



# Sacramento Public Library Authority

## **ACTION SUMMARY SACRAMENTO PUBLIC LIBRARY AUTHORITY BOARD**

**Thursday, February 24, 2011 – 3:00 p.m. to 5:00 p.m.  
Board of Supervisors Chambers, 700 H Street  
Sacramento, California**

*Please note: The video recording of each Authority Board meeting is the true legal record of its proceedings. This Action Summary is intended to give an overview of items discussed and action taken in regard to those items. Meeting DVDs are available for check-out from any Sacramento Public Library branch within two weeks following each meeting.*

### **1. Call to Order**

In Attendance: Angelique Ashby, Linda Budge, Mark Crews, Darrell Fong, Roberta MacGlashan, Kevin McCarty, Bonnie Pannell, Michelle Rivas (Alternate for Susan Peters)\*, Sophia Scherman, Sandy Sheedy, Jeff Slowey, and Jimmie Yee. Don Nottoli and Phil Serna were unable to attend the meeting.

*\*arrived after roll call*

Board Chair Sandy Sheedy declared a quorum and called the meeting to order at 3:02 p.m.

### **2. Public Comment on Matters Not on the Agenda**

None.

### **3. Presentations**

#### **3.1 Sacramento Public Library Foundation Update**

Sacramento Public Library Foundation Board President Nancy Lawrence and Executive Director April Butcher **presented the Foundation's** report to the Authority Board. Ms. Butcher referred the Board to her written report, and discussed the income, expenses and total funds raised by the 2010 Authors on the Move event. She then invited questions from the Board.

Board Chair Sheedy indicated that she felt it would be beneficial to appoint an ad hoc committee of the Board to compile all the questions members may have and provide them to the Foundation staff in writing so as to make the best use of the limited time for the meeting. Upon concurrence of the Board, Ms. Sheedy appointed the following members to serve on this committee: Sandy Sheedy, Linda Budge, Darrell Fong and Sophia Scherman. A meeting of this committee will be scheduled as soon as practicable.

Ms. Sheedy thanked Ms. Butcher and Ms. Lawrence for their presentation. Members of the audience who had completed speaker cards to address this board item were invited to the podium.

Members of the public addressed the Board regarding the Foundation, particularly its relationship with the Persian Language Advisory Council.

**Mohammad Golshani** – expressed concern that services to this community have been reduced and that the Persian language collection at the Library may be removed.

**Sara Zamaui** – expressed her gratitude for the Farsi language training classes in which she was able to participate while in high school; encouraged the Board to allow such programs to continue.

**Majid Rahimian** – provided history and background regarding the Persian Language Advisory Council and its relationship to the Library and the Foundation.

**Zohreh Whitaker** – appeared on behalf of her elderly father who utilizes the Persian language book collection extensively; expressed her concern about this collection being removed from the library and services being discontinued.

**Akbar Davami** – Professor at CSU, Sacramento; advisor to Persian Language Advisory Council; endorsed the **library’s services for the Persian** community in Sacramento (includes people of Iranian and Afghani heritage); stressed the importance of these resources to not only the Persian community, but the entire Sacramento community as a way to build understanding.

The Board thanked these community members for sharing their views. Ms. Sheedy directed Library staff to ensure that funds raised by the Persian Language Advisory Council and held by the Foundation and Library are being administered by Library staff. She also requested a report outlining the background of the funds in the various accounts and the amounts of each. Library staff agreed to provide this information as soon as practicable.

### 3.2 **Cost Allocation Workshop**

Nicole Kissam of NBS presented information regarding the Cost Allocation Study that is undertaken on behalf of the Library Authority each year. She explained the reasoning for and methodology of assigning allocable expenses across the various revenue funds to ensure that proportionate amounts of system-wide costs are being charged to the correct funding source. Ms. Kissam indicated that allocation percentages for the current fiscal year are similar to those for fiscal year 2008-09. The study will be updated for the 2011-12 fiscal year and information presented to the Board upon completion of the study update. Ms. Kissam then entertained comments and answered questions from Board members.

## 4. **Director’s Report**

Library Director Rivkah Sass referred the Board to her written **Director’s Report**. **She called the Board’s attention to the item regarding the Anne Richardson Estate** bequest, as the final distribution has now been made and indicated those funds would be used to complete work to the staff area at the Rancho Cordova Library according to **Ms. Richardson’s** wishes as expressed in her will. Ms. Sass expressed special thanks to Diane Balter, former Authority Counsel, who has **served as the Richardson Estate’s executor on a voluntary basis over the last two** years. Ms. Sass also thanked **Ms. Richardson’s long time friend Brandi Hardin**, and Rancho Cordova Friends President Pat Ellis who have been invaluable in the development and completion of the project.

Ms. Budge also expressed her thanks to the Rancho Cordova Library staff for providing a consistently excellent customer experience.

Director Sass provided additional information regarding the transfer of Persian Language Advisory Council (PLAC) funds from the Foundation to the Library, and indicated that a further report would be provided to the Board at a future meeting.

Chair Sheedy requested that the report include the cost to the Library for administration of the PLAC funds. Ms. Sass agreed to provide that information.

Director Sass reminded the Authority Board of the Southgate Library closure for the purpose of installing elements pertaining to the Family Place Library grant received through the California State Library. Additional information about this project will be provided as the various elements are implemented.

Board member Pannell requested a report of all the programs offered in recognition of Black History Month throughout the Sacramento Public Library system. Staff agreed to provide this information.

### **5.0 Capital Projects Update**

Don Tucker, Facilities Director presented this item to the Board. Board member Ashby stated she would like to help get information out to her constituent community regarding the North Natomas Library closure. Library staff agreed to provide information to her for dissemination.

### **6.0 GASB 45 Actuarial Study Update**

Deputy Library Director Denise Davis presented this item to the Board. She indicated that this is a biennial requirement to review costs and liabilities for post-employment retirement benefits for employees of the Library Authority. She pointed out that the Library currently funds this obligation on a pay-as-you-go basis and that if the Authority were to fully fund the liability, the impact would be approximately \$4 million. Continuing on a pay-as-you-go basis, with approximate costs of \$350,000 to \$400,000 per year, will result in a liability total of approximately \$5 million by 2029.

Board member Slowey commented that the annual cost to the Authority for this benefit is onerous and reminded staff that he would like to have the issue of retiree health benefits negotiated with library staff.

**Board member Fong mentioned the County's action that resulted in litigation with PERB and asked Board member Yee to provide some additional information.** Mr. Yee reiterated that PERB determined that ending this benefit at the County required a meet and confer with contracted employees. He agrees that the issue needs to be addressed.

Board member Budge agrees that the status quo needs to be reviewed and perhaps changed, but that it must be done thoughtfully and carefully as it would not be fair to change or eliminate benefits for current retirees.

Ms. Sass and Ms. Davis indicated staff would comply with this request.

### **7.0 Monthly Financial Update: December 2010**

### **8.0 Quarterly Investment Performance Report: December 31, 2010**

Director Sass referred the Board to the written reports in their agenda documents. These items are information only and require no Board action.

## Consent Items

The following items were approved with a single motion:

- 9.0 Action Summary: January 27, 2011
- 10.0 Colonial Heights Library Improvements
- 11.0 Fine and Fee Schedule Update
- 12.0 LSTA Circulating eReaders Grant
- 13.0 Service Contract: Telecommunication Services
- 14.0 Purchase Contract: Computer Equipment Refresh
- 15.0 Purchase Contract: Network Equipment
- 16.0 Contract Amendment: Internet Service Provider

**Board Action: Pannell/Scherman Approved (12-0)**

### 17.0 FY 2010-11 Mid-Year Budget Update and FY 2011-12 Planning

Deputy Library Director Davis presented this item to the Board, pointing out a correction to the City Contribution listed in the staff report on p. 145. Ms. Davis indicated the correct figure is \$7,921,710. Also, the reference to "Action Item 20" should read "Action Item 19" in the staff report on p. 145.

Ms. Davis provided an overview of current changes to the FY 2010-11 and a look ahead at potential challenges for the FY 2011-12 budget year.

Board member Yee asked whether the Voluntary Separation Program payouts resulted in "pension spiking" for those employees who participated. Ms. Davis stated that the payout amounts did not apply to total annual compensation reported to PERS for those employees.

Mr. Yee also asked what impact the proposed State budget cuts would have on operations. Staff reported that the total impact would be approximately \$750,000, or 2% of total budget. These reductions will impact the amount spent for the materials collection and for adult literacy services. Staff will continue to update the Board on these fund amounts as the State budget process moves forward.

**Board Action: Budge/Scherman Approved (12-0)**

### 18.0 Annual Audit Report – FY 2009-10

Deputy Director Davis presented the Audit Report item to the Board, reporting that all audit questions have been answered. Issues that were raised included the Fixed Asset Inventory and capitalization of the materials collection.

Mr. Yee asked how these issues could be resolved with the auditor's recommendation. Director Sass stated that staff has contacted numerous library systems similar in size and budget to determine their practice in regard to capitalization of the collection, and indicated that very few systems do this as the cost to benefit ratio does not justify capitalizing the materials collection. Ms. Sass stated that at this time, there is an agreement to disagree with the auditors on this point.

Board Chair Sheedy stated that the Budget-Audit Committee met with Library staff and the auditing firm. The committee was very impressed with the firm's thorough treatment and approach, and with Ms. Davis who completed the audit just one month behind schedule despite the change in Finance department personnel at the Library.

Board member Ashby thanked her fellow Board members for agreeing to serve on this and other committees.

**Board Action: Yee/Budge Approved (12-0)**

**19.0 Customer Amounts Owed – Debt Collection Policy Revision**

Deputy Library Director Davis presented this item to the Board and indicated that staff was asking the Board to reconsider its previous action changing the time frame and amount threshold for write offs, as that action has resulted in a significant reduction in fine amounts collected. Staff is recommending that the time frame be set to two years and the dollar threshold changed to \$200 so that the Library may continue to seek payment of outstanding amounts beyond the current one-year period.

**Board Action: Budge/Scherman Approved (12-0)**

**20.0 Claims Administration Policy Revision**

Deputy Library Director Davis presented this item to the Board, which changes the responsible manager from the Finance Director to the Deputy Library Director or designee.

**Board Action: Yee/Budge Approved (12-0)**

**21.0 Chair’s Report**

None.

**22.0 Reports, Ideas, and Questions from Board Members**

None.

**23.0 Adjournment**

This meeting of the Sacramento Public Library Authority Board was adjourned at 4:26 p.m.

Respectfully submitted,

Brenda Haggard  
Assistant Secretary to the Board

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