



ALBANY LIBRARY BOARD MEETING

Albany Library, 1247 Marin Avenue
April 28, 2010 7 P.M.

1. **CALL TO ORDER** – L. Flanagan

Board Members present:

Leah Flanagan
Linda Yamamoto
Sarah Whitmer
Alan Riffer

Members Excused:

Robert Lieber
Karen Leeburg
Rosalie Gonzales

Alameda County Library Staff Present:

Ronnie Davis, Albany Library Manager
Ann Hammond, Deputy County Librarian

City of Albany Staff Present:

Charles Adams, City of Albany Finance Director

2. **APPROVAL OF MINUTES**

Motion:

Motion to approve minutes made by Member Yamamoto and seconded by Chair Flanagan. Member Whitmer and Member Riffer abstained. Motion carried.

3. **PUBLIC COMMENT: None**

4. **REPORT FROM ALAMEDA COUNTY LIBRARY – 2010/2011 Contract Costs – A. Hammond**

Ms. Hammond passed out copies of the City of Albany's contract timeline. She stated that the contract is still valid and the dates are fluid and everything appears reasonable at this time.

Ms. Hammond passed out the projected budget. This rollover contract that Linda prepared projects personnel, materials, and other costs. Ms Hammond stated that because of the salary savings due to the two vacancies, the rollover is \$15,000 less than the city contract. \$15,000 has been attributed to the inequity they are trying to reduce. Ms. Hammond stated the subsidy from Other County Library Funds is \$796,653. This figure is actually over \$800,000 but \$796,653 is the figure after subtracting \$15,000. The city contract only needs \$664,000. There will be an estimated salary savings of \$162,480. A temporary person would cost \$49,440. There is an estimated salary savings of \$112,540.

Member Riffer requested the written numbers. Ms. Hammond will bring the numbers to the next meeting. Director Adams will assist Linda in preparing a more detailed budget format for the next meeting.

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Member Whitmer inquired if the two positions will remain unfilled. Ms. Hammond stated that the budget is to maintain services as they currently exist. Going forward they will look at reductions. Ms. Hammond stated that over the next few years they will try to reduce the budget. For fiscal year 2011 they estimate a further reduction of \$150,000. She stated that over the next few months there will be more analysis. The contract that the board recommends approval on will need to be adjusted for this year, involving midyear corrections. Ms. Hammond stated they are looking at changing other county library funds.

Ms. Hammond explained how the figures were prepared. She stated that there is a \$113 per capita for Albany. The total cost of doing business in Albany versus other areas for the number of the population. Take \$1,907,352 and divide this by the census figure. Chair Flanagan suggested that further discussion on what the figure is based on be conducted at a future meeting with more information present. Chair Flanagan that she still wanted to better understand what happened when the taxes were raised. Member Riffer stated there may not be enough time for budget approval before submission to the City of Albany.

Member Whitmer inquired why the City of Albany's per capita is different from the rest of the county. Ms. Hammond suggested that the services have expanded beyond capacity. Manager Davis said that Albany's servicing extends beyond city boundaries and is not just based on the population of Albany. Member Riffer inquired if support would come from reducing services to Albany citizens or spreading services across a wider population. Member Riffer requested to see the hard numbers and would not like to see one arbitrary allocation system replaced with another. Member Riffer stated that in the past cards were used that told where library users resided – whether inside or outside the jurisdiction. Ms. Hammond stated that the information is still being tracked. Manager Davis stated that she had requested the statistics but the last fiscal year statistics were not published. Member Yamamoto requested that Ms. Hammond provide the statistics before the next meeting.

A member of the public asked if, on July 1st, the county offering will be cut from \$796,000 down to \$646,000. Ms. Hammond stated that was correct and that the goal is to reduce the subsidy down to \$300,000 from the nearly \$800,000 it is now. Chair Flanagan inquired as to how this will affect the increase in budget and inquired if the system wide support was fair. Ms. Hammond stated she or Linda would come back to go over the system wide support again.

Chair Flanagan stated that \$150,000 doesn't feel gradual out of a budget of this size. Chair Flanagan passed out bylaws of the Albany Library Board. Chair Flanagan stated that in a bad budget everyone should suffer equally and Albany should not suffer more than anyone else.

Member Riffer stated that in negotiating the contract, the city council should have more language regarding what Albany gets for its tax payment. The contract needs to be more specific and explain what happens at the end of the contract. In this way, previous issues that happened with the Children's Librarian could be avoided.

Manager Davis suggested that if the county or city wanted to make a new contract, that the terms of the contract be added to the next agenda. She would like to see the County's proposed contract first, and then the board can discuss the contract. Director Adams clarified that normally the financial terms are recommended to the city and instead of that the board would like to see a draft before being recommended to the city council. He stated that sounded reasonable. Ms. Hammond will provide the proposed contract. Ms. Hammond stated that the board will make recommendations to the city and the city will negotiate with the county.

Chair Flanagan stated that since Linda would attend the next meeting, she could answer any questions and clarify the numbers. She stated that the Board will need an answer to the question: when the taxes were raised and the budget went up, was it fairly apportioned? She would like to know more about the system wide support. Manager Davis stated she will need the annual statistics for 2008-2009. Member Riffer inquired why population was the only factor in decided what is fair and what is subsidized and what is not. He asked what the other factors were and what the formula is.

Chair Flanagan asked Manager Davis what a \$150,000 cut would look like. Manager Davis asked whether this cut assumes the continuation of the two full time positions not being filled. She stated that the Library has added a 30 hour position, but the person does not specialize in children's services. Manager Davis inquired what a \$150,000 cut on top of that means. Chair Flanagan stated that when there was a previous budget crisis and \$18,000 was needed to keep staff

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hours and benefits, the city said no. Chair Flanagan stated that if \$18,000 causes such a crisis, how \$150,000 will affect the Library. Manager Davis stated that Albany Library is not funded through the city's general fund so it is not similar to the other city's cuts. Member Whitmer inquired whether the cut includes the 18 positions.

Member Whitmer asked why the incremental hours have different costs than the other hours. She would like Linda to answer why there is a disparity between the cost per hour of base level and the cost per hour of additional level. The City pays the County for 25.5 hours. The county contract provides 15.5 hours for the base level of operations. How then the \$1.2 million is divided compared to the city contract of \$680,186.

A board member inquired when is the latest the board can recommend the contract as the board has to make a recommendation at the board meeting on the 26th. Chair Flanagan is concerned that budget cannot be resolved in one meeting. Another board member stated that it is possible to rollover to provide more time.

Chair Flanagan reviewed the questions and items requested:

1. A copy of the contract is needed for review.
2. Linda will attend the next meeting to answer any questions and clarify the numbers
3. When the taxes were raised and the budget went up was it fairly apportioned?
4. Manager Davis requested the annual statistics for 2008-2009.
5. What is the formula for system wide support?
6. Does the contract assume two empty positions or is the contract providing for 2 fewer people plus a loss of \$150,000.
7. Ms. Whitmore's question regarding the hours and why the incremental hours have different costs than the other hours.

5. **REPORT FROM THE CITY OF ALBANY – 2010/2011 Library Special Tax Revenues – C. Adams**

Director Adams stated he had prepared an estimate of the revenue that will be generated by the taxes and that what will be available for the contract is in a letter that was sent out on April 5th.

Director Adams stated that the projection of total revenue to be generated was \$680,000. Director Adams stated that in the good times the contract was never 100% of what was thought would be available. Some cushion was provided. Two years ago, there was a \$45,000 shortfall due the problem of significant delinquencies in property taxes. Director Adams stated that next year the projection is that the fund balance is expected to go up from \$65,000 to \$80,000. The excess delinquencies may be recovered this year or they may be more delinquencies. Director Adams stated that some losses will be recovered but it is not likely to be at 99% collection. If not enough of the loss is recovered the fund balance will not last the 10 years expected. Chair Flanagan asked what will happen. Director Adams stated that if there is no reserve it will impact the general fund. Money would have to be paid out of the special tax money.

Member Riffer inquired if Golden Gate Fields is current in property tax payments, as they are filing for bankruptcy. Director Adams stated they are not yet current. Director Adams stated that the way the bankruptcy is expected to work out, the racetrack should be free to become current with property taxes.

6. **CONSIDERATION OF OPTIONS FOR THE DELIVERY OF LIBRARY SERVICE IN ALBANY - C. Adams**

Director Adams stated that he had done some research on withdrawal. He had requested information from the state librarian. He stated that they had not had a lot of withdrawals. There is a formal notification to make to the state well in advance if the library plans to withdraw. The process is a long period of over one year. Pleasanton was given as an example. Director Adams stated that Julie Farnsworth will be able to advise as she was at Pleasanton at the time. The board should go to the council and request a formal study be done. Ann Marie Gold is currently doing some consulting with another city and he will meet with her to discuss this further. Director Adams stated that the feasibility needs to be determined in order to have some leverage with the County.

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Member Riffer stated that in the December 2, 2009 minutes there was a proposal to do a feasibility study. He stated it had not yet gone to the council and that a feasibility study needed to be done and a consultant will be needed. Director Adams stated that the costs need to be determined beforehand and that the proposal wasn't presented in a way that the study could seriously be put forward. A timeline will be presented at the next meeting.

7. **REPORT FROM ALAMEDA COUNTY LIBRARY ADVISORY COMMISSION – R. Lieber**

This agenda item was skipped because the Board does not have the report.

8. **ANNOUNCEMENTS/COMMUNICATIONS**

A. Shared Collection – status report – A. Hammond

Ms. Hammond stated that Linda Harris attended sessions at the public library conference about shared collections. She stated that the benefits outweigh the difficulties and that they are working out the problems. Member Riffer requested examples. Ms Hammond gave example such as a person requesting all the books on a topic, or the inequities if a library has too many books of one type. They must learn to recognize bottlenecks. This saves staff time and costs and gets the materials on the shelf faster. Manager Davis stated that the Library is adding shelving due to the shared collections.

Manager Davis stated that materials purchased through the trust fund are getting a special designation through the catalogue record and they do not circulate. These materials must return back the library of origination. The friends of the library allocated \$10,000 for the end of the year. This idea was motivated by a large donation to the Castro Valley Library.

B. Library Board Work Plan – L. Flanagan

Chair Flanagan stated that the plan is being worked on.

C. Library Board 2010 Calendar

Member Riffer requested help for the Friends of the Library book sale on May 15-16.

Chair Flanagan stated that the board meets again on May 26th back on the regular schedule. She stated that the board should be reminded it is an important meeting.

Manager Davis stated that the past activities were well attended. She stated that on Sunday performers from Stagebridge will be previewing scenes and songs from the new musical, "City Green."

9. **FUTURE AGENDA ITEMS**

Chair Flanagan stated that the list of questions and the budget will be on the next agenda.

10. **ADJOURNMENT**

Time: 8:42