

CANBY PUBLIC LIBRARY BOARD MEETING MINUTES January 24, 2019

**** SPECIAL MEETING ****



5:00 PM City of Canby, Willow Creek Conference Room

Present: Roger Reif, Kathleen Myron, Cameron Jones, Carol Palmer (board members); Irene Green, Lizzie Figueroa (library staff); Rick Robinson (City Administrator); and Julie Blums (Finance Director).

Absent: Linda Warwick

The meeting was called to order at 5:02 p.m. This meeting was called on short notice to address the topic of budget challenges for the remainder of this fiscal year (18/19) and for the coming fiscal year (19/20).

Rick began the meeting by covering the background to our current financial situation. This fiscal year, the library had a very tight budget. Unanticipated and unbudgeted extraordinary employee-related expenses occurred resulting in a shortfall of approximately \$15,000.

Rick spoke with Mayor Hodson about the unexpected circumstances that led to this situation and recommended to the mayor that the City provide \$15k from the General Fund to cover the shortfall for the current fiscal year. He is fairly confident that City Council will approve this request.

Assuming the library does get the funds it needs for the current fiscal year, we need to start planning for an expected shortfall next year. The shortfall next year is due to separate issues, not related to our immediate problems: City-wide increases in personnel costs and cost of materials. Revenues from the Library District might increase, but we won't know until early February by how much.

Last year, the budget committee approved \$50k from the General Fund. City Administrator Rick Robinson is hoping to secure the same amount for next year with a 10% increase (\$55k), but that probably will not be enough to cover the expected shortfall (possibly over \$100k). The library will need to look at ways to reduce costs. Closing on Sundays is a possibility. The longer

hours and increased programming during the week have been very popular, and everyone agrees it's important to preserve teen programs and meet popular demand. Rick asked Irene to look at library operations and expenditures and consider all options.

The library must continue to meet certain baseline standards established by the Oregon Library Association—many expenditures are driven by those requirements. Rick suggested we might need to look at how we program delivery of services. The current challenge for the Library Board is to find a level of service that can function with the resources that are available.

Rick is planning to recommend a contribution to the library of \$55k from the General Fund for the 19/20 fiscal year, and he believes it's likely to be approved. He plans to argue that the type of services the library provides are worth the investment of General Fund resources. He does not recommend cutting hours, if we can avoid it. The deadline for each department to deliver their final budget is March 22.

Lizzie reported that the library is open 4 hours on Sundays (compared to 10 hours Monday – Thursday and 7 hours Friday – Saturday), and very little programming is scheduled. Irene will get exact numbers from the people counter, so clearer comparisons can be made. The Intergovernmental Agreement (IGA) requires a minimum of 40 hours open to the public each week. Almost all the LINCC libraries are open on Sundays. Not filling vacant positions, reductions to on-call hours, or reducing existing staff hours are all options that will be explored. All options will be evaluated for cost savings versus service levels.

At the next Library District Advisory Council (LDAC) meeting, Kathleen will report that Rick will recommend an increase over last year's contribution from the City's General Fund, but that it might not be enough to cover the shortfall. Also, the population of Canby has experienced a lot of growth in the past year, but our increases might be canceled out by increases elsewhere in the county. We hope to see increased tax revenues next year.

Carol made a motion to formally request that the City cover this year's shortfall (based on extraordinary circumstances). The Board approved this motion unanimously, 4-0 (one member being absent).

Rick is basing the \$5k increase (for next year's suggested General Fund contribution) on anticipated increased tax revenues. He told all City departments that they shouldn't count on there being additional funds. The goal is to keep things status quo.

Kathleen told Roger to expect an email soon from Laura Zentner (Director of Business and Community Services for Clackamas County). Increases in Library District funds will benefit the Canby Public Library more than increases in tax revenue will benefit the City.

Kathleen noted that at the January 28th LDAC meeting, county staff will present a better understanding of how members of the "Big" task force would be selected and information on

the three task force sub-committees that will address library services, funding, and governance. Kathleen hopes the city can get involved in the process of revising the Library District's service area maps. Canby Public Library has long been providing services to residents of areas whose taxes go to other libraries, and the Library Board feels that updated maps would rectify this imbalance. Rick stated that if the question comes up for discussion with the District, the City of Canby will fight for CPL's interests. But the challenge, of course, is that any increase in our funds would mean a decrease in another library's funds, which will mean opposition. Kathleen responded saying that the other library had been receiving funds from Canby's actual service area for at least 10 years.

Julie explained that updated PERS rates are available now, however the remaining personnel costs will not be calculated until March. Julie and Irene will have several options outlined by then. She reiterated that the current year's budget was very tight, spending approximately \$90K more than the library brought in, using up all its reserve funds. Irene asked whether the library should consider closing additional days, on top of Sundays. Rick advised her to review the numbers, but also bear in mind what the community needs. Carol asked whether we got a full analysis of the community survey responses to the question relating to hours. Irene mentioned that service hours was not on the survey.

Rick recommended that rather than an in-person request, the Board make the request in writing for the additional funds to cover FY2018/19. His goal is to establish a regular line of funding for the library from the City's General Fund, and setting the precedent of yearly contributions helps reinforce that expectation.

Irene asked whether facilities costs would be steady for the coming year. Julie explained that the library's direct costs are fairly easy to predict, but the library's indirect costs depend on other departments' budgets.

Rick departed the meeting at 5:40.

Irene asked Julie for a clearer estimate of how much the library might be short next year. Julie said it was too early to give a hard number but it could be \$100K or more. Irene said that in order to save an additional \$50k, the library might have to close multiple days each week, and potentially cut staff. She had considered not filling the vacant page position or the bilingual librarian position, as well as closing on Sundays starting in March, before she learned of the expected contribution for the remainder of this fiscal year. But now it looks like we can keep library services and hours steady, at least through June.

Carol asked about increasing the tax rate of 0.38% for the Library District. But Julie explained that all permanent tax rates are fixed, based on the language of the original ballot measure. Any increases would have to be presented as supplementary levies, and voted on again.

The Board considered a couple of cost-saving ideas. Roger asked whether we could reduce the collection budget and move those funds to the personnel line, but Irene pointed out that we're required to purchase our share of high-demand materials, per the LINCC agreement, since we have a shared catalog. Lizzie argued that the library needs to have wiggle room in the on-call budget line, because there are many circumstances beyond our control that can affect employees' availability.

Julie noted that the Budget Committee reviews every department before presenting their final recommendation to City Council. City Council, however, can make changes before the budget is adopted. All citizens are welcome to speak during the public comment period before the Budget Committee as well as Council.

Board members' reports, concerns and comments.

There being no other concerns, reports or questions, the meeting adjourned at 6:00 p.m. The next regular meeting is still scheduled for Tuesday, February 19, at 5:30 p.m. in the Willow Creek Conference Room.

Action Items:

- Irene will look up the exact numbers from the people counter for different days of the week.
- Irene and Julie will put together several options for library operations and expenditures for FY19/20.

Kathleen will report to LDAC that Canby's City Administrator Rick Robinson is recommending an increase in support for the library from the city's general fund.

Kathleen will write and send a letter from the board to the city in support of additional funds to cover the library's shortfall this FY 18\19.

Respectfully submitted,

Lizzie Figueroa

Library Supervisor

