



Agenda Item A.1
DISCUSSION/ACTION ITEM
Meeting Date: November 14, 2018

TO: Mayor and Councilmembers

FROM: Michelle Greene, City Manager

CONTACT: Luke Rioux, Finance Director
Dana Grossi, Management Analyst

SUBJECT: Financial Analysis and Process for Assuming Management and Operation of the Buellton and Solvang Libraries

RECOMMENDATION:

- A. Receive a presentation on the financial analysis of management and operation of the Buellton and Solvang libraries, and the associated timeline for implementing a transition by July 1, 2019;
- B. Approve a library management fee for the Cities of Buellton and Solvang;

BACKGROUND:

On August 15, 2017, the City Council voted to pursue independent management and operation of the Goleta Library, a decision which took effect on July 1, 2018. The purpose of this transition was to achieve cost savings, greater transparency and control in budgeting for the Library's needs. Prior to July 1, 2018, the City of Santa Barbara managed the Goleta Library including administration of its budget. The City of Santa Barbara is the administrator for the Zone 1 service area, which formerly included the Goleta Library. Presently, Zone 1 includes the Central Library, Eastside Library, Solvang Library and its Los Olivos and Santa Ynez locations, Buellton Library, Montecito Library, and the Carpinteria Library. When the Goleta Library transitioned to independent management, a new service area, Zone 4, was established by the County Board of Supervisors (BOS). The Goleta Library is presently the only library located within Zone 4, serving a population of 94,545 patrons.

At a meeting on April 3, 2018, the BOS approved a motion that the City of Goleta work with the Cities of Buellton and Solvang to incorporate their libraries into Zone 4 within one year. The Solvang and Buellton libraries have been struggling to balance their respective budgets and both cities are seeking an alternative to continued management of their libraries by the City of Santa Barbara. Since the BOS provided their direction in April, Goleta staff have been in communication with the City Managers of Buellton and

Solvang. Both City Managers have indicated interest in the City of Goleta managing their libraries, a decision that will ultimately depend on the specific costs to both cities of Goleta providing this service.

In response to the BOS and interest from Buellton and Solvang, Goleta staff have conducted a financial analysis of what it would cost for Goleta to manage the libraries in Solvang and Buellton, which consists of four libraries total: the Buellton Library, Solvang Library, Los Olivos Library, and Santa Ynez Library. It should be noted that the Los Olivos and Santa Ynez libraries are associated with Solvang and are volunteer-run with very limited hours, resources, and no technology. More information on all four libraries is provided in the next section, which details the results of a financial analysis undertaken by staff to arrive at a recommended library management fee that the City of Goleta would charge to the Cities of Solvang and Buellton. A timeline is also provided to describe the various steps that would need to be taken to implement a transition of these libraries to Goleta management.

DISCUSSION:

In order to properly assess the cost of managing and operating the library branches, all revenues and expenditures were evaluated, including support staff resources (General Government, Finance, Library Administration, and IT) that go into supporting the management and operations of a branch library, or in other words the library management fee. To recover the costs associated with management of the branch libraries within Zone 1 (including the Buellton and Solvang libraries), the City of Santa Barbara charges each branch an administrative fee (percentage rate) to provide those services, along with allocated costs from their Library Department. The City of Santa Barbara's administrative fee is currently at a rate of 13.5%, and they will be looking to increase this rate as they move towards full cost recovery per their cost allocation plan. If the City of Goleta were to manage the Buellton and Solvang libraries in the future, it would similarly need to establish a fee and process to ensure full cost recovery of library management services provided.

Before performing the cost of service analysis, staff analyzed the current FY 18/19 budgets, staffing levels and line item detail for both library branches that were received from the City of Santa Barbara. From there, staff developed draft budgets keeping the revenues, staffing and service levels of the libraries at status quo. Staffing information was first examined to identify all fiscal impacts and determine which positions received full benefits, numbers of hours worked and current step level of each position.

Buellton and Solvang Library Branch Staff Information

The following table is a comparison summary of estimated costs for staffing between Santa Barbara and Goleta management for the Buellton and Solvang Library branches:

City of Buellton			Santa Barbara	Goleta	
Staff Positions	Type	Hrs/Week	Salary & Benefits	Salary & Benefits	Difference
Senior Library Technician	FT	40	\$ 85,442	\$ 70,783	\$ (14,658)
Library Technician	Hrly	16	\$ 17,516	\$ 18,660	\$ 1,143
Library Technician	Hrly	16	\$ 17,516	\$ 18,660	\$ 1,143
Library Assistant I	Hrly	16	\$ 15,775	\$ 16,295	\$ 521
Library Assistant I	Hrly	16	\$ 15,775	\$ 16,295	\$ 521
Total Staff Positions:	5	Total:	\$ 152,023	\$ 140,694	\$ (11,330)

City of Solvang			Santa Barbara	Goleta	
Staff	Type	Hrs/Week	Salary & Benefits	Salary & Benefits	Difference
Senior Library Technician	FT	40	\$ 103,821	\$ 86,580	\$ (17,241)
Library Technician	Hrly	19	\$ 21,201	\$ 22,159	\$ 958
Library Technician	Hrly	16	\$ 17,516	\$ 18,660	\$ 1,143
Library Assistant I	Hrly	16	\$ 15,775	\$ 16,295	\$ 521
Page	Hrly	15	\$ 11,023	\$ 11,549	\$ 526
Total Staff Positions:	5	Total:	\$ 169,335	\$ 155,242	\$ (14,093)

Based on staff's analysis, salary costs were approximately the same, but the benefit costs were lower under Goleta management, primarily due to the significant difference in the CalPERS pension rated. CalPERS pension rates for both cities currently are as follows:

City	Classic	Classic UAL	Employee Share	Adjusted Total
Santa Barbara	10.637%	21.191%	-2.726%	29.102%
Goleta	9.409%	2.748%	0.000%	12.157%
Difference	1.228%	18.443%	-2.726%	16.945%

City	PEPRA	PEPRA UAL	Employee Share	Adjusted Total
Santa Barbara	10.637%	21.191%	0.000%	31.828%
Goleta	6.842%	0.324%	0.000%	7.166%
Difference	3.795%	20.867%	0.000%	24.662%

Only the full-time positions are subject to CalPERS. Overall, staffing under Goleta management would lower overall expenditure costs by approximately \$11,330 for Buellton and \$14,093 for Solvang.

The next step in the process was analyzing the supplies and services section of each of the branches' budgets. Line-item detail was received from City of Santa Barbara to provide as an initial basis. Goleta staff reviewed the line items and estimates and made adjustments accordingly for operation under Goleta management. Certain expenditures adjusted in the budget are costs associated with courier delivery services for books, internet and cable, and copier leases. Courier delivery service would be a new cost to the Goleta Library as it would require Goleta Library to now function as a central library. Deliveries would be made 3 times week and circulate between Goleta, Solvang and Buellton, with Goleta being the initial point. Staff is reviewing this type of service, and is evaluating if this process would be more cost effective if in-house staff were utilized for greater control and flexibility. Current quoted costs for courier delivery service at 3 times

a week is approximately \$27,600. A budget comparison for both library branches has been attached for further detail and reference. After all revenue and expenditure line items were evaluated, staff then conducted a cost of service analysis to determine an appropriate management fee as described below.

City of Goleta Management Fee

City staff performed a cost of service analysis for providing management and operation services for both Buellton and Solvang library branches at status quo service levels. Any improvements or additional services, such as including a credit card device at each branch, or computer upgrades, would require a separate analysis for impacts to support staff time and new equipment costs. The primary purposes of conducting this analysis were to assess the estimated fiscal impacts to the City of Goleta, and recommend an appropriate management fee that does not exceed the cost of services being provided.

The cost of service analysis included examining four cost model approaches, and evaluated different methods of determining an appropriate measurement of fiscal impacts to the City. In summary, the models examined were the following:

- 1) Time and materials survey model utilizing the hourly labor and benefit rate
- 2) Time and materials survey model utilizing the fully burdened hourly labor rate
- 3) Indirect overhead rate model develop a from cost allocation plan
- 4) Library service unit model

Between the four models, the time and materials survey models (model 1 and model 2) are the most labor intensive and detailed models, as they examine actual staff involved in the support process to the library branches. The model 1 approach is the model City staff is recommending due to its consistency with the process the City undergoes in developing its user fees. This model also provides the ability to measure actual services being provided.

Model 1 determines the amount of time each employee spends assisting in the provision of service to a branch library. This includes examining various tasks performed by City departments and divisions, and identifies direct costs of services provided to the library branches. Tasks and direct costs were identified as either one-time for initial startup and transition, or on-going. Some of the tasks examined in this analysis included, but were not limited to, processing accounts payable, treasury services, accounting services, budget management, employee and labor relations, payroll, contract administration, IT services, supply and book ordering, and Goleta library support and administration to each branch.

To develop this model, staff examined utilizing both the labor and benefit rate and fully burdened hourly labor rate (developed from draft cost allocation plan) of the classifications of staff involved in the process of providing management and operation services for the library branches. An excel survey that identified tasks was then developed and staff time estimates in providing completing these tasks was inputted. This step required the development of average staff time estimates for the services and

activities that were identified in providing for library operations. Worksheets and questionnaires were used to develop the necessary data sets describing estimated labor time. In most cases, City staff estimated the average amount of time (in minutes and hours) it would take to complete a typical occurrence of each activity considered. Every attempt was made to ensure that each department having a direct role in the provision of each activity provided a time estimate.

It should be noted that the development of these time estimates was not a one-step process. Estimates received were carefully reviewed by City Manager's Office, Library Director and Finance staff to assess the reasonableness of such estimates. Based on this review, the City developed its time estimates with all parties comfortable that the fee estimates reasonably reflected the average service level provided by the City. Then, staff's time estimates were applied to the appropriate labor rate to yield an average full cost of the activity for its respective department. This cost model also incorporated direct costs based on estimated quotes received for IT services, book courier services, and employee related fees.

The third cost model examined utilized the indirect overhead rate approach. This cost model is similar to how the City of Santa Barbara currently assesses their administrative fee (without the subsidy) and similar to how the City assess charges on contract invoices for administrative charges for developer deposits. The indirect overhead rate is determined by use of a cost allocation plan (CAP), in which the current draft CAP has the city-wide indirect overhead rate, subject to federal regulations at 21%. This rate is approximately in line to the time and materials model calculated rate.

The fourth cost most model studied was developing a Library Service Unit (LSU) model, similar to the model the City has with the County of Santa Barbara's Sheriff's Office with the Deputy Sheriff's Service Units (DSSU). This cost model determined the cost of a LSU based on average hourly cost of Library staff using a blended rate, with an estimated amount of time of direct Library Director management. It also included both direct and indirect costs of providing one hour of support to library services. This rate was calculated to be approximately \$134.21 an hour. This model would allow flexibility in determining library service hours provided. Assuming 2,080 (standard full-time equivalent), this equates to approximately \$279,000 (not inclusive of the service and supplies budget needed for each branch). Staff found the cost model to be extremely high and to not function the same due to the major differences of library operations and sheriff operations (i.e., support is not always needed every hour for a library staff to perform their duties).

The draft cost models were then discussed at a Library Ad-Hoc Committee Meeting held on October 24, 2018. Additional review and adjustments were made and discussion was later held with the City Managers of both Solvang and Buellton.

After further review and discussion, staff recommends the most appropriate model to utilize is the time and materials model, applying the labor and benefits rate (model 1). The model using the fully burdened labor hourly rate is not recommended at this time, due to a draft cost allocation plan currently under development, and the cost allocation

method has not been fully reviewed or approved by City Council. This updated cost allocation plan is projected to be taken to Council in the spring of 2019. Due to the highly variable nature of providing library management services, use of model 1 coupled with time tracking is the preferred fee structure, as it is the most detailed and consistence with developing user fees. In addition, this model would allow the City greater flexibility to impose a fee per hour of staff time for services outside of status quo, and establish fairness of services being provided to the library branches by tracking time and adjusting the management fee over the years for true-ups in operations costs. This approach is somewhat similar to the recent cost model change currently being utilized by the County of Santa Barbara's (COSB) Sheriff's Office contract police services, as it is a time tracking model, though the hourly is not consolidated.

Overall, the cost of service analysis determined the cost of support or management fee for both library branches to be approximately \$50,000 each on an ongoing basis, and one-time startup costs of approximately \$13,280. When converting the management fee cost estimate of approximately \$50,000 to an administration fee rate, this results an administration fee rate of 21.99% for Buellton or 17.97% for Solvang. This administration fee rate is different for both branches, as it is the rate change when comparing total budgeted operating expenditures for the specific branch and the approximate \$50,000 increase for the management fees of the support staff. A detailed worksheet has been provided as an attachment to this report.

It should be noted, on April 3, 2018 the County Board of Supervisors had taken action of establishing cap on administration fees at 20% and to exclude Friends of the Library groups' donations from administration costs, though both these actions were reversed at the June 5, 2018 BOS Hearing. Should the City or County BOS impose these actions at a future date, staff has estimated these impacts to be an approximate \$2,000 to \$4,000 adjustment, and would result in the City of Goleta subsidizing these costs, unless additional contributions from the branches were made to ensure full cost recovery.

Below are tables summarizing the comparison of the cost of service models under Santa Barbara management vs Goleta management. In an effort to show a comparison to City of Santa Barbara at a similar rate, the 21.99% and 19.62% rates determined for Buellton and Solvang from the cost of service analysis under Goleta were used, as shown in the second column of both tables:

Buellton Library:

City of Buellton Library Cost Estimates	City of Santa Barbara		City of Goleta
	FY 18/19 Buellton Budget	FY 18/19 Buellton Budget	FY 2018/19 Buellton Budget
	Indirect Overhead Rate	Indirect Overhead Rate	Cost of Service (Labor/Benefit)
Total Revenues	\$ 237,304	\$ 237,304	\$ 237,304
Total Salary and Benefits	\$ 162,909	\$ 162,909	\$ 140,694
Total Supplies and Services	\$ 39,667	\$ 39,667	\$ 47,960
Total Capital Equipment	\$ 39,119	\$ 39,119	\$ 39,119
Subtotal Expenditures	\$ 241,695	\$ 241,695	\$ 227,773
Support Staff T&M (Mgmt Fees)	\$ 32,623	\$ 53,156	\$ 50,094
Total Expenditures	\$ 274,318	\$ 294,851	\$ 277,866
Net Revenues over Expenditures	\$ (37,014)	\$ (57,547)	\$ (40,562)
Effective Admin Fee Rate	13.50%	21.99%	21.99%

Solvang Library:

City of Solvang Library Cost Estimates	City of Santa Barbara		City of Goleta
	FY 18/19 Solvang Budget	FY 18/19 Solvang Budget	FY 18/19 Solvang Budget
	Indirect Overhead Rate	Indirect Overhead Rate	Cost of Service (Labor/Benefit)
Total Revenues	\$ 260,997	\$ 260,997	\$ 260,997
Total Salary and Benefits	\$ 181,285	\$ 181,285	\$ 155,242
Total Supplies and Services	\$ 46,326	\$ 46,326	\$ 60,928
Total Capital Equipment	\$ 39,119	\$ 39,119	\$ 39,119
Subtotal Expenditures	\$ 266,730	\$ 266,730	\$ 255,289
Support Staff T&M (Mgmt Fees)	\$ 38,336	\$ 52,339	\$ 50,094
Total Expenditures	\$ 305,066	\$ 319,069	\$ 305,383
Net Revenues Over Expenditures	\$ (44,069)	\$ (58,072)	\$ (44,386)
Effective Admin Fee Rate	14.37%	19.62%	19.62%

Timeline Details*Pending Buellton and Solvang City Council Decisions*

The table within this section summarizes a timeline of actions that would be necessary, should the City of Goleta proceed with management of the Buellton and Solvang libraries by July 1, 2019. Following the decision of the Goleta City Council to approve a management fee (the primary purpose of this report), the City of Solvang will bring an item to its City Council on November 26, 2018 with the fee details. Similarly, the City of Buellton is planning to bring an item to its City Council on December 13, 2018. Their respective City Councils will review the cost details and make a decision on whether to move forward with a change to Goleta management of their libraries. Assuming all parties decide to move forward with the change, additional actions would be needed

that require coordination with the Black Gold Cooperative Library System (Black Gold), the City of Santa Barbara, and the County of Santa Barbara, to ensure a smooth transition for all involved.

Black Gold Considerations

Black Gold is a regional library cooperative authorized by the State of California and is comprised primarily of the Central Coast municipal libraries. As a member library, the Goleta Library pays an annual fee to Black Gold to access the cooperative's extensive collection materials, which are shared among the other member libraries. Black Gold's services include technology and courier services, including administration of its collections software system called Polaris. To inform its annual budgeting process, Black Gold has requested that the City of Goleta inform them of its decision to manage the Buellton and Solvang libraries by December 1, 2018. However, due to the complexity and time involved in determining an appropriate library management fee, and the pending decisions by the Buellton and Solvang City Councils, the December 1 deadline cannot realistically be met. At this stage, Goleta staff are working diligently to ensure Black Gold does receive this information as soon as possible and are hopeful that the slight delay will not create any significant impact to Black Gold's processes.

Various other coordination efforts will need to be undertaken with Black Gold ahead of July 1, 2019, including necessary changes to Black Gold's Polaris software and the setting up of new courier services to transport collection materials among the Goleta, Buellton, and Solvang Libraries. In addition, the collection at both libraries will need to be re-barcoded (similar to the re-barcoding effort the Goleta Library recently underwent earlier this year).

Expansion of the Zone 4 Service Area

If the Goleta City Council decides to move forward with management of the Buellton and Solvang libraries by July 1, 2019, the Zone 4 service area would need to be expanded to include those areas. The Santa Barbara County BOS is responsible for the setting of library zone boundaries and (in this case) the associated service area population increase that would result for Zone 4. The County provides library funding to each zone on a "per capita" basis. Thus, Goleta staff anticipate coordinating with the County in the spring of 2019 to update the service area and population numbers, which will inform Zone 4's per capita funding for the following 2019-20 fiscal year. As a result, it should be noted that there could be variances in each library's revenues from what is shown in the draft budgets provided in this report. Any decreases in this revenue category will further reduce the deficits in each budget.

Coordination with City of Santa Barbara

If the City of Goleta moves forward with managing the Buellton and Solvang libraries, coordination will be needed on various levels with the City of Santa Barbara, including the transition of Buellton and Solvang library staff to Goleta employment. Goleta staff would work with the City of Santa Barbara Library Director to implement a management transition that minimizes impacts to both the staff and patrons of the Buellton and Solvang libraries.

The following table summarizes the actions outlined above, as well as an estimated timeline.

Action	Deadline
Goleta to provide financial/ cost details to Buellton and Solvang	In progress
Goleta City Council approval of a recommended library management fee for the Cities of Buellton and Solvang, and approval to assume management of both libraries by July 1, 2019	November 14, 2018 and December 4, 2018
Solvang City Council approval of Goleta management	November 26, 2018
Buellton City Council approval of Goleta management	December 13, 2018
Notification to Black Gold of Goleta's decision to manage Solvang and Buellton	As soon as possible following all three cities City Council actions
Implement changes in the Polaris system (Black Gold's software)	March of 2019
County BOS approval of Zone 4 service area map changes	Spring of 2019
Goleta staff coordination with City of Santa Barbara on the transition of library employees to Goleta compensation; coordinate with City of Santa Barbara on outreach efforts to ensure a continuity of services to patrons at the affected libraries	Spring of 2019
Complete book re-barcoding effort	June 1, 2019

FISCAL IMPACTS:

If the City chooses to pursue full cost recovery, and utilizing the recommended time and materials cost of service model, there will be minimal fiscal impact to the City except for additional staff time that may have not been accounted for. By implementing a time tracking process, and adjusting for actuals over the term of the contract will establish fairness for all costs associated.

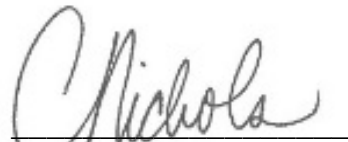
Total one-time costs of approximately \$13,280 will be needed from both branches if the transition of management were authorized. Total expenditure costs will be approximately \$277,870 for Buellton and \$305,280 for Solvang, when including the approximately \$50,000 management fee to both branches. Based on current estimated revenues and service levels, a deficit of approximately \$40,560 and \$44,400 would exist for both of these branches on an ongoing basis, unless an additional source of revenue was made available to balance, or other adjustments implemented. Potential cost

increases in the future would depend on salary levels and benefit adjustments. At this time, staff projects a future cost of increase in the range of 1% to 3% which will be further evaluated.

ALTERNATIVES:

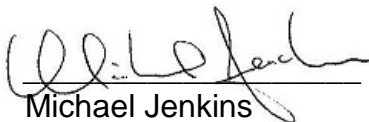
The City Council could choose to take no action at this time, and/or direct staff to further evaluate other cost models and bring them back to Council at a later date.

Reviewed By:



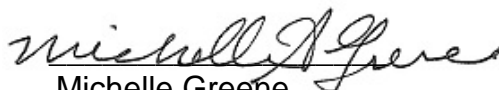
Carmen Nichols
Deputy City Manager

Legal Review By:



Michael Jenkins
City Attorney

Approved By:



Michelle Greene
City Manager

ATTACHMENTS:

1. City of Buellton and Solvang Library Branch Budgets and Cost Analysis

ATTACHMENT 1:

City of Buellton and Solvang Library Branch
Budgets and Cost Analysis

City of Buellton (DRAFT)	City of Santa Barbara		City of Goleta
	FY 18/19 Buellton Budget	FY 18/19 Buellton Budget	FY 2018/19 Buellton Budget
Cost Model Methods:	Indirect Overhead Rate	Indirect Overhead Rate	Cost of Service (Labor/Benefit Rate)
Revenues			
Donations	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00
Fees and Service Charges	\$ 3,150.00	\$ 3,150.00	\$ 3,150.00
County Per Capita	\$ 83,163.00	\$ 83,163.00	\$ 83,163.00
City Contribution	\$ 141,641.00	\$ 141,641.00	\$ 141,641.00
Library Fines	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
Other Revenue	\$ 4,300.00	\$ 4,300.00	\$ 4,300.00
Total Revenues	\$ 237,304.00	\$ 237,304.00	\$ 237,304.00
Expenditures			
Salary and Benefits			
Total Salary and Benefits	\$ 162,909.00	\$ 162,909.00	\$ 140,693.57
Supplies and Services:			
Black Gold	\$ 19,550.00	\$ 19,550.00	\$ 19,550.00
Office Supplies & Expense	\$ 2,665.00	\$ 2,665.00	\$ 2,665.00
Bank Fees	\$ 25.00	\$ 25.00	
Special Supplies and Expense	\$ 4,115.00	\$ 4,115.00	\$ 4,115.00
Facilities Maint.	\$ -		\$ -
Non-Contractual Services (Custodial/Copier)	\$ 10,562.39	\$ 10,562.39	\$ 2,400.00
Advertising	\$ 200.00	\$ 200.00	\$ 200.00
Printing & Binding	\$ 150.00	\$ 150.00	\$ 150.00
Messenger/Delivery	\$ -		\$ 13,680.00
Postage/Delivery	\$ 500.00	\$ 500.00	\$ 500.00
Gas	\$ 300.00	\$ 300.00	\$ 300.00
Telephone	\$ 1,600.00	\$ 1,600.00	\$ 1,600.00
Utilities	\$ -		\$ -
Internet/Cable	\$ -		\$ 2,800.00
Custodial	\$ -		\$ -
Total Supplies and Services	\$ 39,667.39	\$ 39,667.39	\$ 47,960.00
Capital Equipment:			
Book Acquisitions	\$ 39,119.00	\$ 39,119.00	\$ 39,119.00
Total Capital Equipment	\$ 39,119.00	\$ 39,119.00	\$ 39,119.00
Subtotal Expenditures	\$ 241,695.39	\$ 241,695.39	\$ 227,772.57
Support Time and Materials (Mgmt Fee):			
Gen Gov			\$ 13,915.44
Finance			\$ 4,298.47
Library			\$ 13,915.65
IT			\$ 17,964.00
Total Support Staff Time and Materials	\$ 32,623.00	\$ 53,155.57	\$ 50,093.55
Conversion to Admin Fee Rate	13.50%	21.99%	21.99%
Total Expenditures	\$ 274,318.39	\$ 294,850.96	\$ 277,866.12
Net Revenues Over Expenditures	\$ (37,014.39)	\$ (57,546.96)	\$ (40,562.12)
Fee Adjustment (Remove Friends Donations and Cap 20% on County Per Capita)	\$ -	\$ -	\$ (2,105.80)
Adjusted Support Staff Time and Materials	\$ 32,623.00	\$ 53,155.57	\$ 47,987.76
Total Adjusted Expenditures	\$ 274,318.39	\$ 294,850.96	\$ 275,760.32
Adjusted Admin Fee Rate	13.50%	21.99%	21.07%
Adjusted Net Revenue Over Expenditures	\$ (37,014.39)	\$ (57,546.96)	\$ (38,456.32)
One-Time Startup:			
Gen Gov			\$ 1,419.58
Finance			\$ 227.46
Library			\$ 11,636.44
IT			\$ -
Total One-Time Startup Expenditures			\$ 13,283.48
Total Expenditures + One-Time Startup	\$ 274,318.39	\$ 294,850.96	\$ 289,043.80
Net Revenues Over Expenditures	\$ (37,014.39)	\$ (57,546.96)	\$ (51,739.80)

City of Solvang (DRAFT)	City of Santa Barbara		City of Goleta
	FY 18/19 Solvang Budget	FY 18/19 Solvang Budget	FY 18/19 Solvang Budget
Cost Model Methods:	Indirect Overhead Rate	Indirect Overhead Rate	Cost of Service (Labor/Benefit Rate)
Revenues			
Donations	\$ 21,500.00	\$ 21,500.00	\$ 21,500.00
Fees and Service Charges	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
County Per Capita	\$ 83,163.00	\$ 83,163.00	\$ 83,163.00
City Contribution	\$ 141,534.00	\$ 141,534.00	\$ 141,534.00
Library Fines	\$ 4,800.00	\$ 4,800.00	\$ 4,800.00
Other Revenue	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
Total Revenues	\$ 260,997.00	\$ 260,997.00	\$ 260,997.00
Expenditures			
Salary and Benefits			
Total Salary and Benefits	\$ 181,285.00	\$ 181,285.00	\$ 155,242.27
Supplies and Services:			
Black Gold	\$ 19,550.00	\$ 19,550.00	\$ 19,550.00
Office Supplies & Expense	\$ 2,665.00	\$ 2,665.00	\$ 2,665.00
Bank Fees	\$ -	\$ -	\$ -
Special Supplies and Expense	\$ 4,115.00	\$ 4,115.00	\$ 4,115.00
Facilities Maint.	\$ 7,938.00	\$ 7,938.00	\$ 7,938.00
Non-Contractual Services	\$ 4,258.31	\$ 4,258.31	\$ 2,400.00
Meeting & Travel	\$ 50.00	\$ 50.00	\$ 50.00
Dues Membership & License	\$ 20.00	\$ 20.00	\$ -
Training	\$ 200.00	\$ 200.00	\$ 200.00
Advertising	\$ 150.00	\$ 150.00	\$ 150.00
Printing & Binding	\$ 500.00	\$ 500.00	\$ 500.00
Messenger/Delivery	\$ -	\$ -	\$ 13,680.00
Postage/Delivery	\$ 100.00	\$ 100.00	\$ 100.00
Gas	\$ 280.00	\$ 280.00	\$ 280.00
Telephone	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Utilities	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Internet/Cable	\$ -	\$ -	\$ 2,800.00
Credit Card Fees	\$ -	\$ -	\$ -
Custodial	\$ -	\$ -	\$ -
Total Supplies and Services	\$ 46,326.31	\$ 46,326.31	\$ 60,928.00
Capital Equipment:			
Book Acquisitions	\$ 39,119.00	\$ 39,119.00	\$ 39,119.00
Total Capital Equipment	\$ 39,119.00	\$ 39,119.00	\$ 39,119.00
Subtotal Expenditures	\$ 266,730.31	\$ 266,730.31	\$ 255,289.27
Support Time and Materials (Mgmt Fee):			
Gen Gov			\$ 13,915.44
Finance			\$ 4,298.47
Library			\$ 13,915.65
IT			\$ 17,964.00
Total Support Staff Time and Materials	\$ 38,336.00	\$ 52,338.55	\$ 50,093.55
Conversion to Admin Fee Rate	14.37%	19.62%	19.62%
Total Expenditures	\$ 305,066.31	\$ 319,068.86	\$ 305,382.82
Net Revenues Over Expenditures	\$ (44,069.31)	\$ (58,071.86)	\$ (44,385.82)
Fee Adjustment (Remove Friends Donations and Cap 20% on County Per Capita)			\$ (4,218.79)
Adjusted Support Staff Time and Materials	\$ 38,336.00	\$ 52,338.55	\$ 45,874.77
Total Adjusted Expenditures	\$ 305,066.31	\$ 319,068.86	\$ 301,164.04
Adjusted Admin Fee Rate	14.37%	19.62%	17.97%
One-Time Startup:			
Gen Gov			\$ 1,419.58
Finance			\$ 227.46
Library			\$ 11,636.44
IT			\$ -
Total One-Time Startup Expenditures			\$ 13,283.48
Total Expenditures + One-Time Startup	\$ 305,066.31	\$ 319,068.86	\$ 318,666.30
Net Revenues Over Expenditures	\$ (44,069.31)	\$ (58,071.86)	\$ (57,669.30)