



**BOARD OF LIBRARY TRUSTEES
REVISED MID-YEAR BUDGET ADJUSTMENT STAFF REPORT**

DEPARTMENT: Finance
PREPARED BY: Nicole Fabry

MEETING DATE: February 25, 2019
LOCATION: Community Room

BACKGROUND: This Mid-Year Budget Adjustment Report presents an overview of the District's operating revenues and expenditures for the first seven months (July 2018 – Jan 2019) of the 2018-19 Fiscal Year. The attached "Mid-Year Budget Adjustment for Fiscal Year Ended June 30, 2019" compares the July 2018 – Jan 2019 actuals against the adopted 18-19 budget, indicates any adjustments made to the adopted budget, and presents a Revised 18-19 Budget.

REPORT HIGHLIGHTS:

REVENUE:

- The Altadena Library Foundation (4705) confirmed their budget and designated a total of \$10,000 for the library for FY 18-19.
- The Friends of the Altadena Library (4710) confirmed their budget and designated \$24,000 for the library. This is an increase of \$4,000 over what was originally budgeted.
- 4210 Chase Bank was decreased by \$1,600 as all cash reserves are now held with the County earning a better interest rate than with Chase bank.
- 4999 Credit Card Rewards was increased by \$1,600 after reviewing current rewards balance.
- 4220 County Interest Allocation was set at \$20,000 as indicated on the December 2018 Interest Statement from LA County.
- Property Tax Income accounts 4010.00, 4020.00, and 4060.01 have all exceeded budget expectations by over \$85,000 combined.

EXPENSES:

- A decrease of \$40,000 has been applied to 5000 Salaries & Wages for current personnel vacancies.
- All payroll taxes were consolidated into account 5120.
- 5218 PERS Unfunded was decreased by \$4,000 due to a prepayment savings from the beginning of the fiscal year.
- This \$4,000 was then allocated to 5210.01 CalPERS Classic for anticipated costs.
- Based on Actuarial advice, the District's OPEB Contribution (5222) was set at \$40,000 for FY18-19, and 5221 Retiree Health Insurance was added to the

budget in the amount of \$73,000, as we are unable to reimburse from CERBT to cover those costs this year.

- \$25,000 was transferred to 7310 Equipment, Furniture & Fixtures to accommodate RFID equipment, which had previously been budgeted to 7180 Technology Equipment.
- \$200,000 was removed from Capital Structures & Improvements. \$50,000 was added to 7140 Architectural & Engineering and \$150,000 was removed to offset funds brought in from reserves.
- \$5,000 was added to 7210 Building Maintenance & Repairs for anticipated projects.
- A total of \$20,000 was removed from Library Materials (6120, 6125, 6130) due to anticipated costs.
- \$5,000 was added to 6430 Insurance to meet actual cost.
- Account 6626 Recruitment and Recognition was separated into 6618 Recruitment and 6626 Staff Recognition, and \$500 transferred from 6626 to 6618.
- \$1,500 was transferred from 7190 Website Development to 6627 Advertising / Marketing as the website work has come in under budget and the funds will be used to purchase much-needed marketing software.
- \$200 was added to 6730 Mileage & Parking Reimbursement in anticipation of conferences later this fiscal year.
- \$11,000 was transferred from 6750 Printing & Reproduction to 6970 Equipment Lease & Rental due to restructuring of our lease agreement and printing costs.
- \$5,000 was removed from 6765 Janitorial Supplies after canceling our contracted janitorial and supply contracts.
- 6960 Products for Resale was lowered \$4,000 due to anticipated costs.
- 7130 Legal Fees was increased by \$325,000 due to current and anticipated litigation costs.
- Account 7131 Legal Settlement was added in the amount of \$112,000.
- Account 7145 Collection Agency was increased \$1,500 due to increased placements.
- 7155 Consultants was lowered by \$25,000 due to anticipated costs.
- 7170 Telecommunications was increased \$1,000 due to anticipated costs.
- 7175 Internet Service was lowered \$20,000 due to anticipated reimbursement from E-Rate.

The above changes require \$213,000 being transferred in from reserves to cover anticipated expenditures.

STAFF RECOMMENDATION: That the Board of Trustees approve the proposed Mid-Year Budget Amendment for the 2018-19 Fiscal Year.

Altadena Library District
REVISED Mid-Year Budget Adjustment
For Fiscal Year Ended June 30, 2019

	Actuals		Revisions	Revised Budget	\$ Over Budget	% of Budget
	Jul '18 - Jan 19	Original Budget				
Ordinary Income/Expense						
Income						
DONATIONS AND GRANTS						
4705 - Altadena Library Foundation	5,000.00	0.00	10,000.00	10,000.00	(5,000.00)	50.0%
4710 - Friends of the Library	11,383.75	20,000.00	4,000.00	24,000.00	(12,616.25)	47.43%
4730 - Undesignated	325.15	2,000.00	-	2,000.00	(1,674.85)	16.26%
4735 - Designated		1,000.00	-	1,000.00	(1,000.00)	
4740 - CA Library Literacy Services		15,000.00	-	15,000.00	(15,000.00)	
4750 - Cal State Library	18,000.00	20,000.00	-	20,000.00	(2,000.00)	90.0%
Total DONATIONS AND GRANTS	34,708.90	58,000.00	14,000.00	72,000.00	(37,291.10)	48.21%
FINES & FEES						
4305 - Fees	2,221.17	6,000.00	-	6,000.00	(3,778.83)	37.02%
4310 - MFM Revenue	6,303.51	8,000.00	-	8,000.00	(1,696.49)	78.79%
4340 - Passport Services Fees	62,881.00	120,000.00	-	120,000.00	(57,119.00)	52.4%
4350 - Sales of Products	580.00	3,000.00	-	3,000.00	(2,420.00)	19.33%
4810 - Community Room Fees	505.00					
Total FINES & FEES	72,490.68	137,000.00	-	137,000.00	(64,509.32)	52.91%
INTEREST INCOME & ADJUSTMENTS						
4210 - Chase Bank	145.53	2,000.00	(1,600.00)	400.00	(254.47)	36.38%
Total INTEREST INCOME & ADJUSTMENTS	145.53	2,000.00	(1,600.00)	400.00	(254.47)	36.38%
OTHER REVENUE & ADJUSTMENT						
4910 - Miscellaneous Income						
4915 - Rental Revenue	5,800.00	4,000.00	-	4,000.00	1,800.00	145.0%
4920 - Reimbursements	400.55					
4940 - Transfer in from Reserves						
4999 - Credit Card Rewards		3,000.00	1,600.00	4,600.00	(4,600.00)	
Total OTHER REVENUE & ADJUSTMENT	6,200.55	7,000.00	1,600.00	8,600.00	(2,399.45)	72.1%
REVENUES						
Property Taxes						
4010 - Current-Year Secured						
4010.00 - Current Secured	2,414,259.34	2,350,000.00	65,000.00	2,415,000.00	(740.66)	99.97%
4010.01 - Revenue Residual	16,979.60	40,000.00	-	40,000.00	(23,020.40)	42.45%
4010.02 - Statutory Revenue	2,709.57					100.0%
4010.03 - SB 813 Supplemental	1,243.83				1,243.83	100.0%
Total 4010 - Current-Year Secured	2,435,192.34	2,390,000.00	65,000.00	2,455,000.00	(19,807.66)	99.19%
4020 - Current-Year Unsecured						
4020.00 - Current Unsecured	84,437.18	80,000.00	5,000.00	85,000.00	(562.82)	99.34%
Total 4020 - Current-Year Unsecured	84,437.18	80,000.00	5,000.00	85,000.00	(562.82)	99.34%
4030 - Prior-Year Secured						
4030.00 - Prior Secured	(11,738.88)	35,000.00	-	35,000.00	(46,738.88)	(33.54%)
4030.03 - SB 813 Redemption	1,799.21	5,000.00	-	5,000.00	(3,200.79)	35.98%
4030.05 - Secured Tax Refunds	(6,193.79)	(30,000.00)	-	(30,000.00)	23,806.21	20.65%
Total 4030 - Prior-Year Secured	(16,133.46)	10,000.00	-	10,000.00	(26,133.46)	(161.34%)
4040 - Prior-Year Unsecured						
4040.00 - Prior Unsecured	(9,372.72)	10,000.00	-	10,000.00	(19,372.72)	(93.73%)
Total 4040 - Prior-Year Unsecured	(9,372.72)	10,000.00	-	10,000.00	(19,372.72)	(93.73%)
4050 - Homeowners Exemption	6,779.14	15,000.00	-	15,000.00	(8,220.86)	45.19%
4060 - Special Assessment						
4060.01 - Per Parcel Benefit Assessment	827,936.94	810,000.00	18,000.00	828,000.00	(63.06)	99.99%
Total 4060 - Special Assessment	827,936.94	810,000.00	18,000.00	828,000.00	(63.06)	99.99%
4080 - Penalties, Interest & Costs-Ref	6,744.47	10,000.00	-	10,000.00	(3,255.53)	67.45%
4220 - County Interest Allocation	13,070.96	0.00	20,000.00	20,000.00	(6,929.04)	65.36%
4250 - Change in Property Tax Accrual					0.00	
Total Property Taxes	3,348,654.85	3,325,000.00	108,000.00	3,433,000.00	(84,345.15)	97.54%
Total REVENUES	3,348,654.85	3,325,000.00	108,000.00	3,433,000.00	(84,345.15)	97.54%
Total Income	3,462,200.51	3,529,000.00	122,000.00	3,651,000.00	(188,799.49)	94.83%
Expense						
PERSONNEL RELATED EXPENSES						
5000 - SALARIES & WAGES						
5010 - Salaried	235,085.43	460,500.00	(40,000.00)	420,500.00	(185,414.57)	55.91%
5020 - Hourly	727,394.21	1,254,500.00	-	1,254,500.00	(527,105.79)	57.98%
Total 5000 - SALARIES & WAGES	962,479.64	1,715,000.00	(40,000.00)	1,675,000.00	(712,520.36)	57.46%

Altadena Library District
REVISED Mid-Year Budget Adjustment
For Fiscal Year Ended June 30, 2019

	Actuals		Revisions	Revised Budget	\$ Over Budget	% of Budget
	Jul '18 - Jan 19	Original Budget				
5100 · Employer-Portion Taxes/Benefits						
5120 · Payroll Taxes (ER)						
5250 · FUTA		5,000.00	(5,000.00)	0.00	0.00	0.0%
5120 · Payroll Taxes (ER) - Other	74,875.72	130,000.00	7,500.00	137,500.00	(62,624.28)	54.46%
Total 5120 · Payroll Taxes (ER)	74,875.72	135,000.00	2,500.00	137,500.00	(62,624.28)	54.46%
5120.02 · Soc Security & Medicare, Hourly						
5210 · PERS Retirement						
5210.01 · CalPers CLASSIC (ER Contr)	15,014.52	20,000.00	4,000.00	24,000.00	(8,985.48)	62.56%
5210.02 · CalPers PEPRRA (ER Contr)	43,899.65	75,000.00	-	75,000.00	(31,100.35)	58.53%
5218 · PERS Unfunded	116,139.00	120,500.00	(4,000.00)	116,500.00	(361.00)	99.69%
Total 5210 · PERS Retirement	175,053.17	215,500.00	-	215,500.00	(40,446.83)	81.23%
5222 · OPEB Contribution		0.00	40,000.00	40,000.00	(40,000.00)	0.0%
5251 · SUI, Hourly		2,500.00	(2,500.00)	0.00	0.00	0.0%
Total 5100 · Employer-Portion Taxes/Benefits	249,928.89	353,000.00	40,000.00	393,000.00	(143,071.11)	63.6%
5200 · Insurance						
5220 · Health Insurance	74,563.65	129,000.00	-	129,000.00	(54,436.35)	57.8%
5221 · Health Insurance - Retirees	41,543.10	0.00	73,300.00	73,300.00	(31,756.90)	56.68%
5230 · Dental Insurance	8,750.37	15,000.00	-	15,000.00	(6,249.63)	58.34%
5240 · Vision Insurance	2,582.55	4,500.00	-	4,500.00	(1,917.45)	57.39%
5260 · Life Insurance	925.59	1,500.00	-	1,500.00	(574.41)	61.71%
5270 · Workers' Compensation	15,272.25	20,000.00	-	20,000.00	(4,727.75)	76.36%
5280 · Disability Insurance						
Total 5200 · Insurance	143,637.51	170,000.00	73,300.00	243,300.00	(99,662.49)	59.04%
Total PERSONNEL RELATED EXPENSES	1,356,046.04	2,238,000.00	73,300.00	2,311,300.00	(955,253.96)	58.67%
CAPITAL						
7310 · Equipment, Furniture & Fixtures	26,607.41	15,000.00	25,000.00	40,000.00	(13,392.59)	66.52%
7320 · Structures & Improvements	9,900.00	250,000.00	(200,000.00)	50,000.00	(40,100.00)	19.8%
Total CAPITAL	36,507.41	265,000.00	(175,000.00)	90,000.00	(53,492.59)	40.56%
FACILITIES, GROUNDS & MAINTENAN						
7205 · Maintenance Contracts	8,434.29	15,000.00	-	15,000.00	(6,565.71)	56.23%
7210 · Building Maint & Repairs	14,589.52	20,000.00	5,000.00	25,000.00	(10,410.48)	58.36%
7220 · Landscape	957.05	18,000.00	-	18,000.00	(17,042.95)	5.32%
Total FACILITIES, GROUNDS & MAINTENAN	23,980.86	53,000.00	5,000.00	58,000.00	(34,019.14)	41.35%
LIBRARY MATERIALS						
6110 · Cataloging Expenses	12,328.38	22,000.00	-	22,000.00	(9,671.62)	56.04%
6115 · Electronic Databases & Subscrip	14,410.05	25,000.00	-	25,000.00	(10,589.95)	57.64%
6120 · Books	62,830.05	140,000.00	(10,000.00)	130,000.00	(67,169.95)	48.33%
6125 · Audio CD	5,455.83	20,000.00	(5,000.00)	15,000.00	(9,544.17)	36.37%
6130 · DVD's & Videogames	12,736.53	30,000.00	(5,000.00)	25,000.00	(12,263.47)	50.95%
6135 · Processing of Materials	18,621.54	40,000.00	-	40,000.00	(21,378.46)	46.55%
6140 · Periodicals	9,950.15	18,000.00	-	18,000.00	(8,049.85)	55.28%
6150 · Downloadables	9,643.73	20,000.00	-	20,000.00	(10,356.27)	48.22%
6155 · Library of Things		20,000.00	(15,000.00)	5,000.00	(5,000.00)	
Total LIBRARY MATERIALS	145,976.26	335,000.00	(35,000.00)	300,000.00	(154,023.74)	48.66%
MISCELLANEOUS EXPENSE						
7540 · Trustee Election		30,000.00	30,000.00	60,000.00	(60,000.00)	
Total MISCELLANEOUS EXPENSE	0.00	30,000.00	30,000.00	60,000.00	(60,000.00)	0.0%
OPERATING EXPENSES						
6430 · Insurance-Gen, Prop, Liab, Eq	26,138.73	21,000.00	5,000.00	26,000.00	138.73	100.53%
6432 · Earthquake Insurance	18,550.00	19,000.00	-	19,000.00	(450.00)	97.63%
6618 · Recruitment	288.75	0.00	500.00	500.00	(211.25)	57.75%
6620 · Membership Dues & Subscriptions	11,932.76	13,000.00	-	13,000.00	(1,067.24)	91.79%
6623 · Trustee Prof. Development	0.00	0.00				
6625 · Training & Education	4,750.12	12,000.00	-	12,000.00	(7,249.88)	39.58%
6626 · Staff Recognition	3,178.34	5,000.00	(500.00)	4,500.00	(1,321.66)	70.63%
6627 · Advertising / Marketing	1,774.89	5,000.00	1,500.00	6,500.00	(4,725.11)	27.31%
6628 · Volunteer Recognition	1,286.00	0.00	-	0.00	1,286.00	
6710 · Meetings & Travel	4,927.54	10,000.00	-	10,000.00	(5,072.46)	49.28%
6730 · Mileage & Parking Reimbursement	634.60	800.00	200.00	1,000.00	(365.40)	63.46%
6740 · Postage & Delivery	4,737.87	9,000.00	-	9,000.00	(4,262.13)	52.64%

Altadena Library District
REVISED Mid-Year Budget Adjustment
For Fiscal Year Ended June 30, 2019

	Actuals		Revisions	Revised Budget	\$ Over Budget	% of Budget
	Jul '18 - Jan 19	Original Budget				
6745 · Banking & Service Fees	1,183.79	2,000.00	-	2,000.00	(816.21)	59.19%
6746 · Payroll Fees	5,530.00	12,000.00	-	12,000.00	(6,470.00)	46.08%
6750 · Printing & Reproduction	3,834.69	21,000.00	(11,000.00)	10,000.00	(6,165.31)	38.35%
6755 · Small Equipment	4,778.17	10,000.00	-	10,000.00	(5,221.83)	47.78%
6765 · Janitorial Supplies	4,871.29	15,000.00	(5,000.00)	10,000.00	(5,128.71)	48.71%
6770 · Operating Supplies	12,007.03	25,000.00	-	25,000.00	(12,992.97)	48.03%
6780 · Operating Software	1,319.81	1,500.00	-	1,500.00	(180.19)	87.99%
6920 · Electricity	20,928.94	35,000.00	-	35,000.00	(14,071.06)	59.8%
6930 · Natural Gas	1,329.10	5,000.00	-	5,000.00	(3,670.90)	26.58%
6940 · Water & Sewage	3,259.47	5,000.00	-	5,000.00	(1,740.53)	65.19%
6950 · Refuse	2,803.20	5,000.00	-	5,000.00	(2,196.80)	56.06%
6960 · Products for Resale		5,000.00	(4,000.00)	1,000.00	(1,000.00)	
6970 · Equipment Lease & Rental	14,103.97	20,000.00	11,000.00	31,000.00	(16,896.03)	45.5%
7530 · County Tax Collection Fees	33,235.82	35,000.00	-	35,000.00	(1,764.18)	94.96%
Total OPERATING EXPENSES	187,384.88	291,300.00	(2,300.00)	289,000.00	(101,615.12)	64.84%
PROFESSIONAL & TECHNICAL						
7125 · Audit and Financial Consulting	31,252.96	60,000.00	-	60,000.00	(28,747.04)	52.09%
7130 · Legal Fees	220,658.58	25,000.00	325,000.00	350,000.00	(129,341.42)	63.05%
7131 · Legal Settlement	111,800.00	0.00	112,000.00	112,000.00	(200.00)	99.82%
7135 · Technology Consulting		6,000.00	-	6,000.00	(6,000.00)	
7140 · Architectural & Engineering		0.00	50,000.00	50,000.00	(50,000.00)	
7145 · Collection Agency	1,494.65	2,000.00	1,500.00	3,500.00	(2,005.35)	42.7%
7155 · Consultants - Other	19,235.57	75,000.00	(25,000.00)	50,000.00	(30,764.43)	38.47%
7170 · Telecommunications	5,111.98	7,500.00	1,000.00	8,500.00	(3,388.02)	60.14%
7175 · Internet Service	10,182.03	35,000.00	(20,000.00)	15,000.00	(4,817.97)	67.88%
7180 · Technology Equipment	4,800.85	50,000.00	(25,000.00)	25,000.00	(20,199.15)	19.2%
7185 · Technology Maintenance Fees	14,681.25	20,000.00	-	20,000.00	(5,318.75)	73.41%
7190 · Website Development	731.96	3,000.00	(1,500.00)	1,500.00	(768.04)	48.8%
Total PROFESSIONAL & TECHNICAL	419,949.83	283,500.00	418,000.00	701,500.00	(281,550.17)	59.87%
PROGRAMS						
6200 · Youth Services	6,003.52	12,700.00	-	12,700.00	(6,696.48)	47.27%
6210 · Teen Services	1,340.91	5,000.00	-	5,000.00	(3,659.09)	26.82%
6220 · Adult Services	12,873.66	30,000.00	-	30,000.00	(17,126.34)	42.91%
6230 · Bob Lucas Branch Services	2,325.24	4,500.00	-	4,500.00	(2,174.76)	51.67%
6240 · Literacy Services	1,930.87	2,000.00	-	2,000.00	(69.13)	96.54%
Total PROGRAMS	24,474.20	54,200.00	-	54,200.00	(29,725.80)	45.16%
Total Expense	2,194,319.48	3,550,000.00	314,000.00	3,864,000.00	(1,669,680.52)	56.79%
Net Ordinary Income	1,267,881.03	(21,000.00)	(192,000.00)	(213,000.00)	1,480,881.03	(595.25%)
Net Income	1,267,881.03	(21,000.00)	(192,000.00)	(213,000.00)	1,480,881.03	(595.25%)