



REPORT TO COUNCIL

City of Sacramento

16

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Consent
June 8, 2006

Honorable Mayor and
Members of the City Council

Subject: Additional Library Services Assessment District NO. 96-02, File Annual Report and set Date for Public Hearing

Location/Council District: Citywide

Recommendation:

Adopt a resolution 1) Directing filing of the Additional Library Services District No. 96-02 Annual Report for Fiscal Year (FY) 2006/2007, and 2) Setting July 18, 2006 as the date for the public hearing for consideration of the annual report and levy of annual assessments for fiscal year 2006/2007

Contact: Robert A. Cooper, Senior Engineer, 808-5778; Rick Teichert, Deputy Director for Administrative Services, Sacramento Public Library Authority, 264-2717

Presenters: Not Applicable

Department: Development Services

Division: Public Improvement Financing

Organization No: 4815

Summary:

Staff recommends Council authorize filing the FY2006/07 Annual Report and set July 18, 2006 as the date for the public hearing. The proposed assessment of \$4,242,636 reflects a 3.0% increase over the FY2005/06 assessment and is the maximum increase allowed. The annual adjustment is based on the most recent Consumer Price Index (CPI). The proposed assessment for a single family residential parcel is \$27.32. The schedule of these annual proceedings is shown on Attachment A. This is the last year of this assessment. The voter approved parcel tax will be effective for FY2007/08.

Committee/Commission Action: This report has been prepared in conjunction with the Sacramento Public Library Authority. No action is required.

Background Information:

On November 5, 1996, City of Sacramento voters approved an assessment district to fund additional library services. The additional services extend open hours, provide more books and materials, and improve technology. The first assessment was placed on the FY 1997/98 County tax roll and is effective for 10 years. The voters also approved an annual increase based on the CPI, San Francisco area, all items, not to exceed 3% in any year. The proposed budget reflects a 3.00% rate adjustment based on the most recent available index which is 3.16%. This CPI adjustment is the only change in the assessment amounts.

On September 9, 1997, City Council approved an agreement between the City and the Sacramento Public Library Authority whereby the City will administer the district. This is necessary to account for the revenue and expenditures of the district and to levy the assessments each year in accordance with City Code Title 3.136.

On November 2, 2004, the registered voters in the City passed Measure X which pertained to a Parcel Tax for Additional Library Services. Fiscal year 2006/2007 will be the final year for the assessment levy for additional library services. In fiscal year 2007/08 the parcel tax will replace the existing assessment for additional library services.

Financial Considerations:

The FY 2006/07 assessments are anticipated to generate approximately \$4,242,636 in revenue and an additional \$9,000 from other sources. The estimated cost for the district totals \$4,308,153 and is detailed in Attachment B. This estimate includes an offset of \$56,517 from the unreserved fund balance projection. All costs incurred including administration of this district are paid for by assessment district revenue. There is no impact to the General Fund.

Environmental Considerations:

Under the California Environmental Quality Act (CEQA) guidelines, the annual proceedings of an assessment district do not constitute a project and is therefore exempt from review.

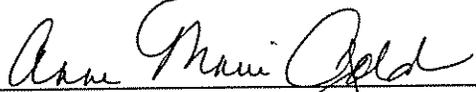
Policy Considerations:

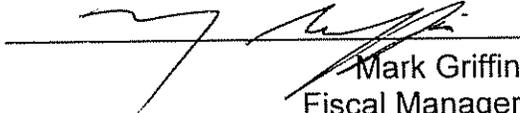
This report conforms to requirements of City Code Title 3.136. The levy of annual assessments, as described herein, was approved by City voters in November 1996 and meets the City's Strategic Plan in achieving sustainability and enhancing livability.

Emerging Small Business Development (ESBD):

None. No goods or services are being purchased with this agreement.

Respectfully Submitted by,


Anne Marie Gold, Library Director
Sacramento Public Library Authority


Mark Griffin
Fiscal Manager


Carol Shearly
Planning Director

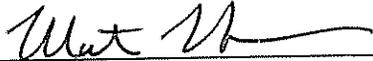

for Ray Kerridge
City Manager

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ATTACHMENT A

ADDITIONAL LIBRARY SERVICES ASSESSMENT DISTRICT NO. 96-02

SCHEDULE

June 8, 2006

Council Action:

- Adopt Resolution Directing the Filing of the Additional Library Services Assessment District No. 96-02 Annual Report for FY 2006/07
- Set the Public Hearing Date for Consideration of the Annual Report and Levy of Annual Assessments for FY 2006/07

June 12, 2006

Publish Hearing Notice

July 18, 2006

Conduct Public Hearing and Adopt:

- Resolution Approving Report and Levying FY 2006/07 Assessments.
- Resolution Amending the FY 2006/07 Budget for the Additional Library Services Assessment District No. 96-02

July 21, 2006

Prepare Final Assessment Roll for Adopted Budget

August 2006

Refer Assessments to County for Inclusion on FY 2006/07 Tax Bill

ATTACHMENT B
ESTIMATE OF COSTS

The estimate of the fair and reasonable cost of the services and facilities to be provided to the District, including incidental expenses in connection with providing those services and facilities and all other related costs as provided in Section 3.136.180 of the City Code, is \$4,308,153 for Fiscal Year 2006-07 as shown below:

ESTIMATED COSTS FOR ADDITIONAL SERVICES AND FACILITIES	
EXPENSES	
Library Services:	
Staff Cost for Extended Hours (153 per week avg.)	\$1,485,567
Branch Books and Materials	\$529,129
Technical Processing	\$454,771
Leases	\$94,168
Services and Supplies (not otherwise noted)	\$304,370
Rebate Program (04/05 - two year lag) ¹	\$25,300
Assessment District Portion of Shared Cost	<u>\$1,303,848</u>
Subtotal Library Services	<u>\$4,197,153</u>
 Administrative Costs:	
County Billing Costs	\$75,000
City Finance & Special Districts Administration	\$14,000
Assessment Engineer & Database Maintenance	<u>\$22,000</u>
Subtotal Admin. Costs	<u>\$111,000</u>
 TOTAL EXPENSE ESTIMATE	 <u>\$4,308,153</u>
 REVENUES	
Assessment Revenue FY 2006-07	\$4,242,636
Other Revenues	<u>\$9,000</u>
 TOTAL REVENUE ESTIMATE	 <u>\$4,251,636</u>
 Expenses over Revenues	 \$ - 56,517
Estimated Fund Balance June 30, 2006	<u>\$291,502</u>
Reserve Requirements:	<u>\$ - 94,600</u>
Estimated Fund Balance June 30, 2007	<u><u>\$140,385</u></u>

¹ This represents 2 years of estimated rebates that will be refunded. There is a there is a 2 lag in the payment of rebates because we need to wait for the low-income salaries of households to be published.

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

June 8, 2006

DIRECTING FILING OF ANNUAL REPORT FOR THE ADDITIONAL LIBRARY SERVICES ASSESSMENT DISTRICT NO. 96-02 AND SETTING DATE FOR PUBLIC HEARING (PURSUANT TO CITY CODE TITLE 3.136 (Article VI, Section 3.136.180))

BACKGROUND

- A. The Additional Library Services Assessment District No. 96-02 was established by the City Council and approved by the registered voters on November 5, 1996.
- B. The City Council established the District in accordance with the provisions of City Code 3.136.
- C. Pursuant to City Code 3.136.380, an annual report shall be prepared for each fiscal year that assessments are levied.
- D. Pursuant to City Code 3.136.380 a public hearing shall be held to consider the District budget and annual levy.
- E. The City Council is fully advised in this matter.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1: The City Council finds and determines that the background statements A through E are true.
- Section 2: The Development Engineering Manager of the Development Services Department, the person designated by City Council as the Engineer of Work for the District, is hereby directed to file the annual report pursuant to the provisions of the City Code 3.136, Article IV.
- Section 3: Pursuant to City Code 3.136.380, at the hour of 2:00 pm on Tuesday, July 18, 2006, the City Council will conduct a public hearing on the question of the levy of the proposed annual assessment. The hearing will be held at the meeting place of the City Council located in the City Hall, 915 I Street, First Floor, Sacramento, California.
- Section 4: This resolution is adopted pursuant to of City Code 3.136, Article IV and Article VI.

