

JOINT POWERS AUTHORITY BOARD

FINANCE COMMITTEE MINUTES

Santa Clara County Library District

1370 Dell Avenue, Campbell, CA 95008, Farrier Room

January 8, 2020, 2:00 p.m.

APPROVED

BY THE SANTA CLARA COUNTY LIBRARY
DISTRICT JOINT POWERS AUTHORITY

BY: *Cynthia Ríos García*

DATE: April 1, 2020

CALL TO ORDER/ROLL CALL

Chair Wasserman called the meeting to order at 2:06 p.m.

Committee Member	Title	Representing	Status
Mike Wasserman	Chair	Board of Supervisors	Present
Dion Bracco	Committee Member	Gilroy	Absent
Rich Waterman	Committee Member	Campbell	Present
Courtenay C. Corrigan	Committee Member	Los Altos Hills	Present
Carl Cahill	Committee Member	Santa Clara County/Cities Managers' Association	Present

ORAL COMMUNICATION

None.

CONSENT CALENDAR

- *1. Approve Minutes from October 9, 2019, Finance Committee meeting.
- *2. Recommend to the JPA to accept the following cash gifts:
 - a. Cash donation of \$1,958.91 to the Santa Clara County Library District and augment the budget for library materials.
 - b. Cash donation of \$1,500 to the Cupertino Library and augment the budget for courtyard furniture.
 - c. Cash donation of \$6,000 to the Los Altos Library and augment the budget for 3D Printing Project.
 - d. Cash donation of \$6,666.37 to the Los Altos Library and augment the budget for installation of divider panels.
 - e. Cash donation of \$1,032.19 to the Milpitas Library and augment the budget for display stand.
 - f. Cash donation of \$2,000 to the Milpitas Library and augment the budget for library materials.
 - g. Cash donation of \$10,000 to the Morgan Hill Library and augment the budget for Best Seller collection.
 - h. Cash donation of \$1,000 to the Woodland Library and augment the budget for programming and library materials.
- *3. Recommend to the JPA to accept the following grants
 - a. Family Literacy Award Grant in the amount of \$50,000 from the California State Library

- b. Maker Space Grant in the amount of \$4,500 for the Gilroy Library from the Southern California Library Cooperative for 2019-2020
- *4. Approve Calendar Year 2020 Meeting Schedule.
- *5. Recommend acceptance of payment of \$59,000 from First 5 Santa Clara County
- *6. Recommend to the JPA to add one full-time Janitor, one full-time Librarian and one full-time Buyer positions, with the deletion of one vacant part-time Janitor, one vacant part-time Librarian, and one vacant full-time Library Technician positions.
- *7. Recommend to the JPA to add one full-time Library Clerk and one part-time Library Circulation Aide positions, with the deletion of two vacant part-time Library Clerk and one vacant part-time Library Page positions.

No public present.

MOTION was moved by Corrigan and seconded by Waterman to approve the Consent Calendar items 1 -7. **The motion passed unanimously by the following vote:**

Ayes: Wasserman, Waterman, Corrigan, and Cahill

Absent: Bracco

NEW BUSINESS

- 8. Recommend to the JPA to accept the Five-Year Financial Forecast for Fiscal Years 2019-2020 to 2023-2024 for the Library District

Staff Report. Chuck Griffen, Financial and Administrative Services Manager. The forecast is a snapshot of where the Library's expenditures, revenues, and net operating surpluses or deficits for the next five years may head. In comparing the last ten years from 2010-2019, the Library property tax revenues increased 100%. Based on the latest information from the Controller's Office the growth of property tax revenues will slow significantly. All other revenues sources remain flat. The Library is allocating 13% of operating revenues this year towards the books and materials budget. Reflected in the report are one-time costs of \$2.5 million for capital maintenance and IT items. The Library's financial report estimates an operating surplus for the next 5 years.

MOTION was moved by Corrigan and seconded by Waterman to accept the Five-Year Financial Forecast for Fiscal Years 201-2020 to 2023-2024. **The motion passed unanimously by the following vote:**

Ayes: Wasserman, Waterman, Corrigan, and Cahill

Absent: Bracco

- 9. Consider and recommend to the JPA to approve the updated Library Building Policy

Staff report. Nancy Howe, County Librarian. In 1999, the City Managers came together to develop a Building Policy that was financially feasible for the newly formed JPA. In essence, the policy was crafted to keep the Library District's funds dedicated to operations and to end the Library's involvement in building facilities. Criteria to measure which libraries had had their turn at funds for design costs identified the following three libraries as lacking: Gilroy, Milpitas and Morgan Hill. Gilroy Library was the last library to use design funds for their building, with its ribbon cutting in April 2012. Lease costs were negotiated with the three cities and are ongoing. All other lease agreement payments have expired and have stopped.

Most recently, more cities are planning for significant renovations or new buildings and it is generating questions regarding financing. This financial issue affects all communities.

In 2019, the Library Building Policy was amended to allow funding toward design work for new, expanded, and/or significantly remodeled library buildings, subject to JPA Board approval on a case-by-case basis. Most recently, \$50,000 was allocated towards the Campbell Library's design assessment for potential renovations.

Library staff recommended that the Finance Committee review and recommend the JPA Board approve the updated Library Building Policy to clarify roles and responsibilities of member cities and the Library District going forward. The Committee reviewed and discussed at length staff's recommended policy revisions and directed staff to come back to this Committee with a revised recommendation based on allocated funds in the Capital Maintenance Reserve for review before forwarding to the full JPA Board.

REPORTS/COMMENTS

10. County Librarian

- ✚ Santa Clara County Library District received the Star Library Award for the 12th year in a row for libraries with operating budgets of \$30 million or more. The Library District was 7th in performance.
- ✚ Nancy Howe, County Librarian, announced her retirement. Her last day is February 28, 2020.

11. Financial & Administrative Services Manager
No further reports.

12. Finance Committee Members
None.

ADJOURN

Chair Wasserman adjourned the meeting at 2:58 p.m., to the next Finance Committee meeting on Wednesday, April 1, 2020 at 1:00 p.m. at the Library Services and Support Center, 1370 Dell Avenue, Campbell, CA 95008.

Respectfully submitted,

Cynthia Rios Garcia

Cynthia Rios Garcia, Secretary
Library District Joint Powers Authority