



**WASHINGTON DISTRICT LIBRARY
FINANCE COMMITTEE
MEETING Notes
07.14.22
4:00PM**

Meeting Called to Order/ Roll call: 4:02pm

- Finance Committee Members, all present: Stacy S, Shelby Y, Joann B, Joan R.
- Others present: Deb D, Linda F and Lexie W

Recognition of Visitors: None

Public Comment: None

Board Comment

- Linda F. reviewed financial information from audit reports and stated that she supported keeping the branch open as we have enough money in our reserves to fund the branch for a few more years.
- Joan R supported keeping the branch open as the community is willing to support it and sees value in it. She knows of several donors who would be willing to donate to library.
- Joann B wanted to emphasize the need to monitor usage of branch as well as costs and to regularly review these numbers. She also wanted to emphasize that the branch is not another main library. As a board, we need to set expectations to patrons that the branch is NOT a main library and programs, and services will reflect that function..
- Shelby Y stated she wanted to see a updated vision and use for branch. She also asked if the staff and director had the energy and capacity to re-envision what the branch should be doing to meet the current needs of the community. Lexie admitted that the staff is exhausted from working through branch issues for past 9 months. She would need to have clear expectations from the board on what they hope to see the branch do. She also stated that a new budget will need to be put in place as well as other near-term details such as lease, etc. Based on this discussion, it was agreed that a in-house committee will be formed to put together a new, creative plan for the branch.
- Stacy S would be willing to support keeping the branch open if there is a plan in place to monitor usage, costs, and operating reserves. At some point, a branch closure may be necessary to ensure a robust district library from a services viewpoint as well as a financial viewpoint.
- Deb D supported investing in the branch with updated children's area, a refreshed look as well as continuing outreach.

Discuss Operating Reserves and Appropriate Minimum Amount

- Discussion centered around the appropriate level of operating reserves and whether we needed to set a policy on minimum reserves to have on-hand.
- It was determined that a written policy will not be developed. However, several finance committee members supported an informal rule-of-thumb as approximately 60% of a year's expenses in operating reserve (60% of current operating **expenses** would be approximately \$600,000.)

Discuss Special Reserves/Long Range Capital Plan and Target Amounts

- Discussion moved to current level of Special Reserves including timing of funding.

- Based on previous board member recommendation, the yearly contribution to the special reserve was changed in 2016/2017 timeframe to be made early in the fiscal year to increase interest income on this account.
- For the current fiscal year upcoming, and future years, a decision was made to move this contribution later in the fiscal year as financial circumstances warrant.

Approve Recommendation of Operating Reserves for Full Board

- Tabled. No recommendation.

Approve Recommendation of Special Reserves for Full Board

- Tabled. No recommendation.

Discuss Main Library and Sunnyland Branch Library Statistics

- The committee reviewed various statistics as well as costs associated with branch.
- Committee agreed to have a focused board or Committee of the Whole meeting two times a year to focus specifically on branch usage, costs, budget, and balance in operating reserves.
- A regular focused meeting on branch will allow board to understand branch trends in use, financial impact and make any adjustments as needed including closure.

Discuss Donation Status

- Stacy S encouraged committee to begin process of joining Washington Community Fund citing the time it will take to get agreement in place as well as time needed to build contributions in fund to realize a distribution.
- It was determined that the board as well as Lexie and staff will need to focus on branch and work on joining fund will be revisited at some point in the future.

Other Discussion

- Based on the entirety of the discussion, it was recommended that a decision on keeping branch open will be put on agenda for July board meeting.

Public Comment: None

Adjourn: 5:45 pm