



September 23, 2016
Agenda Item No. 2

TO: North County Library Authority (NCLA) Commission

FROM: Susan M. Stark, Interim Administrative Services Director City of Los Altos

SUBJECT: NCLA Fund Balance Projections

RECOMMENDATION: Receive NCLA Fund Balance Projection Report

BACKGROUND

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 year term. NCLA has been receiving these funds since that time and at June 30, 2016 will have an estimated net fund balance of approximately \$3.1 million.

DISCUSSION

NCLA would like to consider expanding the operating hours at Los Altos Main Library. Prior to committing to any additional annual expenditures, the Commission would like to review projected revenue and expenditure streams to ensure reasonable availability of funds.

A fund balance projections schedule (Attachment 1) is provided with revenue and expenditures estimated through Fiscal Year 2029-30. Revenue and expenditure projections are based on conservative assumptions as listed in Attachment 1 under "Notes and Assumptions".

Projected expenditures are based on estimates provided by the County and include an annual increase in personnel costs at 5.6% per annum.

Projected assessment revenues are based on the voter approved parcel rate less 1% for County collection fee. Assessment projections are flat from year to year as the approved rate is flat for all twenty years and changes in the number of parcels is minimal.

FISCAL IMPACT

Dollar amount of the fiscal impact will depend upon how much, if any, the operating hours are expanded. Attachment 1, row 8, reflects the annual cost if hours are expanded to Friday – Sunday 6 to 7pm and Sunday 10am to 12pm.

ATTACHMENTS

1. NCLA Fund Balance Projections