

LIBRARY BOARD MEETING SILVER FALLS LIBRARY DISTRICT

Tuesday, November 22, 2022
Silver Falls Library Program Room or via Zoom
410 S. Water St., Silverton, Oregon

Board Members Present:

Michael Milhausen
Kathy Beutler
Ralph Sorensen
Ingrid Green
Dmitry White

Staff Present:

Christy Davis, Director
Stacy Higby

Public Present:

None

Board Members Absent:

None

CALL TO ORDER

Chair Milhausen called the meeting to order at 5:42 p.m.

REVIEW OF AGENDA

No changes

Typo – financial reports should be October, not September.

APPROVAL OF MINUTES

- Question about trespassed patron, not officially trespassed through the police, but still hasn't paid restitution so is still not allowed in the building yet
- Typos on page 3, #2 and again on page 4, #4 – Motion needs a beginning parenthesis.

Motion: To approve the October 25, 2022, Board Meeting minutes as corrected
(Motion by: Dmitry White. Second by: Ingrid Green).

Vote: Unanimously in favor.

PUBLIC PRESENTATIONS

None.

FINANCIAL REPORT, OCTOBER 2022

The Board received and reviewed the following reports:

1. Statement of Assets, Liabilities, and Fund Balances (as of October 31, 2022)
2. General Fund Statement of Cash Receipts (as of October 31, 2022)
3. General Fund Statement of Cash Disbursements (as of October 31, 2022)
4. Check Register – Citizen's Bank (October 1-31, 2022)
5. LGIP Account Statement (as of October 31, 2022)

6. Purchase Order – Visa (closing date October 26, 2022)
7. Journal Entries (as of October 31, 2022)

STATEMENT OF CASH RECEIPTS:

Board Question: Are the tax turnovers coming in as expected? They have started to arrive, but not in the amount we have seen previously. New software may be responsible, or just the way the revenue is coming into the county

STATEMENT OF CASH DISBURSEMENTS

Board Question: On the Visa statement, what are ILLs? Inter Library Loans.

Motion: To approve the OCTOBER 2022 Financial Report as presented, including checks #17147 through and including #17169 and all EFTs, for a total of \$86,735.08.

(Motion by: Kathy Beutler. Second by: Dmitry White).

Vote: Unanimously in favor.

OLD BUSINESS

1. **Review revised draft of Policy Manual Chapter 4, Part 13, Whistleblower Policy**

Motion: to approve the revised Whistleblower Protection Policy as presented.

(Motion by: Michael Milhausen. Second by: Ralph Sorensen).

Vote: Unanimously in favor.

Stacy will send out a digital version of the completely revised policy manual and will print it for those who want an updated hard copy.

NEW BUSINESS

1. **Michael and Christy report on architect's visit to Library**

Michael and Christy met with Dana Smith from Second Nature Construction, and they looked at the Library, its blueprints, and discussed ideas of which projects are possible and which are less feasible. Discussion included switching the teen and periodical rooms, building out study carrels to become private study or small conference rooms, extending the Library out on the backside of the building to become an enclosed area for leisure reading and meetings, moving the reference desk, and acquiring the Fischer Building. The Fischer Building has moisture concerns. The reference desk can be moved without an electrical upgrade. Christy will contact Oregon Correctional Institute about making a standing desk and get an idea of how much to include in next year's budget. A shared wall between periodicals and the teen room could mean a significant reduction in the expected cost, as partial walls are less expensive and do not require tempered glass. The next step is getting a designer or architect who can give us a ballpark estimate. How we go about the major work will depend on how the Board decides to fund it.

2. **Michael and Christy report on parking lot history**

In 1996, when the Library was expanded, it purchased 43% of the parking lot at the Community Center to fulfill parking requirements. The City proposed that the Library purchase the lot and calculated our share. The Library paid on it for 6 years, with the City carrying the interest on the loan, and the final payment was in 2001. The cost was \$92,000, consuming about ¼ of the bequest that had been donated to expand the Library.

The lease on the Community Center is up at the end of 2023, and the Oregon National Guard

will not be renewing it with the City. When and if that building is sold, new owners will likely want to also purchase the parking lot for their use. Christy's first choice would be to trade our interest in the Community Center parking lot for a portion of the lot between the Library and City Hall, and add this to our lease with the City, with the City continuing to maintain the lot.

The number of parking spaces required is probably mandated by the State or Marion County but could be the City. We will find out more about the requirements, and budget numbers for the lot on the North side of the Library. The Library will likely need to hire counsel for any sale, purchase, or lease of properties. Jeff Gunter from the Budget Committee would like to be involved.

3. Requirements for starting a nonprofit foundation in Oregon

Starting a nonprofit takes longer and is more involved than it used to be. Filing fees will be about \$200-\$300 just to get started. A foundation formation expert Christy worked with in Klamath told interested people that everyone involved needs to give either their time, treasure, or talent, but that their treasure would be needed first to start it. The minimum number of people for a nonprofit board is 3, a president, vice-president, and secretary/treasurer. Christy will ask around to learn if the Board or the Director should be getting people involved. Staff at Klamath did a tremendous amount of work to get their library foundation started, but it's inappropriate for people being paid by tax dollars to do the work of a nonprofit organization. Christy would love a foundation if they were enthusiastic and wanted to do the work without making library staff write the grants or run the fundraisers. Dmitry thinks the town and outlying areas would support a library foundation but wants to be very strategic about starting it. The Board would like to learn more about other library districts that have foundations and what their revenue is. Wilsonville and Bend both have foundations, but they no longer need to raise money for capital improvements, so they use the money they raise for community enrichment. Seaside and Klamath County both also have foundations.

4. General Obligation Bonds or financing

Christy and Stacy met with David Ulbricht from SDAO. He was a long-time investment banker who moved to the other side of financing after Dodd-Frank. He explained in clear, easily understandable language the difference between funding through a General Obligation Bond (GOB) and a Local Option Levy (LOL). If the District needed money for operations, we could use a operating levy for up to 5 years. A capital improvement levy can be for up to 10 years. With a LOL, the funds are collected from property taxes over that time and are then used. A potential risk is that the cost of the operations or improvement project could go up during that time, leaving a district with not enough funds to complete it.

A GOB is essentially a loan, giving the district the amount up front, while collecting tax revenue until it's paid back, for up to 20 years. Districts must consider what their voters are more likely to tolerate, a higher tax bill for a shorter time, or a lower amount for a longer period, which would mean paying more in interest on the loan. The amount a district can borrow under a GOB is based on the real market value of the district, which in our case is over \$3 billion. The Library can borrow up to 2.5% of that amount, which is up to \$97 million. A LOL is based on the total assessed value and is affected by both compression and the Urban Renewal District, unlike the GOB. David would help with choosing the best option for the District and taxpayers, and would only get paid for his service if the District is successful, with his fees built into either option. It should be a slow and thoughtful process, holding meetings to inform the taxpayers about what it will go toward and why it's important. A subcommittee or political action committee would be beneficial.

5. Discuss videoconferencing needs for the Library

Chris Rasmussen from Hear No Evil came out with an assistant to write a proposal for our system. The first proposal was \$28,000. This "total immersion experience" is not in our budget. The revised proposal is \$11,000. The Board voted previously via Budget Resolution to use the rebate from

Lumen Technology (just under \$10,000) for this project. We were going to purchase a new laptop and printer with the rebate also, but Becky Elligsen from Technical Services used Staples Rewards for those. Procurement policy requires three quotes for this work, so we are looking for more bids. Christy will ask our IT support from City of Woodburn if they have any suggestions and will gather more information.

Christy showed pics from Eugene of sound clouds and will find out costs.

LIBRARY DIRECTOR'S REPORT

Director Davis reported on the following:

Good things:

- Monday afternoons we're hosting a teen gaming time in the program room for a couple of hours. The program has been well attended and is growing.
- Our custodian, Nathaniel DenHartog has been with us a little over a year. He created a phenomenal binder of his work duties, supply needs, special projects, and instructions. It's so impressive that we're sharing it with you.
- Today local archivist and librarian Carrie Caster put in her first hour of work to evaluate our closed stacks for preservation and display. The Friends of the Library voted to pay her for 10 hours of labor this remaining calendar year and up to 30 additional hours in the coming year to make progress on this very important project.
- The Friends of the Library have been raising money for the mural. There is now less than \$1500 to go and we're really hoping to get that before the end of this year so that our muralist and the fabricator for the mural itself can get started during the winter months. We've had two donors give \$1000.
- We have two new employees in the Circulation department who are working 20 hours per week. They have been with us now for a couple of weeks. They are Hilda Kleiman and Rio Cunningham.

Challenges:

- I need to find two more AV installers to give us quotes to be within the procurement rules. Any suggestions?

Changes:

- Amazon is ending its business line of credit program in January. Moving forward, we will use Visa for Amazon purchases.
- We received the Draft Financial statements from our new auditors yesterday. Because we've transitioned from Modified Cash Basis to Cash Basis, they look a little bit different, and Stacy and I have not yet had the opportunity to review and discuss them together. We anticipate getting back to Isler next week and giving them the go ahead unless we see an issue. Stacy will forward the draft financial statements to Michael.
- Interest rate has increased again to 2.85% on the LGIP account.

Miscellaneous:

- The Kiwanis fundraiser for Dolly Parton Imagination Library, Every Child A Swimmer, The Pet Parade, and educational scholarships is back on! We're doing a trivia bee on Friday March 10.
- Dolly Parton – 182 children have graduated and 185 are currently enrolled.
- Today, Wayne and Susan Suggs moved back to the Tri-Cities area of Washington.

Director's time off since last report: 23 hours of vacation time and 8 hours of sick leave.

ITEMS NOT ON AGENDA OPEN TO PUBLIC, BOARD & STAFF PARTICIPATION

Ingrid and Kathy are coming to the holiday party. White elephant gifts are not to exceed \$15.

ADJOURNMENT

Motion: To adjourn the meeting at 7:49 p.m.
 (Motion by: Michael Milhausen. Second by: Ralph Sorensen).
Vote: Unanimously in favor.

The next Library Board meeting is scheduled for Tuesday, January 24, 2023, at 5:30 p.m. in the library program room.

Approved: _____(date)

 Michael Milhausen
 Chair, Library Board of Directors
 Silver Falls Library District