

NCW Libraries Board Minutes
October 15, 2020

I. Call to Order:

Denise Sorom called to order the September meeting of the NCW Libraries Board of Trustees at 1:01 PM October 15, 2020. The meeting was held as a Zoom Teleconference and was open to the public.

II. Attendees:

The following persons were present: Board Members Denise Sorom, Katherine Meade, Jim Brucker, Jim Mitchell, Lisa Karstetter, Nancy Spurgeon, Kathleen Allstot. Barbara Walters, Executive Director, Kim Neher, Deputy Director, Angela Morris, Director of Collections and Services, Mike Githens, Director of Finance, Bill Carroll, Director of Branch Operations, Chad Roseburg, Associate Director of IT, Tracy Hazen, Director of HR, and Tim Dillman, Executive Assistant. Courtney Tiffany, Wenatchee Senior Branch Manager.

* All attendees participated via Zoom.

Guests:

Sarah Partap, Doug Smith, and Matt Lersch- Meng Analysis

III. Consent Agenda:

Denise entertained a motion to approve the consent agenda which included the:

1. October Meeting Agenda
2. Minutes of the September 17, 2020 regular board meeting
3. Payroll & Vouchers
 - i. September Payroll for \$477,232.17 and Benefits for \$182,098.99
 - ii. September Accounts Payable for \$258,358.47
4. Staff Reports

Jim Brucker moved to approve the Consent Agenda as presented.

Katherine Meade seconded the motion which passed unanimously.

IV. FCA Presentation

Tim introduced Sarah Partap, principal for Meng Analysis. Sarah introduced Doug Smith and Matt Lersch. Sarah gave a brief overview on the history of the FCA project and the initial scope of work. FCA tours were completed in July on all 31 of the NCW Libraries locations. Meng then went through a qualitative analysis and quality control process to assess observed deficiency costs, predictive renewal costs, and individual replacement costs. Meng has now provided NCW Libraries with an overview report of the entire library system as well as individualized reports for each location.

Denise asked NCW Libraries staff if there were any surprises that came out of the reports. Kim commented that it was a pleasant surprise to see that some of the buildings were not rated as low as had been suspected. Kathleen asked what cities have thought about the reports so far. Kim answered that NCW Libraries is still working with Meng to finalize the individual reports and come up with a plan for how to distribute them.

In response to a question about common themes in the reports, Doug reported that fire safety was a commonality, with most libraries not having a fire alarm that reports to a monitored site. One

third of the libraries had ventilation issues. Several of the buildings have older style lighting that is inefficient and hard on the eyes. Doug said there is no consistency in security systems.

Kathleen asked what Doug suggested the library say to city engineers that say a library building is not required to adapt to current code. Doug said that the COVID-19 challenges provide some good reasons. For example, some older schools are being required to provide minimum amounts of ventilation in older buildings. Doug suggested that the library may be able to use published K-12 regulatory requirements as justification for upgrade requests.

Nancy suggested that the information in the report could prove very helpful for applying to various grants. Doug agreed and said that it is very common for clients to use the data in the reports in development plans.

Sarah briefly showed the Microsoft BI dashboard that Meng provided as part of the project.

Denise asked Sarah and Doug if any of their previous clients were comparable to the library system. Sarah and Doug could not recall a client with this many buildings which they did not own.

V. Resolution 20-19- Establishing a Jury Duty Policy

Kathleen Allstot moved to approve the resolution.

Katherine Meade seconded. The motion passed unanimously.

VI. Wenatchee Public Library Ownership

Barbara reviewed the memo that was provided by NCW Libraries' legal counsel. Denise pointed out where the memo shows NCW Libraries has been responsible for 65% of the renovation. She felt the memo should be elaborated upon to show what percentage the City of Wenatchee provided. Jim Brucker asked if the issue of Wenatchee Library would have any effect on negotiations with Moses Lake. Barbara said that she did not know.

Denise shared the reasons that she is supportive of NCW Libraries taking full ownership of the Wenatchee Library.

Nancy Spurgeon moved to authorize the Executive Director to continue to pursue an arrangement with the City of Wenatchee that would result in full ownership of the Wenatchee Public Library.

Lisa seconded the motion. The motion carried.

VII. Director's Report

Barbara reviewed the plans for reopening libraries to the public on November 2nd.

Barbara shared that library visioning workshops with Margaret Sullivan Studio will commence next week and the work will continue throughout the next 4 months.

Barbara then reviewed the history of discussions with the City of Moses Lake related to the Building Use and Maintenance Agreement. The board encouraged Barbara to continue to seek

an equitable short-term resolution and approved the plan to provide for the janitorial costs at Moses Lake Public Library.

VIII. Financials

Mike reviewed the September 2020 financials. As expected, there is not much revenue that came in in September. \$158,000 in tax revenue was reported. This is possibly due to housing sales.

On the expense side of the 2020 budget, the supplies budget item continues to be higher than planned due to COVID related supplies. Digital services are also high. The library is projected to end the year at around 78% of budgeted expenses.

Mike notified the board that he is working on getting an updated balance sheet for the Wenatchee Library remodel for the November board meeting.

Denise asked where the library will be starting to save for some of the cost on anticipated replacements. Mike said that he will speak to this when reviewing the 2021 budget.

IX. 2021 Budget Review

Mike transitioned to talking about the 2021 budget. Mike suggested that a policy needs to be developed for how the ending funds in the general fund get saved and distributed to different funds. Mike outlined several funds that the library needs to manage:

Discrepancy Fund- for covering short term obligations

Operating Reserve- a set amount needed to function between revenue collections

Strategic Initiative Fund- For funding the Strategic Initiative Goals

Capital Reserve- for vehicle replacements and major building repairs

Mike recommend that in the 2021 budget the board adopt a 1% increase to the tax levy. This year the implicit price deflator (IDP) will be below 1% so the junior taxing districts will have to demonstrate a substantial need to take the 1% levy increase.

The district's levy rate sits at 36 cents per \$1,000 assessed. It will likely fall next year. Property values in Chelan and Douglas counties are trending up and the same will likely be true for the other counties.

On the expense side of the 2021 budget, Mike said that the administration is recommending no COLA be adopted this year due to the increases with the salary study, the economic environment, and future economic uncertainty. Medical benefits are expected to see a 9% increase. The district will budget high for unemployment due to uncertainty with how next year will look.

Some increases in admin supplies, library materials, digital supplies, and other select accounts will be budgeted into ongoing COVID-related expenses.

Kathleen asked why the medical benefits are showing less budgeted than last year. Mike

answered that it is due to breaking the line items out more than in the past and that in total the benefit costs will be increasing.

X. Resolution 20-20 Establishing Individuals to work with the Treasurer, Auditor and Bank

Kathleen Allstot moved to approve the resolution.

Jim Brucker seconded. The motion passed unanimously

X. Announcements

Denise asked if there were any announcements. Barbara shared that three NCW Libraries location were included on the Department of Commerce Library Improvement Grant list. They include Coulee City, Wenatchee, and Cashmere.

The November Board of Trustees meeting will be held via Zoom on November 19th, 2020 at 1pm.

The meeting was adjourned at 2:47 pm.

Respectfully submitted,

Denise Sorom, Chairwoman

Katherine Meade, Secretary

