

TIMBERLAND REGIONAL LIBRARY
BOARD OF TRUSTEES SPECIAL MEETING
415 Airdustrial Way SW, Olympia, WA 98501

October 2, 1980

M I N U T E S

BOARD MEMBERS PRESENT:

Alice Harris, Chair - Mason County
Robert M. Baker - Lewis County
Shirleen Johnson - Member-at-Large
Elmer F. Keiski - Thurston County
Dorothy Voege - Grays Harbor County

BOARD MEMBERS EXCUSED:

Donald L. Law - Member-at-Large
Paul Polillo - Pacific County

STAFF PRESENT:

Louise E. Morrison, Library Director
Virginia Barton, Associate Director for Research & Planning
Tom Mayer, Supervisor-Personnel Administration
Michael Crose, Business Manager
Joyce Nichols, Tumwater Librarian
Liane Bascou, Board Recording Secretary

Mrs. Harris called the meeting to order at 8:05 p.m. She announced that this is a special meeting for the purpose of adopting the 1981 budget. She requested that until Elmer Keiski arrived, that the Board discuss other budget related business. Mrs. Harris advised Board members that Director Morrison had sought advice on behalf of the Board from Timberland's attorney, Jane Dowdle Smith, and Mrs. Harris read a letter from Mrs. Smith, dated October 2, 1980, as follows:

"Timberland Library Director Louise E. Morrison has sought my advice on behalf of the Board. The question she has asked is as follows: When a special meeting of the Board on the budget is being held to adopt the levy amount and levy rate for the ensuing year, is there any question of the legality of the Board discussing and making a decision regarding the manner in which the fees for the cities which contract with the Timberland Regional Library District are calculated.

"It is my understanding that the notice of the special meeting for the consideration of the budget has been given to the proper media for tonight's meeting at 7:30 p.m. at the Timberland Service Center. In view of that fact, it appears to me that inasmuch as the contract fees for the cities who are part of the Timberland Regional Library District are a very necessary and an integral part of the budget, no preliminary budget can be adopted without discussion of the contract fees. This is particularly true when it appears that there may be a change in the determination of those contract fees in the near future.

Accordingly, you are advised that it is legal and proper for the Board to discuss at the special meeting tonight any question involved in the determination of the preliminary or final budget including such essential matters as the levy amount and levy rate and contract fees with cities for the ensuing year."

Mrs. Morrison said that correspondence has been received from four cities which contract with Timberland, one from Elma, one from Montesano, one from Oakville and two letters from Tenino. The general gist of the letters is that Timberland's service is appreciated, that the cities are not unhappy with the service, but they are having some difficulties with this year's reassessment. Mrs. Morrison said when a city is reassessed, there is a tremendous jump in its library contract fee. Several of these cities have asked for an extension of the required 90-day notice of cancelation of contract, including Montesano, which was reassessed last year. Mrs. Morrison recommended that the Board grant these extensions. In all good faith, these cities have tried to obtain information regarding the 1981 contract fees and Timberland has in all good faith tried to give the cities this information.

Mr. Baker asked how it was originally decided how levy rates would be set for cities. Mrs. Morrison said the contracts with cities say that the levy rate will be based upon the assessed valuation of the city multiplied by the levy rate for the district that year. When Timberland was established, there had been districts in Thurston-Mason, Grays Harbor, and Pacific Counties. The cities in these counties already had contracts with the pre-existing library districts on the same basis. One exception was Raymond, which had a different arrangement with Pacific County. When Timberland Regional Library was formed, in November, 1968, Timberland continued to serve the cities in the same manner. In 1969, Timberland negotiated contracts with the cities. Because that was how the cities had been paying their contract fees, Mrs. Morrison said it never occurred to her or to the Board to do it any differently. The Board did set up the quarterly payment schedule for the cities.

Mr. Crose explained the proposal for changing the basis of contract fees for cities. He charted this proposal for the years 1976 through 1980 and demonstrated to the Board what the cities actually paid in years 1976 through 1980 and what the cities would have paid under the proposed calculation. Using the proposed 106% calculation, some of the cities would actually pay more, but it would be spread over a four-year period. Mr. Crose said that since Timberland is so large, many cities are reassessed at different times, and that cities are reassessed every four years. When cities are reassessed, many times it causes the contract fee to go way up. For instance, Tenino was reassessed in 1980 for 1981 taxes. Their contract fee in 1980 was \$4,458. With the present formula, Tenino's contract fee in 1981 will nearly double. However, if Timberland had been using this proposed 106% calculation, it would go up to about \$5,782 in 1981. Mr. Crose said it is important to remember that this change would have to be made after the cities are reassessed.

Mr. Baker asked if this would be affordable to Tenino. Mr. Crose replied that when he and Mrs. Morrison attended Tenino's budget meeting last week, he got the impression that if Timberland changed the formula, Tenino would do its best to swallow the increase next year if they could see a "light at the end of the tunnel." He said that cities could get around the problem by budgeting for

these increases, but for small towns, like Tenino, it is difficult to put aside a reserve for library service. Mr. Baker asked what this would do for Timberland. Mr. Crose replied that it would make virtually no difference. Mrs. Morrison said any losses would be way down the line. Timberland's levy rate is not falling that rapidly and Timberland is managing to stay fairly even. Mr. Baker asked if this has been discussed with any of the larger cities. Mrs. Morrison said it has not, other than with Tenino. She told Tenino that this would have to be a decision made by the Board but that she would recommend it to the Board. She said that she thinks the cities should have the option to pay contract fees as they have in the past, or to use this proposed 106% calculation if it is agreed to by the Board.

Mr. Baker asked for the schedule of reassessments. Mr. Crose said that in 1980, Tenino, Tumwater, Elma, Hoquiam, McCleary, Oakville, Chehalis and South Bend were reassessed. In 1981 Olympia, Aberdeen and Winlock will be reassessed. In 1982, Lacey, Yelm, Cosmopolis, Westport, Centralia and Raymond will be reassessed. In 1983, Ilwaco will be reassessed.

Mr. Baker stated that this will have to be presented to the cities in a manner which will be understandable and that something should go out to the media. Mr. Crose said one positive effect this change would have is that according to the contract fee study done by Greg Easton, Timberland's revenue would not change that much. In figuring for individual cities, Timberland would be using the exact same figures that the cities are using for the 106% calculations, and that the cities would be more comfortable with this.

80-65 BOB BAKER MOVED THAT THE MANAGEMENT TEAM DEVELOP A NEW APPROACH FOR CALCULATING CITY CONTRACT FEES USING THE 106% METHOD OF CALCULATING FOR INDIVIDUAL CITIES; DOROTHY VOEGE SECONDED THE MOTION AND MOTION CARRIED UNANIMOUSLY.

Mrs. Harris said that the Chair would entertain a motion to extend to October 31, 1980 the 90-day notice of cancelation of contract to those cities which have requested it. Mr. Baker questioned whether the Board can legally change the terms of the contract by motion. Mr. Keiski suggested that the Board could declare its intent to mutually extend the contract deadline.

80-66 ELMER KEISKI MOVED TO AMEND THE PRESENT CONTRACTS BY MUTUAL AGREEMENT OF THOSE CITIES AND TOWNS WHICH HAVE INDICATED BY OCTOBER 1, 1980 THEIR NEED FOR EXTENSION TO OCTOBER 31, 1980 AND THAT THE BOARD DECLARE A WILLINGNESS TO SIGN AN AMENDING STATEMENT TO THE CONTRACT. BOB BAKER SECONDED THE MOTION.

Mr. Keiski then asked if this would establish a precedent for amending a contract. Mrs. Barton asked if the Board really wants to attach an amendment to the contract or just extend the deadline. Mr. Keiski said he didn't see any hangup by mutually extending the deadline by amendment. He said if they have a contract, they would have to amend the contract to make a change in it. Mrs. Johnson suggested that the Board wait until this can be discussed with Jane Dowdle Smith. Mr. Keiski requested that the Board take a recess for a few minutes.

The meeting recessed at 9:10 p.m. and reconvened at 9:15 p.m.

THE MOTION WAS DEFEATED UNANIMOUSLY.

80-67

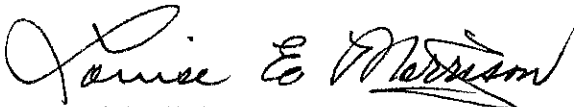
DOROTHY VOEGE MOVED THAT THE BOARD GRANT AN EXTENSION OF TERMINATION OF CONTRACT DEADLINE TO OCTOBER 31, 1980 TO THOSE CITIES WHICH HAVE REQUESTED IT, AND THAT DIRECTOR BECKY MORRISON IS INSTRUCTED TO CONTACT TIMBERLAND ATTORNEY JANE DOWDLE SMITH WITH REGARD TO AMENDING SAID CONTRACTS. SHIRLEEN JOHNSON SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

Mrs. Harris said this meeting is for the purpose of adopting the 1981 budget. She took roll call. Grays Harbor, Lewis, Mason and Thurston Counties were represented which constituted the four-county quorum required to adopt the annual levy for the budget. Mrs. Harris asked if the Board is able to set the levy rate and Mrs. Morrison asked Mr. Crose to respond to this. Mr. Crose stated that Timberland has received certified assessed valuations from Mason County and Grays Harbor County; Timberland has received estimated values from Pacific County and certified values have been mailed but Timberland has not received them yet; this afternoon Mr. Crose received a telephone call from Thurston County and assessed values have not been received as yet. Lewis County is having computer problems. The Board instructed Mrs. Morrison to notify the five counties and advise them that the Board is unable to set the levy amount or the levy rate because certified assessed values have not been received from all the five counties.

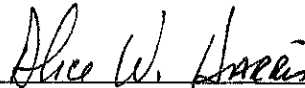
Mrs. Harris announced that the next regular meeting of the Board is scheduled for October 16, 1980 at the Service Center.

Mr. Keiski requested that the Board express regrets to the Board of Commissioners of Pacific County and to Mrs. Penttila on the death of Eldred Penttila in consideration of his support of library service.

There was no further business to come before the meeting and the meeting adjourned at 9:20 p.m.



SECRETARY



CHAIR