



**Regular Meeting of the Library Board of Trustees
Tuesday, May 18, 2021 – Zoom meeting
3:30 p.m.**

Minutes of Actions and Decisions of the Library Board of Trustees of the Bellingham Public Library as authorized by RCW 27.12.210 and SEC. 7.02 Charter of the City of Bellingham.

Board Members Present: Rick Osen, Jim McCabe, Rebecca Craven and Kristy Van Ness

Library Staff: Rebecca Judd, Annette Bagley, Bethany Hوجلund, Jon McConnel, Jennifer Vander Ploeg, Katie Bray and Wendy Jenkins

Others Present: Forrest Longman, Deputy Finance Director; Hollie Huthman, City Council Liaison; Jennie Tuckerman, Friends of BPL Co-President

Call to order and introductions: Rick introduced the Friends new Co-President, Jennie Tuckerman, to the board meeting attendees. Regular session was called to order at 3:31 p.m. by Chair, Rick Osen.

Approve/modify agenda: Rick mentioned that the agenda will be adjusted to accommodate Deputy Finance Director Forrest Longman's presentation. Rebecca Craven moved to approve the agenda. Jim McCabe seconded. Motion carried.

Public comment: No comments.

Consent agenda: Jim McCabe requested clarification about the \$45,000 budgeted in Miscellaneous Revenue on the YTD report. Wendy responded that the majority is for Community Room rentals (the actual breakdown is \$30,000 Community Room rentals and \$15,000 in Lost/Damage fees). Kristy, referring to the Performance Measures, asked if the large program attendance number from April of 2020 (3,814) included a large event such as Whatcom READS. Bethany verified the statistic and reported that Virtual Storytimes accounted for the large number. Kristy Van Ness moved to approve the April 20, 2021 Regular meeting minutes and the April 2021 performance and activity measures and financial reports. Rebecca Craven seconded. Motion carried.

Board Chair report:

- Rick reported the Friends of the Library virtual Annual Meeting on Saturday, April 24 was an excellent, well-planned meeting. He thanked Jennie and the Friends for their support.
- Rick and Rebecca had their monthly meeting with Mayor Fleetwood on May 6.
- This afternoon, Rebecca will be providing a remodel tour to retired Trustees Rachel Myers, J. Gordon, and Marilyn Mastor.
- Next week will be the initial meeting of the Fundraising Committee – Rick, Kristy, Rebecca Judd and Annette.
- Rick suggested that the Board discuss, at the June meeting, when to begin holding in-person board meetings.

Board member reports: No reports.

City Council liaison report: No report.

Friends of Bellingham Public Library report: Jennie reported the Friends have begun to process books again. Village Books, prior to March 2020, donated the used books they were not going to sell in the store to the Friends. The Friends typically picked up donations daily from the store. Village Books recently delivered 20 boxes of books they had saved. The Friends gathered in a member's garage and worked to separate the donations into books to keep for sales and books to take to the Lighthouse Mission's Base Camp. They anticipate donations from Village Books will continue and they look forward to returning to the Library building.

Library Director report:

- Rebecca announced that today is Asian American and Pacific Islander (AAPI) Day Against Bullying and Hate and May is AAPI Heritage month. In support of this, the Library has been sharing information through social media and our eNewsletter. In addition, anti-racism reading lists are available and the Library is hosting a Solidarity Altar in the Sister Cities Japanese Garden on the Grand Avenue side of Central.
- Summer Reading kicks off June 1. Rebecca reminded everyone it is for all ages – children, teens and adults. A sneak peek of some of the Summer Reading materials is in the packet.
- We will restart circulating book club kits next week. Communication will be going out as soon as the service goes live.

Jim asked Jon if the move from ProQuest to Gale databases, mentioned in the Director's Report, includes business databases. Jon answered that Gale does not include Value Line but does have other business databases.

2021 City Revenue and Budget Outlook: Forrest Longman, Deputy Finance Director, provided a PowerPoint presentation to the Board (*for full presentation see Attachment #1 for City of Bellingham Updated 2021 Revenue Forecast; all attachments are located at the end of the minutes*).

Forrest's presentation included:

- The City began developing the initial 2021 budget forecast in August 2020 and finalized it in October 2020 when the economic situation was contracting. Because

of the dire outlook, measures were put into place to alleviate the impact, such as a hiring freeze and required furloughs.

- The budget forecast is largely based on Sales Tax and B&O Tax, since the other measures (Property Tax, Utility Tax and Other Revenue Sources) are more static. Many cities do not have the broad revenue distribution we have, which provides more stability.
- For a variety of reasons, including the expenditure reduction measures taken by the City, higher than expected tax revenue, destination sales tax and significant government intervention to counter COVID-19, the City was able to stop the furloughs after the 1st quarter of 2021 and lift the hiring freeze during the 2nd quarter.
- The City will be receiving \$21 million in aid from the American Recovery Plan Act that can be used for public health, negative economic impacts, premium pay, revenue recovery and infrastructure.
- Currently, it is anticipated that we will not have to use financial reserves for 2021-2022.

Rick asked if there will be a mid-biennium adjustment process this year. Forrest responded that they will be reaching out to departments in July with information about what types of mid-biennium projects will be considered, with the goal of taking the adjustments to City Council for consideration in October.

Facility project & reopening timeline: Rebecca provided the following information:

- The elevator project has again experienced delays, but there is an L&I inspection scheduled for May 27.
- ITSD: there are many moving parts including weekly ITSD meetings, updating staff computers, onboarding a new server, and new self-check software. Rebecca thanked Doug Dickinson and Paul Leeson for their ongoing efforts.
- Public Services operations, and over 10,000 holds, have moved upstairs. The Children's Library is being reassembled.
- Public Works has been methodically tackling a lengthy punch list of projects.
- The Governor's June 30 opening announcement, and the new CDC mask/social distancing guidelines, are being considered as part of the Library's reopening plans.
- The reopening timeline has been difficult to outline, but Rebecca proposed a Monday, June 7 Central reopening at 50% occupancy, with limited curbside service hours still available. We are waiting for the local health department to issue guidance on masks and social distancing.
- Rebecca recommends a June 30 (or July 1, depending on the date the City chooses for opening City buildings) opening for the branches. It is premature to finalize open hours as more information is needed to make decisions.
- Rebecca will be presenting to City Council on Monday, May 24, providing information on the Library's COVID response and reopening plans, including dates.
- Three vacant positions will necessarily impact the number of hours we can reopen. Because the City just unfroze hiring, there is a long city-wide selection queue that will take many months to work through.

Rick, considering the supplemental *Rules of Conduct during COVID-19* policy approved at April's meeting, asked if any items will need to be changed with the new guidelines. Jen responded that changes will be needed but we first need local and state guidance. Rick added that typically the Board approves any changes to policy, but because of the time-

sensitive and temporary nature of these changes, including decisions on open hours, he suggested that the Board allow Rebecca latitude to make these decisions. After discussion, Rebecca Craven moved to allow the Director discretion to make any needed policy changes to the supplemental *Rules of Conduct during COVID-19* policy and to determine temporary hours of operation for Central and the branches. Jim McCabe seconded. Motion carried.

Facilities & service planning:

- Rick reported the Facilities Committee will be meeting to wrap up the remodel project and to begin preliminary talks on what we would like to see come next. They will report back to the Board.
- Rick and Rebecca will be meeting with northside representatives, including Hannah Stone (City Council member for Ward #1), in early August. The goal of the meeting is to begin preliminary talks to first define what the service needs are, and then to determine how to best supply those services.

New Business:

- In-person meeting discussion.

Meeting adjourned at 4:35 p.m.

Next Regular Library Board Meeting – June 15, 2021 – Zoom meeting – 3:30 p.m.

Chair, Library Board of Trustees

ATTEST

Secretary, Library Board of Trustees

Attachments:

- Attachment #1: City of Bellingham Updated 2021 Revenue Forecast



City of Bellingham

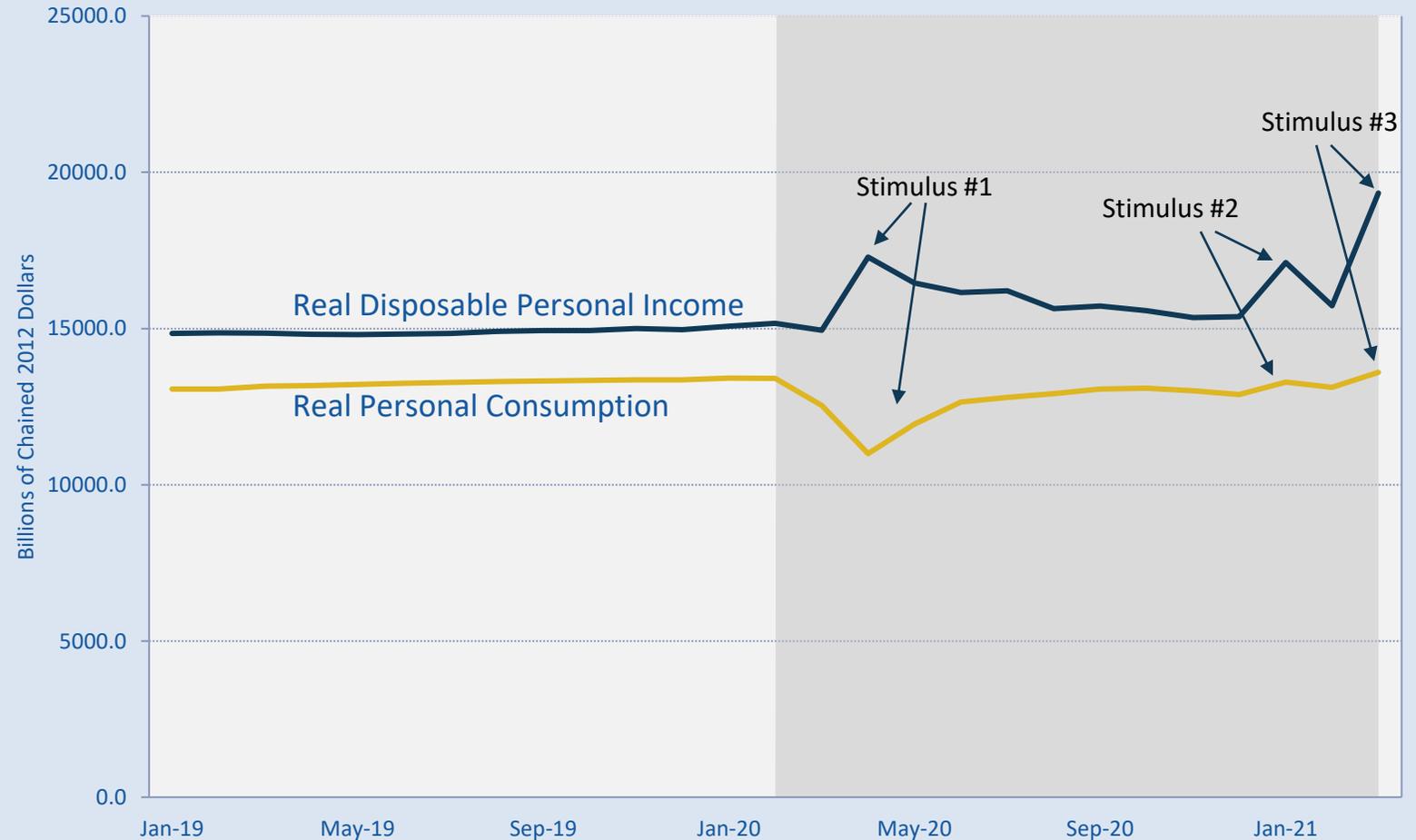
Updated 2021 Revenue Forecast



Significant Government Intervention Countered COVID-19

- \$5.7 trillion in stimulus spending related to COVID-19
- \$800+ billion in direct payments to individuals
- Ongoing payments to families through Dec '21
- PPP, unemployment support, historically low borrowing rates, tax breaks

Real Disposable Personal Income & Real Personal Consumption



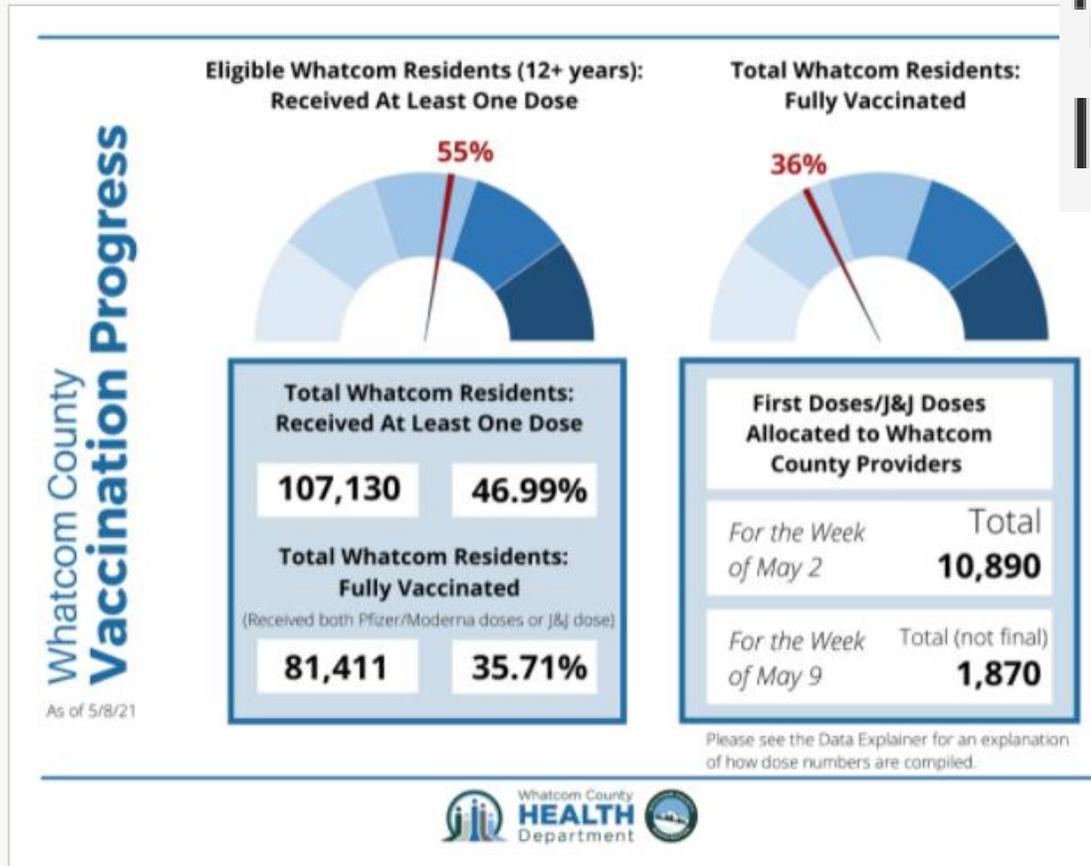
Source: U.S. Bureau of Economic Analysis/FRED

Further Growth on Horizon

Washington on track to fully reopen by June 30, Inslee says

On May 18, all counties will be in Phase 3. Washington will fully reopen June 30 unless 70% of people over 16 initiate vaccination before then.

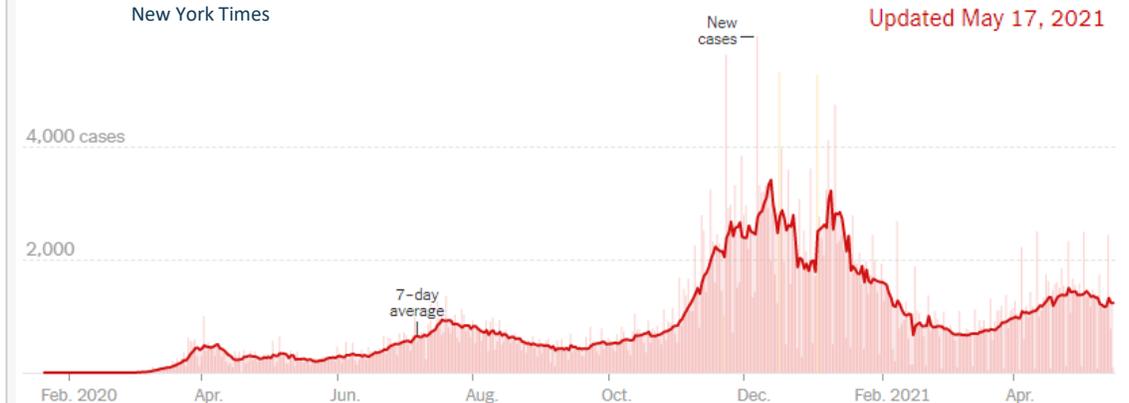
'Great day for America': Vaccinated can largely ditch masks



New reported cases

New York Times

Updated May 17, 2021



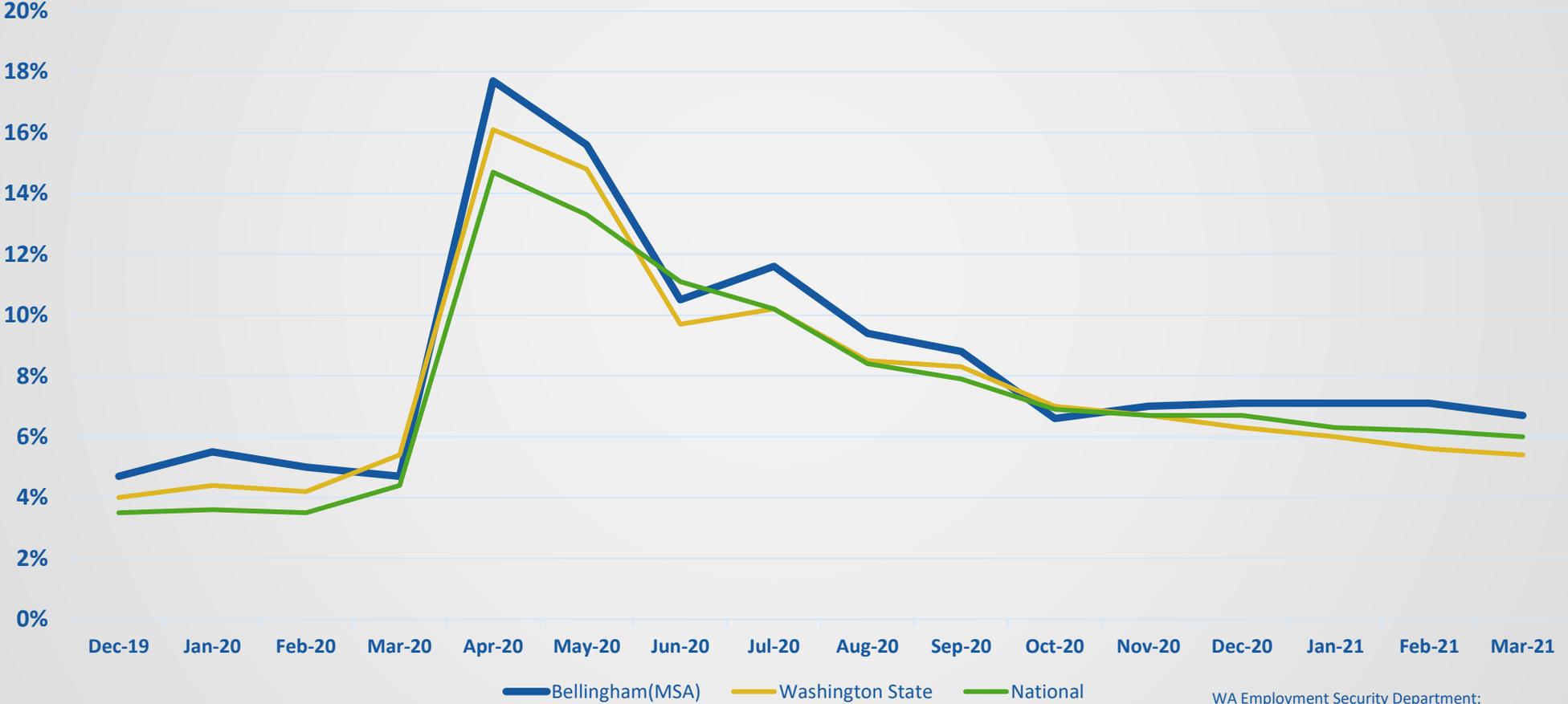
Tests

Hospitalized

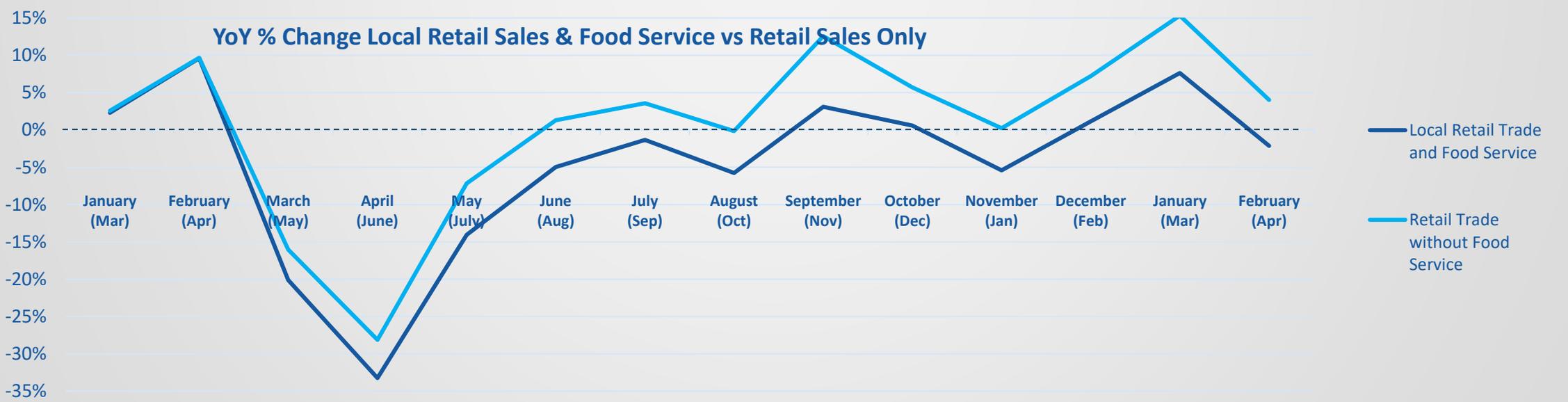
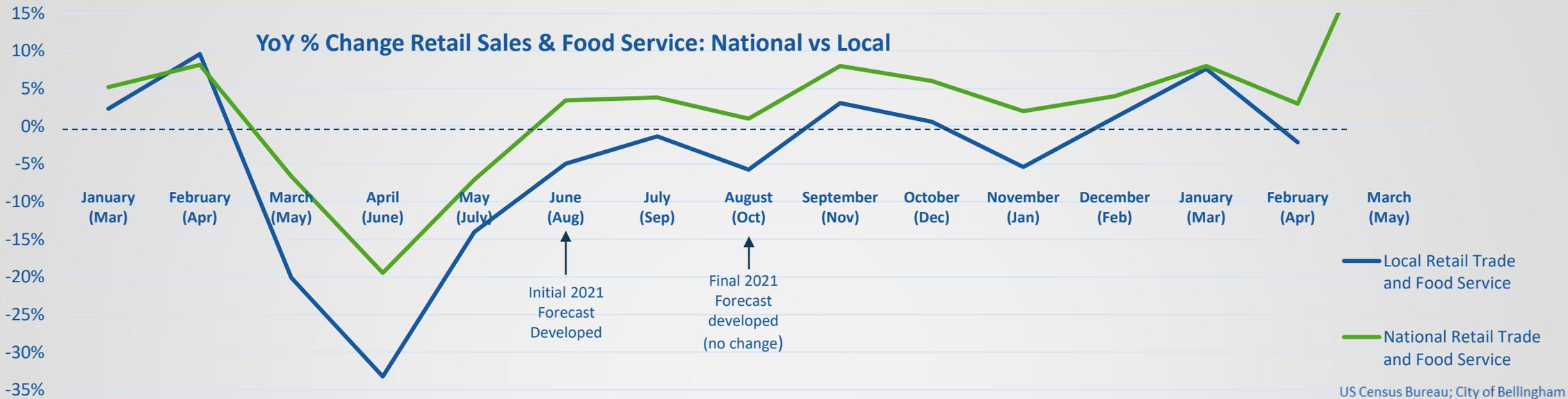
Deaths



Unemployment: Local vs National

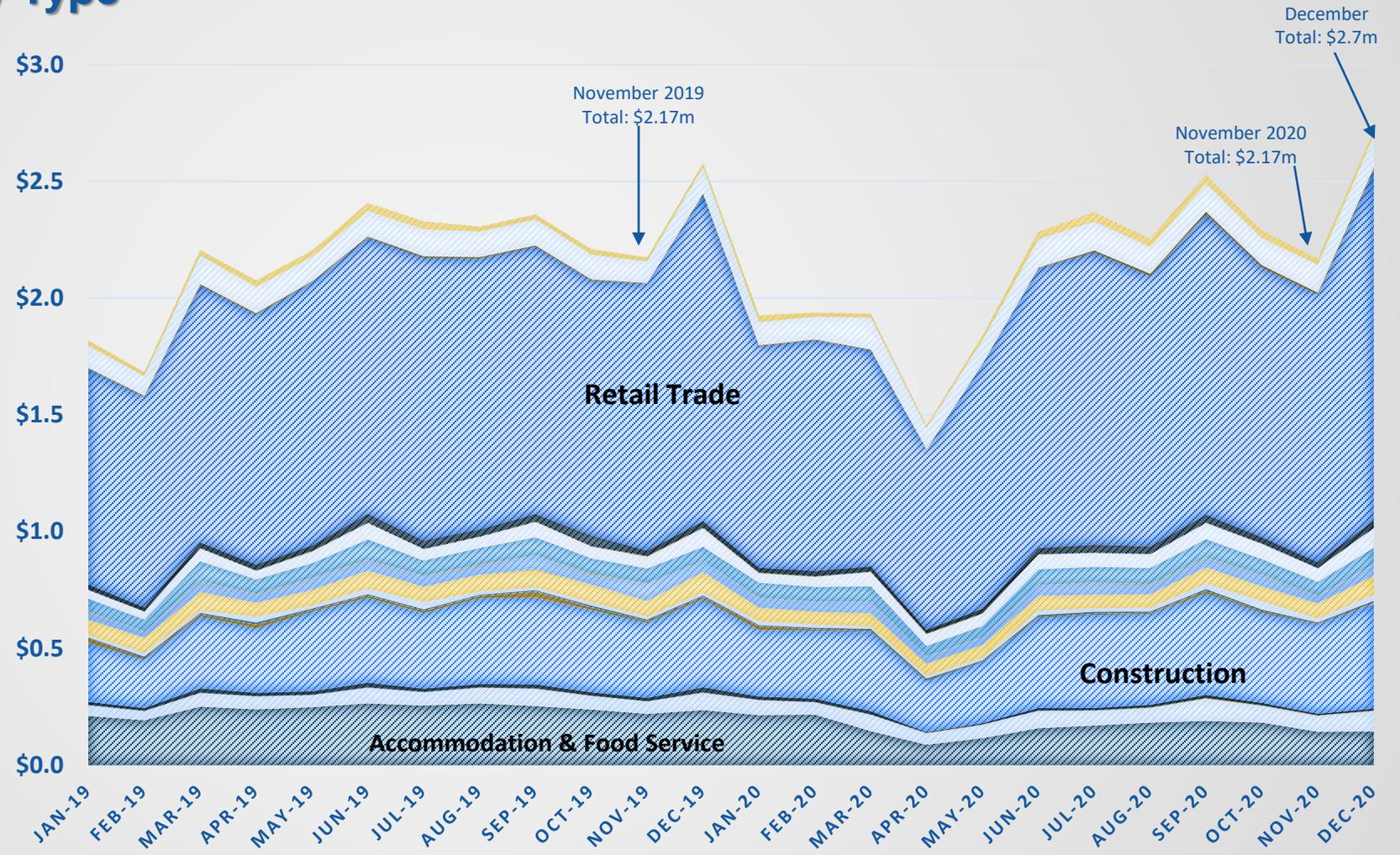


WA Employment Security Department;
US Bureau of Labor Statistics

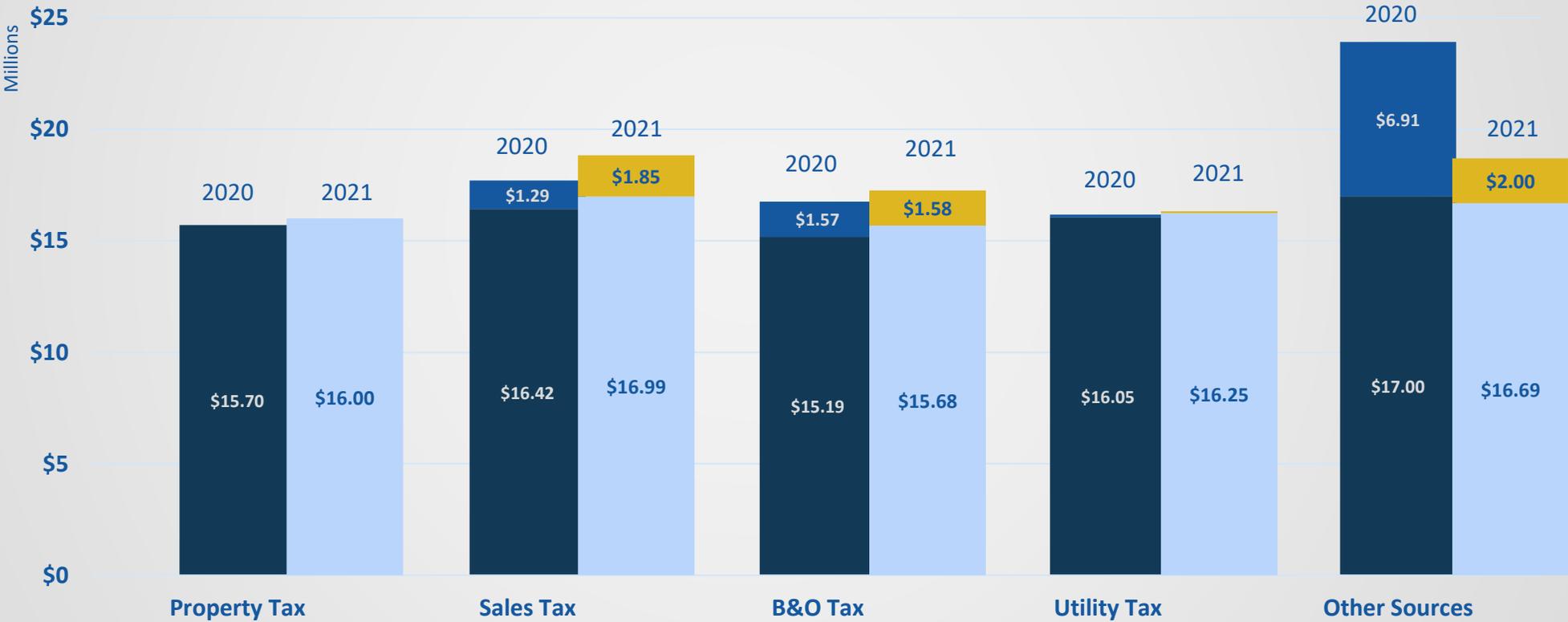


Sales Tax Revenues by Type 2019-2020

- Shown in month of retail activity (not collection)
- About 10% of retail trade is also tied to construction
- Motor vehicle sales represents the largest portion of retail trade at 23-25%



Expectations vs Reality



General Fund 2021-2022 Outlook

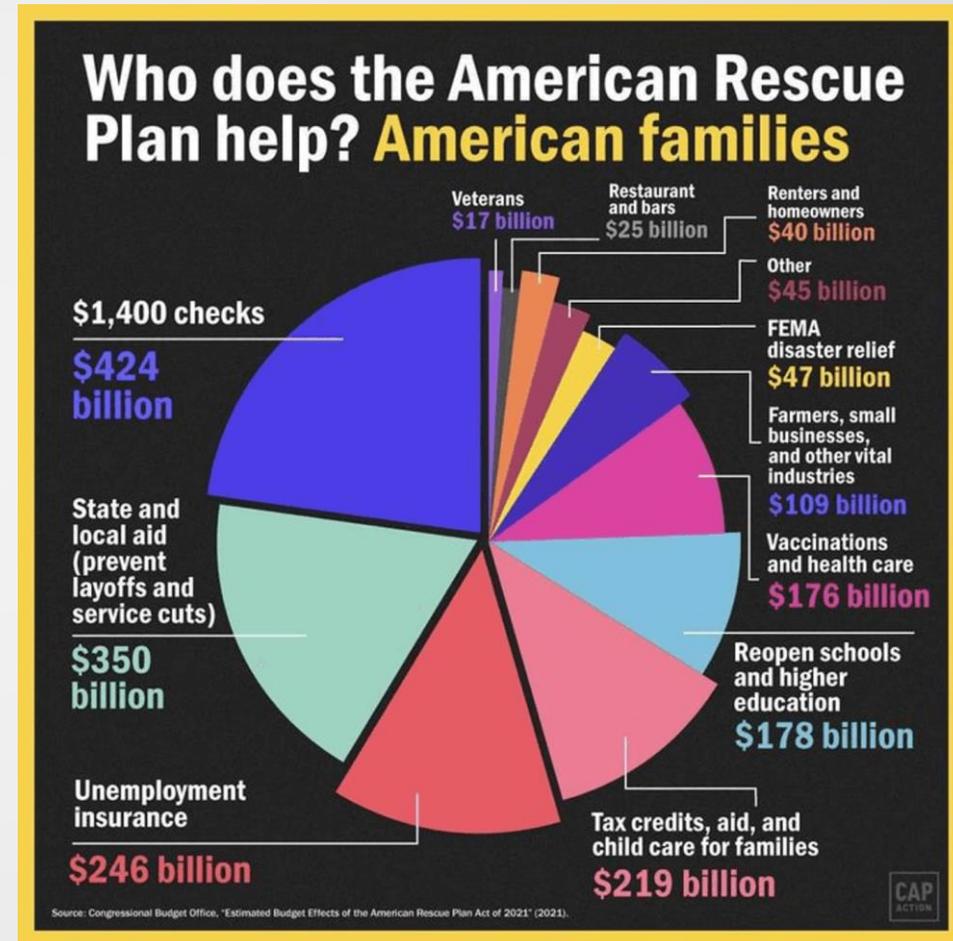
- Projecting much more positive outlook.
- Outstanding budget items to come forward in the coming months:
 - Clean-up costs related to City Hall encampment and other unforeseen homelessness-related costs: \$50,000-100,000?
 - Unfreezing of positions as needed.
- City to receive \$21 million of ARPA funding.

| | 2021 Forecast | 2022 Forecast |
|----------------------------------|-------------------|-------------------|
| Beginning Reserve Balance | 32,200,000 | 31,961,000 |
| | - | - |
| TAXES | 69,206,000 | 71,556,000 |
| LICENSES AND PERMITS | 897,000 | 879,000 |
| INTERGOVERNMENTAL REVENUE | 4,071,000 | 3,071,000 |
| CHARGES FOR GOODS AND SERVICES | 11,145,000 | 11,702,000 |
| FINES AND PENALTIES | 488,000 | 474,000 |
| MISCELLANEOUS REVENUE | 988,000 | 968,000 |
| TOTAL REVENUE | 86,794,000 | 88,649,000 |
| | | |
| NON-EXPENDITURES | 172,000 | 172,000 |
| SALARIES AND WAGES | 45,672,000 | 48,166,000 |
| PERSONNEL BENEFITS | 15,944,000 | 17,184,000 |
| SUPPLIES | 2,394,000 | 2,424,000 |
| OTHER SERVICES AND CHARGES | 22,885,000 | 21,285,000 |
| TOTAL BUDGETED EXPENSE | 87,067,000 | 89,231,000 |
| | - | - |
| <i>Net Change</i> | (273,000) | (582,000) |
| Ending Reserve Balance | 31,961,000 | 31,379,000 |

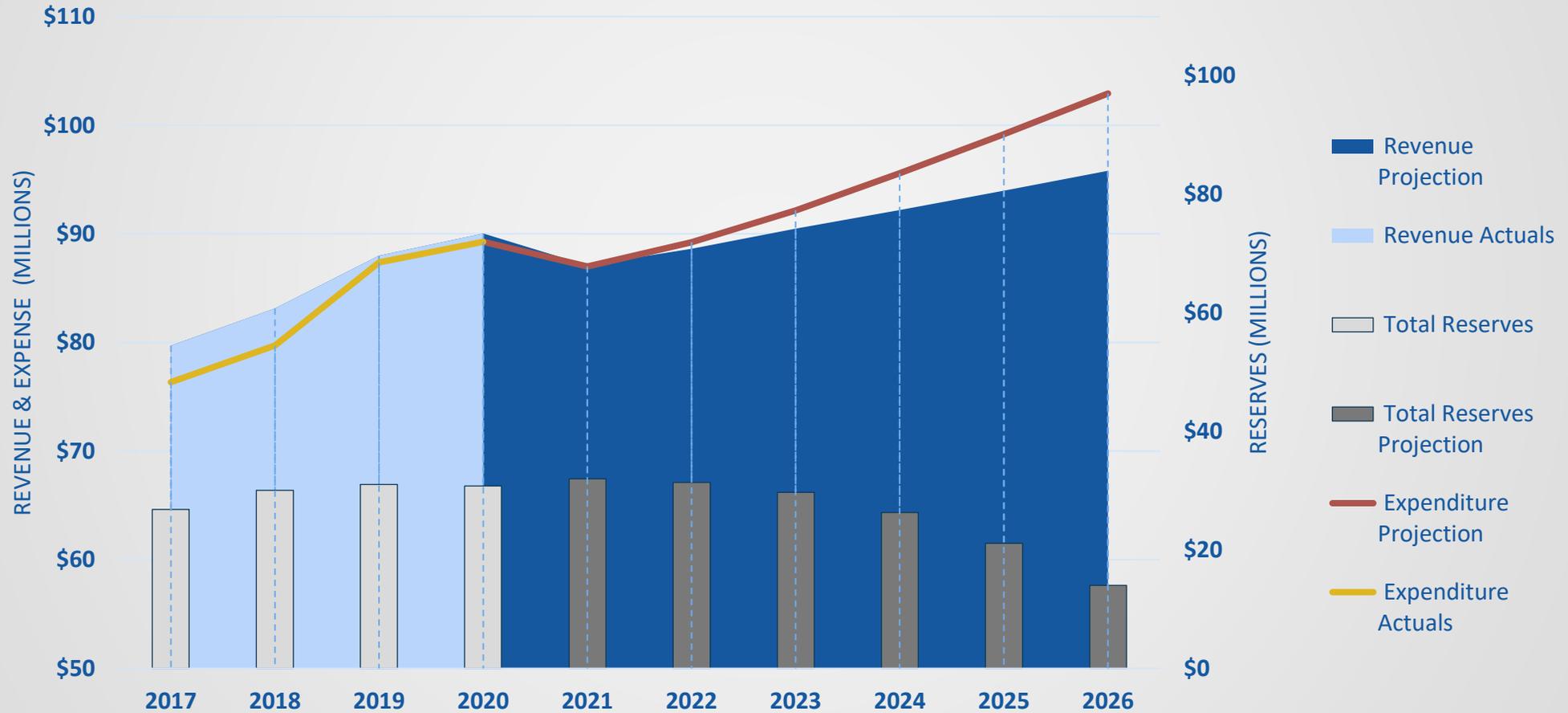
American Recovery Plan Act - \$21 M – Many Requirements

Allowable Uses:

- Public Health
- Negative Economic Impacts (including investment in certain underserved areas)
- Premium Pay
- Revenue Recovery (for government services)
- Infrastructure (water, sewer, broadband)



Long-Term General Fund Outlook



Questions?

Presentation and additional reports available at:
<https://www.cob.org/gov/dept/finance/pages/reports.aspx>

