



Call to Order

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.

Directors attending the meeting in person included Beth **Bigelow**, Ashley **McClay**, Jacque **Cobb**, and Joan **Spriggs**. Also attending in person were Perry **Stokes**, Director, and Christine **Hawes**, Business Manager.

One guest was present: Robert **Gaslin** of Gaslin Accounting CPAs. **No additional guests** attended either in person or via Zoom.

The meeting was **called to order at 12:02 p.m.** by Vice President Beth Bigelow. With four directors present, ***a quorum was established***. It was noted that the Board had approved the special meeting date and time to accommodate delivery of the audit report.

To satisfy the roll call, those present were Beth, Ashley, Joan, Jacque, Perry, and Christine.

Consent Agenda

Bigelow asked if there were any additions or deletions to the agenda. There were no changes to either the minutes or the agenda.

McClay made a motion to approve the consent agenda and minutes as presented; **Cobb seconded**. ***The motion passed unanimously (4 yea)***.

Conflicts of Interest

Bigelow asked if there were any actual or potential conflicts of interest to declare. None were stated.

Open Forum / Citizen Comments

Bigelow asked for any citizen comments. No members of the public were present, and Stokes had no communications to share.

OLD BUSINESS

Bigelow stated for the record that there was no old business.

NEW BUSINESS

FY2024–2025 Financial Audit Report

Bigelow introduced the next item: delivery of the audit report.

Stokes thanked Rob Gaslin for attending and invited him to present the audit report.

Gaslin thanked the Board for accommodating his schedule. He reported that the Library District’s audit is “always clean,” and this year’s audit was *very* clean. He commended Christine for her excellent work. Beginning with the Letter to the Board of Directors and Librarian, he highlighted that:

- There were no uncorrected items.
- There were no misstatements.
- There were no disagreements with management.
- Management’s representation letter was received earlier that morning.
- No other accountants were consulted, and there were no additional audit findings.
- Under “Other Matters,” the auditors reviewed all budgetary statements.

He noted that the Auditor’s Report includes the standard control deficiency that the District does not have additional staff to review Christine’s work—an annual finding. A required acknowledgment letter will again be sent to the State explaining that hiring additional accounting staff is financially unfeasible.

Gaslin then guided the Board through the audit:

- **Independent Auditor’s Report (Pages 1–3):**
The auditors concluded that sufficient evidence was obtained to support their opinions. The District met its responsibilities for the preparation of financial statements. The auditors’ opinion is that the statements are fairly stated in all material respects. Page 4 includes a regulatory report confirming compliance with Oregon laws and regulations.
- **Management’s Discussion and Analysis (Page 5):**
Required by GAAP, this section provides an overview to assist readers in understanding the financial statements.
- **Statement of Net Position (Page 12):**
Special funds and the primary government are combined. Notably:
 - Cash increased from the prior year.
 - Property tax receivable decreased significantly due to prior-year distributions being settled.

- Net Pension Liability reflects the estimated amount owed if the District were to close.
- The Library Foundation is included because it exists solely to support the Library. If the Foundation were ever to be dissolved, the library district would be the beneficiary of its liquidated financial assets.
- **Statement of Activities (Page 13):**
Revenues increased sufficiently to cover rising expenses. The change in net position was nearly breakeven at \$2,244 on a full accrual basis.
- **Governmental Fund Statements (Pages 14–17):**
Funds are presented individually. This basis of accounting does not reflect pension liabilities or capital assets. Fund balances increased by \$131,572 in the General Fund and \$156,696 overall.
- **Sage Library System Fiduciary Reports (Pages 18–19):**
Sage operates as a fiduciary fund and is reported separately. Sage increased its net income by \$12,627.
- **Notes to Financial Statements (Pages 20–38):**
These detail District accounting policies, cash holdings (Pages 26–27), capital asset activity (Page 28) in which purchases amounted to \$34,827 with depreciation of \$107,066 for the fiscal year, fund balance classifications (Page 30), and extensive PERS information (Pages 32–38).
- **Budgetary Comparison Schedules (Pages 39–44):**
These serve as Required Supplementary Information and correspond to the monthly reports the Board routinely reviews.
- **Auditor’s Report Summary (Page 45):**
Confirms the financial statements are clean and compliant. Again notes the internal control limitation regarding review of financial work.

Bigelow thanked Perry, Christine, and Rob for their work.

Stokes clarified that he prepares the budget and budget message, while Christine prepares financial reports.

Christine noted she references elements of the budget message when drafting the MD&A.

Gaslin agreed this supports consistency and clarity in the financial narrative.

Christine asked about the Oregon PERS Schedule (Page 43), noting the District’s funded status of 79%, down over several years. Gaslin attributed the decline to statewide decisions by the PERS Board regarding assumed rates of return, which he believes are overly optimistic. Stokes noted that steep rate increases have been expected through approximately 2035. Discussion followed.

With no further questions, Gaslin thanked the Board and departed at approximately 12:25 p.m.

Policy Update: Gift Materials and Donations

Bigelow introduced the updated Gift Materials and Donations Policy.

Stokes reviewed the expanded three-page policy, noting that clarification was added throughout. One recommended change was to raise the threshold for sending written acknowledgment of monetary gifts from \$50 to \$250, which aligns with the legal requirement.

Discussion covered procedures for donated materials, naming opportunities, staff gifts, and designated vs. undesignated donations. Stokes emphasized that the District generally avoids named plaques, though a few historic exceptions exist. Undesignated donations are forwarded to the Foundation.

Cobb moved to approve the Gift and Donation Policy with the amended \$250 acknowledgment threshold; **Bigelow seconded**. The *motion passed unanimously (4 yea)*.

FY2024–2025 State Library of Oregon Annual Statistics Report

Bigelow introduced the annual State Library statistics report.

Stokes provided highlights of the report he recently completed.

- Total circulation increased by 4%.
 - Physical item checkouts remained stable, consistent with the prior year.
 - Digital circulation grew by 20%.
 - Sage ILL activity improved, with a 17% increase in ILL ratio
 - Lending up 8%
 - Borrowing down 7%
 - Total library visits increased by 2%.
 - Program attendance remained stable.
 - Public computer use decreased by 3% (total hours).
 - Print usage rose, with print jobs up 13.5% and total pages printed up 21%.
 - Volunteer count decreased by 7%, but total volunteer hours increased by 19%.
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REPORTS

Director’s Report

Bigelow invited the Director’s report. Stokes presented the administrative reports under several categories:

Administration & Finance

County Revenue Update:

The County Assessor released FY2025–2026 tax summary tables showing a 6.6% countywide growth rate—significantly above the 3.0% budget assumption. This is expected to result in approximately \$50,000 in additional revenue.

Carnegie Grant:

The Carnegie Corporation of New York awarded a \$10,000 gift to all active Carnegie Libraries in recognition of the 250th anniversary of the Declaration of Independence. Funds will be received in January 2026 and may support anniversary celebrations, mission-driven projects, or community benefit initiatives. Current ideas include:

- Hosting a public screening of *The Librarians* documentary.
- Hiring a consultant for a community needs assessment and new strategic plan.

Employee and program email accounts were renewed on November 7.

Provision of Food and Beverages:

The Oregon Ethics Commission issued an advisory prohibiting public employers from providing food or beverages to employees or board members unless included in their compensation, citing ORS 244.040. This ruling is under review in the upcoming legislative session. Until resolved, the District will not provide refreshments except those supplied by the Friends of the Library.

Informal Book Challenge:

On October 6, a patron requested removal of *The Time Museum* (Matthew Loux) from the children's collection. Following review, Stokes determined the book meets collection standards and will remain in Juvenile Graphic Novels. The decision and appeal process were shared with the patron, who accepted the outcome. Stokes has developed a scoring rubric based on constitutional standards (e.g., the Miller Test), District policy, and collection criteria.

Facilities & Vehicles**Bookmobile Suspension:**

A professional evaluation of the bookmobile's springs and suspension is scheduled for mid-December. Service will be paused for several weeks during this maintenance period, slightly earlier than the usual winter break.

Network Outage and Equipment Replacement:

A power outage on October 24, related to the City's park restroom project, caused failure of several network devices, likely due to a power surge. IT Manager Jim White has overseen restoration and replacement of outdated components. Most systems have been restored.

Snow Removal – Invitation to Bid:

An Invitation to Bid for snow removal services was issued and posted to social media and the website. The bid window closed November 7. Submissions will be reviewed by facilities staff and the Director.

Marketing & Outreach

Historic Holiday Book Fair:

On Saturday, November 15, the library will participate in the holiday book fair organized by Betty's Books and the Carnegie Crossroads Art Center, hosted by the Museum. The Director will present on the library's archives and research resources. The Friends will offer historic postcards and railroad maps for sale.

Personnel & Training

IT Assistant and Succession Planning:

With increased revenue and strong cash carryover, the District now has adequate funds to hire an IT assistant or contract IT support. Stokes is working with IT Manager Jim White to determine the best long-term solution.

LEO Annual Meeting – John Day:

On October 23, representatives attended the Libraries of Eastern Oregon (LEO) annual meeting. A community forum was also held regarding the potential closure of the Grant County Library. Significant public support was expressed for keeping the library open. The County may partially fund operations next year, and discussions continue about forming a separate library district.

Programs & Services

Baker Branch Aquarium Upgrade:

A local donation funded replacement of the branch's aquarium, including plants and fish. The new tank is a popular attraction for children and visitors.

Comics Plus Launch:

On November 1, the District launched Comics Plus, providing patrons with unlimited access to digital comics collections. System log-in is integrated with the library catalog.

StoryWalk Launch:

Youth Services staff installed a StoryWalk along the Leo Adler Riverside Pathway, featuring laminated picture book pages encouraging outdoor literacy engagement.

Safety & Security

Security System Consultation:

Facilities staff are obtaining cost estimates and recommendations from Davis Security regarding an upgrade to the Baker branch alarm panel.

With no further questions, Bigelow moved to the financial report.

Financial Report

Hawes presented the financial reports. Printed and electronic copies were distributed.

General Fund

- Property tax turnovers received on November 7 totaled \$85,664.94.
- October pool interest was \$1,437.06, bringing total interest earnings to \$8,792 year-to-date.
- Personal Services is 41.1% expended, on target with the budget.
- A reimbursement check of \$1,140.85 was issued on October 28 for 50% of an employee's insurance deductible per District policy.

Materials & Services:

- Books: Checks issued today included \$6,337.57 to Ingram for monthly purchases; \$1,351.35 to Library Pass for Comics Plus; and \$877.39 to Midwest Tape for digital materials.
- Digital Resources: A check to OverDrive/Kanopy for \$2,500 was issued October 28.
- Building Maintenance: A \$1,100 payment was made to Valley Metal & Heating for winterization at all five branches.
- Computers: Verizon charges on October 28 totaled \$812.00 (hotspots and admin phones). A T-Mobile payment today totaled \$403.08.

Vendor Updates:

- **Verizon:** The library has been approved for the Distance Learning Program, reducing hotspot rates from \$40 to \$15. Nine hotspots have been migrated; eight remain. Expected savings are approximately \$400 per month.
- **T-Mobile:** The District has 10 tablets and 7 hotspots under the January promotional program. Three hotspots were lost and are awaiting replacement; responses from T-Mobile have been slow despite weekly follow-ups.

Additional checks issued included \$12,000 to Gaslin Accounting for audit completion; \$1,139.92 to Coast-to-Coast for printer cartridges and supplies; and \$1,080.45 to ZooBean for the Beanstack subscription.

Other Funds:

- Earned pool interest of \$905.20.
- Received \$248.81 in Amazon book sales.
- Paid three online shipping reimbursements and transferred \$79.34 to the General Fund.

Capital Investment Fund:

- Received \$386.13 in pool interest; no other activity.

Sage Fund:

- Received \$247,691 in membership dues (89% of total invoiced).
- Salaries are 31.4% expended.
- Reimbursed the General Fund \$2,819.29 for PERS liability adjustments.
- Issued courier checks totaling \$3,692.64.
- Paid invoices to Equinox (\$6,300), Streamline (\$2,640), Backstage Library Works (\$288.40), and OCLC (\$1,975 and \$1,121.40).
- Cash balance increased from \$147,507 on October 1 to \$390,393.

Approved Bills Reports were provided for review and signature.

The Special Districts renewal packet was received November 12, projecting a 10–15% increase. The invoice will be available January 1, 2026.

Next Meeting

Bigelow asked for any further questions. None were raised.

The next regular board meeting will be held **December 9 at 5:00 p.m.**, returning to the standard meeting schedule.

Spriggs moved to adjourn; Cobb seconded. The motion passed unanimously (4 yea).

Adjournment

There being no further business, *Bigelow adjourned the meeting at 1:15 p.m.*

Respectfully submitted,

Perry Stokes
Secretary to the Board

PS/ch

AI disclosure: *This policy was developed with the assistance of an AI-based language tool to support drafting and editing.*