

Yakima Valley Libraries
Board of Trustees
Regular Meeting
Monday, June 24, 2024– 3:15 p.m.
Yakima Central Library Boardroom

I. OPENING OF MEETING:

Board Member Present: Vice-President Bradley Liebrecht, Secretary Mary MacKintosh, Trustee Jameson Watkins, Trustee Judith Panagakos

Staff Present: Executive Director-Candelaria Mendoza, Executive Assistant- Michael Huff, Business Services Director-John Slaughter, Public Services Manager- Rondi Downs, IT Manager- Melissa Vickers, Community Engagement & Impact Manager- Sully Gama, Regional Library Manager Region 2- Heather Campbell, Technical Services & NWRR Manager -Sherrie Prentice, Facilities Manager-Susan Miller

Absent: President Darline Charbonneau, Public Library Services Director Francisco Garcia-Ortiz, Regional Library Manager Region 1- Kristine Tardiff, Collection Development & Circulation Manager- LeNee Gatton

Visitors: No visitors

Call to Order

Vice-President Liebrecht called the meeting to order at 3:15 pm.

- a. Determination of quorum
Vice-President Liebrecht determined a quorum of the Trustees was present.
- b. Recognition of visitors
No visitors were present.
- c. Approval of the agenda

MOTION: Trustee Panagakos moved to approve the agenda as presented. Trustee Watkins seconded the motion. Motion passed unanimously.

II. Public Comment
N.A.

III. Consent Agenda

The consent agenda is a grouping of ongoing regular items that are presented to the Trustees for approval. Any of the items can be broken out and questions may be asked at any time regarding any of the items:

- a. *Approval of minutes*
- b. *Approval of financial statements*
- c. *Approval of payroll and benefits*
- d. *Approval of accounts payable vouchers*
- e. *Unaudited Financials: Community Libraries and Departments*

MOTION: Trustee Watkins moved to adopt the Consent Agenda to include the May 20, 2024, regular minutes, May financial statements, May General Fund to include Payroll and Benefits warrants, May Accounts Payable warrants, and May Unaudited Financials. Trustee MacKintosh seconded the motion. Motion passed unanimously.



Summary of Warrants Disbursed

May 2024 Warrants for Trustee Approval

General Fund

Payroll Warrants

322108	to	322109	\$	803.84
322110	to	322113	\$	82,459.95
Direct Deposit ACH Transfer to Key Bank			\$	121,621.92
Direct Deposit ACH Transfer to Key Bank			\$	120,581.69
ACH Payments to Dept of Retirement 5/10/2024			\$	28,078.86
ACH Payments to DSHS 5/10/2024			\$	42.55
ACH Payments to IRS (PR Taxes) 5/10/2024			\$	39,307.78
ACH Payments to Dept of Retirement 5/24/2024			\$	27,785.05
ACH Payments to DSHS 5/24/2024			\$	91.19
ACH Payments to IRS (PR Taxes) 5/24/2024			\$	38,824.75
<i>Total Payroll and Benefits</i>			\$	<u>459,597.58</u>

Accounts Payable Warrants

86223	to	86258	\$	176,601.36
86259	to	86307	\$	82,363.18
86308	to	86341	\$	81,763.90
<i>Total AP Warrants</i>			\$	<u>340,728.44</u>
<i>Total Warrants Disbursed General Fund</i>			\$	<u>800,326.02</u>

Plath Fund

Accounts Payable Warrants

57256		\$	1,616.74
<i>Total Warrants Disbursed Plath Fund</i>			\$ <u>1,616.74</u>

Voided Warrants - A/P

86055	Lost	\$	9,312.12
<i>Total Voided Warrants</i>			\$ <u>9,312.12</u>

IV. Director's Report

Information

Mendoza updated the Board on a network breach that occurred in early May. Homeland Security notified YVL and the team acted quickly and connected with the insurance company to hire a legal firm and an IT Forensic firm to assess the incident. The IT Forensic Assessment determined that although a staff account was compromised and access to the network through the VPN was achieved by using this staff account, the assessment determined that no sensitive data was extracted. As a result, YVL is not required to provide a public notification. YVL is using this incident as a learning exercise and will continue to increase the security of the network. Pondurance, the Forensic IT Firm, also provided general recommendations to improve the security for YVL's network. The team is currently reviewing them and assessing options for the near future.

Next, Mendoza shared that the 2024 Summer Reading Program is going exceptionally well, with attendance records that have exceeded expectations.

In concluding her report, Mendoza asked if there were any questions.

Trustee MacKintosh inquired about the South East library and asked why the STEM activity turnout hasn't been great. In reference to the Director's Report, she wondered why the kids hadn't shown up since the first Tuesday. Mendoza said YVL is experimenting at that location and working to reset its relationship with OIC, including conversations about the students who attend their summer camps. Trustee MacKintosh also commented on the closing of White Swan and asked if there were any plans for that area besides a bookmobile stop. Mendoza let her know that not at this time, which was part of the decision that was approved last year by the Board. She added that the community understood the reasoning behind the decisions and hadn't expressed any questions or concerns with the Library. Vice-President Liebrecht said that the data had been reviewed and that Harrah absorbed most of White Swan's collection and visitors. Mendoza added that YVL extended hours at Harrah as well.

Trustee Watkins asked for an update for Union Gap. Mendoza said YVL continues to work with the Friends and City of Union Gap. She said the opening date is still connected to the electrical panel. The part needed has been received and installed, but the City is still working with the electrical company P&G to set a date to give it power. In the meantime, she said YVL has been able to put up some shelving, and the last tentative date to open, provided by the City, was still August.

V. Old Business

a. Board Retreat

Information/Discussion

Mendoza shared the updated PowerPoint slides about the retreat. She shared the list of topics: Compensation and Classification Study (priority one), Services and Facilities Assessment (priority two), Board Recruitment Process (priority three), and Board Packets - Transitioning to Digital (priority four). She said priorities three and four could be moved to a regular meeting if necessary. The Trustees agreed they were comfortable with the topics. Then, Mendoza shared that the retreat is scheduled for August 12, 2024; it will be held at Pacific Northwest University of Health Sciences from 9:00 am to 2:00, and the food is TBD. Lastly, Mendoza said the YVL team met with McGrath Consulting on the Classification and Compensation Study. The next step is to assess the impact on the budget, which should happen in early July and will be shared at the retreat.

VI. New Business

a. Budget Amendment

Information/Motion

Slaughter began by asking if the Trustees had any questions about the 2024 budget amendment for YVL; there were no questions. He then provided an overview of the amendment process as this was Trustee Panagakos's first year. He explained that at the end of the year, Accounting goes through the purchase orders that weren't invoiced or paid in the prior year. These purchase orders are then rolled over into the new year for payment, which then needs to be

added to the current year's budget. He said that managers Vickers and Miller do their review. When they come across budget items that require either an addition or subtraction of funds, they send this information to Slaughter to be added to the budget amendment; these items and the rollover purchase orders comprise most of the budget amendments. Another area always included in the amendment is the collection materials encumbered in the prior year, which will be paid in the current year. Then, he assesses where the funds were initially budgeted and where to allocate them. He said the General Fund is reflected in fund 01, YVL Capital funds are in 02, and Plath funds are in 03. On the Plath fund, Slaughter commented that the amount is an estimate. For example, Slaughter shared that YVL received a check from the Plath Trust last week that was a catch-up from 2023. He said that the interest calculation is also estimated and that the ending balance is off by about \$7,000, which was the check amount. Slaughter then moved to page 64 of the board packet (Revenues- notation #8) and said that the most significant change for the 2024 budget was that YVL had initially budgeted \$200,000 for interest from the County, but as of June, YVL had already received \$165,285.10, so about \$25,000 to \$35,000 in interest is being added each month. Slaughter said he increased the budget by \$100,000 because he's confident that YVL will receive the estimated amount by the end of the year. He added that the additional funds were allocated to deferred maintenance. He said that if YVL doesn't receive the complete 100K, whatever is lacking would be taken out of deferred maintenance.

Slaughter then commented on line 11, which is for the use of cash from internal fund 04, and said YVL carried forward the cost of the new Outreach Services van, which was delivered in 2024. Additionally, it was decided not to move forward with the cubicles in West Valley, which is why a negative (\$8,500) is reflected, and the \$73,971 reflects the additional money needed for the Sunnyside HVAC system. To explain that increase, Slaughter commented that the HVAC price had significantly increased. Vice-President Liebrecht asked if that amount would be enough, and Slaughter replied that the total amount of approximately \$140,000 should be sufficient.

Then, moving to line 61, Slaughter said the \$11,200 was originally intended for the internet buildout in Mabton. He noted that YVL is no longer moving forward with the project, so those funds are being removed from the budget. Trustee Panagakos asked about the West Valley cubicles, and Slaughter said YVL could re-budget for that project if it's decided to move forward.

Moving to page 65, Slaughter noted the line item for supplies. He said the 2023 Carry-Forward for supplies was \$46,605, which included \$45,000 for Early Learning Stations not purchased in 2023. The 2024 amendment reflects an additional \$9,062 for programming supplies and a laptop. He said the most significant purchase to be made is the Early Learning Stations.

After Supplies, Slaughter addressed Collection Materials and Professional Services. Collection Materials had a carry-forward of \$111,668, and Professional Services had an adjustment of (\$32,500) because YVL will no longer be paying for Phoenix Security, with the hiring of 2 part-time Safety and Information Specialists. Slaughter said the amended amount of \$25,912, of which \$15,000 is the deductible for the YVL security breach. YVL's share of the deductible is \$10,000; however, Slaughter wanted to have additional monies if the charges exceeded the coverage limits.

Moving on to Communications, Slaughter said the \$28,541 is intended for internet service from the County, which increased its fees after the budget was complete. He commented that YVL was approved for E-Rate, but it's unknown if all the internet projects that would eliminate the need to purchase internet from the county will be completed by year-end. He said YVL needs to continue paying the County until those funds are received.

Next, Slaughter addressed the Insurance line and said the insurance cost has increased, so the total budget of \$87,000 is meant to prevent YVL from going over budget.

From Insurance, Slaughter moved to Utilities and Repairs and Maintenance. For utilities, he said that Miller accounted for the increase in gas prices, electricity, etc., and hoped to compensate for that with a budget of \$143,829. For Repairs and Maintenance, he said the adjustment of (\$18,371) is intended for UKG, which will be YVL's new payroll and HR system. He said that amount was initially budgeted for software maintenance and is being reallocated to line 40 (Debt Services). He noted that the total for line 40 goes toward contracts for the postage machine, collection HQ, and now UKG, per the State Auditor's new regulations on leases and multi-year software contracts.

On to Miscellaneous—Dues and Other, Slaughter said the budgeted amount is to cover staff parking at Single Hill Brewing and noted that billing will start in July at \$500 per month.

Trustee Watkins asked about line 25 (Professional Services) and how YVL is moving away from Phoenix Security. He commented on the \$32,500 savings and asked why the Salary and Wages line item wasn't modified. Slaughter replied that the Salary and Wages budget was adequate and didn't require an adjustment. He added that only the DRS retirement benefit needed to be considered for the two new employees handling security concerns instead of Phoenix.

In concluding the 2024 amendment, Slaughter briefly commented on Deferred Maintenance and Capital Projects. Slaughter then moved to page 66 to address Capital Projects. He said the first column is what was originally adopted for the 2024 budget and that the 2024 amendment reduced the internet project in Mabton, included the \$65,000 for the HVAC, and removed the \$8,500 cubicle project from West Valley. Slaughter commented on the \$2,000 carry forward from 2023 and said it was intended for the new West Valley camera system. Still, additional monies were added in the amendment if YVL decides to move forward with that project in West Valley. Before moving to any questions, Slaughter commented on the last item, which was the 2023 carry forward of \$60,834 for the Outreach Van.

Vice-President Liebrecht commented on the funds in Deferred Maintenance and asked how much money it would take to clear out that fund. Slaughter said these are funds set aside that aren't used for capital projects. He said one of the largest projects set aside in deferred maintenance is for the elevator, which would cost about \$500,000 and would deplete most of the budget. Slaughter shared that he's working on a five-year projection that he plans to share at the Board retreat. He said the projection is to see where the reserve balances would potentially be in five years. Vice-President Liebrecht noted that he wanted to know what it might look like to do all of the planned projects, and Slaughter said he thinks YVL will probably need to dip into the reserve funds to help clear out what is on the deferred maintenance to-do list. Vice-President Liebrecht said he would like to see how much of what's planned for the funds in deferred maintenance isn't happening and how much it would cost to fix some of the pending projects. Slaughter said he would be working on something to share with the Trustees.

There were no other questions.

MOTION: Trustee Panagakos moved to approve Resolution #24-005: In the Matter of Amending the 2024 YVL Budget. Trustee Watkins seconded. Motion passed unanimously.

VII. Adjournment

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

Vice-President Bradley Liebrecht adjourned the meeting at 3:57 p.m.

Next meeting will be
Regular Meeting
Monday, July 22, 2024, at 3:15 p.m.
Yakima Central Library Boardroom

Respectfully submitted,

A handwritten signature in cursive script that reads "Mary MacKintosh". The signature is written in black ink and is positioned above the printed name and title.

Mary MacKintosh
Secretary