

From: [Jim Provenza](#)
To: [Clerkoftheboard](#); [Gerardo Pinedo](#); [Chad Rinde](#)
Cc: [Sheila Allen](#); [Oliver Snow](#)
Subject: Budget Request 2023-2024 Budget
Date: Monday, June 12, 2023 3:41:19 PM

To: Board of Supervisors and CAO Gerardo Pinedo:

From: County Supervisor Jim Provenza

Date 6/12/23

There is currently a capital fund for the South Davis Library. I asked CFO Chad Rinde for options to set aside previously identified funds for the new library in South Davis. I am respectfully requesting that the Board adopt Option 1, as suggested by CFO Rinde.

Options:

1. **Transfer Funds into the Capital Project Fund** – The South Davis Library project already has a capital project fund which was done for the design phase. The concern we discussed yesterday was making sure the funds were set aside the project. One simple way to do this would be to request that the funds the County discussed in February are transferred to that capital project fund. We could then replace later if State/Federal funding is obtained. Staff prepared the table below without ARP at this time utilizing Capital Improvement Reserves however you may want to use ARP instead if you think that’s a better approach.

The motion would be to transfer Library DIF, Library CFD Special Tax, and CIP reserve funds, shown below in [Blue](#). Again you could substitute Accumulated Capital Outlay or ARP instead if that was desirable.

Funding Sources	Total Project Cost	Already Budgeted in the Fund	Remaining to be Budgeted/Transferred
CA Library Grant (Round 1)	\$8,783,400	\$658,500	\$8,124,900
City of Davis Contribution	\$1,500,000	\$0	\$1,500,000
Library Development Impact Fees	\$3,100,000	\$0	\$3,100,000
Library CFD Special Tax Fund*	\$5,949,400	\$658,500	\$5,290,900
Capital Improvement	\$1,997,251	\$0	\$1,997,251

Reserve*			
	\$21,330,051	\$1,317,000	\$20,013,051

(*Jim’s Note: The Library Development Impact Fees are in a fund that is continually replenished. According to library staff, these funds will be replenished to 3.2 million in time for the next library project in the Yolo County Library Strategic Plan. The Library CFD Special Tax Fund is a tax paid by residents of Davis, El Macero, and Willowbank for library services in Davis. The Capitol Improvement Reserve is a fund that contains over \$3,500,000. It is also replenished as property tax funds are received)

2. **Set aside in contingencies** – Alternatively, we could set the funds aside as contingencies. This approach is similar to the option above but instead of transferring the funds to the project, it would be setting aside a contingency in each fund for the project. It’s not a typical process for us to create contingencies outside the general fund (but we have done in rare circumstances). A contingency would still require additional action later to then appropriate the funds to be transferred to the Capital Project fund so it does have a second step that would be needed in the process. If this approach is taken the following contingencies would be needed.

Create a South Davis Library Contingency containing the following: Move the \$3,100,000 of Library Development Impact Fees, \$5,290,900 of Library CFD Special Funds, and \$1,997,251 of Capital Improvement Reserves to a South Davis Library Contingency in their respective funds.

Please distribute the above memo to all board members and the public. Thank you!

Jim Provenza

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