



SANTA CRUZ
PUBLIC LIBRARIES

LIBRARY JOINT POWERS AUTHORITY BOARD
FINANCE SUBCOMMITTEE

Monday May 20, 2013
Downtown Branch Meeting Room
224 Church Street, Santa Cruz

6:30 PM PUBLIC MEETING

1. ROLL CALL
2. APPROVE AGENDA OF MAY 20, 2013
3. APPROVE MINUTES OF APRIL 22, 2013
4. ORAL COMMUNICATIONS
5. STAFF REPORTS
 - a. Monthly Financial Reports - April 2013 (hand out at the meeting)
 - b. FY13/14 Budget Update (oral)
6. OTHER BUSINESS
 - a. Financial planning retreat report out
 - b. Finance subcommittee charter
7. WRITTEN COMMUNICATIONS
8. FINANCE COMMITTEE MEETING CALENDAR

The Finance Committee will consider its current meeting schedule and may revise it as necessary.

9. NEXT MEETING

The next regularly scheduled meeting is Thursday June 20, 2013 at 6:30 p.m. at the Downtown Branch Library

ADJOURN

The Library Joint Powers Authority Board Finance Subcommittee will adjourn from the regularly scheduled meeting of Monday May 20, 2013 to the next regularly scheduled public meeting on Thursday June 20, 2013 at 6:30 pm in the Community Meeting Room of the Downtown Branch Library.

The Santa Cruz City-County Library System does not discriminate against persons with disabilities. Out of consideration for people with chemical sensitivities, the Library requests that you attend fragrance free. The Downtown Branch Library is a fully accessible facility. If you wish to attend this public meeting, and you will require special assistance such as sign language or other special devices in order to attend and participate, please call (831) 427-7706 seventy-two (72) hours prior to the event to make arrangements for assistance. Upon request, agendas for public meetings can be provided in a format to accommodate special needs.

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SANTA CRUZ PUBLIC LIBRARIES
A CITY-COUNTY SYSTEM

LIBRARY JOINT POWERS BOARD
FINANCE SUBCOMMITTEE

MINUTES

April 22, 2013

Downtown Branch Meeting Room
224 Church Street, Santa Cruz

6:30 PM PUBLIC MEETING

I. ROLL CALL

Present: Citizen Member English and Councilmember Termini

Absent: Councilmember Terrazas

Staff: Library Director, Teresa Landers
Finance Director, Marcus Pimentel

II. APPROVAL OF MEETING AGENDA OF APRIL 22, 2013

Councilmember Termini moved, seconded by Citizen Member English

that the Finance Subcommittee approve the agenda of April 22, 2013

**AYES: Termini, English
Absent: Terrazas**

III. APPROVAL OF MINUTES OF MARCH 21, 2013

Councilmember Termini moved, seconded by Citizen Member English

that the Finance Subcommittee approve the minutes of March 21, 2013

**AYES: Termini, English
Absent: Terrazas**

IV. ORAL COMMUNICATIONS

None

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V. STAFF REPORTS

A. MONTHLY FINANCIAL REPORTS – MARCH 2013

Finance Director Pimentel discussed the March Financial Snapshot report and responded to a number of questions.

B. FY 13/14 BUDGET UPDATE

Director Landers summarized her report and responded to questions. Direction was given to staff to present this information to the LJPB at the May meeting.

C. RESERVE POLICY

Finance Director Pimentel presented his report on recommendations for library reserve levels. No decisions were made and further discussion on the reserve policy will be done at the LJPB Financial Retreat on May 18th.

VI. OTHER BUSINESS

A. FINANCIAL PLANNING RETREAT UPDATE

The LJPB Financial Planning Retreat will be held May 18, 2013 at the Scotts Valley Library Meeting Room from 9-1pm. There will be an outside facilitator for this meeting from the Conflict Resolution Center.

B. FINANCE SUBCOMMITTEE CHARTER

Citizenmember English pointed out that the LJPB Finance Subcommittee does not have a charter (i.e.: What is the committee expected to deliver? How do they deliver?). They would like to discuss this issue further when Councilmember Terrazas is in attendance.

VII. WRITTEN COMMUNICATIONS

A. LIBRARY FUNDING FORMULA

Director Landers provided the Library's funding formula at the subcommittee's request.

VIII. FINANCE COMMITTEE MEETING CALENDAR

No changes

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IX. ADJOURN

The regular meeting adjourned at 7:30 p.m.

The Library Joint Powers Authority Board Finance Subcommittee will adjourn from the regularly scheduled meeting of Monday, April 22, 2013 to the next regularly scheduled public meeting on Monday, May 20, 2013 at 6:30 pm in the Community Meeting Room of the Downtown Branch Library.

Respectfully submitted,

Kira Henifin
Clerk of the Board Substitution

All documents referred to in these minutes are available in the Library.

The following is intended to be a “Charter, “Guidelines”, “Operating Direction” for the Santa Cruz Public Libraries (SCPL) Finance Committee. It is expected that this will be used to clarify roles and responsibilities of the Committee to the Library Director, City of Santa Cruz Finance Director, and the Library Joint Powers Board (LJPB). It is further anticipated that the meetings of the Committee will be scheduled and agendized around these guidelines.

ROLE

The Finance Committee (Committee) works closely with the Library Director and the City of Santa Cruz Finance Director to investigate and develop recommendations on projects or policies identified by the LJPB, City of Santa Cruz Finance Director, and/or Library Director. The overall fiscal well being of the SCPL is the guiding principle of the Committee.

The Committee must develop and maintain a basic working knowledge of the SCPL budget as well as the operational and organization departments within the SCPL structure. To be effective, the Library Director must keep the Committee informed of items that may have a significant impact on the SCPL budget or events that will or may impact the fiscal future of the SCPL.

RESPONSIBILITIES

The Committee acts strictly in an advisory capacity in that it has no authority except the responsibility to provide unbiased reports on projects specifically assigned or advise the LJPB of potential SCPL budget impacts and to quantify and qualify these impacts.

1. The Committee will review, on a high level, budget components of revenues and expenditures of the SCPL annual budget.
2. The Committee will review summary financial statements that are submitted to the Committee at each meeting.
3. Review periodically the SCPL debt position and financing needs, strategy, and plans.
4. When applicable, review and make recommendations to the LJPB regarding the establishment and termination of banking and similar relationships.
5. Review five year financial projections provided by the City of Santa Cruz Finance Director and the Library Director.
6. Perform such other duties as the Board may from time to time assign to the Committee.

AUTHORITY AND MEMBERSHIP

1. The Committee is a committee of the Board established under Article II(1)(a) of the Bylaws. As a standing committee of the LJPB it will follow the rules for such a standing committee established by the Brown Act.

2. The minimum number of members is three Directors and a maximum of four.
3. Only directors may be members of the Committee.
4. The Board will appoint members of the Committee , each to serve for two-year terms beginning with the February meeting of each year.
5. A Chair and Vice-Chair will be elected by the Committee annually at the February meeting and each will serve for one year with one renewal for each office.
6. The Board may fill vacancies on the Committee. The Board may remove a Committee member from the Committee at any time, with or without cause.
7. The Library Director and the City of Santa Cruz's Director of Finance, or their designees will attend all Committee meetings

OPERATIONS

1. The Committee will meet at least on a quarterly basis but can meet more frequently at the pleasure of the Committee or at the direction of the LJPB.
2. The Chair of the Committee will preside over the meetings of the Committee. A majority of the members of the Committee will constitute a quorum. Committee approvals will require a vote of a majority of the Committee members present at a meeting at which a quorum is present.
3. The Committee will maintain minutes of its meetings, and report its activities to the Board at all regular Board meetings.
4. The Committee may invite individuals who are not members of the Board to participate in Committee meetings, but these individuals will not have voting power and will not be held out as members of the Committee. The Committee may request any officer or employee of the SCPL, or any outside consultants, counsel or other advisors, to attend meetings or meet with members of the Committee. Engaging any advisor for payment requires approval of the LJPB.
5. The Committee will review this charter periodically and recommend any proposed changes to the Board for review.

Memo

To: Capitola City Council and Jamie Goldstein, Capitola City Manager
From: City of Capitola Finance Advisory Committee
Date: 4/21/2011
Re: Finance Advisory Committee Charter

The following is intended to be a "Charter", "Guidelines" or "Operating Direction" for the City of Capitola Finance Advisory Committee. It is expected that this will be used to clarify roles and responsibilities of the Committee to the City Manager, City Council and its members. It is further anticipated that the meetings of this Committee will be scheduled and agenzized around these guidelines.

Basic Premise

The Finance Advisory Committee works closely with the City Manager to investigate and develop recommendations on projects or policies identified by the City Council and/or the City Manager. The overall fiscal well being of the City is the guiding principle of the Advisory Committee.

The Committee must develop and maintain a basic working knowledge of the City Budget as well as the operational and organizational departments within the City structure. To be effective the City Manager must keep the Committee informed of items that may have a significant impact on the City budget or events that will or may impact the fiscal future of the City.

Responsibilities

The Committee acts strictly in an advisory capacity in that it has no authority except the responsibility to provide unbiased reports on projects specifically assigned or advise the City Council of potential City budget impacts and to quantify and qualify these impacts.

Specific Project Areas

Budgets & Projections

1. The Committee will review, on a high level, budget components of revenues and expenditures of the City's Annual Budget.
 - a. This review requires the development of an understanding of the departmental organizations and functions.
 - b. The Committee must understand of the measurements and rational for significant revenue components of the budget.
 - c. The Committee must understand non-departmental expenditures (such as debt repayments, etc.), inter-fund transactions, fund requirements, and balances and reserves

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- d. In order to fulfill this requirement the City Manager will “walk” the Committee through the proposed budget, by department and at a high level. This presentation must be sufficient detail level that the Committee will understand the departmental; organizational structure, staffing requirements and responsibilities, negotiated contracts, fixed expenses and variable expenses.

2. Five Year Projection

- a. The Committee will work with the City Manager and Staff to develop a Five Year Financial Projection
 - i. The first year (base year) will be the detailed Annual Budget
 - ii. The second year through the fifth year (or longer if possible) should consist of a yearly “variance analysis”. The variance analysis shall consist of identified and quantified increments to the current year’s revenue and expense levels. Ex. Negotiated pay increases, COLA salary increases, , expected increases or decreases in sales tax, changes in debt repayment, etc,
 - iii. It is essential that in all projections the City Manager, Staff and Finance Advisory Committee insure that to the best of their ability and known facts that the Five Year Projection includes as many anticipated or planned revenues and expenditure events as possible.
- b. The purpose of the Five Year Projection is to plan, as best as possible, the fiscal responsibilities of the City of Capitola to allow for:
 - i. Timely, complete and unbiased analysis
 - ii. Long-term fiscal planning
 - iii. Better informed decision making in the short-term

Special Projects

1. The knowledge and information gained from the above Budgets and Projections responsibilities are necessary to form a analysis and recommendation on Special Projects that maybe assigned by the City Council or City Manager.
2. Special Projects may include- To be determined based on the importance and how much the subject matter could impact The City
 - a. Future revenues (variance analysis items):
 - b. Future expense implications (“variance analysis” items):
 - c. Bond issues or other indebtedness
 - d. Inter fund transactions and an understanding of fund functionality
 - e. Financial impact of employee benefit plans
 - f. Financial impact of labor negotiations

Committee Membership

The Committee is appointed by members of the City Council, two members of the Council, the City Manager, the RDA Treasurer, the City Treasurer and a business representative. Appointment of the members by the council should consider the experience and knowledge of the appointees based up the charter of the Committee. The Committee elects a Chairman annually.

Summary

The City Council, City Manager and the Committee must agree on this charter, as well as a timetable to the completion of the annual events or special projects that may be assigned.