

CANBY PUBLIC LIBRARY BOARD MEETING MINUTES 12-13-11

6:15 PM CANBY CITY HALL CONFERENCE ROOM

Present: Jon Dragt (chair), Madeleine Henderson, Cathy Whiting, Sue Carson and Jennifer Searls (board members); Penny Hummel, Marty Moretty (staff) ; Traci Hensley, City Council.

Jon called the meeting to order at 6:15 p.m. The minutes of the November meeting were approved by consensus.

Library Director's Report

- The library is currently interviewing finalists for the Reference/Access Services Librarian position, which will be filled in early 2012 after the retirement of longtime staff member Linda Baty.
- Responses to the fundraising appeal sent out in November continue to arrive. Board members were encouraged to take response cards and envelopes and to share them with anyone they feel might be interested in contributing.

New Library Planning: Update

- Construction of the police station continues on schedule, with an expected opening date by mid-2012. City Administrator Greg Ellis has begun the process of negotiating for the other two properties for the proposed new library site on First Avenue. We look forward to updates in early 2012.

Report on City of Canby Budget Committee meeting. Jon, Jennifer, Penny and Traci were in attendance at this November 30 meeting, at which city staff presented an overview of the recent history of the city's General Fund as well as projections for the future. In the last five years, the General Fund's carryover has been reduced from \$3 million to approximately \$1.3 million in FY12, an amount that is much lower than desirable. With respect to property taxes, assessed value and real market value are getting closer and closer, which has a negative effect on revenues. In short, the city's General Fund is currently facing serious challenges

At the November 30 meeting, budget committee members expressed their interest in having an opportunity to discuss overhead transfers prior to the onset of the budget process for FY13. A meeting with this focus has tentatively been scheduled for January 25. At the end of the meeting, library board chair Jon Dragt and Mary Walsh of the Canby Educational Foundation gave testimony that expressed community concern about the future of the library. In their discussion of the Nov. 30 meeting, library board members expressed similar concerns about the potentially negative impact that the General Fund's health may have on library services.

Library service standards. Following the November 30 budget committee meeting, Jon had asked Penny to provide information to the library board about what specifically might happen to the library if overhead transfers for library services were not reduced in FY13. In presenting

her response, Penny began by reviewing the appropriate Oregon Library Association threshold service standards. Since all libraries within the LINCC system have agreed to strive to meet these minimum standards, they provide the foundation for the service improvements made in Canby since district funding began in July, 2009. For the Canby Public Library, the relevant OLA standards are the following:

- Library director has MLS
- 1/5 of staff have MLS (In Canby: 2.0 FTE)
- Staffing is at .35 FTE/1,000 served, or 8.77 FTE for Canby
- Collection will include at least two items per capita served, or 52,000 items.
- The library will be open a minimum of 50 hours.

At this time, the library has achieved the threshold standards, albeit by small margins with respect to open hours and full time equivalent (FTE) staffing. Penny also noted that there are two higher levels (“adequate” and “excellent”) above them, and so reaching the threshold standards should be seen as providing the minimum level of service rather than as a best practice.

Impact of overhead transfers on library service. Penny emphasized that since we do not yet know what the value assigned to the internal services used by the library will be in FY13, her current understanding of the potential impact is, by necessity, “in the ballpark” rather than an actual calculation. However, since the estimated value of the administrative overhead charge alone in FY12 is \$179,242, a 22% (or \$32,848) increase over the value for administrative overhead in FY11 (\$146,394), it is likely that the calculated value of these services will increase to at least \$200,000 in FY13.

Using \$200,000, therefore, as a “ballpark” figure to estimate impact on the library budget in FY13, Penny explained that in terms of the library’s expenses, most costs are relatively fixed with the exception of staffing and benefits (which directly determine the number of hours the library can be open) and materials (books, DVDs, CDs and other items). When \$200,000 is taken out of the FY12 budget for staffing and materials, the estimated impact is the following:

- The materials budget is reduced from \$134,500 to \$34,500. In FY09, the last year prior to district funding, the library’s collection budget was \$25,000.
- The staffing budget (wages and benefits) is reduced from \$595,476 to \$495,476. Currently, the library budget includes \$474,744 for all staff except the library director (the one position not directly related to the number of hours the library can be open). Therefore, to absorb a \$100,000 reduction in salaries, the library director position would have to be eliminated or significantly reduced, or front line staffing costs would need to be reduced by one fifth. If the latter option were taken, the library would have \$374,744 for front line staffing. In FY09, when the library was open 28 hours a week (vs the current 51 hours), the cost of staffing was \$368,974, but given the rise in staffing

costs each year, it is unlikely that this comparable amount in FY13 would fund as many open hours as it did in FY09. (We can also predict that staffing costs will be higher in FY13 than they are in FY12, creating even more of a financial pinch.)

Thus, although we can only make very broad estimates at this point, it is evident that absorbing administrative overhead charges at their full expected value in FY13 will result in visible cuts to library services. The library would either have no director or be open only 20 – 25 hours a week, or some other combination of significantly reduced staffing. And, few new books, DVDs and other materials would be purchased.

Jon said that it will be impossible for the library to meet the minimum service standards established by the LINCC IGA if overhead charges at that level come to pass in FY13. The library would fail to meet the standards for FTE, open hours, and, potentially, professional staffing (a director with an MLS, and 2 FTE with MLS.) He also noted that people throughout the county would then be paying taxes for services they aren't receiving, since the Canby library would be back on life support as it was prior to district funding. Other LINCC libraries would be negatively affected as their collection dollars would need to stretch to serve Canby customers, and Canby would be offering almost nothing in return. This situation would violate the cooperative nature of the LINCC network.

Cathy wondered whether the library district would ultimately cut off Canby's funding if more and more district dollars go to the city's General Fund and if this would mean the demise of the Canby library. Penny said that although it is difficult to predict what scenario might play out, the IGA does include a section that covers the enforcement of terms for the agreement.

All agreed that the city council will be faced with some difficult choices as the 2013 budget is crafted. During the budget process, community members will have the opportunity to provide input, so that the city council can make informed decisions that reflect the community's priorities.

The meeting concluded with a review of thank you letters written by second grade students from Eccles Elementary School following a recent visit to the library.

There being no reports from board members, the board adjourned at 7:37 PM.

Respectfully submitted,

Penny Hummel, Library Director