

SOUTH SANTA CLARA VALLEY MEMORIAL DISTRICT

Board Members

John Ceballos
Rita Delgado
Phil Garcia
Gabriel Perez
Ermelindo Puente

Interim Executive Director

James Gargiulo

MINUTES

REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SOUTH SANTA CLARA VALLEY MEMORIAL DISTRICT

July 15, 2024

Veterans Memorial Building
74 West 6th Street, Gilroy, CA

5:00 p.m.

CALL TO ORDER – Meeting called to order at 5:00 pm.

ROLL CALL – All board members were present.

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT TIME

None.

CORRESPONDENCE

None.

CONSENT CALENDAR

1. Approve Minutes from the June 17, 2024, Regular Meeting
2. Approve Warrant List Approving Payment of Received Bills for July 2024
3. Approve Financial Statements for June 2024
Director Puente made a motion to approve Consent Calendar items 1, 2 & 3. Director Perez seconded the motion. The motion passed unanimously.

REGULAR AGENDA ITEMS

1. Approve policy to limit types of children's parties: Director Perez made a motion to approve the policy limiting the types of parties for people under 21 that can be held at the District's hall. Director Garcia seconded the motion. The motion passed unanimously.
2. Interim Executive Director Report: The Executive Director presented the staff report, a copy of which is attached hereto. Director Delgado made a motion to accept the Executive Director report. Director Garcia seconded the motion. The motion passed unanimously.
3. Future agenda: The ad hoc Executive Director recruitment committee, which includes Directors Ceballos and Delgado, requested that a closed session be added to the agenda for the August 19, 2024, meeting to discuss hiring a new Executive Director.

ADJOURNMENT

At 5:36pm, Director Puente made a motion to adjourn the meeting. Director Ceballos seconded the motion. The motion passed unanimously.

July Staff Report

BUILDING MAINTENANCE AND IMPROVEMENTS

Kitchen: The architectural drawings are with the City building and County health departments to go through the Plan Check process. After Lon’s review with his mechanical engineer and Captiveaire, the alternative make-up air solution with a swamp cooler was not practical. The drawings remain the same except for some very minor adjustments that have no significant change in cost.

Mark Wells, who is President of the American Legion Association, has confirmed that they will donate the unfunded balance needed to pay for the kitchen, but only when we have a final unfunded amount. This amount will be determined sometime after the bidding process and probably in about six months or so since construction would not begin until after the election.

Approved Budget 2-26-24	\$400,000	
Preliminary Estimate	\$348,666	
Total Fundraising	\$339,971*	<i>Includes Legion Assoc. donation</i>

Actual Expenses			
Date	Payee	Description	Cost
1/29/24	The Printing Spot	Printing - Drawings	\$100.40
3/16/24	All Bay Env.	Lead/Asbestos Tests	\$1,575.00
4/14/24	Davco Assoc.	Architectural drawings	\$5,395.69
4/14/24	Central Pacific	Electrical & Mechanical	\$8,155.00
6/1/24	City of Gilroy	Plan Check fees	\$2,001.96
6/25/24	County of Santa Clara Dept of Health	Environmental health fees	\$3,273.00
Total			\$20,501.05

HALL RENTALS AND MARKETING

The rental chart has been reduced to show the most recent and relevant years. We are no longer reporting Covid-years and prior.

Fiscal Year	Total Rentals for the Year	% Increase Over Last Year	Sales
2021-22	218	---	\$55,345
2022-23	326	50%	\$55,566

2023-24	364	12%	\$66,105
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We are streamlining our marketing efforts to have a more effective impact for a lower cost of labor. We are no longer publishing newsletters. For social media, we are focusing all our efforts on Facebook, and we have deactivated and abandoned Nextdoor.com and Instagram.

Annual Tenants: All tenants have signed their leases for fiscal year 2024-25.

Veterans Day Parade: In accordance with the Military and Veterans Code section 1191 Powers of District as to Halls and Buildings, Property, Maintenance, Agreements, Sale or Lease of Property, Rules and Regulations, and Joint Powers Agreements, the District cannot be involved in managing the parade or providing labor and resources because it is inconsistent with the purpose of the District.

The District will work with the Parade Committee to transfer the responsibility with the least amount of disruption possible so that they may have a successful event. All historical paper and electronic files will be given to the Committee for their recordkeeping. Also, the District will offer a free meeting space to the Committee.

District employees were volunteering their time for prior parades, and Jesse Sanchez and Patty Gutierrez are volunteering this year. The volunteering employees will work on the parade outside of their District work hours and using their own private resources such as computers, cell phones, etc. I am not able to volunteer for the parade this year. However, acting in my personal capacity and not as a representative of the District, I will volunteer my time to help them form a nonprofit entity if they choose not to have a fiscal sponsor such as the VFW or American Legion.

I will ask the Committee to provide updates to the Board during the public comments period of future meetings. I request that the Board refrain from asking parade questions during hours when the volunteering employees are working for the District.

The District will need to give the prior year surplus parade funds to the Committee. As of June 30, 2024, per QuickBooks, the District has received \$10,800.00 of donations and sponsorships and spent \$6,930.67 on parade-related expenses. The difference of \$3,869.33 can either be paid to the Committee directly in the event they form a legal entity or paid to a nonprofit fiscal sponsor.

ELECTION

District Board of Directors: The resolution approved at the June 17, 2024, meeting calling for the election has been submitted to the County. The candidate filing period is July 15 to August 9, 2024.

Voting Location: The Santa Clara County Registrar of Voters did a site visit at the District on June 27 and July 1. They were very satisfied with the facility. They will be sending a contract for us to sign, and at that time, we will be able to add our fee to contract.

ADMINISTRATIVE

Staffing: Christine West, who was the former Executive Director, ended her employment on June 28.

We are still trying to dig out of the hole from when we had no Rental Manager for three weeks during May and June. We expect to be caught up sometime in August, and we are streamlining operations to achieve this.

Some examples of actions taken to be more efficient in addition to actions noted elsewhere in this report:

1. Reducing the number of email accounts used by the Executive Director. There were two active accounts previously used.
2. No longer providing administrative support for the American Legion and VFW because they have their own members who can take on these responsibilities.

Banking: Pinnacle Bank is paying a 0.10% interest rate on the rental sweep account and 1.25% on the reserves sweep account. We have asked Pinnacle bank why the rental account is paid a lower rate and are waiting for a response. The District could potentially earn an extra few thousand dollars per year if the rental account is paid the same rate as the reserves.

Financial Reporting:

1. Beginning this month and going forward, the balance sheet and income statement (profit and loss) will be presented as of the last day of the prior month so that we have a clean cutoff for reconciliations and analysis.
2. The fixed assets including land, improvements, furniture and equipment, and the related accumulated depreciation have been added to the balance sheet so that the total assets of the District are reported. This is consistent with how the financial reports are presented in the annual audit.
3. The Warrant List covering the financial transactions between Board meetings will continue to be presented and approved in the same manner as before.

Website: Our website is not fully compliant with the Americans with Disabilities Act. We had a call with Streamline, which is a vendor that provides website services to California special districts. The initial cost estimate would be a few hundred dollars per month. This information will be passed to the permanent Executive Director for them to

decide the next steps and if any Board approvals are needed. There is a risk that the District could be liable for non-compliance with the ADA resulting in an unknown amount of penalties.

Annual Financial Audit: We will be preparing for the audit during the second half of July. The auditors will be onsite on August 29.

Next Board Meeting: August 19, 2024