

DRAFT MINUTES

OF THE

January 22, 2022, Annual Meeting of the North Tillamook Library Friends Board and General Membership Meeting

Via ZOOM

Directors Present: Marc Johnson, President, Stephen Brier, Vice President, Trish Johnson, Secretary; Bob Riecke, Treasurer, Directors Terry Fullan, Craig Nern, Jenna Edginton, Brooke Hua

Directors Absent: Becky Berg, Lynne Gross

Others Present: Christina Pfister, Judy Sugg, Dan Haag, Geri Godber, Tillamook County Library Director, Betsy Chase, Tillamook County Library Board representative, Kristi Hanson, Jill Thurston, Leila Salmon, Gail Young, Deb Tinnin, Mary Roberts, Mark Roberts, Kathryn Stock, Hans Tonjes, Mike Scott, Ann Morgan

Welcome and Introductions – Marc Johnson called the meeting to order at 3:01 pm. Marc welcomed those in attendance and reviewed the agenda.

Consent Agenda

Minutes of the November 15, 2021, Board Meeting (previously distributed by email)

North Tillamook Library Friends 2022 Annual Calendar (previously distributed by email)

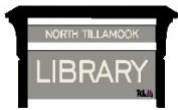
A motion to approve the Minutes and Annual Calendar was made by Bob Riecke, seconded by Brooke Hua; motion carried.

Review of 2022 - Marc Johnson

The state of the North Tillamook Library is indeed very good. The pandemic prevented – for the second straight year – our annual book sale, which is the largest fundraising event the Friends undertake. But we have soldiered on in the face of the adversity that has become a fixture of so many lives. We are thankful that the library has continued to be a great community resource – perhaps more important now than ever before. We have been blessed by the incredibly generous bequest of Anne MacRae, a friend we hardly knew but one who has made a transformative gift to the Friends. We kept up with maintenance needs on our building and grounds – a refurbished sign and some minor but important enhancements in the garden. We also commissioned a long-term maintenance analysis of the building that will help guide investments and upgrades long into the future.

It has been my great pleasure to serve as president of this organization and to have the opportunity to work with so many of you on a shared labor of love – maintaining and growing a great community library. This is indeed a rare organization – totally volunteer powered and dependent for its survival on the civic mindedness of people in the community and beyond. I'd like to thank the following individuals as I end my tenure as President:

Steve – has been a good vice president and will be a fine president. Very supportive to me and I thank him for his wise counsel.



Bob –Bob has placed his own brand of diligence and competence on the financial management of the Friends and has done an absolutely superb job

Craig – couldn’t ask for a better more diligent investment chair and has answered the call to step into the vice president’s role

Jenna – revamped our website, stepped up our social media game and has taken on any task with good humor and great skill

Brooke – the same can be said...plus she has been invaluable in helping recruit really quality board members

Becky and Terry – our crack maintenance team. Terry always knows what needs to be done and does it. Becky has the garden – always – in tip top shape and has been a dedicated volunteer

Lynne – managed our communications for a long time, understandably stepped up to take on important duties with the Pine Grove but I want to thank Lynne for all she has done for the Friends.

And finally...**Trish**: I think all of you know what a great job she has done as secretary of the board, keeping the organization organized and providing valuable guidance to the not infrequently muddled president. She is my north star.

It’s been fun – and an honor – to serve with all of you in the interest of such a good cause.

Lastly, I want to underscore that we have a levy election upcoming. I encourage you to focus on that election, learn what is at stake for funding the library, talk to your friends...and be engaged – it’s really important.

Financial Performance - Bob Riecke, Treasurer

Summary of December 2021, Q4, and 2021 Financial Results

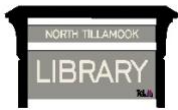
DECEMBER PERFORMANCE

Revenue for the month was \$6,051.15 consisting of \$5,365 in donations and pledge payments, \$615 in membership dues, \$66.60 in daily magazine sales, and \$4.55 in interest.

Expenses totaled \$2,172.93 consisting of the usual bookkeeping, janitorial, stripe fees, and utilities. Also included in that amount is \$195 for landscape maintenance, \$198.03 for computer expense (QuickBooks and TechSoup fees), \$312 for annual Squarespace subscription fee for the blog and website, and \$23.20 for postage. Net income for December was \$3,878.22.

Cash and Investments

<u>Account</u>	<u>Beg. Balance 11/30/2021</u>	<u>End Balance 12/31/2021</u>
Checking	\$ 23,383.38	\$ 27,725.51
MM	\$219,322.18	\$219,324.04



Construction \$ 1,185.56 \$ 1,185.56

Balances in our checking, money market, and construction accounts at Columbia Bank all are displayed above. The money market statement cycled on the 26th of the month.

Our reserve funds are invested with D.A. Davidson in a broad spectrum of securities and were valued at \$1,285,857.06 on December 1, 2021 and \$1,316,848.07 on December 31, 2021, an increase of \$30,991.01.

FOURTH QUARTER PERFORMANCE

For Q4, total income was \$19,504.57, primarily from donations and pledge payments (\$16,696.82), membership dues (\$2,615), and daily magazine sales (\$179.05).

Total expenses for Q4 were \$10,193.88 which resulted in net income for Q4 in the amount of \$9,310.69.

2021 ANNUAL PERFORMANCE AND COMPARISON TO BUDGET

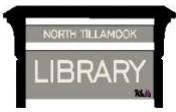
Bob remarked that 2021 was a good year from a financial standpoint. Total income for 2021 was \$680,412.34 which was primarily bequests and other donations in the amount of \$675,724.45, membership dues in the amount of \$4,100, and daily magazine sales in the amount of \$418.80. Income greatly exceeded budget. With respect to bequests, in 2021 we received \$44,870.13 from the Andrews estate, and \$605,250 from the MacRae estate. Total expenses for the year were \$26,859.71, compared to projected expenses of \$24,471, \$2,388.71 or 9.76% over budget. The largest over-budget expenses were maintenance (\$1,746), architect fees (\$1,334) for a condition study of the building, and bookkeeping fees (\$1,300) due to additional time expended for reviewing financial policies for purpose of updating, conversion of bookkeeping systems, more time processing contributions, and breaking in a new treasurer. These overages were partially offset by below-projected expenses in the categories of book sale expense, outreach costs, and utility expenses. Net income for 2021 was \$653,552.63. Our total current assets equal \$1,565,133.18.

Bob mentioned that he had worked on updating several financial policies and thanked Jill Thurston for all her support and diligence over the past year.

Portfolio Performance - Craig Nern

Craig reviewed our various investments accounts and remarked that it was again a fantastic year for the Library Friends portfolio. We have approximately \$975,000 in our balanced account with about 72% in stocks, and the Investment Committee will be working on reallocating cash heavy portions of this account. We have \$300,000 in another account which the Board is exploring using at some point in the future for community needs which are yet to be determined.

In terms of performance our balanced account holdings were up 19.4% for the year - an exceptional level of performance. He cautioned the Board that this type of performance is unlikely in the current year, due to the continued volatility and uncertainties in the market and the world. He remarked that our cash accounts are not performing as well given the current interest rates though the Fed is planning to increase short term rates. Short term rates are approaching .5%; they are not at this rate at present. The Investment Committee has planned to purchase a CD in the amount of \$100,000 when these rates reach at least .5% That being the case, Craig made a motion to authorize the purchase of US Treasury Bonds for our asset allocation in order to take advantage of the interest rate for Bonds which is higher. Bob Riecke; seconded, the motion carried.



Marc stated that the \$300,000 was set aside from the MacRae bequest for opportunities to support the community beyond our funding of the maintenance of the Library building and upkeep of the grounds. A legal review of our current by-laws revealed that we will need to make a by-laws change to be able to use these funds for any purpose other than maintenance and upkeep.

Marc thanked Craig and the Investment Committee for their excellent work this past year.

Tillamook County Library Report - Geri Godber & Betsy Chase

Geri introduced Kristi Hanson the new Library Branch Manager. Geri shared information regarding the upcoming levy and their areas of focus for 2022. The current levy rate will be sufficient to meet the needs of the county library system for the next five years, based on the review of various sources from the county and consultants. They have four areas of focus: Serving Tillamook County, Improving Access to Technology, Supporting Better Lives for All, and Planning for the Library's Future.

Betsy encouraged suggestions for how they can best communicate to the public about the importance of voting and supporting the Library Levy. Geri mentioned there is a new FAQ document on the Library's website regarding the Library, its services, and the Levy. She would be pleased to present at any local community groups if they are interested in learning more about their services or the levy.

Kristi reported that they have recently hired a new person to staff the North Tillamook Library - Madison Randell will be starting soon. They hope to return to more local, small programs and in-person activities in the coming months.

Betsy mentioned that the Library Yes! group is starting to meet and there are many opportunities for others to participate. She encouraged us to stay tuned for more information soon.

Business Items - Marc Johnson

Marc introduced Steve Briar, Vice President and asked him to present the slate of nominees for Officers and Directors At Large

Election of Officers - Steve Brier

Steve presented the following nominees for consideration by the Friends for the following positions on the North Tillamook Friends Board:

President: Steve Brier

Vice President: Craig Nern

Secretary: Brooke Hua

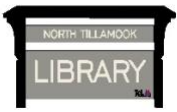
Treasurer: Bob Riecke

There were no nominations from the floor. By unanimous consent, the slate of nominees as presented was approved.

Steve presented the following nominees for consideration by the Friends for the following Director's at Large positions on the North Tillamook Library Friends Board:

Terry Fullan

Marc Johnson (one-year term)



Trish Johnson (one-year term)

Christina Pfister

Judy Sugg

Dan Haag

There were no nominations from the floor. By unanimous consent, the slate of nominees as presented was approved.

Approval of Board Signatories:

A motion was made by Bob Riecke and seconded by Steve Brier to approve the following persons as signatories for the North Tillamook Library Friends Board of Directors:

President: Steve Brier

Vice President: Craig Nern

Secretary: Brooke Hua

Treasurer: Bob Riecke

The motion carried unanimously.

Presentation and Approval of the Annual Budget - Bob Riecke

Bob reviewed the process for preparing and reviewing the annual budget and thanked the Budget Committee for their due diligence and suggestions during the process. He remarked that expenses are higher than last year due to repair and replacement items, such as the ductless heating system and possibly a new computer.

He reviewed the draft Budget and presented a supplemental budget for the members. (See below)

He made a motion to revise the pledge amounts reflected in the draft budget due to the change in circumstances of a donor who was no longer able to honor a pledge made for \$3000. The total pledge amount will need to be adjusted to \$250 and an increase in transfers from reserves will need to be made in the amount of \$3000 to balance the budget. His motion was to approve the budget as amended; Ann Morgan, Friends member, seconded. The budget was approved as amended.

Other Business - Membership Status -Brooke Hua

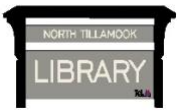
Brooke reviewed the past and current years membership dues and contributions:

2020 - \$13,286

2021 - \$16,720

2022 - \$21,001

She and the Membership Committee will be working on improving membership numbers going forward as even though the amount of money raised from our dues and contributions have increased the number of members has declined.



Marc thanked Brooke, Jenna and Jo Newhouse for their diligence in working on this important task.

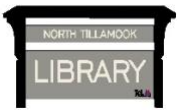
Letter of Support for the Hoffman Center Grant Request- Steve Brier

Steve previously sent a draft letter of support via email to the NTLF Board for the Hoffman Center as requested by their Board Chair, Mary Roberts. The Hoffman Center is applying for Tillamook County grant funds for construction of a new building. He requested unanimous consent from the Board to submit this letter. Unanimous consent was given. Steve will submit the letter.

Marc was given a gift of appreciation for his years of service as Board President. He again thanked all in attendance for their guidance, participation, and kindness.

Steve welcomed the new Board members and encouraged all members to continue to support the Library through their memberships and donations. He also encouraged active outreach to the community to vote in the May elections and education their friends and neighbors about the importance of the levy.

Meeting adjourned at 4:16 p.m.



ATTACHMENTS

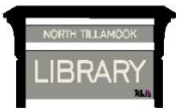
2022 Budget 11.15.21

Revenue

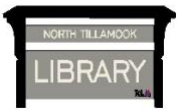
Book Sale	\$9,000
Logo Items	\$40
Donations	
Pledges	\$3,250
Restricted	\$0
In-kind contrib	\$0
Unrestricted	\$14,000
Membership Dues	\$3,000
Events/misc	\$0
Magazine sales	\$500
Interest earned	\$40
Transfer from reserves	\$6,318
Total Revenue	\$36,148

Expenses

Board Governance	\$1,500
Book Sales	
Advertising	\$450
Rent	\$700
Supplies	\$350
Utilites- storage site	\$650
Book sorting facility	\$0
Bookeeping Service	\$4,135
Credit card annual fee	\$0
Donated Goods/services	\$0



Gov't licenses /fees	\$210
Insurance	\$2,600
Janitorial service	\$5,500
Library Operations	
PO Box rental	\$92
Supplies	\$480
Magazine sales	\$10
Maintenance	
Annual maintenance	\$1,545
Landscape	\$500
Planned (R&P)	\$7,610
Unplanned	\$1,000
Misc	
Office operations	
Computer related	\$1,790
Supplies	\$200
Postage	\$100
Outreach and publicity	
Little Green Light	\$422
Blog and website	\$335
Table, chairs, banner	\$250
Misc.	\$100
Stripe fees	\$150
Postage	\$420
Events	\$1,000
Voter Pamphlet Ad.	\$300
Professional fees (tax)	\$1,000
Utilities	



Electricity	\$1,600
Garbage	\$225
Sewer	\$324
Water	\$600
Total Expenses	\$36,148

Supplemental 2022 Budget Detail 11.15.21

Repair and Replace

Replace ductless heating system	\$ 6,300
Electrical Repairs	\$ 500
Replace toilet paper dispenser	\$ 150
Replace window screen	\$ 85
Replace firewall screws	\$ 125
Stain touch- up on window sills	\$ 450
Total	\$ 7,610

Computer related expenses

New laptop computer	\$ 800
External Backup Hard Drive	\$ 150
Online backup costs (annual)	\$ 120
Subscription to Office Suite (annual)	\$ 120
Consultant for maximizing setup	\$ 500
Subscription to accounting software (annual)	\$ 100
Total	\$1,790

