

Yakima Valley Libraries
Board of Trustees
Budget Study Session
Monday, October 23, 2023– 3:00 p.m.
Yakima Central Library Boardroom

I. OPENING OF MEETING:

Board Member Present: President Glenn Rice, Vice-President Darline Charbonneau, Secretary Mary MacKintosh, Trustee Bradley Liebrecht, Trustee Jameson Watkins

Staff Present: Executive Director-Candelaria Mendoza, Public Library Services Director-Francisco Garcia-Ortiz, Business Services Director-John Slaughter, Administrative Assistant-Michael Huff, IT Manager-Melissa Vickers, Strategic Partnerships & Community Engagement Manager- Georgia Reitmire, Regional Library Manager Region 1- Heather VanTassell, Regional Library Manager Region 2- Madison Gailus, Collection Development & Circulation Manager-LeNee Gatton, Technical Services & NWRR Manager -Sherrie Prentice, Facilities Manager-Susan Miller, and Programming Librarian-Krystal Corbray

Absent: Managing Librarian- Rondi Downs, Regional Library Manager Zone 3- Heather Campbell

Visitors:

Call to Order

President Rice called the meeting to order at 3:00 p.m.

- a. Determination of quorum
President Rice determined a quorum of the Trustees was present.
- b. Recognition of visitors
No Visitors
- c. Approval of the agenda
Trustee Rice approved the agenda as presented.

II. Budget

a. Overview 2024

Mendoza began the session by highlighting the County Commissioner's letter on page 2 of 16 and the County Assessors letter on page 3 of 16 of the Study Session Board packet. She said Jacob Tate from the Assessor's office advised YVL to request a higher dollar amount than the estimated maximum allowed in the letter. She shared that it was because Tate's calculations could change, and he didn't want YVL to leave money on the table. Slaughter added that he met with Tate at the Central Library, where they discussed the new numbers, which increased from \$8,755,323.04 to \$8,790,000. Trustee Rice asked if this amount included the 1% increase request as noted in the Assessor's letter, and Slaughter said yes.

Mendoza then moved to YVL's 2024 Budget sheet on page 8 of 16 to highlight the revenue overview. Trustee Rice addressed line item 19, Total All New Revenues, and asked why it's down from 2023. Slaughter informed Trustee Rice that the numbers were different based on some carry-forward amounts into 2023; Mendoza moved to page 9, which is a recommended 2024 budget, and highlighted

that this would be maintaining current service levels as well as staffing and operating support for the Union Gap Library.

Trustee Charbonneau commented on line 23, Collection Materials-all, and asked why the budget decreased from \$1,065,207 in 2023 to \$982,960 in 2024. Mendoza said there will be an evaluation in 2024 of the collection and resetting on purchases based on that evaluation and usage. Trustee Charbonneau asked if Collection Development is still using Collection HQ. Mendoza said yes, and Slaughter brought attention to line item 39, Debt Service, to address leases that now include multiyear software contracts under debt services. He added that this change is due to the State Auditor's Office as they've updated the requirements for multi-year contracts for both leases and software, and they follow the Governmental Accounting Standards Board (GASB). He said Collection HQ was now considered a liability for multi-year software contracts, which explains the increase in debt services from \$3,080 in 2023 to \$25,196 in 2024. He also said this must be added to the Schedule 9 as a liability. Mendoza said we should now try to have contracts include verbiage to allow YVL to terminate if funds are unavailable. Trustee Liebrecht brought attention to line item 25 on the same page and asked about the significant dip in the communication budget that went from \$236,504 in 2023 to \$186,078 in 2024. Mendoza replied that she would review that and get back to the Board but commented that it could have been because locations such as White Swan are no longer being reflected in the budget for 2024 as they were in 2023. In concluding the 2024 Overview, Trustee Charbonneau asked about E-Rate, and Mendoza let her know that E-Rate is submitted as a reimbursement.

b. Special Initiative Presentation

Before getting into the Special Initiative Presentation, Mendoza discussed an item not included in the original list of budget requests. She said pending Trustee Rice's recommendation for the Norman J. Lee donation, YVL would like to take \$10,000 from those funds and put it toward centralized training for YVL staff. It will increase line 26 by \$10,000 to help support staff development in 2024.

Mendoza then shared from the 2024 Special Initiative Presentation (attached). The covered topics were Deferred Maintenance, the 2024 Wage Scale, the Classification and Compensation Study, and a Services and Facilities Assessment.

Deferred Maintenance:

Mendoza shared the current state of YVL's Deferred Maintenance budget. She said YVL placed 1.16% of its total revenue into deferred maintenance in 2023. Trustee Rice asked if this was for the buildings that YVL owns. Mendoza let him know that it is set for YVL-owned buildings. Then, Mendoza shared YVL's recommendation for 2024. She said YVL would like to increase the amount from 1.16% to 1.5% and split that between Deferred Maintenance (1% of total revenue) and Technology (.5% of total revenue). Trustee Liebrecht asked if the .5% for Technology would contribute to IT support in 2024, and Mendoza said not for 2024 but for 2025 and beyond.

Slaughter commented on the split between Deferred Maintenance and technology. He asked the Board to approve moving them into separate internal investment accounts to make tracking the balances easier. He then communicated that YVL would like to include a critical infrastructure budget line item that would maintain a balance of \$20,000 from year to year. He provided the example of YVL's sump pump urgently needing to be fixed in 2023 when the cost wasn't included in the budget. Slaughter said the funds had to be moved around, but with a critical infrastructure budget of \$20,000, YVL will be prepared for future emergencies; the Board agreed that this was a good idea.

Mendoza concluded the topic with a brief list of items to consider. These included an increase in the cost of technology and capital projects, as well as the age of some of YVL's critical infrastructure. Mendoza added that the outcomes of the Strategic Plan would support a Digital Inclusion initiative and the potential to remodel facilities.

2024 Wage Scale:

Mendoza communicated that the last classification and compensation study was done in 2015. She said it currently allows for a yearly merit increase of 2-4% based on performance, and she added that YVL hasn't implemented a Cost of Living Adjustment (COLA) since 2009. Then, Mendoza shared YVL's staff recommendation for 2024.

She communicated that YVL would like to implement a 3% COLA increase on all grades, except for positions in Grade 1, that will align with the new minimum wage that already incorporates the cost of living. She added that the 3% COLA increase, as well as the increase to YVL's minimum wage positions, would be an increase of about \$125,000 in salary and wages for all positions in 2024. Mendoza stated that the 3% increase would be covered by the accumulation of investment from 2024 as well as savings from normal turnover and YVL's expected 1% increase from 2023. Trustee Rice sought clarification about where the \$125,000 would come from, and Slaughter reiterated that it would come from the investment interest of YVL's accounts as well as savings from normal turnover in the organization. Trustee Watkins asked if the COLA would be included in the classification and compensation study and asked when YVL would do another COLA. Mendoza said it would be part of the study, and YVL would ask the consultants to include ways for YVL to incorporate COLAs. Then, Mendoza mentioned that YVL has more compression this year, including for exempt employees. Trustee Charbonneau asked if this would affect the number of exempt employees that YVL currently has. Mendoza replied that it wouldn't affect how many the organization has presently.

Classification and Compensation Study:

Mendoza shared that YVL hasn't done a Classification and Compensation Study in eight years. She said certain professional positions are difficult to fill. Mendoza expressed that a new study would allow YVL to incorporate comparable market data and best practices to help inform changes to YVL's wage scale, benefits, job description, and personnel policy.

Mendoza then shared the tentative timeline:

- November 2023- The RFP will be developed for the Classification and Compensation Study.
- December 2023- The RFP will be released.
- January 2024- The submittals are due, and the proposals will be evaluated.
- February 2024- YVL will conduct interviews, consultant(s) will be selected, and the contract will be completed.
- March 2024- The Classification and Compensation Study begins.
- July 2024- The Classification and Compensation Study is completed.
- September 2024- The findings will be presented, and the Personnel Policy & YVL Wage Scale recommendations will be shared with the Board for the 2025 Budget Process Implementation.

Services and Facilities Assessment:

Mendoza shared that YVL did a Facilities Assessment in 2018. She said the assessment didn't include most of YVL's owned buildings, including Yakima Central, Sunnyside, and West Valley. She said that the main focus of the assessment was to capture the condition of the buildings for potential budget impacts, but it didn't bring in the building owners for collaboration. Lastly, Mendoza shared that any estimates provided are no longer accurate.

Then, Mendoza communicated the staff recommendation for 2024. She shared that YVL would like to implement a two-part project. The first project would be a Service Assessment that would capture the services and outcomes YVL tries to achieve in each location, including incorporated feedback from building owners and their willingness to support the outcomes and cost-sharing. The second project would be a Facilities Assessment that includes an evaluation of the condition of each location and estimates that the Service Assessment will inform. Mendoza provided examples such as the cost of a mini-makeover and cost estimates of adding a meeting room or teen area.

Trustee Rice reiterated the importance of collaborating with the building owners. Trustee Liebrecht mentioned the possibility of repurposing buildings for the library, and Mendoza added that there are some locations YVL would like to move out of. Then, Trustee Charbonneau asked if the project's goal was to collect information in 2024 and move forward in 2025. Mendoza said She is hoping to complete the assessments in 2024 and then work to build a five-year Facilities Plan that would prioritize YVL-owned buildings for the first couple of years. Any recommendations would be brought to the Trustees for their consideration of a 2025 budget and beyond.

Trustee Rice expressed that this project provides a great opportunity to work with the state for possible grants, and Trustee Liebrecht added that the Foundation should do some of the work. Then, Trustee Charbonneau said that back in 2018, the team started strong with the Facilities Assessment, but then there were some struggles in 2019, and then the pandemic hit in 2020; she expressed being thrilled to move forward with the project finally.

Mendoza shared the tentative timeline:

- December 2023- The meetings with the building owners will begin, and the project team will be created for phase one.
- February 2024- The meetings with the building owners will be completed, and the Service Assessment will begin.
- April 2024 – The Service Assessment will be completed, and the project team for phase two will be created.
- May 2024- The scope of the development of the Facilities Assessment will be completed and shared with the architect firms.
- June 2024- The architecture firm will be selected.
- July 2024- The Facilities Assessment will begin.
- September 2024- The Facilities and Services Assessment will be completed.
- October 2024- YVL will present the findings and recommendations to the Trustees for the 2025 Budget Process.

Trustees Liebrecht and Watkins agreed that the Services and Facilities Assessment could cost more than the estimated \$30,000. Mendoza acknowledged that possibility and suggested completing phase one and then coming back to the Trustees for Phase II. Trustee Liebrecht suggested possibly doing just the assessment information gathering but encouraged going for it because of the benefit to the Library. Trustee Charbonneau asked if there were more funds in case it exceeded the \$30,000, to which Slaughter mentioned YVL's reserves. Mendoza mentioned the challenges with Phase II are aligned more with the building owners and their willingness to support. Trustee Charbonneau then suggested using the architect and starting with the buildings YVL owns. Trustee Liebrecht said starting with the buildings YVL can control was a good idea.

Mendoza concluded the presentation and asked if there were any more questions or comments, but there weren't any. Slaughter quickly mentioned that a motion would be needed to approve the deferred maintenance account requirement- this was moved to the regular meeting.

III. Adjournment

MOTION: Trustee Liebrecht moved to adjourn the meeting. Trustee Watkins seconded.
Motion passed unanimously.

Budget Study Session adjourned at 3:54 p.m.

Respectfully submitted,


Mary MacKintosh

Secretary



BUDGET STUDY SESSION: 2024 INITIATIVES

CANDELARIA MENDOZA, EXECUTIVE DIRECTOR

- DEFERRED MAINTENANCE
- 2024 WAGE SCALE
- CLASSIFICATION AND COMPENSATION STUDY
- SERVICES AND FACILITIES ASSESSMENT

DEFERRED MAINTENANCE

CURRENT STATE

- YVL currently places 1.16% of Total Revenue into Deferred Maintenance
 - It currently supports capital projects to upkeep the libraries we own.
 - Deferred Maintenance is not currently in a separate account

STAFF RECOMMENDATION

- In 2024, increase amount to 1.5% of Total Revenue about \$138,870
 - Provide 1% of Total Revenue to Deferred Maintenance
 - Provide .5% of Total Revenue to Technology
 - Create separate internal accounts for each to help with tracking
 - Include a \$20,000 Critical Infrastructure line item in facilities that will be pulled from the current Deferred Maintenance account



DEFERRED MAINTENANCE

ITEMS TAKEN INTO CONSIDERATION

- Increase cost of technology projects
- Increase cost of capital projects and age of some critical infrastructure
- Strategic Plan Outcomes to Support:
 - Digital Inclusion Initiative
 - Potential Facility Remodels



2024 WAGE SCALE

CURRENT STATE

- Our last classification and compensation study was completed in 2015
- Our wage scale currently allows for a yearly merit increase of 2, 3, or 4% based on performance; this current wage structure was implemented in 2020
- We haven't implemented a Cost of Living Adjustment (COLA) since 2009

2024 WAGE SCALE

STAFF RECOMMENDATION

- Implement a 3% COLA increase on all grades, except for positions in Grade 1 that will align with new minimum wage that already incorporates cost of living
- The 3% COLA increase and the increase to our minimum wage positions will be about \$125,000 in 2024 Salary and Wages for all positions



2024 WAGE SCALE

OVERVIEW

The 3% increase will also

- alleviate compression of our current wage scale and ensure a more equitable adjustment until completion of our comp and class study
- ensure our exemption salaries meet state requirements for any new exempt managers
- Alignment with the market and other comparable library systems



CLASSIFICATION AND COMPENSATION STUDY

CURRENT STATE

- Its been about 8 years since our last class and comp study
- Our current wage scale is already getting compressed due to the changes at the state and in the market
- We struggle to fill professional level positions (BA or higher)

STAFF RECOMMENDATION

- Implement a Classification and Compensation Study to incorporate comparable market data and best practices to help inform changes to our wage scale, benefits, job descriptions, and personnel policy



CLASSIFICATION AND COMPENSATION STUDY

By hiring a highly qualified and experienced consultant to conduct a classification and compensation study, YVL expects to achieve the following outcomes:

- Gain more understanding of the employment market and efforts that would allow us to be more competitive against comparable libraries;
- Updated job descriptions that reflect best practices and YVL's strategic plan
- Updated wage scale that reflects market analysis of comparable libraries; and
- Increased opportunities for staff development & engagement by gaining more insights to help inform YVL's Personnel Policy;

CLASSIFICATION AND COMPENSATION STUDY

ITEMS TAKEN INTO CONSIDERATION

- Changes in the employment market
- State changes to minimum wage
- Difficulty filling professional roles (BA requirement or higher)
- Not having the capacity or the subject matter expertise to do it in-house

TENTATIVE TIMELINE:

ESTIMATED BUDGET: \$30,000



SERVICES AND FACILITIES ASSESSMENT

CURRENT STATE

- 2018 Facilities Assessment was completed, but a few factors were not included or have changed drastically:
 - It did not include most of our owned buildings: Yakima Central, Sunnyside or West Valley
 - The main focus of the assessment was to capture the condition of the buildings for potential budget impacts (building owners were not pulled in)
 - Estimates of work needed are no longer accurate



SERVICES AND FACILITIES ASSESSMENT

STAFF RECOMMENDATION

- Implement a two part project that will provide insights and data to ensure YVL is a thriving organization for many years to come. The project will include the following:
 - Service Assessment (service levels, resources needed, building owner buy-in, and outcomes for each location)
 - Facilities Assessment (evaluation of condition for each location and estimates that will be informed by Service Assessment)



SERVICES AND FACILITIES ASSESSMENT

PROJECT OVERVIEW

- Split project into two phases:
 - **First Phase:** will capture services and outcomes that we are trying to achieve in each location (incorporating feedback from building owners, their willingness to support outcomes, & cost sharing)
- **Second Phase:** will pull in findings from the first phase to build scope of work that will inform and build the facilities assessment
 - Examples could include: cost of a mini-makeover, estimates of adding a meeting room, or teen area



SERVICES AND FACILITIES ASSESSMENT

PHASE 1: SERVICE ASSESSMENT

- Set-up Project Team
- Meet with building owners to connect on project outcomes
- Include all YVL locations
- Incorporate Strategic Plan/Community Needs Assessment to inform:
 - Outcomes we are trying to achieve
 - Service levels of each location
 - Open hours
 - Staffing



FACILITIES ASSESSMENT

YVL is seeking an experienced architect to support YVL in the creation of a Facilities Assessment for the next five years. The Facilities Assessment will be developed using the results of the Services Assessment and must include the following components:

- Condition assessment of each location;
- Estimates of work needed based on outcomes that YVL is trying to achieve in their owned buildings;
- Estimates of work needed based on building owners' ability to support and cost share



SERVICES AND FACILITIES ASSESSMENT

PHASE 2: FACILITIES ASSESSMENT

- Modify Project Team
- Develop Scope of Work based on finding from Phase 1
- Continue to include all YVL locations
- Priority Order:
 - Owned Buildings
 - Annexed Cities
 - Contract Cities

TENTATIVE TIMELINE:

ESTIMATED BUDGET: \$30,000





FEEDBACK OR QUESTIONS



BUDGET STUDY SESSION: 2024 INITIATIVES

CANDELARIA MENDOZA, EXECUTIVE DIRECTOR

- DEFERRED MAINTENANCE
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- CLASSIFICATION AND COMPENSATION STUDY
- SERVICES AND FACILITIES ASSESSMENT