

1 **SAN JUAN ISLAND LIBRARY DISTRICT BOARD OF TRUSTEES**

2 **Special Meeting/Retreat**

3 Conference Room, Friday Harbor House

4 March 29, 2008

5
6 **Members Present:** Fred Henley, Marie Johansen, Tom Metke, Susan Rosenberg, and
7 Lynn Weber/Roochvarg

8
9 **Staff Present:** Laura Tretter, Shannan Sword, and Carrie Lacher

10
11 **Guests Present:** David Bentley, Facilitator

12
13 Susan Rosenberg called the meeting to order at 10:02 a.m.

14
15 **Public Access**

16 None

17
18 **Agenda Approval**

19 **MSC** Tom Metke moved and Marie Johansen seconded to approve the agenda as
20 presented. Passed.

21
22 David began the meeting by asking each trustee their expectations for the day. Discussion
23 followed.

24
25 **BUDGET 101**

26 Laura distributed copies of the 2008 budget. Important points that were noted and
27 discussed:

- 28 • There are two main Library funds: Operating Fund and Capital Reserve Fund.
- 29 • Each of these two funds has a cash account and an investment account. The
30 investments are made to ensure that interest is earned through the Local Government
31 Investment Pool.
- 32 • To move monies between funds, Laura submits a request to the County Treasurer.
- 33 • Revenue comes mainly from local property taxes. The biggest chunk comes at the end
34 of April with the second biggest chunk coming at the end of October.
- 35 • The property tax line in the budget also includes an estimate of taxes on new
36 construction. New construction is taxed at a higher rate. Laura noted that she is
37 anticipating that income from new construction will decrease slightly over the next few
38 years.
- 39 • It is to the Library's benefit to show all gifts, grants, patron donations and FOL
40 donations in the revenue. Laura is considering changing some of the lines to be able to
41 include such items. This helps to show that the Library is not just relying on property
42 taxes for revenue.
- 43 • It was agreed by the Board that it is a good idea to show all gifts/contributions made by
44 FOL in the budget rather than having FOL pay some items directly. This helps to clarify
45 that FOL and the Library are separate entities.
- 46 • It may also be a good idea to show how much is contributed by volunteer hours.
- 47 • Tom expressed interest in seeing historical trends on some budget line items.

- 48 • Shannan explained that e-Rate is a government program which gives the library a
49 refund for telephone usage based on the percentage of local school children who are
50 eligible for the free-lunch program. We are not currently able to receive a rebate on all
51 of our telecommunications/media because the Library is not fully CIPA (children's
52 internet protection act) compliant.
- 53 • Lynn volunteered her expertise for future grant writing.
- 54 • Personnel expenses are approximately 60% of the entire budget which is actually on
55 the low end. Discussion developed regarding the step structure of pay increases, in
56 particular regarding adding new levels. It was suggested it may be time to have an
57 updated salary review.
- 58 • It was noted that the amount transferred into savings each year has decreased due to
59 the levy limits.
- 60 • Laura also noted that the Library has not made a commitment to save a certain
61 percentage each year and the Board may want to consider this for future budgets.
- 62 • There was discussion and clarification of beginning cash and transfers as pertained to
63 the Capital Reserve Fund.
- 64 • Laura noted that a change in the way the annual budget was being reported to the
65 Board resulted in the large amount transferred to the Capital Reserve Fund in 2007. Of
66 that amount, \$65,000 included the Stuby fund. For the 2009 budget, Laura intends to
67 break out this fund. It was noted that there had been previous discussion by the Board
68 to use some Stuby funds for the online calendar development.
- 69 • Everyone wanted to make sure to acknowledge Friday Harbor House's donation of the
70 conference room use for the board retreat. It was suggested that FOL may consider
71 giving them an honorary business membership.

72 73 **LEVY LID LIFT DISCUSSION**

74 Laura distributed a handout with basic information regarding property tax levy lids and levy
75 lid lifts. This information included the following important definitions:

- 76 • Property tax levy: total dollar amount to be collected by a taxing district.
77 • Property tax levy rate: the amount per \$1000 of assessed valuation used to
78 compute the property tax levy.

79 Each year, the Library tells the County what the tax levy is and then the county calculates
80 the mill rate. The maximum mill rate for a library district is 50 cents per \$1000 of valuation.
81 Currently, the Library is at approximately 26 cents which is the lowest in the County. Our
82 rate is now almost **half** of what it was in 2001 because valuations have increased so fast
83 over the past few years and I-747 went into effect in 2001. The Library is **not** changing the
84 maximum mill rate but the levy lid lift **would** increase overall property taxes because the
85 Library is only at 26 mills and it can go up to 50 mills. Laura provide a sheet of specific
86 examples of various types of levy lid lifts including permanent (restores the full mill so it
87 sets a new base), temporary (affects only one year, like a special levy for a special
88 project), and a new option for libraries called a multi-year permanent lid lift which allows for
89 increases of more than 1% for each of 6 years that is tied to the Consumer Price Index.

90
91 Laura passed out general election information including website links and a timeline for
92 levy lid lift resolutions as tied to possible election dates. It was noted that the Library bears
93 the cost of the election based on number of voters which is approximately 5,000. If there
94 are other issues on the ballot, then the cost is shared. Discussion developed on the pros

95 and cons of different dates. It was noted that one thing to consider is the life of the current
96 building as the Library will need to go to the public for a bond for new construction.

97

98 Some levy lid lift considerations:

- 99 • Demonstrate future needs – increasing at or above COLA (**Tom**):
- 100 1. personnel (salaries plus benefits) – ensures trained, experienced staff
- 101 2. technology needs
- 102 3. keep collection current
- 103 4. expand programming
- 104 5. maintaining facility and landscaping
- 105 6. hours of operation
- 106 7. outreach
- 107 8. increased youth services
- 108 9. increase in large print and audio collections because of changing demographics
- 109 10. increase in interlibrary loans
- 110 • Demonstrate good financial stewardship (**Fred**):
- 111 1. Retired bond for first expansion quickly
- 112 2. Second remodel paid for out of capital reserves (savings)
- 113 3. Replaced catalog (which operated for over 10 years) through good planning without
- 114 having to cut services or take out of savings
- 115 4. The ability to plan for and actually save funds with a higher mill rate will enable
- 116 Library to pay for above needs.
- 117 5. The Library has never had any emergency appropriations or loans.
- 118 6. Library has met community's long range planning goals.
- 119 7. Library has addressed personnel goals/costs through high staff retention
- 120 8. Good at soliciting and utilizing donations and volunteer hours/skills
- 121 9. Sound investment in terms of services received by patrons/community
- 122 10. History of positive audits
- 123 11. Seeking out and utilizing grants.
- 124 • Show benefits to the Community (**Lynn**):
- 125 1. Circulation stats
- 126 2. What paid in taxes per value of services received
- 127 3. Specific services for specific community sectors
- 128 4. Programs: meeting room, youth, elders, technology, tech classes, reading programs
- 129 (reading buddies and ESL), low vision programs, TTY.
- 130 5. Cooperation with other community groups.
- 131 6. Is there research on value of library in terms of best places to live?
- 132 • Explain Levy Concept (**Susan**):
- 133 1. Levy rate vs. levy amount
- 134 2. constant dollar levy amount (compare today vs. 2000 adjusting for inflation)
- 135 3. Explain I-747, revision, why we have to come back to taxpayers
- 136 4. Remember: Levy RESTORATION may be more user friendly term!
- 137 5. Use simple example of a home at a particular value generates what? Put result in
- 138 terms of latté or ferry ticket.
- 139 6. Invite Mike Wirt.
- 140 • Deal with Negativity (**Marie**):
- 141 1. Economy fears

- 142 2. Increased requests from all other organizations
143 3. Why don't you just cut programs?
144 4. Why don't you cut services (hours, etc.)?
145 5. I don't use the library – why should I pay?
146 6. I don't like policies.
147 7. I don't like remodel.
148 8. Library is too noisy.
149 9. Why not use up the capital reserve fund first?
150 • Organize Citizen Work Group (PAC) (**ALL**)
151 1. Get advice on legalities of who can do what and say what.
152 2. Organize a grassroots committee by identifying key players.
153 3. Provide information, talking points and other materials.
154 4. They do their own fundraising.
155 5. Work with League of Women Voters and Chamber of Commerce, etc.
156 6. Contact group who just did this on Lopez.
157 7. Consult with FOL Board.
158

159 Discussion developed regarding specific ballot date: 2009 but general or special? Points of
160 consideration included:

- 161 • crowded ballot – is that a negative factor?
162 • gives us time to have our numbers and build a committee
163 • August 18th possibly – sometime in second half of 2009.
164

165 Suggestions for possible presentations:

- 166 • David suggested developing an “if-then” chart so if at a community presentation and a
167 certain topic is brought up, you have a chart of how best to reply.
168 • Be careful with numbers – in presentations it is easy to overwhelm people with
169 numbers and come off as a “know-it-all.” It is important to share numbers but it isn't
170 necessary to “show” it all.
171 • Tom's long association with the Library demonstrates a long-term, deep, and consistent
172 relationship which can be a benefit but it is important to remember that not everyone
173 feels the same way about the library.
174 • Important to avoid using jargon such as “ILL.”
175 • With the economy as it is, some people are going to decide where to spend their
176 dollars and how to prioritize. Important for us to focus on the value of the library,
177 especially during a difficult economy.
178 • If decide to postpone the levy lid lift campaign if the economy should worsen, our hard
179 work will not be in vain.
180 • Meeting room(s) as a community resource:
181 ○ space for small meetings for people to gather and talk
182 ○ other spaces for students being able to gather and study
183 ○ video conferencing capabilities available to nonprofits, schools, other libraries
184 • bandwidth usage
185 • online community calendar
186 • The Library's priorities have been set through long range planning (which included the
187 larger community) and development of the mission statement
188

189 Discussion developed regarding what to do if the levy lid lift campaign should fail. Susan
190 shared what the Seattle Public Library did: rather than cut services throughout the year
191 which may not have had a big impact, they closed for 2 weeks each year. During that time,
192 staff went without pay but community strongly felt the impact of not passing the levy lid lift.
193

194 **LIBRARY OF THE FUTURE**

- 195 • works with an aging population
- 196 • more of a divide between income levels and education levels
- 197 • changes in collection mediums such as electronic books
- 198 • e-learning vs. people coming into the library for learning
- 199 • teaching patrons how to critically analyze information
- 200 • technology will become more important but we cannot yet visualize what
- 201 • bricks and mortar – some people see the library staff as going out into the community
- 202 more but others see more meetings taking place inside the library
- 203 • not a lot of ideas about staff and level of expertise; maybe patrons tend to take staff's
- 204 skills for granted
- 205 • students today are not being taught library skills in school; now up to public library to
- 206 provide
- 207 • generational difference between what staff and libraries provide; younger generation
- 208 more focused on technology
- 209 • online databases are still “underused” by our patrons
- 210 • Laura asked each board member to write a paragraph about what the library of the
- 211 future looks like in context of our community and bring this to the next board meeting.
- 212 Laura has asked other members of the community to do this as well.

213 **ADJOURNMENT**

214 **MSC** Fred Henley moved and Lynn Weber/Roochvarg seconded to adjourn at 3:45
215 p.m. Passed.
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219
220 Respectfully submitted:

Board Secretary

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222
223
224 Approved:

Board President