

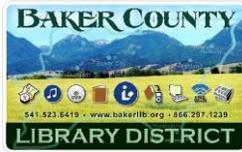
# Baker County Library District

Board of Directors

## Regular Meeting Minutes

Monday, April 13, 2015 6:00pm – 8:00pm

<p><b>Call To Order</b></p>	<p>Gary <b>Dielman</b>, President called the meeting to order at <b>6:03pm</b>. The meeting was held in the Riverside Meeting Room. Directors present were: Gary <b>Dielman</b>, Nellie <b>Forrester</b>, Della <b>Steele</b>, Kyra <b>Rohner-Ingram</b> and Betty <b>Palmer</b> arriving at 6:07pm. Others present were Perry <b>Stokes</b>, Library Director, Christine <b>Hawes</b>, Business Manager and guest presenter, Kevin <b>Bell</b> of Clarke &amp; Clarke Insurance.</p>
<p><b>Agenda Approved</b></p>	<p>Dielman asked for additions or changes to the agenda. One correction was noted that Hawes would give the Business Report rather than Stokes as noted on the Agenda. No other changes were made.</p>
<p><b>Minutes Approved</b></p>	<p>Dielman asked for corrections to the minutes. There were no changes to the minutes. <b>Steele made a motion to approve both the Agenda as corrected and the March 9, 2015 Regular Meeting Minutes as presented; Forrester seconded; motion passed (3 votes yea, 1 abstain Rohner-Ingram was not at the meeting).</b></p>
<p><b>Conflicts or potential conflict of interest</b></p>	<p>Dielman asked if there were any potential conflicts of interest to be declared. There were none.</p>
<p><b>Open Forum</b></p>	<p>Dielman stated for the record that there were no members of public other than our guest speaker. Stokes had no correspondence.</p> <p>Palmer arrived at the meeting at 6:07pm.</p>
<p><b>New Business: Approval of Health Insurance Provider</b></p>	<p>Dielman thanked Kevin Bell for coming to review insurance coverage. Stokes added that the Special Districts Association of Oregon (SDAO) is changing insurance carriers and needs a decision on what insurance we will go with for the upcoming renewal year beginning June 1. SDAO has requested the decision by April 17 in order to proceed with setting up the new carrier and getting cards out to employees prior to June 1.</p> <p>Kevin Bell began by describing how health insurance has operated in recent years. This year, SDAO is moving to a self-insurance model. The Cities &amp; Counties has already been self-insured for quite some time and it is working well for them. SDAO has contracted with Regence Blue Cross to process all the claims and use their nationwide network. To the employee it will appear that district insurance is with Regence Blue Cross. However, they are really the third party administrator and will charge SDAO an administration fee along with a monthly billing for claims. Blue Cross has also gone into the re-insurance market; insuring any claims over a certain dollar level. Once an individual claim reaches that level, then Regence will pay the bill.</p> <p>Dielman asked if Regence provides the re-insurance in order to get the</p>



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business. Bell replied yes, adding that this is common practice. Going forward on renewals after this year, SDAO will analyze how the year went. They can use the savings to buy down rates, if necessary, in order to control the rates and hopefully, somewhat stabilize them. This also gives the program a lot more flexibility. SDAO has grown to the point it has the ability to do this. Dielman asked where Clarke & Clarke Insurance fits in. Bell said that they still act as the agent of record for SDAO members and help administer the insurance product.

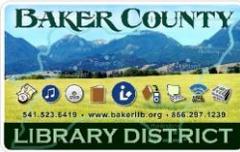
Bell handed out two documents with information about what will happen on renewal this year. Referencing the SDIS Insurance sheet, he has highlighted the plan that we are currently on. This will take effect on June 1, 2015. He explained that Special Districts has historically given the average rate to every District, meaning that all Districts used to pay the same rates. Now they are going to use demographics and give individualized rates to each District. Regence Blue Cross will be mimicking identical coverage that we have had through Pacific Source.

The next sheet gives the anticipated savings for the Library District of \$14,050 for the upcoming year; a monthly savings of \$1,170 (based on the current employees covered). He went on to say that he also got a quote from Pacific Source on an individual rate. The District can choose to stay with Pacific Source, pulling out of Special Districts for health insurance. The quote came back about \$6,400 higher annually than Blue Cross rates being offered through SDAO.

Forrester asked what the maximum amount that Blue Cross pays. Bell responded that he believes the level is \$100,000. The Library District's liability insurance cap is \$500,000 and he believed the fire insurance was as well. The same thing happens there, Special District's buys re-insurance to cover claims over that amount. There was some discussion on the insurance coverage.

Bell said that the dental insurance will change to MODA (was ODS, Oregon Dental). Pacific Source had also been providing the dental insurance. There was a discussion on the MODA company. Dielman asked if these changes affect the bookkeeping or the District financially. Hawes explained the bookkeeping process won't be affected.

**Rohner-Ingram made a motion to approve continuing with Special Districts Insurance Services and the rollover with the group health insurance to Regence Blue Cross Red PPO K Plan in providing comparable coverage; Palmer seconded; motion passed unanimous.**



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### Opposite-Sex Domestic Partner Benefits

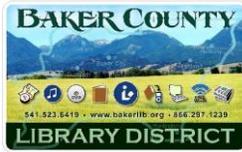
Stokes said that one more item relating to the health insurance needs to be discussed while Kevin Bell is here. The Special Districts insurance already includes coverage for same-sex domestic partners required by law. We have the **opportunity to extend the insurance coverage for opposite-sex (male-female) domestic partners**; those who live together but are not married. The board has previously declined this option. He recommended continuing to decline the option due to cost.

Bell explained the coverage and increased costs. Forrester said that it would be like covering common law marriages. She believed the District should offer it. Rohner-Ingram asked if the rules to qualify for coverage were the same for opposite-sex domestic couples as they are for same-sex domestic couples. Bell wasn't sure because he has never had an instance to look up the rules but will get the rules for covering both ways to Stokes. Dielman commented that people don't always get married anymore. Why, he asked, should the library treat opposite-sex domestic partners any different than same-sex domestic partners? He felt there should be equal treatment.

Discussion ensued on extending coverage for opposite-sex domestic partners. Palmer summarized the coverage and impact to the District. Dielman reiterated if we are offering same-sex domestic partner coverage, then why not offer coverage to opposite-sex domestic partners.

Rohner-Ingram said she agreed although her concern was the financial impact. Forrester said if they are living together long enough to be a viable couple, then coverage should be extended. If they can afford to pay their portion of the coverage, then they should have the option. Dielman agreed, stating that we now have two "yes" votes to extend coverage. Steele agreed with the "yes" votes. She said that sometimes you don't think you will be in a situation like that. She thinks that if you are taking care of one group then we should take care of the other. But given the cost, feels that it was unlikely at this time. Palmer said she is ambivalent, and feels it is better to stay with what we are doing now. Suggesting that we talk about making this change in coverage next year at renewal. Bell again said that he will find out about the requirements for coverage for both options and get the information to the District for next month's meeting.

Palmer asked for the maximum exposure to be calculated and made available at the next meeting. The cost to cover a spouse/domestic partner or family was reviewed. **Dielman asked for a motion. There was no motion put forward. Dielman said the discussion was tabled to the May meeting.** Bell said that he will go ahead with the group health insurance renewal, alerting SDAO that we will decide on the opposite-sex domestic partner coverage in May.



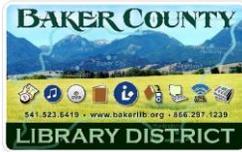
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	<p>Kevin Bell left the meeting at 6:50pm.</p>
<p><b>Financial Officer Bonding Insurance</b></p>	<p>Dielman moved on to the next agenda item. Hawes said that when she and Stokes recently met with Kevin Bell to review the liability insurance, it was discovered that the two of them were not bonded as financial officers. The District had this coverage at one time but believed that it was included in the liability coverage. Bell confirmed that it was not. Kent Bailey, the District Auditor, was consulted. He recommended that both Stokes and Hawes be bonded for \$50,000 each. Clarke &amp; Clarke Insurance provided a Public Official Bond Quote. Reviewing the sheet that was included in the board packets, Hawes explained the options. <b>Palmer made a motion to approve bonding Christine Hawes and Perry Stokes at \$50,000 each; Forrester seconded; motion passed unanimous.</b></p>
<p><b>Personnel Policy Revisions</b></p>	<p>Stokes said there are a few proposed policy revisions. The first recommended change for review is for the <b>cessation of in lieu health insurance benefit</b>. It has come to our attention that according to the Affordable Care Act this benefit is prohibited. He and Hawes have discussed the impact of this development with the one staff person whom this affects. He is proposing a 50% cut in the next fiscal year and then eliminating it in the following year. The proposed Personnel Policy change for <b>Article 12.3 Eligibility</b> was included in the board packets for review. After discussion, <b>Rohner-Ingram suggested including a paragraph clarifying the PERS eligibility in the policy.</b></p> <p>The second Personnel Policy change in <b>Article 12.5 Waiting Periods</b>, Stokes said was a house keeping change. The waiting period for health insurance changed to 60-days, which the District adopted last year. The policy needs to be updated to accurately reflect those changes. Additional verbiage has been added to list the different waiting periods for various benefits. <b>Rohner-Ingram suggested that Article 12.3 list all eligibility requirements and 12.5 should state when they are going to get the benefit.</b></p> <p>Stokes said the personnel policy doesn't specifically address tobacco, the new medical marijuana law, or prescription drugs. He has added verbiage to address these items in Personnel Policy <b>Article 4 – Drug-Free Workplace</b>, which also incites changes to Articles 9.5 and 9.6, all of which are included in the board packets. The closest model he was able to find was for an electric company where the issue of medical marijuana was addressed. Though for highly safety sensitive lineman, some safety issues may be applicable to library staff. He is specifically concerned with those employees who drive for the library, either their own vehicle or the bookmobile. There was discussion on impairment and drug levels.</p>



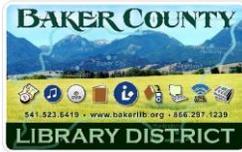
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	<p>Rohner-Ingram said that on the legal side, she would feel more comfortable if the District attorney was consulted. She has concerns with requiring employees to disclose prescription drugs. She felt that a UA test a couple times a year can be an effective deterrent. Stokes said that he has submitted the policy draft to the SDAO legal department, but had not yet received a response. Dielman said based on his work experience, impairment can be based on observation of competent behavior. At that time, you can require a drug test. Palmer said someone on medication can have a safety factor and a real concern, especially since they often travel by themselves.</p> <p>Discussion ensued on how to restate this. Rohner-Ingram suggested talking with the District Attorney on how to state this. Stokes agreed that he would have the District Attorney review the policy. Rohner-Ingram suggested we treat prescription medication and medical marijuana like alcohol; it's legal, but how to go about legally controlling its use at work. Dielman said we need to get more information and find out what others are doing. Palmer felt that more policy changes will likely be coming due to new pending laws.</p> <p>Stokes suggested that these policies can be further discussed and finalized at a future meeting since there are likely more Personnel Policy changes that need to be presented.</p>
<p><b>Technology Use Policy Revisions</b></p>	<p>Stokes told the board that the revisions proposed to the Internet &amp; Computer Use Policy are too big to be decided tonight. He proposed a presentation and review of the proposal for this meeting and taking action next month so everyone can have time to ready through the related documents.</p> <p>Included in the board packets are three documents: the <b>Internet &amp; Computer Use Policy</b> currently in effect, the revised version titled <b>Technology Use Policy with markup</b> of all changes, and the <b>Technology Use Policy with changes</b> adopted. The proposed changes transform the Internet &amp; Computer Use Policy into a more generalized policy. He has updated or removed outdated, inaccurate, and redundant passages and many elements that are more appropriate in a services manual rather than a policy document.</p> <p>The policy addresses <b>public exhibition of graphic violence</b> that had not previously been addressed concurrent with <b>exhibition of sexually explicit content</b>. The policy establishes a time, manner &amp; place limit on the activity. The library values first amendment rights and access to information but has an interest in controlling where &amp; how access to explicit graphic violence and sexual content may occur. For example, a person wishing to view graphic violence such as surgery, forensic or beheading videos, or view sexual</p>



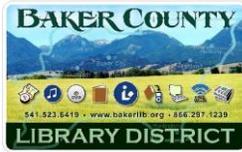
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	<p>content for medical information may be invited to move from a general computer lab to a tutor room for more private viewing or to use a monitor privacy film. He asked the board to take home the policy and the proposed changes to be discussed at the May board meeting.</p>
<p><b>FY2014-15 Year-End Budget Projection and FY2015-16 Preview</b></p>	<p>Stokes said he wanted to review the fiscal year-end projection. He will also be highlighting his plans for preparing the <b>budget for fiscal year 2015-16</b> and asked for the board’s input. Additional tax revenues are projected to be \$31,000 more than projected due to a higher valuation of County property (TAV). Prior revenues will be decreasing because collection rates have been strong in recent years; that line has been decreased by \$7,000. The E-Rate reimbursement line appears to be overestimated and will be adjusted down about \$2,000. The beginning cash shows a \$15,400 shortfall due to implementation of the accrual accounting method. Total revenues are projected slightly above budget.</p> <p>In <b>Personnel</b> expenditures, the business manager wage line will be adjusted to reflect the additional 5 hours a week that were granted effective January 1. One of the office manager wages lines is projected to be slightly over budget. He may have overlooked a step increase on this line. The hiring delays on three positions will result in a substantial savings of about \$23,000 in salaries. Nearly 40% of that will be required to cover the cost of additional desk operations under the Vacation Substitutes wage line that will be over budget. A savings of \$11,700 is projected in the health insurance also due to hiring delays. At this time, it appears there will be no health insurance deductible reimbursement claims this year. Overall, Personnel is projected at <b>\$45,782 under budget</b>.</p> <p>In <b>Materials &amp; Services</b>, the bulk of the Personnel savings, \$33,800 will be used to restore the Book budget. This will bring the Book budget up to 8.5% of the budget. Building \$ Supplies is projected at slightly under budget (\$2,200). In Corporate Costs, Insurance will be over budget at \$1,500; Travel &amp; Training is anticipated to be over budget by \$2,000 due to additional training; Association Dues is also projected to be over budget by \$1,200. Corporate Costs overall, will need to be expanded by \$5,900. In Other Operating Expenses, Children’s Programs will be increased by \$1,600 due to the expanding popularity of our seasonal and Summer Reading Programs. Utilities and Other Operating Expenses should be about \$8,000 under budget. Overall, an extra \$16,650 is anticipated to <b>increase the cash carryover to \$237,031, up from the \$218,121 budgeted</b>.</p> <p>Looking ahead to <b>Fiscal Year 2015-2016 goals</b>. In <b>Personnel</b>, Stokes said that it is a priority to promote branch staff up to the Library Assistant III category to be concurrent with increasing duties in recent years. A new staff with an</p>



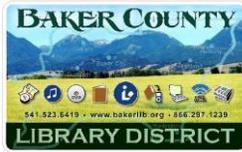
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	<p>MLIS degree has been hired, raising the cost for that position but also the number of staff with professional certifications which is an important standard for effective library organizations. The business manager position has added 5 hours and is eligible for a salary increase. The children’s program manager is budgeted to move up to Library Tech II level to compensate for increased duties. 20 hours from a retired staff will be redistributed to expand the media processor and book processor positions, leaving 12 hours a week to hire a part-time person needed to help cover the front desk. The Reference Librarian has been budgeted at 30 hours; that amount is being increased to 33 hours to reduce the recurrence of comp time accrual required for that staff to accomplish Collection Development and weeding projects. As for the director final management step increase (Mgmt D5), Stokes recommends retaining salary at the Management D4 level, perhaps to be reconsidered in a couple of years on his 10<sup>th</sup> anniversary (June 2017). He feels the current salary level is adequate and competitive with peer libraries.</p> <p>In <b>Materials &amp; Services for FY15-16</b>, Stokes plans to start the Book budget near \$100,000 (9.6% OPS budget). Building &amp; Grounds will be increased \$5,000 (to \$25,000) in order to cover anticipated projects. He feels there is a need to re-structure the cleaning contract. The cleaning schedule was designed when the prison crew came regularly and helped with custodial duties. The Library really needs custodial attention 5 days a week, at 5 hours an evening and \$13.00 an hour the contract would increase to \$18,000 (currently \$10,500 annually). He intends to put out an RFP for the contract renewal. He aims to increase the Computer hardware budget from \$5,000 to \$10,000. The Technology Specialist is working on a project plan and budget. Children’s Programs will increase by \$2,500 to fully encompass the Ready2Read grant funds. Debt Service will remain at \$2,000 for the Resort Street project due to the City over 14 years. The Operating Contingency minimum goal of \$215,000 (\$200,000 cash carryover plus \$10,000-\$15,000 for medical deductible) will continue to be sustained.</p> <p>Stokes referenced a report included in the packet, <b>2015-2016 Strategic Plan, Facility Needs &amp; Goals</b>. We have a grant to install a HVAC at the Richland Branch. The Baker Library again needs to have the eaves repaired. Both of the parking lots need resealed and new signage, both painted and installed on posts. The exterior lighting needs to be converted to LED in the future. He continued to review the list of upcoming facility needs and the list of service improvements.</p>
<p><b>Administrative Reports: Director’s Report</b></p>	<p>Stokes said that in light of the time nearing 8:00pm, his report could wait. There was nothing critical to share.</p>



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### Business and Financial Report

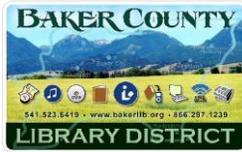
Hawes passed out financial reports and check packets for signatures. The **General Fund** received **\$9,149.78 in tax revenues** and the **final E-Rate refund** of \$451.95 (totaling \$2,918.30 billed) for the first 6-months of the fiscal year. There will be another E-Rate billing for 6 months covering January through June. One vendor declined to validate a funding request; the loss was \$144.90 for the 6-months billed to-date.

Our Technology Specialist has made **two special contract trips** to the Oregon Trail Library District; the first invoice has been paid, the second invoice of \$1,260.36 was mailed recently. We also wrote a check for \$100.40 to the Friends to transfer net year-to-date bookshop sales through PayPal. Children's Programs received a \$100 donation for summer reading. Checks written include Ingram \$2,096.46 (74% of the order was for new adult books) and Visa \$3,820.37 (books \$763.20 and movies \$1,078.03).

Other notable checks, **Alpine Alarm \$430** to install 2 phones, **Scotts Heating \$540.53** for the balance due on the air compressor repair last month, **Mike Bork Auto \$575.13** to replace the Bookmobile alternator, **Intuit \$449** (included on the visa) for the annual payroll subscription, **Quill \$1,220.42** for printer cartridges and copy paper, and finally, **Nero Network \$715.50** for Internet third quarter invoice. The **Upstart** invoice of **\$667.44** for Summer Reading Program supplies will be paid next week after the remaining merchandise on the order can be verified.

**Other Funds** – a check for \$100 was received from Phillip **Charette** on his account (balance due of \$200) and **Amazon book sales of \$161.78** in March. Donations totaling \$310 in memory of John Burgess received, along with **\$540 in donations** in memory of Tom Vaughan earlier in the fiscal year, were used to help pay for the two new chairs in the lobby. There were three checks for commissions \$124.28, Visa \$17.20 for postage to mail books, and Signs2Fit \$57.00 for staff appreciation engraving.

**Sage Fund** – Hawes wanted to highlight items on the Sage financial report for this meeting. The **LSTA grant** for the courier services is nearly spent with \$3,081 left in the grant. Of that \$56,952 has been invoiced and reimbursements received from the grant. The **cataloger grant** has received \$7,143 in reimbursements and is due to send in another request. Total catalog related expenditures total \$24,258 at this point (57% of the grant awarded). Checks written are for typical fund expenditures include 6 checks for courier services totaling \$2,267.54, SDAO health insurance \$1,358.16 (2 staff), and Hood River Library contract \$4,496.67 for the Sage System Technician. As an overview of activity, Sage reimburses the General Fund monthly for direct deposit of staff salaries, payroll taxes and PERS expense. Sage pays directly SDAO for its portion of the group health insurance, Lincoln



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	<p>National Life Insurance for group life insurance coverage, and the US Bank Visa for any Sage related expenses charged to that visa card. The Sage fund currently has a <b>cash balance of \$158,798.90</b>. The fund has <b>additional expenses budgeted of \$51,539 with a potential cash carryover of \$107,260</b> (budgeted <b>contingency of \$84,500</b>). Beginning cash received from EOU totaled \$102,118 (\$95,000 in June plus the balance in the account of \$7,117.96 couple months later).</p> <p><b>Other news</b> – The quarterly payroll reports were filed April 2. Hawes thanked Stokes for honoring her at the staff meeting last week for 10 years of service. Hawes read a card received from PERS titled “PERS Reporting Star” that said “You submitted 100% of your 2014 reports on or before their due dates...” And finally, an update on <b>E-Rate</b>. Fiscal Year 2015-2016 Category 1 (telephone and Internet) forms were filed in March. The funding approved totaled \$2,326 telephone service (covered at 50%) plus \$2,459 Internet services (covered at 70%), plus NERO Internet \$6,678 (also covered at 70%, vendor bills E-Rate direct); totals \$11,463.76 funding requested. This represents a decrease in funding of \$1,516.83 due to the decrease in telephone support implemented next fiscal year. Category 2 forms (equipment) were filed April 14 for the “Baker Update Project.” The project will start with replacing switches throughout the Baker Library building to improve wireless service at a cost to the Library District of \$6,124 (total equipment quote was \$20,262). Ideas for the second phase of the update project include re-wiring the Baker Library and branch wireless controller systems.</p> <p>Checks were signed and returned to Hawes along with the Approved Bills Lists that had been initialed by those present.</p>
<p><b>Next Meeting Date</b></p>	<p>The next regular meeting will be May 11, 2015 at 6:00pm. Items proposed for the May meeting include the fiscal year 2015-16 budget draft proposal and discussion of extending the sick leave benefit program to part-time staff.</p>
<p><b>Adjourn</b></p>	<p>The meeting was adjourned at 8:05pm.</p> <p>Respectfully submitted,</p> <p>Perry Stokes, Secretary to the Board</p> <p>PS/ch</p>