

NORTH TILLAMOOK LIBRARY FRIENDS BOARD MEETING

DRAFT MINUTES

January 21, 2023, Meeting of the North Tillamook Library Friends Board Annual Meeting

Via ZOOM

Directors Present: Steve Brier, President, Craig Nern, Vice President, Bob Riecke, Treasurer, Brooke Hua, Secretary, Terry Fullan, Judy Sugg, Jenna Edginton, Marc Johnson, Trish Johnson, Becky Berg

Directors Absent: Dan Haag

Others Present: Madeline Olson, Ann Morgan, Don Allgeier, Gail Young, Betsy Chase, Anna Duran, Jigyasa Sai, Jill Thurston, Dave McAdams, Lee Hiltenbrand, Martha Schechtel, Mark Roberts

Welcome and Introductions – Steve Brier called the meeting to order at 3:02pm. He had directors and other participants introduce themselves. He stated that Barbara and Michael Gould had an emergency and would not be able to make it to the meeting.

Consent Agenda – Steve Brier

Bob moves to approve the minutes from the November 14, 2022, and December 12, 2022, board meetings and was seconded by Craig. They were approved unanimously.

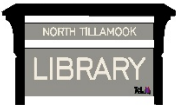
Marc moved to approve the Library Friends 2023 Annual Calendar and it was seconded by Bob. It was approved unanimously.

Review of 2022

Highlights – Steve Brier

Steve started with the good and old news that the county voters renewed the 5-year county library operating levy. The other good news was gaining Don Allgeier as the new director. Steve also made mention of Breeze Duvall and Madison Gray overseeing the NTL branch as fabulous additions. 2022 also saw the return of the annual book sale over Memorial Day weekend. He gave a thank you to Madeline Olson, Judy Lindley, Susan Rinehart and the 100 other volunteers. It had been 2 years since having a book sale due to Covid. \$7,000.00 was made that weekend in sales. In December, The North Tillamook Library Branch started selling used donated books daily. The success exceeded anyone's wildest expectations. To date it makes between \$50 to \$100 a week in sales. Steve thanked Don and Breeze for making it happen. Steve reminded us of the monthly magazine sales coordinated by Alice Yates on one Saturday a month. Those sales have been somewhat disappointing most likely due to low stock of donated magazines. He also reminded everyone that in the long term we will need a new place to sort books. The current location will likely be sold in spring or summer. To make suggestions he asked we go to our website to look for what we need for a new sorting place.

In November 2021, our building had a maintenance review with Terry Fullan and Rich Turi in November and the results show it is in good shape. Rich thought we should consider ductless heating and Terry worked to get that installed late this past summer. The units provide some cooling in summer and reduced heating costs in winter. Going forward in 2023, Mark Roberts will work on keeping the building



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tip top. The next big project is to replace the sliding doors to the patio. Steve also gave a big thank you to Becky and Terry for their hard work inside and out.

Steve shared that the Library is in excellent financial shape with around \$1.4 million in liquid assets. MacRae gave a large portion of that. The Library is well insured and has enough in serve to keep it going a while if the county ever ceases operating on Laneda Ave. The Board intends to spend some money on a project yet to be determined that would enhance it. Steve asked that if you have any ideas on how to spend \$200,000 to make the library better, we would like to hear about that.

Steve said it's been an honor to be President this past year and to work with the Board and volunteers. Steve has decided not to seek reelection for personal reasons. Betsy Chase has agreed to be nominee to serve as President. He said that Craig has been a wonderful Vice President while also managing our investments full time. He also couldn't be happier with Bob as Treasurer over the past 2 years. He thanked Brooke for her 2 years with the Board and one year as secretary with Trish's support. He thanked Trish for her many years of service. He thanked Marc for providing another year of wisdom and good judgment. He also thanked Terry and Becky for how wonderful the building looks inside and out. He thanked Jenna and Dan for keeping the community apprised with social media and the wonderful website Jenna revamped. Steve also thanked Judy for jumping right in with membership and development and how she has done wonderfully in that role.

Financial Performance – Bob Riecke

We have posted on our website the Financial Results Summary for December, the fourth quarter, and for the full 2022 year. My comments today are going to focus on annual results, and I am going to round to the nearest dollar. I invite all of you to review the Financial Results Summary.

Total revenue for the year was \$38,636 which was primarily donations in the amount of \$24,317, revenue from the sale of books in the amount of \$6,867, memberships dues in the amount of \$4,795, and magazine sales in the amount of \$773. We had some additional revenue from the sale of backpacks at our book sale and interest which totaled \$674.

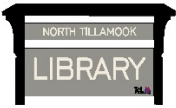
Total expenses for the year were \$29,848 with the primary expenses being for building maintenance and improvements, book sale expenses, insurance, outreach, operating expenses, such as utilities, janitorial, supplies, and professional bookkeeping services.

During the year we track our performance against our projected budget on a quarterly and annual basis. I am happy to report that our expenses were below projections and income exceeded expectations which resulted in Net Revenue for the year of \$8,788.

We finished the year with a strong balance sheet with total current assets of approximately \$1,423,000 and total fixed assets of approximately \$449,000.

Investment Performance – Craig Nern

Craig summarized that as of December 31, 2022, the value of our assets were down by -14.88 %. Although down, our performance was better than the S&P 500 which was down over 18%, and the Nasdaq down by 33%. He said this downturn is not surprising considering the Fed raised rates, there is a war, and various other problems. He believes we out performed by being conservative. The library has



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cash invested in short-term t-bills with higher interest rates. The allocation of holdings is roughly 2/3 in stocks, 27% bonds, and 5% cash. For the 2023 market, Craig admits near-term uncertainty, but is optimistic for the long term regarding stocks. Already in the first weeks of 2023 they are up 3.5%. He reiterated that the near term is uncertain, but stocks have proven, over many decades, to provide the best returns.

In regards to the Opportunity fund set aside to explore ways to enhance the library mission, Craig mentioned Bob's feeling we can no longer isolate those funds and we need to analyze exposures of both accounts as a whole. Doing so, we are somewhat out of compliance. The investment committee is working on the issue - a change to our policy to allow for more bonds will be presented to the Board in March. Marc asked how does Craig think markets will react to the debt ceiling as they become a political issue? Craig said this is the number one topic on Wall Street and that there are tenuous days ahead. Craig thinks most of the risk is already factored into the market with discounted stock prices.

Membership – Judy Sugg

Friends of the Library

Membership Report

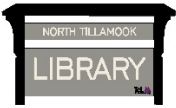
Annual Meeting Jan 21,
2023

Numbers as of Jan 17, 2023

	<u>2021</u>	<u>2022</u>	<u>Differen</u> <u>ce</u>	<u>Year to Date</u> <u>2023</u>
Members*	292	354	62	233
Businesses	25	27	2	15
New donors/members	22	49		8

Notes:

- *Members includes all donors and members. Usually the same as "members" or small difference



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2. We start renewals in Oct for the next year. Total 2023 membership is currently at 66% of 2022.

Membership committee report:

1. We had 354 members in 2022. 63% are family memberships.

2. We had 49 new members in 2022. These are people who gave for the first time between 10/21 and 10/22.

Special kudos to Jo Newhouse and Christina Pfister for their enthusiastic membership sales

3. We did 4 email renewal notices and 1 letter renewals.

4. This year we sent out a renewal notice before letter reminders. About 20% responded, reducing mailing costs.

5. Membership committee participated in the book sale by preparing the initial member list & selling

Memberships and backpacks. Special kudos to Deb Tinnin and Kathryn Stock for buying and

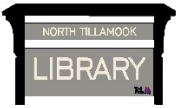
then distributing the remainder backpacks.

6. Barb and Mike Gould have volunteered to be membership chairs in 2023

Steve said Breeze gave the statistic of 23,000 visits in 2022 which is up a third from the year before. Recently, the Manzanita Branch averaged 72 visits a day which is about twice as much as the other Tillamook Library branches.

Tillamook County Library Update – Don Allgeier/Madeline Olson

Madeline said that for the Tillamook Library Board, 2022 was a time of change. There was a definite focus on the levy and then the loss of the library director. The board is confident in Don with his mature leadership taking the Board and Library to the next level. A big win is finally getting an early version of



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the updated Policies and Procedures Manual for the Library. She said it is critical to have in place and have all staff trained on it. It is especially important now with book challenges to have a strong and clear policy on how to handle them. She underlined how important it is to be in a strong position for patrons to have access to materials and their right to privacy. The success of the levy is in part due to the Tillamook Library system and the regard citizens have for it. Citizens appreciated the Library's rapid response to COVID and making materials available to them through it. The PAC was well organized and worked hard to get the word out, too.

Madeline said that 2023 starts with the all-important listening sessions. They will help the Board as they go forward to create a 5-year strategic plan which has been delayed with the change in library leadership. She also said the Board will continue to focus on creating more community partnerships and creating ways to maximize space and use of facilities.

Steve said the North Tillamook Library listening session is either March 7 or March 9 and to reach out to him if anyone present has a strong preference.

Don added that the library is focused in on a pilot called Lucky Day Library. It is a way to get more patrons to come into the library by having new and exciting books available for immediate check out even if there are multiple holds on it. The Library is also expanding its Library of Things collection, which includes nontraditional items to check out such as a screen and projector, a digital microscope, a telescope, and Wi-Fi hotspots.

The Library is also extending a new service called Book a Librarian. This could include notary services, one on one tech support, reader's advisory, and concierge. Don wants the Library to be a one stop shop for people to find all services. He said the Library Foundation is in good spot. The Library Park project has been its major focus and its completion is getting closer and closer. There is already programming for that space beginning this summer. The Foundation is now looking beyond that. Don wanted to add his immense appreciation for the excellent efforts of the Boards and the community love that goes into the Tillamook Library system.

Business Items –

Approval of Amendments to Bylaws – Steve Brier

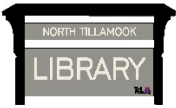
Madeline moves to approve proposed amendment I to Bylaws to approve meetings by telecommunications and action by electronic voting the was approved by the Board December 12, 2022 and was seconded by Marc. It was unanimously approved.

Madeline moves to approve proposed amendment II to Bylaws which adds the word "director" to the first sentence of Article V, Paragraph A was approved by the Board December 12, 2022 and was seconded by Marc. It was unanimously approved.

Election of Directors – Craig Nern

Craig informed us that Breeze generously is willing to participate on the Nominating Committee.

Craig said the slate of Directors up for nomination has been modified by one name. The following persons are nominated for three-year terms as Directors beginning January 21, 2023: Betsy Chase, the



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former President of the Tillamook Library Board. Barbara Gould and Michael Gould, who were unable to attend the meeting, but are a very likable and capable young couple. They will take over the membership committee should they be elected. Bob Riecke is up for another 3-year term. Mark Roberts, who has been very active with the Hoffman Center has agreed to take over the Maintenance Committee and has helped out in the past.

Craig put the slate to the members for a vote and they were elected unanimously.

Craig went to the second portion which includes himself to fill an unexpired 2 year term and Jigyasa Sai to fill an unexpired 2 year term. Jigyasa has advanced education in both business and accounting and has worked with the Hoffman Center.

Craig put himself and Jigyasa to fill the two unexpired 2-year terms for a vote and they were elected unanimously.

Election of Officers – Craig Nern

Craig put forth the slate of officers as follows: Betsy Chase for President, Steve Brier for Vice President, Bob Riecke for Treasurer, and Craig Nern for Secretary.

Bob nominates Betsy Chase for President and Trish seconds it. Bob nominated Steve Brier as Vice President and Craig seconds it. Brooke nominates Craig Nern as Secretary and Trish seconds it.

All officers on the slate are unanimously elected.

Craig explained that the Nominating Committee is working all year long to find excellent additions to the Board. If anyone has a name to pass, please do so to Steve or any member of the Committee any time of the year.

Betsy Chase wanted to thank everyone for participating in the annual meeting and for supporting the stellar library services in this county. She said partnership is very important. She was surprised when she moved here in 2013 by the library system and the breadth of what is available through it. She read the Library history that Steve shared with the members and noted the county system only formed in 1947. It is a credit to the community that the library is what it is today. She believes the Library makes a difference in the quality of life for the community.

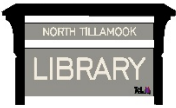
Approval of Board Signatories for 2023 – Steve Brier

Steve puts forth that the officers Betsy Chase, President, Steve Brier, Vice President, Bob Riecke, Treasurer, Craig Nern, Secretary be added as signatories on the banking accounts.

Craig moves to make this slate signatories on the bank accounts and it was seconded by Bob. It was approved unanimously.

Approval of 2023 Budget – Bob Riecke

Madeline Olson moves to approve the 2023 Annual Budget and 2023 Maintenance Budget and they were seconded by Ann Morgan. They were approved unanimously.



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Addressing the new board, Craig expressed creating an opportunity to invest more short-term funds. He said there is currently \$91,000 in the money market account and the banks have not offered a good interest rate. He seeks permission to purchase a \$50,000 t bill or similar bill for 6 months. He thought to use US Bank or DA Davidson. Craig clarifies that cash management is not part of the Investment Committee's purview. Martha Schechtel asked what interest rate 6 months t bills are getting. He responded between 4% and 4.5%. Bob also said interests on deposits are still woefully low.

Craig moves to allocate \$50,000 to a t bill or similar as a cash management strategy. It was seconded by Betsy and unanimously approved.

Other business/announcements

Trish announced Don had not forgotten about getting all the students in the Neahkahnie School District library cards. He and library staff met with staff at the school and started that work. Trish thanked Don for that. Steve thanked them both.

There being no other items for the good of the order, Steve adjourned the meeting 4:40pm.

Attached documents:

2023 Proposed Final Budget

2023 Proposed Final Maintenance Budget

Signed,

Brooke Hua, Secretary