

Yakima Valley Libraries

Board of Trustees

Regular Meeting

10:00 a.m. – January 14, 2013

Yakima Central Library Boardroom

I OPENING OF MEETING:

Board Member Present: President Melba Fujiura, Vice President Pamela J. Perryman, Secretary Jerry Maggard, Trustee Richard E. Ostrander,

Visitors Present: Yakima residents: Karen Miller and Jean Zahn

Staff Present: Director Kim Hixson, Deputy Director Linda McCracken, Human Resources Director Darline Charbonneau, Administrative Coordinator Terri Reeder

a. Call to Order

President Fujiura called the meeting to order at 10:00 a.m.

b. Determination of quorum

President Fujiura determined a quorum of the Trustees was present.

c. Recognition of visitors

d. Approval of the agenda

Director Hixson requested the following items be included on the agenda:
Digitalization of Library Materials and Recent Newspaper Articles.

e. President Fujiura approved the agenda as presented.

II Open Forum

This is an opportunity for any person to speak to the Trustees about any issue on the Agenda. Time per speaker may be limited.

Yakima residents Jean Zahn and Karen Miller spoke to the Board of Trustees:

Jean Zahn: *People who use the libraries at Terrace Heights and Moxee are concerned about the libraries being run like a dictatorship. We need to know specifics. Ben (Soria) hit it right on the head in his article in Sunday's paper. We feel we have no say in how things are done.*

Director Hixson: We are open for input. We've had staff meet and talk with the community libraries. I've spent hours talking to Jane Gargas from the Herald discussing recent events and the application of adopted policies. And the people from Terrace Heights also spent significant time with the Trustees discussing their concerns.

Ms. Zahn: *Why can't meetings be allowed in the libraries?*

Director Hixson: The Meeting Room Policies establish the guidelines for use of the meeting rooms. Currently, only two of our libraries have meeting rooms: Sunnyside Library and Selah Library. The Policies allow use of the room by community groups, but do not allow meeting rooms to be considered a permanent meeting place. The difference in this particular instance is that Terrace Heights does not even have a meeting room. When the Terrace Heights Tea participants met, they incorporated an ongoing potluck that was hosted in the main section of the library – as a note, the library is only 879 square feet. This ongoing event made it challenging for patrons to come in and use the library services.

Ms. Zahn: *Did people say that?*

Director Hixson: Yes, we heard from patrons who told us it was a problem trying to get to the books when the Tea Group was there.

Director Hixson: I understand that the Tea Group is now renting the Community Center for their meetings. When we have large program planned we must rent out the Community Center to accommodate the event.

Ms. Zahn: *You mean that the library does not own the entire building?*

Director Hixson: No. The Terrace Heights Improvement Association owns the entire building and the library is generously housed in one of the rooms.

Ms. Zahn: *I don't think people realize that the room (Community Center) is not part of the library. They think the whole building is the library.*

Director Hixson: Really? That idea has never occurred to me. We'll have to think about that.

Ms. Zahn: *Can we ask what happened to the book (sale) carts?*

Director Hixson: We have many books donated to the library. What we don't use in the collection the Friends may buy from the library and sell at their Book Sale. When books are donated we want to honor the intent of the donor – if they are donated to the library, they must go through the process to see if we can use in the collection. During a recent audit we discovered that the process for the book sale carts was not clear to staff or the Friends' groups. Some libraries have sale carts that are operated by the Library District and some have been operated by the Friends. During our recent auditor with the State Auditor, it was strongly suggested that the Library put written agreements in place that outlines the parameters of the agreements between the two separate organizations.

Ms. Zahn: *So, we don't have a book cart anymore?*

Director Hixson: It is important that the process for the Book Sale Carts is clearly defined, so we have temporarily suspended that activity in all libraries until we can do so. The Friends groups who oversee their book carts must be established under the IRS code as a 501(c)(3) non-profit corporation so they can transact funds from the sale of books appropriately which includes collection of sales tax for the Department of Revenue. We've discovered that some of the groups are no longer current non-profits. Our goal is to help these groups by establishing a policy outlining the criteria and relationship of Friends groups with the Library District. A contractual agreement allows and maintains a separation of responsibilities, activities and fiscal reporting and preserving the unique legal status of both entities. The State Auditor will audit relationships between the library and the Friends groups in the next audit cycle.

Karen Miller: *It seems the State Auditor's office is affecting the way libraries do business.*

Director Hixson: Not exactly. It is their [Auditor's] job to ensure that the taxpayer dollars are used to support activities within the scope of their authority. There were concerns that libraries may be acting more like community centers than libraries; this was an ongoing discussion during our most recent audit. I'm pleased to say we were given a clean audit report with no contingencies. There were no formal recommendations. The Auditor was very thorough particularly going through our documentation covering our two million dollar building project and remodel. The informal recommendation was that the Library implement procedures to ensure disbursements are only for allowable activities of the District – allowable activities (per the auditor) include children's programs related to books and reading; exchange of books with other libraries; and charge non-residents for the use of library services.

Trustee Maggard: We have an excellent Director. At one time we had people in charge who ran things with no regards to the purse strings. Nobody paid attention. Things had been done that way for so long that no one questioned it. Ben (Soria) didn't cover all the areas. He overlooked all the good we've done with the new building and the remodel. The previous Director wanted to tear down this building and build a new one. But this Director wanted to save the building and remodel it. She has done all the right things. The thing about the Tea Group get-togethers is that it would be the same as if my friends and I decided to go into that library and play pinochle.

We, the Trustees, love the library like you do. Take Margaret Keys for instance. She's very bright and outgoing. We want her and all the Tea people to enjoy the library.

Ms. Miller: *Does the library still have the semi-annual [book] sale?*

Director Hixson: Yes, the Friends of the Yakima Library hold a sale twice a year.

Ms. Miller: *So, Friends groups can't be called on without a 501(c)(3)?*

Director Hixson: In order for people to make tax deductible donations to the Friends, they would need to be a 501 (c)(3). There is a need to be transparent for funds exchanged between the Friends Groups and the Library district. One of the ideas we've been discussing is to have a lawyer or an accountant give a presentation to anyone wanting to learn how to obtain a 501(c)(3) and/or how to start a Friends group.

Ms. Miller: *I think this in-service program could really help educate people about the process.*

Nancy Heilman-Schott: The Moxee Library League was very concerned about the temporary suspension of their book sale cart. We are working with them to help them set up the IRS and Secretary of State requirements for non-profits.

Ms. Miller: *I know what it took for with our running club to get a 501(c)(3)! The (Friends) groups need to catch up with what they need to do to comply with the government.*

The Trustees expressed their appreciation to Ms. Zahn and Ms. Miller for bringing their concerns to today's meeting. The Open Forum concluded at 10:53 a.m.

III Consent Agenda

The consent agenda is a grouping of ongoing regular items that are presented to the Trustees for approval. Any of the items can be broken out and questions may be asked at any time regarding any of the items:

- a. *Approval of the December 18, 2012 minutes*
- b. *Approval of financial statements*
- c. *Approval of payroll and benefits*
- d. *Approval of expenditure vouchers*

President Fujiura asked if there were any changes or modifications to the Consent Agenda. The Trustees reviewed the list of claim vouchers and asked questions regarding various vendors and expenditures.

Director Hixson announced a change to the December 2012 Summary of Warrants Disbursed document which was issued in the Board Packet. The expenditure listed under Accounts Payable Warrant for the amount \$1,950.00 should not have been included. Warrants 71214 to 71215 were released in January 2013 not in December 2012. The Warrants will be listed on next month's January Summary. The December 2012 Claims Voucher and Warrant Register Approval document to be signed and approved by the Board show the correct expenditures.

Trustee Perryman asked to refer to page 6 of the December Minutes. She stated her name was omitted from the paragraph and she is interested in being registered as a WLA Member. Trustee Fujiura also stated she would like to be added as well. The Minutes will be amended to include these changes and presented at February's Regular Board meeting for the Secretary's signature.

MOTION: Trustee Perryman moved to adopt the Consent Agenda to include the changes to the December minutes, December financial statements, December General Fund to include Payroll and Benefits warrants, December Accounts Payable warrants, December voided warrants, and the West Valley Building Capital Fund December Accounts Payable warrants. Trustee Ostrander seconded the motion. *Motion unanimously passed.*

General Fund

Payroll Warrants

| | | | |
|---|----|--------|----------------------------|
| 319691 | to | 319700 | \$43,633.33 |
| 319701 | to | 319701 | 50.19 |
| 319702 | to | 319703 | 252.86 |
| 319704 | to | 319713 | 42,556.78 |
| 319714 | to | 319717 | 61,289.17 |
| Direct Deposit ACH Transfer to Key Bank | | | 85,515.01 |
| Direct Deposit ACH Transfer to Key Bank | | | <u>84,020.06</u> |
| <i>Total Payroll and Benefits</i> | | | <u>\$317,317.40</u> |

Accounts Payable Warrants

| | | | |
|--|----|-------|--|
| 71096 | to | 71099 | \$3,203.83 |
| 71100 | to | 71109 | 18,614.33 |
| 71110 | to | 71156 | 53,420.39 |
| 71157 | to | 71205 | 29,156.66 |
| 71206 | to | 71213 | <u>33,545.88</u> |
| | | | <i>Total AP Warrants</i> <u>\$137,941.09</u> |
| Total Warrants Disbursed General Fund | | | <u>\$455,258.49</u> |

Voided Warrants

| | | | |
|-------|----|-------|-----------------------------------|
| 71083 | to | 71083 | <u>\$18.00</u> |
| | | | <i>Total Voids</i> <u>\$18.00</u> |

West Valley Building Capital Fund

Accounts Payable Warrants

| | | | |
|--|----|------|---------------------------|
| 5088 | to | 5088 | \$2,228.98 |
| 5089 | to | 5089 | <u>62,684.60</u> |
| Total Warrants Disbursed W. Valley Fund | | | <u>\$64,913.58</u> |

IV Unfinished Business

a. Audit Update

Information

Director Hixson relayed that the biannual audit was conducted for fiscal years 2010 and 2011. The audit was unqualified without any formal recommendations – a clean audit. The exit interview was attended by previous Board President Jim Barnhill and Trustee Richard Ostrander. Documents provided to the Trustees included: the Exit Conference dated December 21, 2012; the State Auditor’s Official Accountability Audit Report for 2010 and 2011; and the State Auditor’s Official Financial Statements Audit Report for 2010 and 2011. Director Hixson concluded by saying the Auditor reviewed library transactions not only for the period of 2010 and 2011 but also evaluated files covered in the past three audits. It was an intense audit she told the Board; however, Hixson stated how pleased she was with the outcome. Hixson also asked if all of the Trustees had received the Exit Conference document that the Auditor said would be emailed to them. They acknowledged they had received. Although this document is not a formal attachment to the audit, Hixson pointed out that the exit item – Disbursements/authority does refer to the services that libraries are authorized to provide. The following information was included in that State Auditor Office exit document for the Trustees:

“According to the RCW 27.12, Library Districts are formed for the purpose of providing free public library services within the boundaries of its District. Washington state statutes do not provide a definition of “library services.” Without a definition, words used in statutes must be interpreted by their common law or ordinary meaning. Washington State officially uses the Webster’s II New College Dictionary (1999) to interpret ordinary meaning, which defines a library as:

a. A place in which literary and artistic materials, as books, periodical, newspaper, and prints, are kept for reference or reading.

- b. A collection of such materials, esp. when systematically arranged for reference.
- c. An institution or foundation maintaining such a collection.

Based on this definition, the following is SAO (State Auditor's Office) position on library district authority for certain activities: Allowable activities include:

- Children's programs related to books and reading
- Exchange books with other libraries both temporarily and permanently and to allow non-residents to use its books. In addition, libraries are authorized to provide services to Indian tribes that are situated outside of District boundaries.
- Charge non-residents for the use of library services....

We recommend the District implement procedures to ensure that all disbursements are only for allowable activities of the District." (State Auditor's Office YVL Exit Comments.)

Hixson noted that use of this State applied definition of *library services* could shape the services that libraries are allowed to provide.

b. Policy for Friends

Resolution #13-001

Director Hixson shared that one of the issues brought up during the recent audit was the formal association between the Library District and the Friends. It was determined that improved documentation and policy will help outline and guide the relationship between the two organizations. She added that the proposed Resolution is the first step to adopting guidelines that will help determine the relationships between the entities. The next steps will be to meet with the individual groups to help determine the status of their organization and then proceed to a contractual relationship which will satisfy auditor concerns. Trustee Perryman reiterated the idea suggested at the last meeting offering a presentation to the Friends groups on how to apply for a 501(c)(3). Director Hixson said she would like to pull together a workshop to the public with the assistance of a lawyer or an accountant. Trustee Perryman added that it would be beneficial to also provide hand-out materials to participants. Hixson agreed and hoped to put this event in place soon.

Motion: Trustee Ostrander moved that Resolution #13-001 in the Matter of Establishing Relationships and Agreements with Friends be approved. Trustee Perryman seconded. *Motion was unanimously passed.*

c. Liberty Building

Update

Director Hixson updated the Board stating Bill Almon has agreed to the payout of \$17,000 to cover the final six months of YVL's lease with the Liberty building. An addendum to the contract will be presented by the end of January.

d. Yakima Central Building – fencing

Update

Susan Miller, Facilities Manager, offered an update regarding the proposed fencing project for Yakima Central. A preliminary estimate of 165 feet rod iron fencing, two feet high, powdered and coated black, two gates included, plus installation on the

east and south side will cost approximately of \$10,200. She mentioned that Key Bank on Yakima Avenue had recently installed the same iron fencing. The railing is to discourage people from attempting property damage along the front of the library building which has been an ongoing problem. Trustee Ostrander spoke about his concerns of graffiti tagged on the exterior walls. The discussion circumvented to the recent incident of graffiti sprayed on the upper roof of Yakima Central Library. Ms. Miller relayed she was relieved the perpetrators hadn't harmed the HVAC units secured on the roof top. She filed a report with the Yakima Police Department and copies of photographs of the damage were included in the Board packets. Returning back to the subject of the proposed iron railing, Director Hixson asked Ms. Miller if she could give the Board a timeline when the fencing could be underway. Miller responded that an official request for quotes for the project would be required. The Trustees confirmed their interest in this project when the proposed enhancements were recommended by Trustee Maggard at the August 27, 2012 Regular Board meeting.

- e. West Valley – Security Cameras Update
Susan Miller, Facilities Manager, provided an overview of her research of Security Cameras. She relayed the best price is through Costco. The project would include eight cameras. Seven cameras would be fixed at designated corners of the building and one camera positioned in a rotating mode. The overall cost could be approximately \$2,475 including installing the cables. The project would be advertised as a prevailing wage job. Ms. Miller also stated that the film's footage can be recorded on a DVD for a fifteen day period. Trustee Ostrander reiterated the importance of security measures to prevent graffiti on the building due to the composition of the exterior walls. Director Hixson agreed that this is a high priority. The Board agreed this is cost effective and to proceed with the project.

V New Business

The following resolutions are standard and regular annual authorizations for the Library District and for the Yakima County Treasurer's Office.

- a. 2013 Authorized Financial Transaction Signatories Resolution #13-002
Motion: Trustee Ostrander moved that Resolution #13-002 In the Matter of the YVL Authorization Form for 2013 Financial Transaction Signatories be approved. Trustee Perryman seconded. *Motion was unanimously passed.*
- b. 2013 Investment Officers Resolution #13-003
Motion: Trustee Ostrander moved that Resolution #13-003 Authorizing the Appointment of Investment Officers for Yakima Valley Libraries be approved. Trustee Perryman seconded. *Motion was unanimously passed.*
- c. 2013 Investment Authorization with LGIP Resolution #13-004
Motion: Trustee Ostrander moved that Resolution #13-004 in the Matter of Authorizing the Investment of Yakima Valley Libraries Monies in a Local

Government Investment Pool for 2013 be approved. Trustee Perryman seconded. *Motion was unanimously passed.*

- d. Staffing Changes/Updates Information
Director Hixson announced the following staffing changes as of January 1, 2013: **Nancy Heilman-Schott**, Accounting Manager, has been promoted to Finance and Operations Director; **Melissa Vickers**, Administrative Analyst, will now report to the Finance and Operations Director tracking E-Rate and funding, statistics and assist with formalizing procedures in Polaris; **Lucia Nesta** is promoted to Accounting Assistant; **LeNee Gatton**, Managing Librarian, will move from Zone 6 to Zone 4, and will also oversee the Collection Development, supervise the Collection Development Coordinator, and the Community Libraries Assistant Manager (who oversees ILL and Outreach Services); **Kathleen Beehler**, Public Services Assistant, will transfer to Selah from Yakima Central; **Deb Stilson**, Managing Librarian, will move from Zone 4 to Zone 6; **Linda McCracken**, Deputy Director, will oversee the library district's Strategic Plan; due to the closure of Union Gap library's employees **Sheri Moon**, Public Services Assistant, will locate to West Valley and **Monse Vargas**, will return to Yakima Central Library as a Public Services Supervisor III. **Elaine Perkins**, Moxee's Community Library Supervisor II, will retire January 31, 2013.
- e. Status of Collection 2012 Information
Director Hixson said will keep the Board updated about the Collection on a regular basis. LeNee Gatton, overseeing the Collection Development, will assist in coordinating this effort. Only 41,668 new items were added in 2012 which doesn't include the Baker & Taylor leased books. One-third of the collection was weeded last year reported Hixson. Trustee Ostrander asked if Baker & Taylor might consider allowing us to buy the returning leased books as "used" books at a reduced rate. The Trustees acknowledged his idea. Hixson stated we need to track statistics on our data bases as well and that Melissa Vickers is gathering statistics on the children's data bases. These programs are exceptional tools for early learning and early literacy Hixson said.

VI Announcements

- a. *WLA Participation by Trustees*
Memberships and fees have been submitted to WLA for each Board member.
- b. *ALA Midwinter in Seattle – January 26-29*
Director Hixson will attend the Directors' Conference in Dumas Bay on January 23 and 24. Afterward, she will attend the ALA Midwinter Conference in Seattle. Linda McCracken, Deputy Director, has agreed to participate on the ALA Board's Public Library Resources Committee and will attend the Midwinter Conference.
- c. *Digitalization of Library Materials*
Terry Walker, Archive Librarian, has been cataloguing a large number of items found among our historical materials. The discovery she's made is very exciting declared Director Hixson. Recently she located newspapers dating back to the 1800s. Ms. Walker told Hixson about an opportunity the Yakima Museum has offered to

digitalize the copies through their advanced technology. We would like to lend the originals to the Museum for digitalization and the materials will be returned after the process is complete. An Extended Loan Contract will be drawn up as a qualified lending agreement. I respectfully request approval by the Board to move forward with this project. The Trustees unanimously agreed to this recommendation.

d. *Recent articles*

Director Hixson addressed the topic of recent articles featured in the Yakima Herald-Republic, particularly Ben Soria's, January 13, 2013, Guest Editorial entitled *Libraries Must Change with the Times*. Hixson stated she has been in contact with a communication specialist for assistance regarding current public opinions expressed about the library district. The Trustees stated they favorably support Hixson if she chose to respond to the recent publications.

VII Adjournment

President Fujiura adjourned the meeting at 11:15 a.m.

Next Regular meeting
will be
Monday, February 25, 2013 at 10:00 a.m.
Yakima Central Library Boardroom

Respectfully submitted,



H.E. Maggard
Secretary