

North Central Washington Libraries
Board Minutes

August 19, 2021

I. Call to Order:

Kathleen Allstot called to order the August meeting of the NCW Libraries Board of Trustees at 1:04 PM August 19, 2021. The meeting was held via Zoom teleconference.

II. Attendees:

The following persons attended: Board Members Kathleen Allstot, Katherine Meade, Denise Sorom, Nancy Spurgeon, and Jill Sheley. Barbara Walters, Executive Director; Mike Githens, Director of Finance; Aaron Floyd, Director of IT; Tim Dillman, Executive Assistant.

III. Guests:

No guests present.

IV. Consent Agenda:

Kathleen asked if there were questions or corrections for any items in the Consent Agenda which included the:

- a. Minutes of the July 21 Board Retreat
- b. Minutes of the July 21 regular board meeting
- c. Payroll & Vouchers
 - i. July Payroll for \$512,594.90 and Benefits for \$190,476.83
 - ii. July Accounts Payable for \$289,233.88

Denise Sorom moved to approve the Consent Agenda as presented.

Katherine Meade seconded the motion which passed unanimously.

V. Gift Policy

The board was provided a second reading of the Gifts Acceptance and Naming Policy. Barbara reviewed changes that had been made to the policy since the first reading. Kathleen commented on the naming section and the positive changes made to that section. She said she assumed some training would be provided to staff upon the passage of the policy. Jill asked how this naming section would apply to the current project in Winthrop. Jill said she would need to process the changes and if it is adopted present it to the FOWL board. Denise asked Jill if any NCW Libraries staff had been involved in any Winthrop naming discussion up to this point. Jill said no. Denise commented that it will be helpful to have Jill's knowledge and input on the policy from her current role with FOWL. Jill asked for clarification about donor recognition versus naming. Kathleen clarified the difference. Denise expressed that need for collaboration between donors, building owners and the library. Jill was not ready to adopt the policy and the board agreed to table action until the September meeting.

VI. Executive Report

Barbara notified the board of the ARPA funds that the library received from the WA State Library. NCW Libraries received \$73,000. This grant money will be spent to move forward

with the Microsoft migration project that IT has been planning.

Barbara gave an update on the work with Nash Consulting. The dates for leadership workshops have been moved back to start in October due to vacation scheduling. Ethan Nash has begun holding 30 minute one on one meetings with district leaders to gather baseline information that will better inform the workshop trainings.

Barbara gave an update on the staff bargaining units and the timeline for election. Kathleen asked if PERC has given any updated timeline. Barbara said it is looking like a decision will be finalized in 2-3 months. Denise asked if the statement the board drafted on the union went out to staff. Barbara said that it had.

Barbara shared with the board details about the PLA committee she has recently joined.

VII. HR Report

Mike shared some updates from Human Resources. There has been a lot of hiring happening to replace positions that have been vacant. For the most part branch positions are primarily all filled. Mike commented on the competitiveness of the current job market.

The Finance department has been working hard to get the HRIS system set up and ready to implement. Personnel data is being uploaded and reviewed to ensure benefits and deductions are in the system and accurate. They will be testing leave accruals. The timeline for go-live has been moved to December 16, with the first payout from the system on January 6th.

Mike shared with the board that Confluence Health and Primera are in negotiations on reimbursement rates and Confluence has announced they do not intend to be an in-network provider for Primera at this point. Mike is working with WCIF to locate another provider. The WCIF representative believes that these negotiations will likely be worked out. Mike told the board that we are not the only major local employer facing this situation, but a decision will need to be made on our insurance carrier by October so that employees can be ready for open enrollment in November.

Washington State legislature passed a long-term care law which goes into effect January of 2022. The law requires employers to collect money from employees that goes into a trust fund managed by the state. NCW Libraries provides long term care benefits to employees, but we do not know yet if that coverage will meet the criteria for employees to claim an exemption from the deduction.

VIII. 2022 Budget Planning

Mike shared that currently managers and directors are working on their department budgets. In September the district will be reviewing the fiscal management policy with the finance committee. In October the board will get a budget status update. In November the board will hold the first public hearing of a draft budget. In December the board will hold the second public hearing and make final approval of the budget, which will include approval of the general fund, the capital fund, the strategic initiative fund, and certifying the levy rate.

Mike had the board review the current state of the fund balances. These accounts have been balanced to the Chelan County Treasurer. Mike pointed out that the June 644 Balance doesn't match perfectly with what the board approves in the consent agenda. This is because the county doesn't treat the district totally as a cash basis system, but the board approves actual expenses and so the two numbers don't always match.

The district is sitting on account balances of just over \$20.2 million at the end of July.

IX. July Financials

Mike shared with the board that finance had to run two separate payrolls in the last pay period, and this was not reconciled yet with the county. This was due to a handful of timesheets not being ready at the first check run. Mike reviewed the July revenue which showed just over \$106,000 in property tax this month. The district is at 56.46% of projected revenue for the year.

In expenses, wages and benefits represent 67% of overall expenses and the district is underspent in this category. Several factors are at play, including the time it takes to fill vacant positions, the fact that a few positions have been strategically left vacant until there is the capacity to fill them, and the fact that library assistants did not start returning to work until March/April but were budgeted for a full year.

Professional services is high due to increased legal services. Library books and materials is overall underspent. Spending for digital services has been higher than anticipated and the budget in this category is at 67% of annual budget.

Jill asked when the board sees line items that are significantly over or under budget, how involved should they get. Is it better to focus on line items, sections, or the overall budget? Mike answered that the auditor looks at the bottom line and whether as a whole the budget is over or underspent. Mike respectfully likes to bring it to the board's attention when a category is over and initiate a budget adjustment to account for the variance from the approved budget.

Denise asked what sources Mike would be pulling from to establish a recommendation on COLA for 2022. Mike will be looking at the Seattle consumer price index (CPI) as well as looking at what the Chelan and Douglas PUDs, City of Wenatchee, and Chelan and Douglas Counties are recommending for their COLAs. Mike said it will probably be a bit larger of a percentage than typical due to inflation and the desire to keep the salary scale current and competitive.

X. Branch Report

Tim shared that the Summer Library Program will be wrapping up at the end of August. Service Managers are facilitating surveys for patron feedback on the program. Tim also mentioned that a new state mask mandate will go into effect on Monday, August 23 which will once again require all patrons to mask in libraries, regardless of vaccination status.

Tim spoke briefly on the effects that some branches are seeing related to recent Washington legislation related to law enforcement. Area Managers are brainstorming and researching other partners that can be included on call lists for certain types of situations. In addition, Area Managers are encouraged to build positive relationships with local law enforcement to create connection and mutual understanding.

Tim shared details about Gale, the new resource that WA State Library has contracted with for research resources. This resource is available to the general public with a library card. Tim also announced the recent addition of Comic Plus to our digital resources. The Comics Plus service provides digital access to thousands of graphic novels, comics, and manga, as well as classroom lesson plans.

Tim briefly mentioned the work that is being done to establish Lucky Day collections at the branches. More information on this project will be presented to the board in September.

Denise asked for clarification on the role of the Branch Operations Director and Barbara took some time to clarify the position and the plan for rehiring.

VII. IT Report

Aaron shared that he has been working with Mike on realigning the IT budget to better correlate with district needs. He has been working on a 3-year rolling budget for the department to provide better sustainability for the district. Aaron shared that the Microsoft migration plan is very close to kicking off in the next couple of weeks. Kathleen asked what an active directory is, and Aaron answered that it is Microsoft's enterprise management solution. It allows IT to provide a very high level of support and security. The Microsoft migration plan is broken down into five phases. IT will provide duplication of resources with Google products up until phase 5 when all staff are transitioned to Outlook email. Currently IT's goal is to complete the migration by the end of 2021.

Aaron closed his report by reviewing the 8 active projects that IT considers mission critical.

VII. Announcements

Kathleen asked the group about future meetings and the possibility of hybrid meetings. Aaron said that all the IT equipment can be ready to make that happen in September. Kathleen said she would like to meet in person for the October pre-budget presentation. The board agreed to meet online in September and in person in October.

The meeting was adjourned at 2:40 pm.

Respectfully submitted,

Kathleen Allstot, Chairwoman

Katherine Meade, Secretary

