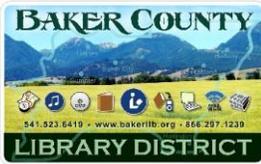


**Baker County Library District**  
 Board of Directors  
**Regular Meeting Minutes**  
 Monday, May 8, 2017

<b>Call To Order</b>	<p>Gary Dielman, President called the meeting to order at 6:00 pm. The meeting was held in the Riverside Meeting Room. Present at the meeting were Gary <b>Dielman</b>, Della <b>Steele</b>, Nellie <b>Forrester</b>, and Kyra <b>Rohner-Ingram</b>, Directors; Perry <b>Stokes</b>, Library Director and Christine <b>Hawes</b>, Business Manager.</p>
<b>Consent Agenda</b>	<p>Dielman asked if there were any changes to items in the consent agenda including tonight’s agenda and minutes from the previous meeting. There were no changes. <b>Forrester made a motion to approve the Consent Agenda as presented; Steele seconded; the motion passed unanimously.</b></p>
<b>Conflicts or Potential Conflicts of Interest</b>	<p>Dielman asked for any potential conflicts of interest. Rohner-Ingram stated that Sid Johnson &amp; Co is owned by family members so she will abstain from decisions with regards to the soffit repair estimate on the facility. There were no other potential conflicts stated.</p>
<b>Open Forum for general public</b>	<p>Dielman stated for the record that there were no members of the public present.</p>
<b>REPORTS: Director</b>	<p>Stokes reported highlights from the annotated agenda included in the board packets.</p> <p><i>Friends &amp; Foundation</i> – There is nothing to report from the Friends. They cancelled their April meeting. Also, no reports from the Foundation.</p> <p><i>Facilities</i> – Stokes is very pleased the District’s new facility specialist, Ed Adamson. He is highly skilled, communicates well, and has prioritized safety related projects. He has inspected the roofs on the Baker and Haines buildings for roof leak issues. He corrected the tripping hazard at the northwest corner of the building by renting a grinder to carve the sidewalk down to be in code compliance. He is in the process of putting together a storage building in a parking space in the north parking lot so the district can achieve its goal of moving certain equipment out of the building. After some deliberation, taking over one of the parking spaces seemed to be the best location for the shed.</p> <p>A project estimate is expected this month for what we hope to be a long-term repair of the building soffits. Jim Kauth of Sid Johnson &amp; Company met with Ed Adamson, Facility Specialist, and Stokes; they agreed that simple replacement of the exterior dry wall on the eaves was not a good solution since the materials themselves are unsuitable. Correcting the gutter &amp; soffit damage means stripping the soffits and rebuilding them. Ed</p>



# Baker County Library District

Board of Directors

## Regular Meeting Minutes

Monday, May 8, 2017

plans to add insulation to the area to minimize temperature fluctuations. The initial estimate appears to be a \$40M-50M project. Jim Kauth, Sid Johnson & Co, is working with SDAO's claim adjuster. Stokes said that project is dependent on insurance support. As an emergency repair it may not have to be put out for competitive bid. He will research the rules.

*Personnel* – The Halfway Friends of the library hosted a retirement party for Linda Bergeron at the branch library Saturday, May 6. The District had flowers delivered. Stokes was unable to attend due to a program already scheduled here at the main branch. However, Carmen and Christine made the trip to represent the District. Linda's replacement, Lourdes Cuevas, who recently moved to the Halfway area, has begun work. She is a licensed nurse practitioner and speaks Spanish.

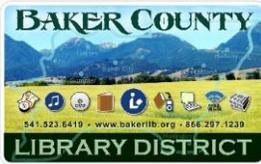
*Training* – OLA conference – Perry and two Baker library staff attended the Oregon Library Association conference in Salem. The new LEO Director Brian Vegter also rode along to attend. They felt it was a good conference experience, inspiring many new ideas. The group stopped at the Maryhill Museum on the way over and used library guest passes.

*Public Services* – The Free Comic Book Day event held Saturday, May 6 was very well attended. Over 100 people came the first hour with 480 door count for the day. The District had 1,200 comics and gave away 800-900 of them. This was the first time for such an event in Baker. All of the staff dressed up in costume for day. Patrons dressed in costume were awarded a prize; one could also win a prize by checking out a graphic novel from the library collection. Most prizes had been donated by staff Heather Spry. There was also a "cosplay" workshop that day presented by Alkali Layke of Boise on how to work with materials to make costumes. It was well attended, lasted 3 hours (he had anticipated 1-1/2 hours), and the Ms. Layke did a great job.

*Sage System* – The search for a Sage Tech staff continues. Since it has been posted twice with little response, the search committee suspects the wage is low. Options are being considered, possibly offering the position at reduced hours or as contract since Sage is unable to increase the salary offered at this time.

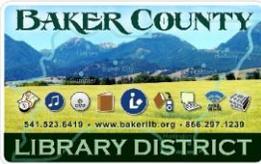
*Security* – Nothing to report in the security area.

*Statistics* – Check outs for April dropped by 11% compared to the prior



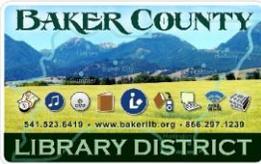
**Baker County Library District**  
 Board of Directors  
**Regular Meeting Minutes**  
 Monday, May 8, 2017

	<p>month. Historically March is a peak circulation month, followed by April and May that are two of the lowest activity months so the decrease was expected.</p>
<p><b>Finance</b></p>	<p>Hawes passed out check packets for signatures with the financial reports having been handed out at the start of the meeting.</p> <p>The <b>General Fund</b> received <b>tax turnovers</b> of \$7,262.55 on May 1<sup>st</sup> with current taxes being 97.5% of budget while the prior taxes are at 121% of budget.</p> <p>In <b>Revenues</b>, looking at #4066 Grant Revenue line, the LED project rebate of \$22,044 was moved from the building expense line to revenue for correct reporting. The OTEC Rebate was received in December 2016. A few lines down, looking at #4307 E-Rate Refunds, Stokes realized last month while preparing the budget, that the E-Rate projects (Phase 2 and 3) had been budgeted in General Funds. The project activities were recorded in Other Funds where last year's project (Phase 1 of the Internet service update) had been budgeted. The project activity has been moved to General Fund with reimbursements from E-Rate totaling \$15,364.80. In addition, E-Rate refunds estimated at \$2,640 for January-June telecom refunds are yet to come; those forms will be filed in June so the funds usually arrive in July.</p> <p>In <b>Personnel</b>, one more staff deductible reimbursement claim is anticipated to come in soon. At this time Personal Services is on target, in total.</p> <p>In <b>Materials &amp; Services</b>, a check to Ingram books for \$2,449.52 was a small order this month, with another \$3,894.79 in book budget expense through other sources (mostly visa) as noted next to the detail lines. Stokes added that a large order is in process for Ingram. The book budget has \$8,800 left for the fiscal year end. In Janitorial, a check for \$1,495 to Goertzen Janitorial, the first check to the new service. Travel &amp; Training is currently overspent by \$663 with more expenses to come when Stokes and Hawes travel to Redmond for an HR Workshop in June. March travel and training expenses on the visa include OLA conference lodging of \$944.04 and travel costs \$341.50 for a rental car plus fuel. In Youth Programs, the Battle of the Books program expenses included team T-Shirts \$480.75, program books \$86.35 and pizza party for the participants of \$146.76. The Friends of the Library paid for half of the T-Shirt costs and the pizza party totaling \$387.13. Hawes stated that the Visa will be paid on the next check run because the online statement was not ready for today and some receipts are still coming in. However, the detail was</p>



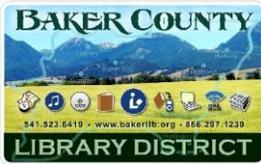
**Baker County Library District**  
 Board of Directors  
**Regular Meeting Minutes**  
 Monday, May 8, 2017

	<p>posted to Accounts Payable so that the financial report reflects expenses this month.</p> <p>On page 7, looking at line #7000 <b>Capital Outlay</b>, a total of \$70,313.95 has been posted to this line. This includes the LED project expenses of \$49,272.95 moved from the building line and the corresponding OTEC rebate moved to revenues. It also includes the E-Rate projects (Phase 2 and 3) expenses of \$21,041 moved from Other Funds to this line and the corresponding refunds posted to revenues where the projects were budgeted. The line below that, a <b>Debt Service</b> payment of \$1,000 is due in May. In prior years, payments sent in May prior to being invoiced can be problematic payment by not getting acknowledged. After talking to the City accounts payable office, they asked that the District wait for the invoice. And finally, the current cash balances have been noted on this page with a prior year comparison shows that the District is ahead by \$17,000 compared to this same date.</p> <p><b>Other Funds</b> received \$343.96 in April for Amazon book sales bringing the total gross sales for the fiscal year to \$5,275. The budgeted transfer of \$4,000 out of these funds has been made to the General Fund. There were 3 checks written totaling \$255.18 for sales commissions. Also note that the E-Rate activity shows zero this month, having been moved to General Fund and reimbursed for the net expense. Current cash balances are noted on this page for reference.</p> <p><b>Sage Fund</b> membership dues are 100% paid by the member libraries with Accounts Receivable of \$376 left of the \$1,580 billed for CatExpress subscriptions. A report was sent to Beth Ross to follow-up on Accounts Receivable. In Materials &amp; Services, notice the first two categories show zero spent, there will not be an auditing expense this year and administrative services fee will be paid in June. Under Technical Services, a check for \$2,000 was written April 28 to Libraries Technology for record maintenance and the final Systems Librarian paycheck was issued March 13 including a benefit payout. The visa currently includes \$264.36 primarily for courier expense postage that will be paid on the next check run. Again, the current cash balance has been noted on this page. The fund cash is well ahead of the same date last year.</p> <p>Checks were returned to Hawes having been signed and approved.</p>
<p><b>Old Business: Earthquake &amp; Equipment</b></p>	<p>Stokes reported that the cost of this insurance was higher than he remembered at about \$5,000. Since he didn't get the impression that earthquake insurance was a great concern of the board, and with the</p>



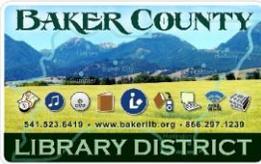
**Baker County Library District**  
 Board of Directors  
**Regular Meeting Minutes**  
 Monday, May 8, 2017

<p><b>Insurance</b></p>	<p>budget constraints, he recommends dismissal of the proposal at this time. Dielman said he has studied area geology. He feels an earthquake is a minimal risk. The group agreed to dismiss this topic this fiscal year. Stokes wanted to address equipment insurance. The equipment failure insurance could be worth the cost; he will have more of an idea as he and Ed Adamson build a long-term facility management plan. Some major equipment such as the HVAC system and roof is aging.</p>
<p><b>New Business: Unused Sick Leave Payout for Part- time Staff</b></p>	<p>Stokes said that a question of how to handle paying out unused sick leave for part-time staff below 20 hours/week has been brought to his attention. The District is mandated by law to provide sick leave, but not required to pay out unused accrued leave. The District’s policy is unclear on the issue. Stokes recommends that the policy be consistent for part-time and full-time staff with payout of half unused accrued sick leave.</p> <p>Rohner-Ingram asked for a review of the policy language. The policy does allow for a payout at one-half if the employee is vested, having worked 5 or more continuous years. Rohner-Ingram agreed that all employees should be treated the same and recommended to make this clear in the policy. She believes the policy can currently be understood to include all employees at this time and recommends paying one-half of unused sick leave hours at the last rate of pay to both branch staff who recently ended employment with the District. Stokes asked if we need a motion. Rohner-Ingram stated that she believes the board has agreed by consensus that they have interpreted the policy to say that the payout of unused sick leave applies to both full-time and part-time staff for this inquiry. The policy could be improved at a future date to make it clear. All those present agreed to the consensus opinion.</p>
<p><b>FY2016-2017 Budget Revision</b></p>	<p>Stokes reviewed the Supplemental Budget resolution and summary found in the board packets. He handed out detail sheets to supplement the resolution.</p> <p>On the summary, the General Fund, Personnel Services is decreased by \$16,000, Materials &amp; Services increase slightly, and contingency increased by \$47,000 due to additional funds received this fiscal year.</p> <p>The Other Funds budget is increased to cover grant activity while Sage fund remains unchanged. Looking at the detail sheets he handed out, highlights of Personnel changes include decreases in personnel lines to cover actual wage expense and corresponding decreases in anticipated retirement and payroll expenses for a total decrease of \$15,800.</p> <p>Highlights of changes in Materials &amp; Services include increasing the book</p>



**Baker County Library District**  
 Board of Directors  
**Regular Meeting Minutes**  
 Monday, May 8, 2017

	<p>budget by \$3,000, an increase to travel of \$1,050 to cover the overage plus anticipated staff travel, a decrease to insurance of \$3,150 and an increase to utilities of \$1,415. With no further questions, Dielman asked for a motion.</p> <p><b>Rohner-Ingram made a motion to adopt Resolution No 2016-17.004 titled Resolution Adopting Supplemental Budget 1; Forrester seconded; motion passed unanimous.</b> Dielman signed the resolution.</p>
<p><b>FY2017-18 Budget Proposal Draft 2 Approval</b></p>	<p>Stokes handed out an overview report of the proposed fiscal year 2017-2018 budgets. The far right columns on the detail sheets are the proposed budget. The County growth rate dropped from an anticipated 4.5% to an actual 2.7%. The largest decrease in over 10 years. He has projected next year's tax revenues based on a projected 2.5% growth, slightly below the current rate. Prior taxes were high due to the sale of the Sunridge hotel, so this year was an anomaly. He has projected prior year taxes slightly above the historical average. E-Rate funds are reduced to cover Internet services at 80%; the projects are complete. The cash carryover will retain more than we anticipated increasing from \$235,000 to \$247,000, which is a nice surprise given the large capital improvement projects. Looking at the detail sheets, proposed budget columns, he estimated tax revenues will increase by \$11,000. There are two place holder lines for Special Contracts and Job Training Programs. The District is no longer outsourcing its IT Systems Manager. That line could be dropped next year when the historical detail no longer has to be displayed; the same goes for the Job Training Program. The District currently is engaged with a work experience program.</p> <p>Personnel has some big changes. Long-time employee, Sara Durflinger, is retiring at the end of June. Her position of co-manager will be eliminated; those hours will be redistributed to cover duties. The IT Manager has requested to work 32 hours a week. He needs to reduce his work load mostly due to health issues. The balance of hours will help fund retainer of a paid IT intern, whom Jim can train as a possible successor. The reduction of White's hours is a savings of about \$10,000 and will more than pay for the intern. The facility maintenance position hours are being increased from 16 to 19 hours a week to allow for increased work on building projects. Maintenance projects have been mounting as the facilities age. As seen in the news, PERS is implementing a huge increase in rates. In the current year, the District budgeted \$60,000; actual is estimated at \$56,000. However, next year's budget for PERS is \$77,618, an increase of \$16,800. The PERS increase ate up an entire position.</p>



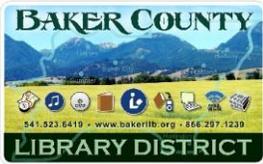
# Baker County Library District

Board of Directors

## Regular Meeting Minutes

Monday, May 8, 2017

	<p>Stokes was able to preserve COLI of 2% for all staff. The inflation rate has been 3.1%; in 2016 2.5%. Last fiscal year the District also gave a COLI of 2% in attempt to keep salaries from losing ground to inflation. In total, net Personnel costs are increasing by \$9,500.</p> <p>Materials &amp; Services changes are moderate. The book budget was dropped by \$4,000, starting out lower than last year. This is historically typical and is increased as unanticipated funds come in throughout the fiscal year. The janitorial contract increased by \$6,500 with a need to increase services to make up for the loss of Powder River inmate crews. Insurance will be reduced by the \$3,000 for dismissal of the proposed additional earthquake and equipment coverage that was budgeted. Public Programs remain high for expansion in that services area. Telecom is increasing for the Huntington Internet upgrade. In total, expense categories increase by \$5,000.</p> <p>Budgeted transfers remain the same. Contingency is estimated at \$243,000 (\$43,000 more than the original budget). The goal is to grow the contingency fund to \$300,000. Other goals include expansion of marketing efforts such as development of a new logo and expanded use of social media.</p> <p>Looking at ratios for General Fund. The book budget will start out at 8.5% of budget (the goal being 9-10%); Personnel is at 69% of budget (just under the recommended 70% goal); Materials &amp; Services is at 31% of budget (just over the 30% goal).</p> <p>Other Funds highlights - The cash on hand is projected at \$145,000. Interest budget was increased to \$1,000 and Grants decreased to \$10,000 with less grant activity anticipated.</p> <p>Sage Fund – The budget has been approved by the Sage Council. Cash on hand is estimated at \$150,000 (an increase of \$40,000 over the prior beginning cash). Membership dues will increase by 3% this year. Sage is working on growing funds to operate on its own reserves and pay for quality staff. The only grant is the LSTA grant that subsidizes the courier system. The staff will also receive a 2% COLI and PERS will increase by an estimated \$3,400. There is one new item on the budget of \$12,000 intended to demarcate old restricted funds that are due to outside entities.</p>



Baker County Library District  
Board of Directors  
**Regular Meeting Minutes**  
Monday, May 8, 2017

<b>Next Meeting Date</b>	The next Board meeting will be June 12, 2017 at 6:00pm. The budget committee will meet Wednesday, May 25 at 5:00pm.
<b>Adjourn</b>	The meeting was adjourned at 7:57 pm.  Respectfully submitted,  Perry Stokes, Secretary to the Board  PS/ch