

## **DESCHUTES PUBLIC LIBRARY DISTRICT**

### **Board Meeting**

**August 16, 2006**

**LA Pine Public Library**

### **ATTENDEES**

Present were Board Members Ray Miao, President, Ann Evensen, Beth Pearl-Gent, Pat Lawrence and George Riser.

### **CALL TO ORDER**

President Ray Miao called the meeting to order at noon.

### **MINUTES**

The minutes from the July 19<sup>th</sup> meeting were approved by consensus.

### **PUBLIC COMMENTS**

None

### **GOVERNANCE PROCESS POLICIES**

Board Education Opportunity: Central Oregon Regional Library Conference (CORLC)

Chandra vanEijnsbergen, Chair of CORLC, provided a brief overview of the guest speakers at the 6<sup>th</sup> annual conference in October.

### **RESULTS POLICIES**

Trends at the La Pine Library

La Pine Branch Manager Sandy Irwin presented an overview of trends at the La Pine Branch Library:

- Self check is currently at 85%.
- Class visits have increased by 94%.
- Participation in the Summer Reading Program by younger children increased by 25%
- Participation in the Summer Reading Program by teens increased by 31%
- Teens make extensive use of the library between the hours of 2:30 and 5:00. Attendance has averaged fifty teens during this period.
- A portable computer training lab will be tested in LaPine later in the fiscal year.
- The new Senior Center is located near the LaPine Library, which will support improved coordination.

### Presentation by La Pine Library Advisory Council

- The new stoplight at 1<sup>st</sup> & Huntington will increase the Library's visibility.
- The real estate market in La Pine has slowed, but prices are stable.
- Affordable housing is becoming an issue in La Pine. Habitat for Humanity has purchased 2.3 acres in the Wickiup Junction area and is planning to construct 12 houses.
- Crestview cable is upgrading their system to offer broadband connection for the first time in La Pine. Many local residents cannot afford home Internet service.
- A proposal to incorporate the La Pine area into a new city will be on the November ballot.

### Education Program: Long Term Tax Revenue/Expenditure Projections

Library Director Michael Gaston presented an overview of long-term revenue and expenditure projections. He noted that tax revenue increases will reflect changing market conditions that are difficult to predict.

#### Expenditures

- Costs to maintain current staffing levels increase at a rate of approximately 6% annually. Inflationary and step increases are partially offset by "capped" employees and reductions in costs when vacancies are filled with new employees in lower steps.
- Costs to maintain the current level of Materials & Services and other general fund costs increase by an average of 3% annually. Inflationary costs for items such as fuel costs are partially offset by items which are not impacted by inflation, such as debt service payments.

#### Tax Projections

- The existing base will continue to increase by at least 2.8% annually.
- Projected increases in tax revenue above the 2.8% base are "guesstimates."
- Projections for increases in tax revenue in the current and next fiscal years can be made with a greater level of confidence as estimates are based in part upon known projects that are underway or are in the final stages of the approval process.
- Tax revenue is likely to increase by 9.5% in the current year, and by 7% to 8% next year.
- Increases in subsequent years will be determined by market conditions and inflation, which are difficult to project.
- Tax revenue is projected to increase by 5.5% to 7.5% in most years.
- Tax revenue is projected to increase by 4.5% to 5.5% in "down" years.

#### Analysis

- A 5.5% increase in tax revenue would be required to sustain the current level of operations.
- A substantive shift in operating costs, such that staffing would constitute more than 60% of the total General Fund operating budget, would require a higher rate of increase in tax revenue to sustain operations.

- A temporary reduction in the rate of growth of tax revenue below 5.5% could be offset by reducing discretionary Materials & Services and other General Fund expenditures.
- Revenue growth above the 5.5% increase required to sustain current operations can be reserved to fund the future expansion of the program.
- A long-term reduction in the rate of growth of tax revenue below 5.5% would necessitate a reduction in staffing costs.

A written summary of the projections was distributed to the Board.

## **EXECUTIVE LIMITATIONS POLICIES**

### Monitoring: Management Practices Executive Limitations

Director Michael Gaston presented an overview of the District's compliance with the Management Practices Executive Limitation policy. He introduced Human Resources Manager Marian Thomas to describe recruitment and placement systems utilized by the District.

Thomas described a multiple-step process designed to recruit highly qualified candidates for District positions.

- Write position/desk descriptions
- Identify core, leadership, and technical competencies
- Market openings assertively to attract a qualified pool of candidates
- Utilize well-designed selection tools and processes to identify well-qualified candidates
- Provide extensive training and orientation to support the new employee

Thomas participates in local and national associations and reviews professional journals to follow developments within the field of Human Resources. Thomas expressed appreciation to the District for its support for training and development.

Board members were highly complimentary of Thomas and of the recruitment and placement services provided by the District.

Beth Pearl-Gent moved that the Board find that the District is in compliance with the Management Practices. Ann Evensen seconded. Motion passed unanimously.

### Electronic Signatures

The Board reviewed a recommendation by the auditor and accountant that the process to issue checks with electronic signatures include the following steps:

- Checks are printed by the Accountant and retained in a secure area
- The warrant, which lists all checks to be issued, is printed by the Accountant

- The warrant and checks are reviewed by the Director to ensure that the checks correspond to the warrant, and that there are no missing checks
- The Director/alternate and Board President/alternate reviews and approves the warrant (reviewing checks if desired)

This approach would provide segregation of duties and would ensure that the warrant accurately lists all checks.

Ann Evensen moved to authorize the Director to proceed to implement electronic signatures in the check signing process. George Riser seconded the motion, which passed unanimously.

#### Roofing Bids

The Board reviewed a recommendation to expedite the roof replacement of the Bend Library, which had been scheduled to take place in stages over the next three fiscal years. Funds are available in the Reserve Fund to fund the full project. Planned transfers to the Reserve Fund will be accelerated in the next fiscal year to restore the Reserve Fund.

Pioneer Sheet Metal submitted the low bid on the project: \$210,028. The total estimated cost for this project, including the \$12,000 contingency, is \$228,028.

George Riser moved to authorize the Director to issue the notice of intent to award the contract to Pioneer Sheet Metal for \$210,028 and to sign the contract upon the receipt of the required supporting documents. Ann Evensen seconded the motion, which passed unanimously.

#### Redmond HVAC Controls Request for Proposal

The Board reviewed a proposal to contract with Johnson Controls to install HVAC controls in the Redmond Library. A review team consisting of a mechanical engineer, the Facilities Manager, and the IT Manager reviewed the submissions and submitted the recommendation.

This project would replace the HVAC controls in the Redmond Library. The HVAC controls in Redmond are not functioning and are no longer supported by the manufacturer. Installing new controls will improve comfort and reduce energy costs by approximately 15%.

Board members noted that the system proposed by Johnson Controls was more expensive than the other proposals. The selection team concluded that standardizing on a single HVAC system would provide significant benefits in the area of training and vendor management (Johnson Controls also installed the HVAC system in the Bend Library). The selection committee concluded that Johnson Controls, which has the largest support staff in Deschutes County, would provide more responsive service on this critical system. The selection committee concluded that standardization and responsive service were more significant factors than the cost differential.

Beth Pearl-Gent moved to authorize the Director to issue the intent to award this contract to Johnson Controls for \$64,225, and to sign the contract upon the receipt of necessary documents unless there is an appeal of the intent to award within the allowed time period. George Riser seconded the motion, which passed unanimously.

**SELF REVIEW OF MEETING**

Board members were highly complimentary of the presentation by the La Pine Branch Manager Sandy Irwin and the La Pine Council, the overview of recruitment and orientation systems by the Human Resources Manager Marian Thomas, and the analysis of expenditures and tax revenue by Library Director Gaston.

**ATTEST:**

Michael Gaston  
Library Director