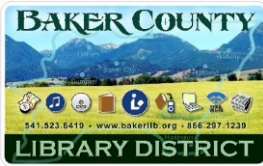


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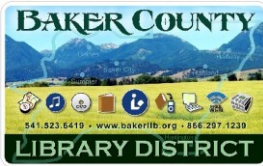
<p>Call to Order</p>	<p>The meeting was held in the Riverside conference room at the Baker County Public Library, 2400 Resort Street, Baker City, Oregon, the administrative building for the District.</p> <p>Directors attending the meeting in person include Kyra Rohner, Gary Dielman, Beth Bigelow, and Joan Spriggs. Attending in person were Perry Stokes, Director and Christine Hawes, Business Manager. Others attending are Jim White, retiring IT manager, and Bryan Ames, new IT Manager. One guest in person, Rob Gaslin of Gaslin Accounting. And a guest logged in online, Ashley McClay.</p> <p>Rohner called the meeting to order at 12:02pm. Four directors were present at the start of the meeting which constituted a quorum.</p>
<p>Consent Agenda</p>	<p>Rohner asked for any additions or deletions to the agenda or minutes from the previous meeting. Stokes is adding an item to the agenda for IT Retiring Manager. There were no changes to the minutes. Dielman MOVED to approve the Consent Agenda; Spriggs SECONDED; motion PASSED unanimously (4 yea) by those present.</p>
<p>Conflicts of Interest</p>	<p>Rohner asked if there were any conflicts or potential conflicts of interest to be declared. There were none.</p>
<p>Public Comment</p>	<p>Rohner moved to public comments.</p>
<p>OLD BUSINESS: Retiring IT Manager</p>	<p>Stokes invited the retiring IT Manager, Jim White, to speak to the board and introduce Bryan Ames as his successor.</p> <p>Jim described his work experiences with evolving technology in the library. He is confident that “passing the torch” to Bryan will enable the district to maintain excellent technology services. He thanked the board for helping give him a fulfilling career, which was “life-changing”, and for their service and continuous support of the library over the years.</p> <p>Jim described the non-monetary benefits of working in this region. Baker County residents, he said, don’t live here for the money; we live here for the scenery and outdoor activities available. He has worked with technology for 40 years, seen rapid and extensive change, and is ready to pass the torch. He feels the library is in well positioned for future</p>



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	<p>advancements.</p> <p>Dielman said Jim’s contributions have been invaluable. Stokes also thanked Jim for all of his work for the library. He recognized that he had other work opportunities that may have been able to pay more, and staying was a testament to his dedication to library service.</p> <p>Jim said that he has achieved the technology project goals he set for himself before retiring; we have state of the art technology and infrastructure. He recalled when the library’s dream was simply to have a website. He talked about preparing the library for the future. He has Bryan caught up to speed and has shared historical things only he knows, and nuances that he remembers. He described the work they have been doing for a successful transition.</p> <p>Rohner thanked Jim for his dedication and vision.</p> <p>Bryan Ames introduced himself. He started working at the library a couple years ago as an IT Assistant to Jim. The experience helped him realize that his experience and passion was in technology. He recently finished his Computer Science degree at EOU. Here at Baker County library we have high capacity cables, a solid network, modern hardware and software running our services. We have built a strong foundation to go forward from. Thanks to Jim, Perry and the staff has made this one of the most technology forward organizations he has worked with. He has plans for going forward to improve security and reliability, and to improve what we offer. He is looking forward to working with the library and board. He thanked Jim for giving him the opportunity to have this career.</p> <p>The board all thanked Jim. He wished the library the best, leaving the meeting.</p>
<p>NEW BUSINESS: FY2021-22 Financial Audit Delivery</p>	<p>Rohner welcomed the District Auditor Rob Gaslin, attending to present the annual financial audit report.</p> <p>Gaslin thanked the board for contracting his firm to do the audit again. He has worked with the library for about 3 years now. He thanked Stokes and the board for rescheduling the audit report from December due to his sudden unavailability. The audit was completed and filed with the State of Oregon in December, as required.</p> <p>Gasline began review of the audit report with an explanation of the letter on page 2, a required element. Highlights included that the financial</p>



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statements are fairly stated, describe the use of estimates, and that there were no disagreements with management. The top of page 2 describes what is covered in the audit. He spoke of Christine's extraordinary contributions for the audit. It is unusual for a small government agency like ours to have such a skilled staff member. No similar entity in his experience has someone that can write their financial statements.

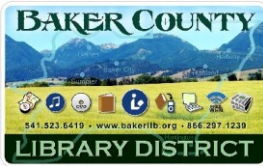
Highlights from the audit report itself, included:

The MDA, starting on page 5, which is intended to be easily readable. It is the best section in the document for an explanation of what is presented in the body of the report. On page 8, in the middle of the page, looking at the pension related numbers, the reference is to PERS which we are required to report in our financial statements. There were significant changes this year. PERS liability went from \$1.2 million to \$611,000. Rohner asked about deferred inflows and outflows. Rob explained briefly and said we will cover this in more detail as we continue.

In the Basic Financial Statements, on page 12 is the *Statement of Net Position*. Last year, we added the component unit which is the Library Foundation. It is required to be included in the report since its sole existence is to support the library. If the Foundation ceased to exist, its assets would be ostensibly turned over to the Library District.

Looking at the Governmental Activities column, we have a huge Property Tax Receivable of \$166,793. We always have a receivable but this is huge in comparison to last year of \$48,664. The County is holding funds that they haven't dispersed yet. The County does send letters to let agencies know that funds are being held. These are entities that have paid taxes but have submitted lawsuits to get their tax liability reduced. One of those entities is a wind farm; the County disperses a portion of those funds collected but there is an evaluation allowance they hold until the dispute is settled. We have no idea when that may happen, but we have to disclose this. This high amount is unusual. Hawes pointed out that at the bottom of the page, under Net Position, the District has a positive \$26,332 in unrestricted funds on this report; it is the first time in history that she can remember. She feels this is monumental; the library is in a good place financially. Gaslin agreed and reminded the group that this can change next year depending on what the PERS liability does.

The *Statement of Activities* is on page 13. A couple highlights here, first you will note that the Library Services total expenses is a lot lower than the prior year; the current year is \$1,093,158 compared to the prior year of \$1,703,813. This is mostly due to the changes in the PERS liability. The



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second item to highlight is under General Revenues, the line titled Unrestricted Investment Earnings (Loss). The Foundation moved some of its cash into investment accounts this year and incurred a loss of (\$10,593). Gaslin talked about the risks for gains and losses taken with investment accounts. There was additional audit work required to account for the Foundation's investments.

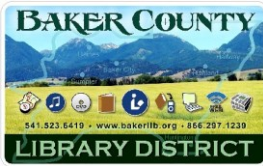
Page 14 presents the *Governmental Funds Balance Sheet*. The large unassigned fund balance is the working balance the District has for operations. The ending fund balance also increased over the prior year to \$753,011, which is an adequate amount.

The *Statement of Revenue, Expenditures, and Changes in Fund Balance* on page 16 represents how the library actually did. In the General Fund column, the total Library Services expenses is actually \$1,297,410 (compared to the \$1,093,158 on the front statement). The Net Change in Fund Balances is a positive \$37,120 which increased the ending general fund balance. The Special Revenue account increased by a small amount. The Capital Investment Fund had a negative change because of funds taken out for a new boiler. In total there was a very small negative change in ending fund balance.

Moving to page 17, Gaslin paused on this page to discuss a small negative change in fund balances, growth in net capital assets, and other changes to reconcile to the Net Change reported on the front statements. The two largest changes are an increase in PERS deferred inflows, which he explained in detail. The large increase in the Property Tax Receivable was previously discussed.

Page 18 presents the Sage Library System net position. Minimal accounting work is done for this fund since it is a fiduciary (pass through) service for a relatively independent organization under oversight of the District. Gaslin noted that Sage has a cash balance of \$195,672.

The notes to the financial statements start on page 20. Note 1 describes the entity itself. "This is a good one to read through," Gaslin said. New information about the Foundation's investments is on pages 22-23. Note 4 on page 26 is also new, giving details on the Foundation's investments which were provided by the broker. Capital Assets are on page 27, showing changes in the assets and depreciation. Other highlights included Note 13, the PERS information on page 35, and review of the Discount Rate Sensitivity. The current discount rate is 6.9% and is what the liability is based upon. The chart shows the impact of a rate change up or down by 1%; a 1% increase can double the liability. This number is very volatile



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based on the market.

In the Required Supplemental Information, you will find schedules on the third basis of accounting that are presented in the document. These are the budget schedules for each of the funds. The board reviews such schedules regularly at monthly meetings since these are the daily operations. There were no issues here to report.

The Oregon PERS Schedule on page 42 provides historical information on the District's share of the pension liability and the pension contributions. In 2014 we started with a small pension liability, had a credit balance in 2015, then a small pension liability in 2016 that has continued to increase to the high of \$1,259,188 last year. Then this year, we had a substantial reduction in the liability.

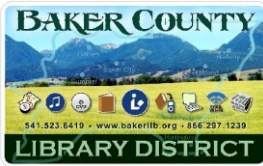
In Other Supplementary Information, we have the Sage Fund budget schedule. Again there is nothing to report.

Moving to the Audit Comments section. This is a report on the District's compliance with laws and regulations. The auditor is required to perform a certain number of tests. There is one item listed in this report; it means that the District does not have another employee with Christine's skills that could check her work. It is also reported in the Letter to the Board. Resolving this compliance note is neither feasible nor required for an agency of our size. While a minor item, regulations require it be stated.

Gaslin asked if there were questions. There was some discussion. Dielman asked if the District is in a good position. Gaslin talked about the library's financial situation and said that the library is in a great position. Dielman talked about the historically tight budget and tough decisions went along with that.

Gaslin thanked everyone again and left at 12:45 pm. There was some discussion on audit services and budget. Hawes is very happy with the services.

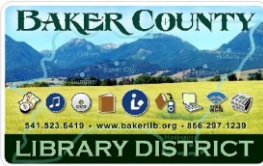
Stokes provided some background about the Foundation decision to put some cash into investments. The fairly large sum it has had for years has not been earning any returns at all with interest rates being very low. It is a good practice to have reserves growing with conservative investment earnings if possible. Unfortunately, the yield on the first year was a loss of \$10,000. That should correct itself over time. The impact created on the financial reports and the additional work for the auditor came as a surprise to all. There was some discussion about what the Foundation is



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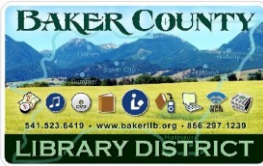
	<p>considering. Rohner asked about having been the liaison for the Foundation but she is no longer receiving the email. Beth Bigelow said that she is now the liaison to the Foundation and asked when the next meeting would be. Stokes will make sure the Foundation Secretary has her contact information so an invitation to the next meeting can be sent.</p>
<p>Paid Family and Medical Leave Insurance (PFMLI)</p>	<p>Rohner moved to the next agenda item.</p> <p>Stokes said the Oregon Legislative Assembly passed the Paid Family Medical Leave Act, which established a paid and family medical leave insurance (PFMLI) program for Oregon employees. PFMLI provides an employee with compensated time off from work to care for and bond with a child following the child’s birth or adoption, to recover from a serious health condition or care for a family member’s serious health condition, or to take leave if the employee or the employee’s family member has experienced domestic violence, sexual assault, or harassment.</p> <p>PFMLI does not provide additional leave beyond what is currently provided by Oregon law, but it provides compensation during such leave. The PFMLI program will be funded by employee and employer contributions in the form of payroll deductions, which began on January 1, 2023.</p> <p>Hawes added that, as Stokes said, the leave is for medical, family bonding, or safe leave allowing up to 12 weeks of leave, similar to the Oregon Family Leave. The tax is 1% of gross wages with 60% paid by the employee and 40% paid by the employer. The estimated net cost to the District is \$2,600 annually. The payroll deductions began January 1st. The Oregon Employment Department will administer the Paid Leave Oregon (PLO) program and determine eligibility. September is the anticipated time they will open the program for applications. It is the employees’ responsibility to apply. The employee cannot receive PLO benefits while on either worker’s comp or unemployment. They can however, use any vacation or sick leave benefits they have accrued. The required posters will be displayed at each branch.</p> <p>Some discussion on family leave. Rohner said that the US is behind in covering family medical leave compared to other industrialized nations.</p>
<p>Reschedule March board meeting</p>	<p>Stokes said that he needs to reschedule the March meeting scheduled for March 14. He proposes moving the meeting the preceding Tuesday,</p>



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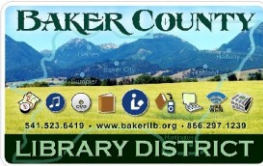
	<p>March 7.</p> <p>Dielman moved that the March meeting be rescheduled to March 7; Bigelow seconded ; with no discussion, the motion passed unanimously.</p>
<p>SDAO Annual Conference</p>	<p>Stokes said that the annual SDAO conference will be held February 9-12 in Sunriver, Oregon which is just south of Bend. They have a variety of sessions geared toward board members with several sessions available for virtual attendance. If any board member wishes to attend the conference in person or virtually, the district will cover expenses. Both Perry and Christine plan to attend some virtual sessions this year.</p>
<p>REPORTS: Director</p>	<p>Rohner moved to the next agenda item.</p> <p>Stokes gave the administrative report:</p> <p>Facilities & Vehicles</p> <p>Roof replacement residual issues - most of the major roof leaks have been resolved. A few persistent leaks are recurring in the Oregon Room and over the Riverside door. Ed continues to work with the roofing contractor to correct the issues. Some issues will have to wait until warm, dry weather arrives to permit access to problem areas.</p> <p>Hydronic Boiler 1 year anniversary - last year at this time, the old boiler failed, the board approved an emergency boiler upgrade. It took several months to acquire and install the new boiler. It became fully functional in May-June. This is the first winter it has been fully operational and it has proved effective and reliable. Ed has been improving the efficiency by adding and replacing insulation around the main heat pipes. Some compatibility issues have become apparent between the new main boiler control system and the “old” controllers for the supplementary Trane heating units on the rooftop. The two systems appear to have never been very well integrated and sometimes work at odds. An upgrade of the Trane controllers is being explored.</p> <p>Grants</p> <p>SDAO Safety & Security Grant - our 50/50 matching grant application for \$5,000 to fund a proposed Air Quality Sensor project was unfortunately declined. The letter stated the project was considered part of the “cost of doing business”. Stokes thanked the SDAO team for the opportunity, but also shared a recent news article about libraries in Colorado being forced to temporarily close due to contamination from meth use in their</p>



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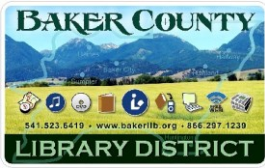
	<p>restrooms. The proposed sensors were intended to help serve as a warning system of such activity.</p> <p>Marketing / Publicity Solar Charging Station - we've recently learned that charging functionality is getting disrupted due to overload usage (many items at once) which trips the breaker. Ed will be upgrading the circuit for greater capacity; the safety functionality will be maintained.</p> <p>Programs & Services EBSCO BookChat - a new subscription has been added to the NoveList subscription to include an online live chat readers advisory service.</p> <p>Personnel Extension of Retirement Date - Jim White has agreed to extend his employment through January 31, 2023 in order to complete project objectives and training that were interrupted by medical leave near the end of his term.</p> <p>Technology Security Camera System update - cameras at all sites are now accessible via the UniFi Protect platform. Capacity has been expanded at the Baker branch so that we can begin migrating camera views covered by our original camera system to the new platform and retire the old system.</p> <p>Public Workstation technical difficulties - the software that manages patron login and printing from public computers has developed a mystery failure issue. Troubleshooting the crashing issue is one of Bryan Ames's main priorities. Unfortunately, the vendor has been unable to replicate the problem on their computers which suggests our public workstations may need to be replaced with newer units.</p>
<p>Finance Report</p>	<p>Hawes shared Financial Reports; electronic copies were displayed on screen for those attending via Zoom.</p> <p>The General Fund received tax turnovers of \$18,874 on January 3, 2023. We also received the Ready-To-Read grant of \$8,488 via electronic deposit on 12/30/2022. Another rebate check from ETO of \$1,000 deposited on 12/28/2022; to date the District has received a total of \$5,000 during the year which is the maximum available for this program. Hawes thanked Ed for his diligence in applying for these funds.</p> <p>Personnel Services is on target with budget, nothing unusual to report</p>



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	<p>there. In Materials & Services, the report will be short today given the special audit delivery. In the Book budget, there were two electronic subscriptions paid this month; on 12/28/22 we paid EBSCO for MyHeritage of \$1,439 and a check today 1/0/23 to EBSCO for a new subscription to BookChat \$750. In the Computer Maintenance budget, two software subscriptions were renewed. The checks are to Port53 Technology \$1,064.80 for security software and SenSource \$2,508 for annual data hosting and SafeSpace occupancy monitoring. The auditor payment was written on 12/28/2022 for \$8,500 as budgeted for audit services. In Youth Programs, a new subscription to ZooBean of \$1,029 for BeanStack subscription (a book reading tracking app). In Utilities, in the Heating budget, the Baker Library vendor Cascade Natural Gas has increased its rate significantly (effective November 1, 2022); the rate increased from 0.46452 to 0.70115 per therm, a 50.9% increase. The increase is projected to cost the district another \$2,800 over the current budget for heating the building. A future supplemental budget will correct this disparity and any others.</p> <p>The Other Funds wrote one check to Visa for \$79.71 for monthly amazon shipping costs.</p> <p>The Capital Investment Fund - no activity to report.</p> <p>The Sage Fund had no income this month. This fund wrote 5 small courier checks totaling \$1,813.73 plus a check to Visa primarily to pay Marcive for record maintenance of \$97.68.</p> <p>The Approved Bills Lists (ABL) are printouts of checking account activities for all three funds since the last meeting date for review. The checks were signed by the board members present at the meeting who also initial the lists.</p> <p>There were no further questions.</p> <p>Rohner asked the online guest for comment or questions. There were none.</p>
<p>Next Meeting</p>	<p>The next regular board meeting will be February 14, 2023 at 12:00pm (Noon). On the agenda will be updating mileage and per diem reimbursement rates.</p>
<p>Adjourn</p>	<p>The meeting was adjourned at 1:18 pm.</p>



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	<p>Respectfully submitted,</p> <p>Perry Stokes Secretary to the Board PS/ch</p>
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