

FY 2017-18 ANNUAL REPORT
for the
Josephine Community Library District
Board of Directors

respectfully submitted by
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INTRODUCTION

The library of today is much more than “books on a shelf.” It is an integral and active part of the community, developing and shifting as fast as the public it serves. In one week at Josephine Community Library District, more than 1,000 patrons use the 48 internet access computers at the four branch libraries in Grants Pass, Illinois Valley, Williams, and Wolf Creek. In a month, an average of 3,000 patrons check out 21,500 items. On any given day, the front desks are buzzing with conversation, folks meeting, discussing the news, perusing the new items shelf, and relaxing at the big round library tables. Our libraries are a hub of the community, a source of civic pride, and a safe place where people and ideas can come together.

For the past eight years (2009–2017), the library system in Josephine County was operated by the nonprofit Josephine Community Libraries, Inc (JCLI). JCLI was formed after libraries closed in May 2007 due to lack of funding. Four months later, a group of community members formed JCLI, a nongovernmental organization dedicated to ensuring long-term public library services. By December 2009, JCLI reopened all four shuttered locations. From that time until December 31, 2017, the libraries in Josephine County were operated and supported by private donations and the heroic efforts of more than 360 volunteers annually.

In May 2017, voters approved a measure to form a library district serving 39,000 residents in the noncontiguous areas surrounding the branch libraries in Grants Pass, Illinois Valley, Williams, and Wolf Creek. The measure reinstated public funding and set a permanent library tax rate of 39 cents per \$1,000 of assessed property value.

On June 4, the newly elected five-member Josephine Community Library District Board of Directors convened. The board met weekly for the first six months to build the infrastructure of the new library district. The board worked closely with JCLI, which was committed to handing over the day-to-day operations to the district by January 1, 2018. Both boards were committed to a seamless transition of services and a transfer of leadership that honored and valued the volunteer culture developed by JCLI.

In its inaugural year, the board made huge strides as a new, startup government agency. During the first six months, the board established policies, set up an accounting system, hired staff, and developed a strategic plan. From forming the first budget committee to increasing hours at all four branches, the library system serving Josephine County grew exponentially in its first year, embracing its role as a municipal corporation committed to maintaining the trust of the community it serves.

Strategic planning

In July 2017, the Josephine Community Library District Board of Directors entered into strategic planning to establish organizational direction through goal-setting. It conducted a communitywide survey to ensure public input into long-term planning and committed to meeting public library standards established by the Oregon Library Association.

The following mission, vision, imperatives and initiatives were established. The complete strategic framework is available on the website at josephinelibrary.org.

- **Vision:** A vibrant community strong in itself and connected to the world
- **Mission:** Enriching our community through access to quality library services across Josephine County

Better books and materials

The district assumed the job of acquiring and curating books and other materials in December 2017, increasing the budget from \$90,000 to \$175,000 annually as part of its promise to purchase more and better materials for patrons. The district’s goal in FY 2017–18 was to repair, rebuild, and modernize the library’s collection of materials to recover from years of austere or nonexistent book budgets. Based on the results of the community survey, district staff prioritized children’s books and adult nonfiction and fiction print books and e-books as the top areas for improving the collection. By the end of June 2018, the district had increased the number of items added to the collection monthly, from an average of 900 to more than 1,200 per month.

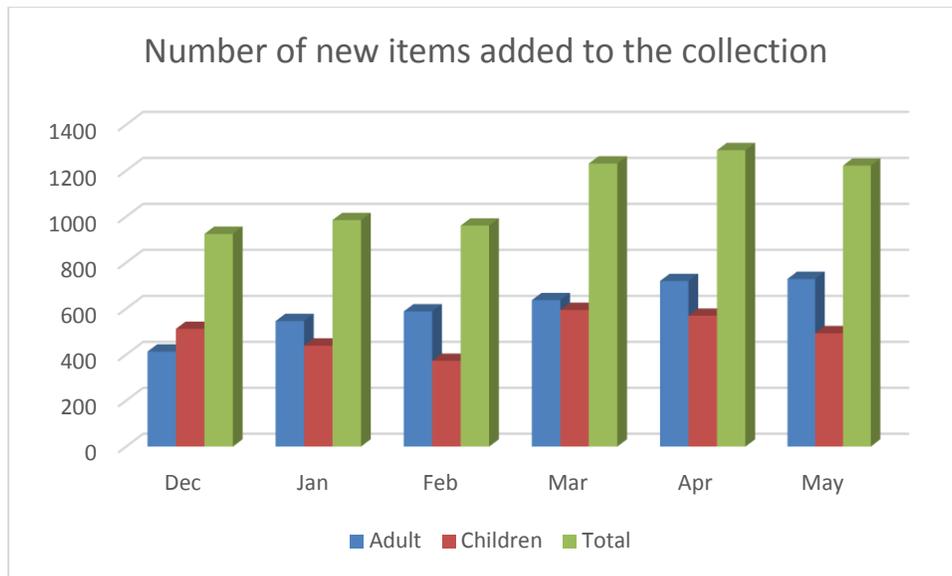


Figure 1: The district increased the number of items added to the collection monthly, from an average of 900 to more than 1,200 per month.

PEOPLE AND SYSTEMS

Volunteers

The district board recognized the essential role that the nonprofit JCLI staff and volunteers had played in delivering library services; therefore, it committed to maintaining the positive and vibrant volunteer culture that had served the libraries so well for the past 10 years.

In January 2018, the library started the year with 348 volunteers who agreed to transfer from the nonprofit to the district. By the end of the fiscal year, that number had increased to 393, with 46 new volunteers having joined the team.

Volunteer engagement remains high. Existing volunteers took extra shifts and cross-trained in multiple areas to support the newly added operating hours. Of the district’s 203 active volunteers, 42 cross-trained in at least two departments and 18 cross-trained in three. Total volunteer hours increased by 1,135 hours in the first five months of 2018 compared to the same time period the previous year.

Staff

With an increase in hours, services, and volunteerism at all four branches, more staff time was also needed. Paid staff increased from nine full-time equivalencies (FTE) to 13.5 FTE. Most part-time staff positions became full-time positions, with the exception of the Williams and Wolf Creek branch managers remaining part time. The new position of full-time adult services manager was added.

The district developed benefits packages for employees which included healthcare, retirement, life and disability insurance, and vacation, sick, and holiday paid time off. Benefits are reflected in the personnel policies.

In June 2018, the district administered the Gallup Q12 Employee Engagement survey through a third party to establish a baseline measure of employee engagement and satisfaction. Results of the survey demonstrated high scores, reporting that the district “is an extremely well-engaged organization and outpaces most organizations in terms of employee engagement.”

Donors

Now that stable funding is in place for regular library programs and operations, the fundraising operation developed by the nonprofit JCLI has been transferred to the Josephine County Library Foundation, whose mission is to foster a culture of giving to libraries in Josephine County. The foundation is now responsible for nurturing library donors and for the ongoing stewardship of the relationships and support provided by the donors and their investment in library facilities, technology, and programs.

By the end of 2017, more than 850 JCLI donors had authorized the transfer of their donor information to the library foundation. In partnership with the district, this past year the foundation raised \$36,000 to support capital improvements and scholarships for out-of-district residents, and \$34,000 to support Dolly Parton’s Imagination Library, a Rotary Club initiative for all children in Josephine County.

The foundation is committed to strong stewardship of donor resources. To further that goal, it’s currently engaged in strategic planning, which will be completed in August 2018.

Annexation

In response to numerous requests from library volunteers and donors to add their property to the library taxing district, the district researched the legal process of annexation and developed procedures for residents. Working with the offices of the Josephine County Legal Counsel, County Assessor, and County Clerk, the district established a mechanism for efficient internal communications to facilitate the annexation process. As of June 2018, 32 residents had added their properties to the district to be taxed. An average of six new annexation applications are brought before the district board for approval monthly.

FINANCE AND ADMINISTRATION

Advisors

With the responsibility of building a new library district from the ground up, the Josephine Community Library District board and management staff reached out to professional organizations for advice, expertise, and support. The district joined the Special Districts Association of Oregon and the American Library Association, and also contracted

with pre-audit consultant Gerald Burns, CPA, to set up structures and prepare financial statements.

Policies

As part of the district’s strategic imperative to develop efficient operating systems and structures for the benefit of the taxpayers, the board developed and adopted high-priority policies in January 2018, including the personnel, operations, finance, and volunteer policy sets. Policies are posted for the public online at josephinelibrary.org. Policy review is ongoing and new policies continue to be reviewed, revised, and adopted.

Budget

The district’s first set of tax revenues was received on November 14, 2017, five months after formation. Because of this funding delay, JCLI agreed to support the newly formed district with a startup funding grant of \$122,000 in July. JCLI also agreed to continue managing the libraries throughout 2017 to preserve continuity of service for patrons while allowing the newly formed district to build the infrastructure required to assume the day-to-day responsibility of running the library system.

Although the newly formed district was not required to comply with Oregon Local Budget Law for its inaugural fiscal year of 2017-18, the board formed a Budget Committee, which approved a budget. This budget was developed within the guidelines of the strategic plan and set the stage for strong fiscal stewardship of taxpayer funds.

The final budget for FY 2017–18 was \$1,514,205 with an unappropriated ending fund balance of \$265,307. Actual general fund expenditures for the year equal \$569,593 with grant expenditures totaling \$140,932. The library district ended the year with \$796,381 in cash carryover, \$61,620 of which is restricted for grants, and \$665,000 designated to operate the libraries for the first six months of FY19 until tax revenues are received again in November. This leaves \$69,761 for reserves, which the district board will discuss during its August 2018 board meeting.

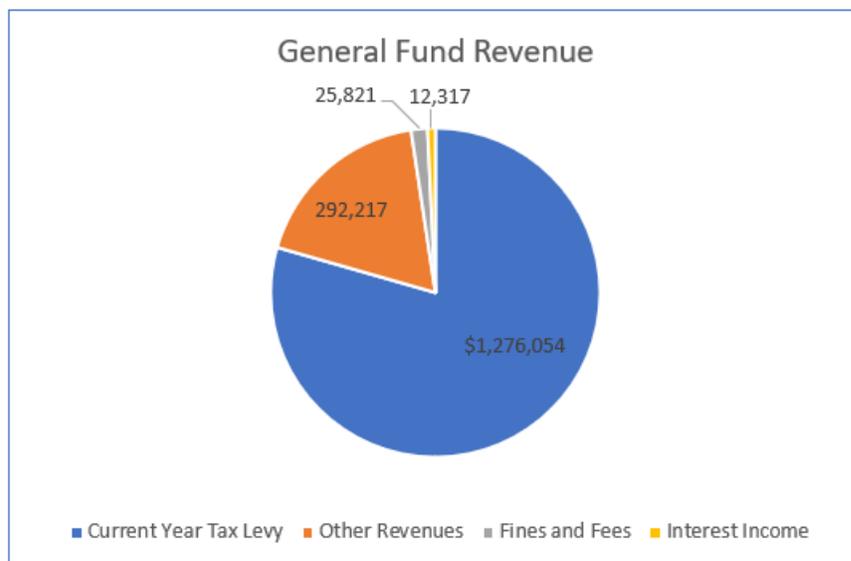


Figure 2: Pie graph of general fund revenue for FY 2017–18.

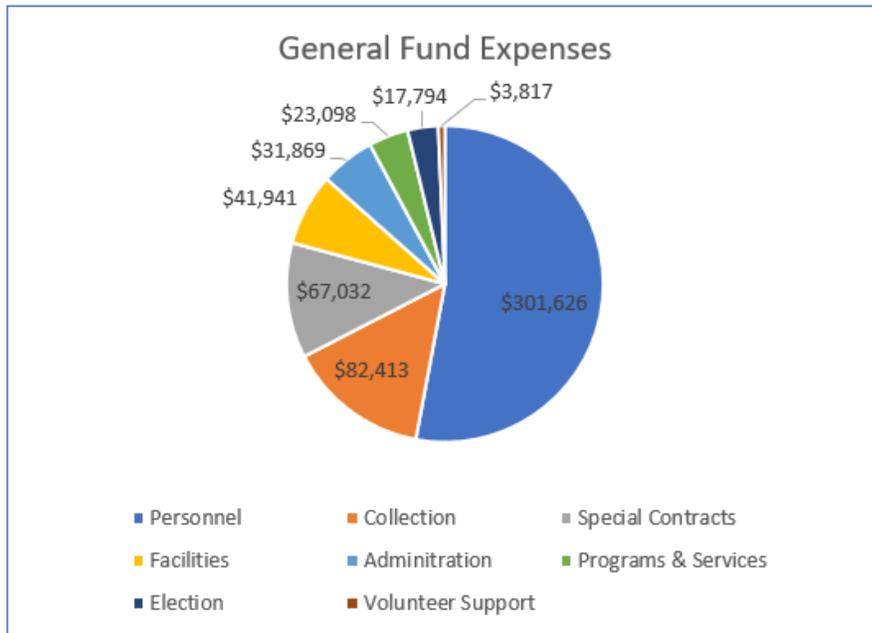


Figure 3: Pie graph of general fund expenses by major categories for FY 2017–18.

For the district’s first full year of operations, the Budget Committee approved the FY 2018–19 budget for \$2,318,848 with an unrestricted ending fund balance of \$665,000. The cash carryover will allow the library to operate prior to the second set of tax revenues due in November 2018. The FY 2018–19 budget was adopted in May 2018 by the district board. The FY18 and FY19 budgets as well as minutes to the Budget Committee meetings are available online at josephinelibrary.org.

Service area

The newly formed library district is smaller than the boundary of the former Josephine County library system. The formation of the district created within the county an unserved population of residents who do not pay taxes for library services. With community input, the district established policies and procedures to address this change in service area. All residents outside the district who are seeking to renew or register a new library card are asked to pay a fee of \$60 annually or \$5 a month. The fee schedule balances accessibility, fairness to the taxpayer, simplicity for staff, equity, and the understanding that the fees would not be a significant revenue source for the district. The district began charging for library cards in April 2018. Scholarships for library cards are paid for by the Josephine County Library Foundation.

PARTNERS

With a stable source of funding, Josephine Community Library District was able to focus its energy and creativity on innovative ways of serving our community. As a strategic imperative, the district committed to nurturing healthy and impactful relationships with current and new partners. In the past year, the district has increased partnerships, both in

quality and quantity to support community initiatives that align with its mission, vision, and core services of providing materials and programs, early literacy, technology, lifelong learning, and open facilities. Currently the district partners with 16 area agencies including schools, businesses, and nonprofits on a variety of initiatives and programs.

Josephine Community Library District FY 2017–18 Service Partners	
Applegate Poets	Kiwanis Club of Grants Pass
Blue Zones Project	Oregon Poetry Association
Gilbert Creek Development Center	SOU Master Gardeners – OSU Extension Service
Grants Pass School District	Southern Oregon Aspire
Grants Pass Rotary Foundation	Southern Oregon Early Learning Service Hub
Hearts with a Mission	Sunny Wolf Charter School
Josephine County Food Bank	Therapy Dogs International, Inc
Josephine County Public Health	Three Rivers School District

Figure 4: List of active partners of Josephine Community Library District.

One example of a new partnership developed in FY 2017–18 is Dolly Parton’s Imagination Library (DPIL). In January, the district committed to a three-year partnership with the Grants Pass Rotary Foundation in support of DPIL, a book-gifting program which mails free books to children every month from birth to age five in participating communities. The district committed to providing database management and acting as the postal liaison. Since the program launched on May 1, 2018, the library has registered 900 children in Josephine County as of June 2018.

COMMUNICATIONS

The library system in Josephine County has a unique story, one of inspiring community engagement and resilience in the face of great adversity. Since the libraries closed in 2007, each year from 2009 until 2017 more than 2,000 local community members invested their dollars and more than 360 volunteers invested their time and talent to ensure that the library system stayed open and operating to serve tens of thousands of library users. Many of these same donors and volunteers also worked hard on three separate campaigns—the 2017 campaign finally reaching success—to achieve permanent and stable funding through the formation of a library district.

Because of the library system’s special story and unique community commitment with many of the same people involved in both organizations, the district wanted its communications and branding to reflect the metamorphosis of the nonprofit Josephine Community Libraries, Inc. into Josephine Community Library District and also to reflect the fulfillment of promises made to the community.

In November 2017, the library district developed a communications plan to provide a framework for consistent communication among Josephine Community Library District, Josephine Community Libraries, Inc., Josephine County Library Foundation, Josephine County government, other library stakeholders, and members of the community regarding the library system transition.

In January 2018, the district engaged in the Library Brand Transition Project to

assess the branding elements used for the past several years by the nonprofit JCLI, and to update the logo, tagline, and other key communications elements to reflect its new name and the transformation of the nonprofit JCLI into Josephine Community Library District. Through this project, the full set of library-branded print and online materials were updated.



Figure 5: Images of library card, logo, and brochure (front and back), samples of the Library Brand Transition Project.

FACILITIES

During the transition phase, Josephine County government transferred ownership of two of the four library buildings to Josephine Community Library District in December 2018. The district now owns the Williams and Illinois Valley branch buildings. The Josephine County Library Foundation owns the Wolf Creek building, and Josephine County government retains ownership of the Grants Pass facility. The district entered into a lease agreement with the county in December 2017 for use of the Grants Pass building for a fee of \$1 per year. Josephine County government offered a reduced fee for lease as part of its committed to supporting public library services as required by the Josephine County Charter.

Recognizing that a library system needs appropriate space—for collections, for people, for programming, and for functional operations—the district board adopted the imperative of enhancing the facilities across the library system as part of its three-year

strategic plan. Because serious deficiencies in three of the four Josephine County library facilities compromise the quality and level of service that can be provided, improving the library's facilities is critical to the success of the library system in the future. Although the district's tax revenue is not sufficient for capital building or renovation projects, the district and the Josephine County Library Foundation have established a partnership to improve facilities. To achieve this goal the foundation funded the development of a Facilities Master Plan which will form the basis of a community capital fundraising campaign.

In January 2018, the foundation contracted with Penny Hummel Consulting to complete Phase 1 of the Facilities Master Plan. A Facilities Oversight Task Force was also formed to include two board members each from the foundation and the district along with the library director. The committee is responsible for representing patrons, volunteers, donors, staff, and other library and community stakeholders as it considers library facilities. Development of the Library Facilities Master Plan is currently in progress, with the Phase 1 report completed in June 2018 and available to the public at josephinelibrary.org. The plan is a result of a systematic stakeholder input process which considered the ideas of a wide range of community members including volunteers, patrons, donors, library affiliates, local government, and others through interviews, focus groups, surveys, and stakeholder meetings.

The next step is to complete Phase 2 with an architectural firm to finalize costs for renovation and building projects and recommend sites for new facilities. With this Facilities Master Plan in place, likely by November 2018, the community will be poised to launch a library buildings capital campaign to raise funds for facilities priorities.

CONCLUSION

New municipalities like a special library district are not formed often, and it's rare that a group of citizens is given the opportunity to build a government agency from the ground up. The newly formed Josephine Community Library District and its partners accomplished substantial milestones in FY 2017-18. They transferred assets among four different organizations, built essential systems and structures to support operations, and maintained the vibrant volunteer culture throughout the transition. With the strategic values of integrity, accountability, engagement, innovation, freedom, equity, and inclusion, the district has demonstrated strong fiscal stewardship, responsiveness to the community, and strategic leadership in planning for the future needs of the library system.

DEDICATION

Much of this work could not have been accomplished without the unfaltering leadership of Josephine Community Libraries, Inc. For its selfless dedication to re-establishing public library services in Josephine County, JCLI was awarded 2018 Library Supporter of the Year by the Oregon Library Association.

Most nonprofits work decades and never achieve their mission. JCLI not only achieved its mission by securing stable funding for libraries for generations to come, it led the community to work and build together in a way that demonstrates Josephine County has the resilience, strength, and fortitude to support itself and build a brighter future for its residents.