

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
May 11, 2005

TO: Board of Supervisors

FROM: Economic Development & Intergovernmental Affairs

SUBJECT: Approve Appropriation Adjustment Request No. 25-099 For Midyear Transfer To The Sacramento Public Library Authority From County Library Fund 011

Contact: Paul Hahn, Director 874-5889

Overview

Fiscal Year 2004-05 brought additional funding for the library authority which was made available as a result of better than expected revenues. Sacramento Public Library Authority Board is requesting the Sacramento County Board of Supervisors to appropriate \$921,712 from County Library Fund 011, and to transfer such funds to the Library Authority.

Recommendation

Approve the attached Appropriation Adjustment Request No. 25-099 transferring \$921,712 from County Library Fund 011 to the Sacramento Public Library Authority.

Fiscal Impact

County Library Fund 011 is set up specifically to pay for countywide library services and is not to be used for general operations of other county operations. In this sense the funds will be spent by the Library Authority which is its intended purpose. Therefore there is no negative fiscal impact to the County General Fund.

BACKGROUND:

At its February 24, 2005 meeting the Sacramento Public Library Authority Board (SPLAB) passed Resolution No. 05-07 requesting the Sacramento County Board of Supervisors to appropriate \$921,712 from County Fund 011, and to transfer such funds, to the Library Authority County Fund. This additional funding was made available as a result of better than expected revenues from property taxes. The Library Authority will use the increased funding to address deferred maintenance in county library facilities and to fund final enhancements to the Arcade Library remodel.

DISCUSSION:

Library staff is in the process of developing a Facilities Master Plan. Use of County Fund 011 as a source of funding for various capital projects will be addressed in that Master Plan, to be brought to the Sacramento County Board of Supervisors for adoption in spring 2006.

County Fund 011 will retain \$1,332,494 in the buildings line for FY 2004/05. The proposed Fund 011 budget for FY 2005/06, developed in collaboration between SPLAB staff and County staff increases the amount available for capital projects to \$2,437,493. Uses of Fund 011 for capital projects previously identified by the Board are the North Highlands Library (currently debt financed at \$250,000 per year), completion of the Arcade Remodel JOC Agreement (estimated \$50,000 - \$100,000 in one time funding), debt financing for the Carmichael Remodel (approximately \$166,000 per year if \$2.8 million is financed) and debt financing for the Orangevale Library Bond Act Application (approximately \$360,065 per year) conditional upon the passage of a Library Bond Act by California voters in June 2006 and subsequent award of funding by the California State Library's Bond Act Board.

While staff supports this one-time transfer to the Library Authority for deferred maintenance and other listed expenditures, we are aware of the unmet capital construction needs in the unincorporated area. County and Library staff will work together to establish a long-term reserve to address these, and future, needs.

FINANCIAL ANALYSIS

There is no financial impact on the general operations of any County of Sacramento department.

The Library Authority will use the increased funding to address deferred maintenance in county library facilities and to fund enhancements to the Arcade Library remodel. None of the increased funding will be spent to increase ongoing operations, due to the one time nature of the funding.

The detail below describes the Library's need for the requested transfer of \$921,712.

A) Fund restoration:

- 1) The final budget hearings in September reduced the Fund 011 fund balance resulting in unforeseen cutbacks. This transfer will allow for restoration of these funds and programs:

\$318,928

B) Deferred maintenance needs:

- 2) Deferred maintenance and repair items from older County facilities:

\$325,500

- 3) Costs associated with the Arcade remodel project:

\$79,200

C) Allocated cost needs:

- 4) Shared cost distribution:

\$198,084

TOTAL TRANSFER REQUEST

\$921,712

Approve Appropriation Adjustment Request No. 25-099 For Midyear Transfer To The
Sacramento Public Library Authority From County Library Fund 011

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Respectfully Submitted,

APPROVED:

PAUL J. HAHN, Director
Economic Development &
Intergovernmental Affairs

TERRY SCHUTTEN
County Executive

By: _____
GEOFFREY B. DAVEY
Chief Financial/Operations Officer

APPROPRIATION ADJUSTMENT REQUEST

2. Department Name: Library Authority Department Name (if applicable): Economic Development 3. Date: 4/13/05

4. REQUEST ADJUSTMENT OF APPROPRIATION AS LISTED BELOW

SOURCE OF FINANCING	FUND#	INDEX#	ACCOUNT	ACCOUNT TITLE	AMOUNT
	<u>011 A</u>	<u>6310000</u>	<u>91910100</u>	<u>Prop Tax Cur Sec</u>	<u>\$921,712</u>
		<u>6316300</u>			
USE OF FINANCING	<u>011 A</u>	<u>6310000</u>	<u>30370000</u>	<u>Contribution to other Agencies</u>	<u>\$921,712</u>
		<u>6316300</u>			

5. JUSTIFICATION (Attach Memo if Necessary)
 Due to an increase in property tax revenue, a one time transfer of \$921,712 is being sent to the Library Authority for deferred maintenance & repairs of older County facilities and costs associated with the Arcade remodel project.

Department Head: _____ Department Head (if applicable): [Signature]
 By: _____ Date: _____ By: _____ Date: 4/13/05

6. ACTION
 Dept. Head Approval(s) only required
 Board Action Required
 Four-Fifths Vote Required
 Auditor-Controller: By: [Signature] Date: 4-14-05

7. APPROVAL
 Approve
 Disapprove
 County Executive: By: [Signature] Date: 4/13/05

8. RESOLUTION
 On a motion by Supervisor _____, seconded by Supervisor _____
 the foregoing resolution was passed and adopted by the BOARD OF SUPERVISORS of the County of Sacramento, State of California, this _____ day of _____ 19__ by the following vote, to wit:
AYES: Supervisors,
NOES: Supervisors,
ABSENT: Supervisors,
 Resolution Number _____
 (SEAL) ATTEST: _____
 CLERK OF THE BOARD OF SUPERVISORS
 CHAIR OF THE BOARD OF SUPERVISORS OF SACRAMENTO COUNTY CALIFORNIA