Pursuant to the provisions of California Governor's Executive Order N-29-20, issued on March 17, 2020, this meeting will be held by teleconference only. Instructions for accessing the teleconference will be posted online at https://sccld.org/jpa/

In accordance with the Ralph M. Brown Open Meeting Act; this agenda was posted on Friday, October 16, 2020 on the Library's website at www.sccld.org. Items on the consent calendar may be voted on in one motion at the beginning of the meeting. If you wish to discuss any of these items, please request this item be removed from the consent calendar.

1. CALL TO ORDER/ROLL CALL
   Deletions, deferrals or corrections to the agenda.

2. PRESENTATIONS
   a. Recognizing Library Employee Excellence Recipients
   b. Recognition of Outgoing Board Members

3. ORAL COMMUNICATION
   The Joint Powers Authority Board may take other actions relating to the issues as may be determined following consideration of the matter and discussion of the recommended actions.

   This portion of the meeting is reserved for persons desiring to address the Joint Powers Authority Board on any matter not on the agenda. Please limit your comments to three minutes. All statements that require a response will be answered in writing or status of response will be reported on the agenda for the next regular meeting of the Joint Powers Authority Board. NOTE: If you wish to speak on an item of business listed on the agenda, the Chair will call upon you at the time the Board considers the item.

4. CONSENT CALENDAR
   a. Approve Minutes from June 25, 2020, Joint Powers Authority Board Meeting
   b. Accept Santa Clara County Library District Semi-Annual Gift Report: January 1 - June 30, 2020
   c. Accept cash donation of $2,771.37 to the Santa Clara County Library District
   d. Accept cash donation of $104,000 for the Saratoga Library
   e. Accept a cash donation of $1,001 to the Saratoga Library
   f. Accept cash donation of $1,000 for the Saratoga Library
5. **NEW BUSINESS**
   a. Accept Fiscal Year 2019-20 Year-End Fiscal Report
   b. Budget Update for Fiscal Year 2020-21
   c. Approve Elimination of Overdue Fines
   d. Election of Officers 2021
   e. Accept Fiscal Year 2019-2020 Year-End Service Report

6. **REPORTS / COMMENTS**
   a. County Librarian
   b. JPA Board Members

7. **ADJOURN**
   To the next Joint Powers Authority Board meeting on January 28, 2021, at 12:00 p.m., at the Santa Clara County Library District Services and Support Center, 1370 Dell Avenue, Campbell, CA 95008.

In compliance with the Americans with Disabilities Act, those requiring accommodation for this meeting should notify the County Librarian’s Office 24 hours prior to the meeting at (408) 293-2326 x3090, TDD (408) 364-1528.
DATE: October 22, 2020

TO: Joint Powers Authority Board

FROM: Jennifer Weeks, County Librarian

SUBJECT: Recognizing Library Employee Excellence Recipients

RECOMMENDED ACTIONS

It is recommended that the JPA recognize the Library’s employees (Viet Dinh, Bryant Bao, Joseph Chow and Kelly Brennan Young) who received the County’s Excellence Award in 2020.

BACKGROUND/REASONS FOR RECOMMENDATION

Each year the Library District selects staff for the County Employee Excellence Award program. The Library would like to recognize and honor this past year’s staff for their stand-out public service.

Viet Dinh, IT Field Support Specialist, Services & Support Center
In January, Viet Dinh, IT Field Support Specialist, was selected for his longstanding excellent customer service. Viet is a model for all of us, as he goes above and beyond to provide technical AV support at larger high-profile library events. Viet responds to technical mishaps and adjusts AV equipment on the fly to make our public’s positive experience remain so. When crowds get too big, Viet sets up streaming video content into overflow rooms. He is the one who saves the day when a mic unexpectedly malfunctions. He is there so our public do not miss out on a rare chance to experience popular authors and performers. Viet has been with the County for 8 years.

Bryant Bao, Supervising Librarian, Woodland Library
In April, Bryant Bao, Supervising Librarian at the Woodland Library, was selected as an Employee of Excellence for leading the further adoption of Unit Based Teams (UBTs) at the Library. UBTs are being implemented at multiple County departments as a way to improve public service through inclusive work by our front-line staff. Bryant co-led his team to brainstorm and test the use of the new outreach vehicle, GoGo Biblio, to increase the frequency of visits to those people not in the library. Bryant also
co-chaired the Library’s 2020 Census Committee and helped plan how to help reach hard to count communities. He has also piloted a 3D printing program with the Los Altos High School. Bryant has been with the County for 3 years.

Joseph Chow, Library Page, Gilroy Library
In August Joseph Chow, Library Page at the Gilroy Library, was selected for his positive response to being called to serve as a Disaster Service Worker. In that capacity he has been serving the critical role of categorizing, sorting, and inventorying PPE, including using his fluent Mandarin. While Joseph normally works part-time, the County has needed his services on a full-time basis, to which he has enthusiastically responded with professionalism and dedication. Joseph has been with the County for 5 years.

Kelly Brennan Young, Supervising Librarian, Gilroy Library
Kelly Brennan Young has been selected as the November Employee of Excellence. Kelly has served the County for 20 years, and she is known for her calm and team-oriented leadership. Recently Kelly worked-out-of-class as the Community Librarian, managing the Gilroy Library at the onset of the pandemic. She facilitated the development of the scheduling and safe curbside service planning. She has also excelled as a grant manager, leading the State Library funded mental health fair and Rise Up grants.
JOINT POWERS AUTHORITY BOARD

MINUTES

Thursday, June 25, 2020 at 12:00 PM

Pursuant to the provisions of California Governor’s Executive Order N-29-20, issued on March 17, 2020, this meeting held by teleconference only.

<table>
<thead>
<tr>
<th>Board Member</th>
<th>Title</th>
<th>Representing</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mike Wasserman</td>
<td>Chair</td>
<td>Board of Supervisors</td>
<td>Present</td>
</tr>
<tr>
<td>Lynette Lee Eng</td>
<td>Vice Chair</td>
<td>Los Altos</td>
<td>Absent</td>
</tr>
<tr>
<td>Anita Enander</td>
<td>Board Member, Alternate</td>
<td>Los Altos</td>
<td>Present</td>
</tr>
<tr>
<td>Joe Simitian</td>
<td>Board Member</td>
<td>Board of Supervisors</td>
<td>Present</td>
</tr>
<tr>
<td>Rich Waterman</td>
<td>Board Member</td>
<td>Campbell</td>
<td>Present</td>
</tr>
<tr>
<td>Darcy Paul</td>
<td>Board Member</td>
<td>Cupertino</td>
<td>Present</td>
</tr>
<tr>
<td>Dion Bracco</td>
<td>Board Member</td>
<td>Gilroy</td>
<td>Absent</td>
</tr>
<tr>
<td>Courtenay C. Corrigan</td>
<td>Board Member</td>
<td>Los Altos Hills</td>
<td>Present</td>
</tr>
<tr>
<td>Carmen Montano</td>
<td>Board Member</td>
<td>Milpitas</td>
<td>Present</td>
</tr>
<tr>
<td>Shawn Leuthold</td>
<td>Board Member</td>
<td>Monte Sereno</td>
<td>Present</td>
</tr>
<tr>
<td>Rich Constantine</td>
<td>Board Member</td>
<td>Morgan Hill</td>
<td>Present</td>
</tr>
<tr>
<td>Rishi Kumar</td>
<td>Board Member</td>
<td>Saratoga</td>
<td>Present</td>
</tr>
</tbody>
</table>

1. CALL TO ORDER/ROLL CALL
Chair Wasserman called the meeting to order at 12:01 p.m. A quorum was present. There were no deletions, deferrals or corrections to the agenda.

2. ORAL COMMUNICATION
None.

3. CONSENT CALENDAR
3.a Approve Minutes from April 30, 2020, Joint Powers Authority Board meeting.
3.c Accept cash donation of $12,000 for Bookmobile Services
3.d Accept cash donation of $9,000 for the Cupertino Library
3.e Accept cash donation of $1,000 for the Los Altos Library
3.f Accept cash donation of $1,008 for the Milpitas Library
3.g Accept grant of $20,000 for the Milpitas Library

Board Members Kumar, Simitian, Waterman, and Montano joined the meeting at 12:03 p.m.
MOTION moved by Kumar and seconded by Constantine to approve the Consent Calendar items 3.a – 3.g. The motion passed unanimously by the following vote:
Ayes: Wasserman, Montano, Corrigan, Paul, Enander, Simitian, Constantine, Waterman, Kumar, and Leuthold
Noes: None

4. NEW BUSINESS
4.a Receive and accept the Independent Audit Report for Year Ending June 30, 2019

Benjamin Lau, Independent Auditor, presented the required communication letter to the Board, which stated the audit had no exceptions, no items requiring the Board’s special attention, nor findings identified and that the audit went smoothly. Secondly, the Independent Audit Report addressed the financial statement for 2019 and gave it an unmodified opinion certifying there were no material misstatements, which was consistent with prior years.

The balance sheet of income comparisons for 2018 and 2019 showed an increase in assets of $7.6 million due to an increase of cash by $8.6 million attributed to property taxes received that were greater than expenditures, offset by a $1 million decrease in capital assets. Last year, the Finance Committee recommended modifying the financial statement to show prior year comparisons. This year’s report reflects that change.

The report included a COVID-19 disclosure on page 27, “Note 8 – Subsequent Event,” indicating that this global pandemic might have an adverse effect on the Library’s finances that cannot be estimated for 2020. The independent auditor observed no deficiencies in internal control and was happy to report that it was a clean audit.

MOTION moved by Corrigan and seconded by Montano to accept the Independent Audit Report for Year Ending June 30, 2019.
The motion passed unanimously by the following vote:
Ayes: Wasserman, Montano, Corrigan, Paul, Enander, Simitian, Constantine, Waterman, Kumar, and Leuthold
Noes: None

4.b Adopt the Fiscal Year 2020-21 Santa Clara County Library District Budget.
Staff report. Chuck Griffen, Financial and Administrative Services Manager.

The Fiscal Year 2020-2021 Budget was presented to the JPA Board for adoption. After the second reading of the budget at the JPA Finance Committee meeting on May 20, 2020, the Finance Committee recommended approval.

The budget is subject to change, as the magnitude of property tax reductions is unclear at this time. However, the Library District did receive positive news regarding revised property tax projections, which estimates about $1.4 million more than previously projected. In
addition, the Library should net roughly $3.4 million dollars in savings over and above the amounts originally estimated for 2019-20 revenue and expenses. These projections were received too late to change the budget, but will yield positive results.

The budget transmittal stated that the State was looking at revising Excess ERAF calculations, and retroactively penalizing entities that received this revenue. This would have been disastrous for the County and the Library District as well. Fortunately, Mr. Griffen learned of a last minute compromise that would protect the Library retroactively (not affecting property tax revenues received prior to Fiscal Year 2019-20), but likely affecting the Library District going forward.

The Library will continue to see significant salary and benefits savings due to the pace in which the community libraries begin to reopen. The Library temporarily discontinued use of its extra-help positions, part-time staff are limited to their base level of hours, and most vacant positions will remain vacant as long as possible. With these savings, plus projected property tax revenue for fiscal year 2020-21, not including any ERAF adjustments, and additional savings in the current budget, the Library District will get through this next fiscal year without needing to dip into the reserve for economic uncertainty at this time.

During the next fiscal year, Library staff will scrutinize potential changes in service delivery that may be required beyond 2020-21, based on a projected reduction in revenue beginning in 2021-22 and minimal growth thereafter. Staff will seek guidance from the JPA Board and Finance Committee if there are any changes and/or significant sudden financial fluctuations.

Staff presented a sustainable budget to meet the demands of library users, while reserving sufficient funds for expected capital maintenance needs over the next ten years, expected technological needs over the near term, and expected financial fluctuations.

The Board reviewed and discussed the Fiscal Year 2020-2021 Budget.

**MOTION** moved by Wasserman and seconded by Paul to adopt the Fiscal Year 2020-21 Santa Clara County Library District Budget.
The motion passed unanimously by the following vote:
**Ayes:** Wasserman, Montano, Corrigan, Paul, Enander, Simitian, Constantine, Waterman, Kumar, and Leuthold
**Noes:** None

4.c **Ratify Appointment of Nominating Committee**

Chair Wasserman asked the Board for volunteers to participate on the 2020 Nominating Committee. The Nominating Committee members are Chair Wasserman, Vice Chair Lee Eng and at least 1 additional JPA member.
Board Members Darcy Paul and Courtenay C. Corrigan volunteered to serve on the Nominating Committee.

**MOTION** moved by Wasserman and seconded by Constantine to ratify the appointment of Nominating Committee of Chair Wasserman, Vice Chair Lee Eng and Board Members Corrigan and Paul. The motion passed unanimously by the following vote:

**Ayes:** Wasserman, Montano, Corrigan, Paul, Enander, Simitian, Constantine, Waterman, Kumar, and Leuthold

**Noes:** None

5. **REPORTS / COMMENTS**

5.a. County Librarian. Jennifer Weeks

Highlights on Library Services

- Four thousand ecards were created in April and May
- Virtual programs logged 18,000 attendees
- One million checkouts of eMaterials
- Library staff continue to provide public services by text, chat and phone logging over 3,000 sessions
- Curbside service began on June 15 with contactless return of materials and pickup of holds. An appointment system was implemented to manage this service. To date 20,000 items have been returned.
- The Library's website continues to be updated with information and resources regarding COVID-19, as well as on current trends and online services.

Next steps – Stage 1 Services

- Library staff continue to telework part time and work onsite in the library to support curbside services.
- Bookmobile is supporting Lunch at the Library in South County.
- To reopen safely, the Library must follow public health guidelines and staff are in discussion with the Unions regarding safely staffing library spaces
- The Library currently has 50 staff deployed as DSW workers, including 15 full time Contact Tracers. Chris Brown, Deputy County Librarian is leading the reopening efforts.

Summer Reading

- The Summer Reading program runs from June 1 through July 31. Participants log reading online and join in online programming. There are incentives for readers who complete their goals.
- Lunch in the Library serves over 200 meals each day in both Morgan Hill and Gilroy three days a week.

5.b. JPA Board Members

- Board member Alternate Enander expressed appreciation for the Library providing staff to do contact tracer work.
6. **ADJOURN**

With no further business, Chair Wasserman adjourned the meeting at 12:31 p.m., to the next Joint Powers Authority Board meeting on Thursday, October 22, 2020, at 12:00 p.m., at the Santa Clara County Library District Services and Support Center, 1370 Dell Avenue, Campbell, CA 95008.

Respectfully submitted,

[Signature]

Cynthia Rios Garcia, Secretary
Santa Clara County Library District Joint Powers Authority
DATE: October 22, 2020

TO: Joint Powers Authority Board

FROM: Jennifer Weeks, County Librarian

SUBJECT: Accept Santa Clara County Library District Semi-Annual Gift Report: January 1 - June 30, 2020

RECOMMENDED ACTIONS

It is recommended the Board accept the gifts listed on the enclosed report totaling $16,365.29.

BACKGROUND/REASONS FOR RECOMMENDATION

The $16,365.29 represents gifts that have been received by the eight District libraries, Bookmobile, and the Reading Program during the period January 1, 2020 through June 30, 2020.

FISCAL IMPLICATIONS

There are no fiscal implications to the County Library since these gifts are from outside sources and no Library funds were used. Library services have been enhanced by these donations.
## SANTA CLARA COUNTY LIBRARY DISTRICT GIFT REPORT

<table>
<thead>
<tr>
<th>LIBRARY</th>
<th>DATE</th>
<th>DESCRIPTION OF GIFT</th>
<th>DONOR NAME</th>
<th>VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bookmobile</td>
<td></td>
<td>No Gifts to Report</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>Campbell</td>
<td>January 1 - June 30, 2020</td>
<td>Description</td>
<td>Friends of the Campbell Library</td>
<td>$4,338.28</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Programs and supplies</td>
<td></td>
<td></td>
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<tr>
<td>Cupertino</td>
<td>January 1 - June 30, 2020</td>
<td>Description</td>
<td>Friends of the Cupertino Library</td>
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<tr>
<td></td>
<td></td>
<td>Poet Laureate Program</td>
<td></td>
<td>$313.00</td>
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<td></td>
<td></td>
<td>Adult Programs</td>
<td></td>
<td>$3,486.83</td>
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<td></td>
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<td>Teen Programs</td>
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<td>$114.19</td>
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<td></td>
<td></td>
<td>Children's Programs</td>
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<td>$911.56</td>
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<td></td>
<td></td>
<td>Adult Programs</td>
<td>Cupertino Library Foundation</td>
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<td></td>
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<tr>
<td>Subtotal</td>
<td></td>
<td></td>
<td></td>
<td>$4,338.28</td>
</tr>
<tr>
<td>Gilroy</td>
<td>January 1 - June 30, 2020</td>
<td>No Gifts to Report</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>Los Altos &amp; Woodland</td>
<td>January 1 - June 30, 2020</td>
<td>Description</td>
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<td></td>
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<td>Adult Programs</td>
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<td>$707.46</td>
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<td>Teen Programs</td>
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<td>Subtotal</td>
<td></td>
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<td></td>
<td>$1,125.23</td>
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<tr>
<td>Milpitas</td>
<td>January 1 - June 30, 2020</td>
<td>Description</td>
<td>Friends of the Milpitas library</td>
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<tr>
<td></td>
<td></td>
<td>Programs for Adults, Teens &amp; Children</td>
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<td>$4,082.55</td>
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<tr>
<td>Subtotal</td>
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<td></td>
<td>$4,082.55</td>
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<tr>
<td>Morgan Hill</td>
<td>January 1 - June 30, 2020</td>
<td>Description</td>
<td>Friends of the Morgan Hill Library</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Books and materials for library programs</td>
<td></td>
<td>$2,256.65</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotal</td>
<td></td>
<td></td>
<td></td>
<td>$2,256.65</td>
</tr>
<tr>
<td>Saratoga</td>
<td></td>
<td>No Gifts to report</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>Reading Program</td>
<td></td>
<td>No Gifts to report</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td>$16,365.29</td>
</tr>
</tbody>
</table>
JOINT POWERS AUTHORITY
BOARD TRANSMITTAL

DATE: October 22, 2020

TO: Joint Powers Authority Board

FROM: Jennifer Weeks, County Librarian

SUBJECT: Accept cash donation of $2,771.37 to the Santa Clara County Library District

RECOMMENDED ACTIONS

It is recommended the Board accept a cash donation in the amount of $2,771.37 made to the Santa Clara County Library District from various donors for library materials.

BACKGROUND/REASONS FOR RECOMMENDATION

The Santa Clara County Library has received cash donations from various donors, which are to be appropriated for library materials.

FISCAL IMPLICATIONS

There are no fiscal implications to the approved Library Budget. The budget for purchases will increase commensurately with the amount of the cash donation.

STEPS FOLLOWING APPROVAL

The Library budget will be augmented to reflect this donation. The County Librarian will acknowledge this gift.
JOINT POWERS AUTHORITY
BOARD TRANSMITTAL

DATE: October 22, 2020
TO: Joint Powers Authority Board
FROM: Jennifer Weeks, County Librarian
SUBJECT: Accept cash donation of $104,000 for the Saratoga Library

RECOMMENDED ACTIONS

It is recommended the Board accept a cash donation of $104,000 for the Saratoga Library from the Friends of the Saratoga Library.

BACKGROUND/REASONS FOR RECOMMENDATION

The Friends of the Saratoga Library have presented the Library with a cash donation, which is to be appropriated for library services.

FISCAL IMPLICATIONS

There are no fiscal implications to the approved Library Budget. The budget for purchases will increase commensurately with the amount of the cash donation.

STEPS FOLLOWING APPROVAL

The Library budget will be augmented to reflect this donation. The JPA Chair has acknowledged this gift.
JOINT POWERS AUTHORITY
BOARD TRANSMITTAL

DATE: October 22, 2020

TO: Joint Powers Authority Board

FROM: Jennifer Weeks, County Librarian

SUBJECT: Accept a cash donation of $1,001 to the Saratoga Library

RECOMMENDED ACTIONS

It is recommended the Board accept a cash donation of $1,001 for library materials (large type books) from Bala Narasimhan in memory of Lakshmi Krishnamoorthy.

BACKGROUND/REASONS FOR RECOMMENDATION

Bala Narasimhan has presented the Library with a cash donation, which is to be appropriated for library materials (large type books.)

FISCAL IMPLICATIONS

There are no fiscal implications to the approved Library Budget. The budget for purchases will increase commensurately with the amount of the cash donation.

STEPS FOLLOWING APPROVAL

The Library Budget will be augmented to reflect this donation. The County Librarian will acknowledge this gift.
DATE: October 22, 2020

TO: Joint Powers Authority Board

FROM: Jennifer Weeks, County Librarian

SUBJECT: Accept cash donation of $1,000 for the Saratoga Library

RECOMMENDED ACTIONS

It is recommended the Board accept a cash donation of $1,000 for children's library materials from the Friends of the Saratoga Library.

BACKGROUND/REASONS FOR RECOMMENDATION

The Friends of the Saratoga Library have presented the Library with a cash donation, which is to be appropriated for children's library materials.

FISCAL IMPLICATIONS

There are no fiscal implications to the approved Library Budget. The budget for purchases will increase commensurately with the amount of the cash donation.

STEPS FOLLOWING APPROVAL

The Library budget will be augmented to reflect this donation. The County Librarian will acknowledge this gift.
DATE: October 22, 2020

TO: Joint Powers Authority Board

FROM: Jennifer Weeks, County Librarian

SUBJECT: Accept Fiscal Year 2019-20 Year-End Fiscal Report

RECOMMENDED ACTIONS

The Finance Committee recommends that the JPA Board accept the attached Fiscal Report for the Santa Clara County Library District for the period ending June 30, 2020.

BACKGROUND/REASONS FOR RECOMMENDATION

Acceptance of this report by the JPA will acknowledge that the books have been closed for Fiscal Year 2019-20.

FISCAL IMPLICATIONS

The recommended action does not affect revenues or expenditures as recorded in the County of Santa Clara’s financial accounting system. Reconciliation of accounts shows the following for the close of fiscal year 2019-20.

- FY 2019-20 Current Revenue: $60,916,210
- FY 2019-20 Operating Expenditures: $53,152,757
  - Revenues Exceed Operating Expenditures by: $7,763,453
- Library Fund Net Equity including Designated Reserves: $59,037,945

Please see the attached report for a detailed analysis of the fiscal year 2019-20 year-end close.
## Fiscal Year 2019-2020

### Year-end Review of Revenue

<table>
<thead>
<tr>
<th>REVENUE SOURCE</th>
<th>FY 18-19 Actual</th>
<th>FY 19-20 Budget</th>
<th>FY 19-20 Actual</th>
<th>Variance from Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax - Current Secured</td>
<td>$ 29,742,754</td>
<td>$ 31,118,653</td>
<td>$ 31,694,654</td>
<td>$ 1,951,901</td>
</tr>
<tr>
<td>Property Tax - Unitary Roll</td>
<td>913,559</td>
<td>873,851</td>
<td>859,005</td>
<td>(54,553.95)</td>
</tr>
<tr>
<td>RPTTF Residual</td>
<td>1,530,949</td>
<td>1,471,000</td>
<td>1,771,593</td>
<td>240,644.41</td>
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<tr>
<td>Property Tax - Current Unsecured</td>
<td>2,358,889</td>
<td>2,312,130</td>
<td>2,215,684</td>
<td>(143,204.26)</td>
</tr>
<tr>
<td>Supplemental Roll</td>
<td>1,310,964</td>
<td>753,502</td>
<td>918,399</td>
<td>(392,565.86)</td>
</tr>
<tr>
<td>Motor Vehicle in Lieu Tax</td>
<td>3,498,239</td>
<td>3,696,000</td>
<td>3,735,554</td>
<td>237,314.95</td>
</tr>
<tr>
<td>RDA Pass-through</td>
<td>1,037,821</td>
<td>1,059,000</td>
<td>1,247,679</td>
<td>209,858.47</td>
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<tr>
<td>ERAF Reimbursement</td>
<td>6,411,965</td>
<td>8,071,000</td>
<td>9,386,422</td>
<td>2,974,458</td>
</tr>
<tr>
<td><strong>Subtotal All Property Tax</strong></td>
<td>$ 46,805,139</td>
<td>$ 49,355,136</td>
<td>$ 51,828,991</td>
<td>$ 5,023,852</td>
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<tr>
<td>Library Fees and Charges</td>
<td>$ 264,023</td>
<td>$ 232,000</td>
<td>$ 175,534</td>
<td>(88,489)</td>
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<tr>
<td>Library Overdue Fines</td>
<td>311,547</td>
<td>250,000</td>
<td>230,283</td>
<td>(81,263)</td>
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<tr>
<td>Interest Earnings</td>
<td>778,414</td>
<td>500,000</td>
<td>880,211</td>
<td>101,798</td>
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<td>Homeowner Prop. Tax Relief</td>
<td>142,483</td>
<td>142,768</td>
<td>140,390</td>
<td>(2,092)</td>
</tr>
<tr>
<td>State LSCA</td>
<td>98,791</td>
<td>53,523</td>
<td>103,791</td>
<td>5,000</td>
</tr>
<tr>
<td>Other State Grants</td>
<td>81,844</td>
<td>0</td>
<td>33,947</td>
<td>(47,897)</td>
</tr>
<tr>
<td>Contributions from Cities</td>
<td>1,718,082</td>
<td>567,458</td>
<td>567,458</td>
<td>(1,150,624)</td>
</tr>
<tr>
<td>Special Tax</td>
<td>5,855,190</td>
<td>5,895,434</td>
<td>5,942,468</td>
<td>87,279</td>
</tr>
<tr>
<td>Other Library Services</td>
<td>34,981</td>
<td>21,250</td>
<td>5,087</td>
<td>(29,894)</td>
</tr>
<tr>
<td>Contributions &amp; Donations</td>
<td>437,620</td>
<td>0</td>
<td>415,565</td>
<td>(22,055)</td>
</tr>
<tr>
<td>Passport Fees</td>
<td>191,976</td>
<td>286,710</td>
<td>192,095</td>
<td>119</td>
</tr>
<tr>
<td>Misc. Income and Adj.</td>
<td>94,583</td>
<td>10,000</td>
<td>24,041</td>
<td>(70,542)</td>
</tr>
<tr>
<td>Contribution from County</td>
<td>281,413</td>
<td>51,000</td>
<td>342,757</td>
<td>61,344</td>
</tr>
<tr>
<td>Federal Medicare Credit</td>
<td>36,426</td>
<td>30,000</td>
<td>33,591</td>
<td>(2,835)</td>
</tr>
<tr>
<td>SUBTOTAL</td>
<td>$ 10,327,372</td>
<td>$ 8,040,143</td>
<td>$ 9,087,219</td>
<td>$ (1,240,152)</td>
</tr>
</tbody>
</table>

| **Total Current Revenue**      | $ 57,132,510    | $ 57,395,279    | $ 60,916,210    | $ 3,783,700              |

| Transfer from Technology Reserve | $ -            | $ 550,000      | $ -            | $ -                      |
| Transfer from Building Reserve  | 0              | 2,395,000      | 0              | 0                        |
| Carryover Budget                | 0              | 2,095,000      | 0              | 0                        |
| **TOTAL**                       | $ 57,132,510   | $ 62,435,279   | $ 60,916,210   | $ 3,783,700              |
## Fiscal Year 2019-20
### Year-end Review of Expenditures

<table>
<thead>
<tr>
<th>EXPENDITURE CATEGORY</th>
<th>FY 18-19 ACTUAL</th>
<th>FY 19-20 BUDGET</th>
<th>FY 19-20 ACTUAL</th>
<th>Variance from Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent Employees</td>
<td>18,532,073</td>
<td>21,714,277</td>
<td>19,931,403</td>
<td>1,399,330</td>
</tr>
<tr>
<td>Temporary Employees</td>
<td>1,405,867</td>
<td>1,700,679</td>
<td>1,161,960</td>
<td>(243,908)</td>
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<tr>
<td>Overtime</td>
<td>9,617</td>
<td>18,092</td>
<td>8,475</td>
<td></td>
</tr>
<tr>
<td>Unemployment Insurance</td>
<td>12,956</td>
<td>5,607</td>
<td>6,032</td>
<td>(6,923)</td>
</tr>
<tr>
<td>Premium Pay</td>
<td>345,391</td>
<td>339,000</td>
<td>265,273</td>
<td>(80,118)</td>
</tr>
<tr>
<td>Uniform Allowance</td>
<td>0</td>
<td>3,000</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Health Insurance</td>
<td>4,504,464</td>
<td>4,673,401</td>
<td>4,725,295</td>
<td>220,831</td>
</tr>
<tr>
<td>Retiree Health Insurance</td>
<td>1,511,937</td>
<td>1,672,424</td>
<td>1,823,358</td>
<td>311,422</td>
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<tr>
<td>FICA Soc.Sec.- Medicare</td>
<td>1,488,758</td>
<td>1,749,020</td>
<td>1,582,053</td>
<td>93,294</td>
</tr>
<tr>
<td>PERS Retirement</td>
<td>3,975,674</td>
<td>5,001,616</td>
<td>4,530,978</td>
<td>555,304</td>
</tr>
<tr>
<td>Workers’ Comp. Insurance</td>
<td>302,424</td>
<td>339,106</td>
<td>324,948</td>
<td>22,524</td>
</tr>
<tr>
<td>Holiday Overtime</td>
<td>39,758</td>
<td>0</td>
<td>38,038</td>
<td>(1,720)</td>
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<tr>
<td><strong>Total Object 1</strong></td>
<td>$32,128,919</td>
<td>$37,198,130</td>
<td>$34,407,430</td>
<td>$2,278,511</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Item</th>
<th>FY 18-19 ACTUAL</th>
<th>FY 19-20 BUDGET</th>
<th>FY 19-20 ACTUAL</th>
<th>Variance from Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safety Shoes</td>
<td>$4,000</td>
<td>$3,000</td>
<td>$3,264</td>
<td>$(736)</td>
</tr>
<tr>
<td>Telephone Service</td>
<td>139,093</td>
<td>317,682</td>
<td>167,461</td>
<td>28,368</td>
</tr>
<tr>
<td>Insurance</td>
<td>220,341</td>
<td>237,741</td>
<td>237,742</td>
<td>17,401</td>
</tr>
<tr>
<td>Equipment Maint.</td>
<td>791,159</td>
<td>769,273</td>
<td>882,535</td>
<td>91,376</td>
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<tr>
<td>Structure Maint &amp; Improve.</td>
<td>760,744</td>
<td>3,403,120</td>
<td>993,667</td>
<td>232,923</td>
</tr>
<tr>
<td>Office &amp; Book Proc.Supplies</td>
<td>605,943</td>
<td>610,000</td>
<td>639,788</td>
<td>33,845</td>
</tr>
<tr>
<td>Incentives and Promotions</td>
<td>16,713</td>
<td>50,000</td>
<td>1,605</td>
<td>(15,107)</td>
</tr>
<tr>
<td>Summer Reading Marketing</td>
<td>52,148</td>
<td>15,000</td>
<td>34,140</td>
<td>(18,008)</td>
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<tr>
<td>Co. Professional Serv.</td>
<td>54,315</td>
<td>55,000</td>
<td>82,490</td>
<td>28,175</td>
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<tr>
<td>Prof.&amp;Specialized Ser.</td>
<td>946,874</td>
<td>2,369,400</td>
<td>1,365,189</td>
<td>418,316</td>
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<tr>
<td>Contract Services Literacy</td>
<td>19,149</td>
<td>0</td>
<td>2,000</td>
<td>(17,149)</td>
</tr>
<tr>
<td>Co. Data Processing</td>
<td>388,432</td>
<td>447,099</td>
<td>383,642</td>
<td>(4,790)</td>
</tr>
<tr>
<td>Data Processing Services</td>
<td>55,398</td>
<td>70,200</td>
<td>59,051</td>
<td>3,653</td>
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<tr>
<td>Equipment Rent/Lease</td>
<td>256,218</td>
<td>206,000</td>
<td>273,823</td>
<td>17,605</td>
</tr>
<tr>
<td>Building Rent</td>
<td>363,685</td>
<td>365,355</td>
<td>369,869</td>
<td>6,184</td>
</tr>
<tr>
<td>Small Tools&amp; Equip.</td>
<td>127,403</td>
<td>145,000</td>
<td>75,887</td>
<td>(51,516)</td>
</tr>
<tr>
<td>Furniture</td>
<td>402,048</td>
<td>276,000</td>
<td>482,923</td>
<td>80,874</td>
</tr>
<tr>
<td>Education Expense</td>
<td>0</td>
<td>75,000</td>
<td>111</td>
<td>111</td>
</tr>
<tr>
<td>Workshops, Conferences</td>
<td>34,993</td>
<td>30,000</td>
<td>26,836</td>
<td>(8,157)</td>
</tr>
<tr>
<td>Books</td>
<td>7,406,012</td>
<td>7,661,386</td>
<td>8,322,228</td>
<td>916,216</td>
</tr>
<tr>
<td>Membership Dues</td>
<td>50,598</td>
<td>55,000</td>
<td>48,137</td>
<td>(2,463)</td>
</tr>
<tr>
<td>External Printing</td>
<td>105,274</td>
<td>211,168</td>
<td>42,833</td>
<td>(62,441)</td>
</tr>
<tr>
<td>Co. Printing</td>
<td>483</td>
<td>0</td>
<td>1,246</td>
<td>763</td>
</tr>
<tr>
<td>Business Travel &amp; Meetings</td>
<td>63,533</td>
<td>77,200</td>
<td>57,422</td>
<td>(19,781)</td>
</tr>
<tr>
<td>Auto. Mileage Reimb.</td>
<td>24,284</td>
<td>27,500</td>
<td>20,358</td>
<td>(3,142)</td>
</tr>
<tr>
<td>Garage Fleet Services</td>
<td>97,603</td>
<td>69,135</td>
<td>78,952</td>
<td>(9,657)</td>
</tr>
<tr>
<td>EXPENDITURE CATEGORY</td>
<td>FY 18-19 ACTUAL</td>
<td>FY 19-20 BUDGET</td>
<td>FY 19-20 ACTUAL</td>
<td>Variance from Prior Year</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>-----------------</td>
<td>-----------------</td>
<td>-----------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>Utilities</td>
<td>$1,074,182</td>
<td>$1,258,000</td>
<td>$1,224,690</td>
<td>$150,508</td>
</tr>
<tr>
<td>County Overhead</td>
<td>1,036,111</td>
<td>1,101,459</td>
<td>1,101,459</td>
<td>65,348</td>
</tr>
<tr>
<td>PC Hardware</td>
<td>394,804</td>
<td>2,214,455</td>
<td>1,081,692</td>
<td>686,869</td>
</tr>
<tr>
<td>PC &amp; Application Software</td>
<td>649,490</td>
<td>1,049,424</td>
<td>646,993</td>
<td>(2,497)</td>
</tr>
<tr>
<td>Postage</td>
<td>17,325</td>
<td>200,000</td>
<td>6,865</td>
<td>(10,460)</td>
</tr>
<tr>
<td>Mailroom/Postage</td>
<td>9,396</td>
<td>12,388</td>
<td>6,542</td>
<td>(2,854)</td>
</tr>
<tr>
<td>Settlement &amp; Misc. Expense</td>
<td>14,157</td>
<td>12,000</td>
<td>23,888</td>
<td>9,731</td>
</tr>
<tr>
<td><strong>Total Object 2</strong></td>
<td><strong>$16,181,907</strong></td>
<td><strong>$23,393,985</strong></td>
<td><strong>$18,745,327</strong></td>
<td><strong>$2,563,420</strong></td>
</tr>
<tr>
<td>Equipment</td>
<td>$62,706</td>
<td>$1,462,294</td>
<td>$205,932</td>
<td>143,226</td>
</tr>
<tr>
<td>Vehicles</td>
<td>0</td>
<td>130,000</td>
<td>45,388</td>
<td>45,388</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td><strong>$48,373,532</strong></td>
<td><strong>$62,184,409</strong></td>
<td><strong>$53,404,078</strong></td>
<td><strong>$5,030,546</strong></td>
</tr>
</tbody>
</table>

### Designated Reserves

<table>
<thead>
<tr>
<th>Designated Reserves</th>
<th>FY 19-20 Beginning</th>
<th>FY 19-20 End</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Reserve</td>
<td>$5,414,000</td>
<td>$7,297,000</td>
</tr>
<tr>
<td>Technology Reserve</td>
<td>8,720,000</td>
<td>6,325,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$14,134,000</strong></td>
<td><strong>$13,622,000</strong></td>
</tr>
</tbody>
</table>

### FUND BALANCE STATUS June 30, 2020

<table>
<thead>
<tr>
<th>Category</th>
<th>June 30, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Designated Reserves</td>
<td>$13,622,000</td>
</tr>
<tr>
<td>Reserves for Economic Uncertainty</td>
<td>$17,000,000</td>
</tr>
<tr>
<td>Services &amp; Support Center Fund Balance</td>
<td>$7,800,000</td>
</tr>
<tr>
<td>Reserve for Encumbrances</td>
<td>$2,690,091</td>
</tr>
<tr>
<td>Undesignated Fund Balance</td>
<td>$17,925,854</td>
</tr>
<tr>
<td><strong>Net Fund Equity</strong></td>
<td><strong>$59,037,945</strong></td>
</tr>
</tbody>
</table>

### Other Library Funds

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund 1701 -- Silicon Valley Reads</td>
<td>$18,997</td>
</tr>
<tr>
<td>Fund 1700 -- Special Tax</td>
<td>$199,683</td>
</tr>
<tr>
<td><strong>Total Net Equity -- All Funds</strong></td>
<td><strong>$59,256,625</strong></td>
</tr>
</tbody>
</table>
### SOURCE AND USE OF FUNDS STATEMENT -- FUND 0025

#### SOURCES OF FUNDS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Adopted</td>
<td>Modified</td>
<td>Actual</td>
</tr>
<tr>
<td><strong>Beginning Fund Balance</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building Reserve</td>
<td>5,904,000</td>
<td>5,414,000</td>
<td>5,414,000</td>
<td>5,414,000</td>
</tr>
<tr>
<td>Technology Reserve</td>
<td>400,000</td>
<td>8,720,000</td>
<td>8,720,000</td>
<td>8,720,000</td>
</tr>
<tr>
<td>Economic Uncertainty Reserve</td>
<td>13,000,000</td>
<td>13,000,000</td>
<td>17,000,000</td>
<td>17,000,000</td>
</tr>
<tr>
<td>Reserve for 1344 Dell Ave</td>
<td>7,800,000</td>
<td>7,800,000</td>
<td>7,800,000</td>
<td>7,800,000</td>
</tr>
<tr>
<td>Encumbrances</td>
<td>1,448,933</td>
<td>1,448,933</td>
<td>1,657,213</td>
<td>1,657,213</td>
</tr>
<tr>
<td>Undesignated Fund Balance</td>
<td>14,213,900</td>
<td>9,603,088</td>
<td>10,934,599</td>
<td>10,934,599</td>
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<tr>
<td><strong>Total Beginning Fund Balance</strong></td>
<td>42,766,834</td>
<td>45,986,022</td>
<td>51,525,812</td>
<td>51,525,812</td>
</tr>
</tbody>
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#### Revenue

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax</td>
<td>40,393,174</td>
<td>41,284,136</td>
<td>41,284,136</td>
<td>42,460,549</td>
</tr>
<tr>
<td>State ERAF Reimbursements</td>
<td>6,411,965</td>
<td>8,071,000</td>
<td>8,071,000</td>
<td>9,368,442</td>
</tr>
<tr>
<td>Other State Sources</td>
<td>180,635</td>
<td>53,523</td>
<td>53,523</td>
<td>137,738</td>
</tr>
<tr>
<td>Special Tax</td>
<td>5,855,190</td>
<td>5,895,434</td>
<td>5,895,434</td>
<td>5,942,468</td>
</tr>
<tr>
<td>City/County Contribution</td>
<td>1,999,495</td>
<td>618,458</td>
<td>618,458</td>
<td>910,215</td>
</tr>
<tr>
<td>Fines &amp; Fees</td>
<td>575,570</td>
<td>482,000</td>
<td>482,000</td>
<td>405,817</td>
</tr>
<tr>
<td>Other</td>
<td>1,716,482</td>
<td>990,728</td>
<td>990,728</td>
<td>1,690,980</td>
</tr>
<tr>
<td><strong>Total Current Revenue</strong></td>
<td>57,132,510</td>
<td>57,395,279</td>
<td>57,395,279</td>
<td>60,916,210</td>
</tr>
</tbody>
</table>

#### TOTAL SOURCES OF FUNDS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>99,899,344</td>
<td>103,381,301</td>
<td>108,921,091</td>
<td>112,442,022</td>
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</tbody>
</table>

#### USES OF FUNDS

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<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Adopted</td>
<td>Modified</td>
<td>Actual</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel</td>
<td>32,128,919</td>
<td>36,958,430</td>
<td>37,198,130</td>
<td>34,407,430</td>
</tr>
<tr>
<td>Books and Materials</td>
<td>7,406,012</td>
<td>7,661,386</td>
<td>7,661,386</td>
<td>8,322,228</td>
</tr>
<tr>
<td>Facilities</td>
<td>2,960,093</td>
<td>5,857,898</td>
<td>5,857,898</td>
<td>3,448,276</td>
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<tr>
<td>Services and Supplies</td>
<td>5,815,801</td>
<td>9,894,412</td>
<td>9,874,701</td>
<td>6,974,823</td>
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<tr>
<td><strong>Total Operating Budget</strong></td>
<td>48,310,825</td>
<td>60,372,126</td>
<td>60,592,115</td>
<td>53,152,757</td>
</tr>
</tbody>
</table>

#### Fixed Assets and Vehicles

<table>
<thead>
<tr>
<th></th>
<th>2018-19</th>
<th>2019-20</th>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td>62,706</td>
<td>475,000</td>
<td>1,462,000</td>
</tr>
<tr>
<td>Vehicles</td>
<td>0</td>
<td>55,000</td>
<td>130,000</td>
</tr>
<tr>
<td><strong>Total Fixed Assets</strong></td>
<td>62,706</td>
<td>530,000</td>
<td>1,592,000</td>
</tr>
</tbody>
</table>

#### Capital Expenditures

<table>
<thead>
<tr>
<th></th>
<th>2018-19</th>
<th>2019-20</th>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>7,800,000</td>
<td>7,800,000</td>
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</tbody>
</table>

#### Ending Fund Balance

<table>
<thead>
<tr>
<th></th>
<th>2018-19</th>
<th>2019-20</th>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Reserve</td>
<td>5,414,000</td>
<td>7,297,000</td>
<td>7,297,000</td>
</tr>
<tr>
<td>Technology Reserve</td>
<td>8,720,000</td>
<td>6,325,000</td>
<td>6,325,000</td>
</tr>
<tr>
<td>Economic Uncertainty Reserve</td>
<td>17,000,000</td>
<td>17,000,000</td>
<td>17,000,000</td>
</tr>
<tr>
<td>Reserve for 1344 Dell Ave</td>
<td>7,800,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Encumbrances</td>
<td>1,657,213</td>
<td>1,448,933</td>
<td>1,657,213</td>
</tr>
<tr>
<td>Undesignated Fund Balance</td>
<td>10,934,599</td>
<td>2,608,242</td>
<td>6,657,763</td>
</tr>
<tr>
<td><strong>Total Ending Fund Balance</strong></td>
<td>51,525,812</td>
<td>34,679,175</td>
<td>38,936,976</td>
</tr>
</tbody>
</table>

#### TOTAL USES OF FUNDS

<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>99,899,344</td>
<td>103,381,301</td>
<td>108,921,091</td>
<td>112,442,022</td>
</tr>
</tbody>
</table>
DATE: October 22, 2020

TO: Joint Powers Authority Board

FROM: Jennifer Weeks, County Librarian

SUBJECT: Budget Update for Fiscal Year 2020-21

RECOMMENDED ACTIONS

The Finance Committee recommends that the JPA Board receive an update on the Fiscal Year 2020-21 Budget in relation to implications from forthcoming State initiated revenue reductions.

FISCAL IMPLICATIONS

A Board-approved Reserve for Economic Uncertainty (“Reserve”) was established with the intention of weathering typical economic fluctuations. This $17,000,000 Reserve was based on the depth and breadth of the last economic downturn, i.e. calculating the percentage of property tax revenue lost during the last economic downturn, the length of time it took to recover from those losses, and applying those factors to current property tax revenue. The intention of this Reserve is to provide enough financial cushion until the economy recovers, allowing existing library services to continue at a time when Library District residents will need these free services the most.

Although the amount of this Reserve is sufficient to weather the estimated reduction and slowed growth of regular property tax revenue as predicted by the County’s consulting economist, an additional State impact to the Library’s Educational Revenue Augmentation Fund (“ERAF”) reimbursements still looms; and the level of this impact will not be known until at least December of 2020. While the Adopted 2020-21 Library Budget already assumes a 50% reduction in ERAF reimbursements, the State’s reductions could exceed that amount and include the State reclaiming a portion of the $9.37 million in Fiscal Year 2019-20 ERAF reimbursement already received on June 25, 2020.
For the $4.67 million in estimated ERAF reimbursements in the 2020-21 adopted budget, mitigations are already in place should all of this revenue be eliminated by the State. Due to COVID-19 impacts and the resulting significant reduction of library hours of service, Library Administration has paused hiring on all but the most critical vacant staff positions, temporarily furloughed extra help employees, and limited part-time staff to their “coded” hours. These actions are expected to provide salary savings equal to or in excess of the $4.67 million in ERAF reimbursements estimated in the 2020-21 adopted budget.

Beyond these savings, additional strategies will be required should the state demand repayment of a portion of the $9.37 million in 2019-20 ERAF reimbursements.

Here are two possible impacts. Impact 1 is a further 50% reduction in 2019-20 and 2020-21 ERAF reimbursements while Impact 2 is a complete elimination of 2019-20 and 2020-21 ERAF reimbursements. The final impact is likely to be somewhere in the middle.

<table>
<thead>
<tr>
<th></th>
<th>IMPACT 1</th>
<th>IMPACT 2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2020-21 ERAF Reimbursement Estimate</strong></td>
<td>4,667,000</td>
<td>4,667,000</td>
</tr>
<tr>
<td><strong>2019-20 ERAF Reimbursements</strong></td>
<td>9,368,442</td>
<td>9,368,442</td>
</tr>
<tr>
<td><em><em>2020-21 Modified Cash Balance</em> (including the amounts above)</em>*</td>
<td>12,131,884</td>
<td>12,131,884</td>
</tr>
<tr>
<td><strong>2020-21 ERAF Reduction</strong></td>
<td>(2,333,500)</td>
<td>(4,667,000)</td>
</tr>
<tr>
<td><strong>2019-20 ERAF Reduction</strong></td>
<td>(4,684,221)</td>
<td>(9,368,442)</td>
</tr>
<tr>
<td><strong>Total Revenue Loss</strong></td>
<td>(7,017,721)</td>
<td>(14,035,442)</td>
</tr>
<tr>
<td><strong>Salary/Benefit Savings</strong></td>
<td>4,766,671</td>
<td>4,766,671</td>
</tr>
<tr>
<td><strong>Net Revenue Loss</strong></td>
<td>(2,251,050)</td>
<td>(9,268,771)</td>
</tr>
<tr>
<td>*<em>Revised Cash Balance</em></td>
<td>9,880,834</td>
<td>2,863,113</td>
</tr>
<tr>
<td><strong>Reserve for Economic Uncertainty</strong></td>
<td>17,000,000</td>
<td>17,000,000</td>
</tr>
<tr>
<td><strong>Available Cash</strong></td>
<td>26,880,834</td>
<td>19,863,113</td>
</tr>
</tbody>
</table>

*not including Reserves

**NEXT STEPS**

In either scenario, the Library’s cash position remains strong, especially considering that an additional $17,000,000 in Reserves are available as one potential strategy to address financial impacts beginning in Fiscal Year 2021-22. Nevertheless, to further address the likely structural imbalance that will occur in any funding reduction scenario, Library Administration is preparing a list of proposed vacant position eliminations for consideration in January. In addition, once the State impacts are known, the Library will present to the JPA Finance Committee and Board a range of options to include the use of the Reserve, further budget reductions, or a combination of both.
DATE: October 22, 2020

TO: Joint Powers Authority Board

FROM: Jennifer Weeks, County Librarian

SUBJECT: Approve Elimination of Overdue Fines

RECOMMENDED ACTIONS

The Finance Committee recommends that the JPA Board approve the elimination of the imposition and collection of overdue fines for library materials for all patrons effective January 1, 2021, and to revise the current fines and fees policy to reflect the change. The Library will then clear active patron overdue fines as of January 1, 2021 and continue to bill and collect for lost items and block patron access if items are not returned or paid for based on current loan periods.

BACKGROUND/REASONS FOR RECOMMENDATION

The Mission Statement of the Library District defines our role as an open forum promoting knowledge, ideas, and cultural enrichment through access to free resources. The library is a place of discovery and support available to all residents of our District.

Currently, the Library does not charge overdue fines for Children’s materials, and fines for seniors over the age of 65. Additionally, at age 18, all youth accounts are reset to a clear balance. Overdue fines are only charged on adult and teen materials at a rate of $0.25 per day per item. Once an account balance reaches $20, the patron may not check out any physical materials from the library. Replacement fees are charged and will continue on all lost or damaged materials.

Overdue fines create barriers to library resources for those in our community who often need access the most. Early literacy skills are crucial to school readiness, so it is important that parents and caregivers have materials they can use at home to practice reading, singing, talking, writing, and playing with their little ones. Teens can find encouragement at the library through shared reading experiences. Library programs and books empower those looking to build job skills or learn English.
Free Library access is not only enriching, but equalizing for our society.

The District’s core values focus on creating a beneficial environment where our patrons feel valued by positive Library interactions that build community. Fine collection requires substantial staff time and can often be a point of friction with our patrons. Rather than a using a system that penalizes, the District can focus staff resources on material recovery and providing a positive experience that welcomes patrons back to the Library. And as more library resources move online, there is parity in the digital model which collects no fines.

Regionally and nationally, fine free is expanding, as libraries focus on enabling fair access for all. The American Library Association (ALA) passed a resolution in 2019 stating that fines present an economic barrier to access to free library services based on Article V of the Library Bill of Rights and encourages all public libraries to actively move to eliminate them. We all want to make the Library as accessible as possible.

Recently, the Urban Libraries Council of which SCCLD is a member developed the Fine Free map to exemplify this important trend. The following local systems are already fine free:

- Alameda County Library
- Contra Costa County Library
- Los Gatos Public Library
- Marin County Free Library
- Mountain View Public Library
- Palo Alto Public Library
- Redwood City Public Library
- San Mateo County Library
- Sunnyvale Public Library

In our Library Journal 4 Star category, three of the five peer systems including Multnomah County, Columbus Metropolitan and San Francisco are also fine free.

SCCLD will be implementing automatic renewals by December 2020 which will automatically renew loans if no other patron is waiting for the item. And, reports from library systems around the country show that return rates often increase with the elimination of fines.

This unprecedented year has shown how important the Library is to our patrons in so many different ways. Removing overdue fines will enable 3,276 active patrons to regain access to our collections and, more importantly, show the community the Library’s determination to provide public service successfully for all while responding strategically and flexibly to new circumstances to support life-long learning.

**FISCAL IMPLICATIONS**

Total fines collected annually represent a nominal revenue of 0.5% of our budget and do not take into consideration the significant cost of staff resources required in the collection. Last fiscal year $230,283 was collected in overdue fines. The cost of staff time involved in the work associated with the processing of these fines is estimated to be $105,000-$140,000.
## Going Fine Free:
Why public libraries across California and the USA who have eliminated overdue fines for ALL patrons

### Libraries in California:

<table>
<thead>
<tr>
<th>Library</th>
<th>Details</th>
</tr>
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<tbody>
<tr>
<td><strong>Alameda County Library</strong></td>
<td>Studies have shown that library fines create significant barriers to library access, especially for families on fixed incomes and among children and teens.</td>
</tr>
<tr>
<td><strong>Berkeley Public Library</strong></td>
<td>The decision to end overdue fees came after the library administration and Board of Library Trustees realized that the 11,000 people blocked from taking out books because of unpaid overdue fees came from Berkeley’s lowest-income zip codes — 94702, 94703 and 94710. While charging late fees had originally been meant to encourage people to return books on time, it ended up acting as a barrier to use for many, particularly those with low incomes, according to Elliot Warren, the acting director of the library. “Public libraries are the people’s university and we need to make sure they are accessible to everyone,” said Warren in a statement. “The current practice unintentionally tells some people they are not welcome.”</td>
</tr>
<tr>
<td><strong>Contra Costa County Library</strong></td>
<td>By eliminating fines, the library is removing barriers and making access easy, equitable and enjoyable for everyone. “Our libraries are open for the entire community to take advantage of all they have to offer,” said Contra Costa County Supervisor Karen Mitchoff. “Saying goodbye to fines gives everyone an opportunity to restart their relationship with the library.”</td>
</tr>
<tr>
<td><strong>Los Angeles Public Library</strong></td>
<td>“The burden of the fines placed on Angelenos is significant — for students, for families who don’t have a lot of spending money, for seniors on a fixed income,” Mayor Eric Garcetti said during a news conference at L.A.’s downtown Central Library. “Library fines can be a barrier to tapping into all the incredible resources that we have here in our libraries.”</td>
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*Data gathered from the Urban Libraries Council Fine Free Map and Member Knowledge Center*
<table>
<thead>
<tr>
<th>Marin County Free Library</th>
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<tbody>
<tr>
<td>&quot;To make all our services more equitable and be as inclusive as possible.&quot;</td>
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<tr>
<th>Palo Alto City Library</th>
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<tbody>
<tr>
<td>The removal of late fines was recommended in response to industry trends towards removing barriers to access, implementation of automatic renewals, and the recommendation of the Palo Alto City Library Advisory Commission on August 22, 2019. Eliminating library late fines will also decrease administrative work associated with the collection and enforcement of fines.</td>
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<tr>
<th>Redwood City Public Library</th>
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<tbody>
<tr>
<td>One of Redwood City Public Library’s Service Priorities for Redwood City and North Fair Oaks is to provide opportunities for community members of all income levels. The elimination of fines is a major step toward our equity aspiration for the community. Our new fines free policy builds on Peninsula Library System’s 2016 elimination of overdue fines for children and teens. By eliminating fines, we join a wave of libraries across California and the nation who have ceased charging fines.</td>
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<table>
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<tr>
<th>San Diego Public Library</th>
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<tr>
<td>Head librarian Misty Jones said overdue fines are being eliminated to avoid cutting the poor off from a vital service and to boost recovery of overdue items. She said fines actually do more harm than good by discouraging some patrons, especially those with low incomes, from continuing to use the library. More than 128,000 library card holders are blocked from checking out materials because of delinquent fines, including more than 13,000 juveniles.</td>
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<table>
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<tr>
<th>San Francisco Public Library</th>
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<tr>
<td>Library fines are a barrier to equitable access of resources and services, disproportionately affect low-income San Franciscans, create conflict between patrons and the library, require an inefficient use of staff time and do not consistently ensure borrowed materials end up back on library shelves.</td>
</tr>
</tbody>
</table>
### San Mateo County Libraries

Studies have shown that late fines can be a significant barrier to library access and drive borrowers away, particularly among individuals with low or fixed incomes. Currently, 8% of all San Mateo County Libraries’ 165,000 cardholders currently have their cards blocked due to fines. In our lower-income communities, the number can be as high as 19%. Furthermore, the growing research has shown that fines do not actually incentivize patrons to return materials on time.

### Sonoma County Library

“Research shows that charging fines doesn’t make a difference in whether people bring back books on time,” said Sarah Vantrease, Public Services Division Manager for the library. “Instead, we see that fines drive people away.”

### Libraries around the nation

#### Anchorage Public Library

Research has shown that overdue fines are not effective in encouraging the return of library material. Instead, they can quickly become a barrier to using the library altogether.

#### Chicago Public Library

At Chicago Public Library, we’re committed to removing barriers to using the library. Fines disproportionately impact those who most need library services. Reflecting a growing movement in the library community, this decision is part of Mayor Lightfoot’s initiatives to reform Chicago’s fines and fees systems to increase equity.

#### Dallas Public Library

"The library's mission is to provide access for all," Dallas Public Library Director Jo Giudice said in a statement. "Late fines create barriers by punishing people who are unable to pay them. Eliminating fines is an issue of equity."
<table>
<thead>
<tr>
<th>Library</th>
<th>Reason for Eliminating Fines</th>
</tr>
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<tbody>
<tr>
<td>Durham County Library</td>
<td>Tammy Baggett-Best said, “It has long been a goal of our libraries to go fine free. We are</td>
</tr>
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<td></td>
<td>committed to being an organization that creates equal access to resources. Too often late</td>
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<tr>
<td></td>
<td>fees create barriers for members of our community and keep customers from returning to our</td>
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<tr>
<td></td>
<td>libraries. We want Durham County residents to know everyone’s welcome at the library.”</td>
</tr>
<tr>
<td>Fort Vancouver Regional</td>
<td>The cost of handling the money outweighed the benefit.</td>
</tr>
<tr>
<td>Libraries</td>
<td></td>
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<tr>
<td>Free Library of Philadelphia</td>
<td>“By saying goodbye to fines, we’re welcoming back the nearly 88,000 cardholders who are</td>
</tr>
<tr>
<td></td>
<td>currently unable to take full advantage of the library due to owing fines. We’re also</td>
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<tr>
<td></td>
<td>anticipating increases in circulation, an uptick in new library card signups, and more overall</td>
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<tr>
<td></td>
<td>visits to libraries throughout the city.”</td>
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<tr>
<td>Jefferson County Public</td>
<td>“Our mission is to provide the opportunity for the use of materials and services by our</td>
</tr>
<tr>
<td>Library</td>
<td>community. Overdue fines impede our efforts and actually prevent people from using the</td>
</tr>
<tr>
<td></td>
<td>library,” said Judi Terpening, Library Director.</td>
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<tr>
<td>Madison Public Library</td>
<td>“Madison Public Library is proud to support our commitment to equity and literacy. By</td>
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<td></td>
<td>eliminating nearly all overdue fines and ceasing to use a collections agency, we want to</td>
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<tr>
<td></td>
<td>encourage even more Madisonians to use the library by removing those barriers to library</td>
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<tr>
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<td>services,” said Library Director Greg Mickells. “Especially now, we need to make our libraries</td>
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<td></td>
<td>more accessible.” Madison Public Library has joined public libraries across the nation that</td>
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<td>recognize library fines as an equity issue,” said Mayor Satya Rhodes-Conway. By eliminating</td>
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<td>fines, nearly 10,000 library users will be able to check out library materials again and take</td>
</tr>
<tr>
<td></td>
<td>advantage of all that our award-winning libraries have to offer.”</td>
</tr>
</tbody>
</table>
### Multnomah County Library

“Our public libraries exist to provide free and equal access to shared resources for everyone,” said Multnomah County Chair Deborah Kafoury. “And yet, the practice of assessing punitive fines for late returns has locked people out, many of whom are already facing hardships. The resources, support and sense of belonging found in our libraries are needed urgently during these trying times, and I’m grateful that this change will further open access to this community asset.”

### Nashville Public Library

According to Emily Waltenbaugh, public information officer with NPL, library staff were concerned about the number of accounts that had been blocked because of fines exceeding a $20 limit. They discovered that as many as 50,000 cards were blocked at any given time, out of a total of 300,000 cardholders. This is a “huge percentage,” she said, and the library was eager to “bring patrons back to the library.” Waltenbaugh said, “We just want the items back, we don’t want to profit off patrons.” According to NPL Director Kent Oliver, “Accessibility for all in our community is a core value for Nashville Public Library; it’s at the center of how we view our library. That’s why it makes sense to do away with late fines.”

### Pima County Public Library

“We hope that taking this step will help everyone coping with financial challenges. We want everyone in our community to have full access to all the Library has to offer. Overdue fines were a barrier to some, and we’re proud to join many public libraries in eliminating them!”

### Richmond Public Library

Fines disproportionately affect low-income, African American and Hispanic communities, and they want to increase library use and accessibility for Richmond residents.

### Saint Louis Public Library

“Public libraries provide vital resources and life enrichment throughout our communities,” said St. Louis Public Library CEO Waller McGuire. “Individuals, families, businesses, adults, children—the world comes through our doors and networks. Our boards voted to open more doors by eliminating fines. It is a wonderful gift for St. Louis and a great step forward for the region.”

*Data gathered from the Urban Libraries Council Fine Free Map and Member Knowledge Center*
**Saint Paul Public Library**

Community engagement and national research reveal that fines create a barrier to library use for many people. While many library users incur late fines, the ability to pay them depends greatly on income. Those who are able to pay can keep using the library, whereas those who are unable to pay cannot. This runs counter to our public mission.

**Salt Lake City Public Library**

In his recommendation to the Board, City Library Executive Director Peter Bromberg wrote, “Fines have not been shown to be an effective deterrent to the late return of materials. However, fines have been shown to act as an inequitable barrier to service, disproportionately impacting children and community members with the least financial resources…. Late fines are therefore in opposition to the Library’s core values of equitable service, fostering early literacy, and barrier-free access to information and services. From both a mission and a values standpoint, late fines should be eliminated.”

**Scottsdale Public Library**

Library officials believe abolishing the late fines will break down barriers to reach all residents, as late fines or the possibilities of incurring fines keeps those with limited means, fixed-income or transportation challenges away from the library.

**Seattle Public Library**

Late fines are not effective. Other Library systems have stopped charging late fines and shown that this has no impact on return rates. Getting rid of late fines can even increase use of Library materials. It’s good for our community. Late fines prevent people who cannot afford them from using the Library in the first place. Fines are not predictable revenue. With more people using digital materials like e-books, we can no longer count on late fines to help cover costs.

**Spokane Public Library**

Eliminating fines ensures all people have access to Library books and materials. Fines prevent some people from using the library. While many library users accrue late fines, the ability to pay them depends greatly on income. Those who are able to pay keep using the Library, whereas those who are unable to pay cannot. Eliminating fines will encourage prior users to come back to the library and attract new users to experience library services.

*Data gathered from the Urban Libraries Council Fine Free Map and Member Knowledge Center*
DATE: October 22, 2020
TO: Joint Powers Authority Board
FROM: Jennifer Weeks, County Librarian
SUBJECT: Election of Officers 2021

RECOMMENDED ACTIONS

It is recommended that the JPA Board review the Nominating Committee’s slate of candidates for Chair and Vice-Chair and hold an election.

The Nominating Committee members are Chair Mike Wasserman, Vice-Chair Lynette Lee Eng, and Board Members Darcy Paul and Courtenay C. Corrigan. The Committee will present the slate of officers for 2021 at the meeting.

BACKGROUND/REASONS FOR RECOMMENDATION

According to the Bylaws, “A nominating committee of three JPA Board Members will present a slate of officers at the last meeting of the year and an election will be held.”
DATE: October 22, 2020

TO: Joint Powers Authority Board

FROM: Jennifer Weeks, County Librarian

SUBJECT: Accept Fiscal Year 2019-2020 Year-End Service Report

RECOMMENDED ACTIONS

It is recommended that the JPA Board accept the Fiscal Year 2019-2020 Year-End Service Report for the Santa Clara County Library District for the period ending June 30, 2020.

BACKGROUND/REASONS FOR RECOMMENDATION

The FY 2019-20 Year-End Service Report updates the JPA on the Library District’s services that support the mission to promote knowledge, ideas and cultural enrichment.

FISCAL IMPLICATIONS

This report is for information only.