



## **CALIFA Board of Directors Meeting**

*Friday, February 14, 2025, 10:18-11:40 a.m. Pacific*

### **In Attendance:**

#### **Califa Board Members in attendance:**

- Shawn Calhoun
- Nicolle Davies
- Carl Pritzkat
- Gary Shaffer, left at 11:25 a.m.
- Jennie Pu
- Absent:
  - Yolande Wilburn
  - James Ochsner
  - Erik Mitchell
  - Crystal Duran

#### **Califa Staff in attendance:**

- Paula MacKinnon (Executive Director)
- Veronda Pitchford (Assistant Director)
- Nili Nosrati (Staff)
- Kathy Kosinski (Staff)
- Lorene Monangai (Staff)

### **Meeting**

#### **I. Call to Order – 10 minutes**

##### **a. Introductions/Quorum**

- i. Jennie Pu announced her campaign for a New Jersey state assembly position.

##### **b. Approval of February 14, 2025 Agenda (ACTION)**

- i. During the meeting, Gary Shaffer moved to revise the agenda to go over the Budget approval first, followed by Audit approval. Shawn Calhoun seconded. All in favor.

##### **c. Approval of September 20 and October 3, 2024 minutes (ACTION)**

- i. Gary Shaffer moved approval. Jennie Pu seconded. Nicolle Davies abstained. The remaining board members voted in favor.

#### **II. Old Business – 6 minutes**

##### **a. Board director update and officer election – Vice President (ACTION)**

- i. Paula MacKinnon shared that three board members are cycling off in June 2025 due to the end of their second terms:
  1. Gary Shaffer – Public Library Elected position, Southern California
  2. James Ochsner – Public Library Elected position, Northern California

3. Carl Pritzkat, Special Appointed position
- ii. Paula MacKinnon stated the three have all been a great help to Califa and she appreciates the time they have taken to help guide Califa along the way.
- iii. Paula MacKinnon announced that Carl Pritzkat was put forward to serve in the Board Vice President role. He agreed to serve. Shawn Calhoun moved to have a vote on Carl's appointment to the Vice President position. Gary Shaffer seconded. All in favor.
- iv. Paula MacKinnon asked the board members for thoughts/recommendations for new board members. Shawn Calhoun requested a follow-up email that would include the target deadline for the June election.

### **III. Finance Report – 49 minutes**

#### **a. Investments Update (First Citizens and LAIF)**

- i. Shawn Calhoun requested Paula MacKinnon provide a quick summary of Califa's investment history for the new members.
- ii. Paula MacKinnon said Califa has about \$770 thousand invested in First Citizens Wealth. The second investment is the Local Area Investment Fund (LAIF), of which Califa invested about \$2.2 million.
- iii. Carl Pritzkat warned that there will be some market volatility in the coming months that will probably affect the First Citizens investment. He said that some of the investment could go away- maybe 30 or 40 percent. He said it is something that would correct over many years as the market stabilizes once again in the future.
- iv. Shawn Calhoun pointed out that the finance committee is tasked with reviewing the investment plans annually and suggested it may be a good time to do a review.
- v. Carl Pritzkat suggested Califa asks First Citizens to reallocate the Califa investments based on what future needs may be in a way that would put Califa in a more stable position.
- vi. Gary Shaffer agreed with Carl, but he worried that it may be too late if Califa waits for the quarterly meeting for board approval. He suggested reallocating half or more.
- vii. Carl Pritzkat stated Califa needs to decide which investment fund Califa would turn to first in an emergency.
- viii. Gary Shaffer said given the uncertainty of the state library, we may need to get ready to have funds available and maybe move things to a more conservative fund. Carl Pritzkat asked how the defunding of the state library would affect Califa. Paula said the LSTA funds would have a huge impact on us. She said the expectation is that things will be funded, but no one knows if IMLS will have staff.
- ix. Gary Shaffer suggested Califa should move all the money into more conservative investments while we weather the uncertainty. Shawn Calhoun pointed out that the current federal administration is considered business-friendly, and the market may be good.

- x. Carl Pritzkat said Califa needs to weigh whether the stock market would be booming or not when it comes time to draw on the invested funds.
- xi. Shawn Calhoun pointed out that the finance documents say that with the approval of the finance committee those funds can be employed. He said he has no concerns because Califa can act quickly.
- xii. Shawn Calhoun summarized that the plan should be to ask First Citizens what their rebalancing strategy is in a rough market, and to share our concerns with them to see what their predictions are.

**b. Accept Budget 25-26 (ACTION)**

- i. Paula MacKinnon shared the proposed budget's scope is if all applications are funded and if federal grants continue. She said in the event it is necessary, she will also do a "doomsday" budget.
- ii. Gary Shaffer asked why the budget in subscription revenue varied so widely between the columns. Paula MacKinnon explained that is because the budget only accounts for the first six months in the first column and then a full year in the second column. Carl Pritzkat suggested adding a projected column on future budgets so board members can get a better sense of the funding.
- iii. Carl Pritzkat motioned to accept the budget. Gary Shaffer seconded. All in favor.

**c. Accept Audit 23-24 (ACTION)**

- i. Gary Shaffer said he doesn't think any changes need to be made to the proposed audit but suggested that future audits include a more accurate listing of board members and their libraries.
- ii. Lorene Monangai summarized that the audit was good with no flags.
- iii. Paula MacKinnon congratulated Lorene Monangai and Nili Nosrati on their successful work.
- iv. Jennie Pu moved to accept the audit. Carl Pritzkat seconded. All in favor.

**IV. New Business – 16 minutes**

**a. Executive Order impacts**

- i. Paula MacKinnon stated that money from Califa IMLS grants seems to be flowing, but the future is uncertain. Until there is a notice of change it will be business as usual at Califa.
- ii. Nicolle Davies added that everything is different state-to-state at the state library level.
- iii. Paula MacKinnon shared an early-stages idea that Califa would be able to act as a fiscal agent to companies that couldn't otherwise accept donations. The intent would be that Califa wouldn't profit, just break even and cover costs. Shawn Calhoun cautioned that an agreement with a non-library entity may be a "tap-the-brakes" moment as even one lawsuit can crush a company.

**V. Agenda Building, Scheduling the next meeting – 4 minutes**

- a. Paula MacKinnon suggested end of May to early June for next meeting. Carl Pritzkat requested the meeting is held after June 3rd. Shawn Calhoun suggested Friday the 13<sup>th</sup>. Jennie Pu added she may be on vacation after June 10<sup>th</sup>.
- b. Topics: Elections, finance committee

- c. Jennie Pu motioned to adjourn the meeting. Nicolle Davies seconded. All in favor.  
Meeting ended at 11:40 a.m.