PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

Meeting Date: July 8, 2008

[V] Consent [] Ordinance

[] Regular [] Public Hearing

Department:

Submitted By: <u>County Library/Administration</u> Submitted For: <u>County Library/Administration</u>

I. EXECUTIVE BRIEF

Motion & Title: Staff recommends motion to approve: A) Budget transfer of \$5,000,000 from adjusted balance forward in operating fund to capital fund for equipment purchases. B) Budget amendment of \$5,000,000 to appropriate funds by project and object code in capital fund.

Summary: In each of the past two years, the library has experienced double-digit growth in the circulation of library materials. The staff is projected to handle in excess of 14 million transactions in the current fiscal year with each item being processed by hand. With the addition of several new and expanded facilities in the next few years, increased usage and fluctuating revenue, the library seeks to implement proven materials handling technology and security measures that will greatly increase efficiency and reduce the amount of staff that would otherwise be needed to provide services in the new facilities, as well as meet the growing demand in existing libraries. Countywide (TKF)

Background and Justification: The increase in carryover from FY 2007 into FY 2008 was due to higher than anticipated revenues in ad valorem taxes, higher than anticipated interest income, and under-expended budget. The Library is proposing the transfer of a part of the adjusted balance forward to a capital account to be used over the next three years to purchase equipment that will increase efficiency and reduce much of the scanning and sorting function that currently requires staff time.

Proposed equipment includes RFID tagging of Library Materials, conveyor belt sorting equipment, self-check equipment upgraded for RFID, and RFID security gates with people counters.

Attachments:

- 1. Equipment list and personnel savings
- 2. Budget transfer form
- 3. Budget amendment form

Recommended By:	A all TA 6/2/08	John J. Callahan III
	Department Director Date	
Approved By:	Jul 4/12/08	Jon Van Arnam
	Assistant County Administrator Date	
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II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	20 <u>08</u>	20 <u>09</u>	20 <u>10</u>	20 <u>11</u>	20 <u>12</u>
Capital Expenditures Operating Costs	<u>5,000,000</u> 0	<u>0</u>	0 0	0 0	0
External Revenues Program Income (County) In-Kind Match (County)	0 0	0 0 0	0 0 0	0 0 0	0 0 0
NET FISCAL IMPACT	5,000,000	0	0	0	0
# ADDITIONAL FTE POSITIONS (Cumulative)	0	0	0	0	0
Is Item Included in Current E Budget Account No.:	Budget? Fund	Dept	Yes_ Unit	No <u>x</u> Objects	:
<u>4620 - \$200,000; 5201</u>	<u>- \$1,400,000;</u>	<u>6401 - \$2,600</u>	<u>0,000; 6405 -</u>	<u>\$800,000</u>	

Reporting Category

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Source: Operating Fund 1180, Contingency Reserves 9901

\$5,000,000

Impact: These funds have not been budgeted for any other purpose. The adjustment to balance brought forward is in excess of what was projected as revenue in the FY 2008 Annual Operating Budget.

The Contingency Reserves Balance after this transfer is \$4,851,391.

C. **Departmental Fiscal Revie** Gardner, Chief Financial Officer)

III. <u>REVIEW COMMENTS:</u>

A. OFMB Fiscal and/or Contract Dev. And Control Comments:

Legal Sufficiency:

Assistant County

C. Other Department Review:

6/10/0p act Dev.

Department Director

This summary is not to be used as a basis for payment.

Equipment List and Personnel Savings

	2008	2009	2010	Total
Self Check Equipment	152,250	152,250	152,250	456,750
Maintenance		15,000	20,000	35,000
Upgrade Self Check for RFID		220,000	99,000	319,000
RFID Tagging of Library Materials 1.5 million items @ \$.50 ea.	750,000	175,000	375,000	- 1,300,000 -
Inventory for new materials			186,750	186,750
Security Gates with People Counters		187,500	150,000	337,500
Maintenance			40,000	40,000
Conveyor Belt Sorting Equipment	350,000	1,750,000	175000	2,275,000
Maintenance		· · ·	50,000	50,000
	1,252,250	2,499,750	1,248,000	\$ 5,000,000

Estimates of Personnel Savings with Elimination of 35 Positions

Fiscal Year		Salaries	Salaries Plus Fringe		
Current Year	\$	465,708	\$	815,648	
2009	\$	977,987	\$	1,422,814	
2010	\$	1,002,436	\$	1,451,787	
2011	\$	1,027,497	\$	1,481,484	
2012	\$	1,053,185	\$	1,511,924	
2013	\$	1,079,514	\$	1,543,125	
Five Year Personnel Savings for Eliminated Positions	\$	5,606,327	\$	8,226,782	

<u>08-1038</u>

BOARD OF COUNTY COMMISSIONERS PALM BEACH COUNTY, FLORIDA

BGRV - 321 - 060208 - 613 BGEX - 321 - 060208 - 2812

BUDGET AMENDMENT FUND 3750 LIBRARY IMPROVEMENT FUND

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 06/02/08	REMAINING BALANCE	<u> </u>
<u>REVENUES</u>							· · · ·	
SYSTEMWIDE EQUIPMENT UPGRADE800-80008022 Tr Fr County Library Fd 1180	0	0	5,000,000	0	5,000,000		5,000,000	
TOTAL RECEIPTS & BALANCES	0	0	5,000,000	0	5,000,000		5,000,000	
EXPENDITURES							. .	
SYSTEMWIDE EQUIPMENT UPGRADE							•	
321-L063 4620 Repairs & Maintenance - Equipment	0	0	200,000		200,000	0	200,000	
321-L063 5201 Materials/Supplies - Operating	0	0	1,400,000		1,400,000	0	1,400,000	
321-L063 6401 Machinery & Equipment	0	0	2,600,000		2,600,000	0	2,600,000	-
321-L063 6405 Data Processing Equipment	0	0	800,000		800,000	0	800,000	
TOTAL APPROPRIATIONS & EXPENDITURES	0	0	5,000,000	0	5,000,000	、	5,000,000	

Signatures & Dates

PALM BEACH COUNTY LIBRARY SYSTEM

INITIATING DEPARTMENT/DIVISION

Administration/Budget Department Approval **OFMB Department - Posted**

BY BOARD OF COUNTY COMMISSIONERS AT MEETING OF JULY 08, 2008

> Deputy Clerk to the **Board of County Commissioners**

6/5/08

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<u>08-</u>1039

BOARD OF COUNTY COMMISSIONERS PALM BEACH COUNTY, FLORIDA

BGEX - 321 - 051908 - 2774

BUDGET TRANSFER FUND 1180 - COUNTY LIBRARY

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 05/05/08	REMAINING BALANCE
EXPENDITURES							
SYSTEMWIDE EQUIPMENT UPGRADE820-32909197 Tr To Library Imprv Fd 3750	0	0	5,000,000	0	5,000,000	0	5,000,000
RESERVES 320-32999901 Contingency Reserves	3,300,000	9,851,391	0	5,000,000	4,851,391	0	4,851,391
TOTAL APPROPRIATIONS & EXPENDITURES		÷ •	5,000,000	5,000,000 *	. •		

PALM BEACH COUNTY LIBRARY SYSTEM

INITIATING DEPARTMENT/DIVISION

Administration/Budget Department Approval OFMB Department - Posted Signatures & Dates

6 1/2/20

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 BY BOARD OF COUNTY COMMISSIONERS

 08
 AT MEETING OF JULY 08, 2008

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Deputy Clerk to the Board of County Commissioners