

**North Central Washington Libraries****November 16, 2023****I. Call to Order**

Nancy Churchill called to order the October meeting of the NCW Libraries Board of Trustees at 1:00 p.m. November 16, 2023. The meeting was held in person at the NCW Libraries Board Room with an option to attend virtually.

**II. Attendees**

Attending Board members included Nancy Churchill, Kathleen Allstot (attending virtually), Jim Mitchell, Denise Sorom, and Nancy Spurgeon. Also in attendance were Barbara Walters, Executive Director; Kim Neher, Deputy Director; Sheila Callihan, HR Director, Aaron Floyd, Director of IT Services; Summer Hayes, Associate Director of Programs and Services, Mike Githens, Interim Director of Finance (attending virtually); Alicia Gomori, Associate Director of Community Libraries; and Tim Dillman, Executive Assistant.

Guest attendees- Summer Hess, Sage Step Consulting (attending virtually). NCW Libraries Children's Service Manger Abby Osborn.

**III. Consent Agenda Items**

- a. November Meeting Agenda
- b. Minutes of the October 19, 2023 Board meeting
- c. Payroll & vouchers
  - i. October payroll for \$593,247.24 and Benefits for \$209,536.19
  - ii. October Accounts Payable for \$552,311.55
  - iii. Staff Reports

**Nancy S. moved to approve the Consent Agenda.**

**Denise seconded the motion. The motion passed unanimously.**

**IV. Financial Report**

Mike presented on the October financials. He pointed out that revenue from investment interest continues to be higher than budgeted. He also noted that revenue from property taxes is now at 71.03% and the remaining revenue should be seen on the November financials.

Under expenses, Mike shared that personnel expenses are very close to budget with 79% of these expenses realized at the end of October. Mike reviewed several other expense lines which all are trending close to budget. Nancy C. asked a question about OCLC. Mike shared that this expenses is related to cataloguing of the collection.

Mike reviewed the revenue and expense for account 647-Reimagining Spaces. This account also saw higher than budgeted revenue due to the interest earned on investment. \$26,792 was spent out of the account in October. The end of month balance on the fund was just over \$12 million.

**V. 2024 Budget Review**

Mike opened the public hearing of the 2024 budget by pointing out to the board that with this budget, the administration is planning not just for the upcoming fiscal year, but also seeking to set the district on firm footing for the next several years until a levy lid lift can be put on the ballot. The 2024 budgets for a 1% increase in property tax revenue and 2.69% increase in new construction. No other substantial changes are

expected on the revenue side of the budget. Mike shared that \$50,000 in carry forward funds from 2023 are shown but these are related to one time targeted expenses.

Nancy C. asked Mike if any impact from TIFF will show up when the counties provide the certified valuations. Mike said yes, if property tax revenues are impacted.

Mike focused attention on the 2024 expenses, pointing out that revenue is projected to increase 2.48% overall, and personnel expenses alone will see a 2.5% increase in 2024. The budget for personnel reflects a step increase for all represented staff per the union contract, and this step increase is being matched for all non-represented staff, excluding the Executive Director. The personnel budget also shows a 2.5% COLA increase. Mike reminded the board that Salaries/Wages/Benefits make up 67.3% of the overall budget.

Under the Administration expense area, the budget reflects a 1.8% decrease in supplies, and professional services being maintained at current levels.

For Public Services, the district is reducing expenses by 18% across all supplies. This covers supplies for multiple departments. Library Materials is being reduced by 12%. This brings that line item to 9.92% of overall budget.

Mike pointed out that the budget includes one-time carry forward money in the following amounts to fund targeted expenses:

- \$30,000 in professional services to conduct a wage study
- \$5,000 in professional services for Youth Professional Services
- \$15,000 in small equipment to purchase a telehealth booth as part of a pilot program

Mike reviewed fund 643-Endowment Fund. The Finance committee has recommended spending down some of the balance of this fund to honor the donors of these funds. The 2024 budget reflects \$129,210 in expenses and \$8,600 in revenue. Denise asked if the transfer out of fund 643 and into 647-Reimagining Spaces reflects additional money for the projects in Peshastin and Cashmere, or if it would offset money that had already been budgeted for those projects. Kim replied that this would be additional funds for those projects.

Mike explained the transfer of \$284,503 to the Capital Fund, as well as transfers into the operating reserve and contingency reserve. Mike also explained that a one time transfer of \$235,000 is being made to establish an election reserve to budget for a future levy lid lift.

Fund 646-Facility Improvement Fund was set up to fund the Wenatchee Public Library Phase 2 project. The 2024 budget shows a \$10,000 donation from the Friends of the Wenatchee Library as well as \$774,060 in Department of Commerce Grant money.

Mike reviewed the 2024 budget for Fund 647-Reimagining Spaces. Two temporary positions for project coordinators will be charged directly to the fund in 2024. One is a current employee that is working on the project and the other is a position that has just been posted. Mike stated that the 2024 budget anticipates an ending fund balance for fund 647 that is under \$9 million.

Denise asked how this budget helps us in subsequent years and what the budgets beyond 2024 will look like in a general sense. Mike said that beyond 2024 the election reserve transfer will go away and that will help the district spend on future expense increases. He also reminded the board that the contingency fund is available should the board and administration need to pull money from that in future years.

Denise said that it stood out to her that Personnel is 67% of the overall budget. She asked if that is roughly where this area of the budget stays at. Mike said it is the average amount over the years, and Barbara added that NCW Libraries' personnel expenses are in line with what comparable districts spend.

Nancy C. asked, with liability insurance increasing so much, if the district has ever thought about self insurance. Mike replied that the district is in a pooled insurance group with Washington Cities Insurance Agency. Self insurance would be quite cost prohibitive. Mike mentioned that the district is in a better position than most cities and counties, and he hopes that the liability insurance increase is much less in the coming years.

## **VI. Public Comment on 2024 Budget**

Nancy C. opened the floor for public comment on the 2024 budget. No comment was offered.

## **VII. Executive Director Report**

No Executive Director Report was reviewed. A written report was provided with the board packet.

## **VIII. Resolution 23-10**

Barbara introduced the amendment to the Working Meal and Light Refreshment Policy. Kim explained that the amended policy updates language to be more consistent with other policies and adds a stipulation that allows for serving light refreshments at public programming events.

**Denise moved to adopt Resolution 23-10 Amending the Working Meal and Light Refreshment Policy. Jim seconded. The motion passed unanimously.**

## **IX. Strategic Plan Update**

Summer Hess presented two documents related to the Strategic Plan. One document is a public-facing version meant to be easily digestible and marketable, the other is a more expanded version for the board. Summer pointed out the mission and vision are the same as those in the last strategic plan. The 2024-2026 strategic plan shows 4 new strategic directions. The fourth strategic direction on Maximizing Community Investment was added after receiving feedback from the board at the last meeting. The board offered some feedback on the plan as presented, but asked for additional time to digest the plan and provide feedback. Summer agreed to send a Word document of the plan to board members following the meeting, and Nancy C. gave board members a deadline of Wednesday, November 22 to provide feedback to Summer.

## **X. Reimaging Space Report**

Kim shared the scope of the Phase 2 project for WPL was reduced by Amanda Lawson after bids came in slightly higher than budgeted. Kim shared a quick overview of what is included in the scope of the project now.

The refresh at the Brewster Library is on schedule and a soft opening is planned for mid-December with a Grand Opening scheduled for January 13th.

## **XI. IT Report**

Aaron shared with the board that the Microsoft Migration took place over the first weekend in November and he gave a shout-out to the IT Staff and all district staff for making this a smooth transition. 2/3 of the library branches have now gotten the new copiers as part of the change to Copiers Northwest. Aaron mentioned that the IT team has seen a big increase in support tickets over the last few months and the team is doing their best to keep up with those needs. Aaron closed by sharing that if the patron stations in branches can be converted to Microsoft by the end of 2024 that will constitute a complete overhaul of the IT infrastructure for the organization.

## **XII. Community Libraries Report**

Alicia pointed the board to her written report in the board packet which highlights her attendance at the CORE conference.

## **XIII. Programs and Resources Report**

Summer Hayes introduced Children's Services Manager Abby Osborn. Abby referenced the presentation given by her and the other service managers at the October meeting related to Summer Library Program. She shared that the district had originally been focused on prioritizing equity based programming through a partnership with the WA State Library. Now the district is working with other library systems across the country. Abby shared that from January 2023–October 2023 Library Branches offered 342 offsite programs which reached over 12,000 members of the public. A focus for Abby this year has been to support staff in developing rich and engaging storytimes. The district offered over 1,000 storytimes this year. The Children's Services committee, which is comprised of branch staff, worked this year on updating storytime bag kits and

has developed a storytime training which will be offered in a few weeks.

Nancy C commented that when storytimes had to be put on hold during COVID it really was missed in her communities. She now sees storytimes being highlighted on the branch social media pages and it is increasing awareness and families are really grateful.

Denise asked how offsite attendance is counted. Abby explained that they count any kids or adults who engage with the activity as active participants, not just those in the area or at a larger event.

#### **XIV. Board Discussion**

The board asked how 2024 officers would be elected. Barbara explained that the bylaws state that elections are held at the December meeting. Nancy S. asked if it is assumed that the vice chair always becomes the chair. Tim clarified that this has been the typical practice but it is not required.

Nancy C. and Barbara commented that they have been discussing some changes to the board bylaws. They will provide the board with proposal for changes prior to the December meeting.

Tim asked the board if they anticipate continuing to meet on the third Thursday of the month and reminded them that the board will approve the 2024 meeting calendar at the December meeting.

Kathleen commented that the seven year term for trustees is a big commitment and may prohibit some candidates from considering joining the board. She said the board should consider bringing this up to legislators.

#### **XV. Adjournment**

Nancy C. adjourned the meeting at 2:51 pm.

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Nancy Churchill, Chair

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Jill Sheley, Secretary