

Library Board of Trustees Regular Meeting

July 18, 2023

Location

This meeting was held in a hybrid manner, with remote attendance via Microsoft Teams and in-person attendance at Administrative Services, 5205 Northwest Drive, Bellingham, WA 98226.

In Attendance

Trustees: Rodney Lofdahl, Chair; Erika Lautenbach, Secretary; Matthew Santos and Holly Robinson. Absent: Lori Jump, Vice Chair.

Staff: Christine Perkins, Executive Director; Michael Cox, Deputy Director; Jackie Saul, Director of Finance and Administration; Thom Barthelmess, Youth Services Manager; Mary Vermillion, Community Relations Manager; Lisa Gresham, Collection Services Manager; Geoff Fitzpatrick, IT Services Manager; Beth Andrews, Human Resources Manager; Maggie Mae Nase, Learning Coordinator; Em Olpinski, Administrative Assistant.

Guests: N/A.

Call to Order

Rodney determined quorum and called the meeting to order at 9:00 a.m., followed by a reading of the WCLS Land Acknowledgement by Michael.

Christine shared that Island Library's manager, Brooke Pederson, will not be able to present item 7 on the agenda, which was supposed to be a presentation about Island Library. Christine also suggested re-ordering the agenda to move item 9, Levy Budget Planning, to before item 5, Trustee Education, because Erika needs to leave the meeting before 10:40 a.m.

Matthew moved to reorder the agenda to move item 9, Levy Budget Planning, to before item 5, Trustee Education: Friends of the Library. Seconded. Approved unanimously.

Open Public Comment

No public comment.

Consent Agenda

The Consent Agenda included minutes of the June 20, 2023 Board of Trustees Regular Meeting as well as the following:

Expenditures:

General Fund:

- June 1-15, 2023 payroll: check nos. 1034711782-1034711787 and voucher nos. 555387-555540 totaling \$228,203.44 and June 16-30, 2023 payroll: check nos. 1034901227-1034901231 and voucher nos. 555547-555691 totaling \$216,236.97.

- ACH transactions for employee benefits, telecommunication services and monthly sales/use tax filings totaling \$94,901.98; \$31,263.54 of this is for employee funded contributions to dental insurance premiums, PERS and deferred compensation plans (made via payroll deduction).
- Claim 2023-22G: warrant nos. 1170167-1170174 totaling \$25,227.69
- Claim 2023-23G: warrant nos. 1170197-1170218 totaling \$105,847.01
- Claim 2023-24G: warrant nos. 1170813-1170833 totaling \$20,380.56
- Claim 2023-25G: warrant nos. 1171336-1171351 totaling \$119,731.18

Capital Fund:

- Claim 2023-11C: warrant no. 1170196 totaling \$418.11
- Claim 2023-12C: warrant no. 1170834 totaling \$810.00

Holly moved to accept the Consent Agenda as presented. Seconded. Approved unanimously.

Financial Report and Resolutions: Finance Committee Report

Jackie reviewed her report, including the June Notes and Highlights section. She reported that we have received 56% of our budgeted revenue for the year. Our expenses for 2023 are currently under budget at 46%, but we will likely catch up in the second half of the year.

Erika joined the meeting.

Jackie received notice from the County Treasurer's Office that a dispute over a highly valued property was recently resolved. From this resolution, we will be receiving a property tax refund of \$33,733 in July.

WCLS recently resumed payroll deductions for the Washington Cares Fund long term care program. Employees who have not previously applied for and received an exemption will contribute 0.058% of their gross earnings into the fund. The payroll deductions were set up by Payroll Specialist Dana Pallas, and the program will be administered by the Employment Security Department (ESD). Jackie has been informed that the ESD reporting and payment portal issues should be resolved by the end of quarter three.

Jackie informed the trustees that we have changed our procedure for purchasing printer toner. Historically, this process was overseen by the IT department, but branch managers will now be ordering toner. This change will allow branch managers to have more control over keeping adequate supplies on hand and will free up time for our IT staff.

Jackie then gave a brief presentation about the State Auditor's Office's Financial Intelligence Tool ("FIT"). FIT is an interactive online resource for local government financial data, designed to be used both by government staff and the public to monitor and compare the fiscal health of different government agencies. The tool has been populated with the data from our 2022 Report to the State Auditor's Office and presents both fiscal data and financial health indicators.

We are currently in a healthy zone for all indicators and have a sufficient cash balance to operate. The tool shows our debt as increasing slightly in 2022 because we are now required to report our leases as debts. FIT also reports that out of 37 public library districts across the state, we rank ninth in both our revenue and expenditures. It is good to see that we are ranking consistently in these two areas.

Holly asked if reporting to the State Auditor's Office is mandatory for local government agencies. Jackie replied that reporting is mandatory every year, and agencies are audited every two years. Christine said that we recently reviewed another library district's audit finding and will adapt our policies and procedures as needed to avoid a similar situation. Using FIT allows us to make certain we are reporting our financial data correctly.

Financial Report and Resolutions: Resolution 07/18/23-07

Jackie presented Resolution 07/18/23-07 to the trustees. This Resolution authorizes an interfund transfer of \$45,000 from the General Fund to the Capital Fund.

Holly moved to approved Resolution 07/18/23-07 authorizing an interfund transfer, as presented by Jackie. Seconded. Approved unanimously.

Levy Budget Planning

In anticipation of a future levy lid lift (“LLL”) election, Christine and Jackie gave a presentation to the trustees about levy history, financial projections, and future budget needs of WCLS.

Christine told the trustees that we are still deciding what year will be the best time to put a levy lid lift on a ballot. Our 2023 levy is \$9,660,921, and our levy rate is \$0.30/\$1,000. The maximum levy rate library districts are allowed to charge is \$0.50/\$1,000. This year we are projecting that we will have a revenue shortfall of about \$400,000, and we are expecting the ending fund balance to be about \$10,218,656 at the end of 2023.

Christine gave a summary of the different sub-designations within the fund balance. Funds are classified based on the guidelines of the Washington State Auditor’s Office, and the WCLS board of trustees can create sub-designations within these funds to outline their purpose more specifically. The Fund Management Policy 20.03 establishes that a minimum of one third of WCLS’ operating budget must be retained in the fund balance to ensure sufficient cash flow for operating costs. Policy 20.03 also requires that we retain at least one month of operating expenses, or 8.33% of our operating budget, in an emergency reserve to respond to unexpected revenue loss or operating emergencies.

Christine said that in 2008 when we went to voters to ask for a LLL, our levy rate had fallen to \$0.35/\$1,000. We asked voters to increase our levy rate to \$0.42/\$1,000. As the assessed values of properties in Whatcom County increase, our levy rate decreases. If we are meeting statutory guidelines and our levy rate is below \$0.50/\$1,000, our levy can increase up to 1% each year. Holly asked if our levy rate has decreased in recent years. Jackie responded that it has. Discussion followed about the importance of strategically choosing a levy rate to ask voters to support.

Christine presented a chart to the group showing what would happen over the next 10 years if we are unable to pass a LLL and we budget to support only status quo operations. In this scenario, by 2028 we risk depleting the cash flow reserve and emergency reserve below policy-mandated levels, and by 2030 we would not have enough money to operate. Erika expressed caution about over-projecting our expenditures. She is uncertain if we will be able to gain voter support for a LLL with our current fund balance.

Jackie responded that 2023 spending is likely to be closer to budget than it has in past years. She also noted that in recent years our end-of-year surplus has decreased.

Jackie then presented essential systemwide budget needs that were not included in the status quo scenario. These include a Classification and Compensation study, periodic cybersecurity audits, staffing at the Birch Bay Library, improvements to the Administrative Services facility, including repairs and expansion to accommodate an enhanced “Library of Things,” and improvements to library facilities systemwide. Jackie then showed projections for what the impact of these essential budget needs would be on our ending fund balance over the next ten years if a LLL to \$0.39/\$1,000 went into effect in January 2026. Discussion followed regarding the budget assumptions presented.

A levy rate increase to \$0.42/\$1,000, which is the levy rate we asked for in 2009, could allow us to accommodate these essential projects in our budget and some modest programmatic and service enhancements. It could be a helpful strategy to ask voters for the same levy rate we did in 2009, and if it were to fail, we could ask for the rate of \$0.39/\$1,000 at a later election.

Holly commented that it will be difficult to ask voters for a LLL when we have more than \$10 million in reserves. Jackie said that by the time we actually go to voters in a few years, we will likely have closer to \$6 or \$7 million in the fund balance. We need at least \$5 million in the fund balance to retain the cash flow reserve and likely closer to \$6 or \$7 million to also maintain the emergency reserve.

Erika suggested deciding when to go to voters for a LLL based on the amount of money left in the fund balance instead of attempting to predetermine a year to put a measure on a ballot. Jackie likes this idea, but a challenge of this strategy could be making certain we have adequate time to prepare a campaign.

Trustees discussed various scenarios and options regarding the use of the existing fund balance, essential budgeting needs and various programmatic and service enhancements that could be afforded by a LLL. Based on the trustees' comments, WCLS' managerial team will continue considering when to ask voters to support a LLL. Regardless of the year, Christine shared that we will likely want to have a measure on an August ballot, so that we could begin collecting additional funds the following year (if the measure were to pass). Until we begin an actual campaign, we want to work to maximize our community goodwill and show our value to the community. Once an election date is chosen, we will convene a Citizen's Advisory Committee.

On the topic of the Classification and Compensation study, Matthew is curious if increasing wages in the future will be enough to increase employee retention. He asked if exit interviews are part of the separation procedure and is curious what more could be done to help support staff. Christine agrees that burnout and stress can take a toll on employees over time. Beth mentioned that it could be useful to investigate where we are experiencing the most turnover.

Erika exited the meeting.

Break

Rodney adjourned the meeting for a break from 10:30 a.m. to 10:40 a.m.

Trustee Education: Friends of the Library

Mary gave a presentation to the trustees about the Friends of the Library groups and the work they do to support WCLS. The Friends groups are operated voluntarily and are all 501(c)(3) nonprofit organizations. The Friends advocate for library services, encourage library use, and raise funds for library projects. Each WCLS library is supported by a Friends group. The Friends of Island Library and Friends of Deming Library own and maintain both of those library buildings, and the North Fork Library was built by its Friends group.

The Friends are both library patrons and advocates and bring their varied life and professional experiences to their nonprofit work. Mary shared some comments from the Friends on why they volunteer.

The Whatcom County Library Foundation is also a 501(c)(3) nonprofit working to support WCLS but has a different scope from the Friends groups. The Foundation helps support WCLS as a whole, not a specific branch, and raises systemwide funds, provides grants for programs and projects, and is managed by a part-time director, Jennifer Rick, and a volunteer board.

The Friends groups dedicate a lot of their time to supporting their local libraries and have already volunteered 4,400 hours so far this year. Some of the groups run bookstores and put on book sales to raise funds. The groups also organize special events, like the Whatcom Grooves jazz concerts, to gain support and raise awareness of libraries. The funds the Friends raise support library needs that are not otherwise supported by WCLS' budget. The Friends also make purchases to help library staff feel supported and appreciated.

Mary highlighted some recent projects the Friends have undertaken. These include the Friends online bookstore, Whatcom Grooves, and the fundraising efforts of the Friends of Birch Bay Library, who have raised \$230,000 so far to support the construction of this library. The Friends of Deming Library funded this library's new roof and contributed to new lighting for the building, and the Friends of Island Library have installed a new heat pump.

Christine commented that the connections the Friends of Blaine Library have to the local government in this community are very helpful, especially as we are beginning to investigate the possibility of working with the City of Blaine and the Kulshan Community Land Trust to build a larger library. The Friends groups are powerful allies providing essential support to WCLS branches.

Mary then discussed the future of the Friends and some challenges surrounding these groups. Some groups may lack clarity around how to best support their library. Much of the volunteer-base is older, and some of them may be aging out or unable to do certain physical tasks. And Friends who are still working may have trouble attending meetings and want to spend most of their volunteer time taking action.

An Annual "All Friends Gathering," which is funded in part by WCLF, provides an opportunity for different Friends groups to intermingle and share ideas and knowledge. This year the Community Relations team has created a quarterly "Friendshipment" to help show the Friends different ways they can support WCLS.

Mary thanked the Friends for their ongoing support of WCLS. Mary suggested the trustees attend this year's All Friends Gathering to show their support of the Friends.

Rodney thanked Mary for her presentation and thanked the Friends for volunteering their time and energy to libraries. Christine said she is thankful to have Mary as the Friends liaison. More information about each Friends group can be found at [WCLS.org/friends](https://wcls.org/friends).

Policy Spotlight: Conduct Policy 6.01

Christine said that WCLS' Conduct Policy, which is approved by the board, gives her the ability to update our Disruptive Behavior Procedure. The procedure outlines behaviors that are prohibited in libraries and steps staff should take in responding to such behaviors. We want this procedure to be specific enough to ensure all library patrons and staff know what is expected of them in the library environment.

An incident recently occurred at a branch where a patron asked if they could purchase some library books that they disagreed with being in the collection, and when a staff member responded that they could not purchase the books, the patron stated that they had lost the books and needed to pay for them. When books are lost, we repurchase them. However, this process can be time-consuming.

Over the years, there have been incidents where patrons have rearranged library displays, hid or defaced items, and stolen materials. During the recent incident, staff members needed more clarity about how to treat the situation. In response, Thom drafted an update that has been added to the Disruptive Behavior Procedure, which adds the following example to the list of prohibited activities: "Deliberately moving, removing, hiding, or otherwise tampering with library materials, displays, or collections in a way that interferes with other patrons' use of them."

Christine recognizes that it can be difficult to know when library materials are being tampered with. However, adding this language to the procedure will help give staff clarity on how to respond if these behaviors are witnessed.

Rod thanked Christine for keeping the trustees updated on recent incidents.

Staff Reports: Executive Director

Christine shared that she attended Lynden Library's 20th anniversary celebration, where she met the daughter of Arthur Henken, for whom the library building is named. It was nice to see that there is still interest in local history at the event.

Branch Managers Katrina Carabba and Alix Prior attended the All Hands Whatcom Opioid Summit on June 27 and 28, where community-based approaches to addressing the opioid crisis were discussed. We are now thinking about ways libraries can participate in preventative measures.

Holly asked Christine if Narcan is available at our libraries. Christine responded that it is, but at the Summit Katrina and Alix learned that sometimes multiple doses are necessary to help someone recover from an overdose. We may need to begin keeping multiple doses at each branch. All Hands Whatcom and the Bellingham Public library are partnering to offer multiple free events inspired by Sam Quinones' book *The Least of Us: True Tales of America and Hope in the time of Fentanyl and Meth*.

The Federal Internet for All initiative has allocated \$42.5 billion to the Broadband Equity, Access, and Deployment Program (BEAD) and \$2.75 billion to Digital Equity Act (DEA) programs. Public libraries will be eligible to compete for DEA grants, and we are exploring how partnering with the Washington State Library could help us access some of these funds to benefit residents of Whatcom County.

Staff Reports: Deputy Director

In addition to his written report, Michael informed the trustees that Island Library and Point Roberts Library both offer Friday hours from July through August each year. Seasonal Page positions allow us to offer these additional hours in the summer.

Michael then gave the trustees a summary of our WiFi hotspot program. Since May, WCLS has been circulating 11 T-Mobile hotspots, each with a 3-week loan period. Staff at North Fork and Deming Library are monitoring this collection and are able to turn hotspot service off when a loan period lapses to help incentivize returns. We will soon be purchasing 11 more hotspots at a reduced rate. BPL has 66 hotspots in their collection, which are also available to be checked out by WCLS patrons.

To honor Juneteenth, WCLS partnered with Connect Ferndale and filmmaker Remy Styrk to present a screening of two of his films at Ferndale Library. This event was Claire McElroy's first independent program since joining WCLS as our Adult Programming Coordinator in the spring. Michael said there was a good feeling at the library during the film screenings.

Staff Reports: Youth Services Manager

Thom shared his written report, which highlights Restorative Practices, an emerging social science about strengthening relationships and communities. An objective under the Access goal of our current strategic plan is that staff utilize restorative practice concepts to allow patrons who have damaged their relationship with the library to begin using the library again.

A team of staff, including Alix Prior, Ferndale Branch Manager; Evie Harmon, Youth Services Assistant; Katrina Buckman, North Fork Branch Manager; Nick Flerchinger, Youth Services Librarian, and Thom are investigating ways to familiarize staff with Restorative Practices. The group has organized a staff one-read of Lauren Wolk's middle-grade novel *Wolf Hollow* to begin sharing and discussing these concepts. Discussion sessions of the book will be hosted at locations across the system in August and September. Thom encouraged the trustees to attend one of these sessions.

Staff Reports: Community Relations Manager

Mary discussed her written report, noting that she has featured several upcoming events organized by Friends groups. More events can be found by visiting the WCLS Online Event Calendar and filtering by library branch or searching for different Friends groups. There are many wonderful events coming up.

Mary also shared that her press release for Whatcom Grooves has been picked up by several local media outlets. It's great to see publicity being spread about Friends of the Library events.

Performance Measures & Committee Reports: Performance Measures

In addition to his written report, Michael shared that in June we continued to observe a decrease in both physical and overall circulation, as compared to 2022.

In mid-June, all branch door counter devices were inspected, and daily reporting to branch managers resumed. Because some issues were found with the devices during our inspection, some of the door counts included in the July Performance measures have been normalized. Our current door counters use a laser beam to count door entrances each time the beam is broken. The IT Department has begun testing new equipment to see if we can find a more accurate and consistent alternative to our current devices.

Lisa presented database and digital use statistics to the group from both May and June 2023. Unique users of Overdrive were up across both months.

Holly checks out eBooks from the library but reads them on her Kindle and is curious how her use of eBooks is being recorded. Michael replied that this would be recorded under Overdrive.

The apparent increase in the use of Kanopy in May and June is a false increase caused by Kanopy changing their definition of what qualifies as a visit. Lisa is waiting for clarification on their new definition.

Database use decreased in June, which aligns with schools being out for the summer. Use of the database Valueline was up in June, and an early summer Creativebug campaign helped contribute to it achieving higher use in June 2023 than in 2022.

Performance Measures & Committee Reports: Personnel Committee

No report.

Performance Measures & Committee Reports: Whatcom County Library Foundation

In Jennifer's absence, Christine shared that the Foundation is beginning to send out invitations for Branch Out, which is being hosted September 8 at Hotel Bellwether.

Announcements and Adjourn

Jackie is currently working on scheduling a budget planning retreat for the trustees, but she needs to touch base with Erika and Lori before finalizing a date.

We have finalized the following dates for union negotiations:

October 9 from 9:00 a.m. to 5:00 p.m.

October 10 from 9:00 a.m. to 2:00 p.m.

Backup Date: October 16 from 9:00 a.m. to 5:00 p.m.

Rodney adjourned the meeting at 11:33 a.m.

Next Meeting

Next meeting will be August 15, 2023 at 9:00 a.m. online via Microsoft Teams and at Sumas Library.

Address: 461 2nd Street, Sumas.

<u>/s/</u>	<u>08/15/2023</u>	<u>/s/</u>
Rodney Lofdahl, Board Chair	Date	Em Olpinski, Admin. Assistant