



**LIBRARY ADVISORY COMMISSION  
REGULAR MEETING**

**MONDAY, FEBRUARY 27, 2017**

**6:30 PM**

**DOWNTOWN BRANCH MEETING ROOM  
224 CHURCH STREET, SANTA CRUZ, CA 95060**

**1. CALL TO ORDER/ROLL CALL**

Commissioners Sean Campbell, Ellen Campos, Martha Dexter, Nancy Gerdt, Barbara Gorson, Cindy Jackson, and Deb Tracey-Proulx

**2. ADOPTION OF THE AGENDA**

**3. ORAL COMMUNICATIONS**

*Any member of the audience may address the Board on any matter either on or off the agenda that is within the Board's jurisdiction. Note, however, that the Board is not able to undertake extended discussion or act on non-agendized items. Such items can be referred to staff for appropriate action which may include placement on a future agenda. If you intend to address a subject that is on the Agenda, please hold your comments regarding that item until it is before the Board so that we may properly address all comments on that subject at the same time. In general 3 minutes will be permitted per speaker during Oral Communication; A MAXIMUM of 30 MINUTES is set aside for Oral Communications at this time.*

**4. REPORT BY LIBRARY DIRECTOR**

A. Library Director's Report – February (P.3-4)

**5. MEMBER REPORTS**

**6. CONSENT CALENDAR**

*All items listed in the "Consent Calendar" will be enacted by one motion in the form listed below. There will be no separate discussion on these items prior to the time the Board votes on the action unless members of the public or the Board request specific items to be discussed for separate review. Items pulled for separate discussion will be considered following General Business.*

A. Receive Minutes of January 23, 2017 (P.5-7)  
RECOMMENDED ACTION: Approve Minutes

## 7. GENERAL BUSINESS

*General Business items are intended to provide an opportunity for public discussion of each item listed. The following procedure is followed for each Business item: 1) Staff explanation; 2) Board questions; 3) Public comment; 4) Board deliberation; 5) Decision.*

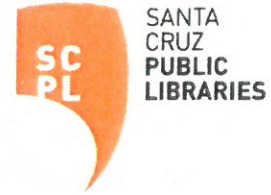
A. LJPA Financial Workshop Report (P.8-19)  
RECOMMENDED ACTION: Review Report

B. Role of the LAC  
RECOMMENDED ACTION: None

## 8. ADJOURNMENT

Adjourned to a Regular Meeting of the Library Advisory Commission to be held on Monday, March 20, 2017 at 6:30 PM at the Aptos Branch Meeting Room located at 7695 Soquel Drive, Aptos, CA 95003.

The Santa Cruz City-County Library System does not discriminate against persons with disabilities. Out of consideration for people with chemical sensitivities, we ask that you attend fragrance free. Upon request, the agenda can be provided in a format to accommodate special needs. Additionally, if you wish to attend this public meeting and will require assistance such as an interpreter for American Sign Language, Spanish, or other special equipment, please call the Library Administration Office at 427-7706 at least five days in advance so that we can arrange for such special assistance, or email [library\\_admin@santacruzpl.org](mailto:library_admin@santacruzpl.org).



## Library Director's Report - February 2017

### Library Operations

Three regional library managers have been hired to manage the North County (Jessica Goodman), Mid County (Heather Norquist) and Valleys regions (Laura Whaley). Heather and Laura will begin work this week. Jessica is transitioning from the Palo Alto City Library on March 20. Gale Farthing, the current Division Manager will retire on April 14, 2017.

A portion of the City's library administrative services building is being reallocated to the Water Department in an exchange for a reduction in rent.

A large crowd attended the official opening of the Veterans Information Center on February 16 in the Downtown library. The grant-funded center is part of a network of programs in public libraries across the State of California that will connect veterans and their families to local resources. Six volunteers have been recruited to staff the program and 25 individuals have been served so far.

The Library provided a free citizenship workshop on February 16 through a partnership with the International Rescue Committee and with the assistance of the *Community Conversation on Immigration* grant. Twenty-five individuals attended.

The Library has begun the City of Santa Cruz's budget process. Departments are reviewing their base budgets.

The office of the Sentinel is moving back to the City of Santa Cruz and has asked for the Library's assistance to insure that historical documents are not lost in the transition. A small group of interested citizens are working on the transition.

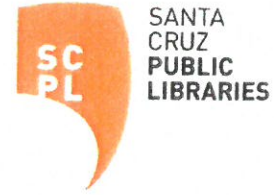
### Library Building Projects

County staff and architect Teall Messer continue to work on the permitting processes for the new Felton branch library. The architect is in the process of hiring an interior designer. The Friends have been working on adjacent easements to expand the *Nature Explore* concept. They have also begun working on obtaining a large financial grant.

The Capitola branch is completing a schematic design for review at a public meeting scheduled March 8. The City Council is expected to review and approve on March 23. The Friends have committed to raising \$350,000 for the building and amenities.

The City of Santa Cruz is looking for seven area citizens to serve on the Downtown Library Advisory Committee to develop a building program, evaluate sites and develop a cost estimate for the Downtown branch. An RFQ will be released in the next few weeks seeking planning services for the project.

County Supervisor, John Leopold, is leading a group of interested citizens to explore adding library spaces to the Boys and Girls Club or Simpkins Swim Center in Live Oak.



**LIBRARY ADVISORY COMMISSION  
REGULAR MEETING MINUTES**

**MONDAY, JANUARY 23, 2017**

**6:30 PM**

**SCOTTS VALLEY BRANCH MEETING ROOM  
251 KINGS VILLAGE ROAD, SCOTTS VALLEY, CA 95066**

**1. CALL TO ORDER/ROLL CALL**

**PRESENT:** Commissioners Sean Campbell, Ellen Campos, Martha Dexter, Nancy Gerdt, and Deb Tracey-Proulx

**ABSENT:** Barbara Gorson, Cindy Jackson until 6:37 PM

**STAFF:** Library Director Susan Nemitz

**2. ADOPTION OF THE AGENDA**

<b>RESULT:</b>	<b>APPROVED THE AGENDA OF JANUARY 23, 2017</b>
<b>MOVER:</b>	Martha Dexter
<b>SECONDER:</b>	Deb Tracey-Proulx
<b>AYES:</b>	Campbell, Campos, Gerdt
<b>ABSENT:</b>	Barbara Gorson, Cindy Jackson

**3. ORAL COMMUNICATIONS**

None

**4. REPORT BY LIBRARY DIRECTOR**

A. Library Director's Report – January

**5. MEMBER REPORTS**

Nancy Gerdt: AmeriCorps team have arrived and they will be working on the Felton library land for a week or two in February. First meeting with the landscape architect went well. The beginning of the conceptual design has started. Maybe next month there will be something to present.

Martha Dexter: Participated in the homeless survey count along with Susan Nemitz and 4-5 other library staff. The survey is conducted every 2 years to comply with HUD.

## 6. CONSENT CALENDAR

- A. Receive Minutes of December 12, 2016

RECOMMENDED ACTION: Approve Minutes

<b>RESULT:</b>	<b>APPROVED CONSENT ITEM 6.A</b>
<b>MOVER:</b>	Deb Tracey-Proulx
<b>SECONDER:</b>	Ellen Campos
<b>AYES:</b>	Campbell, Dexter, Gerdt, Jackson
<b>ABSENT:</b>	Barbara Gorson

## 7. GENERAL BUSINESS

- A. Annual Election of Chair and Vice Chair

RECOMMENDED ACTION: Elect Chair and Vice Chair

<b>RESULT:</b>	<b>ELECTED MARTHA DEXTER AS CHAIR</b>
<b>MOVER:</b>	Sean Campbell
<b>SECONDER:</b>	Ellen Campos
<b>AYES:</b>	Dexter, Gerdt, Jackson, Tracey-Proulx
<b>ABSENT:</b>	Barbara Gorson

<b>RESULT:</b>	<b>ELECTED DEB TRACEY-PROULX AS VICE CHAIR</b>
<b>MOVER:</b>	Nancy Gerdt
<b>SECONDER:</b>	Sean Campbell
<b>AYES:</b>	Campos, Dexter, Jackson, Tracey-Proulx
<b>ABSENT:</b>	Barbara Gorson

- B. Strategic Plan 2017-2021

RECOMMENDED ACTION: Review Plan

- C. Draft Work Plan 2017-FY2018

RECOMMENDED ACTION: Review Plan

- D. FY 2016 Fund Balance Spending Plan

RECOMMENDED ACTION: Review Plan

<b>RESULT:</b>	<b>RESOLUTION TO SUPPORT THE BUDGET ADJUSTMENT FOR FY17</b>
<b>MOVER:</b>	Deb Tracey-Proulx
<b>SECONDER:</b>	Ellen Campos
<b>AYES:</b>	Campbell, Dexter, Gerdt, Jackson
<b>ABSENT:</b>	Barbara Gorson

- E. Draft Naming Policy

RECOMMENDED ACTION: Review Policy

- F. Designate Written Report Presenter for LJPA

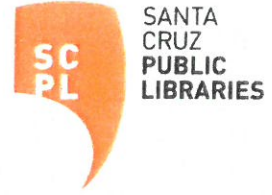
RECOMMENDED ACTION: Appoint Presenter

Nancy Gerdt volunteered to take the lead on preparing the written report for the LJPA

## 8. ADJOURNMENT

Final Adjournment of the Library Advisory Commission (LAC) at 7:45 PM to the next Regular Meeting to be held on Monday, February 27, 2017 at 6:30 PM at the Downtown Branch Meeting Room located at 224 Church Street, Santa Cruz, CA 95060.

The Santa Cruz City-County Library System does not discriminate against persons with disabilities. Out of consideration for people with chemical sensitivities, we ask that you attend fragrance free. Upon request, the agenda can be provided in a format to accommodate special needs. Additionally, if you wish to attend this public meeting and will require assistance such as an interpreter for American Sign Language, Spanish, or other special equipment, please call the Library Administration Office at 427-7706 at least five days in advance so that we can arrange for such special assistance, or email [library\\_admin@santacruzpl.org](mailto:library_admin@santacruzpl.org).



## STAFF REPORT

DATE: February 27, 2017

TO: Library Advisory Commission

FROM: Susan Nemitz, Library Director  
Marcus Pimentel, City of Santa Cruz Finance Director

RE: Library Joint Powers Authority Financial Workshop Report

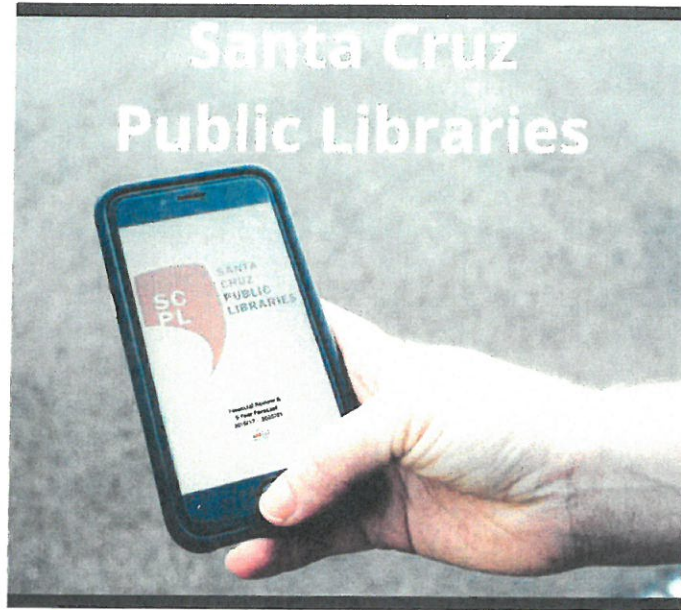
### RECOMMENDATION

Review report.

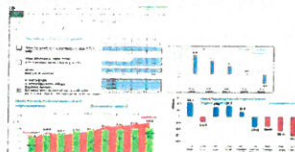
### DISCUSSION

Financial Review presented to the LJPA by Marcus Pimentel to go along with the library's request to spend money.



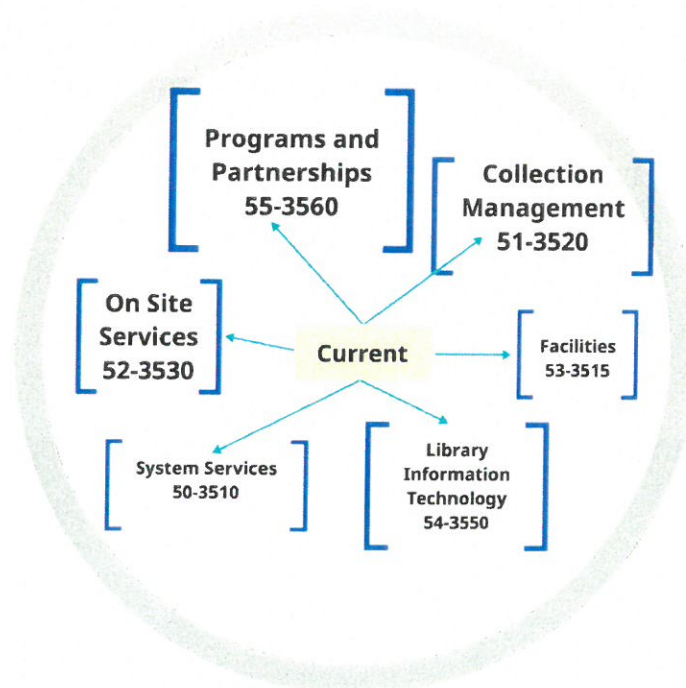


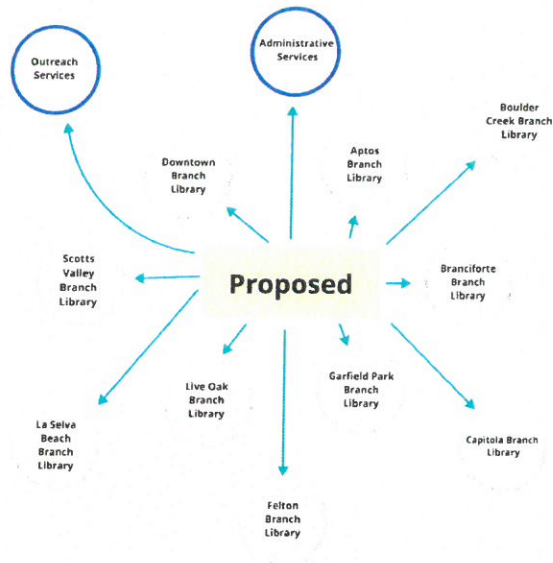
# **Financial Review & 5-Year Forecast 2016/17 - 2020/21**



# New Chart of Accounts for 2017/18

- Simplifies reporting
- Converts to branch base cost centers
- Includes separate cost centers for Administration and Outreach



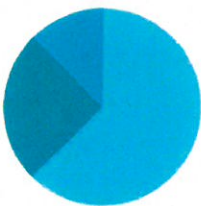


## Budget Process Improvements

- Now integrated with City Budgetary Tools and data applications
- Benefits to Library Operations

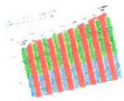
### Key Board Milestones

- **March Board Meeting** - (1) Budgetary general direction; (2) Consider Administrative Services Cost Proposal &/or designate Board Administrative Contract review subcommittee (if cost allocation study results in monthly increase greater than \$1,700)
- **March 9th** - Final Library Director Proposed Budget submitted to Finance
- **April Board Meeting** - (1) Review and provide direction for Library Director Proposed Budget; (2) If applicable, review recommendation from Administrative Contract review subcommittee
- **May Board Meeting** - Adopt FY 2017/2018 Budget



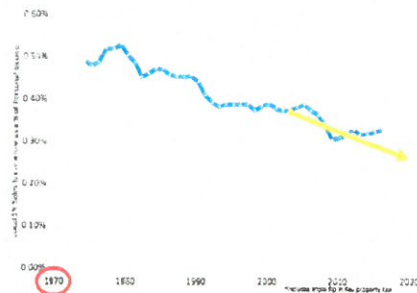
# Revenue Projections

- Risk in future sales tax
  - Shrinking tax base
  - Looming Economic slowdown
- MOE cap impacts
  - Loss of property tax growth

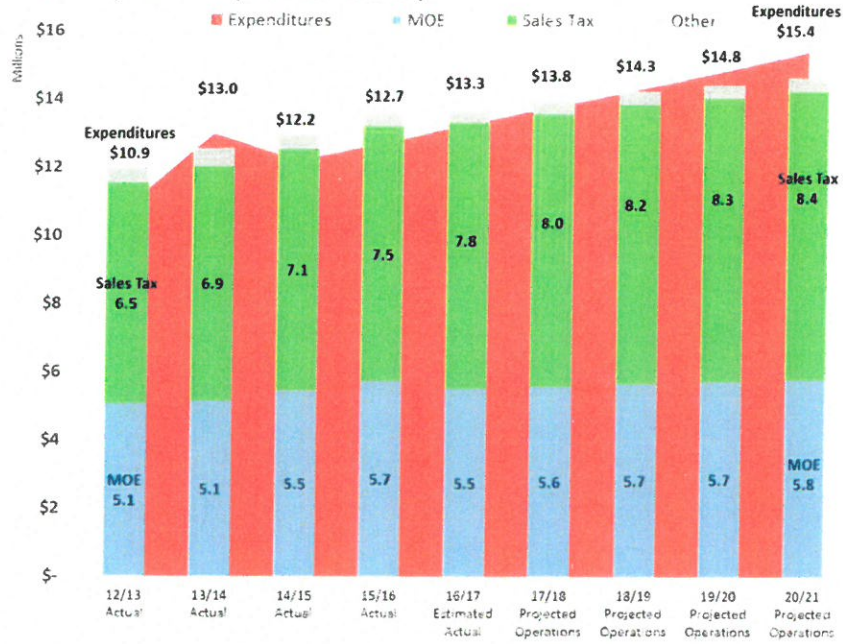


- Online sales
- Aging population spend less on taxable items
- Taxable sales replaced by non-taxable items
  - Software
  - Music, Movies, Books
  - Games (taxable play station and game cartridges replaced with non-taxable phone apps)
- Retail distribution centers & their kickbacks
- Decreasing Gas sales (price & gallons)

**Sales tax base in decline**

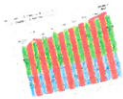


Library Actual & Projected Revenue and Total Expenditures (baseline forecast)



## Revenue Projections

- Risk in future sales tax
  - Shrinking tax base
  - Looming Economic slowdown
- MOE cap impacts
  - Loss of property tax growth



## Ranking of longest periods of U.S. Economic Expansion

(National Bureau of Economic Research - Data since 1854)

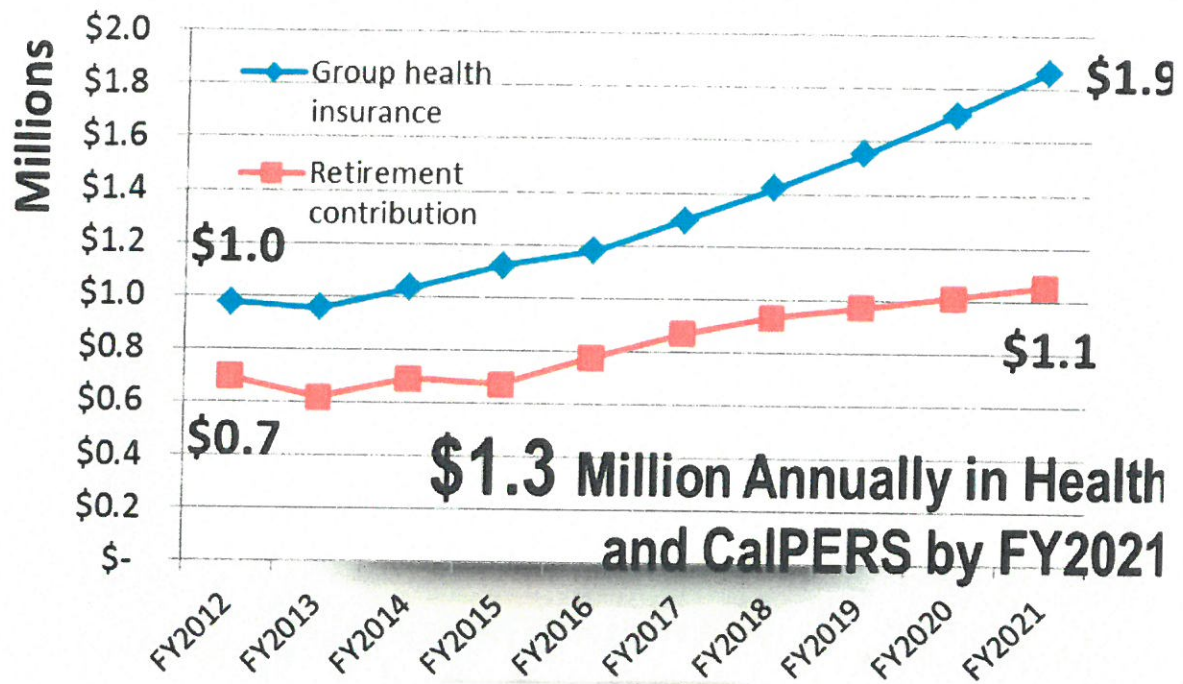


Prezi

## Expenditure Projections Impacted by...

- Rising health and pension costs
- Core cost increases
- Option to expand customer service
- Option for one-time use of Fund Balance



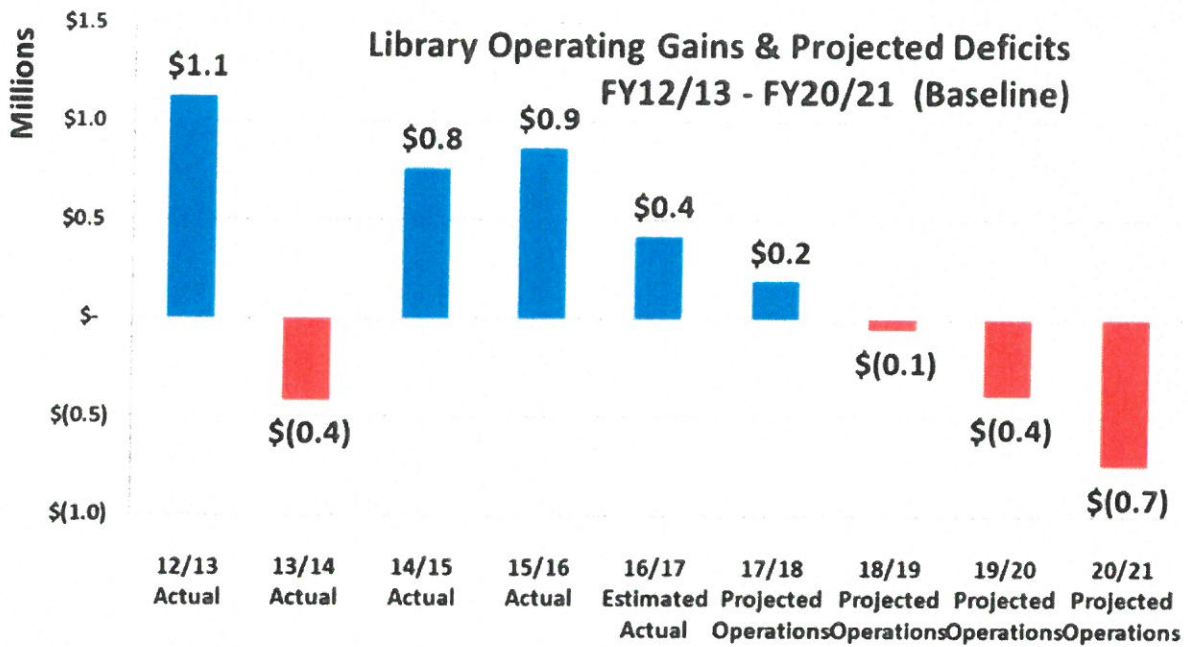


### Baseline Model Assumption

#### Status quo operations

- Includes only known and contractually obligated increases
- No new dollars for capital, for books beyond current annual investment or service expansion





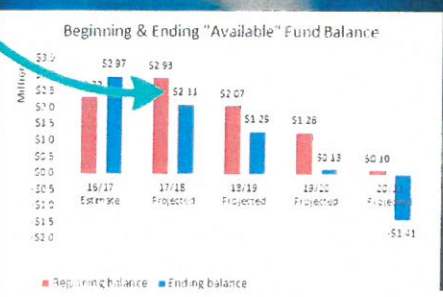
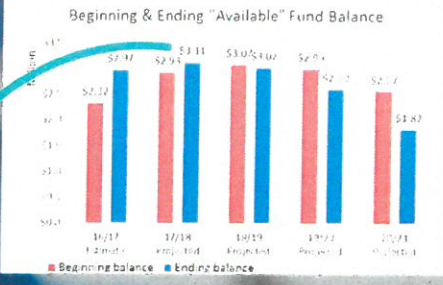
## [ One time use of Fund Balance ]

**\$1 Million allocation for:**

- \$400k for expanded services
- \$600k for one time uses  
(\$300k for books and  
\$300k for technology)





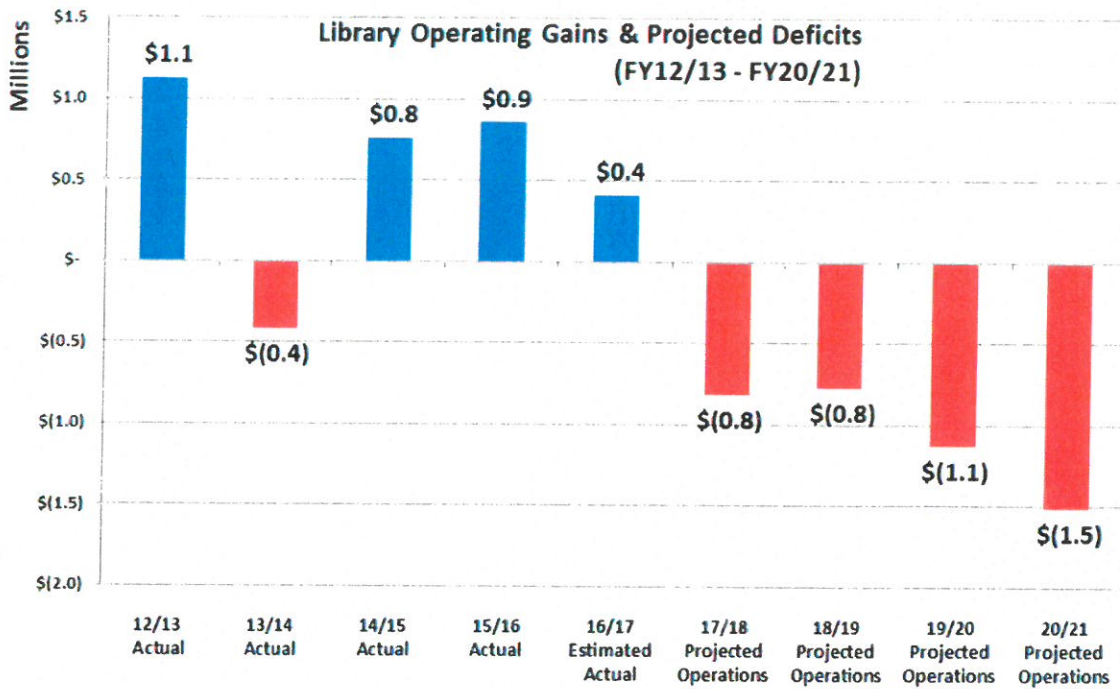


Prezi

### Baseline Forecast with Expanded services

- baseline operations plus 400k for expanded hours and staffing





## Remaining Financial Issues

- Staffing for new buildings
- New building facility costs
- Security
- Collections to 11% funding level



