



DEVELOPMENT SERVICES
DEPARTMENT

DEVELOPMENT ENGINEERING
AND FINANCE

CITY OF SACRAMENTO
California

SPECIAL DISTRICTS
1231 I STREET, ROOM 300
Sacramento, CA 95814

May 20, 2005

City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: ADDITIONAL LIBRARY SERVICES ASSESSMENT DISTRICT NO. 96-02
ANNUAL REPORT**

LOCATION AND COUNCIL DISTRICT:

Citywide, All Districts.

RECOMMENDATION:

This report recommends that City Council adopt the attached resolution:

- Accepting the Additional Library Services Assessment District Annual Report for FY 2005/06
- Setting the Public Hearing Date for Consideration of the Annual Report and Levy of Annual Assessments for FY 2005/06.

CONTACT PERSONS: Rita Goolkasian, Program Specialist, 808-5236
Bryon A. Karow, Finance Director of Library Services, 808-2717

FOR COUNCIL MEETING OF: June 7, 2005

SUMMARY:

The recommended Council action authorizes filing of the FY 2005/06 Annual Report and sets the public hearing date for June 28, 2005. The proposed assessment of \$4,046,535 reflects a 2.12% Consumer Price Index (CPI) adjustment for inflation. The proposed assessment for a single-family residential parcel is \$26.52. A schedule of the annual proceedings is shown on Attachment A.

COMMITTEE/COMMISSION ACTION:

The Sacramento Public Library Authority (“Authority”) was provided a copy of this report for their information. No action is required of the Authority.

BACKGROUND INFORMATION:

On September 9, 1997, City Council approved an agreement between the City and the Authority for the administration of the district, which is necessary to account for the revenue and expenditures of the district and to levy the assessments each year.

In November 1996, City of Sacramento voters approved an assessment district to fund additional library services, which extends open hours, provides more books and materials, and improves 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 Consumer Price Index (CPI), San Francisco area, all items, but not to exceed three percent (3%) in any year. The proposed budget reflects a 2.12% rate adjustment based on the most recent available index. This CPI adjustment is the only change in the assessment amounts. The assessment methodology is based on a benefit unit system, which is described in the annual Engineer’s Report that is on file in the City Clerk’s office.

FINANCIAL CONSIDERATIONS:

The FY 2005/06 assessments are anticipated to generate approximately \$4,046,535 in assessment revenue. The estimated costs for the district, totaling \$4,242,975, are detailed in Attachment B and include an offset of \$196,440 from unreserved fund balance projected as of June 30, 2005. All costs incurred including administration of this district are paid for by assessment district revenue, with 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.

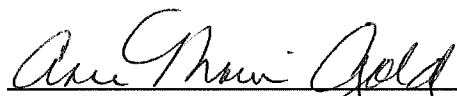
POLICY CONSIDERATIONS:

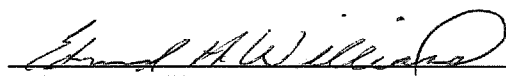
This report conforms to requirements of City Code Title 3.136. The levy of annual assessments, as described herein, was approved by City voters in November 1996 and meets the City’s Strategic Plan in preserving and enhancing the City’s neighborhoods and quality of life.

ESBD CONSIDERATIONS:

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

Respectfully submitted,


Anne Marie Gold, Library Director
Sacramento Public Library Authority


Edward Williams, Manager
Development Engineering and Finance

RECOMMENDATION APPROVED:

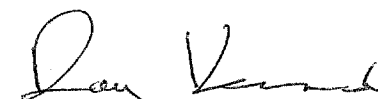

ROBERT P. THOMAS, City Manager

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ATTACHMENT A

ADDITIONAL LIBRARY SERVICES ASSESSMENT DISTRICT NO. 96-02

SCHEDULE

June 7, 2005

Council Action:

- Adopt Resolution Directing the Filing of the Additional Library Services Assessment District No. 96-02 Annual Report for FY 2005/06
- Set the Public Hearing Date for Consideration of the Annual Report and Levy of Annual Assessments for FY 2005/06

June 10, 2005

Notice of Hearing is Published

June 28, 2005

Conduct Public Hearing and Adopt:

- Resolution Approving Report and Levying FY 2005/06 Assessments.
- Resolution Amending the FY 2005/06 Budget for the Additional Library Services Assessment District No. 96-02

July 15, 2005

Prepare Final Assessment Roll for Adopted Budget

August 2005

Refer Assessments to County for Inclusion on FY 2005/06 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 \$4,046,535 for Fiscal Year 2005-06 as shown below:

<u>ESTIMATED COSTS FOR ADDITIONAL SERVICES AND FACILITIES</u>	
EXPENSES	
Library Services:	
Staff Cost for Extended Hours (121 per week average)	\$ 1,491,308
Branch Books and Materials	\$ 529,129
Technical Processing	\$ 482,256
Leases	\$ 90,208
Services and Supplies (not otherwise noted)	\$ 87,487
Rebate Program (02/03 – two year lag)	\$ 28,000
Assessment District Portion of Shared Cost	\$ 1,267,418
Subtotal Library Services	\$ 3,975,806
Administrative Costs:	
County Billing Costs	\$ 71,400
City Finance & Special Districts Administration	\$ 13,770
Assessment Engineer & Database Maintenance	\$ 22,000
Subtotal Administrative Costs	\$ 107,170
Reserve Requirements:	
Reserve	\$ 159,999
TOTAL EXPENSE ESTIMATE	\$ 4,242,975
REVENUE SOURCES	
Estimated Unreserved Fund Balance 6/30/05	\$ 196,440
FY 2005-06 Assessment Revenue	\$ 4,046,535
TOTAL REVENUE ESTIMATE	\$ 4,242,975

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF: _____

RESOLUTION ACCEPTING THE ANNUAL REPORT FOR FY 2005/06 ADDITIONAL LIBRARY SERVICES ASSESSMENT DISTRICT AND GIVING NOTICE OF A PUBLIC HEARING BEFORE CITY COUNCIL TO CONSIDER THE ANNUAL REPORT AND LEVY OF ANNUAL ASSESSMENTS FOR FY 2005/06 (PURSUANT TO CITY CODE TITLE 3.136 (Article VI, Section 3.136.180))

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. The Development Engineering and Finance Division Manager of Development Services Department has filed with the City Clerk the annual report for FY 2005/06 for the Additional Library Services Assessment District No. 96-02 in accordance with the provisions of City Code, Title 3.136, Article VI, Section 3.136.180 and City Council has accepted the report.
2. All interested persons are referred to the annual report for a full and detailed description of the additional services provided, an estimate of costs of the additional library services, the boundaries of the assessment district, and analysis of the method apportioning the costs.
3. The report shall provide for adjustment of the assessment by the amount of increase in the Consumer Price Index (CPI), San Francisco area, all items, most recently available prior to the date of the annual levy, but in no event shall the increase exceed three percent (3%) in any year, as provided upon formation of the district and as approved by City voters in November, 1996. The fiscal year 2005/06 CPI is 2.12%.
4. City Council will conduct a public hearing on Tuesday, June 28, 2005, to consider the annual report and the levy of the proposed annual assessments. The hearing will be held at 2:00 p.m., in City Council Chambers located in the Interim City Hall, 730 "I" Street, First Floor, Sacramento, California.
5. The City Clerk is authorized and directed to give the notice of hearing as required by Title 3.136 of the City Code.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____