed Appropriation Limit | Appropriation Limit Growth Factors |               | Change in Pers. Inc. Or CPI | Combined Change |
|-------------|---------------------------------|------------------------------|------------------------------------|---------------|-----------------------------|-----------------|
|             |                                 |                              | Annual Combined Escalator          | County Change |                             |                 |
| 1992-93     | \$ 642,000                      | \$ 642,000                   |                                    |               |                             |                 |
|             |                                 |                              | 1.044765                           | 1.0171        | 1.0272                      |                 |
| 1993-94     | \$ 642,000                      | \$ 670,739                   | 1.023214                           | 1.0160        | 1.0071                      |                 |
| 1994-95     | \$ 642,000                      | \$ 686,309                   | 1.065002                           | 1.0170        | 1.0472                      |                 |
| 1995-96     | \$ 642,000                      | \$ 730,921                   | 1.058528                           | 1.0113        | 1.0467                      |                 |
| 1996-97     | \$ 642,000                      | \$ 773,700                   | 1.069309                           | 1.0216        | 1.0467                      |                 |
| 1997-98     | \$ 642,000                      | \$ 827,325                   | 1.063580                           | 1.0212        | 1.0415                      |                 |
| 1998-99     | \$ 642,000                      | \$ 879,926                   | 1.063384                           | 1.0173        | 1.0453                      |                 |
| 1999-00     | \$ 642,000                      | \$ 935,699                   | 1.066200                           | 1.0163        | 1.0491                      |                 |
| 2000-01     | \$ 642,000                      | \$ 997,642                   | 1.139776                           | 1.0571        | 1.0782                      |                 |
| 2001-02     | \$ 642,000                      | \$ 1,137,089                 | 1.149132                           | 1.0954        | 1.0491                      |                 |
| 2002-03     | \$ 642,000                      | \$ 1,306,665                 | 1.081830                           | 1.0035        | 1.0781                      |                 |
| 2003-04     | \$ 642,000                      | \$ 1,413,589                 | 1.021668                           | 1.0348        | 0.9873                      |                 |
| 2004-05     | \$ 642,000                      | \$ 1,444,219                 | 1.067697                           | 1.0436        | 1.0231                      |                 |
| 2005-06     | \$ 642,000                      | \$ 1,541,988                 | 1.100366                           | 1.0654        | 1.0328                      |                 |
| 2006-07     | \$ 642,000                      | \$ 1,696,751                 | 1.093961                           | 1.0523        | 1.0396                      |                 |
| 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                 |                                    |               |                             |                 |
| 2013-14     | \$ 1,026,000                    | \$ 2,587,674                 | 1.007780                           | 1.0150        | 0.9977                      | 1.0127          |
| 2014-15     | \$ 1,026,000                    | \$ 2,620,448                 |                                    |               |                             |                 |

|                                    |               |               |     |         |
|------------------------------------|---------------|---------------|-----|---------|
| Los Altos                          | 29,769        | 29,969        |     |         |
| Los Altos Hills                    | 8,258         | 8,354         |     |         |
|                                    | <b>38,027</b> | <b>38,323</b> | 296 | 0.778%  |
| Population Change both communities |               |               |     | 1.00778 |