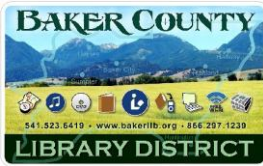


Baker County Library District Library Board Regular Meeting Minutes

Feb 13, 2024

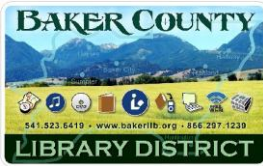
<p>Call to Order</p>	<p>The meeting was held in the Riverside Meeting Room at the Baker County Public Library, 2400 Resort Street, Baker City, Oregon, the administrative building for the District.</p> <p>Directors attending the meeting in person include Betty Palmer, Joan Spriggs and Ashley McClay. Attending online, Kyra Rohner, President of the board. Also attending in person are Perry Stokes, Director and Christine Hawes, Business Manager. Guest presenter Rob Gaslin, Gaslin Accounting, the District’s auditor attended to deliver the audit. A quorum was present with 4 board members.</p> <p>Meeting called to order at 12:01 pm by Betty Palmer, VP of the board. Kyra Rohner joined via zoom at 12:06pm (noted below).</p>
<p>Consent Agenda</p>	<p>Palmer asked if there were any additions or deletions to the consent agenda. There were none.</p> <p>McClay made a motion to approve the Consent Agenda; Spriggs seconded; no discussion; motion passed unanimously (3 yea votes: Palmer, Spriggs, McClay), by those present.</p>
<p>Conflicts of Interest</p>	<p>Palmer asked if there were any conflicts or potential conflicts of interest to be declared. There were none stated.</p>
<p>Public Comment</p>	<p>Palmer asked if there are any public comments. No one from the public was present. Stokes had one item to share. He received a call about the Royal Cafe article written by Gary Dielman which is included on the library website with his dozens of articles on local history. The caller had several complaints, including that photographs were used without consent and some of information in the document was incorrect. Stokes invited the complainant to submit a correction to that article, which could be added as an addendum on the webpage.</p> <p>Rohner joined the meeting via zoom at 12:06. Palmer greeted her, giving a brief of what we had covered, then passed the meeting to Rohner.</p>
<p>OLD BUSINESS: Bookmobile Overhaul</p>	<p>Rohner moved to Old Business, the Bookmobile.</p> <p>Stokes told the board that the bookmobile resumed services on Tuesday, February 6th. As estimated, the vehicle was out of service for 2 months due to major repairs, which are now complete. The total cost of repairs was just under \$35,000. Work included installation of a new engine, a rebuild of the transmission and clutch, and replacement of other essential components such</p>



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	<p>as brake pads, shocks, rotors, u-joints, bushings, belts and hoses. He passed around a copy of the invoice for the board to review.</p> <p>Stokes said the bookmobile has resumed the normal schedule. Staff report the regular users are very happy to have it back. Rohner asked if there were any further questions. There were none.</p>
<p>NEW BUSINESS: FY2022-2023 Financial Audit Report</p>	<p>Rohner moved to the audit report, inviting the auditor to present it.</p> <p>Rob Gaslin, Gaslin Accounting LLC, handed out print copies of the Audited Financial Report for the Fiscal Year Ended June 30, 2023. There were two letters included with the report copies. In the letter to the board and management, there is one significant deficiency being reported. It is the same item we have had for the past three years, he added that there is nothing the district can do about it. Christine can do the work, he said, but the district is unable to have her work checked by a qualified staff member. This means that the District relies on the auditor to review her work in the financial report. He said this is fine, but he is required to call that out.</p> <p>Gaslin moved to the next letter addressed to the board and the librarian. It states that they did not encounter any corrections or have any issues with staff. He did receive the Representation letter which says that management will provide what he needs to do the work which they did. He asked for any questions before moving on. There were none.</p> <p>Gaslin stated that Christine prepares all but 4 pages of the audit report. There is a lot of work on his end that goes into reviewing the financial facts in order to issue the 4 pages. He highlighted statements in the Auditor’s Report on page 2, the audit was clean. They did not find any issues that needed to be corrected within materiality that would change the reports. There were no questions.</p> <p>Moving to the Management’s Discussion and Analysis (MD&A) beginning on page 5. Gaslin feels this is the most valuable piece to the audit report. It covers the main highlights of the report, in easy to read language, and explains the purpose of each section of the report. He recommended the board read this section if nothing else.</p> <p>The Statement of Net Position is on Page 12. This report shows the balances on accounts at the year end. He reviewed cash in the primary government. The other item of importance is the Net Pension Liability, this is how much we would owe the retirement account; this number is lower than the cash so the district is in a good position. Pages 12 and 13 are the full accrual statements.</p>



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The Statement of Activities on Page 13. This report is how finance statements are presented for non-profit organizations. It shows the district activities under Governmental Activities, with the Library Foundation shown as the Component unit. He reviewed highlights of this report. You can see that the Library actually lost \$(109,000), this was caused by the change in pension liabilities. The column on the right is the Component Unit which shows it had investment earnings of \$4,098 this year (compared to the loss last year of (\$10,593) on these investments).

Pages 14 and 16 are the Government Fund statements. Page 14, the Balance Sheet reports cash in the three funds, and a breakdown of unrestricted and restricted fund balances. Looking at page 16, this is a valuable report. It shows a different story, from an operations standpoint, the library increased its fund balance by \$62,000. It doesn't have the pension liability and other related items. This report is a better picture of District operations for the year. The General Fund shows a fund balance of \$610,000 plus fund balances in the Other Uses Fund and Capital Investments, the District has a total ending fund balance of \$880,172.

Pages 15 and 17 reconcile these Government Fund reports to pages the forward reports on pages 12 and 13.

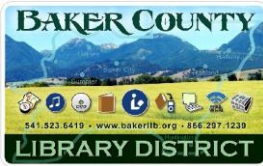
Page 18 shows the Sage Library System. We have maintained it as a Fiduciary Fund. The budget and funds belong to Sage, but the district manages it for them. He reviewed page 19, Sage increased its net position by \$24,000.

The Notes start on Page 20. Note 1 tells how the library was formed and its basic structure. Page 23 shows the Edward Jones Investments held by the Foundation. While the Foundation is a separate non-profit agency, its funds must be included in the audit since its primary purpose is to support the district.

Page 25, Note 2 Cash and Investments, describes cash and where the cash resides. A significant amount of these resources is in the government pool. This is a great place for that cash with the current interest rates.

Page 26 lists what the Foundation is invested in. We currently have an unrealized loss of (\$9,000), which is the fair market value compared to the original cash invested.

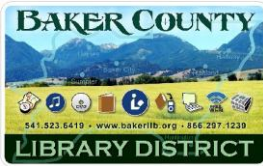
Page 27, Note 6 Capital Assets, lists the changes to assets and shows the depreciation of the year. The District reported depreciation expense of \$100,754.



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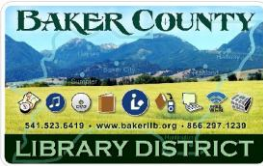
	<p>Page 29, Note 7 Long-Term Debt, the only real debt is the LID note. That was paid off at the beginning of the current fiscal year, so the district is debt free.</p> <p>Page 30, Note 8 Fund Balances, shows the breakdown of the fund balances for each fund and the level of restrictions. This page is a very useful report.</p> <p>Page 31, Note 12, any events that occur after the fiscal year end that would significantly impact the District are required to be reported. There were no such events to report.</p> <p>Pages 32 through 37, are the notes on PERS. There weren't any significant changes to these pages.</p> <p>Moving to the Required Supplemental Information, Pages 38 and 39, are the General Fund budget comparison schedule. We have detail line items presented here, although we care about the category totals of which there are no violations.</p> <p>Page 40, there are no budget violations in the Special Revenue Funds.</p> <p>Page 41, there are no budget violations in the Capital Investment fund.</p> <p>Other Supplementary Information, Page 43, Fiduciary Fund, Sage Library System, budget comparison schedule. There were no violations.</p> <p>And finally, the Audit Comments section on page 44. This is the Auditor's report. It states this was a clean audit. It went quickly this year although we got started late. Christine had everything ready for us in January and did a great job. The report will be filed with the Secretary of State tomorrow. An extension on the filing deadline of Dec 31 was secured to maintain compliance. Gaslin asked if there were any questions.</p> <p>Stokes had a question on Page 45, he asked about the percentage of payroll, it continues to keep going up. Gaslin commented that the market is improving. He predicts it will go up a little more before it starts to decrease. It is unsustainable for government agencies but may be reaching a plateau. He anticipates it to level off, then decrease slightly. With no further questions, the board thanked Mr. Gaslin for getting the audit completed. Rob praised Christine for her hard work.</p> <p>Gaslin left the meeting.</p>
Public Meeting	Rohner moved to the next item on the agenda, the Public Meeting Law Change.



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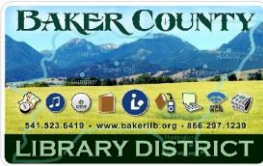
<p>Law Changes</p>	<p>Stokes said that per an alert in the SDAO Management Review Winter 2024 issue, changes in Public Meetings Law in 2023 no require that “governing body members must receive Public Meeting Law training at least once during their term in office.” We will share training opportunities as offered in the near future by SDAO and the State of Oregon. He wanted to alert the board to this requirement. We anticipate that training sessions will be offered online.</p> <p>Palmer said there has been an increase of complaints on Public Meetings Law. That may be influencing this. Stokes said our annual meeting schedule is set annually and published on the website, making it available for the public to attend. He talked about legal requirements and what constitutes a meeting.</p> <p>Rohner asked if we need to keep track of the trainings and asked if there are consequences if we fail to do that. <i>Stokes was unsure but will check on that.</i> We will likely get more information as the trainings are being made available.</p>
<p>REPORTS: Director</p>	<p>Rohner moved to Reports.</p> <p>Stokes has compiled statistics he wanted to share:</p> <p>The Main branch traffic was down 15% over the prior year, but circulation of physical materials rose 1% in that same period. He thinks maybe the decrease in visitation is likely related to youth – fewer and fewer kids visit to use the public computers.</p> <p>All branches but Haines saw strong increases in traffic, particularly Huntington with a 73% increase, and Sumpter with a 26% increase. Sumpter is the busiest among our branches with foot traffic due to sharing space with the museum.</p> <p>Halfway and Sumpter both have had large increases in checkouts compared to 2022, with 18% and 12% growth respectively. Haines, Halfway, and Richland lead in the total number of checkouts. Overall checkouts have recovered about 70% of the pre-pandemic 2019 level.</p> <p>Use of digital collections continues to show strong growth. 2023 was a record high year for Library2Go/ Libby and an 8% growth over the prior year. 2024 is also off to a strong start with the highest ever monthly use total ever, as well. Use of our new digital collection, Hoopla, is on the rise, also with the highest use to date logged in January 2024. There were 183 total circs in Jan 2024 borrowed by 74 patrons. The average circs per patron was 2.47. Audiobooks are the most in demand, followed by eBooks then movies.</p>



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	<p>On Hoopla, the average cost per circ is \$2.19 and \$2,207 has been spent since launch in July 2023. The services with Hoopla are growing. He anticipates we will spend \$4,000-\$5,000 each year, which is affordable. One of the best features of Hoopla is that patrons have access to the full catalog, so library staff have less of a curation / gatekeeping role.</p> <p>Stokes commented that he has been struggling to manage teens covertly vaping in the library lately. Discussion on how the schools handle vaping; they have detectors installed. Stokes said we are looking into getting a vape sensor alert system to help manage this. Palmer talked about what the schools do and how to work with the system.</p>
Finance Report	<p>Hawes reported on the financial reports. Copies of the reports have been handed out and electronic copies are available.</p> <p>The General Fund received a special tax turnover of \$36,355.57 from a tax appeal settlement. This was part of the funds being held by the County for a Potential Refund Credit for this entity. <i>Personnel Services</i> is on target with the budget at 57.5% spent.</p> <p>The General Fund Materials Services includes noteworthy checks written to Ingram \$4,775.31 for the monthly book order, EBSCO \$1,470 to renew the Novelist subscription, Arros Electric \$3,890.48 (included the LED lighting upgrade in Huntington of \$3,462.98), and Alpine Alarm \$1,506 for annual alarm testing in 2 locations (Baker & Haines). Highlights from the VISA expenditures this month include books purchases \$491.94, a 5-volume reference set \$673.20 titled Dictionary of American Family Names, movies/DVDs \$1,186.47 and VUDU electronic movies of \$2,843.15, and 5 office chairs of \$787.91 from Amazon. A check was written to Gaslin Accounting of \$10,000 which is the amount agreed to in the contract; a portion of this invoice will be presented to the Foundation for reimbursement. A check was written on February 1st to the Oregon Government Ethics \$945.68 for annual fees and Ed Staub & Sons \$794.08 for heating fuel in Halfway. And finally, a check to OTEC to pay recent electric bills totaling \$1,319.51 for the Baker and Haines bills; these are usually paid online. However, OTEC put it through as an eCheck this month, rather than an ACH Transaction. The District has an eCheck block for security protection. Alternatives are being reviewed with the bank to resolve this issue. A cash balance report follows the General Fund Profit & Loss report.</p> <p>The Other Funds received \$360.49 in net book sales revenues and paid one bill to VISA of \$136.40 for shipping expenses of books sold. There was no other activity in this fund.</p>



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	<p>The Capital Investment fund wrote a check of \$34,931.22 to Grumpy’s Repair Inc for contract work done on the bookmobile. This fund uses a General Fund (GF) check and reimburses the GF checking account the exact dollar amount. By doing this we don’t have to maintain a separate account for this fund. This leaves a cash balance of \$91,063 after paying the check.</p> <p>The Sage Fund had no income this month. It wrote 6 checks to small couriers totaling \$2,517.79 and one large check to Umatilla County Library District of \$16,440.00 for the annual courier services. Sage will also make a small payment to the VISA of \$91.50 to vendor Marcive Inc for record maintenance services. A cash balances report is included behind the financial report. Sage will file a reimbursement request to the LSTA grant now that the courier expenses have exceeded the approved grant funding.</p> <p>The Approved Bills Reports were included with the check packets to be signed by the board members present. The VISA bill was available for review. The first payment was scheduled today with the two small payments to follow this week.</p> <p>Discussion on Sage and developments with that system.</p>
<p>Next Meeting</p>	<p>The next regular board meeting will be March 12, 2024 at noon. Topics anticipated for the next board meeting include Collection Development Policy, Financial Management Policy, and FY23-24 Supplemental Budget.</p>
<p>Adjourn</p>	<p>Rohner adjourned the meeting at 12:58 pm.</p> <p>Respectfully submitted,</p> <p>Perry Stokes Secretary to the Board PS/ch</p>