



Sacramento Public Library Authority

February 28, 2013

Agenda Item 14.0: Mid-Year Budget Update

TO: Sacramento Public Library Authority Board Members

FROM: Rivkah K. Sass, Library Director
Denise M. Davis, Deputy Library Director

RE: Mid-Year Budget Update FY 2012-13

RECOMMENDED ACTION(S):

Adopt Resolution #13-05, a resolution amending the final budget for the Sacramento Public Library Authority for Fiscal Year 2012-13.

Revenue Update

Property tax revenues project to our budgeted amount of \$17,015,000. No change is required at this time.

The City of Sacramento advised staff it will honor its General Fund contribution for the current fiscal year of \$7,129,539.

The City of Sacramento Special Tax revenue is received later in the spring. The budgeted amount of \$4,560,600 appears accurate at this time.

Collections from fines and fees project to our budgeted amount of \$675,000.

Library Galleria revenue is on target at \$300,000.

Interest income received projects to our budgeted amount of \$400,000. Interest received through the first six months totaled \$194,601.

In November 2012, the Board approved the gifts and donations received between July and October 2012 totaling \$149,278. November through December donations total \$175,879 and include the final payment for the LSTA Freedom Readers grant in the amount of \$7,550.

Expenditure Update

Salary savings through the first six months of the year total \$785,000. Savings are not being doubled for the remainder of the year, although filling critical vacancies is unlikely.

Expenditures for services and supplies have been reduced by \$104,885. The reduction is principally composed of savings in RFID tags and office supplies.

Capital outlay expenditures for a climate-controlled room to aid in preserving Sacramento Room archives are reduced by \$25,700. The project has been postponed indefinitely because the bids were much higher than anticipated.

These expenditure savings have been removed from the expenditure budget and reflect an increase in fund balance.

Staff is recommending two capital projects in County branches. The North Highlands/Antelope branch is converting to the one-desk model with RFID pads and equipment for \$34,000. The second project involves refurbishing the Arcade computer lab for \$4,800. These projects are funded by internal budget savings and require no new appropriation.

The mid-year expense adjustment reflects actions the Board approved in October and November of 2012 to capture all activity since the Board approved the Final Budget in September 2012. These actions include gifts and donations totaling \$149,278 from July through October. Donations from November and December total \$175,879 and include the final payment for the LSTA Freedom Readers grant in the amount of \$7,550.

Budgeted Positions/Position Control

Overall FTEs for FY 2012-13 remain unchanged since September at 261.5 FTEs. Staff recommends the approval of the revised Position Control listing as shown in Exhibit B. The revision consists mainly of changes to position titles to better reflect the job responsibilities and the needs of the Library. These title changes would result in no fiscal impact.

FY 2013-14 Anticipated Budget Challenges

Staff is in the process of updating revenue projections from all sources as an element of the FY 2013-14 budget process.

Staff is currently waiting on projections from the County Assessor for FY 2013-14. Media reports indicate the real estate market is turning around. How quickly that is reflected in increasing property tax revenues is the question as there is typically a one-year lag time between assessed value increases and collections.

Staff has not yet received information from the City of Sacramento regarding its FY 2013-14 general fund contribution to the Library Authority. The Library has been forced to spend over \$2 million in fund balance in the last two years in order to fund operations in the City branches. That leaves only about \$350,000 in unreserved fund balance after accounting for economic uncertainty.

City of Sacramento Special Tax revenues are expected to remain constant.

Staff does not anticipate receiving any State funding in FY 2013-14.

Staff anticipates presenting a FY 2013-14 Proposed Budget at the May 23, 2013, Authority Board meeting.

ATTACHMENT(S):

Resolution #13-05, Sacramento Public Library Authority Fiscal Year 2012-13 Mid-Year Budget

Exhibit A: Proposed Mid-Year Budget Changes – FY 2012-13

Exhibit B: Position Control