

AGENDA

BOARD OF LAW LIBRARY TRUSTEES of the LOS ANGELES COUNTY LAW LIBRARY

REGULAR BOARD MEETING

Wednesday, May 24, 2017

12:15 PM

MILDRED L. LILLIE BUILDING

TRAINING CENTER

301 WEST FIRST STREET

LOS ANGELES, CA 90012-3140

ACCOMMODATIONS

A person with a disability may contact the Board Secretary's office at (213) 785-2511 at least 24 hours before the scheduled meeting to request receipt of an agenda in an alternative format or to request disability-related accommodations, including aids or services, in order to participate in the public meeting. Later requests will be accommodated to the extent feasible.

AGENDA DESCRIPTIONS

The agenda descriptions are intended to give notice to members of the public of a brief general description of items of business to be transacted or discussed. The posting of the recommended actions does not indicate what action will be taken. The Board may take any action that it deems to be appropriate on the agenda item and is not limited in any way by the notice of the recommended action. The President reserves the right to discuss the items listed on the agenda in any order.

REQUESTS AND PROCEDURES TO ADDRESS THE BOARD

A member of the public has the right to address the Board on agenda items or on items of interest which are not on the agenda and which are within the subject matter jurisdiction of the Board. All requests to address the Board must be submitted in person to the Board President prior to the start of the meeting. Public comments will be taken at the beginning of each meeting as Agenda Item 1.0. A member of the public will be allowed to address the Board for a total of three (3) minutes for a single item or a maximum of five (5) minutes for all items unless the President grants more or less time based on the number of people requesting to speak and the business of the Board. When members of the public address the Board on agenda items, the President determines the order in which speakers will be called. Persons addressing the Board shall not make impertinent, slanderous or profane remarks to the Board, any member of the Board, staff or general public, nor utter loud, threatening, personal or abusive language, nor engage in any other disorderly conduct that disrupts or disturbs the orderly conduct of any Board Meeting. The President may order the removal of any person who disrupts or disturbs the orderly conduct of any Board Meeting.

AGENDA MATERIALS

Unless otherwise exempt from disclosure, all materials relating to items on the agenda distributed to all, or a majority of the members of the Board less than 72 hours prior to the meeting shall be made available for public inspection at the time the writing is distributed in the Executive Office of the Law Library.

CALL TO ORDER

1.0 PUBLIC COMMENT

2.0 PRESIDENT'S REPORT

3.0 CONSENT CALENDAR

- 3.1 Approval of Minuets of the April 26, 2017, Regular Board Meeting
- 3.2 Review of March Financials and List of April Checks and Warrants

4.0 CLOSED SESSION

- 4.1 Conference with Labor Negotiator (G.C. 54957.6). *Library Negotiator:* Executive Director, Sandra J. Levin; *Employee Organization:* SEIU Local 721.

5.0 DISCUSSION ITEMS

- 5.1 Discussion and Approval of 2017-2018 Property & Liability Insurance Renewal
- 5.2 Review of Operating Budget FY 17-18, Including Approval of Position Adjustments and Prepayment of CalPERS Unfunded Liability
- 5.3 Approval of Exploratory Platinum Level Member Pilot Program
- 5.4 2017 Law Week After-Report
- 5.5 Staff Presentation: Displays and Exhibits

6.0 AGENDA BUILDING

Items not on the posted agenda may be presented by a Trustee and, if requested, may be referred to staff or placed on the agenda for consideration at a future meeting of the Board.

7.0 EXECUTIVE DIRECTOR REPORT

8.0 ADJOURNMENT

The next Regular Meeting of the Board of Law Library Trustees is scheduled for Wednesday, June 28, 2017.

POSTED THURSDAY, MAY 18, 2017 @ 5:00 P.M.

POSTED BY ANN MARIE GAMEZ



AGENDA ITEM 3

CONSENT CALENDAR

- 3.1 Approval of Minutes of the April 26, 2017, Regular Board Meeting
- 3.2 Review of March Financials and List of April Checks and Warrants

**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF LAW LIBRARY TRUSTEES OF
LOS ANGELES COUNTY**

**A California Independent Public Agency Under
Business & Professions Code Section 6300 et sq.**

April 26, 2017

The Regular Meeting of the Board of Law Library Trustees of Los Angeles County was held on Wednesday, April 26, 2017 at 12:15 p.m., at the Los Angeles County Law Library Mildred L. Lillie Main Library Building at 301 West First Street, Los Angeles, California 90012 for the purposes of considering reports of the affairs to the Library, and transacting such other business as might properly come before the Board of Trustees.

ROLL CALL/QUORUM

Trustees Present: Judge Ann I. Jones
Judge Mark Juhas
Judge Michelle Williams Court
Judge Dennis Landin
Kenneth Klein, Esquire
Judge Richard Rico

Trustees Absent: Susan Steinhauser, Esquire

Senior Staff Present: Sandra J. Levin, Executive Director
Jaye Steinbrick, Senior Director

Also Present: Marcelino Juarez, Finance Manager
Ann Marie Gamez, Executive Assistant

President Jones determined a quorum to be present, convened the meeting at 12:12 p.m. and thereafter presided. Executive Director, Sandra J. Levin recorded the Minutes.

1.0 PUBLIC COMMENT

Ms. Etta Hindra spoke before the Board regarding a fee charge placed on her account for a damaged book. Ms. Hindra requested that the fine be waived since she believes she is being wrongfully charged for two books rather than 1. Ms. Hindra acknowledged her inability to pay due to financial hardship.

2.0 PRESIDENT'S REPORT

President Jones read a thank you card handwritten from the honoree and applauded the success of the Beacon of Justice Gala held on April 5, 2017 honoring Justice Audrey B. Collins. President Jones also acknowledged the innovative ideas which are to be presented by Ryan Metheny and Malinda Muller in a panel discussion at the 2017 AALL

Conference. Finally, President Jones acknowledged the anticipated success of the upcoming Law Week events and the provision access to justice at LALL.

3.0 CONSENT CALENDAR

- 3.1 Approval of Minutes of the March 22, 2017 Regular Board Meeting.
- 3.2 Review of February Financials & List of March Checks and Warrants.
- 3.3 Approval of FY17 Quarter 3 Statistics

President Jones requested a motion to approve the Consent Calendar. So moved by Trustee Juhas, seconded by Trustee Landin. The motion was unanimously approved, 6-0.

4.0 DISCUSSION ITEMS

4.1 Further Clarification of Policy Regarding Retiree Dental Benefits

ED Levin requested direction from the Board regarding retiree dental eligibility for those hired between July 1, 2008 and January 25, 2017. Trustee Klein commented that the Board is required to make decisions based on the overall betterment of the library. All members of the Board agreed that consideration should be met with the needs of the library first. Citing the following factors, the Board reluctantly agreed to move option 1 of the recommendation, confirming retiree dental benefits apply only to those hired prior to July 1, 2008:

1. Parity of represented and unrepresented staff;
2. The problematic nature of oral agreements;
3. The difficulty of maintaining a dental benefit plan for retirees; and
4. Overall budget considerations.

President Jones requested a motion to amend the Employee Handbook to conform retiree dental benefits to those of represented staff (i.e., provide retiree dental only for those hired prior to July 1, 2008). So moved by Trustee Landin, seconded by Trustee Court. The motion was unanimously approved, 6-0.

4.2 Staff Presentation: Law Week: Tying the Law to the Headlines

Managing Librarian of Legal Education and Members Program, Ryan Metheny, presented before the Board the overall theme of this years' Law Day, "The 14th Amendment: Equal Protection before the Law" and its connection to current news headlines. R. Metheny announced some of this years' Law Week highlights such as a panel discussion on Immigration Policy, various MCLE's, and utilizing social media as a way to reach a greater segment of the public.

Trustees offered positive comments and no action was taken.

5.0 CLOSED SESSION

- 5.1 Conference with Labor Negotiator (G.C. 54957.6). *Library Negotiator:* Executive Director, Sandra J. Levin; *Employee Organization:* SEIU Local 721.

No reportable action was taken.

6.0 AGENDA BUILDING

There were no items for agenda building.

7.0 EXECUTIVE DIRECTOR REPORT

ED Levin announced that the Budget Subcommittee Meeting was held on Tuesday April 25, 2017 to review a draft Budget for FY 17-18. The Budget will be agendized for discussion at the May 2017 Board meeting. ED Levin also reported that the Main Branch of LA Law Library will be closing Monday May 1, 2017 due to the anticipated crowd response for the May Day march scheduled. With nearly half a million people expected and street closures surrounding the Law Library, safety of staff and patrons compels us to close.

8.0 ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 1:02 p.m. The next Regular Meeting of the Board of Law Library Trustees is scheduled for Wednesday, May 24, 2017 at 12:15 pm.

Sandra J. Levin, Executive Director and Secretary
Los Angeles County Law Library Board of Trustees

Los Angeles County Law Library

Balance Sheet

As of March 31, 2017

(Provisional and subject to year-end audit adjustments)

	6/30/2016	3/31/2017	Change
Assets			
Current assets			
Cash and cash equivalents	3,551,273	3,468,081	(83,192)
Accounts receivable	1,312,177	1,254,338	(57,840)
Prepaid expenses	253,809	396,024	142,214
Total current assets	<u>5,117,260</u>	<u>5,118,442</u>	1,182
Noncurrent assets			
Restricted cash and cash equivalents	318,470	318,470	-
Investments	4,115,956	4,541,753	425,797
Capital assets, not being depreciated	586,433	586,433	-
Capital assets, being depreciated - net	19,061,309	18,335,319	(725,990)
Total noncurrent assets	<u>24,082,168</u>	<u>23,781,975</u>	(300,193)
Total assets	<u>29,199,427</u>	<u>28,900,417</u>	(299,010)
Deffered Outflows of Resources			
Deffered Outflows of Resources	907,530	907,530	-
Total assets and deffered outflows of resources	<u>30,106,957</u>	<u>29,807,947</u>	<u>(299,010)</u>
Liabilities			
Current Liabilities			
Accounts payable	225,599	120,722	(104,877)
Other current liabilities	3,631	2,030	(1,602)
Payroll liabilities	8,682	7,929	(753)
Total current liabilities	<u>237,912</u>	<u>130,680</u>	(107,232)
Noncurrent Liabilities			
Accrued sick and vacation liability	359,980	307,523	(52,457)
Borrowers' deposit	327,949	322,903	(5,046)
OPEB liability	81,954	163,170	81,216
Net pension liability	1,233,873	1,233,873	-
Total noncurrent liabilities	<u>2,003,756</u>	<u>2,027,470</u>	23,714
Total liabilities	<u>2,241,668</u>	<u>2,158,150</u>	(83,518)
Deffered Inflows of Resources			
Deffered Inflows of Resources	895,773	895,773	-
Total liabilities and Deffered inflows of resources	<u>3,137,441</u>	<u>3,053,923</u>	(83,518)
Net Position			
Invested in capital assets	19,647,742	18,921,752	(725,990)
Unrestricted	7,321,774	7,832,272	510,498
Total net position	<u>26,969,516</u>	<u>26,754,024</u>	(215,492)
Total liabilities and Deffered inflows of resources and net position	<u>30,106,957</u>	<u>29,807,947</u>	<u>(299,010)</u>

Los Angeles County Law Library
Income Statement for the Period Ending March 31, 2017
(Provisional and subject to year-end audit adjustments)

Mar 16 Actual	Mar 2017			
	Budget	Actual	\$ Fav (Unf)	% Fav (Unf)
515,408	529,529	518,177	(11,352)	-2.1%
1,698	1,573	2,866	1,293	82.2%
62,827	56,667	66,053	9,387	16.6%
48,366	34,617	47,116	12,499	36.1%
628,299	622,386	634,212	11,826	1.9%
308,897	486,122	362,431	123,691	25.4%
62,702	57,616	88,602	(30,986)	-53.8%
209,374	161,690	199,509	(37,820)	-23.4%
(209,374)	(161,690)	(199,509)	37,820	-23.4%
		0		
69,311	70,571	68,265	2,306	3.3%
8,487	12,450	12,753	(303)	-2.4%
3,081	5,844	4,082	1,763	30.2%
455	1,033	121	912	88.3%
1,054	0	0	0	0.0%
98	271	298	(27)	-10.1%
3,130	3,000	5,624	(2,624)	-87.5%
250,440	242,062	226,627	15,435	6.4%
707,654	878,969	768,802	(110,167)	-12.5%
(79,356)	(256,582)	(134,590)	121,993	-47.5%
8,387	2,917	1,931	(986)	-33.8%
0	0	0	0	0.0%
0	0	0	0	0.0%
(70,969)	(253,666)	(132,659)	121,007	-47.7%
				0.0%
0	135,000	0	135,000	100.0%

FY 2015-16 YTD Actual	FY 2016-17 YTD				Comments
	Budget	Actual	\$ Fav (Unf)	% Fav (Unf)	
Summary:					
Income					
L.A. Superior Court Fees	4,901,725	4,956,495	5,071,869	115,374	2.3%
Interest	15,095	16,563	21,901	5,338	32.2%
Parking	533,006	521,231	520,559	(672)	-0.1%
Library Services	425,983	426,716	466,819	40,103	9.4%
Total Income	5,875,809	5,921,005	6,081,147	160,143	2.7%
Expense					
Staff (payroll + benefits)	2,838,605	3,128,571	2,812,320	316,251	10.1%
Electronic Resource Subscriptions	457,315	518,540	498,122	20,417	3.9%
Library Materials	1,468,755	1,455,209	1,401,765	53,444	3.7%
Library Materials Transferred to Assets	(1,468,755)	(1,455,209)	(1,401,765)	(53,444)	3.7%
Facilities	654,041	642,455	625,990	16,465	2.6%
Technology & Data	89,566	117,050	98,259	18,791	16.1%
General	45,761	50,748	48,198	2,550	5.0%
Professional Development	12,428	18,530	14,347	4,183	22.6%
Communications & Marketing	5,758	7,530	817	6,713	89.2%
Travel & Entertainment	1,733	2,336	2,197	139	5.9%
Professional Services	49,600	45,763	42,976	2,787	6.1%
Depreciation	2,208,199	2,225,870	2,134,235	91,635	4.1%
Total Expenses	6,363,007	6,757,392	6,277,460	479,932	7.1%
Net Income (Loss)	(487,198)	(836,387)	(196,313)	640,075	-76.5%
Investment Gain (Loss)²	48,347	26,250	(74,203)	(100,453)	-382.7%
Extraordinary Income	0	55,000	55,000	0	0.0%
Extraordinary Expense	0	0	0	0	0.0%
Net Income Including Extraordinary Items	(438,851)	(755,137)	(215,516)	539,622	-71.5%
					0.0%
Capitalized Expenditures	15,354	1,562,000	6,480	1,555,520	99.6%

Los Angeles County Law Library
Income Statement for the Period Ending March 31, 2017
(Provisional and subject to year-end audit adjustments)

Mar 16	Mar 2017			
	Budget	Actual	\$ Fav (Unf)	% Fav (Unf)

FY 2015-16	FY 2016-17 YTD			
	YTD Actual	Budget	Actual	\$ Fav (Unf)

Comments

Detailed Budget:														
Income:														
515,408	529,529	518,177	(11,352)	-2.1%	15	FIN	303300	L.A. Superior Court Fees	4,901,725	4,956,495	5,071,869	115,374	2.3%	
Interest:														
0	0	0	0	0.0%	15	FIN	311000	Interest - LAIF	2,327	2,405	2,739	334	13.9%	
1,487	1,375	2,561	1,186	86.3%	15	FIN	312000	Interest - General Fund	11,134	12,375	16,809	4,434	35.8%	
211	198	305	106	53.7%	15	FIN	313000	Interest - Deposit Fund	1,634	1,783	2,353	570	31.9%	
0	0	0	0	0.0%	15	FIN	313100	Interest - CalPERS CERBT ¹	0	0	0	0	0.0%	
0	0	0	0	0.0%	15	FIN	313200	Interest - Bonds ²	0	0	0	0	0.0%	
1,698	1,573	2,866	1,293	82.2%				Subtotal	15,095	16,563	21,901	5,338	32.2%	
Parking:														
62,827	56,667	66,053	9,387	16.6%	39	FAC	330100	Parking	533,006	521,231	520,559	(672)	-0.1%	
62,827	56,667	66,053	9,387	16.6%				Subtotal	533,006	521,231	520,559	(672)	-0.1%	
Library Services:														
33	25	0	(25)	-100.0%	27	CIRC	330150	Annual Borrowing Fee	1,788	2,175	3,331	1,156	53.2%	Timing variance.
9,180	9,167	7,083	(2,084)	-22.7%	25	P&P	330140	Annual Members Fee	91,718	82,503	79,782	(2,721)	-3.3%	
1,677	2,718	640	(2,078)	-76.5%	23	R&R	330340	Course Registration	21,470	24,462	10,055	(14,407)	-58.9%	Timing variance. \$8K Business Seriers sponsorship check expected May 2017.
4,385	4,416	3,782	(634)	-14.4%	27	CIRC	330129	Copy Center	44,259	39,452	38,557	(895)	-2.3%	Timing variance.
1,925	2,000	1,159	(841)	-42.0%	27	CIRC	330205	Document Delivery	20,607	18,000	13,372	(4,628)	-25.7%	Timing variance.
3,028	3,875	3,628	(247)	-6.4%	27	CIRC	330210	Fines	31,685	34,875	36,299	1,424	4.1%	
16,764	8,166	28,750	20,584	252.1%	15	FIN	330310	Miscellaneous	26,812	49,499	58,082	8,583	17.3%	Timing variance. Google project reimbursement expected Mar 2017.
6,127	3,800	1,389	(2,411)	-63.5%	39	FAC	330330	Room Rental	45,665	34,200	55,683	21,483	62.8%	Better than expected as a result of increased large event room rentals
180	350	685	335	95.7%	27	CIRC	330350	Book Replacement	1,610	3,150	3,462	312	9.9%	
0	0	0	0	0.0%	15	FIN	330360	Forfeited Deposits	13,206	7,500	260	(7,240)	-96.5%	
5,000	0	0	0	0.0%	17	EXEC	330400	Friends of Law Library	120,000	120,000	155,000	35,000	29.2%	Generous contribution from Friends.
0	0	0	0	0.0%	25	P&P	330420	Grants	0	0	0	0	0.0%	
67	100	0	(100)	-100.0%	39	FAC	330450	Vending	771	900	583	(317)	-35.3%	
0	0	0	0	0.0%	37	COM	330465	Special Events Income	6,392	10,000	12,352	2,352	23.5%	
48,366	34,617	47,116	12,499	36.1%				Subtotal	425,983	426,716	466,819	40,103	9.4%	
628,299	622,386	634,212	11,826	1.9%				Total Income	5,875,809	5,921,005	6,081,147	160,143	2.7%	
Expenses:														
Staff:														
181,787	320,805	233,067	87,738	27.3%	ALL	501000	Salaries (benefits eligible)	1,667,136	1,914,475	1,680,726	233,750	12.2%	Favorable variance due to vacancies.	
0	(5,504)	0	(5,504)	100.0%	15	FIN	501025	Staff Vacancy Offset (Ben. Eligible)	0	(37,378)	0	(37,378)	100.0%	
17,288	37,067	29,880	7,186	19.4%	ALL	501050	Salaries (benefits ineligible)	167,196	211,314	184,874	26,440	12.5%	Favorable variance due to vacancies.	
0	(626)	0	(626)	100.0%	15	FIN	501075	Staff Vacancy Offset (Ben. Ineligible)	0	(4,111)	0	(4,111)	100.0%	
11,788	18,623	15,322	3,301	17.7%	15	FIN	502000	Social Security	105,287	126,042	105,568	20,473	16.2%	Favorable variance due to vacancies.
2,757	4,355	3,583	772	17.7%	15	FIN	503000	Medicare	25,735	29,477	26,053	3,424	11.6%	Favorable variance due to vacancies.
20,233	30,330	25,866	4,464	14.7%	15	FIN	511000	Retirement	203,494	252,979	235,247	17,732	7.0%	
0	0	0	0	0.0%	15	FIN	511050	Pension Exp (Actuarial)	0	0	0	0	0.0%	
0	0	0	0	0.0%	15	FIN	511100	Pension Exp (Acctg)	0	0	0	0	0.0%	
43,325	46,830	37,704	9,127	19.5%	15	FIN	512000	Health Insurance	358,984	402,123	367,110	35,013	8.7%	Favorable variance due to vacancies.
416	374	356	18	4.8%	15	FIN	513000	Disability Insurance	3,703	3,430	3,594	(163)	-4.8%	
5,356	5,482	4,516	965	17.6%	15	FIN	514000	Dental Insurance	46,061	48,893	42,430	6,463	13.2%	Favorable variance due to vacancies.
605	673	386	287	42.7%	15	FIN	514500	Vision Insurance	5,272	5,997	4,285	1,713	28.6%	Favorable variance due to vacancies.
115	128	(66)	194	151.4%	15	FIN	515000	Life Insurance	850	1,158	527	631	54.5%	
0	0	0	0	0.0%	15	FIN	515500	Vacancy Benefits Offset	0	0	0	0	0.0%	
6,059	16,003	(1,177)	17,180	107.4%	15	FIN	516000	Workers Compensation Insurance	80,718	66,928	53,381	13,546	20.2%	
0	0	0	0	0.0%	15	FIN	517000	Unemployment Insurance	(96)	0	5,061	(5,061)	0.0%	
0	17	1,260	(1,243)	-7460.0%	25	P&P	514010	Temporary Employment	1,916	3,150	1,260	1,890	60.0%	Timing variance.
0	42	0	42	100.0%	13	HR	514015	Recruitment	479	375	1,917	(1,542)	-411.2%	
0	0	0	0	0.0%	15	FIN	517500	Accrued Sick Expense	0	0	0	0	0.0%	
0	0	0	0	0.0%	15	FIN	518000	Accrued Vacation Expense	0	0	0	0	0.0%	
17,161	9,024	9,024	0	0.0%	15	FIN	518500	OPEB Expense	154,448	81,217	81,216	1	0.0%	

Los Angeles County Law Library
Income Statement for the Period Ending March 31, 2017
(Provisional and subject to year-end audit adjustments)

Mar 16	Mar 2017				FY 2015-16	FY 2016-17 YTD				Comments				
	Actual	Budget	Actual	\$ Fav (Unf)		% Fav (Unf)	YTD Actual	Budget	Actual		\$ Fav (Unf)	% Fav (Unf)		
734	1,250	1,439	(189)	-15.1%	15	FIN	518550	TMP	6,916	11,250	8,793	2,457	21.8%	
1,273	1,250	1,270	(20)	-1.6%	15	FIN	518560	Payroll and Benefit Administration	10,506	11,250	10,278	972	8.6%	
308,897	486,122	362,431	123,691	25.4%				Total - Staff	2,838,605	3,128,571	2,812,320	316,251	10.1%	
Library Materials/Electronic Resources Subscription:														
172,048	125,830	166,495	(40,665)	-32.3%	23	R&R	601999	American Continuations	1,110,404	1,132,474	1,084,601	47,873	4.2%	Timing variance.
1,821	1,365	80	1,286	94.2%	23	R&R	602999	American New Orders	12,059	12,287	10,254	2,033	16.5%	
3,588	4,305	2,645	1,661	38.6%	23	R&R	609199	Branch Continuations	35,502	38,747	30,537	8,210	21.2%	Timing variance.
0	50	0	50	100.0%	23	R&R	609299	Branch New Orders	0	450	161	289	64.2%	
1,238	9,342	4,187	5,156	55.2%	23	R&R	603999	Commonwealth Continuations	97,955	84,081	93,246	(9,166)	-10.9%	
0	130	0	130	100.0%	23	R&R	604999	Commonwealth New Orders	0	1,170	0	1,170	100.0%	
20,665	11,456	14,124	(2,668)	-23.3%	23	R&R	605999	Foreign Continuations	122,301	103,102	85,155	17,947	17.4%	Used to fund continuations in other categories.
105	100	0	100	100.0%	23	R&R	606999	Foreign New Orders	503	900	1,019	(119)	-13.2%	
8,207	7,269	10,094	(2,824)	-38.9%	23	R&R	607999	International Continuations	75,257	65,425	80,753	(15,328)	-23.4%	
75	333	0	333	100.0%	23	R&R	608999	International New Orders	75	3,000	166	2,834	94.5%	
1,496	1,408	1,885	(477)	-33.9%	23	R&R	609399	General/Librarianship Continuations	14,518	12,673	15,801	(3,128)	-24.7%	
132	100	0	100	100.0%	23	R&R	609499	General/Librarianship New Orders	181	900	72	828	92.0%	
209,374	161,690	199,509	(37,820)	-23.4%				Subtotal	1,468,755	1,455,209	1,401,765	53,444	3.7%	
(209,374)	(161,690)	(199,509)	37,820	-23.4%	15	FIN	690000	Library Materials Transferred to Assets	(1,468,755)	(1,455,209)	(1,401,765)	(53,444)	3.7%	
62,702	57,616	88,602	(30,986)	-53.8%	15	FIN	685000	Electronic Resource Subscriptions (ERS)	457,315	518,540	498,122	20,417	3.9%	Timing variance.
Facilities:														
1,480	3,750	275	3,475	92.7%	39	FAC	801005	Repair & Maintenance	29,489	33,750	6,900	26,850	79.6%	Minimal repairs or maintenance work needed.
1,621	1,000	427	573	57.3%	39	FAC	801010	Building Services	7,286	9,000	7,718	1,282	14.2%	Timing variance.
1,404	1,083	1,876	(793)	-73.3%	39	FAC	801015	Cleaning Supplies	7,094	9,747	9,848	(101)	-1.0%	Timing variance.
9,186	10,356	9,012	1,344	13.0%	39	FAC	801020	Electricity & Water	88,816	93,204	88,020	5,184	5.6%	Timing variance.
1,932	1,051	966	85	8.1%	39	FAC	801025	Elevator Maintenance	8,694	3,153	10,340	(7,187)	-227.9%	Delay in elevator repair & upgrade capital project.
2,650	2,602	1,834	768	29.5%	39	FAC	801030	Heating & Cooling	23,880	23,418	28,146	(4,728)	-20.2%	Increased usage due to summer weather.
24,428	21,600	21,763	(163)	-0.8%	15	FIN	801035	Insurance	219,851	194,400	196,274	(1,874)	-1.0%	
8,674	9,018	8,674	344	3.8%	39	FAC	801040	Janitorial Services	78,068	79,584	78,168	1,416	1.8%	
0	1,500	1,250	250	16.7%	39	FAC	801045	Landscaping	7,350	13,500	11,250	2,250	16.7%	Timing variance.
14,636	15,416	15,408	8	0.1%	39	FAC	801050	Security	140,027	138,744	144,443	(5,699)	-4.1%	
684	1,750	6,576	(4,826)	-275.7%	39	FAC	801060	Room Rental Expenses	27,169	15,750	28,639	(12,889)	-81.8%	Includes \$4K portable stage for ongoing room rental activities.
1,977	0	0	0	0.0%	37	COM	801065	Special Events Expenses	8,147	15,000	12,463	2,537	16.9%	Offset by SE Income.
300	200	0	200	100.0%	39	FAC	801100	Furniture & Appliances (<3K)	300	1,800	0	1,800	100.0%	Timing variance.
0	400	176	224	56.1%	39	FAC	801110	Equipment (<3K)	1,426	3,600	494	3,106	86.3%	Timing variance.
0	100	0	100	100.0%	39	FAC	801115	Building Alterations (<3K)	0	900	0	900	100.0%	Timing variance.
339	537	27	510	95.0%	35	CMS	801120	Delivery & Postage	5,006	5,033	2,127	2,906	57.7%	Low volume of shipping activities YTD.
0	208	0	208	100.0%	39	FAC	801125	Kitchen supplies	1,438	1,872	1,160	712	38.0%	
69,311	70,571	68,265	2,306	3.3%				Subtotal	654,041	642,455	625,990	16,465	2.6%	
Technology:														
1,475	1,740	4,814	(3,074)	-176.7%	33	TECH	801210	Software Maintenance	14,029	15,660	18,509	(2,849)	-18.2%	Timing variance.
1,183	1,491	1,332	159	10.7%	33	TECH	801212	Hardware Maintenance	10,510	13,419	11,863	1,556	11.6%	
65	1,200	0	1,200	100.0%	33	TECH	801215	Software (<\$3k)	517	10,800	2,721	8,079	74.8%	Timing variance.
518	400	0	400	100.0%	33	TECH	801220	Hardware (<\$3k)	3,773	8,600	0	8,600	100.0%	Timing variance.
0	80	0	80	100.0%	33	TECH	801225	Computer Supplies	344	720	905	(185)	-25.7%	Includes unbudgeted, one time purchase of laptop locks totaling \$731.
4,039	4,039	4,220	(181)	-4.5%	33	TECH	801230	Integrated Library System	35,327	36,351	36,916	(565)	-1.6%	
1,207	3,500	2,387	1,113	31.8%	33	TECH	801235	Telecommunications	24,447	31,500	26,526	4,974	15.8%	
0	0	0	0	0.0%	33	TECH	801245	Tech & Data - Misc	0	0	65	(65)	0.0%	
0	0	0	0	0.0%	33	TECH	801250	Services	618	0	753	(753)	0.0%	
8,487	12,450	12,753	(303)	-2.4%				Subtotal	89,566	117,050	98,259	18,791	16.1%	
General:														
535	700	516	184	26.2%	15	FIN	801310	Bank Charges	4,673	6,300	4,996	1,304	20.7%	
678	785	785	(0)	0.0%	35	CMS	801315	Bibliographical Services	7,087	7,065	7,066	(1)	0.0%	
0	0	0	0	0.0%	35	CMS	801320	Binding	0	0	0	0	0.0%	
75	90	66	24	26.2%	17	EXEC	801325	Board Expense	453	810	568	242	29.8%	
(52)	161	0	161	100.0%	37	COM	801330	Staff meals & events	1,176	2,023	1,898	125	6.2%	

Los Angeles County Law Library
Income Statement for the Period Ending March 31, 2017
(Provisional and subject to year-end audit adjustments)

Mar 16	Mar 2017				FY 2015-16	FY 2016-17 YTD				Comments					
	Actual	Budget	Actual	\$ Fav (Unf)		% Fav (Unf)	YTD Actual	Budget	Actual		\$ Fav (Unf)	% Fav (Unf)			
247	1,000	1,771	(771)	-77.1%	15	FIN	801335	Supplies - Office	8,347	9,000	9,595	(595)	-6.6%		
0	1,500	(0)	1,500	100.0%	35	CMS	801337	Supplies - Library materials	4,644	5,425	5,445	(20)	-0.4%		
0	0	0	0	0.0%	37	COM	801340	Stationery, business cards, etc.	0	1,000	919	81	8.1%	Timing variance.	
0	0	0	0	0.0%	25	P&P	801365	Grant Application Expenses	0	0	0	0	0.0%		
1,416	1,500	943	557	37.1%	27	CIRC	801370	Copy Center Expense	17,618	18,000	13,524	4,476	24.9%		
0	42	0	42	100.0%	15	FIN	801375	General - Misc	963	375	3,513	(3,138)	-836.8%	Includes \$3.5K payment to PCI for prior fiscal year discounted parking.	
9	67	0	67	100.0%	23	R&R	801390	Course Registration	564	650	547	103	15.9%		
174	0	0	0	0.0%	17	EXEC	801395	Friends of Law Library	237	100	127	(27)	-26.8%		
3,081	5,844	4,082	1,763	30.2%				Subtotal	45,761	50,748	48,198	2,550	5.0%		
								Professional Development:							
219	500	196	304	60.8%	ALL	803105	Travel	1,772	7,300	4,265	3,035	41.6%	Timing variance.		
0	0	0	0	0.0%	ALL	803110	Meals	0	0	0	0	0.0%			
0	0	0	0	0.0%	ALL	803113	Incidental and miscellaneous	0	0	0	0	0.0%			
237	0	0	0	0.0%	ALL	803115	Membership dues	8,979	6,160	6,180	(20)	-0.3%			
0	533	(75)	608	114.1%	ALL	803120	Registration fees	1,678	5,070	3,902	1,168	23.0%			
0	0	0	0	0.0%	ALL	803125	Educational materials	0	0	0	0	0.0%			
455	1,033	121	912	88.3%				Subtotal	12,428	18,530	14,347	4,183	22.6%		
0	0	0	0	0.0%				Communications & Marketing:							
0	0	0	0	0.0%	37	COM	803205	Services	0	1,800	0	1,800	100.0%	Timing variance.	
1,054	0	0	0	0.0%	37	COM	803210	Collateral materials	1,550	2,830	317	2,513	88.8%	Timing variance.	
0	0	0	0	0.0%	37	COM	803215	Advertising	4,184	2,600	500	2,100	80.8%	Timing variance.	
1,054	0	0	0	0.0%	37	COM	803220	Trade shows & Outreach	25	300	0	300	100.0%	Timing variance.	
								Subtotal	5,758	7,530	817	6,713	89.2%		
0	0	0	0	0.0%				Travel & Entertainment							
0	0	149	(149)	0.0%	ALL	803305	Travel	0	0	583	(583)	0.0%			
0	0	0	0	0.0%	ALL	803310	Meals	0	0	149	(149)	0.0%			
98	271	149	122	45.0%	ALL	803315	Entertainment	0	0	0	0	0.0%			
0	0	0	0	0.0%	ALL	803320	Ground transportation & mileage reimb.	1,733	2,336	1,466	870	37.3%			
98	271	298	(27)	-10.1%	ALL	803325	Incidental travel expenses	0	0	0	0	0.0%			
								Subtotal	1,733	2,336	2,197	139	5.9%		
0	0	0	0	0.0%				Professional Services							
3,130	3,000	5,624	(2,624)	-87.5%	15	FIN	804005	Accounting	20,330	16,763	18,078	(1,315)	-7.8%		
0	0	0	0	0.0%	17	EXEC	804008	Consulting Services	29,270	29,000	24,898	4,102	14.1%		
0	0	0	0	0.0%	17	EXEC	804010	Legal	0	0	0	0	0.0%		
3,130	3,000	5,624	(2,624)	-87.5%	15	FIN	804015	Other	0	0	0	0	0.0%		
								Subtotal	49,600	45,763	42,976	2,787	6.1%		
222,518	201,617	201,404	213	0.1%				Depreciation:							
27,922	40,445	25,223	15,222	37.6%	15	FIN	806105	Depreciation - Library Materials	1,955,392	1,912,448	1,906,277	6,171	0.3%		
250,440	242,062	226,627	15,435	6.4%	15	FIN	806110	Depreciation Exp - FF&E	252,806	313,422	227,958	85,464	27.3%	Delay in capital projects.	
707,654	878,969	768,802	110,167	12.5%				Subtotal	2,208,199	2,225,870	2,134,235	91,635	4.1%		
(79,356)	(256,582)	(134,590)	121,993	-47.5%				Total Expense	6,363,007	6,757,392	6,277,460	479,932	7.1%		
								Net Income Before Extraordinary Items	(487,198)	(836,387)	(196,313)	640,075	-76.5%		
8,387	2,917	1,931	(986)	-33.8%	15	FIN	321000	Investment Gain (Loss) ²	48,347	26,250	(74,203)	(100,453)	-382.7%	Fluctuating market conditions.	
0	0	0	0	0.0%	17	EXEC	401000	Extraordinary Income	0	55,000	55,000	0	0.0%		
0	0	0	0	0.0%	17	EXEC	901000	Extraordinary Expense	0	0	0	0	0.0%		
(70,969)	(253,666)	(132,659)	121,007	-47.7%				Net Income Including Extraordinary Items	(438,851)	(755,137)	(215,516)	539,622	-71.5%		

Los Angeles County Law Library
Income Statement for the Period Ending March 31, 2017
(Provisional and subject to year-end audit adjustments)

Mar 16 Actual	Mar 2017				FY 2015-16 YTD Actual	FY 2016-17 YTD				Comments		
	Budget	Actual	\$ Fav (Unf)	% Fav (Unf)		Budget	Actual	\$ Fav (Unf)	% Fav (Unf)			
0	0	0	0	0.0%	39 FAC 161100	Furniture / Appliances (>3k)	3,924	30,000	0	30,000	100.0%	
0	0	0	0	0.0%	33 TECH 161300	Electronics / Computer Hardware (>3k)	0	157,000	6,480	150,520	95.9%	
0	35,000	0	35,000	100.0%	39 FAC 164500	Exterior Building Repairs/ Improvements (>3k)	0	445,000	0	445,000	100.0%	
0	100,000	0	100,000	100.0%	39 FAC 164000	Interior Improvements / Alterations (>3k)	0	535,000	0	535,000	100.0%	
0	0	0	0	0.0%	33 TECH 168000	Computer Software	11,430	395,000	0	395,000	100.0%	
0	135,000	0	(135,000)	-100.0%		Total - Capitalized Expenditures	15,354	1,562,000	6,480	1,555,520	99.6%	
CalPERS CERBT Trust Fund ¹ :												
Beginning Balance							2,113,314					
Administrative Expense							(88)				CalPERS CERBT program cost.	
Investment Expense							(64)				Investment management cost.	
Unrealized Gain/Loss							5,808				Fluctuating market conditions.	
Ending Balance							2,118,971					

¹ CalPERS CERBT income account removed effective FY 2016 as recommended by outside auditors. The account will be monitored and reported independently from the Library's operating budget.

² UBS interest/dividend income and gains/losses is consolidated into Investment Gain (Loss) effective FY 2016. It was also moved to "non-operating income" section of the budget as recommended by outside auditors.

Los Angeles County Law Library
Statement of Cash Flows
As of March 31, 2017
(Provisional and subject to year-end audit adjustments)

	3/31/2017	YTD
Cash flows from operating activities		
L.A. Superior court fees	518,177	5,071,869
Parking fees	66,053	520,559
Library services	47,116	366,819
(Increase) decrease in accounts receivable	709	57,840
Increase (decrease) in borrowers' deposit	821	(5,046)
Cash received from filing fees and services	632,876	6,012,040
Facilities	(68,265)	(625,990)
Technology	(12,753)	(98,259)
General	(4,082)	(48,198)
Professional development	(121)	(14,347)
Communications & marketing	-	(817)
Travel & entertainment	(298)	(2,197)
Professional services	(5,624)	(42,976)
Electronic Resource Subscriptions (ERS)	(88,602)	(498,122)
(Increase) decrease in prepaid expenses	26,552	(142,214)
Increase (decrease) in accounts payable	20,158	(104,877)
Increase (decrease) in other liabilities	-	(1,602)
Cash payments to suppliers for goods and services	(133,034)	(1,579,599)
Staff (payroll + benefits)	(362,431)	(2,812,320)
Increase (decrease) in payroll liabilities	1,107	(753)
Increase (decrease) in accrued sick and vacation liability	-	(52,457)
Increase (decrease) in OPEB liability	9,024	81,216
Net impact of GASB 68 adjustments	-	-
Net effect of prior period adjustments	-	-
Cash payments to employees for services	(352,299)	(2,784,314)
Contributions received	-	155,000
Net cash from operating activities	147,543	1,803,128
Cash flow from capital and related financing activities		
Library materials	(199,509)	(1,401,765)
Fixed assets	-	(6,480)
Capital - Work in Progress (WIP)	-	-
Cash flows from investing activities		
Investment	-	(500,000)
Investment earnings	2,866	21,901
Net cash increase (decrease) in cash and cash equivalents	(49,101)	(83,216)
Cash and cash equivalents, at beginning of period	3,835,628	3,869,743
Cash and cash equivalents, at end of period	3,786,527	3,786,527
Reconciliation of Operating Income to Net Cash from Operating Activities		
Operating income	(137,456)	(163,214)
Adjustments for noncash effects:		
Depreciation	226,627	2,134,235
Extraordinary expense: book write-off		
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	709	57,840
(Increase) decrease in prepaid expenses	26,552	(142,214)
Increase (decrease) in accounts payable	20,158	(104,877)
Increase (decrease) in other liabilities	-	(1,602)
Increase (decrease) in payroll liabilities	1,107	(753)
Increase (decrease) in accrued sick and vacation liability	-	(52,457)
Increase (decrease) in borrowers' deposit	821	(5,046)
Increase (decrease) in OPEB liability	9,024	81,216
Net impact of GASB 68 adjustments	-	-
Net cash from operating activities	147,543	1,803,128

LOS ANGELES COUNTY LAW LIBRARY
April 1, 2017 - April 30, 2017 (CHECKS)
Account No.: 102001

DATE	PAYEE	FOR	AMOUNT	CHECK NO.
April 3	STAPLES ADVANTAGE	SUPPLIES-OFFICE	72.88	V002151
April 5	CITY FARE	FRIENDS	1,392.38	V002152
April 7	STAMPS.COM	DELIVERY & POSTAG	300.00	V002153
April 11	AT&T MOBILITY	TELECOM	16.24	V002154
	BANDWIDTH.COM, INC.	TELECOM	273.40	V002155
	REPUBLIC SERVICES #902	BLDG SVCS	328.96	V002156
	ENVISIONWARE, INC.	SOFTWARE/HARDW	4,534.65	V002157
	EX LIBRIS (USA) INC.	ILS	12,387.92	V002158
	GLOBAL CAPACITY	TELECOM	378.50	V002159
	GLOBAL CAPACITY	TELECOM	71.47	V002160
	KONICA MINOLTA BUSINESS	COPY CENTER EXPE	502.19	V002161
	OCLC INC	BIBLIOGRAPHICAL S	700.96	V002162
	OFFICE DEPOT	SUPPLIES-OFFICE	2,494.46	V002163
	SECURITAS SECURITY ** VOIDED *****	SECURITY	0.00	V002164
	SPRINGSHARE LLC	SOFTWARE MAINTEN	3,287.00	V002165
	STAMPS.COM	DELIVERY & POSTAG	24.99	V002166
	STATE COMPENSATION INSURANCE FUND	WORKERS COMP	2,679.67	V002167
	SPECTRUM	TELECOM	1,200.00	V002168
April 12	BRIGHTVIEW	LANDSCAPING	1,250.00	V002169
	REPUBLIC SERVICES #902 ** VOIDED *****	BLDG SVCS	0.00	V002170
	PAN AMERICAN PEST CONTROL CO	BLDG SVCS	98.00	V002171
	STATE COMPENSATION INSURANCE FUND	WORKERS COMP	2,898.35	V002172
	WOLTERS KLUWER LAW & BUSINESS	BOOKS	468.72	V002173
	MATTHEW BENDER LEXISNEXIS MATTHEW B	BOOKS	47.51	V002174
	CCH INCORPORATED	BOOKS	122.24	V002175
	CONTINUING EDUCATION OF THE BAR CAL	BOOKS	1,398.72	V002176
	DAILY JOURNAL CORPORATION	BOOKS	410.00	V002177
	JURIS PUBLISHING INC	BOOKS	326.32	V002178
	LAW JOURNAL PRESS	BOOKS	2,225.69	V002179
	LEXISNEXIS ONLINE SERVICES	BOOKS	14,420.00	V002180
	NOLO PRESS OCCIDENTAL	BOOKS	161.19	V002181
	WEST ACADEMIC	BOOKS	47.85	V002182
	WILLIAM S HEIN & CO	BOOKS	1,028.15	V002183
	YBP LIBRARY SERVICES	BOOKS	574.52	V002184
April 14	WOLTERS KLUWER LAW & BUSINESS	BOOKS	440.44	V002185
	MATTHEW BENDER LEXISNEXIS MATTHEW B	BOOKS	39.74	V002186
	CONTINUING EDUCATION OF THE BAR CAL	BOOKS	822.99	V002187
	PROQUEST LLC COUTTS INFORMATION SER	BOOKS	156.11	V002188
	JAMES PUBLISHING INC	BOOKS	562.00	V002189

58,532.78

LOS ANGELES COUNTY LAW LIBRARY
April 1, 2017 - April 30, 2017 (CHECKS)
Account No.: 102001

DATE	PAYEE	FOR	AMOUNT	CHECK NO.	
April 18	PRACTISING LAW INSTITUTE	BOOKS	388.57	V002190	
	UNITED NATIONS PUBLICATIONS	BOOKS	214.18	V002191	
	VERDICTSEARCH	BOOKS	424.01	V002192	
	WEST ACADEMIC	BOOKS	95.70	V002193	
	THOMSON REUTERS	BOOKS	12,084.00	V002194	
	JOHN WILEY & SONS INC	BOOKS	199.84	V002195	
	KONICA MINOLTA BUSINESS	COPY CENTER EXPE	768.57	V002196	
	PRINT MANAGER	SOFTWARE	360.00	V002197	
	SECURITAS SECURITY	SECURITY	6,012.18	V002198	
	STAMPS.COM	DELIVERY & POSTAG	300.00	V002199	
	SUPPLYWORKS	CLEANING SUPPLIES	1,876.44	V002200	
	UPS	DELIVERY & POSTAG	13.36	V002201	
	SECURITAS SECURITY	SECURITY	11,459.60	V002202	
	INFINISOURCE INC	PAYROLL/HR BENEFI	75.00	V002203	
April 19	OFFICE DEPOT	SUPPLIES-OFFICE	79.44	V002204	
	CHERRY PICK CAFE	ROOM RENTAL	318.00	V002230	
	OFFICESUPPLY.COM	SUPPLIES-OFFICE	141.57	V002205	
April 21	AT&T MOBILITY	TELECOM	16.24	V002206	
	CANON SOLUTIONS AMERICA, INC.	HARDWARE MAINT	5,653.81	V002207	
	CABLE AND CONNECTIVITY SOLUTIONS	HARDWARE MAINT	1,775.00	V002208	
	CDW GOVERNMENT INC	HARDWARE <3	130.50	V002209	
	GRAFFITI CONTROL SYSTEMS ** VOIDED *****	REPAIR MAINT	0.00	V002210	
	J P COOKE COMPANY	SUPPLIES-OFFICE	126.92	V002211	
	KONICA MINOLTA BUSINESS	COPY CENTER EXPE	26.62	V002212	
	PROJECTOR LAMPS LLC	HARDWARE <3	87.21	V002213	
	UPS	DELIVERY & POSTAG	13.77	V002214	
	MATTHEW BENDER LEXISNEXIS MATTHEW B	BOOKS	32,959.31	V002231	
	LA CAFE	ROOM RENTAL	29.89	V002232	
	April 24	CDW GOVERNMENT INC	HARDWARE <3	195.90	V002233
	April 25	WOLTERS KLUWER LAW & BUSINESS	BOOKS	862.00	V002215
		MATTHEW BENDER LEXISNEXIS MATTHEW B	BOOKS	130.48	V002216
BUREAU OF NATIONAL AFFAIRS INC		BOOKS	40,972.33	V002217	
CONTINUING EDUCATION OF THE BAR CAL		BOOKS	1,302.83	V002218	
PROQUEST LLC COUTTS INFORMATION SER		BOOKS	110.28	V002219	
KANSAS JUDICIAL COUNCIL		BOOKS	85.00	V002220	
LAWPRESS CORPORATION		BOOKS	307.69	V002221	
INSTITUTE OF CONTINUING LEGAL EDUCA		BOOKS	134.50	V002222	
MUNICIPAL CODE CORPORATION		BOOKS	148.16	V002223	
OCONNORS		BOOKS	213.00	V002224	
CITY OF THOUSAND OAKS		BOOKS	51.20	V002225	

178,628.38

LOS ANGELES COUNTY LAW LIBRARY
April 1, 2017 - April 30, 2017 (CHECKS)
Account No.: 102001

DATE	PAYEE	FOR	AMOUNT	CHECK NO.
	UNITED NATIONS PUBLICATIONS	BOOKS	341.07	V002226
	WEST ACADEMIC	BOOKS	47.85	V002227
	JOHN WILEY & SONS INC	BOOKS	358.33	V002228
	YBP LIBRARY SERVICES	BOOKS	344.36	V002229
	LA CAFE	BOARD EXPENSE	33.15	V002234
April 26	ALTA FOODCRAFT ** VOIDED *****	KITCHEN SUPPLIES	0.00	V002235
	LA CAFE	BOARD EXPENSE	88.67	V002257
April 27	ALTA FOODCRAFT	KITCHEN SUPPLIES	188.09	V002236
	CHERRY PICK CAFE	FRIENDS	19.62	V002258
	LA CAFE	FRIENDS	61.13	V002259

179,769.58

LOS ANGELES COUNTY LAW LIBRARY
April 1, 2017 - April 30, 2017 (CHECKS)
Account No.: 102003

DATE	PAYEE	FOR	AMOUNT	CHECK NO.
April 11	L A DEPT WATER & POWER	ELECTRIC/FIRE	17,373.23	V000096

17,373.23

LOS ANGELES COUNTY LAW LIBRARY
April 1, 2017 - April 30, 2017 (CHECKS)
Account No.: 108000

DATE	PAYEE	FOR	AMOUNT	CHECK NO.
April 11	AT&T	TELECOM	813.84	029809
	CALIBER ELEVATOR	ELEVATOR MAINT	966.00	029810
	MANAGE EASE INCORPORATED	CONSULTING	1,405.95	029811
	MALINDA MULLER	REGISTRATION	25.00	029812
	PARKING CONCEPTS INC	COURSE REGISTRAT	304.00	029813
	ELIZABETH WARNER	MILEAGE	63.67	029814
April 12	LEXISNEXIS CANADA BUTTERWORTHS CANA	BOOKS	162.59	029815
	LOCAL GOVERNMENT PUBLICATIONS	BOOKS	129.49	029816
	MARY MARTIN BOOKSELLERS	BOOKS	1,650.00	029817
	SASKATCHEWAN QUEENS PRINTER	BOOKS	160.72	029818
	COUNTY OF LOS ANGELES	HEATING/COOLING	1,834.02	029819
	ROMERO MAINTENANCE LLC	JANITORIAL SVCS	8,974.17	029820
April 14	LAXMAN MOTIYANI	REFUND	140.00	029821
	GAYLE PALITZ	REFUND	140.00	029822
	KENNETH ALAN THOMAS	REFUND	140.00	029823
	CHIU TSUI	REFUND	140.00	029824
	LEXISNEXIS CANADA BUTTERWORTHS CANA	BOOKS	118.03	029825
	SECURITAS SECURITY ** VOIDED *****	SECURITY	0.00	029826
April 18	STATE BOARD OF EQUALIZATION	USE TAX	4,259.00	029827
	ESTHER EASTMAN	MILEAGE	17.98	029828
	GUARDIAN	PREPAID EXP	6,982.68	029829
	PACER SERVICE CENTER	DOC DEL	66.10	029830
	SUNSERI'S	ROOM RENTAL	297.50	029831
April 21	EMPOWER SOFTWARE SOLUTIONS	SOFTWARE MAINT	2,117.22	029832
	PARKING CONCEPTS INC	COURSE REGISTRAT	296.00	029833
	TORTUGA BAY	ROOM RENTAL	1,721.25	029834
April 25	OTTO HARRASSOWITZ	BOOKS	2,646.42	029835
April 26	COUNTY OF LOS ANGELES	BANK CHARGES	84.32	029836
	GRAFFITI CONTROL SYSTEMS	REPAIR MAINT	150.00	029837
	MANAGE EASE INCORPORATED	CONSULTING	1,405.95	029838
	METROLINK ** VOIDED *****	TMP	0.00	029839
	METROLINK	TMP	2,212.00	029840
April 28	GEORGE ELONGE AKWO	REFUND	125.00	029841
	BERKES CRANE ROBINSON & SEAL	REFUND	400.00	029842
	JEFFERY DURHAM HOLMES	REFUND	140.00	029843
	DEBORAH PERLMAN	REFUND	125.00	029844
	GUADALUPE ROSAS	REFUND	125.00	029845

40,478.90

LOS ANGELES COUNTY LAW LIBRARY
April 1, 2017 - April 30, 2017 (CHECKS)
Account No.: 108000

DATE	PAYEE	FOR	AMOUNT	CHECK NO.
	JOHN CHRISTIANA	REFUND	140.00	029846
	JEFFREY R DOHODA	REFUND	128.00	029847
	MELODY RODGERS	REFUND	70.00	029848

40,676.90

LOS ANGELES COUNTY LAW LIBRARY
April 1, 2017 - April 30, 2017 (CHECKS)
Account No.: 103000

DATE	PAYEE	FOR	AMOUNT	CHECK NO.
April 19	SEIU LOCAL 721	UNION DUES	1,341.21	001585
	SEIU LOCAL 721	UNION DENTAL	40.44	001586

1,381.65

LOS ANGELES COUNTY LAW LIBRARY
April 1, 2017 - April 30, 2017 (WARRANTS)
Account No.: 102000

DATE	PAYEE	FOR	AMOUNT	CHECK NO.
April 24	CALPERS	PREPAID EXP	49,286.55	TS00248967

49,286.55

AGENDA ITEM 4

CLOSED SESSION

- 4.1 Conference with Labor Negotiator (G.C. 54957.6). *Library Negotiator:* Executive Director, Sandra J. Levin; *Employee Organization:* SEIU Local 721.

AGENDA ITEM 5

DISCUSSION ITEMS

- 5.1 Discussion and Approval of 2017-2018 Property and Liability Insurance Renewal
- 5.2 Review of Operating Budget FY 17-18, Including Approval of Position Adjustments and Prepayment of CalPERS Unfunded Liability
- 5.3 Platinum Level Membership Pilot Project
- 5.4 Law Week After-Report
- 5.5 Staff Presentation: Displays and Exhibits

MEMORANDUM

DATE: May 24, 2017

TO: Board of Law Library Trustees

FROM: Sandra Levin, Executive Director
Marcelino Juarez, Finance Manager

RE: Discussion and Approval of 2017-2018 Property & Liability Insurance Renewal

SUMMARY

Keenan & Associates is the Library’s insurance broker for its property & liability insurance program. Our policies are subject to annual renewal and are scheduled to renew on July 1, 2017. This coverage is currently provided through 7 different carriers and it includes: 1) Package Program, 2) Excess Liability, 3) Difference In Conditions (DIC), and 4) Cyber Liability.

Accordingly, at the Law Library’s request, Keenan solicited competitive bids for renewal on all lines of coverages. The result is an overall flat renewal with the increase in the Package Program offset by a reduced re-negotiated broker fee.

DISCUSSION

A “2017-18 Renewal Comparison Table” listing the costs of the various coverage options is attached.

PACKAGE PROGRAM & EXCESS LIABILITY (ADDITIONAL)

The Library’s package program includes coverage for Property, Equipment Breakdown, General Liability, Employee Benefits, Public Officials, Employment Practices, Automobile and Excess Liability.

Costs and coverage remain relatively steady for the Program Package. From 2012 to 7/1/2017, the cost of this program decreased from \$95.8K to \$65.5K. For the 7/1/2017-18 renewal quote, the cost is \$74.9K, a 14% increase over the expiring premium. The rate increase is primarily due to long term tail liabilities facing public agencies as well as fewer carriers wanting to underwrite public agencies in California. Our brokers have reached out to another carrier, Philadelphia Insurance Company, for another competitive quote, however, those results are not yet available as of this report.



To ensure the Library and staff are adequately covered from third party liability losses; the Library has also secured additional excess liability coverage. This layer of coverage provides an additional \$5M limit to the existing \$10M underlying limit included in the package program. From 2012 to 7/1/2017 the cost of this line of coverage decreased from \$11.2K to \$7.5K. For the 7/1/2017-18 renewal quote, there is a slight 1.7% cost decrease over the expiring premium.

DIFFERENCE IN CONDITIONS (DIC)

The DIC program provides coverage to the main Library building from excess physical damage resulting from an earthquake or flood. Costs will decrease significantly this year, and there is a decision to be made regarding coverage terms.

From 2011 to 7/1/2017, the cost of this program decreased from \$250K to \$153.9K.. For the 7/1/2017-18 renewal, the Board is asked to consider the following renewal options:

Option	Carriers	Limit	Deductible	Premium
1 (Incumbent)	Westchester/Lloyds of London/ICW/HSIC	Layered up to \$55.6M	10% of TIV subject to \$50K for EQ	\$153,920
2	/ /QBE/General Security/ Lloyds of London	Layered up to \$55.6M	10% of TIV subject to \$50K for EQ	\$156,569
3	Indication only- syndicate carriers yet to be determined	Layered up to \$30M	5% of TIV subject to \$50K for EQ	\$158,018

Choice of Deductible: This year, the lower deductible option (option 3) is being offered at a very competitive price, Staff and broker recommends the Board renew to seriously consider this option. However, either deductible is a fiscally responsible choice. As discussed at a prior Board meeting, in the event of a catastrophic loss the Law Library would be forced to make substantial changes to operations and the collection, regardless of whether the deductible is 5% or 10%.

Choice of Limits: Option 1 and 2 is layered up to the full total insurable value of \$55.6M. Option 3 is layered only up to \$30M. However, this limit is fully supported by the Library’s earthquake risk analysis (see attached) which projects the probability of losses in the U.S. Based on its findings; a \$30M limit is suitable for the Library.

Choice of Carrier: Options 2 and 3 are offered by different primary carriers than current year. Frequent changes of carrier can impact marketability for subsequent renewal



cycles, however, staff and brokers don't see this as an issue for the Library as we have been with the same carrier for a number of years and have had stable relationships with our carriers as well as our broker.

CYBER LIABILITY

Cyber liability provides coverage for technology based liabilities resulting from third-party security breaches, hacking, cyber extortion, and cyber business interruption. It also provides protection for privacy and multimedia claims. The cost of this coverage remains flat. From 2013 to 7/1/2017, the cost of this program decreased from \$6,704 to \$6,594. For the 7/1/2017-18 renewal quote, there is 9.5% cost decrease over the expiring premium.

OPTIONS

- A. Authorize Keenan to bind coverage effective July 1, 2017 with a 10%/100K DIC deductible, with a layered limit up to \$30M, for a total premium not to exceed \$265,000 (Option 3 in the attached comparison chart).
- B. Authorize Keenan to bind coverage effective July 1, 2016 with a different option from the attached comparison chart at the total premium specified there.
- C. Request that Keenan pursue obtaining quotes on different terms or from different carriers and continue this item until the June 2016 meeting.

RECOMMENDATION

Staff recommends that the Board authorize Keenan to bind coverage effective July 1, 2017 with a 5%/100K DIC deductible, layered limit up to \$30M, for a total premium not to exceed \$265,000 (Option A above; Option 3 from the attached chart).

Attached

- 1. 2017-18 P&L Insurance Renewal Comparison Table
- 2. Keenan's 2017-18 Insurance Renewal Proposal (Full Details)
- 3. LACLL's Earthquake Risk Analysis



LA LAW LIBRARY

2017-18 P&L Insurance Renewal Comparison Table

DIC OPTIONS												
Option	Carriers	Limit	Deductible	DIC Premium	Package Premium	Excess Liability	Cyber Liability	Keenan's Fee	Total Premiums*	Expiring Premiums	Change (\$)	Change (%)
1 (Incumbent)	Westchester/Lloyds of London/ICW/HSIC	Layered up to \$55.6M	10% of TIV subject to \$50K for EQ	\$153,920	\$74,995	\$7,365	\$5,969	\$18,044	\$260,293	\$259,172	(\$1,121)	-0.4%
2	QBE/General Security/ Lloyds of London	Layered up to \$55.6M	10% of TIV subject to \$50K for EQ	\$156,569	\$74,995	\$7,365	\$5,969	\$17,787	\$262,685	\$259,172	(\$3,513)	-1%
3	Indication only- syndicate carriers yet to be determined	Layered up to \$30M	5% of TIV subject to \$50K for EQ	\$158,018	\$74,995	\$7,365	\$5,969	\$17,647	\$263,994	\$259,172	(\$4,822)	-2%

*2017-18 premiums are quoted net of commissions. Exhibit completed to compare premiums for comparison purposes only.



Los Angeles Law Library

2017/18 Insurance Renewal

LA Law's Existing Insurance Portfolio



Public
Entity
Package

Excess
Liability

DIC

Cyber
Liability

Insurance Renewal by Individual Coverage



Package Policy – General Liability, Public Officials Liability, Employment Practices Liability, Excess Liability, Automobile Liability & Property Coverage

CARRIER:	Argonaut Insurance Company Admitted – Best Rated: A
Coverage:	Property, Equipment Breakdown, GL, Employee Benefits, Public Officials, Employment Practices, Automobile, Excess Liability,
Policy Term:	July 1, 2017 - July 1, 2018
Annual Premium:	\$65,166 without Terrorism \$66,633 with Terrorism (Expiring coverage included Terrorism)

General Liability

CARRIER	Argonaut Insurance Company Admitted – Best Rated: A
Limits of Insurance	\$1,000,000 for Each Occurrence \$3,000,000 Annual Aggregate \$1,000,000 Products/Completed Operations \$1,000,000 Personal and Advertising Injury \$1,000,000 Damage to Premises Rented (Fire Damage) \$1,000,000 Hired & Non-Owned Auto Liability
Deductible	\$50,000 Deductible Per Occurrence
Coverage Features	Good Samaritans: employees and volunteers while acting as a Good Samaritan when at the scene of an accident or emergency requiring sudden action. Pollution Exceptions for: Hostile Fire, Emergency Operations, Heating/Air Conditioning, Mobile Equipment, Road Treatment Chemicals, Pesticides/Herbicides, Water Treatment, Above Ground Tanks, Sewage Operations

General Liability

CARRIER	Argonaut Insurance Company Admitted – Best Rated: A
Coverage Features	Watercraft/boats as covered on the GL, Retained Limits Coverage Form. Host Liquor Liability up to 5 day events. Blanket Additional Insured.
continued	Broadcasting, Publishing, Telecasting offenses as covered under the Personal Injury.
Exclusions	Exclusions as stated on the GL coverage form including but not limited to Mold, Pollution, Asbestos, Nuclear, Lead Contamination, Silica, Electronic Data/E-commerce, Law Enforcement, Underground Storage Tanks, Land Subsidence.

Public Officials

CARRIER	Argonaut Insurance Company Admitted – Best Rated: A
Limits of Insurance	\$1,000,000 for Each Occurrence \$3,000,000 Annual Aggregate
Deductible	\$50,000 Deductible Wrongful Act/Claim
Coverage Features	Claims made No Deductible applies to these Coverage Extensions: Emergency Travel Expenses Identity Theft Expenses Key Personnel Replacement Expenses
Exclusions	Exclusions as stated on the POL Coverage Form including but not limited to: Eminent Domain/Inverse Condemnation, Employment Practices, Failure to Maintain Insurance, Law Enforcement, Fraudulent Acts, Labor Disputes, Law Enforcement, Non-Monetary Relief, Prior or Pending Legal Action or Litigation.

Employment Practices Liability

CARRIER	Argonaut Insurance Company Admitted – Best Rated: A
Limits of Insurance	\$1,000,000 for Each Occurrence \$3,000,000 Annual Aggregate
Deductible	\$50,000 Deductible Wrongful Act/Claim
Exclusions	Exclusions as stated on the EPL Coverage Form including but not limited to: Failure to Maintain Insurance, Violation of Laws, Non-Monetary relief (exception for defense), Prior Pending Legal Action or Litigation.

Excess Liability

CARRIER	Argonaut Insurance Company Admitted – Best Rated: A
Limits of Insurance	\$10,000,000 for Each Occurrence \$10,000,000 Annual Aggregate, Trigger per Underlying.
Retention	Per Underlying
Exclusions	Exclusions in Underlying coverage above & the Excess Coverage Form including but not limited to: ERISA, UM/UIM, Pollution, Silica, Asbestos, Lead, and sub-limited coverages on the underlying are excluded in the excess.

Property

CARRIER	Argonaut Insurance Company Admitted – Best Rated: A
Limits of Insurance:	\$51,481,700 Total Insurable Value \$51,481,700 Equipment Breakdown
Rate:	\$.260 per \$100 of TIV
Deductible:	\$50,000 Deductible \$5,000 Equipment Breakdown
Notes:	Property / IM: All exclusions as stated on Property/IM/Crime coverage forms; Mold, Fungus, Rot, Bacteria, Nuclear, War, Military Action, Electronic Vandalism, Pathogenic or Poisonous Biological or Chemical Materials, Booms, Dams/Retaining Walls. Earthquake and Flood.

Property

Limit	Deductible	Additional Coverage
5,000	Property	Fine Arts -per Item
100,000	Property	Fine Arts Any One Occurrence Limit
25,000	No Deductible	Fire Equipment Recharge
Up to 100' Length	No Deductible	Footbridges and Appurtenant Structures
Include in Bldg Lmt	Property	Foundations of Machinery, Pools, Underground Pipes
15,000	Property	Glass Display or Trophy Cases
100,000	Property	Golf Course Greens - Limited Perils
10,000	No Deductible	Inventory and Appraisal Costs for Claim Prep
25,000	Property	Money and Securities
1,000,000	Property	Newly Acquired or Constructed Property Ea. Building Limit
500,000	Property	Newly Acquired or Constructed Property - BPP Limit
5,000	Property	Non-owned Detached Trailers extension of BPP Limit
50,000	Property	Outdoor Property covered for specific perils
100,000	Property	Paved, Turf, Synthetic or Composite Surfaces
1,459,429	Property	Personal Computers, Communication Equipment, EDP, Electronic
10,000	Property	In Transit Personal Computers, Communication Equipment, EDP, Electronic
25,000	Property	Personal Effects and Property of Others
50,000	Property	Personal Effects One Person each Location & Occurrence Limit
5,000 Each lo	Property	Portable Irrigation Equipment
25,000 Per Occ	Property	Portable Irrigation Equipment
100,000	Property	Property In Transit
100,000	Property	Property Off-Premises

Property Continued

100,000	Property	Property On Premises
10,000	Property	Retaining Walls
25,000	Property	Sign Coverage up to 1,000' of Buildings
100,000	EQB	Spoilage
50,000	Property	Theft Damage to Non-Owned Buildings
Incl in Bldg Limit	Property	Underground Sprinkler Systems, within 1,000' of Premises
250,000	Property	Unnamed Locations
50,000	Property	Utility Services Direct Damage
50,000 included EE or BI	Property	Utility Services Time Element
250,000 On Premises	Property	Valuable Papers and Records Cost of Research
50,000 Away from Premises	Property	Other than Electronic Data on Premises Limit and Away

Excess Liability

CARRIER:	RSUI Indemnity Company Admitted – Best Rated: A+ XIII
Coverage:	Excess Liability
Policy Term:	July 1, 2017 - July 1, 2018
Limits of Insurance:	\$5,000,000 in Excess of \$10,000,000
Retention:	Underlying Policy
Annual Premium:	\$6,689 Annual Premium Including Terrorism
Attachments & Forms:	Absolute Asbestos Exclusion California Changes – Spouse or Registered Domestic Partner California Changes-Cancellation and Nonrenewal Coverage Unimpaired Aggregate Directors and Officers Liability Exclusion Employment - Related Practices Liability Exclusion Excess Coverage Limitation Endorsement Pollution Exclusion Endorsement – Total State Fraud Statement Uninsured Underinsured Motorist Exclusion War Liability Exclusion

DIC – Earthquake & Flood

Los Angeles Law Library	Expiring Incumbent 2016/2017 10% EQ Deductible	Renewal Incumbent 2017/2018 10% EQ Deductible	Option 1 QBE:GS:Lloyds 2017/2018 10% EQ Deductible	Option 2 INDICATION 2017/2018 5% EQ Deductible
Limits				
Per Occurrence	Layered to Total TIV	Layered to Total TIV	Layered to Total TIV	Layered to \$30M Limits
Deductibles				
Flood	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Earth Movement	10% of TIV per unit subject to \$50,000 min	10% of TIV per unit subject to \$50,000 min	10% of TIV per unit subject to \$50,000 min	5% of TIV per unit subject to \$50,000 min
Locations in flood zones A,V	A V zone exclusion Shaded X	A V zone exclusion Shaded X	A V zone exclusion Shaded X	A V zone exclusion Shaded X
25% Minimum Earned Premium	Yes	Yes	Yes	Yes
Notice of Cancellation	90 days	90 days	90 days	90 days
Annual Aggregate	Separate Flood and Earth Movement	Separate Flood and Earth Movement	Separate Flood and Earth Movement	Separate Flood and Earth Movement
Building Ordinance ABC	Included	Included	Included	Included
EPI	180 days	180 days	180 days	180 days
Civil Authority LAE	30 days	30 days	30 days	30 days
Ingress Egress	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,001
	30 days	30 days	30 days	30 days
Note:				
Option 1: includes Earth Movement which is broader than Incumbent Earth Quake				
Option 2: INDICATED: 5% EQ Deductible : Limits up to \$30,000,000.				

Cyber Liability

Technology, Privacy & Cyber Protection

CARRIER:	Hiscox Non-Admitted – Best Rated: A+ XIV
Coverage:	Technology, Privacy and Cyber Protection
Policy Term:	July 1, 2017 - July 1, 2018
Limits :	Policy Limit \$1,000,000
Premium:	\$ 5,390.20 Annual Premium
Coverage Modules:	<p>Breach Costs Limit: \$1,000,000 Aggregate, regardless of the number of Claims or First Party Events Retention: \$10,000 Each and Every First Party Event Retroactive Date: 5/21/2013</p> <p>Privacy Protection Limit: \$1,000,000 Aggregate, regardless of the number of Claims or First Party Events Retention: \$10,000 Each and Every First Party Event Retroactive Date: 5/21/2013</p> <p>Multimedia Protection Limit: \$1,000,000 Aggregate, regardless of the number of Claims or First Party Events Retention: \$10,000 Each and Every First Party Event Retroactive Date: 5/21/2013</p> <p>Hacker damage Limit: \$1,000,000 Aggregate, regardless of the number of Claims or First Party Events Retention: \$10,000 Each and Every First Party Event Retroactive Date: N/A</p> <p>Cyber Business Interruption Limit: \$1,000,000 Aggregate, regardless of the number of Claims or First Party Events Retention: 10 Hours Retroactive Date: N/A</p>

Cyber Liability

Technology, Privacy & Cyber Protection

CARRIER:	Hiscox Non-Admitted – Best Rated: A+ XIV
Coverage Module continued:	Cyber Extortion Limit: \$1,000,000 Aggregate, regardless of the number of Claims or First Party Events Retention: \$10,000 Each and Every First Party Event Retroactive Date: N/A
Sub-limits:	Policy Sub-Limits are part of and not in addition to the applicable coverage module limit and policy limit. \$1,000,000 Breach Costs –Computer Forensic Costs \$1,000,000 Notification Costs \$1,000,000 Credit or Identity Protection \$50,000 Breach Costs- Crisis Management and Public Relations Costs \$100,000 Privacy Protection – Regulatory Action \$1,000,000 Privacy Protection – Regulatory Compensatory Award \$25,000 Privacy Protection – PCI Fines / Penalties \$50,000 Hacker Damage – Consulting Costs \$50,000 Cyber Business Interruption- Consulting Costs \$10,000 Cyber Business Interruption – Loss Amount Sub-Limit Per Hour
Policy Forms:	Notification Endorsement Service of Suit Endorsement Syndicate 3642 endorsement Privacy Program endorsement PPM Payment Processor Indemnification Privacy Program Endorsement CA Surplus Notice OFAC Trade Sanction Notice Conformity Notice Privacy Data Breach Policyholder Guide
Note:	Geographical Limits: Worldwide, where legally permissible

United States Risk Assessment

Perils and Risk Attributes:

Earthquake Risk Analysis

Earthquake Hazard Data

Enhanced Flood Zone Data

Prepared By: RT Specialty

Prepared For: Cyndi Marty

Account Name: L A County Law Library - 10%

April 6, 2017

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The technology and data used in providing this information is based on the scientific data, mathematical and empirical models, and encoded experience of earthquake engineers, wind engineers, structural engineers, geologists, seismologists, meteorologists and geotechnical specialists. As with any model of complex physical systems, particularly those with low frequencies of occurrence and potentially high severity outcomes, the actual losses from catastrophic events may differ from the results of simulation analyses. Furthermore, the accuracy of predictions depends largely on the accuracy and quality of the data input by the user.

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Executive Summary

RT Specialty conducted an analysis of L A County Law Library - 10% for the potential loss due to the peril(s) of earthquake. Based on this analysis, RT Specialty concludes the following:

Exposure Summary

The L A County Law Library - 10% account contains 3 properties with a total insured value (TIV) of \$55,631,079. Building values account for approximately 80.86% of the portfolio's TIV. Contents and Business Interruption values account for approximately 14.28% and 4.86% of the portfolio's TIV, respectively.

Loss Summary

For the earthquake - us peril, there is a 0.2% chance of one or more events causing at least \$8,780,523 in ground up loss in any given year. This corresponds to a 500 year return period.

On a long-term average annual basis, the L A County Law Library - 10% account is expected to sustain \$78,627 in ground up loss due to the peril of earthquake - us.

Data Summary

Cyndi Marty provided RT Specialty with data detailing its locations exposed to the peril(s) of earthquake. A summary of that data is provided below.

Summary of Data Provided to RT Specialty

Data	Analyzed by RT Specialty
Number of Locations	3
Aggregate Values	\$55,631,079
Coverage Types	Building, Contents, Business Interruption
Occupancy Scheme	ATC scheme(s) provided for analysis
Construction Scheme	RMS scheme(s) provided for analysis
Year of Construction	100% of locations have a 'Year Built' listed

Policy and Deductible Summary

L A County Law Library - 10% was modeled using the following policy and deductible structures as provided below. Other factors such as special deductibles on specific locations could have also been used, which are not shown in this report.

Policy Coverage Detail

Applies only to the selected coverage type. Applies to that coverage for every location associated with the policy.

Policy Details																
EQ	WS	TO	Policy Number*	Structure	Status	Line of Business	Inception Date*	Expiration Date*	Blanket Limit*	Part Of	Blanket Premium	Attachment Point	Minimum Deductible	Maximum Deductible	Deductible	Currency*
X			tbd	Standard			7/1/2017	7/1/2018	0	0	0	0	0	0		US Dollar

Location Deductible Detail

Applies to the location (site) as a whole, independent of coverage deductible. Operates as a minimum site deductible if coverage deductibles are also selected. Does not cap coverage specific deductibles.

Earthquake Deductibles				
EQ Regions	Site Deductible	Location Coverage Deductibles		
		Buildings	Contents	BI
<input checked="" type="checkbox"/> Single EQ Deductible	10.00%	0	0	0

Exceedance Probability Analysis - Earthquake - US

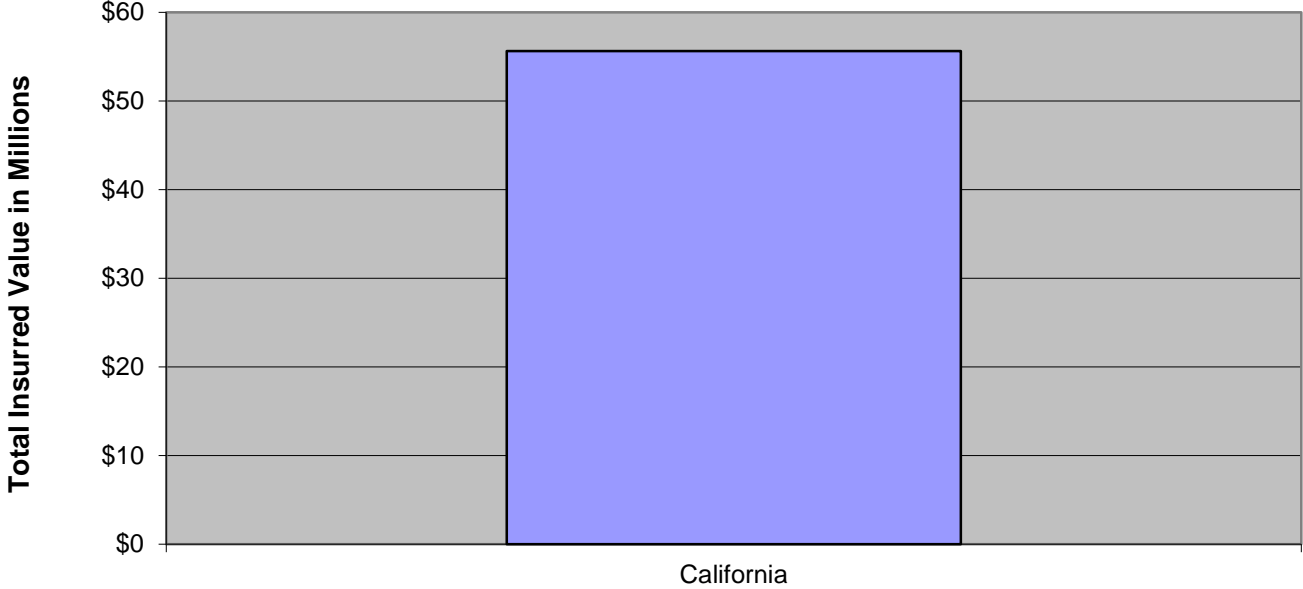
The table below illustrates the probability of ground up losses exceeding various amounts due to one or multiple events in a given year, as described by the Occurrence Exceedance Probability (OEP) and Aggregated Exceedance Probability (AEP), respectively. There is a 0.2% chance that one or more events will cause at least \$8,780,523 in ground up loss in any given year. On a long-term average annual basis, the L A County Law Library - 10% account is expected to sustain \$78,627 in ground up loss. The variability of this amount, noted below as the standard deviation, is representative of the uncertainty in the magnitude of losses caused by an occurring event.

Key Return Period Losses - U.S. - Earthquake - US

Critical Probability	Return Period (years)	Aggregate Exceedance Probability			Occurrence Exceedance Probability		
		Ground Up Loss	Gross Loss	Client Loss	Ground Up Loss	Gross Loss	Client Loss
0.010%	10,000	\$37,861,110	\$31,899,637	\$5,809,309	\$37,760,395	\$31,898,530	\$5,561,825
0.020%	5,000	\$31,005,283	\$25,226,533	\$5,571,147	\$30,918,164	\$25,202,358	\$5,561,651
0.100%	1,000	\$14,528,945	\$8,882,199	\$5,561,367	\$14,469,298	\$8,779,579	\$5,561,313
0.200%	500	\$8,780,523	\$3,121,666	\$5,561,137	\$8,733,895	\$3,120,539	\$5,561,105
0.400%	250	\$4,688,965	\$0	\$4,649,176	\$4,657,625	\$0	\$4,628,161
1.000%	100	\$1,607,475	\$0	\$1,601,688	\$1,594,594	\$0	\$1,590,890
2.000%	50	\$496,534	\$0	\$497,228	\$492,394	\$0	\$492,601
4.000%	25	\$62,479	\$0	\$62,480	\$62,054	\$0	\$62,015
10.000%	10	\$288	\$0	\$55	\$6	\$0	\$54
20.000%	5	\$0	\$0	\$0	\$0	\$0	\$0
Average Annual Loss					\$78,627	\$26,196	\$52,431
Standard Deviation					\$973,868	\$690,718	\$424,218
Coefficient of Variation					12	26	8

Exposure Summary - Earthquake - US

Exposure by State and Peril



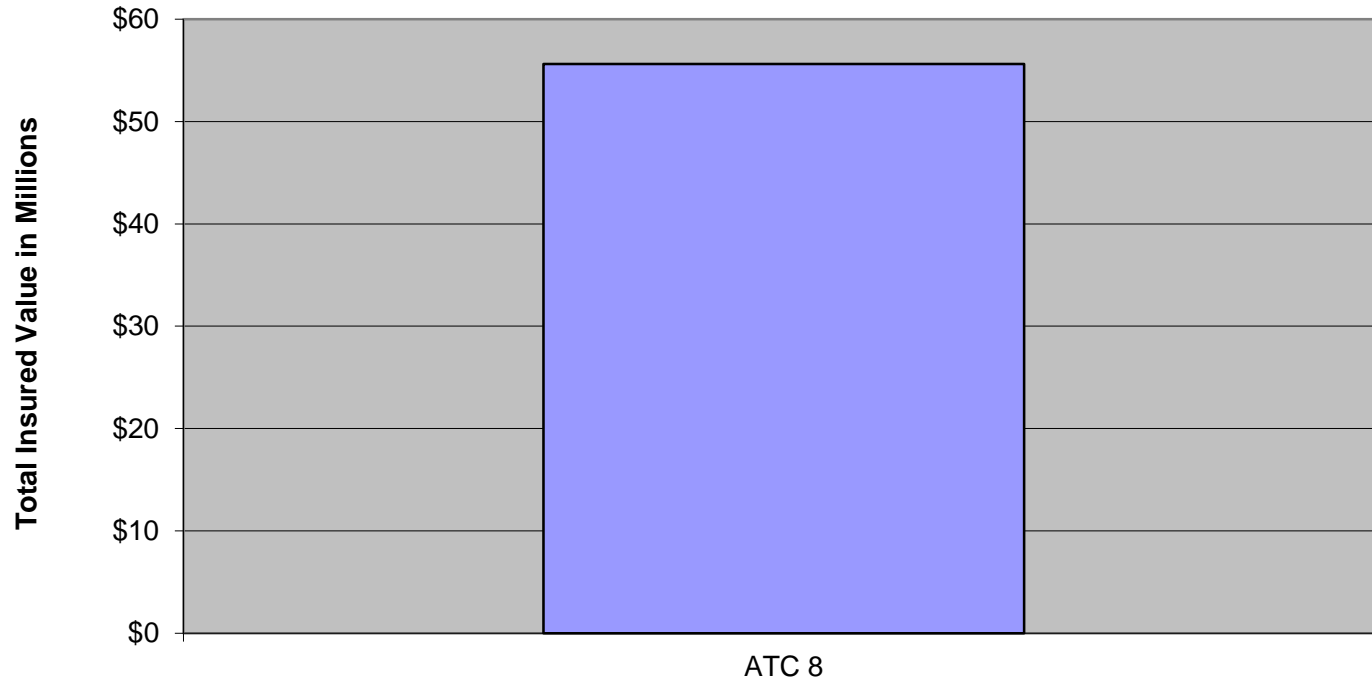
Peril Type: Earthquake - US			
State	Total Insured Value	Locations	% of Total
California	\$55,631,079	3	100.0%
Total	\$55,631,079	3	100.0%

Exposure Summary -- Value by County - Earthquake - US

State	County	Total Insured Value	Locations
California	Los Angeles County	\$55,631,079	3

Exposure Summary - Earthquake - US

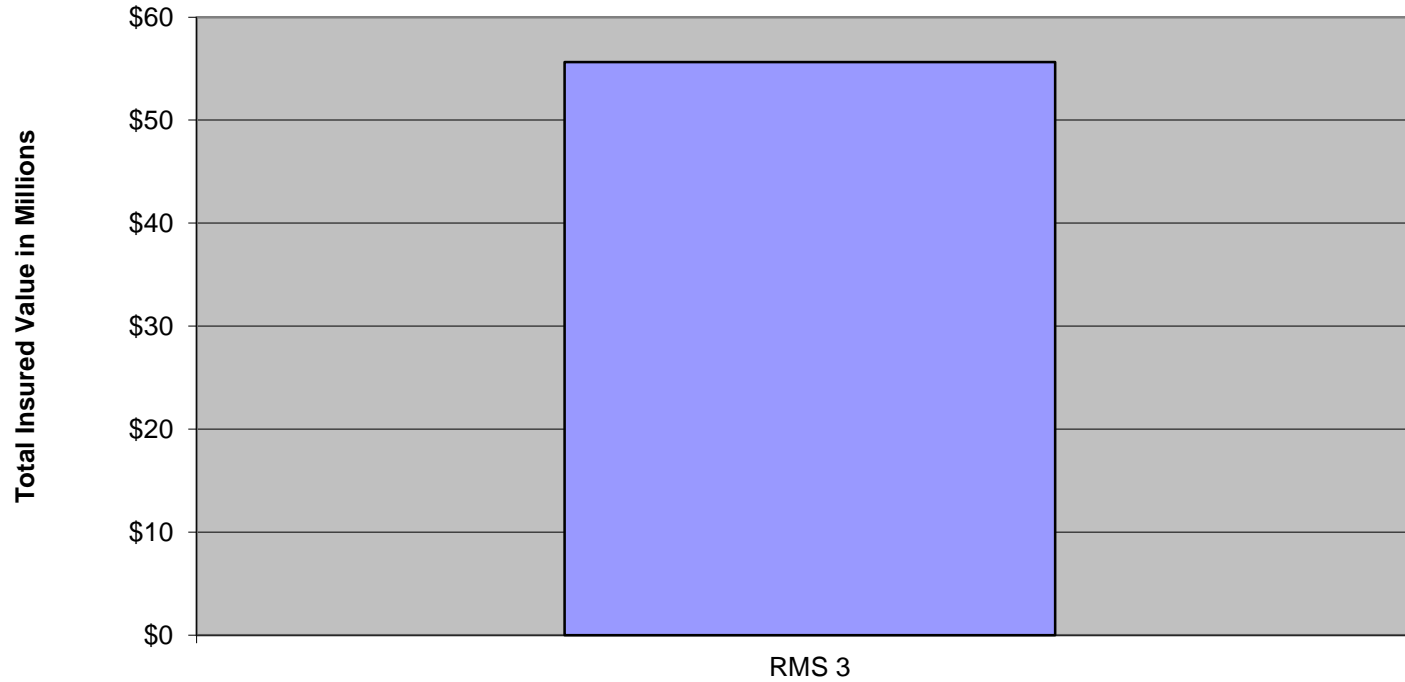
Exposure by Occupancy Type & Peril



Peril Type: Earthquake - US				
Occupancy Code	Occupancy Description	Total Insured Value	Locations	% of Total
ATC 8	Professional, Technical And Business Services	\$55,631,079	3	100.0%
Total		\$55,631,079	3	100.0%

Exposure Summary - Earthquake - US

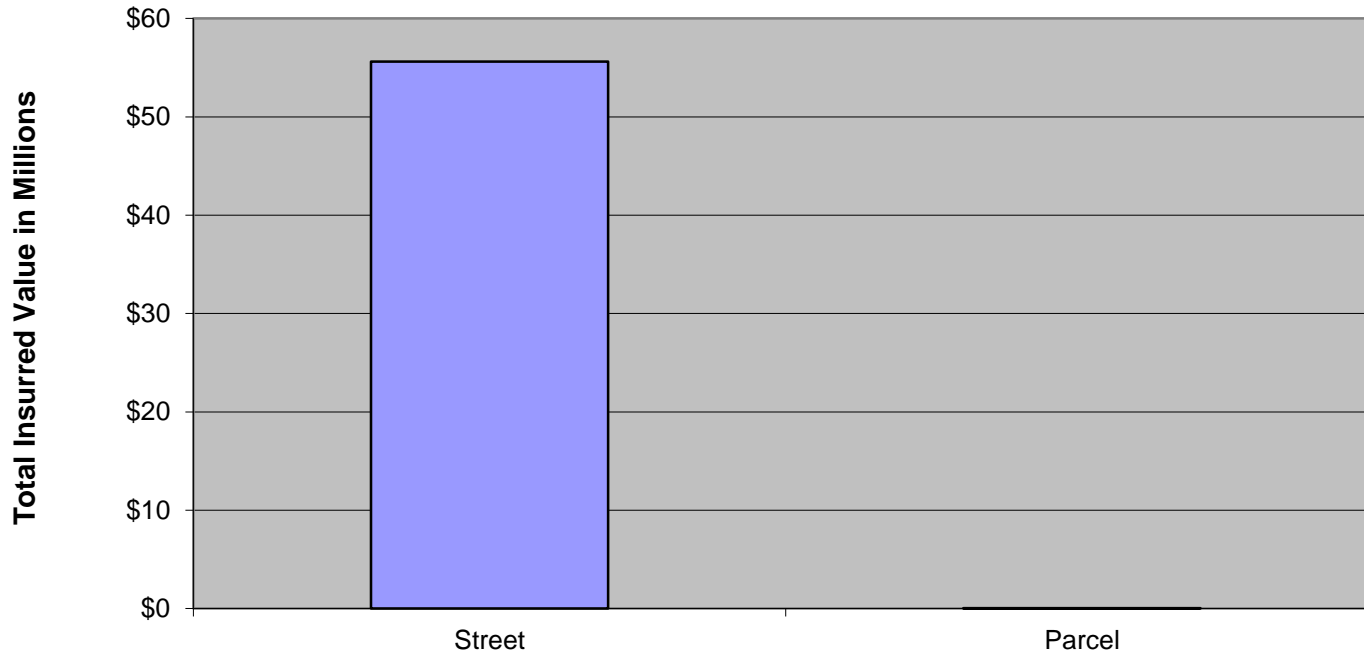
Exposure by Construction Type & Peril



Peril Type: Earthquake - US				
Building Code	Building Description	Total Insured Value	Locations	% of Total
RMS 3	Reinforced Concrete	\$55,631,079	3	100.0%
Total		\$55,631,079	3	100.0%

Exposure Summary - Earthquake - US

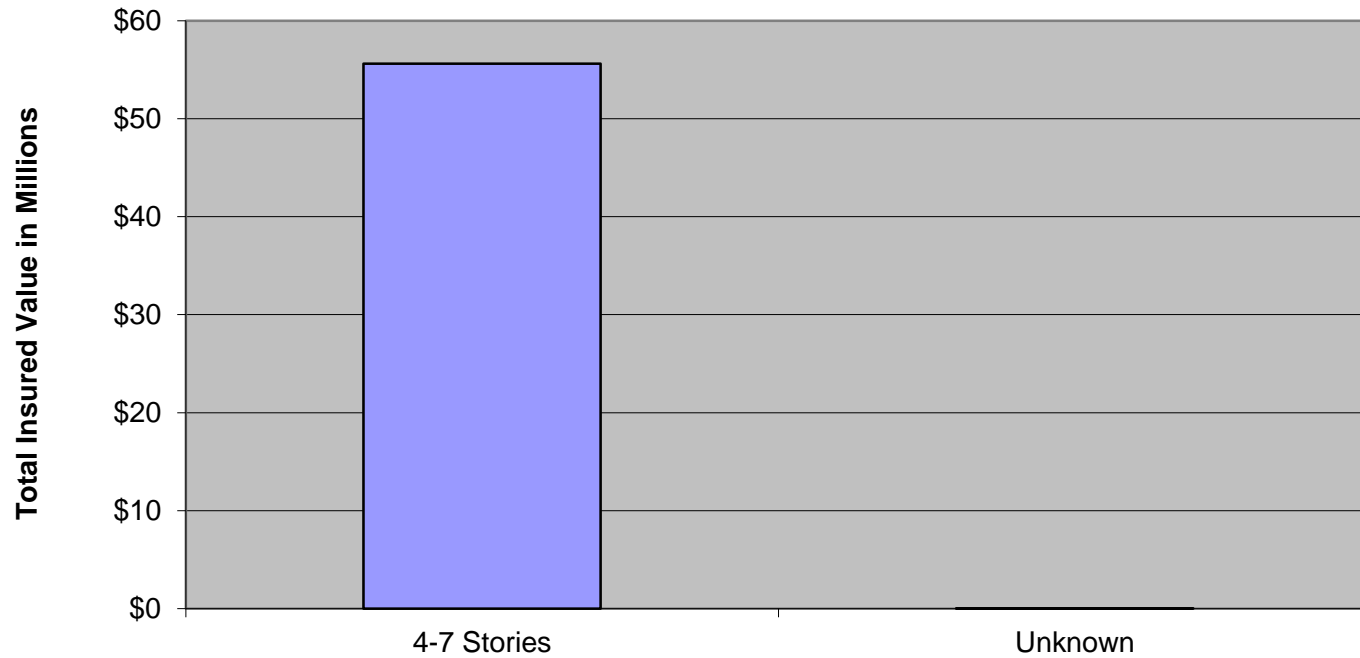
Exposure by Geocoding and Peril



Peril Type: Earthquake - US			
Geocoding Resolution	Total Insured Value	Locations	% of Total
Street	\$55,621,079	2	100.0%
Parcel	\$10,000	1	< 0.1%
Total	\$55,631,079	3	100.0%

Exposure Summary - Earthquake - US

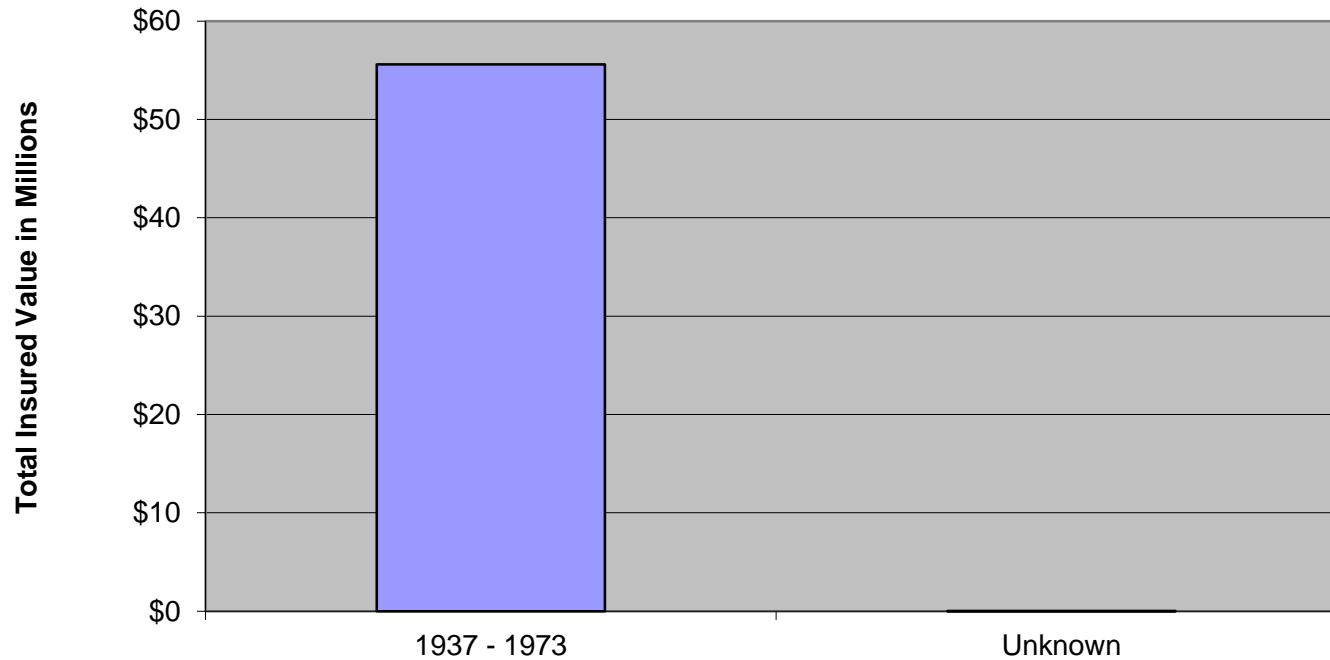
Exposure by Number of Stories



Peril Type: Earthquake - US				
Number of Stories	Total Insured Value	Locations	% of Total	
4-7 Stories	\$55,611,079	1	100.0%	
Unknown	\$20,000	2	< 0.1%	
Total	\$55,631,079	3	100.0%	

Exposure Summary - Earthquake - US

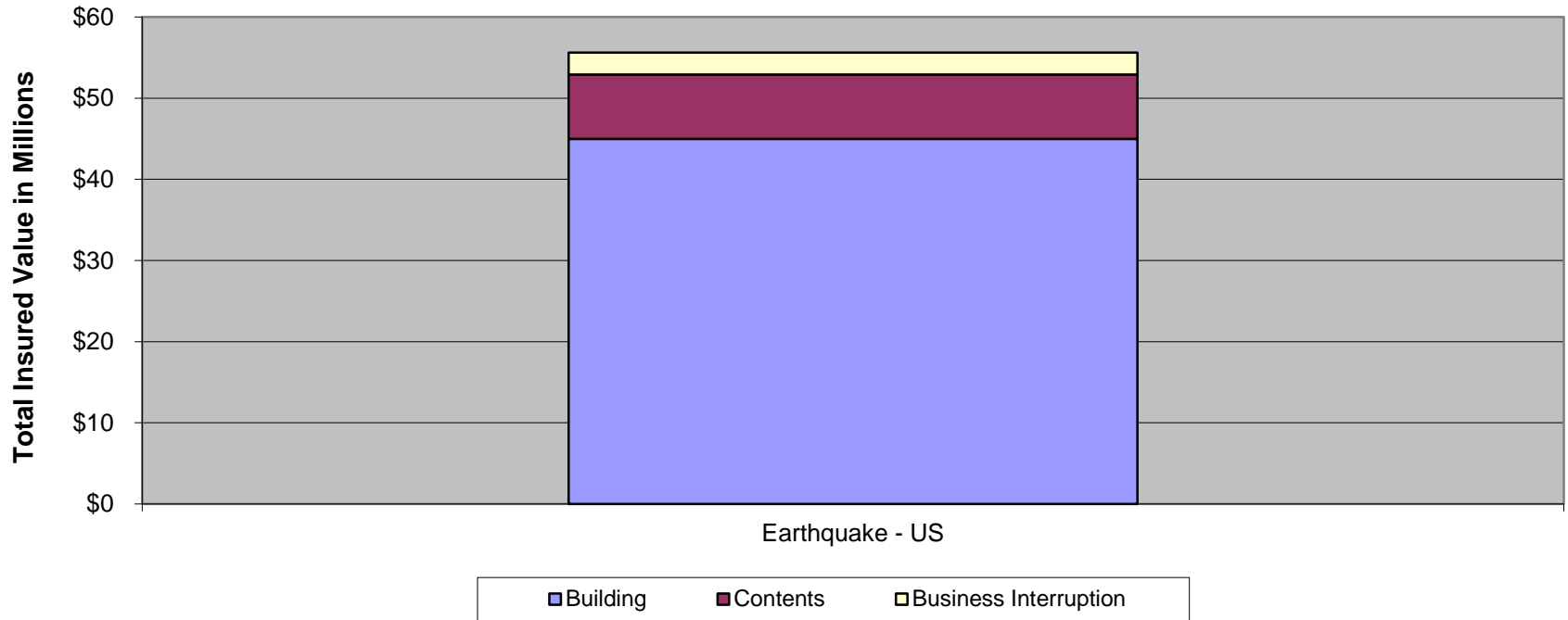
Exposure by Year Built



Peril Type: Earthquake - US				
Year Built	Total Insured Value	Locations	% of Total	
1937 - 1973	\$55,611,079	1	100.0%	
Unknown	\$20,000	2	< 0.1%	
Total	\$55,631,079	3	100.0%	

Exposure Summary

Exposure by Peril and Coverage



Peril	Locations	Building	Contents	Business Interruption	Total Value
Earthquake - US	3	\$44,984,500	\$7,946,579	\$2,700,000	\$55,631,079
Total	3	\$44,984,500	\$7,946,579	\$2,700,000	\$55,631,079

Exposure Summary -- Value by PML Zone

PML Zone	Total Insured Value	Locations
B1	\$55,621,079	2
B2	\$10,000	1

Exposure Summary -- Value by Flood Zone

Flood Zone	Total Insured Value	Locations
X	\$55,631,079	3

Average Annual Loss (AAL) By Location For Earthquake - US

3 earthquake - us exposed locations in the L A County Law Library - 10% account contribute to its Average Annual Loss (AAL) of \$78,627.

Ground Up Financial Perspective

Location Name	City	State	Average Annual Loss	% Average Annual Loss	Total Exposure	% of Total	Mean Damage Ratio
Mildren L Lillie Bldg	Los Angeles	CA	\$78,615	99.98%	\$55,611,079	99.96%	0.14%
Van Nuys Branch Library	Van Nuys	CA	\$7	0.01%	\$10,000	0.02%	0.07%
Torrance Courthouse	Torrance	CA	\$5	0.01%	\$10,000	0.02%	0.05%
Total			\$78,627	100.00%	\$55,631,079	100.00%	

Enhanced Flood Zone Data

Location Name	Flood Zone	Other Flood Zones
Mildren L Lillie Bldg	X	N/A
Torrance Courthouse	X	N/A
Van Nuys Branch Library	X	N/A

Exposure Summary -- Value by 100yr RMS Flood Zone

Flood Zone	Total Insured Value	Locations
Yes	\$0	0
No	\$0	0
None	\$0	0

Exposure Summary -- Value by 500yr RMS Flood Zone

Flood Zone	Total Insured Value	Locations
Yes	\$0	0
No	\$0	0
None	\$0	0

Exposure Summary -- Value by Defended Flood Return Period

[100] Year Return Period

Flood Depth	Total Insured Value	Locations
None	\$55,631,079	3

[250] Year Return Period

Exposure Summary -- Value by UnDefended Flood Return Period

[100] Year Return Period

Flood Depth	Total Insured Value	Locations
None	\$55,631,079	3

[250] Year Return Period

Flood Zone Definitions

RMS Designation	Description
A	Subject to 100-year flood. ¹ Base flood elevation undetermined.
AExxxx ² Anxxxx ³	Both AE and An represent areas subject to 100-year flood with base flood elevation determined.
AHxxxx ⁴	Subject to 100-year shallow flooding (usually areas of ponding) with average depth of 1-3 feet. Base flood elevation determined.
AO	Subject to 100-year shallow flooding (usually sheet flow on sloping terrain) with average depth of 1-3 feet. Base flood elevation undetermined.
A99	Subject to 100-year flood, with federal flood protection system (levee/dam) under construction. Base flood elevation undetermined.
AR	Previously accredited flood protection system has been decertified and is in the process of being restored to provide a 100-year or greater level of flood protection.
V	Subject to 100-year flood and additional hazard associated with coastal storm waves. Base flood elevation undetermined.
Vexxxx ⁴ Vnxxxx ³	Both VE and V1-V30 represent areas subject to 100-year flood and additional hazard associated with coastal storm waves. Base flood elevation determined.
B SHX	Both B and SHX represent areas between the limits of the 100-year and 500-year flood; or certain areas subject to 100-year flood with average depths less than 1 foot or where the contributing drainage area is less than 1 square mile; or areas protected by levees from the 100-year flood.
C ⁵ X	Both C and X represent areas outside the 500-year flood plain.
D	Unstudied areas. Flood hazards are undetermined.
AEFxxxx ⁴ AnFxxxx ³	Floodway: an "F" can accompany zone designations AE and A1-A30 to represent areas in these zones that fall in the floodway.
UB1, UB2, UB3, UB31, UB4, UB5, UB51	Undeveloped Coastal Barriers: Areas adjacent to the Atlantic or Pacific Oceans or the Great Lakes, where flood insurance will not be available for substantially improved new construction or structures. These areas are protected by law to discourage development in an attempt to preserve dunes, beaches, and wildlife habitats.
WTR/DFP	Areas falling under sea, ocean, bay, lake, or other body of water.
DFP	Different Flood Panel: area within a FEMA flood map panel for which official flood zone information is included on a different map panel.
UMP/DFP	Unmarked Polygons: areas on a FEMA flood map panel for which the zone label cannot be ascertained.
NMA	Not Mapped by FEMA.

¹ 1% or greater annual probability of flooding.

² 0.2% or greater annual probability of flooding; these areas are particularly vulnerable to flooding if local drainage systems fail.

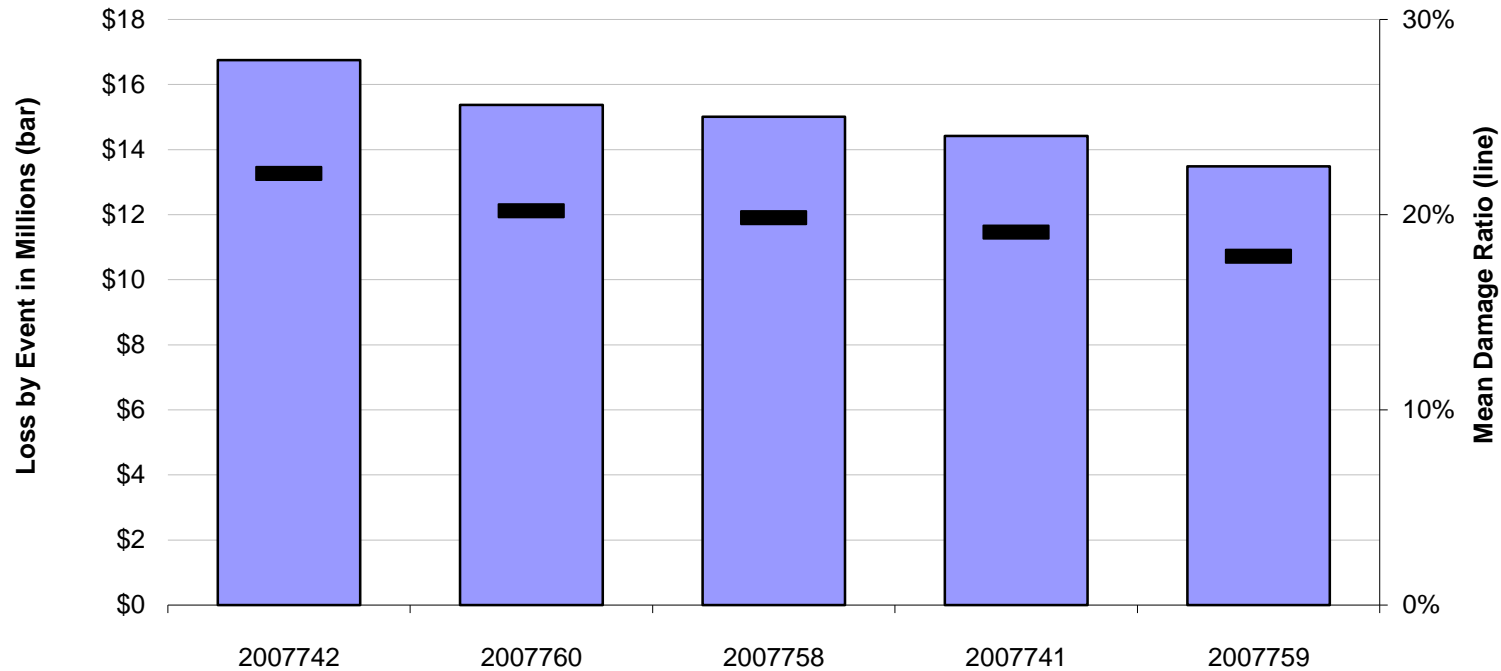
³ value of n ranges from 1-30, and value of xxxx indicates BFE—e.g. 0880.

⁴ value of xxxx indicates Base Flood Elevation—e.g. 0880.

⁵ less than 0.2% annual probability of flooding.

Top 5 Loss Causing Stochastic Events for Earthquake - US Peril

Ground Up Financial Perspective



Event ID	Event Description	Magnitude	Ground Up Loss	Exposed Value	Mean Damage Ratio
2007742	Crustal Fault B-Type, California, Southern California, Fault Segment Seg.1 M 7.20	7.2	\$16,755,902	\$75,794,801	22.1%
2007760	Crustal Fault B-Type, California, Southern California, Multi-Segment Cascade Seg.1 M 7.30	7.3	\$15,376,464	\$76,156,442	20.2%
2007758	Crustal Fault B-Type, California, Southern California, Multi-Segment Cascade Seg.1 M 7.30	7.3	\$15,014,874	\$75,690,406	19.8%
2007741	Crustal Fault B-Type, California, Southern California, Fault Segment Seg.1 M 7.20	7.2	\$14,423,242	\$75,528,949	19.1%

Earthquake - US Hazard Data by Location

3 earthquake exposed locations in the L A County Law Library - 10% contribute to its Average Annual Loss (AAL) of \$78,627. Below is location specific hazard information for each location within the account which affects the loss estimates.

Location Name	Landslide	Liquefaction	Soil Type	Distance to Fault	MMI - Groundshaking Intensity - 250 Year
Mildren L Lillie Bldg	Very Low	Low	Soft Rock	0.03	8.0
Torrance Courthouse	Very Low	Very Low	Stiff Soil	2.10	7.6
Van Nuys Branch Library	Very Low	Moderate	Stiff Soil	0.09	8.2

%Contents Below Grade

0.0
0.0
0.0

Earthquake Hazard Field Values

Landslide

Unknown	0 - 1
Very Low	1 - 1.25
Very Low / Low	1.26 - 1.75
Low	1.76 - 2.25
Low / Moderate	2.26 - 2.75
Moderate	2.76 - 3.25
Moderate / High	3.26 - 3.75
High	3.76 - 4.25
High / Very High	4.26 - 4.75
Very High	4.76 - 5

Liquefaction

Unknown	0 - 1
Very Low	1 - 1.25
Very Low / Low	1.26 - 1.75
Low	1.76 - 2.25
Low / Moderate	2.26 - 2.75
Moderate	2.76 - 3.25
Moderate / High	3.26 - 3.75
High	3.76 - 4.25
High / Very High	4.26 - 4.75
Very High	4.76 - 5

Soil Type

Unknown	0 - 1
Rock	1 - 1.25
Rock / Soft Rock	1.26 - 1.75
Soft Rock	1.76 - 2.25
Soft Rock / Stiff Soil	2.26 - 2.75
Stiff Soil	2.76 - 3.25
Stiff / Soft Soil	3.26 - 3.75
Soft Soil	3.76 - 4

Analysis Methodology

Exceedance Probability Analysis

An exceedance probability (EP) analysis represents a comprehensive analysis of possible seismic, windstorm, or tornado and hail events. In these analyses, thousands of events, each with its own corresponding rate of occurrence, are computed against an insured's exposure in order to estimate the mean loss and standard deviation of loss for each event.

Based on the results of this analysis, we compute two types of EP curves:

- Occurrence exceedance probability curve (OEP), and
- Aggregate exceedance probability curve (AEP)

The OEP represents the probability that the single largest occurrence in a year will cause losses greater than a certain amount. The AEP represents the probability that the combination of one or more occurrences in a year will, in aggregate, cause losses greater than a certain amount.

The EP curves are created based on two distributions: the distribution of the number of event occurrences in a year (also known as frequency distribution) and the distribution of the size of losses, given that an event has occurred (also known as severity distribution). All the information needed to generate these two distributions can be found in the Event Loss Table (ELT). To illustrate the process of creating the EP curves we will use a simple example, beginning with a five-event ELT, as shown in the table below.

Event	Rate	Expected Loss	Standard Deviation	Exposure
1	0.01	1,500,000	800,000	5,500,000
2	0.01	3,000,000	2,000,000	15,000,000
3	0.02	6,500,000	5,000,000	50,000,000
4	0.03	8,000,000	6,000,000	90,000,000
5	0.03	10,000,000	7,000,000	95,000,000

We assume that the frequency distribution follows a Poisson process, and that the occurrence of each specific event is completely independent of the occurrence of any other specific event. The parameter λ of the Poisson distribution is just the sum of the annual rates of all events that may hit a given exposure. In our case, the Poisson parameter λ will be equal to $0.01 + 0.02 + 0.03 + 0.03 = 0.1$

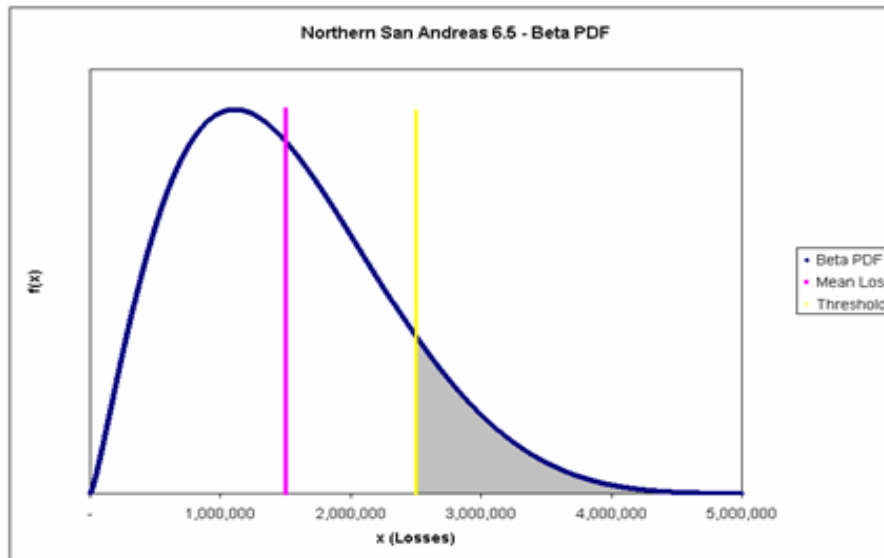
To model the severity distribution we use a discrete distribution consisting of 8192 loss thresholds; for each threshold we compute the probability that it will be exceeded, given that an event has occurred. We call this the Condition Exceedance Probability (CEP); the CEP of a given loss threshold l is defined as:

$$CEP(l) = \frac{\sum_{Events} rate_i \times Pr(L_i > l)}{\sum_{Events} rate_i}$$

where:

- $CEP(l)$ represents the conditional exceedance probability of loss threshold l
- $rate_i$ represents the rate of the i th event in the ELT
- L_i is the random loss of the i th event in the ELT

The $Pr(L_i > l)$ term is calculated based on the assumption that the size of the losses of each individual event, expressed as a percentage of its exposure, follows a beta distribution. To illustrate this, take the first event from our sample ELT and analyze it respective to a loss threshold of 2.5M.



The figure above shows a blue curve representing the beta Probability Density Function (PDF) corresponding to the severity distribution followed by the losses caused by event 1. The pink vertical line indicates the expected value of the event losses (1.5 million), while the yellow vertical line represents the loss threshold being analyzed (2.5 million). If event 1 occurs, the gray shaded area to the right of the yellow vertical line represents the conditional probability that the losses from that event equal or exceed 2.5 million, conditional on this particular event occurring; in other words, it represents $\Pr(L_1 > 2.5M)$. This area can be calculated based on the fact that L_1 follows a beta distribution by using its corresponding cumulative distribution function, giving a result of 12.179%. This means that 12.179% of the times event 1 occurs, the losses will exceed 2.5M.

The severity distribution is the final result of doing this exercise for all events and for all loss thresholds; a sample five-loss threshold severity distribution resulting from the computation of the CEP formula using our sample ELT is shown below.

Loss Thresholds	Conditional Exceedance Probability (CEP)
0	1
2,500,000	0.73726
5,000,000	0.52652
7,500,000	0.37105
10,000,000	0.25633

We can interpret these numbers by saying that given that one event (out of the five listed in the sample ELT) has occurred, the probability of having losses greater than 2.5M is 0.73726.

Using the fact that the number of event occurrences in a year follows a Poisson distribution, we can create the OEP curve directly from the severity distribution. In general, the occurrence exceedance probability (OEP) of a given loss threshold l is defined as:

$$OEP(l) = 1 - e^{-\lambda \times CEP(l)}$$

where:

- $OEP(l)$ is the occurrence exceedance probability for threshold l
- λ is the Poisson parameter for the overall frequency distribution
- $CEP(l)$ is the conditional exceedance probability

Using a Poisson parameter of 0.1, we can compute the OEP curve for our illustrative example:

Loss Thresholds	CEP	OEP
0	1	$1 - e^{-(0.1 \times 1)} = 1 - e^{-0.1} = 0.09516$
2,500,000	0.34677	$1 - e^{-(0.1 \times 0.34677)} = 1 - e^{-0.03467} = 0.03408$
5,000,000	0.11762	$1 - e^{-(0.1 \times 0.11762)} = 1 - e^{-0.01176} = 0.01169$
7,500,000	0.04644	$1 - e^{-(0.1 \times 0.04644)} = 1 - e^{-0.00464} = 0.00463$
10,000,000	0.02216	$1 - e^{-(0.1 \times 0.02216)} = 1 - e^{-0.00222} = 0.00221$

To generate the AEP curve, we must convolve our severity distribution as many times as occurrences may happen in a year. All the convolutions needed are computed using the Fast Fourier Transform (FFT) algorithm; this is a methodology that allows us to efficiently perform an analytical calculation of the convolutions. The resulting AEP curve for our illustrative example is shown below.

Loss Threshold	CEP	OEP	AEP
0	1	0.09516	0.09516
2,500,000	0.73726	0.07107	0.07123
5,000,000	0.52652	0.05129	0.05175
7,500,000	0.37105	0.03643	0.03714
10,000,000	0.25633	0.02531	0.02618

Since the EP analysis considers all events, it is the cornerstone analysis for understanding the probability of various levels of overall portfolio loss. Using this analysis, we can establish the probability of exceeding a specific amount of loss or the level of loss associated with a specific probability.

Average Annual Loss Analysis

The Average Annual Loss analysis calculates a single loss number for the portfolio that reflects the average amount of loss that can be expected annually based on all possible hurricane events that could impact the portfolio. Average annual loss is calculated by weighting all potential losses by their associated annual probabilities.

Glossary of Terms

Aggregate Exceedance Probability (AEP)	AEP measures the probability that one or more occurrences will combine in a year to exceed the threshold.
Average Annual Loss (AAL)	The expected annual loss on a long-term average basis. Mathematically, it is the expected value of the aggregate loss distribution, or alternatively, the area under the AEP curve.
Coefficient Variation (CV)	The spread of loss around the mean is represented by the coefficient variation, and reflects the secondary uncertainty in the size of loss.
Exceedance Probability (EP)	Also known as "exceeding probability" or "EP", it is the probability of exceeding specified loss thresholds. In risk analysis, this probability relationship is commonly represented as a curve (the EP curve) which defines the probability of various levels.
Exposure Value	The total reported values at risk potentially subject to a peril or event against which it is insured.
Ground-Up Loss	Total amount of loss sustained before deductions, underlying coverages and reinsurance are applied.
Gross Loss	The insurer's or cedant's loss after deductibles, attachment point(s), and limits are applied, but before any reinsurance.
Mean Damage Ratio	The ratio of the expected loss to the replacement value of exposed properties.
Occurrence Exceedance Probability (OEP)	OEP measures the probability that a single occurrence will exceed a certain threshold.

MEMORANDUM

DATE: May 24, 2017

TO: Board of Trustees

FROM: Sandra Levin, Executive Director
Marcelino Juarez, Finance Manager

RE: Review of Operating Budget FY 17-18, Including Approval of Position Adjustments and Prepayment of CalPERS Unfunded Liability

SUMMARY AND BACKGROUND INFORMATION

The Fiscal Year 2018 Budget and Financial Planning Subcommittee met to review and discuss the preliminary FY2018 Budget information compiled by staff. Information presented included Income and Expense Operations Summary, Cash Flow, Alternative Options for possible additional cuts and future opportunities, a listing of proposed capital expenditures and investment portfolio information. On April 25, 2017 the Committee discussed each of these items and the overall budget, as well as the short-term and long-term financial picture for the Law Library and recommended approval of the budget as now presented.

The recommendation is based upon a few key underlying principles:

1. The proposed operating budget, although resulting in a deficit in accounting terms, does not significantly drain cash or reserves.
 - a. The operating budget generates positive cash flow of approximately \$144K.
 - b. The proposed capital budget anticipates spending \$1,943K from reserves, resulting in an overall negative cash flow of \$1,638,196 for FY2018. However, the capital budget includes more than \$1,563,000 deferred from fiscal years 2014 through 2017.
 - c. The recommended additional \$500K prepayment of retirement costs spends general reserve dollars to reduce the Library's liability (for retirement benefits) and further impacts cash flow by the same amount. As discussed in the supporting memo regarding Prepayment of Retirement Costs, the \$500K prepayment will reduce our UAL costs as well as our Normal Cost.
 - d. Total reserves have improved, forecasted to increase over FY2013 by approximately \$1.6M in FY2017. However, as proposed FY2018 would



see a decrease of approximately \$2.1M in total reserves primarily due to deferred capital projects.

2. The proposed budget incorporates and completes implementation of significant cuts made in prior fiscal years. Annual cash expenditures have been reduced by more than \$2,000,000 as compared to FY2012 operations.
3. Although additional minor cuts are included in the proposed budget, Staff and the Financial Planning Committee recommend that further cuts continue to be implemented slowly over time (e.g., through attrition and voluntary personnel transitions, collection reductions upon expiration of existing contracts, etc).
4. Service is excellent in many areas, but there are still substantial areas of need (geographically, demographically and otherwise) that cannot be addressed without additional funding.
5. The proposed budget incorporates an assumption that court fees have stabilized. However, it also incorporates significant cost increases that are beyond our control.

Attached for your consideration are:

1. the proposed FY2018 budget, including capital costs;
2. the projected FY2018 cash flows;
3. a memorandum regarding Cuts, Costs and Revenue Options describing changes that are included in the proposed budget, alternatives not adopted and prospects for future savings and revenue generation;
4. a memorandum regarding Prepayment of Retirement Costs; and
5. a summary of reductions in the Global/FCIL collection over time, as background

A brief summary of significant items follows here:

BUDGET PROCESS AND OVERVIEW

The budgeted FY 2018 Net Income before Extraordinary Income (NIBEI) and Expense is presented at a net loss of \$740,039 and a cash gain of approximately \$144,000, which is an improvement as compared to last year's amended NIBEI net loss of \$1,082,276 and projected cash loss of approximately \$72,000. The improvement is largely due to 1) a more stable L.A. Superior Court Filing Fee revenue stream; 2) the closing of the time lag in cuts to the collection appearing as savings in the income statement due to depreciation rules; 3) departmental restructures; and 4) frugal spending.

Changes in Expenditures: As part of the budgeting process, each of the operating departments was requested to evaluate trends and developments affecting departmental budgets, propose expenditure reductions and predict any changes in expenses. All proposed reductions were discussed and evaluated. Except as noted in the attached Memorandum regarding Cuts, Costs and Revenue Options, no budget augmentations were approved.

Staffing Changes: During FY2017's mid-year budget review, the Board approved a restructure of Reference & Research and Programs & Partnerships combining them into Patron Services. Although most of the changes were implemented then, the following changes will be implemented this budget year: 1) a new Library Associate – Public Interest position; 2) the elimination of the Supervisor – Special Projects position; and 3)



supervisory duties for the Managing Librarian – Reference position. (The job descriptions necessary to implement the proposed changes will be included with the final budget as presented in June.) In addition, the currently vacant full time Library Clerk position is proposed to be eliminated in favor of a part time Library Aide.

Cost Increases: Each year the Law Library experiences increased costs beyond our control. This year, those rising costs include health insurance, retirement costs, utilities, security costs and collection costs due to inflation. Details of these expenses can be found in the attached memo regarding Cuts, Costs and Revenue Options.

Staff Compensation: Recent data collection in connection with the determination of merit bonuses indicates that many Law Library employees are undercompensated as compared to market. However, due to budget constraints, raises have not been provided in recent years and the funding is not available to bring all staff to current market compensation. However, the proposed FY18 budget does include the following:

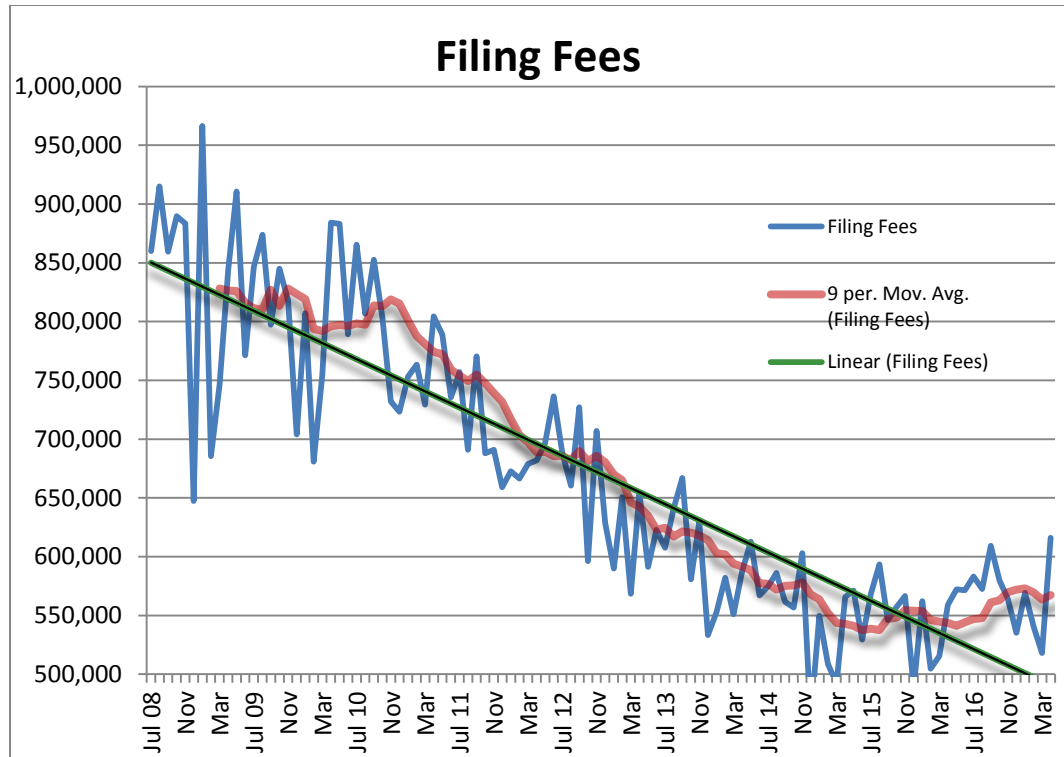
1. a 2% fund for discretionary, one-time, merit bonuses for unrepresented employees;
2. a 1% increase in compensation for represented staff;
3. a \$37,500 pool for salary increases for those whose compensation is less than 80% of market (to take effect January 1)

Again, further details are provided in the attached memorandum.

FILING FEES

The primary reason for the improved net income is a more stable revenue stream from civil filing fees. From FY 2009, L.A. Superior Court Filing Fees decreased from \$9,978,807 to \$6,560,373 at the end of FY 2015. FY2016's filing fee revenue began showing signs of stabilization, that year court fees totaled \$6,604,626. For FY2017 we are projecting to be ahead of last year's actuals at \$72,735. Accordingly, we are still cautiously optimistic that filing fee revenue will remain stable. This year's court fee revenue was budgeted conservatively at \$6,670,000. The following chart provides a visual of the trend in filing fees since FY2009.





ALTERNATIVE OPTIONS

Additional cuts from the Alternatives list were not recommended by staff or the committee due to the negative impact on service levels (and the ability to achieve a neutral operating cash flow without these cuts). In particular, Staff noted, and the Committee agreed, that in light of the more than \$2 million in cuts already made in recent years, the opportunities to reduce expenses without affecting patron service are minimal. Past efforts to stem financial losses included staffing reductions and layoffs, furloughs, contract cost reductions through RFPs and contract re-negotiations, and in-house legal representation. Past efforts to increase revenue, included new investment strategies, increased room rentals, increased course registrations and revised parking options. These efforts have been significant but cannot compensate for the multi-million dollar loss in filing fee revenue over the past several years.

Finally, the Subcommittee discussed the possibility of a furlough at some length. In the end no furlough was recommended in light of the need to stabilize compensation to achieve recruitment and retention goals, the impacts on patron service and employee morale and the need to maintain an option for a plausible future reduction in expenditures should revenue not be as predicted.

CAPITAL EXPENDITURES

Proposed capital expenditures were presented totaling \$1,943,500 (see attached) of which \$1,563,000 are carryover projects from prior years. The Committee concurred that the recommended capital expenditures were necessary for health and safety reasons, to sustain existing operations or to complete pending projects.



CASH FLOW

Based on the budget without alternatives, cash and cash equivalents at the end of FY 2016 are projected to be \$1,785,279, a net decrease of \$2,138,196 over the prior year (primarily deferred capital projects). In addition to the \$2,185,778, the Library holds a \$2M trust fund with CalPERS CERBT and a \$4M investment with UBS, bringing the total investments, cash and cash equivalents to \$8,355,279. This is approximately \$531,983 less than the total reserves at the end of the 2013 fiscal year. This reduction is almost entirely due to the expenditure of \$500K to prepay retirement costs and thereby reduce the Library's liability for retirement costs.

FOLLOW UP

As always, we will provide monthly reports throughout the fiscal year, as well as a more in depth mid-year budget review.

RECOMMENDATION

With the support of the Budget Committee, Staff recommends that the Board approve:

1. the proposed budget in concept (and schedule the budget, and any implementing documents, for consideration and final approval on the consent calendar at the June meeting);
2. the elimination of one full-time Library Clerk and the addition of one part-time Library Aide;
3. authorization to the Executive Director to execute an amendment to the MOU with SEIU: a) eliminating the 2% merit bonus pool for FY18; b) adding a 1% raise for represented employees beginning July 1, 2017; and c) adding bilingual pay of \$50 per month for qualifying employees.
4. the payment of \$500,000 towards the Law Library's Unfunded Accrued Liability with CalPERS before 6/30/2017 and authorization to the Finance Manager to select the source of the funds and complete the transaction.

On the other hand, if the Board would like further discussion or changes that require further analysis or calculation, then Staff will bring back the requested items at the June 2017 Board meeting for discussion and approval.



CUTS, COSTS AND REVENUE OPTIONS FOR FY18 BUDGET

1. ALREADY INCLUDED IN THE FY18 BUDGET

a. Cost increases:

Inflation/involuntary increases:

ITEM	NOTES	FY17 Cost	FY18 Cost	Net
Retirement	FY18 budget reflects staff's recommendation to pre-pay a portion of UAL. See retirement memo.	304,968	310,829	5,861
Health	Represents the Library's share of medical care cost for eligible full time employees, Branch Assistants, and retirees. Premiums are rated annually by each provider. New rates go into effect at the beginning of the calendar year. The Library offers its employees 8 HMO plans and 3 PPO plans. The Library's contribution is capped (but the cap is adjusted annually to ensure it at least covers a specified employee-only HMO plan). A portion of this cost is offset by our CalPERS CERBT investment earnings.	484,416	510,160	25,745
Dental	Represents the Library's share of dental care costs for eligible full time employees and retirees.	56,280	67,773	11,493
Collection	Inflation is approximately 6.5% for non-contracted materials and 3% for contracted materials			130,000
Utilities	Represents the cost of electricity, water, heating and cooling.	162,974	169,450	6,476
Maintenance		30,020	48,000	17,980

Voluntary increases:

Additional daytime security: \$22,000 for additional half-time security position to cover extended hours and security for expanded rentals, clinics and special events.

Nighttime security: \$28,000 to cover nighttime security patrols to reduce vandalism, and destruction of property occurring during non-library hours.

Personnel costs:

AGENDA ITEM 5.2 | EXHIBIT 1

\$16,000: 1% raise in lieu of merit bonus for represented employees; SEIU is asking for 1.5% (unrepresented employees would continue to be eligible for merit bonus)

\$3,000: bilingual pay bonus for qualifying employees

\$75,000: pool for market increases for employees (represented and unrepresented) at less than 80% of market

b. Cuts:

Wolters Kluwer: Reduction in costs of \$87,500 (annual reduction of \$175,000). Depth of cut to available WK materials is under discussion with publisher.

Elimination of Special Projects Supervisor (Betsy) and addition of Library Associate at lower cost (pursuant to reorganization as approved by BoT). Net reduction of \$18,369.

Reductions due to turnover (retirements) replacement with less seniority at lower cost

Reduction of full time Library Clerk position to part-time Library Aide

CalPERS prepayment of Unfunded Accrued Liability: **\$41,000**: **See attached memo.** A \$500,000 additional payment before 6/30/2017 would reduce the 2017-18 required UAL payment by approximately \$41,000.

Reduce print at branches: **\$35,000**. Eliminate all non-contracted print from Van Nuys, Pasadena and Compton locations, but expand digital content. Experience shows that when location is not staffed, there is minimal use of the print resources. Moreover, more than 90% of the existing print collection in remote locations is secondary material available online through Lexis, Westlaw, and CEB OnLaw at the remote locations. Cost savings would also eliminate soft costs for staff time to process, deliver and monitor remote location upkeep. Nominal additional cost will provide substantial additional secondary resources in digital form.

Eliminate print version of journals/law reviews already available electronically. **\$15,000**. Much of this content is non-practitioner in nature. Moreover, we are unlikely to be the "last known copy" since law reviews archive their own publications in print.

Eliminate Forms Workflow: **\$4,816** (annual cost \$9,632). The only used/valued portion of the database is in the form-based function for creating jury instructions. The content is available through CACI, BAJI and other resources, but without the ease of form-filling software to create the instructions. The journal content is duplicative of other digital resources and is in a less usable format.

2. ADDITIONAL ITEMS NOT INCLUDED IN THE FY18 BUDGET

a. Additional savings not fully realized in FY18:

Approximately \$87,500 from Wolters Kluwer since only half of the savings from cuts to WK contract will be realized in FY18.

b. Recommended additional cuts/savings:

Earthquake insurance: Undetermined. Under our current program, DIC insurance protects the Library up to \$55.6M in the event of an earthquake or flood. For the FY2017-18 renewal cycle Staff is looking to present an alternative that may help reduce this cost. This option would look at reducing the limit from \$55.6M to \$30M. Based on the Keenan's Catastrophic Modeling assessment results, a \$30M limit is reasonable based on the structure's age and location and within industry standards. The quote is not available as of this report, however, an oral report will be provided if a quote is secured before the Board's meeting.

c. Recommended additional potential revenue sources:

Platinum Level Membership: We have been exploring a possible pilot project with a large firm that would like to contract with the Law Library for immediate (1 hour), dedicated service to locate and e-deliver resources and assist with research. **See Agenda Item 5.3 Staff Report for description.**

Room rentals: although we saw a significant increase in room rentals in FY17 to \$74,487, we budgeted conservatively at \$50,100.

d. Additional cuts **not recommended**:

Furlough: One Week Furlough: **\$40-50,000**. The Law Library implemented furloughs for 3 years in a row, but did not impose a furlough in FY17 because furloughs are not a long-term solution. If furloughs are allowed to become a regular recurring policy, then they essentially amount to a salary cut.

Eliminate Lexis Advance: Approximately **\$170,000** Many patrons prefer Lexis to Westlaw. In addition, the Matthew Bender practice guides are used frequently, have no comparable replacement from another publisher and would be expensive and less useful in print. (Note that the cost savings would be lessened by the need to buy a Westlaw Next license for Lancaster.

Eliminate Municipal Codes: Ranges from **\$800 - \$6,000** Although the majority of these are available for free on the internet, the greater value to the collection is in maintaining the historical archives. Older versions are not available online. Moreover, most of the cost savings (approx. \$6500) would come from cancellation of the Los Angeles City and County codes, which are used frequently.

Further global law reductions: **\$20,000-100,000** We looked at a number of options, including eliminating secondary material from foreign jurisdictions and eliminating primary law from subordinate jurisdictions (states and provinces), but those cuts are not recommended. As detailed in the attached FCIL Continuations Expenditure Summary, global materials have been drastically reduced over the past 6 years. Further cuts would significantly diminish the value and utility of the global collection.

FCIL Continuations Expenditure Summary

YTD
4/10/2017

Data source: FCIL Contin expenditure details

ALL: Active & Cancelled

Paid Type	by FY					
	FY201112	FY201213	FY201314	FY201415	FY201516	FY201617
Periodical	85,979.51	72,996.83	52,305.02	36,548.71	15,605.64	8,296.38
	81,493.00	68,589.29	47,662.36	32,289.84	10,566.69	7,988.38
Cancelled	4,486.51	4,407.54	4,642.66	4,258.87	5,038.95	308.00
Primary-Local	118,747.42	59,640.89	26,307.64	22,609.10	20,142.08	6,518.24
	118,747.42	59,640.89	26,307.64	22,609.10	20,142.08	6,518.24
Primary-National	250,823.01	215,456.91	211,862.81	166,986.83	156,005.15	113,224.44
	238,040.24	206,295.48	199,465.86	156,005.21	141,961.66	108,254.97
Cancelled	12,782.77	9,161.43	12,396.95	10,981.62	14,043.49	4,969.47
Secondary	394,464.86	351,659.56	323,533.42	308,165.42	213,851.67	115,087.55
	372,876.06	337,162.49	303,196.59	285,017.56	195,167.41	110,642.99
Cancelled	21,588.80	14,497.07	20,336.83	23,147.86	18,684.26	4,444.56
Grand Total	850,014.80	699,754.19	614,008.89	534,310.06	405,604.54	243,126.61

Active titles only excluding cancelled

Paid Type	by FY					
	FY201112	FY201213	FY201314	FY201415	FY201516	FY201617
Periodical	81,493.00	68,589.29	47,662.36	32,289.84	10,566.69	7,988.38
Primary-Local	118,747.42	59,640.89	26,307.64	22,609.10	20,142.08	6,518.24
Primary-National	238,040.24	206,295.48	199,465.86	156,005.21	141,961.66	108,254.97
Secondary	372,876.06	337,162.49	303,196.59	285,017.56	195,167.41	110,642.99
Grand Total	811,156.72	671,688.15	576,632.45	495,921.71	367,837.84	233,404.58

MEMORANDUM

DATE: May 24, 2017

TO: Board of Law Library Trustees

FROM: Sandra Levin, Executive Director
Marcelino Juarez, Finance Manager

RE: Prepayment of Retirement Costs

SUMMARY

Retirement costs for the Law Library – and other public agencies -- have been steadily rising. Staff has been actively looking for ways to control or reduce costs. To this end, staff and the FY2018 Budget Subcommittee are recommending a \$500,000 prepayment towards the Law Library’s Accrued Unfunded Liability (UAL) with CalPERS.

BACKGROUND

The cost of retirement is determined by CalPERS based upon an actuarial analysis that takes into account: number, pay rate, age and years in the system for each current employee and existing retiree; the amount paid into the Law Library account to date; and expected rate of return on investments. The formula is complex (and not transparent) but one significant factor has been CalPERS’s lower return on investment in recent years, resulting in a determination that the Law Library account is underfunded.

The cost of providing retirement benefits to Library staff is divided into two components: normal cost (paid monthly as a percentage of payroll) and the UAL (an annual assessment). Up until FY2010, the Library had a “superfunded” status where no employer UAL contribution was required due to a surplus in the Library’s side fund. That surplus is now depleted due to factors including increase in the number of retirees, CalPERS’ low return on its investments, and annual cost of living increase adjusted for inflation. **Exhibit A** illustrates the Library’s retirement required contributions as actuarially determined by CalPERS for its “Classic” and “PEPRA” members since FY2007. For FY2018, this has grown to a \$350K expense (including both Classic and PEPRA members) and it is only expected to increase.

OPTIONS

As of the most recent actuarial valuation, the Library’s Unfunded Accrued Liability (UAL) was projected at \$1.9M which resulted in the required UAL payment of \$101,159. This UAL payment is projected to increase again in FY2019 (by \$80K). Recently, Staff reached out to CalPERS to inquire about a partial pre-payment of its \$1.9M obligation.

AGENDA ITEM 5.2 | EXHIBIT 2

CalPERS provided the following scenarios based on Staff's directions:

Scenario 1: \$500K pre-payment

A \$500,000 additional payment before 6/30/2017 applied to the Pre-2013 Pool UAL would reduce the 2017-18 required UAL payment by approximately \$41,000 (or 8.2% of the amount invested). See **Exhibit B**.

Scenario 2: \$1M pre-payment

A \$1,000,000 additional payment before 6/30/2017 applied to the Pre-2013 Pool UAL would reduce the 2017-18 required UAL payment by approximately \$78,000 (7.8% of the amount invested).

Scenario 3: \$2M pre-payment

A \$1,000,000 additional payment before 6/30/2017 applied to the Pre-2013 Pool UAL would reduce the 2017-18 required UAL payment to \$0 because the Library would be fully funded.

Additionally, in future years any pre-payment would also reduce the Normal Cost rate by some small amount – but that amount is currently unknown and cannot be determined in advance.

RECOMMENDATION

Staff has reviewed its cash and cash obligations for the upcoming fiscal year and has identified more than sufficient cash to meet expected and budgeted items in readily available funds. (In addition, the UBS investments are structured so that cash comes available at least once per year.) Interest rates in LAIF, County Pool and UBS investments are still low as compared to the savings available through pre-payment of retirement obligations. Accordingly, this is an opportunity not only to protect retirement benefits but also to realize a higher return on investment. Therefore, Staff believes that it is prudent to pre-pay at least \$500,000 of its projected \$1.9M UAL.

This recommendation was reviewed and discussed by the FY2018 Budget Subcommittee who concurred in the recommendation.

EXHIBIT A

CalPERS Retirement Costs (without Prepayment of UAL)

Fiscal Year	Plan	Normal Cost Rate (%)	+	Employer Payment of Unfunded Liability	A	B	C = A + B
					UAL Lump Sum Pre- payment Discount	Normal Cost (\$)	Total
2006-07	Classic	0.000%					
2007-08	Classic	0.000%					
2008-09	Classic	0.000%					
2009-10	Classic	0.000%					
2010-11	Classic	1.409%				33,228	33,228
2011-12	Classic	5.705%				156,880	156,880
2012-13	Classic	4.787%				116,257	116,257
2013-14	Classic	11.682%				270,475	270,475
2014-15	Classic	11.449%				252,560	252,560
2015-16	Classic	11.736%		13,595	13,112	245,337	258,449
2016-17	Classic	11.934%		48,025	46,319	238,649	284,968
2017-18	Classic	11.974%		101,159	97,567	197,037	294,604
2018-19 (Projected)	Classic	12.000%		181,931			
2013-14	PEPRA	6.900%				14,804	14,804
2014-15	PEPRA	6.900%				20,823	20,823
2015-16	PEPRA	6.967%		0		19,727	19,727
2016-17	PEPRA	7.191%		0		20,000	20,000
2017-18	PEPRA	7.170%		204	196	53,074	53,270
2018-19 (Projected)	PEPRA	7.200%		307			



California Public Employees' Retirement System
Actuarial Office
 P.O. Box 942709
 Sacramento, CA 94229-2709
 TTY: (916) 795-3240
 (888) 225-7377 phone · (916) 795-2744 fax
www.calpers.ca.gov

EXHIBIT B

May 15, 2017

CalPERS ID: 5612780823
 Employer Name: LOS ANGELES COUNTY LAW LIBRARY
 Rate Plan: MISCELLANEOUS PLAN [30]

Re: Lump Sum Payment to reduce the Unfunded Actuarial Liability

Dear Requestor:

As requested, 2017-2018 employer contribution rate information on your lump sum payment follows.

If you are aware of others interested in this information (i.e. payroll staff, county court employees, port districts, etc.), please inform them.

The information is based on the most recent annual valuation and assumes payment *by May 30, 2017 and* no further contractual or financing changes taking effect before June 30, 2017. The Unfunded Liability will be reduced or eliminated by a lump sum payment in the amount of **\$500,000**. There will be no change to your 2016-17 contributions.

Valuation as of June 30, 2015	Pre-Payment	Post Payment
Projected 6/30/17 Total Unfunded Liability ¹	\$ 1,986,809	
Payment on 5/30/2017	\$ 500,000	
Revised 6/30/17 Total Unfunded Liability¹		\$ 1,483,780
2017-2018 Employer Contributions		
Base Total Normal Cost for Formula	17.485%	17.485%
Surcharges for Class 1 Benefit		
a) FAC1	0.571%	0.571%
b) PRSA	0.738%	0.738%
c) 4% COLA	1.126%	1.126%
Phase out of Normal Cost Difference	<u>0.000%</u>	<u>0.000%</u>
Plan's Total Normal Cost	19.920%	19.920%
Formula's Expected Employee Contribution Rate	<u>7.946%</u>	<u>7.946%</u>
Employer Normal Cost Rate	11.974%	11.974%
Side Fund	\$ (313,389)	\$ (313,389)
Share of Pre-2013 Pool UAL	285,043	243,104
Asset (Gain)/Loss 6/30/13	129,281	129,281
Non-Asset (Gain)/Loss 6/30/13	(973)	(973)
Asset (Gain)/Loss 6/30/14	(59,149)	(59,149)
Assumption Change	43,641	43,641
Non-Asset (Gain)/Loss 6/30/14	56	56
Asset (Gain)/Loss 6/30/15	17,909	17,909
Non-Asset (Gain)/Loss 6/30/15	(1,258)	(1,258)
2017-2018 Employer Unfunded Liability Payment	\$ 101,161	\$ 59,222

¹Newly calculated amounts were based on a discount rate of 7.375%, which will be used in the June 30, 2016 valuation, rather than the 7.5% used in the June 30, 2015 valuation.

Required Employer Contribution After Payment		Fiscal Year
Employer Normal Cost Rate		2017-18
<i>Plus Either</i>		11.974%
1) Monthly Employer Dollar UAL Payment	\$	4,935.17
<i>Or</i>		
2) Annual Lump Sum Prepayment Option	\$	57,119

*The total minimum required employer contribution is the **sum** of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) **plus** the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly in dollars). Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31). Plan Normal Cost contributions will be made as part of the payroll reporting process. If there is contractual cost sharing or other change, this amount will change. §20572 of the Public Employees' Retirement Law assesses interest at an annual rate of 10 percent if a contracting agency fails to remit the required contributions when due.*

To initiate this change, the enclosed Lump Sum Payment Request must be completed and returned to the Fiscal Services Division with a wire transfer or a check by May 30, 2017. A copy should be sent to us.

If you have questions, please call (888) CalPERS (225-7377).

RANDALL DZIUBEK, ASA, EA, MAAA
Senior Pension Actuary, CalPERS

Los Angeles County Law Library: Summary

Proposed Budget: Fiscal Year Ending 6/30/18

GL No.				Budget 2017	Forecast 2017	Budget 2018	\$ Inc (Dec) relative to Forecast	% Inc (Dec) relative to Forecast
	2014	2015	2016					
Summary:								
Income								
L.A. Superior Court Fees	7,112,614	6,336,433	6,604,626	6,545,083	6,677,360	6,670,000	(7,360)	-0.1%
Interest	51,546	19,838	23,546	23,688	26,644	30,787	4,143	15.5%
Parking	618,386	668,472	715,481	691,231	685,094	680,000	(5,094)	-0.7%
Library Services	563,148	518,932	546,513	524,120	589,558	537,448	(52,111)	-8.8%
Total Income	8,345,695	7,543,675	7,890,165	7,784,121	7,978,657	7,918,234	(60,422)	-0.8%
Expense								
Staff	4,105,615	3,743,871	3,838,897	4,038,026	3,736,941	3,980,856	243,915	6.5%
Library Materials	3,035,273	2,847,890	2,063,651	1,940,279	1,917,977	1,955,472	37,495	2.0%
Library Materials Transferred to Assets	(3,035,273)	(2,847,890)	(2,063,651)	(1,940,279)	(1,917,977)	(1,955,472)	(37,495)	2.0%
Electronic Resource Subscriptions (ERS)			629,617	691,386	691,387	597,312	(94,075)	-13.6%
Facilities	784,485	839,275	871,193	856,368	856,158	932,393	76,235	8.9%
Technology & Data	113,847	111,770	123,551	164,400	165,497	142,793	(22,704)	-13.7%
General	68,276	73,295	59,487	67,049	65,623	65,915	292	0.4%
Professional Development	16,759	20,775	12,948	21,325	20,110	22,865	2,755	13.7%
Communications & Marketing	9,587	2,561	6,258	8,355	5,158	7,715	2,557	49.6%
Travel & Entertainment	1,827	1,859	2,481	3,048	2,484	2,736	252	10.2%
Professional Services	36,593	50,345	58,613	56,063	52,545	66,160	13,615	25.9%
Depreciation	3,266,848	2,844,276	2,952,940	2,960,377	2,914,223	2,839,529	(74,694)	-2.6%
Total Expenses	8,403,837	7,688,028	8,555,985	8,866,397	8,510,126	8,658,274	148,148	1.7%
Net Income (Loss)	(58,143)	(144,353)	(665,820)	(1,082,276)	(531,469)	(740,039)	(208,570)	39.2%
Investment Gain (Loss) ²		40,081	78,437	35,000	(76,266)	35,000	111,266	-145.9%
Extraordinary Income	671,128	21,347	0	55,000	55,000	0	(55,000)	-100.0%
Extraordinary Expense	279,570	572,839	0	0	0	0	0	0.0%
Net Income Including Extraordinary Items	333,416	(655,765)	(587,383)	(992,276)	(552,735)	(705,039)	(152,304)	27.6%
								0.0%
Capitalized Expenditures	65,523	48,739	15,354	1,569,500	70,980	1,943,000	1,872,020	2637.4%

Los Angeles County Law Library: Summary

Proposed Budget: Fiscal Year Ending 6/30/18

GL No.					Budget 2017	Forecast 2017	Budget 2018	\$ Inc (Dec) relative to Forecast	% Inc (Dec) relative to Forecast
		2014	2015	2016					
Detailed Budget:									
Income:									
303300	L.A. Superior Court Fees	7,112,614	6,336,433	6,604,626	6,545,083	6,677,360	6,670,000	(7,360)	-0.1%
Interest:									
311000	Interest - LAIF	3,226	3,486	5,684	4,810	5,144	5,787	642	12.5%
312000	Interest - General Fund	46,507	14,314	15,546	16,500	18,742	22,000	3,258	17.4%
313000	Interest - Deposit Fund	1,813	2,038	2,316	2,378	2,758	3,000	242	8.8%
	Subtotal	51,546	19,838	23,546	23,688	26,644	30,787	4,143	15.5%
Parking:									
330100	Parking	618,386	668,472	715,481	691,231	685,094	680,000	(5,094)	-0.7%
	Subtotal	618,386	668,472	715,481	691,231	685,094	680,000	(5,094)	-0.7%
Library Services:									
330150	Annual Messenger Fee	4,095	2,860	4,272	3,800	4,894	4,944	50	1.0%
330140	Annual Members Fee	104,268	113,185	114,996	110,004	108,395	102,011	(6,384)	-5.9%
330340	Course Registration	27,056	30,284	26,990	32,617	22,727	22,804	77	0.3%
330129	Copy Center	67,035	59,815	60,303	52,700	55,273	56,600	1,327	2.4%
330205	Document Delivery	29,114	23,862	25,074	24,000	21,270	22,150	881	4.1%
330210	Fines	49,523	39,196	44,447	46,500	48,781	48,500	(281)	-0.6%
330310	Miscellaneous	88,255	60,992	59,514	65,999	66,212	89,999	23,787	35.9%
330330	Room Rental	24,433	53,993	62,927	45,600	74,487	50,100	(24,387)	-32.7%
330350	Book Replacement	6,296	5,360	2,278	4,200	4,056	2,240	(1,816)	-44.8%
330360	Forfeited Deposits	13,495	0	13,081	7,500	15,000	7,500	(7,500)	-50.0%
330400	Friends of Law Library	134,961	120,000	120,000	120,000	155,000	120,000	(35,000)	-22.6%
330450	Vending	3,985	3,171	1,164	1,200	1,113	600	(513)	-46.1%
330465	Special Events Income	10,634	6,214	11,467	10,000	12,352	10,000	(2,352)	-19.0%
	Subtotal	563,148	518,932	546,513	524,120	589,558	537,448	(52,111)	-8.8%
	Total Income	8,345,695	7,543,675	7,890,165	7,784,121	7,978,657	7,918,234	(60,422)	-0.8%
Expenses:									
Staff:									
501000	Salaries (benefits eligible)	2,525,670	2,422,696	2,340,459	2,464,901	2,183,663	2,446,244	262,582	12.0%
501025	Staff Vacancy Offset (Ben. Eligible)	0	0	0	(48,386)	0	(42,431)	(42,431)	0.0%
501050	Salaries (benefits ineligible)	311,014	241,200	233,218	274,726	265,421	260,194	(5,227)	-2.0%
501075	Staff Vacancy Offset (Ben. Ineligible)	0	0	0	(5,379)	0	(4,603)	(4,603)	0.0%
502000	Social Security	166,102	157,273	148,269	163,338	139,620	151,586	11,966	8.6%
503000	Medicare	40,273	37,941	35,787	38,200	34,017	36,434	2,417	7.1%
511000	Retirement	285,279	0	0	313,639	304,968	310,829	5,862	1.9%
511050	Pension Exp (Actuarial)			243,800	0	0	0	0	0.0%
511100	Pension Exp (Acctg)			0	0	0	0	0	0.0%
512000	Health Insurance	499,922	423,807	483,008	502,614	484,416	510,160	25,745	5.3%
513000	Disability Insurance	4,936	5,079	4,928	4,551	5,013	4,584	(429)	-8.6%

Los Angeles County Law Library: Summary

Proposed Budget: Fiscal Year Ending 6/30/18

GL No.					Budget 2017	Forecast 2017	Budget 2018	\$ Inc (Dec) relative to Forecast	% Inc (Dec) relative to Forecast
		2014	2015	2016					
514000	Dental Insurance	58,368	60,648	59,016	65,338	56,280	67,773	11,493	20.4%
514500	Vision Insurance	8,304	7,322	6,963	8,016	6,018	7,234	1,216	20.2%
515000	Life Insurance	1,096	1,076	996	1,542	886	1,567	681	76.8%
515500	Vacancy Benefits Offset	0	0	0	0	0	0	0	0.0%
516000	Workers Compensation Insurance	86,412	87,747	82,462	87,935	85,569	60,825	(24,743)	-28.9%
517000	Unemployment Insurance	441	(32)	(96)	0	7,541	5,000	(2,541)	-33.7%
514010	Temporary Employment	1,550	21,339	1,916	3,200	1,500	3,960	2,460	164.0%
514015	Recruitment	3,424	1,333	558	500	1,764	1,500	(264)	-15.0%
517500	Accrued Sick Expense	1,834	9,231	338	5,000	5,000	5,000	0	0.0%
518000	Accrued Vacation Expense	18,569	86,483	43,620	20,000	20,000	15,000	(5,000)	-25.0%
518500	OPEB Expense	58,656	153,074	129,257	108,289	108,289	110,000	1,711	1.6%
518550	TMP	16,356	13,864	11,372	15,000	12,187	15,000	2,813	23.1%
518560	Payroll and Benefit Administration	17,410	13,791	13,025	15,000	14,792	15,000	208	1.4%
	Total - Staff	4,105,615	3,743,871	3,838,897	4,038,026	3,736,941	3,980,856	243,915	6.5%
	Library Materials:								
601999	American Continuations	2,214,222	2,179,152	1,560,426	1,509,965	1,473,013	1,525,017	52,004	3.5%
602999	American New Orders	80,909	28,431	15,311	16,382	13,163	15,000	1,837	14.0%
609199	Branch Continuations	47,578	35,849	48,283	51,663	61,340	23,060	(38,280)	-62.4%
609299	Branch New Orders	351	499	0	600	161	200	39	24.0%
603999	Commonwealth Continuations	302,020	251,944	140,309	112,107	123,587	130,417	6,830	5.5%
604999	Commonwealth New Orders	930	87	0	1,560	0	1,000	1,000	0.0%
605999	Foreign Continuations	209,190	195,562	171,727	137,470	114,637	121,967	7,330	6.4%
606999	Foreign New Orders	11,543	1,350	670	1,200	580	1,000	420	72.3%
607999	International Continuations	134,552	125,356	107,931	87,234	114,222	119,517	5,295	4.6%
608999	International New Orders	6,784	3,239	158	4,000	681	500	(181)	-26.6%
609399	General/Librarianship Continuations	25,579	26,151	18,639	16,897	16,520	17,594	1,074	6.5%
609499	General/Librarianship New Orders	1,614	270	197	1,200	72	200	128	178.6%
	Subtotal	3,035,273	2,847,890	2,063,651	1,940,279	1,917,977	1,955,472	37,495	2.0%
690000	Library Materials Transferred to Assets	(3,035,273)	(2,847,890)	(2,063,651)	(1,940,279)	(1,917,977)	(1,955,472)	(37,495)	2.0%
685000	Electronic Resource Subscriptions (ERS)	0	0	629,617	691,386	691,387	597,312	(94,075)	-13.6%
	Facilities:								
801005	Repair & Maintenance	36,528	38,567	30,650	45,000	30,020	48,000	17,980	59.9%
801010	Building Services	17,439	16,145	10,595	12,000	10,233	13,200	2,967	29.0%
801015	Cleaning Supplies	11,952	12,944	8,976	12,996	12,589	13,200	611	4.8%
801020	Electricity & Water	111,021	119,333	118,429	124,272	124,296	129,600	5,304	4.3%
801025	Elevator Maintenance	15,476	12,889	11,592	6,306	12,830	996	(11,834)	-92.2%
801030	Heating & Cooling	30,761	33,185	38,467	31,224	38,678	39,850	1,172	3.0%
801035	Insurance	249,409	255,051	293,134	259,200	260,584	265,000	4,416	1.7%

Los Angeles County Law Library: Summary

Proposed Budget: Fiscal Year Ending 6/30/18

GL No.					Budget 2017	Forecast 2017	Budget 2018	\$ Inc (Dec) relative to Forecast	% Inc (Dec) relative to Forecast
		2014	2015	2016					
801040	Janitorial Services	101,057	104,840	104,090	106,638	106,153	116,322	10,169	9.6%
801045	Landscaping	16,125	13,671	13,411	18,000	16,500	18,000	1,500	9.1%
801050	Security	168,542	175,908	194,703	184,992	190,013	240,000	49,987	26.3%
801060	Room Rental Expenses	13,446	34,234	27,536	21,000	30,153	22,800	(7,353)	-24.4%
801065	Special Events Expenses	0	13,677	9,933	17,000	14,463	8,000	(6,463)	-44.7%
801100	Furniture & Appliances (<3K)	1,866	598	300	2,400	1,200	2,400	1,200	100.0%
801110	Equipment (<3K)	1,731	1,153	1,426	4,800	2,543	4,800	2,257	88.7%
801115	Building Alterations (<3K)	0	0	0	1,200	600	2,700	2,100	350.0%
801120	Delivery & Postage	4,370	4,280	5,931	6,844	3,586	5,300	1,714	47.8%
801125	Kitchen supplies	4,763	2,800	2,020	2,496	1,717	2,225	508	29.6%
	Subtotal	784,485	839,275	871,193	856,368	856,158	932,393	76,235	8.9%
	Technology:								
801210	Software Maintenance	26,575	19,327	25,615	20,880	21,116	21,000	(116)	-0.6%
801212	Hardware Maintenance	0	11,145	14,166	17,892	17,892	16,925	(967)	-5.4%
801215	Software (<\$3k)	4,055	1,004	1,513	14,400	14,400	9,000	(5,400)	-37.5%
801220	Hardware (<\$3k)	8,759	2,613	3,790	9,800	9,800	4,800	(5,000)	-51.0%
801225	Computer Supplies	908	391	344	960	960	600	(360)	-37.5%
801230	Integrated Library System	43,549	45,400	47,443	48,468	48,510	48,468	(42)	-0.1%
801235	Telecommunications	29,966	30,445	28,156	42,000	42,000	42,000	0	0.0%
801245	Tech & Data - Misc	35	91	73	0	65	0	(65)	-100.0%
801250	Services	0	1,355	2,451	10,000	10,753	0	(10,753)	-100.0%
	Subtotal	113,847	111,770	123,551	164,400	165,497	142,793	(22,704)	-13.7%
	General:								
801310	Bank Charges	6,965	7,835	6,307	8,400	7,446	8,000	554	7.4%
801315	Bibliographical Services	7,482	7,878	9,122	9,410	9,420	9,720	300	3.2%
801320	Binding	0	0	0	0	0	0	0	0.0%
801325	Board Expense	1,190	2,189	859	1,080	778	1,000	222	28.5%
801330	Staff meals & events	2,729	1,710	1,639	2,184	2,084	3,020	936	44.9%
801335	Supplies - Office	11,778	14,806	10,718	12,000	12,110	13,000	890	7.4%
801337	Supplies - Library materials	9,391	6,861	7,852	9,025	9,025	9,025	0	0.0%
801340	Stationery, business cards, etc.	821	665	71	1,000	849	400	(449)	-52.9%
801365	Grant Application Expenses	0	0	0	0	0	0	0	0.0%
801370	Copy Center Expense	26,849	24,925	19,897	22,500	19,192	21,400	2,208	11.5%
801375	General - Misc	1,071	294	956	500	3,713	0	(3,713)	-100.0%
801390	Course Registration	0	4,701	564	850	878	150	(728)	-82.9%
801395	Friends of Law Library	0	1,433	1,503	100	128	200	72	56.6%
	Subtotal	68,276	73,295	59,487	67,049	65,623	65,915	292	0.4%
	Professional Development:								
803105	Travel	3,891	5,946	1,819	9,100	9,100	10,312	1,212	13.3%
803110	Meals	122	140	0	0	0	180	180	0.0%
803113	Incidental and miscellaneous	1,905	0	0	0	0	0	0	0.0%

Los Angeles County Law Library: Summary

Proposed Budget: Fiscal Year Ending 6/30/18

GL No.					Budget 2017	Forecast 2017	Budget 2018	\$ Inc (Dec) relative to Forecast	% Inc (Dec) relative to Forecast
		2014	2015	2016					
803115	Membership dues	7,239	10,878	9,452	6,160	6,180	6,180	0	0.0%
803120	Registration fees	3,602	3,547	1,678	6,065	4,830	6,193	1,363	28.2%
803125	Educational materials	0	264	0	0	0	0	0	0.0%
	Subtotal	16,759	20,775	12,948	21,325	20,110	22,865	2,755	13.7%
	Communications & Marketing:								
803205	Services	1,784	0	0	1,800	1,800	1,800	0	0.0%
803210	Collateral materials	978	1,099	1,550	2,830	2,358	2,250	(108)	-4.6%
803215	Advertising	5,109	104	4,684	3,100	1,000	2,965	1,965	196.5%
803220	Trade shows & Outreach	1,716	1,359	25	625	0	700	700	0.0%
	Subtotal	9,587	2,561	6,258	8,355	5,158	7,715	2,557	49.6%
	Travel & Entertainment								
803305	Travel	51	22	10	0	0	0	0	0.0%
803310	Meals	0	0	0	0	0	0	0	0.0%
803315	Entertainment	0	0	0	0	0	0	0	0.0%
803320	Ground transportation & mileage reimb	1,776	1,837	2,471	3,048	2,484	2,736	252	10.2%
803325	Incidental travel expenses	0	0	0	0	0	0	0	0.0%
	Subtotal	1,827	1,859	2,481	3,048	2,484	2,736	252	10.2%

Los Angeles County Law Library: Summary

Proposed Budget: Fiscal Year Ending 6/30/18

GL No.					Budget 2017	Forecast 2017	Budget 2018	\$ Inc (Dec) relative to Forecast	% Inc (Dec) relative to Forecast
		2014	2015	2016					
Professional Services									
804005	Accounting	16,500	17,715	21,630	18,063	18,083	24,031	5,948	32.9%
804008	Consulting Services	15,225	32,613	36,495	38,000	34,462	34,249	(213)	-0.6%
804010	Legal	4,868	18	488	0	0	5,000	5,000	0.0%
804015	Other	0	0	0	0	0	2,880	2,880	0.0%
	Subtotal	36,593	50,345	58,613	56,063	52,545	66,160	13,615	25.9%
Depreciation:									
806105	Depreciation - Library Materials	2,890,614	2,492,718	2,619,001	2,524,786	2,521,934	2,441,714	(80,221)	-3.2%
806110	Depreciation Exp - FF&E	376,235	351,558	333,939	435,591	392,289	397,816	5,527	1.4%
	Subtotal	3,266,848	2,844,276	2,952,940	2,960,377	2,914,223	2,839,529	(74,694)	-2.6%
	Total Expense	8,403,837	7,688,028	8,555,985	8,866,397	8,510,126	8,658,274	148,148	1.7%
	Net Income Before Extraordinary Items	(58,143)	(144,353)	(665,820)	(1,082,276)	(531,469)	(740,039)	(208,570)	39.2%
321000	Investment Gain (Loss) ²		40,081	78,437	35,000	(76,266)	35,000	111,266	-145.9%
401000	Extraordinary Income	671,128	21,347	0	55,000	55,000	0	(55,000)	-100.0%
901000	Extraordinary Expense	279,570	572,839	0	0	0	0	0	0.0%
	Net Income Including Extraordinary Items	333,416	(655,765)	(587,383)	(992,276)	(552,735)	(705,039)	(263,570)	(1)
Capital Expenditures:									
161100	Furniture / Appliances (>3k)	0	44,374	3,924	30,000	0	30,000	30,000	0.0%
161300	Electronics / Computer Hardware (>3k)	19,010	4,364	0	157,000	58,480	380,000	321,520	549.8%
164500	Exterior Building Repairs/ Improvements (>3k)	0	0	0	452,500	12,500	440,000	427,500	3420.0%
164000	Interior Improvements / Alterations (>3k)	24,254	0	0	535,000	0	698,000	698,000	0.0%
168000	Computer Software	22,259	0	11,430	395,000	0	395,000	395,000	0.0%
	Total - Capitalized Expenditures	65,523	48,739	15,354	1,569,500	70,980	1,943,000	1,872,020	2637.4%

¹ CalPERS CERBT income account removed from FY 2016 budget as recommended by outside auditors. The account will be monitored and reported independently from the Library's operating budget.

² UBS interest/dividend income and gains/losses is consolidated into Investment Gain (Loss) for FY 2016. It was also moved to "non-operating income" section of the budget as recommended by outside auditors.

Los Angeles County Law Library: Capital Purchases

Proposed Budget: Fiscal Year Ending 6/30/18

Vendor or Description of Item	Category of Asset (select from dropdown menu)	Anticipated Completion Month (select from dropdown menu)	Acquisition Cost (including consulting, design, implementation, etc.)	Carryover from prior fiscal year(s)? (select from dropdown menu)	Reason or comment
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Capital assets are recorded at cost. Assets, other than books and reference materials, with acquisition cost of \$3,000 or more are capitalized. Books and reference materials are capitalized regardless of the amount.

The provision for depreciation is computed using the straight-line method over the estimated service lives of the capital assets. Estimated service lives for the Law Library's capital assets are as follows.

Books and reference materials	10 years
Computer equipment	4 years
Furniture, fixtures and other equipment	4-7 years
Interior Building improvements	15 years
Exterior Building Improvements	15-50 years

Los Angeles County Law Library
Statement of Cash Flows
6/30/2012 through 6/30/2018

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 Forecast	FY 2018 Budget
Cash flows from operating activities							
Cash received from filing fees and services	9,425,350	8,634,796	8,160,521	7,587,825	7,772,176	7,823,657	7,798,234
Cash payments to suppliers for goods and services	-276,935	-2,870,681	-853,929	-1,274,535	-1,109,047	-1,167,575	-1,240,577
Electronic Resource Subscriptions (ERS) ¹				-523,941	-666,951	-691,387	-597,312
Cash payments to employees for services	-4,214,621	-4,363,664	-4,084,807	-3,867,282	-3,763,250	-3,603,652	-4,350,856
Contributions received	143,000	120,000	134,961	120,000	120,000	155,000	120,000
Net cash from operating activities	5,076,794	1,520,451	3,356,746	2,042,067	2,352,928	2,516,043	1,729,489
Cash flows from capital and related financing activities							
Acquisition of capital assets:							
Books and Reference Materials	-3,879,820	-3,400,719	-3,025,718	-2,262,095	-2,097,247	-1,917,977	-1,955,472
Fixed Assets - PP&E	-5,861,553	-367,208	-68,623	-48,739	-18,354	-70,980	-1,943,000
Prior period adjustment	0	25,436	-35,885				
Net cash from (used in) capital and related financing activities	-9,741,373	-3,742,491	-3,130,226	-2,310,834	-2,115,601	-1,988,957	-3,898,472
Cash flows from non-capital and related financing activities							
Sales of rare books collection	0	0	671,129	21,347	0	0	0
Net cash from non-capital and related financing activities	0	0	671,129	21,347	0	0	0
Cash flows from investing activities							
Investment in money market and government securities ²	0	0	-3,997,438	-40,081	-78,437	-576,266	-35,000
CalPERS CERBT Trust Account ²	0	0		-2,040,647		0	0
Investments earnings	108,350	64,287	89,630	59,919	101,982	102,910	65,787
Net cash from (used in) investing activities	108,350	64,287	-3,907,808	-2,020,809	23,545	-473,356	30,787
Net increase in cash and cash equivalents	-4,556,229	-2,157,753	-3,010,159	-2,268,229	260,872	53,730	-2,138,196
Cash and cash equivalents, at beginning of year	15,601,244	11,045,015	8,887,262	5,877,102	3,608,873	3,869,745	3,923,475
Cash and cash equivalents, end of year	11,045,015	8,887,262	5,877,102	3,608,873	3,869,745	3,923,475	1,785,279
² Items accounted for separately:							
Cash and cash equivalents, end of year	11,045,015	8,887,262	5,877,102	3,608,873	3,869,745	3,923,475	1,785,279
CalPERS CERBT Account	0	0	0	1,973,064	2,029,637	2,091,000	2,020,000
UBS money market and government securities	0	0	3,997,438	4,037,519	4,115,956	4,540,000	4,550,000
Cash and cash equivalents, end of year including items accounted for separately	11,045,015	8,887,262	9,874,541	9,619,456	10,015,338	10,554,475	8,355,279
Δ in cash and cash equivalents		-2,157,753	987,279	-255,085	395,882	539,137	-2,199,196

¹ Following auditors recommendation, subscription fees for licensed access to legal databases historically capitalized as “electronic resources” are now expensed as ERS in accordance with GAAP.

MEMORANDUM

DATE: May 24, 2017

TO: Board of Law Library Trustees

FROM: Sandra Levin, Executive Director
Malinda Muller, Director, Patron Services
Austin Stoub, Senior Librarian, Reference & Research

RE: Approval of Exploratory Platinum Level Member Pilot Program

INTRODUCTION

The Law Library has been approached by representatives from law firms who are interested in a level of service the Law Library does not currently offer, even within the Members program. We are therefore exploring the feasibility of a “Platinum Level” of the Members Program that would provide a higher level of service for a substantial fee. Staff has been in discussions with a large law firm interested in testing the feasibility of this expanded service for 3 months, commencing July 1, 2017. Should the pilot prove successful, the Board would be asked at a subsequent meeting to approve offering Platinum Level membership on a larger scale.

ANALYSIS & BACKGROUND

Since the beginning of the recession in 2008, law firms have looked for ways to reduce costs, while maintaining a competitive edge. One area where firms have looked to reduce costs is in their research departments; firms have greatly reduced the number of researchers, librarians, print materials and database products available to their attorneys. In order to supplement their reductions to research departments, attorneys and firms have come to rely on the services LA Law Library offers to the legal community. Many have joined the Members Program, others have used our reference librarians and research databases as ad hoc research departments. These services, while robust, do not rise to the level attorneys at large firms desire.

One such law firm has recently been exploring with the Law Library what type of services LA Law Library can offer for an additional fee that might mitigate the cuts they have made to their research services and materials. These discussions have resulted in a proposal for a Platinum Level of service within the Members Program. The basic parameters are detailed in the attached term sheet under discussion with law firm representatives and include a dedicate telephone and email contact point, faster turnaround and unlimited edelivery for a substantial fee.

If approved by the Board of Trustees, this type of pilot program would have the following benefits:

- Allow LA Law Library to add a staff position to handle both Platinum Level requests, as well as other library tasks when not fully occupied with requests from Platinum Members;



- Establish a new level to the Members Program that might attract other large firms and expand the use and awareness of the resources available at LA Law Library;
- Additional revenue for the Law Library to help fund overhead and other costs.

Staff has identified two potential drawbacks. First, because this is a service we have never before provided, it may result in unforeseen costs or take more Staff time than predicted. Accordingly, Staff is recommending a limited term (3 month) pilot project to assess the costs and burden before engaging on a larger scale. Second, some may view the fee-for-service model as elitist or inconsistent with the Law Library's philosophy and practice of providing equal access to all. However, should the program prove successful, it would be offered to anyone interested in participating (up to a cap on the number of Platinum Members based upon the Library's available space and resources) on a first-come, first served basis, and it would provide funding to support the Law Library and its continued provision of free services. Thus, while the Members Program does represent a different level of service based upon payment of a fee, it is available to all on the same terms and is supportive of the free and low cost services provided as well.

OPTIONS

After considering the benefits and drawbacks to the program, the Board of Trustees will have various options:

1. Approve the Platinum Member pilot program, and authorize the Executive Director to execute the necessary documents;
2. Propose changes, to the Platinum Members pilot program, and authorize the Executive Director to execute the necessary documents reflecting the amended terms;
3. Ask for continued discussion at the June meeting on the details of a Platinum Members program; or
4. Direct Staff not to engage in a pilot program for Platinum Membership.

RECOMMENDATION

Staff recommends the Board of Trustees approve Option 1.



Platinum Level Membership Term Sheet as of May 15, 2017
(Pilot Project)

Proposed Terms:

1. 3 month term commencing July 1, 2017
2. Law Library shall provide Platinum Member a dedicated telephone and email contact, for use in contacting Platinum program personnel and submitting requests.
3. Membership applies to entire law firm;
 - a. Member to provide list of Approved Contacts; any individual on the Approved Contacts list may contact the Platinum Member line;
 - b. Member shall also provide a list of personnel authorized for in-person access; any individual on the In-Person list shall have the on-site privileges provided to Bronze level members as described at <http://www.lalawlibrary.org/index.php/services-rentals/members/prospective.html>.
4. Response times for email and telephone requests:
 - a. For up to 8 discrete requests per day (e.g., pulling a case, statute, judicial reversal report or other identified, specific authority or report), Law Library shall respond within 1 hour on weekdays and 3 hours on Saturdays;
 - b. For additional requests or research questions, Law Library cannot assure a specific turnaround time, but shall treat the request as a high priority and give it immediate attention
5. Member shall have borrowing privileges and access to all print and digital materials within the Law Library collection, subject to copyright laws and vendor/publisher agreements. A searchable catalog of materials available at the Law Library is available at www.lalawlibrary.org. A list of available databases can be found at <http://www.lalawlibrary.org/index.php/legal-research/research-databases.html>.
6. In addition, Platinum membership includes unlimited e-delivery of responses to reference requests, Matters available to the Law Library on subscription databases for a fee (e.g., outside of the Law Library's plan) will be provided, but billed monthly as an additional cost. Print copies will be charged at the usual rate for staff-assisted copies
7. Member shall designate a project manager who shall serve as the point of contact for troubleshooting and resolving any concerns or problems
8. Cost: \$9,000 per month for the pilot period
9. Termination: either party may terminate for good cause by written notice which shall take effect as of the 1st of the following month. Good cause for termination by the Law Library shall include nonpayment by the Member; good cause for termination by the Member shall include a substantial reduction in the available collection materials.
10. Caveats and constraints:
 - a. Law Library does not provide legal advice
 - b. Platinum Members do not receive remote access to databases (due to publisher constraints)
 - c. Platinum Members may not obtain copies in violation of copyright law or publisher license and subscription agreements

MEMORANDUM

DATE: May 24, 2017

TO: Board of Law Library Trustees

FROM: Sandra Levin, Executive Director

RE: 2017 Law Week After-Report

INTRODUCTION AND SUMMARY

LA Law Library once again organized a successful week-long series of events to celebrate Law Day, a national holiday declared by the President of the United States to help youth and adults understand how law keeps us free and how our legal system strives to achieve justice. This year's national theme was "*The 14th Amendment: Transforming American Democracy*".

The Law Library scheduled an entire week of events from May 1 through May 5, encouraging patrons to explore the fundamental rights afforded to all Americans by the 14th Amendment, how these rights are safeguarded by the courts and why the preservation of these principles is fundamental to equal justice under law. (The events of May 1 were subsequently rescheduled to May 8 to accommodate protests and related street closures on May Day.)

Although many of the programs provided hands-on assistance to those without legal representation, the celebration also included many educational programs on timely topics such as a changing Supreme Court, immigration, civil rights, due process and more. The celebration included classes and lectures, art and music, a book discussion, and a panel discussion on the constitutional rights of immigrants. The annual Law Week celebration is intended to stimulate new partnerships and increased collaboration with existing partners, community engagement activities, student participation and draw from as many of the Library's stakeholder groups as possible.

This year's celebration was especially notable for the expanded scope of Know-Your-Rights programming and increased programming at partnership and remote locations throughout Los Angeles County. Collaborations throughout the week involved attorneys from law firms, the public defender's office, the courts, law professors, judges, legal aid and public interest agencies, local schools and public libraries. From academic to practical, expert to layperson, there was something for everyone! Excellent coverage by the media and outreach via public libraries, community-based organizations and elected officials throughout Los Angeles contributed to the overall success of the week resulting in high attendance at each event and overall.

To download class materials and other information, go to:
<http://lawweek.lalawlibrary.org/downloads.html>



STATISTICS

Although we do not have the ability to track service statistics in detail because of the large number of programs and participating providers, some very basic statistics from Law Week are:

- More than 20 print articles;
- More than 50 different subject areas covered;
- More than 450 online calendars listing LA Law Library events;
- More than 1000 Media Outlets picking up the story;
- More than 100 online articles;
- More than 1,000 attendees at the events; and
- More than 70,000,000 Google results were returned when searching LA Law Library Law Week 2017, prior to and during the week of the event. Post event results return more than 2,780,000.

OUTREACH

New and continued outreach:

- The high level of interest in the library and its services among elected officials throughout LA County has increased our visibility tremendously. Consistent communications with their staff has improved their knowledge and willingness to assist in promoting LA Law Library via social media, community events and as a resource for their constituents.
- Our continued presence at Clara Shortridge Foltz criminal courthouse, Edmund G. Edelman's Children's Court, Stanley Mosk Courthouse, Torrance, Norwalk, Santa Monica, Alhambra, Pomona and other courthouses allows us to reach the most people in need. Including an amazing number of participants in our first ever Lawyers in the Library in the Torrance branch.
- Visitors (many first-timers) reported that they were made aware of the Law Week events through online event calendars, such as Eventbrite, ExperienceLA.com and Eyespyla.com. The library's exposure on these interactive online calendars has increased the library's visibility not only downtown but across the county.
- Judges in various courthouses, including the immigration court continue to ask for materials from LA Law Library and distributed Law Week information.
- Our Law Week flyer was also distributed to more SRL's through the courts than in the past. Replenishment of the flyers at Stanley Mosk was needed two to three times a week leading up to Law Week.
- Media listings, including radio, news, print media, blogs and digital media outlets published information on LA Law's Law Week schedule of events. Examples include:

<http://events.presstelegram.com/search?st=event&category>

<https://www.eventbrite.com/e/what-is-due-process-know-your-rights-tickets-32960786600>

<https://www.evensi.us/law-week-2017-clearing-criminal-records-what-you-need-to/204138706>

<https://www.youtube.com/watch?v=-eg0ncR4mq5>

http://eventful.com/lancaster_ca/events/law-week-2017-clearing-criminal-records-you-ne-/E0-001-101324418-9



<http://www.piecebypiece.org/events/2017/4/27/law-week-2017-opening-reception>
http://events.sgvtribune.com/search?city=Pomona&st=event&swhat=festi val+los+angeles&page_size=20&page_number=137

KICK-OFF RECEPTION

When you have multiple service organizations coming together to support not only the community but each other, it makes the evening that much more special! On Thursday, April 27th, 2017, patrons, friends and neighbors gathered for a music & arts celebration.

Attendees listened, tapped their feet and danced to the harmonious sounds of America's #1 Legal band, Gary S. Greene Esq., along with his Big Band of Barristers. They played and sang some of the nation's most popular songs from the swing era – plus a fun compilation of tunes from other eras to help round out the evening.

The celebration also featured local arts organizations Piece-by-Piece, Los Angeles Poverty Department (LAPD) and Downtown Women's Center displaying work and promoting their organizations' arts initiatives. The Piece by Piece display featured mosaics created by low-income and formerly homeless people using recycled materials. The Library has worked with Piece by Piece on numerous occasions. The work of the artists continues to evolve and they were happy to report that their sales that evening exceeded internal goals.

The library also welcomed participation from the Downtown Women's Center, the only resource in LA exclusively dedicated to addressing the immediate and long-term needs of women overcoming poverty and homelessness in Skid Row. 'MADE by DWC' empowers women to discover talents and develop skills through vocational opportunities. DWC had a selection of beautiful candles, soaps, cards and other handmade items, and also reported that they exceeded their sales goals for the evening.

LAPD, a theater company comprised primarily of low income and homeless people living in Los Angeles' Skid Row, staffed a table presenting information about the performances and multidisciplinary artworks they create to connect the experience of people living in poverty to the social forces that shape their lives and communities.

Representatives from all three organizations joined in the dance and celebrated the evening.

PROGRAMMING

The Library offered daily events throughout the week, including many educational programs that are directed at the questions now found in the headlines every day: What are the Constitutional rights of immigrants? Which Supreme Court cases might come out differently with new justices on the Court? What are your rights when interacting with the police?

Once again, much effort went into the range of programming to be covered. Classes taught by existing partners addressed common legal matters such as the civil appeals



process, landlord-tenant issues, Section 8 and subsidized housing, bankruptcy and the legal effects of turning 18. Law Week 2017 also continued the tradition of the Library's collaboration with the Office of the Los Angeles County Public Defender to address the prison sentencing forgiveness program (Prop 47). Other popular programs included classes on filing a civil rights lawsuit taught by noted homeless rights advocate Carol Sobel, writing appellate briefs in California state court, obtaining social security disability benefits and know your rights when interacting with the police.

There were also opportunities for people to receive hands-on assistance, including individualized help with writing an appellate brief, completing the necessary court forms to file for a probate guardianship and filing a petition to clear a criminal record.

A unique highlight of this year's Law Week was the extensive law enforcement participation on Friday. Through the efforts of a new partner, The Institute for Nonviolence in Los Angeles, officers from LAPD and LASD came to the Future of Policing Roundtable Discussion which used small group discussions to facilitate constructive and productive dialogue between police and community members. Several members of the public said they found the opportunity to dialogue directly with law enforcement to be transformative.

As part of the Library's efforts to help the public understand the law behind the headlines, programming included the class "Vulnerable Supreme Court Decisions," taught by constitutional law professor Gowri Ramachandran of Southwestern Law School. The class examined closely-decided U.S. Supreme Court cases and whether that precedent may change as the makeup of the Supreme Court changes, and what that might mean for the everyday concerns of ordinary people.

Staff taught classes on due process and drafting complaints and answers in civil lawsuits. This latter class on complaints was part of the fourth iteration of the Library's popular Civil Lawsuit Basics series, which aims to benefit both the courts and litigants by helping self-represented individuals learn essential civil court procedures.

MCLE's

Staff organized a range of MCLE classes relating to the Fourteenth Amendment theme, with an emphasis on exploring due process and equal protection topics. One session taught by a criminal defense attorney and former federal prosecutor explored the hot topic of post-conviction relief and proving actual innocence, while another trained volunteer attorneys to assist with guardianships in probate court. Other classes covered: the procedures involved in discovering police personnel files in civil and criminal actions, featuring both a criminal defense and municipal attorney; and, a volunteer attorney training on representing unaccompanied minors in immigration removal proceedings. All were well-received and enjoyed heavy attendance.

PROGRAMMING AT REMOTE AND PARTNERSHIP LOCATIONS

The number of programs taking place at remote and partnership locations during Law Week expanded from two to eight this year. For the fifth consecutive year, LA Law Library and the South Bay Bar Association partnered on the annual "Ask A Lawyer Day." This year's event was held on Tuesday, May 2, 2017 from 8:30am to 4:00pm in the



Torrance Branch Library. From bankruptcy to worker's comp, family law to probate, and many other areas in between, over 60 customers visited the library to receive brief consultations from South Bay Bar attorneys who generously donate their time each year. Areas in greatest demand for 2017 were issues relating to family law, real property and probate. LA Law Library staff was on hand to welcome visitors and provide assistance for follow-up legal research.

LA Law Library also partnered with the San Fernando Valley Bar Association to offer a new Lawyers in the Library program at the Los Angeles Public Library Van Nuys branch location. This first-time collaboration in an LA Law Library partnership location exceeded expectations by serving a diverse and new community of individuals not generally seen at the main library (more than 40 in just a three hour period). The turnout clearly demonstrated there is a need for this service in the region. The LA Law Library's main library model was replicated and tested in the Van Nuys location and deemed very successful. The Van Nuys branch partnership is keenly interested in continuing the collaboration and regularizing the program at other times throughout the year. LA Law Library will continue to encourage continued partnerships with the San Fernando Valley Bar for the delivery of the program to local community members.

For the first time, our IT department implemented a live webcast video feed which was streamed through the library's YouTube channel. The class "Turning 18: What You Need to Know" was held at the main library in our training center and successfully streamed to our Torrance courthouse and Pasadena Public Library remote locations. The benefit of recording these classes is the accessibility for those who were not able to attend in person. YouTube allows this content to be accessible anywhere internet is available. These recorded videos can be easily accessed online by visiting www.YouTube.com and searching lalawlibrary. Currently we have 13 videos showcasing a variety of past events and classes.

LA Law Library also partnered with Neighborhood Legal Services on an information session for clearing a criminal records at the Lancaster Public Library. Eligible individuals were screened for free expungement legal services in Lancaster.

SOCIAL MEDIA PROMOTION

Given the "behind the headlines" theme, Communications and Patron Services staff worked to develop new methods of promoting the Library's programs to the general audience through social media. The breadth of programming available during Law Week allowed staff to craft attention-grabbing, current event-based posts for Facebook and Twitter. Posts typically tied a recent headline to a Law Week program designed to illuminate the legal backdrop behind the news. Based upon the timing of surges in registration, staff believe this promotion was effective in reaching a new audience and driving attendance to Law Week programs.

DISPLAY

The display in the library's main display case, created by reference librarians Katie O'Laughlin and Christine Langteau, reflected the theme for law week 2017, The 14th Amendment: Transforming American Democracy. The display traces the history of the



14th from the early cases of *Barron v Baltimore* and *Dred Scott v Sanford* all the way through to *Obergefell v Hodges*, the 2015 Supreme Court case that found the right to marry extends to same-sex couples and is grounded in the equal protection and due process clauses of the 14th amendment. The display on the glass shelving in the lobby tells the history of Law Day from President Eisenhower's proclamation of the first Law Day in 1958, and includes a statement made by Mildred Lillie in the Congressional Record on May 11, 1961 regarding the importance of Law Day and the rule of law.

We also created a display on the ninth floor of the Stanley Mosk courthouse promoting the April 27th Music & Arts Reception with programs, flyers and photographs of Gary Greene, Esq. and his Big Band of Barristers along with a sampling of mosaics created by Piece by Piece.

BOOK DISCUSSION

The Library's book discussion group met on Tuesday, May 2, 2017 to discuss *Devil in the Grove: Thurgood Marshall, The Groveland Boys and the Dawn of a New America*, by Gilbert King, winner of the 2013 Pulitzer Prize for General Nonfiction. The book describes Marshall and the NAACP's defense of four young African American men accused of raping a white woman in rural Florida in 1948. Coincidentally, Florida's state legislature issued a unanimous apology to the families of the four men just a week before the discussion group! The author "participated" in the discussion by sending 6 video clips (5 minutes each) recorded specifically for LA Law Library on the most commonly asked questions regarding the book, including a retelling of what happened during the legislature's apology and the lucky break that led to the author's unprecedented access to the FBI files on the case. Participants included attorneys, law students and others interested in Marshall, the NAACP and civil rights.

PANEL DISCUSSION

The week also featured an in-depth panel discussion with some of the foremost legal scholars in the L.A. area on the topic, "Constitutional Rights of Immigrants." Panelists explored the extent to which the law applies due process, equal protection, and other constitutional rights to immigrants who enter this country, either as documented and undocumented arrivals. The discussion helped to illuminate the legal realities behind the headlines as immigration policy changes at the federal level. The panel enjoyed good attendance and questions from a very engaged audience.

The panelists were:

- Michael Kaufman (American Civil Liberties Union)
- Prof. Emily Robinson (Loyola Law School)
- Prof. Jennifer Chacon (UC Irvine School of Law)
- Prof. Niels Frenzen (USC Gould School of Law)
- Prof. Ingrid Eagly (UCLA School of Law)

Class Attendance

Law Week 2017 saw some of the highest class attendance in the history of Law Week at LA Law Library. With almost 40 classes, events and workshops taking place both at the



main library as well as our branches / partnership locations we had well over 1,000 attendees.

Due to scheduling conflicts, early registration, and other factors beyond our control patrons often register for free classes and are then unable to attend. This year we were excited to see that the pre-registration numbers for classes (i.e., 1092 pre-registrants), were very closely matched to the actual number of people attending the classes that had registration (i.e. 974). Events that did not require registration added to that total.

New Flyer Design

Mimicking the successful redesign of last year's Pro Bono Week Flyer, this year's Law Week Flyer followed suit with easy to read boxes as well a redesigned logo. The front of the flyer conveyed the classes which were taking place in the main branch, while the back of the flyer was dedicated to branch/partnership events.

For the front of the flyer, each box represented a day of Law Week, with the events taking place that day, with the date and times – making it easier for our patrons to see what events were taking place each day and allowing them to plan out their schedule.

The back of the flyers followed the formatting on the front with boxes to give it a cohesive design, but instead of being dedicated to days, each box was a branch/partnership location with the details of what was taking place at that location on that day.

Of course, the flyers also included contact information, the website address for Law Week and other pertinent information patrons needed to attend the classes. For next year's flyer we will also be including a link to the downloads page, making it easier for Patrons to locate the class download section.

Enhancements to Website

Like the flyer, the website for Law Week was completely redesigned to match the look and feel of the Pro Bono Week site. The new site had the all of the functionality of the prior site, while making it easier for patrons to locate and register for classes. Patrons were also able to easily download both class flyers and materials. The site is also mobile friendly allowing visitors to interact with it on their smart phones and tablets.

From the time period of March 21 when the site was launched, through May 6 the site was viewed more than 4,000 times by over 1,250 users. The primary location for viewing the site was Los Angeles with 67 percent of traffic. Other cities viewing the site include Pasadena, West Covina, Downey and Santa Clarita.

SPONSORS AND FINANCES

Thanks to all of the many people who donated their time and services -- from the musicians to the presenters and speakers, all of whom volunteered, the total out of pocket cost of Law Week was less than \$1,000.

THE IN-HOUSE TEAM



The Law Week committee, led by Janine Liebert, included representatives from Communications, Patron Services, Facilities and IT. Staff members assisted at the registration table, distributed promotional materials and provided other forms of assistance throughout the week as needed.

IT and Communications continued to utilize our new technologic approach to check in attendees on laptops as they arrived. The result was a nearly-paperless registration process that is efficient for capturing contact information and statistics, and gives patrons the opportunity to sign up for our electronic mailing list at check-in.

FUTURE OPPORTUNITIES

Programs and events throughout the week raised many interesting opportunities for future collaborations. The classes on the civil appeals process, brief writing basics, drafting complaints and answers in civil lawsuits and filing a civil rights lawsuit all drew a full house.

The Library and partnering organizations are exploring ways to provide more individualized help for those who are representing themselves in court and need to learn essential civil court procedures. Discussion is already underway to repeat the brief-writing clinic, which provided one-on-one assistance with writing a brief for appellate court. Discussions are also underway to create more opportunities for constructive and productive dialogue between police and community members, given the popularity of the Future of Policing Roundtable Discussion.

Based on the success of streaming our first Law Week program live on YouTube, the Library is now exploring ways to expand its video content on YouTube. The Library and partnering organizations are exploring opportunities to create and film programs whose audiences are likely to include persons with disabilities -- such as classes on disability rights, fair housing and social security disability benefits -- to ensure accessibility for those who aren't able to attend in person.

The continued popularity of criminal law-focused MCLE programming during Law Week underlines the need for this type of training, both for attorneys and the general public; and, the relationships developed with the instructors and their firms may present opportunities to expand programming of this type.



APPENDIX A: Existing Partners and New Collaborations

Existing Partners:

Bet Tzedek Legal Services
Bixel Exchange
California Court of Appeal
Colantuono Highsmith Whatley, PC
Eric Garcia
Gary Greene, Esq. and his Big Band of Barristers
Lancaster Public Library
Law Offices of Austin Dove
Law Office of Michelle C. Hopkins
Law Office of Nicole M. Stednitz
Law Office of the Los Angeles County Public Defender
Law Offices of Kimball, Tirey & St. John LLP
Legal Aid Foundation of Los Angeles
Los Angeles Public Library, Van Nuys Branch
Loyola Law School
Manatt, Phelps & Phillips
Maria E. Hall, Attorney at Law
Neighborhood Legal Services of Los Angeles
Norwalk Public Library
Pasadena Public Library
Piece by Piece
Public Counsel
San Fernando Valley Bar Association
South Bay Bar Association
UC Irvine School of Law
UCLA School of Law
USC School of Law

New Collaborations:

American Civil Liberties Union of California
Carol Sobel, Civil Rights Attorney
Days of Dialogue on the Future of Policing
Downtown Women's Center
Esperanza Immigrant Rights Project
The Institute for Nonviolence in Los Angeles
Los Angeles Poverty Department
Nana Gyamfi
Orren & Orren
Southwestern Law School



**Staff Presentation:
Displays and Exhibits**

**Presented by:
Reference Librarian, Katie O'Laughlin**

May 24, 2017