REGULAR Meeting
BELVEDERE-TIBURON LIBRARY AGENCY
Belvedere-Tiburon Library, Tiburon, California
January 27, 2025

AS APPROVED ON FEBRUARY 24, 2025

Roll Call, Present: Chair Anthony Hooker, Vice Chair Emily Poplawski, Pamela Goldman, Roxanne Richards, Katherine Sutton, Kenneth Weil

Members Absent: Treasurer Jeff Slavitz

Also Present: Crystal Duran, Lucy Churton, Kristin Johnson

CALL TO ORDER: Chair Hooker called the meeting to order at 5:00 pm

PUBLIC COMMENT:

Chair Hooker opened the floor to comments or questions from the public.

Marty Winter of Tiburon asked if more than 3 minutes could be allowed per person, as is allowed by the City of Belvedere Council. Chair Hooker affirmed.

Steve Silberstein of Belvedere, a former Agency and Foundation Member who has been using and supporting the library since pre-1995, having donated over $1,000,000, addressed the Agency. Mr. Silberstein mentioned a recent email to the Agency from an attorney last week, with 33 community letters included, and said that he hoped the Trustees read his letter, especially the last 4 paragraphs.

Mr. Silberstein added that, from his reading of the June Agency meeting minutes, he read that Trustee Poplawski had raised a question regarding the possibility of the Belvedere Tiburon Library hosting more programs, in line with the Mill Valley Library. At that time, Director Duran had responded that Mill Valley has a larger population than Belvedere-Tiburon (to which Mr. Silberstein noted that Mill Valley doesn't have double Belvedere-Tiburon's population, just a little bit more). In other words, the Trustee's question was shot down by the Director.

Mr. Silberstein also commented on the October Agency minutes, in which Chair Hooker reported on a study of library communications, and suggested that the <u>In the Stacks</u> newsletter include more information about programs, and was told by Director Duran that that wasn't possible.

From the November Agency minutes, Mr. Silberstein commented on the report from Dr. Reggie Thomas about how dysfunctional and low morale the Library Staff had been. Mr. Silberstein interpreted this as an indictment, i.e., the Director's problem, since the Director runs the Library. He urged the Trustees to have Dr. Thomas report directly to them, and not just to the Director, and to hire another consultant to determine independently the source of low morale and employee turnover. Mr. Silberstein feels that, for people who love this library, this is a serious and embarrassing problem.

Marty Winter, 35-year Tiburon resident, who has served on various public agencies and been very active in the construction and organization of both the 1995 building of and current library renovation commented that, in every year (of the Library's history), there have been a few contributors who have stood out as brilliant, donating of themselves and acting as sparks for this community. They include Joan Halverson, Glenn Isaacson, and Debbie Mazzolini. Milos Petrovic is this kind of person, with a Ph.D. and numerous other degrees, including one in architecture. He asked if the community is in a "One Flew Over the Cuckoo's Nest" scenario. He added that Mr. Petrovic is a rambunctious guy who has produced good results, and is being terminated because of some comments in his emails. While the email comments reveal a sense of humor and a puppyish way of speaking, emails are not a "hanging" event. Mr. Winter believes that in the interest of the ongoing programmatic health of the Library, Mr. Petrovic should not be terminated. Rather, Mr. Petrovic should be encouraged and given boundaries. Mr. Winter read aloud one of the suspect emails addressed to local patron Alice Shelton.

Violet Marshall, a resident of Belvedere and Tiburon for 60 years spoke of how fortunate the community is to have a gorgeous library building and good funding. Ms. Marshall said that she met Mr. Petrovic in April of 2024. She feels that he should have been hired as a freelancer because he doesn't fit in to the policies that a school or library have. Ms. Marshall had inquired of Mr. Petrovic about inviting a speaker to the Library who would be an informative expert on a provocative subject that was emotional for her, a speaker who could inform people about medical assistance for end-of-life (as is offered in Switzerland for non-citizens). Mr. Petrovic listened and gave Ms. Marshall the go ahead to take on the project of inviting such a speaker. Ms. Marshall did find a speaker who presented a Library program, and it was a huge success. Mr. Petrovic gave Ms. Marshall all the credit for the program. She presents this information as evidence of Mr. Petrovic's knowledge, caring, and willingness to give his time to patrons and support programs which patrons desire. As a result of this experience with Mr. Petrovic, Ms. Marshall decided to be volunteer to help Mr. Petrovic find top speakers for potential programs. In gratitude, Ms. Marshall has introduced Mr. Petrovic to her family. Ms. Marshall admits that her relationship with Mr. Petrovic doesn't mean that things are not right for those in the Library workplace, and feels that perhaps there should be a new agreement with Mr. Petrovic to freelance for the Library. With his background, Ms. Marshall feels that Mr. Petrovic is very much in command of providing wonderful programs for the Library. She asks, why not give him a long leash and let him continue, with rules and regulations, for the community at large. Ms. Marshall feels that the Library could be a southern Marin cultural center. She added that tonight's speaker, local patron George Landau, is one of the people that Mr. Petrovic has solicited to give a Library program. She says she speaks from the perspective of a senior walking in to the Library and receiving more help than she ever expected. She feels that the community will regret losing Mr. Petrovic.

Barbara Winter, Tiburon resident, and Corner Books Volunteer, and good friend of Corner Books manager Heather Lobdell, spoke. Mrs. Winter feels that what Mr. Petrovic has done at the Library is electrifying. She said that Mr. Petrovic has spirit and compassion, and listens to everyone and cares about them. He also has joy, and while he can be over-spirited at times, this is not bad. Losing Mr. Petrovic would be an extreme loss. Mrs. Winter feels that there is something wrong in the Library, that Staff are cordial, but it appears to her that no one is enjoying their job. She feels that it would be a terrible and shameful loss to lose Mr. Petrovic.

Victoria Fong, Tiburon resident, has been a Foundation member and serves on various organizations. Mrs. Fong said that her son attended local schools with Chair Hooker's daughter and grew up with Trustee Sutton's parents. Mrs. Fong emphasized that the speakers tonight are the constituents of the Library Agency. She added that she is not happy with the public money being spent on attorneys and consultants. She is interested in music programs at the Library and has offered to give support. She has been glad to finally see an Adult Services Librarian as good as Mr. Petrovic who brought quality, and even “too many” programs. The programs have been interesting. This is a special community, the members of which appreciate stimulating programs and the energy of a public servant who is enthusiastic about the job. This library has been uninviting. Trustees have the experience and power to restore the quality of programs and to harness the difference in the workers and to harness community volunteers for Library programs. Community involvement is what makes a great library. Mrs. Fong thanked the Agency Trustees for their work, and asked them to please use their wisdom. She concluded that it is important to have vibrant, invigorating Adult Programs again at the Library.

Chair Hooker concluded the public comment at 5:26 pm. He announced that the Agency would now go into Closed Session for Public Employee evaluation.

CLOSED SESSION

The Agency returned from Closed Session at 7:00 pm. Chair Hooker announced that there was no action taken in the Closed Session.

STAFF BOARD AND COMMITTEE REPORTS

1. **Chair’s Report**

   Chair Hooker reported that he has been visiting the Library frequently and observing more and more use of the Library. The patrons participating in the Hootenanny have expressed their appreciation for the program to him.

2. **Library Director’s Report**

   Director Duran reported that the State Library Sustainability grant of $72,000 is being used to create a “Green Takeover” project, working with community members to design an event and to expand the Library of Things collection. The Library of Things currently includes ukuleles, internet hot spots, jumper cables, and a telescope, among other items. The Green Takeover needed 5 volunteers which were recruited via advertisements in the Ark Newspaper and the In the Stacks Newsletter. The volunteers will be actively working with staff to bring the Library of Things more in line with green initiatives. They will also be assigned homework to research items to include in the collection, and meet regularly to source the items selected. Then, the volunteers will continue their work with hands-on popups, and other events to market the items and the greening ideas to the community. Trustee Weil asked if the volunteers are first-time new volunteers for the Library. Director Duran said that, yes, new folks were attracted by the project, including a high school student and a new resident. The volunteers are also across the age spectrum.

   The requirements of the Sustainability grant include community involvement, a motivation to develop a framework for Staff to collaborate on an ongoing basis with community members. The collaboration allows for in-person and virtual participation, accommodating different types of Library enthusiasts.

   Staff are also planning a sustainability-focused newsletter in their work toward the grant-based sustainability certification.

Some work is being done to enhance and repair the Library Building. In the Founder's Room Kitchen, the upper kitchen cabinets will be added, enhancing its use for programming, especially for Art Committee events, with additional storage to facilitate food service. Also, the water heater, which is located in the attic, has been leaking and will be replaced with a tankless heater.

Project Refresh (rearrangement and new furniture) is underway. New lounge area furniture will be delivered in mid-February for the gallery and the foyer between the checkout and information desk service points. Computers previously in the east nave area will be moved to the former technology classroom, and some of the stacks in the nave will be rearranged. Outside vendors will assist with moving shelves and replacing some carpet squares.

3. Belvedere Tiburon Library Foundation Report

Foundation Director Lucy Churton reported that the 25th anniversary Teddy Bear Tea is almost sold out. Trustee Poplawski asked whether large donors were part of the Teddy Bear Tea. Director Churton said the Tea has 3 large sponsors: Cal Plastic Surgery, Carson Wealth, and the Tiburon Peninsula Foundation.

The Foundation is planning a donor celebration in April, with a party to honor the Library Donors' generosity. For the Fall, a Legacy 30th anniversary is planned, in partnership with the Landmarks Society, to be held in the Founders' Room. Work on the Children's patio is still in progress, as are updates to the Foundation's website and annual report.

4. Financial Statements, six months ended December 31, 2024

Clerk Johnson reported that cash is at $2,153,782 as of December 31. The low point of the year in Mid-December was higher than expected at $1,186,625, with low-point operating reserve at $543,245 or about 16% of the annual Operating Expense budget.

Liabilities include Compensated absences of $110,000, CFD 1995-1 Bond Obligations of $234,500, and Pension and OPEB liabilities of $2,111,730. The Pension and OPEB liabilities can change substantially, depending on the discount rate used by CalPERS.

With 50% of the year passed, Revenues are at 34% as of December 31. In January, additional taxes of $605,052 were received, bringing the total year-to-date tax revenues to $1,696,390, or 50% of budget, on par.

Operating Expenses are at 54% of budget overall, a bit higher than 48% at this time last year. Although spending has occurred at a higher rate than the prior year, projections indicate a fiscal year-end fairly close to budget at this point in time.

Personnel is at 49% of budget, compared to 45% at this time last year, due to the milestone of being fully staffed up for the first time since pre-pandemic and expansion construction.

Circulation Materials and Data are at 78% of budget, compared to 64% at this time last year. Many Data subscriptions, Magazine subscriptions, and MARINet consortium costs are paid early in the fiscal year.

Technology Services are at 58% of budget, compared to 42% at this time last year. This is due to a lower budget in some areas, and a higher rate of pre-payment on Staff Digital Subscriptions than last year.

Program Services and Supplies are at 45% of budget, compared to 34% at this time last year, due to ramping up of program offerings.

Building Expenses are at 72% of budget, compared to 62% at this time last year, due to increased insurance costs, utilities costs, and water costs. A water leak was repaired and a partial rebate on water costs is expected.

Agency Administration Expenses are at 64% of budget, compared to 68% at this time last year. The budget was increased in this area for Memberships and Dues and a contribution to Reserves (which has not yet been made).

5. Committee Reports

Trustees Goldman and Weil reported that the Finance Committee met recently and reviewed the audit and financial statements and the proposed employee benefits change.

Trustee Richards reported that the Compensation Committee met regarding the proposed employee benefits change, also.

CONSENT CALENDAR

6/7. Motion to approve the Minutes of November 13 and November 18, 2024, and the Warrants for the Months of November and December, 2024, made by Trustee Poplawski, seconded by Trustee Richards.

Ayes: all present in favor

Absent: Treasurer Jeff Slavitz
Noes: None
All in Present in Favor, Motion passed.

TRUSTEE CONSIDERATIONS:

8. Approval of Audit Draft

Maze and Associates Audit Partner Whitney Crockett explained that this was her first year on the Agency audit, replacing prior Partner Vikki Rodriguez, due to a requirement for Ms. Rodriguez to rotate off the audit after 6 years.

The auditors work with Library Staff in the spring for an interim audit, during which they audit internal control to make sure there are proper segregations of duties. Then, a final phase of the audit takes place in the fall, in which additional transactions are tested.

The audit opinion, on Page 37 of tonight's packet, us "unmodified," which is the highest level of assurance provided by an audit. Management-prepared discussion and analysis begins on Page 38. On Page 83, "required communications" from the auditor delineate anything significant discovered in the audit, i.e., any disagreements, difficulties, discrepancies, misstatements, or other problems. No issues were found. On Page 91, the "memorandum on internal control" is used to indicate any issues with process, separation of duties, etc. There were no issues to report.

Page 38 begins management's discussion and analysis of the financial statements. To highlight an important area, the Agency had annual Pension and OPEB costs of $169,000, and the Agency's Pension Liability increased by $195,000. All California Agencies experienced Pension Liability increases in Fiscal 2024 because CalPERS investment returns were below prior estimates. Notably, also, in terms of liabilities, the Agency Paid off its Building Expansion Line of Credit balance of approximately $2,300,000, substantially reducing liabilities and cash.

Chair Hooker called for a motion to approve the Audit Draft.

Motion to approve the Audit Draft for the Fiscal Year ended June 30, 2024 Made by Trustee Richards, seconded by Trustee Weil.

Roll Call Vote:

Ayes: Chair Anthony Hooker, Vice Chair Emily Poplawski, Trustee Goldman, Trustee Richards, Trustee Sutton, Trustee Weil

Absent: Treasurer Jeff Slavitz
Noes: None
All in Present in Favor, Motion passed.

9. Proposed Employee Benefits Change

Chair Hooker asked about the source of Director Duran's narrative that the changes in benefits allowance would maintain personnel at 68% of budgeted operating expenses, with a goal of personnel not exceeding 70% for the future. Director Duran said that the target maximum was gleaned from a consultant's review of local government agencies in conjunction with the recent Salary and Benefits studies.

Director Duran said that Staff and Committees have been analyzing the Library's employee benefits programs for the past year. The ad hoc Compensation Committee was formed for that purpose with Trustees Poplawski, Richards, and Weil. In October, staff were surveyed regarding satisfaction with current benefit offerings, any issues they had with the current benefits, and preferences for future offerings. This survey informs the Committees' work going forward.

The staff was offered a Flexible Spending Account (FSA) and Dependent Care Account (DCA), with pre-tax employee contributions under a Cafeteria 125 plan. This benefit helps to mitigate the impact of increasing health premiums and out-of-pocket medical health costs. The plan, Ameriflex, comes with a low cost to the employer along with tax benefit to staff. Staff fund the accounts through payroll deductions, have discretion to review the funds, and use the funds through a prepaid card or direct submission of Ameriflex. Employees who elected to participate in the plan were enrolled as of January 1, 2025. The FSA is capped at $3,300, DCA is $5,000 annual contributions and use. Total contribution commitments were $17,000. This is a very manageable offering to employees, with a low cost to the Agency.

Trustee Richards said that she favors Health Savings Accounts (HSA), which are differently structured than FSAs, but HSAs are not offered by CalPERS because CalPERS doesn't offer high deductible health plans.

Director Duran wishes to engage the Agency in an informed conversation regarding how to address increasing health premiums with advantages to both employees and the Library's budget. The allowance for premiums was last updated in 2021 at $1,687 per month to cover health, dental, Long-Term-Disability (LTD), and life insurance premiums for plans elected by the employee. Increasing the allowance is one way to address the cost for employees, so that it doesn't cost them more to work at the Library than it would at other local agencies. Administrative Staff and the Compensation Committee studied various possible increases to the allowance and how each level would affect operational costs. Increasing the allowance from $1,687 to $2,000 would impact the current fiscal year (2025) for the remaining 6 months with a cost of about $8,500. The impact on the next full Fiscal year (2026) was projected to be about $17,000 (over and above any estimated premium increases).

The $2,000 allowance level positions the Agency within the range offered by local competitors, which is $2,000 to $2,400. This more conservative amount also allows a minimal impact on the Agency's budget. The level of allowance will be revisited as part of the Fiscal Years' 2026 and 2027 Budget Planning. The Compensation Committee will be meeting over the next few months to determine an appropriate new benefits package as part of the Annual Budget Preparation.

Trustee Richards said that moving the allowance to $2,000 is a stop-gap measure to lower the impact of high premium increases on employees, and that the allowance as part of the entire benefits package will be re-examined going forward in future Agency budget planning. The Finance and Compensation Committees have reviewed and favored the $2,000 level.

Trustee Weil expressed appreciation for the illustrative comparisons to the Kaiser plan cost level, which is standard and widely used by many public employees. Director Duran added that, yes, most municipalities use the Kaiser family premium as the basis for determining a health allowance. Looking toward the future, Director Duran suggests that what is examined for employee benefits, be additions to, not takeaways from what employees already have. She asked for an action by the Agency to approve the Cafeteria Allowance at $2,000.

Motion to approve the proposed Employee Benefits change made by Trustee Goldman, seconded by Trustee Sutton.

Roll Call Vote:

Ayes: Chair Anthony Hooker, Vice Chair Emily Poplawski, Trustee Goldman, Trustee Richards, Trustee Sutton, Trustee Weil

Absent: Treasurer Jeff Slavitz
Noes: None

All in Present in Favor, Motion passed.

10. Schedule of Meeting Dates

The next Agency meeting date is scheduled for February 24th, 2025 (4th Monday due to the President's Day Holiday).

Chair Hooker announced that the Agency would return to closed session, and opened the floor to public comment before the closed session.

Public Comments on Closed Session Items:

Marty Winter, Tiburon resident, repeated his earlier comments, and urged the Agency not to permit the employment termination of Mr. Petrovic. Mr. Winter feels that Mr. Petrovic is an excellent asset to the Library, and with proper management could continue to generate excellent programs. His departure would be a tragedy and loss of human potential. Mr. Winter said that if he was Mr. Petrovic's employer, he wouldn't want to lose him. Victoria Fong, Tiburon resident, also asked the Agency to listen to the cares of the community and to maximize all of the Library's potential for the benefit of all people.

Chair Hooker announced that the Agency would return to Closed session.

Closed session entered at 7:18pm.

CLOSED SESSION

The Agency returned from Closed Session at 9:10 pm. Chair Hooker stated that there was no action taken and nothing to report from the Closed Session.

Chair Hooker adjourned the meeting at 9:15 pm.

Respectfully Submitted,

Kristin M. Johnson, Clerk of the Belvedere-Tiburon Library Agency Board