

**Library Advisory Board Minutes March 5, 2013**

For Multnomah County Library Advisory Board (LAB)

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The Multnomah County Library Advisory Board (LAB) met on Tuesday, March 5, 2013 at Central Library in the U.S. Bank Meeting Room. Chair Katie Lane called the meeting to order at 7:32 am.

Board members present were: David Blount, Erin Cooper, Marian Creamer, George Feldman, Katie Lane, John Potter, Adam Starr, Mardy Stevens, Danika Stochosky, Maegan Vidal, Carlene Weldon and Sola Whitehead. Board members: Lori Irish Bauman and Bernadette Janét were excused. Board members: Etsegenet Ayele, Hallie Blashfield, and Henise Telles-Ferreira were absent.

Staff members present were: Vailey Oehlke, Director of Libraries; Becky Cobb, Deputy Director; Dave Ratliff, Central Library Director; Rita Jimenez, Neighborhood Libraries Director; Jeremy Graybill, Marketing & Communications Director; Cindy Gibbon, Access & IT Services Manager; Terrilyn Chun, Public Programming & Community Outreach Manager; Shelly Kent, Human Resources Manager; Katie O'Dell, Youth Services Director; Shawn Cunningham, Policy Advisor; Javier Gutierrez, interim Collections Services Manager; and Jamie Owens, Administrative Specialist, Director's Office.

Also in attendance were: Joanne Fuller, Chief Operating Officer, Multnomah County; Shawn Files, Policy Advisor, Commissioner McKeel's Office; Percy Wise and Earl Dizon, Friends of the Library; and Merris Sumrall, The Library Foundation.

The February 12, 2013 minutes were approved.

**CHAIR'S REPORT**

Danika Stochosky shared information about the Everybody Reads book discussion for the LAB, and encouraged everyone to attend. It will be held at Lori Irish Bauman's home on Sunday, March 10, and include a potluck dinner.

**DIRECTOR'S REPORT**

Vailey highlighted the proposed open hours; details are in the Director's Report which was provided. Hours are balanced between consistency across the system and a patron's need to find an open library. MCL proposed specific changes to hours from last

year's schedule based on what was heard from the patron survey. The library is valued as a community space. The proposed hours are staggered to make the library available to create as many options and opportunities as possible, for access to books, meeting rooms and free community space.

## **LIBRARY TRANSITION**

Vailey reminded the LAB of the transition from MCL to the library district. Phase One is the status quo and includes an Intergovernmental Agreement (IGA) effective through June 30, 2014; this gives the library time to work on the details. On March 14, 2013, the Board of County Commissioners (BCC) will vote to establish the Library District Board and boundaries, appoint the District Librarian, and agree to the IGA. Vailey introduced Multnomah County Chief Operating Officer Joanne Fuller, who attended to answer questions about this process. A copy of the IGA was distributed.

Katie Lane, Library Advisory Board Chair, presented the proposed IGA and explained that the IGA document clarifies how Multnomah County and the library will work together, and she asked for any questions or concerns. George Feldman asked about a conflict of interest with the Board of County Commissioners serving as both the BCC and the District Board. Joanne Fuller answered that it has been structured this way from the beginning for the district. The BCC serves as the governing body for other boards. They will recess and convene as the district board and it will be clear that they are serving as that board. The Tax Supervising Conservation Commission (TSCC) reviews all budgets for entities within Multnomah County, and they will do so for the district. It isn't a conflict of interest per se, but they will need to balance the best interests of the county and the best interests of the district. The Board does this kind of balancing all the time, jails vs. libraries vs. health clinics. John Potter questioned if the LAB will be advising the library district or the BCC and suggested the input of the LAB would help with that needed balance. Joanne answered that it is the role of the LAB to talk to the BCC about library issues no matter which role the commissioners are playing.

David Blount asked what the annual audit would look like as far as standards; whether it would be a financial audit or if it would go beyond that. Joanne Fuller explained that Steve March is the elected auditor and he does performance reviews to analyze value for the money and if the money is being used wisely. The reference in the IGA is to an independent financial audit. The library is now folded in with the county's audit; this would be a separate audit for the district. The County also has an Audit Committee, which Steve chairs, that oversees the audit process and discusses issues. The review is done with a commissioner, citizens and the CFO using standard accepted government practices for the audit. It seems reasonable that the LAB should have a representative on that committee

Marian Creamer asked if the BCC solicited information from other districts that has done this, to use as a model. Vailey answered that our library situation is unique, even with 25 other districts across the state. Deschutes County is the next largest district and

locally there is Clackamas County, but they have independent city libraries; even though it is not the same, there are pieces that apply.

Marian asked what can the LAB members could do to be proactive. Joanne answered that the agreement was made to be simple, in order to allow the library to get back to the open hours, and have less impact on employees. The IGA allows time for decisions to be made about owning buildings and infrastructure; and the Board could use LAB input.

John explained that the audit point is important; the County should not appear to be spending library money for other projects like the Portland Water Bureau has been accused of with water rates. Joanne replied that the County has a system of checks and balances and a different structure from the City's.

Katie noted that with the IGA, all of the library property including the buildings, the books and the rest of the library assets will still belong to the county and she wanted assurances that the agreement is temporary. Will there be an assessment of district owned vs. county owned? Joanne answered that the commissioners want an assessment before going forward and the IGA may be amended many times during the process. Katie questioned the termination language; it says that six months' notice has to be given. If the agreement is temporary, it should contain language that says it will expire on a certain date unless the parties agree to renew. It won't functionally impact anything, but the IGA needs to be clear that it's temporary. Joanne commented that the language lines up with other agreements the County has and with the fiscal year process. David asked what other districts did with the transfer of property. Vailey answered that Deschutes County eventually transferred their property to the library district. The assessment is critical to evaluate what makes sense around the buildings and books. Joanne added with ownership of buildings, overhead costs are high, but after it is really examined, there is an economy of scale; it may not make sense for the library district to do all business independently. Vailey added an example that the County IT department has a diversity of skills and a depth that the library would not be able to maintain. George asked if the library district would be billed for other County services it uses. Joanne answered that right now the library pays its share and that would continue as is. The County calculates costs and uses complex drivers to figure out how to share those costs across departments. County attorney services are an example. The library pays its share up front and Vailey can call whenever she wants without worrying about how much time she's using.

Katie questioned who's representing whom in the negotiations. Joanne said that it seems odd, but the Board does this all the time with other County departments like nurses, jails, etc. They have to balance disparate services and needs. George asked what the role of the LAB is when the County Board/District Board has conflicts. Joanne answered that talking to the Board about what is good for the library is your job. Other departments have advisory boards as well. Sola added that the Charter amendment has a statement about the LAB.

Marian Creamer asked if LAB members could attend ongoing meetings, and how to find out when the BCC will be meeting as the Library District Board. Joanne answered that the budget meeting schedule is set, and already posted on the website. Vailey agreed to get meeting information out to the LAB. There will also be a District Committee that will meet with the Chair over the next 3 to 4 months over lunch and it will include representatives from the LAB.

## **COMMITTEE REPORTS**

### **Finance Committee**

John Potter provided the Finance Committee's Citizen Budget Advisory Committee (CBAC) report for the LAB to review. The report, which is due Friday March 15, states that the library's proposed budget lines up well with the library director's priorities, offers program enhancements, designates Belmont as a regional library and totals \$66.5 million with 511 FTE. The committee agrees that the IGA will help the library district to move forward in the short term and give flexibility to find savings and provide patron services.

The key thing is maintaining flexibility in the future. Katie expressed concern that the county interests will be very well represented, but the library's will not and asked: Who speaks for the library district when there are negotiations? David Blount added that until there is a transfer of buildings and books or a recognition that library district assets will remain with the county, their operations as it relates to the management of those assets is critical. George inquired about the approximate income of the library as compared to the total amount that county collects. Becky answered that the county's overall budget is \$1.2 billion, but the general fund is \$350 million and that is the amount that the BCC controls. David asked how long it is estimated that the \$1.24 rate will last. John answered that Mike Jaspin's projections assume a starting rate of \$1.18 for approximately five years and then moves up gradually to the \$1.24 rate by the end of the 10-year projection. Vailey clarified that the key to long term management is to bring the library's expenditure growth rate as close as possible to the rate of projected growth of assessed property values. Mike Jaspin has projected assessed values will grow 3.5% per year. In the past, the library's growth in expenditures has been 4.3-4.5%. During Phase Two of the IGA, the cost benefit analysis and thinking through the services the library needs will be critical. Although the library cannot control future PERS costs, health care increases, assessed values or compression, the longer the library can keep expenditures to 4%, the better the long term financial condition of the organization.

Sola Whitehead thanked John for his leadership of the Finance Committee. Vailey added that the committee did a remarkable job again, and that much of the work takes place outside of the many meetings.

## **THE LIBRARY FOUNDATION**

Merris Sumrall reported working closely with Katie O'Dell on proposals concerning common core standards and national reading standards. TLF is looking at the leadership MCL can provide, and to utilize what the library has already done with these partnerships. MCL has the potential to show the difference that libraries can make with school age reading programs.

Vailey thanked the TLF for all of their hard work for these proposals.

## **FRIENDS OF THE LIBRARY**

Percy Wise announced the spring book sale date of April 26-28 at the Gresham Station. The FOL will try something new during the "members only" sale on Friday night. There will be a "collector's corner" which will feature some higher end books and ephemera for sale. The Friends also plan a presence at the Sherman Alexie lecture next week.

Earl Dizon announced a partnership with Burgerville on Hawthorne Boulevard. On March 21, between 5-8 pm, Board members will be there to help serve the food and FOL will receive 10% of the profits. A table will also be set up to take book donations.

## **GOOD AND WELFARE**

Vailey mentioned that the Everybody Reads lecture is March 12, and hopes that LAB members will attend.

Katie thanked John Potter and the rest of the Finance Committee for all of their hard work. Vailey thanked John for his leadership and the rest of the Finance Committee for their commitment to the process.

The next LAB meeting is on Tuesday, April 9, 2013.

Katie Lane, Chair, adjourned the meeting at 8:44 am

Respectfully submitted by:  
Jamie Owens  
Administrative Specialist, Library Director's Office  
Multnomah County Library, Oregon