

**Baker County Library District**  
 Board of Directors  
**Regular Meeting Agenda**  
 Monday, Aug 12, 2019, 6:00 – 8:00 pm  
 Archive Room, Baker County Public Library  
 2400 Resort St, Baker City  
 Gary Dielman, President



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|--------------|--|------------------|
| <b>I.</b>    | <b>CALL TO ORDER</b>   | Dielman          |
| <b>II.</b>   | <b>Consent agenda (ACTION)</b>   | Dielman          |
|              | <ul style="list-style-type: none"> <li>a. Additions/deletions from the agenda</li> <li>b. Minutes of previous meeting</li> </ul>   |                  |
| <b>III.</b>  | <b>Conflicts or potential conflicts of interest</b>  | Dielman          |
| <b>IV.</b>   | <b>Open forum for general public, comments &amp; communications</b>  | Dielman          |
|              | <p>In the interests of time and to allow as many members of the public an opportunity to speak, the board asks guests to limit remarks to five (5) minutes if speaking on behalf of an individual, or ten (10) minutes if speaking on behalf of a group or organization.</p> |                  |
| <b>V.</b>    | <b>OLD BUSINESS</b>  |                  |
|              | <ul style="list-style-type: none"> <li>a. Appointment to fill board vacancy (ACTION)</li> </ul>  | Dielman          |
| <b>VI.</b>   | <b>NEW BUSINESS</b>  |                  |
|              | <ul style="list-style-type: none"> <li>a. SDIS Risk Management Visit report</li> <li>b. Authorization of auditor engagement letter (ACTION)</li> </ul>   | Stokes<br>Stokes |
| <b>VII.</b>  | <b>REPORTS</b>   |                  |
|              | <ul style="list-style-type: none"> <li>a. Director</li> <li>b. Finance</li> </ul>  | Stokes<br>Hawes  |
| <b>VIII.</b> | <b>Next meeting: Sep 9, 2019</b>   | President-elect  |
| <b>IX.</b>   | <b>ADJOURNMENT</b>   | President-elect  |

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The times of all agenda items except open forum are approximate and are subject to change. Other matters may be discussed as deemed appropriate by the Board. If necessary, Executive Session may be held in accordance with the following. Topics marked with an asterisk\* are scheduled for the current meeting's executive session.

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|--|--|
| <ul style="list-style-type: none"> <li>ORS 192.660 (2) (d) Labor Negotiations</li> <li>ORS 192.660 (2) (h) Legal Rights</li> </ul> | <ul style="list-style-type: none"> <li>ORS 192.660 (2) (e, j) Property</li> <li>ORS 192.660 (2) (a, b, i) Personnel</li> </ul> |
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# Library Board Meeting – Annotated Agenda

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Monday, Aug 12, 2019, 6:00 pm

Notes prepared by Library Director Perry Stokes

## Annotated Agenda

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|--|---------|
| I. CALL TO ORDER                       | Dielman |
| II. Consent agenda ( <b>ACTION</b> )   | Dielman |
| a. Additions/deletions from the agenda |         |
| b. Minutes of previous meeting         |         |

### *Attachments:*

- II.b.i. Board meeting minutes, Jul 8 2019

- |  |         |
|--|---------|
| III. Conflicts or potential conflicts of interest            | Dielman |
| IV. Open forum for general public, comments & communications | Dielman |
| V. OLD BUSINESS  |         |
| a. Appointment to fill board vacancy ( <b>ACTION</b> )       | Dielman |

Ms. Beth Bigelow has tentatively accepted the invitation to be appointed to serve out the remainder of Della Steele's board member term through 6/30/2021. She will attend the meeting to answer any board questions. The board will consider her qualifications as appointee and make an appointment action, if approved.

- |                                      |        |
|--------------------------------------|--------|
| VI. NEW BUSINESS                     |        |
| a. SDIS Risk Management Visit report | Stokes |

### *Attachments:*

- VI.a.i. SDIS Risk Management Visit Report & BCL responses

As part of the insurance division (SDIS) of SDAO'S Risk Management program, agent Phil Wentz conducted a property safety-related survey at our district April 16, 2019. Recommendations were developed as a result. We submitted a written response regarding the status of the recommendations. Those document are attached.

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|---|--------|
| b. Authorization of auditor engagement letter ( <b>ACTION</b> ) | Stokes |
|---|--------|

### *Attachments:*

- VI.b.i. Guyer & Associates Engagement Letter 2019

On 7/24, Christine and I met with Jake Collier the CPA from Guyer & Associations that is in charge of the district's annual audit. Mr. Collier explained various causes for a significant billing increase for the anticipated cost of next year's audit, over 25% from \$8,900 to \$11,250. We budgeted for a standard 6% rate of increase, \$9,450, so a budget correction will need to be made as part of our annual adjustments.

I am presenting the engagement letter as optional for the board to authorize engaging with Guyer and stay on our regular audit schedule. In the meeting with Mr. Collier, I suggested that while the timeline is too short to conduct a bid process this year, next year we likely will want to go through public bidding to ensure the district is not paying more than fair market value.

# Library Board Meeting – Annotated Agenda

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Monday, Aug 12, 2019, 6:00 pm

Notes prepared by Library Director Perry Stokes

## VII. REPORTS

### a. Director

Stokes

#### **Administration**

FY19-20 budget documents have been filed with both the County Assessor and Clerk as required by law.

#### **Friends & Foundation**

The Friends Summer Book Sale reportedly grossed around \$1,600, which is lower than usual. Surplus items were either shipped to a reseller (Better World Books) with pre-authorization, offered as free giveaways, or disposed to the landfill.

No report from the Foundation.

#### **Facilities & vehicles**

The bookmobile received a new fan clutch installed by Mike Bork Auto and has resumed its regular schedule. That repair cost came to \$1,066.

Filters on the HVAC system main air handler and rooftop units were replaced by Scotts Heating in July at Baker, Richland, Halfway, and Huntington branches. The filters are large size 24 x 12 x 12 and very expensive. Service techs also added Freon refrigerant to the chiller. The maintenance invoices total to \$2,987.

Repairs – floor, children’s restroom.

Signage is on order to improve public notice about No Smoking and Security System policies.

SDAO Risk Management report – covered as agenda item.

#### **Grants & Gifts**

I have ordered several Donor Acknowledgment plaques to recognize both large general donations, memorial gifts, and gifts toward specific projects such as the Reading Room furniture, front entry water fountain, bottle-fill drinking fountain, and bike repair station.

#### **Marketing**

I have invested in one year of advertisements in the Weekly TV Guide published by the Baker City Herald. We can have 52 different ads, or re-run some. I aim to feature many of our lesser known but premium services. The ads began to be published in mid-July.

#### **Personnel**

Managing Librarian Nola Huey resigned effective July 31 due to family emergency needs. I promoted Sylvia Bowers up to fill that position from Library Associate. Several years ago Sylvia completed the Library Support Staff Certification program from the ALA. Several staff contacted me to endorse Sylvia for the position.

As of Aug 1, IT Systems Manager Jim White is semi-retired and working up to 12 hours weekly. Our IT Assistant Bryan Ames will be returning to college and ending his employment at the end of August. To keep the library operational in the event Jim is

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unexpectedly unable to work for an extended period, we plan to develop an RFP for an emergency IT support contract.

An “Amazing Race” themed staff Team Building event is planned for Saturday evening, Sep 21 from 6:00 pm to 8:00 pm. Board members are invited to participate. I will be sending out an RSVP Google Form.

## ***Programs & services***

Testing underway for public Self-Checkout Station. This Evergreen module has been available for no extra charge for several years. A handful of Sage libraries already use it. We hope to expose and resolve various concerns with our trial and then make it available in the front lobby.

The 2019 Summer Reading Program concluded with a Wrap-up Party on Thu, 8/8/19. “Reading Pledge” participation rates were significantly higher than previous years with over 420 signed up. Halfway and Richland branches also report high participation with over 20 taking part.

The Summer Academy staff from Baker School District report that over 80% of SA students showed improved reading scores. The district supports SA with weekly visits by the Bookmobile. We strongly feel that giving kids a variety of reading choices to meet their interest is a vital part of that success.

Our yearbook collection has been shipped out for temporary loan to Oklahoma Correctional Industries (OCI) for digitization. All volumes from 1950-2018 will be digitized to searchable PDF format at no charge. Pre-1950 volumes will be digitized for a fee, at approximately \$10 per book. The files will be loaded onto select research workstations at the Baker branch for in-library public access.

The VP of the media company that now owns the Baker City Herald inquired about the potential of the library taking the archive of bound historical issues. At this point, they are stored at an office in La Grande. I explained that the library would be happy to take them but limited space is a major factor as is keeping the materials protected since we aren’t able to monitor use well. After discussion, the VP decided to retain the volumes at this time. They are seeking to secure a larger office space in Baker and may move the volumes there.

Staff is building about six “Elder Memory Care” kits which will be marketed to seniors and their caregivers to help keep brains healthy.

Newly released on DVD is a film called “The Public” that has been highly anticipated by the library community. It is directed by and starring Emilio Estevez. The story features a rebellion and takeover of a library on a cold winter night by a group of homeless individuals in fear for their safety, and how that event is handled differently by library staff, city managers and law enforcement. I highly recommend it.

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Notes prepared by Library Director Perry Stokes

## ***Safety & Security***

Signage is on order to improve public notice about No Smoking and Security System policies.

I plan to order up to 3 new solar-powered security cameras to install on the rooftop to improve our security measures. Motion sensor alerts on these cameras can be sent to smart phone devices.

## ***Technology***

In July, a debut program featuring our Virtual Reality system was held as part of the space-themed Summer Reading Program. Staff report it was a great success with over 25 “spacewalk” sessions in a 3 hour period. Due to safety concerns with the headset cable being a trip hazard, we will be upgrading the set with a wireless headset. Testing on that new device is underway.

Jim is working on upgrading our public multifunction FAX/Scanner/Printer to a unit that will enable easy wireless printing. Staff report regular requests for that capability. Currently patrons must log into a library workstation or have files on a USB to print directly from the Xerox machine.

### **b. Finance**

**Hawes**

Report documents to be distributed at the meeting.

## **VIII. Next meeting: Aug 12, 2019**

**President-elect**

- Future agenda items
  - Policy review/revision
    - Discussion of pro-rated benefits for part-time employees
    - Fee schedule
    - Library Card Eligibility
    - Social Software
    - Staff Use of Collection Materials
    - Digital Archive Copyright Statement / Rights Statements for digital cultural heritage object
  - Board Training: Discussion of ALA State of America’s Libraries 2018 report

## **IX. ADJOURNMENT**

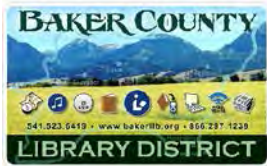
**President-elect**



Baker County Library District  
Board of Directors  
**Regular Meeting Minutes**  
July 8, 2019

ATTACHMENT II.b.i.

<b>Call To Order</b>	The meeting was held in the Riverside Meeting Room. Gary Dielman, President called the meeting to order at 6:01pm. Present at the meeting were Directors Gary <b>Dielman</b> , Frances <b>Vaughan</b> , and Kyra <b>Rohner</b> , Directors. Also present were Perry <b>Stokes</b> , Library Director and Christine <b>Hawes</b> , Business Manager.
<b>Consent Agenda</b>	Dielman asked for any changes to the consent agenda which includes the agenda for tonight and minutes from the previous regular meeting. There were none. <b>Rohner made a motion to approve the consent agenda as presented; Vaughan seconded; motion passed unanimous (3 yea votes).</b>
<b>Conflicts or Potential Conflicts of Interest</b>	Dielman asked for any potential conflicts of interest. There were none.
<b>Open Forum for general public</b>	Dielman noted there were no members of the public present. Stokes had no correspondence to share.
<b>OLD BUSINESS: None</b>	There was no old business on the agenda.
<b>NEW BUSINESS: Discussion of Board Vacancy</b>	Stokes said that, as he previously shared by email, the board has a vacancy it needs to fill. Board member, Della Steele passed away in June. The board discussed potential candidates. Stokes made note of the names that were suggested. There were seven names that were prioritized for contacting order. Ideally, one of the target candidates will be able to attend the next Board meeting for consideration of being appointed.
<b>Election of 2019-20 Officers</b>	Stokes said annually at the July meeting the board elects its officers for the current fiscal year. After a short discussion, Vaughan nominated Gary Dielman to continue as President and Kyra Rohner to continue as Vice-President; the same slate of officers as the prior year. Dielman asked Rohner if she was willing to serve, she agreed. <b>Vaughan made a motion to approve the slate of officers as nominated; Rohner seconded; motion passed unanimous.</b>
<b>Establishing regular meeting time</b>	Stokes said that another annual housekeeping item is the need to establish the regular monthly meeting schedule. To date, the board has preferred to meet on the second Monday of each month at 6:00pm. The 2 exceptions are October and June. In October he recommends moving the meeting back one week to allow for the annual staff training held on Indigenous People’s Day, aka Columbus Day, for which the Library is closed to the public. In June 2020, he recommends moving the meeting back one week to accommodate publication for the budget adoption process. With no further questions, <b>Rohner made a motion to approve Resolution No 2019-20.01 “Establishing a regular meeting day, time, and location for 2019-20”; Vaughan seconded; motion passed unanimous.</b>



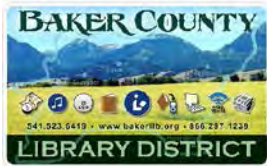
# Baker County Library District

Board of Directors

## Regular Meeting Minutes

July 8, 2019

<p><b>Appointing Agents of Record</b></p>	<p>Stokes recommended that the Library District continue with Clarke &amp; Clarke Insurance as the District insurance agent, another standard housekeeping item. With no discussion, <b>Rohner moved to approve Resolution 201-20.02 Appointing Insurance Agent of Record as Clarke &amp; Clarke Insurance; Vaughan seconded, motion passed unanimous.</b></p>
<p><b>REPORTS: Director Report</b></p>	<p>Stokes gave the Director’s report:</p> <p><b>Administration</b> – Stokes plans to file the required FY2019-2020 budget documents with the Baker County Assessor tomorrow, July 9. The annual deadline is July 15.</p> <p><b>Friends &amp; Foundation</b> – The Friends are preparing for the Summer Book Sale that will open next week in conjunction with Miner’s Jubilee weekend. They set up Wednesday and Thursday and then open on Friday for 10 days. Volunteer sheets are at the front desk. Calls for sign-ups are being broadcast on social media and local radio.</p> <p><b>Vehicles</b> – The bookmobile is still out of commission. The latest issue is a radiator fan to resolve overheating problem. Obtaining the part at a reasonable price has proven to be challenging. Hopefully, this will be the last repair for a while.</p> <p><b>Facility</b> – Ed reports continuing to find damaged sprinkler heads along the sidewalk on Campbell Street. He suspects they are being stomped on. Security system footage will be reviewed if possible.</p> <p><b>Grants</b> – We were notified that our EBSCO Solar Power grant request was not successful for 2019. We will try again next year with our grant proposal.</p> <p><b>Programs &amp; Services</b> – The 2019 Summer Reading Program is underway. Over 250 kids have registered to date, which is above normal. Turnout has also been strong for special performances.</p> <p>Our pilot project to move our historic photos in partnership with the State Libraries of Oregon &amp; Washington will continue another year. Over 200 photos have been migrated to <b>WA Rural Heritage</b> site to date. Full migration is planned for next year. In the meantime, we will update our current platform software, Past Perfect, so Dielman can continue working on the photo collection. Past Perfect is museum software used across the nation, Dielman explained.</p> <p>Baker was selected to participate in OLA’s <b>Libros for Oregon</b> program this year. This will enable an update of our Spanish language collection. The district will contribute</p>



# Baker County Library District

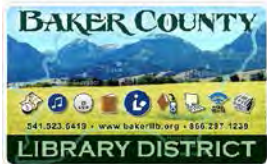
Board of Directors

## Regular Meeting Minutes

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	<p>\$200 toward the travel costs for someone to travel to Mexico to purchase materials on our behalf, as well as \$1,000 for materials.</p> <p><b>Personnel</b> – Staff are adjusting to the switch from traditional bulletin board calendar to a new digital display. The display has been mounted on a wall in the staff workroom just outside the Director’s office. The primary benefit is to make the scheduling process more efficient. Office Manager, Nola, had previous experience with a similar software and selected the program. She and Sylvia manage the scheduling. A fourth student Librar Page will be hired to assist with collection rotation and to help reshelve DVDs on busy weekends.</p> <p><b>Safety &amp; Security</b> – Stokes had SDAO counsel review the district’s community service procedure. He outlined the approved the practice with a couple of SDAO recommendations.</p>
	<p><b>Technology</b> – Jim has been testing out a new computer maintenance tool. It will allow remote maintenance (such as software updates) of branch workstations from a distant base such as Baker or another branch. If he can’t fix the problem, branch staff will send the unit in for repair and he will return it via regular courier or bookmobile runs. This will reduce the need for him to travel weekly to branches, saving time and travel expenses.</p>
<p><b>Finance Report</b></p>	<p>Hawes handed out check packets for signatures. She asked the board to look at the financial report packets. The top page is highlights from the reports. The packets include both a Fiscal Year Ended June 30, 2019 report for each fund, followed by a current year report which shows July 2019 to-date. The adopted budget and actual beginning cash have been entered in the reports for each fund.</p> <p>Haws first presented the <b>General Fund (GF)</b> reports starting with the last fiscal year ending June 30, 2019. Three turnovers came late in the fiscal year, as expected, that totaled \$37,362.06. The dates and amounts are written on the report. Compared to June 2018, total tax turnovers receipts of \$35,514.34 were up slightly. At the moment the current taxes are 98.7% of budget and the prior year taxes are 90.1% of budget. These numbers will be adjusted after the County publishes their annual reports. The interest included in the tax turnovers, mostly in the prior years, will be moved to the Interest Income budget line which will increase the interest income from the 66% of budget as shown here. In Other Revenues, Program Support includes Rotary \$1,000, Elks Lodge \$300 for summer reading bikes-for-kids program, and the Friends supported several projects including the new drinking fountain \$1,304, a replacement window blind \$704 in the meeting room, Oregon Battle of the Books \$500 and others noted on the report total \$3,466 of support from the Friends last fiscal year. We appreciate them and thank the Friends of the Baker Library for their generous</p>





# Baker County Library District

Board of Directors

## Regular Meeting Minutes

July 8, 2019

support. E-Rate funds of \$3,202 to-date will be increased by another anticipated \$3,280 of reimbursements to be filed through June. Looking at page 2, Transfer Income includes Other Funds- Amazon book proceeds of \$4,500 as budgeted and another \$220 from Memorial to cover excess election costs from the Election Reserve Fund.

General Fund, page 3, **Personnel Services**, District salaries are at 97.4% spent. Payroll at July 1, for the month of June, has been accrued. Total Personnel Services is at 97% spent. There will be an adjustment to the payroll taxes and benefits costs for PERS. We have more than adequate buffer of \$22,000 to cover any accrual adjustments. The wage numbers may change a small amount when the financial report is finished but the report given presents a good review of the wages and related expenses for the fiscal year just ended.

**Materials & Services** start on page 3; the book budget was increased to \$120,000. June notable checks include Ingram \$5,318.35 and Visa included \$1,390.75 of books and movies. The Visa detail through June 30 has been posted to the books, although it will be paid in July. The accrued expenses are included in this report. On page 4, the Janitorial Contract percentage is low. The June contract payment written on July 1 was not included in the June accruals. That will be corrected and will bring the percentage in line with the budget. In Building Maintenance, a check was written to Scott's Heating for \$1,124.19 for a condenser repair that was causing leaking in Perry's office. In Computer Maintenance, the visa includes \$1,028.81 in computer supplies bringing that budget to 100% spent. On page 5, the Election expense line includes a check to Baker County Clerk for \$3,209.64 for our portion of the election costs. On page 6, Utilities are at 90.8% spent, there will be additional accrued expenses posted in July. Then on page 7, total Materials & Services is at 92.6% spent with a buffer of \$27,000 that should be adequate to cover any additional accrued expenses that will be posted through September 30. We are required to record accrued expenses for 90 days, although the majority of it is posted by the end of July.

The next page is the General Fund Balance Sheet at June 30, 2019. The report shows the actual ending cash carryover at \$320,506 which is very close to the budgeted carryover of \$320,000. Accounts Payable is at \$18,751 at June 30 and is comparable to the prior year ending Accounts Payable of \$17,381. Accrued Wages Payable decreased from \$67,512 at 06/30/2018 to \$42,015 at June 30, 2019, primarily due to the payout of \$22,380 for a retirement severance package last year. Similarly, Accrued Payroll Taxes decreased from \$13,873 to \$10,655 shown for the same reason. Other Balance Sheet lines have not yet been adjusted. Hawes said she wanted to highlight these in review.



# Baker County Library District

Board of Directors

## Regular Meeting Minutes

July 8, 2019

Moving to General Fund, July 2019 report for the current fiscal year to-date, again, the beginning cash and adopted budget have been posted. July 1 payroll is shown on this report and will remain there until closer to the end of this fiscal year for budgetary purposes. On page 2, PERS liability has been posted and the invoice will be paid on July 12 totaling \$9,899.44. PERS rates increased from 21.12% PERS and 13.96% OPSRP in the prior year to 26.00% and 18.28%, respectively, in the current fiscal year. The increase was actually a little less than the projected rate increase to 26.46% and 19.11%, decreases of 0.46% and 0.83% respectively. This will give the District a small reprieve. There were 2 notable checks posted to the current fiscal year. A check for Workers Comp insurance of \$1,474.55 was paid as the annual initial invoice for the year. This invoice is based on estimated wages. We are billed at the end of the fiscal year after reporting actual wages. And a check to LEO (Libraries of Eastern Oregon) of \$4,023 for 2 annual electronic subscriptions, Library2Go \$2,003 and Ebsco \$1,331, and annual membership of \$689.

The **Other Funds** report packet starts with June 30, 2019 on top. Amazon book sales totaled \$4,890 for the year with \$4,500 of that transferred to the General Fund to support the book budget. A check was written to the Library Foundation of \$2,305.00 to move non-designated funds to them. The next page is the Balance Sheet showing the ending cash carryover for Other Funds by Department. Followed by a Memorial Funds Report showing all designated funds and the related balances. There was no activity in June for the current year report. The cash carryover will be posted to the reports for next month. The actual cash carryover at June 30, 2019 is \$159,199 which is significantly more than the budgeted cash carryover of \$131,550.

The **Sage Fund** report packet starts with June 30, 2019 on top. For the month of June, Sage wrote checks totaling \$2,056.98 for courier expenses and paid its monthly System Specialist contract of \$5,100. You will note the June payroll was paid on June 28, the last day of the fiscal year, for financial reporting purposes. This posts 12 paychecks to the prior fiscal year and was done the prior fiscal year. In the current fiscal year, July 2019, a large check was written to Orbis Cascade of \$45,327 for courier services. This vendor bills the services annually in July for the upcoming service year. The cash carryover will be posted to the report for next month. The actual cash carryover at June 30, 2019 is \$204,944, which is about \$10,000 more than the budgeted cash carryover of \$195,000.

Hawes asked if there were any questions about the financial report. There were none.

The Directors signed the checks and initialed the check list approving the bills paid since the last meeting.

**Next Meeting Date**

The next regular Board meeting will be August 12, 2019.



Baker County Library District  
Board of Directors  
**Regular Meeting Minutes**  
July 8, 2019

<b>Adjourn</b>	The meeting was adjourned at 7:19 pm.  Respectfully submitted,  Perry Stokes, Secretary to the Board  PS/ch
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DRAFT

Scott A. Martin  
Jacob J. Collier

Megan R. Adams  
Michael J. Rudi

Randell C. Guyer, Jr.  
Kent J. Bailey  
Kara J. Bond

David F. Lindley  
Linda L. Cyr  
Emily J. Bechtold

# Guyer & Associates

Certified Public Accountants

May 31, 2019

To the Board of Directors and Management of Baker County Library District  
2400 Resort Street  
Baker City, Oregon 97814

We are pleased to confirm our understanding of the services we are to provide Baker County Library District (the District) for the fiscal year ended June 30, 2019. We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of The District as of and for the fiscal year ended June 30, 2019. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement The District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to The District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis.

We have also been engaged to report on supplementary information other than RSI that accompanies the District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a separate written report accompanying our auditor's report on the financial statements:

- 1) Budgetary Schedules that are a part of RSI as required by GASB Statement 34
- 2) Budgetary Schedules that are OSI
- 3) Pension and OPEB Schedules that are part of RSI as required by GASB Statements 68 and 75
- 4) Schedule of Property Tax Transactions

**Audit Objective**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of The District's financial statements. Our report will be addressed to The Board of Directors of the

2790 Main Street  
Baker City, OR 97814  
541-523-4471  
541-523-3340 fax

Members of  
American Institute of Certified Public Accountants  
Oregon Society of Certified Public Accountants  
visit us at [www.glbm.net](http://www.glbm.net)

1005 Adams Avenue  
La Grande, OR 97850  
541-963-6009  
541-963-5589 fax

Baker County Library District  
May 31, 2019

District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

#### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

#### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

#### **Other Services**

We will also assist in preparing the financial statements of The District in conformity with U.S. generally accepted accounting principles based on information provided by you. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

## Management Responsibilities

Management is responsible for designing, implementing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for financial statement preparation services and any other non-attest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

The non-audit services which we expect to provide are:

- 1) Preparation of the government-wide financial statements.
- 2) General accounting and budgeting consultation.
- 3) Depreciation calculations.
- 4) Other professional services as requested by management.

## Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account, but would notify you prior to engaging such services. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of



Baker County Library District  
May 31, 2019

your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Guyer & Associates, CPAs and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to authorized officials or their designees. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Guyer & Associates personnel. Furthermore, upon request, we may provide copies of selected audit documentation to The State of Oregon or its designee. The State of Oregon or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

We expect to begin our audit on approximately August 1, 2019 and to issue our reports no later than December 31, 2019. Kent Bailey is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses will not exceed \$11,250. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered at the end of the engagement and payable on presentation. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to Baker County Library District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Jacob Collier, Principal  
Guyer & Associates, CPAs  
A Professional Corporation

**RESPONSE:**

This letter correctly sets forth the understanding of the Baker County Library District.


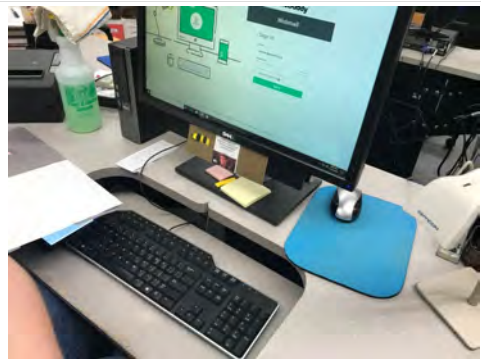
Management signature: \_\_\_\_\_  
Name and Title: Perry Stokes, Library Director  
Date: May 31, 2019

# Risk Management Visit for Baker County Library District

ATTACHMENT VI.b.i.




Building Inspection			
District	Baker County Library District	Date of Visit	4/16/2019
Visit Contact	Perry Stokes	Consultant	Phil Wentz
Visit Summary	Thank you for your time last week and for the opportunity to look at your building with Ed Adamson. Your building is generally in good shape and Ed knows the areas needing repair. This report helps document some of the areas that need repair.		

## Ad Hoc Assessments




Premises	Property	Level	Recommendation	Photo
Main Building				
	Main Building			
		Moderate	Wrinkles in the carpet create a trip hazard for both staff and patrons. Removing the wrinkles is a best practice. Possibly re-stretching or cutting the wrinkles and regluing are two methods that may help control the hazard.	
		Minor	One way to improve ergonomics in a workstation like this is the move the monitor up to allow the user to sit straight. The riser can be as simple as unopened reams of paper.	





## Risk Management Visit for Baker County Library District

		<p>Minor</p>	<p>This concrete can be skim coated to preserve it longer. Continued exposure to weather will continue to degrade the surface.</p>	
		<p>Moderate</p>	<p>The deck on the riverside needs to be repaired as the wooden deck is deteriorating. Some options for surfacing include low voltage heat traction covers that help melt snow and ice and various types of anti-slip plastic mesh.</p>	
		<p>Minor</p>	<p>The fascia is starting to rust and needs to be repaired or replaced. As the damage continues it will allow weather and insect pests into the eaves and possibly the building.</p>	

## Risk Management Visit for Baker County Library District

		Minor	Metal components need paint.	
		Minor	The decorative metal along the boardwalk is beginning to rust and needs to be painted.	
		Severe	The older roof is showing signs of stress and cracking. Although it may be able to be patched, ultimately it is at the end of its life and needs to be replaced. A full infrared scan will help locate any existing leaks that may not have penetrated to be visible inside, but may be damaging wooden roof structures. Any leaks need to be investigated on the inside to be sure there is no damage that needs repair.	

## Risk Management Visit for Baker County Library District

		Minor	All vegetation should be kept away from the foundation.	
		Severe	The wood siding has reached the end of its useful life. It is curling and is severely weathered. Some places may have more life left if painted, but ultimately replacement will be the best option.	



**Facilities Dept  
Ed Adamson  
Baker County Library  
2400 Resort St.  
Baker City, Oregon 97814  
facilities@bakerlib.org  
(541) 523 6419, Ext 37**

8/9/2019

Perry Stokes  
Director  
Baker County Public Library District

RE: Risk Management Visit Assessment Concerns

Mr. Stokes:

I have reviewed the documentation regarding the Risk Assessment Concerns. What follows is a point by point comment and review of the document generated by Mr. Paul Wentz.

1. The wrinkles in the carpet are caused by the hold down glue delamination from the carpet base. We have looked to having the carpet surgically stretched in the most critical areas. However, I have held off because of an attempt by me to generate a warranty claim on the carpet failure. The general contractor who did the carpet work as part of the 1999 remodel, Syd Johnson and Company, has lost all of the purchase paperwork on the carpet, so that tanks our warranty claim.

Recently the carpet has displayed some swelling and delamination in front of the public restrooms. The carpet will be cut back on Sunday, August 4 or Sunday, August 1,1 to determine the cause and possible repair of this delamination.

Carpet repair folks will let us know about what it will take to restretch in the heavily trafficked areas, but I holding off on contacting them until we know what will be needed for the area by the public restrooms.

2. Suggestion will be made to the end user regarding monitor height. Will adjust accordingly.
3. The concrete spall will be addressed by application of concrete sealer. Skim coating would not last long enough to make it worth the cost.
4. The wood surface of the boardwalk will be replaced with Trex in the coming fall weather. Stringers are repairable. Temporary fixes include screwing down deck boards as they come up,

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coating where necessary, and advising the biking public to dismount when crossing the wood deck.

- 5,6, and 7: The rust and corrosion of our exterior metal work will be addressed on a case by case basis. It is not in failure mode at this time, but touch up in the late fall is in the schedule.
8. The Library has an ongoing roof coating maintenance contract with a local contractor. We did extensive leak repair as a part of the contract award. This past winter we were pretty much leak free. However, the Library has allowed for total roof recoat in future budget planning.
  9. The sprinkler heads have been replaced with soaker lines, and the vegetation has been cut back, along the North side of the building.
  10. Gradual replacement of the failed and failing wood siding, starting with the South East corner of the building, with cementous (Hardi plank style) siding is scheduled for August and September.

My meeting with Paul was great and productive. Mr. Wentz has a good understanding of building practice, and the issues of institutional facilities management. He has made some great suggestions about dealing with the large roofing chemical companies to insure the integrity of any future roof warranties, and specific instructions to local contractors.

Best Regards.....

Ed Adamson  
Baker County Public Library District  
Facilities