



CALL TO ORDER/ROLL CALL

INTRODUCTIONS & PROCLAMATIONS

CONSENT AGENDA (Action)

- (1) Regular Board Minutes December 13, 2018; (2) Financial Report

ORAL REQUESTS AND COMMUNICATIONS FROM AUDIENCE (Comments will be limited to 3 minutes per individual and shall be limited to comments on non-agenda items or on agenda items that do not otherwise provide for public comment.)

REPORTS AND PRESENTATIONS (Inform)

- | | |
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| 2. Library Director Report – Kari May | 49 |
| 3. 2 Year Plan Update – Kari May..... | 57 |
| 4. JCLF Report – Amy Drake | 58 |

NEW BUSINESS (Inform/Discuss/Action)

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| 5. Reappointment of Budget Committee Members – George Prokop/Lisa Marston | |
| 6. Circulation Policy – Laura Kimberly | 60 |
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| 8. Vehicle Fleet Policy – Lisa Marston | 72 |

OLD BUSINESS AND UPDATES (Inform/Discuss)

9. JCLS Staff Compensation – George Prokop/Lisa Marston

COMMITTEE AND BOARD MEMBER REPORTS (Inform)

10. Individual Board Member Reports
11. JCLD Board Work Session

FUTURE MEETINGS/EVENTS/OBSERVANCES:

- January 18, 2019 – SDAO Legislative Day
January 25, 2019 – JCLD Work Session
February 7-10, 2019 – SDAO Annual Conference
February 12, 2019 – OLA Legislative Day
February 14, 2019 – JCLD Regular Board Meeting
March 3-9, 2019 – Teen Tech Week
April 2019 – School Library Month
April 7-13, 2019 – National Library Week

The Jackson County Library District Board meets regularly at 4:00 p.m. on the second Thursday of every month at the Medford Library in the Adams Community Meeting Room, unless otherwise noticed. You may find proposed agendas and prior meeting minutes at www.jacksoncountylibrarydistrict.org. If you have further questions or would like to be added to the email notification list, please contact Administrative Assistant, Donovan Edwards at 541-423-1333 or dedwards@rvcoq.org

If a physical accommodation is needed to participate in a Jackson County Library District meeting, please contact Donovan Edwards at 541-423-1333. Notification of at least 48 hours prior to the meeting, preferably in writing, will assist us in providing reasonable accommodation.

MINUTES

ATTENDEES

Present at the meeting were Board Members Susan Kiefer (Board President), George Prokop (Vice President), Jill Turner, Cathy Shaw, Carol Doty

Additional participants/attendees: Kari May (Library Director), Laura Kimberly (Assistant Library Director), Carey Hunt (Assistant Director of Support Services), Crystal Stroud (Operations Manager), Terii Kilburn (Rogue River Branch Manager), Charlene Prinsen (Eagle Point Branch Manager/Upper Rogue Cluster Manager), Nancy Peterson (Outreach Coordinator), Elanna Erhart (Ashland Reference Librarian), Tish Manley (Volunteer and FORRL), Denise Galarraga (Regional Library Director, LS&S), Amy Drake (Executive Director, JCLF), Mitch Seidman (Board Treasurer, JCLF), Midge Thierolf, (Board member JCLF), Kevin Keating (JCLF Board member), Douglas McGeary (Executive Director, SOHS), Pat Harper (Archivist, SOHS), Kira Lesley (Assistant Archivist, SOHS), Robert Felthousen (RCC Library Director), Lisa Marston (District Administrator), Donovan Edwards (Administrative Assistant)

CALL TO ORDER

President Susan Kiefer called the meeting to order at 4:03 p.m.

INTRODUCTIONS & PROCLAMATIONS

May introduced Carey Hunt, newly hired Assistant Director of Support Services who provided a brief background on herself.

CONSENT AGENDA

MOTION: Doty moved to approve the minutes of the November 8, 2018 regular board meeting and financial report. Prokop seconded the motion. The motion was approved unanimously.

REPORTS AND PRESENTATIONS

SOHS Quarterly Report

McGeary and Harper provided a summary of the report. Harper described an essay contest with a \$1,000.00 scholarship connected to it for high school students with the hope that it makes the students more aware of SOHS hours on Saturdays and the role that SOHS plays. Special accommodations are being made by SOHS for those patrons who live outside city limits. They will waive fees associated with having a photograph delivered to the patron.

SOHS Strategic Plan for 2019 and Beyond

McGeary explained the importance of knowing what patrons want and need. Those will be taken more into consideration. Doty asked how SOHS was involving the smaller historical groups in the region. McGeary said that he and the rest of the SOHS Board would admit that communication with the smaller local historical groups had not been done effectively. The goal is to eventually have an SOHS representative available to them much like their goal is to have an SOHS member available for JCLS/JCLD.

Library Director's Report

May reported that JCLS has been fully staffed for a couple weeks which in an organization of this size was unusual. Winter Reads Challenge is currently ongoing until January 5, 2019. This was their second year attending Providence Festival of Trees. While at the event a young patron's library account was able to be restored. May said having the software on hand that provides staff access to accounts is important and

negates the need for the patron to travel to the library for account assistance. May attended the Author Showcase in Ashland, Oregon. She said it was a great event and believes it will grow in popularity. May reported that she along with several staff had attended a tour of the Blackstone Audio facility. She thought it would be beneficial to see what more can be done through partnerships since they are a local company.

Turner noted part time positions being available. She hoped that these had been made available to staff currently not filling full time roles. May said that staff had been asked and all had declined the additional hours. May added that while filling those small roles is difficult, that they often fulfill just the right niche for a person who is looking.

Prinsen introduced herself as the Eagle Point Branch Manager and Upper Rogue Cluster Manager comprising of Shady Cove, Butte Falls, Prospect, Eagle Point and White City Branch Libraries. Prinsen reported on the various events and activities at each of the libraries and how the Friends Groups are involved with their respective libraries.

RCC Oral Report

Felthousen reported that he had met with both Marston and May along with his colleague Cessa Vicki to voice concerns that recent decisions by JCLD could potentially affect procedures. He stated that RCC had not been notified of these decisions. He then stated that following the meeting with Marston and May that he felt that the lines of communication are open and there is a good plan moving forward.

Felthousen suggested a quarterly report could be provided by RCC. He said that the RCC Study Cove will continue to change as they determine how the space can best be used. Kiefer said that JCLD had probably been remiss in their communications with RCC.

Jackson County Library Foundation (JCLF) Report

Drake introduced members of the JCLF Board in attendance and reported that going into the new year JCLF is really focused on fundraising. She feels that as an organization they are ready to move forward with grant writing, networking and building partnerships within the community.

NEW BUSINESS

Letter of Notice to LS&S of Contract Non-Renewal

MOTION: Shaw moved to approve the Letter of Notice to LS&S of Contract Non-Renewal. Doty seconded the motion. The motion was approved unanimously.

2019 Holiday and Library Closure Calendar

MOTION: Shaw moved to approve the 2019 Holiday and Library Closure Calendar. Doty seconded the motion. The motion was approved unanimously.

Security Camera Policy

Marston explained that the policy in the board packet had been updated and went over those updates with the Board.

MOTION: Shaw moved to approve the Security Camera Policy. Prokop seconded the motion. Based on discussion two amendments were made. The first to generalize the policy by removing the names of the libraries but change the wording so as not to mislead anyone into assuming that if they are in a library that they are being recorded. The second amendment was to state the recordings will be maintained for one year or until legally resolved. Shaw moved to approve the Security Camera Policy as amended. Prokop seconded the amended motion. The motion was approved unanimously.

Patron Privacy and Confidentiality Policy

Hunt explained that based on a recent video and with the Security Camera Policy being updated that it seemed like a good time to update this one as well. She highlighted that they had included the Security Camera Policy and made sure to make it clear what information was being retained and for how long. She also said it was important for the public to know all the steps JCLS was taking in maintaining their privacy.

Shaw suggested having an “opt out” option when patrons sign up for library cards. May stated the best way to handle this would be to provide a statement explaining the patrons ability to opt in or out of receiving further library related information within the Patron Privacy and Confidentiality Policy and it would also be referenced in the Circulation Policy which includes the Library Card Application. She informed the Board that she intends to present that at the January board meeting. Marston added the importance of clarity and provided an example of how it could be generally stated that by policy JCLS does not release information unless you opt to allow that. May added that if a patron were to not make a selection to opt in or out that by default they were opting out.

MOTION: Shaw moved to approve the Patron Privacy and Confidentiality Policy as presented. Doty seconded the motion. After a brief discussion it was agreed that Hunt and May would make the changes Marston had recommended. The motion was approved unanimously.

District Employee Benefits

Marston prefaced the presentation by explaining that she had not included HRA’s or HSA’s due to the importance of determining which health plan the board was interested in and that information was just being introduced to them. She explained how some of the benefit levels would work and cautioned them on which benefits would preclude them from participating in certain programs.

Turner recommended a Board Planning Session in January or February 2019 to allow the Board to sit down and create a timeline covering the next 18 months and prioritize the boards hiring of employees which directly impacts the benefit plans they have to choose from. Marston said that she actually had planned to include a future operations and modeling topic on the January agenda but agreed that an additional planning session was needed.

Shaw noted that the Board was scheduled to discuss with LS&S a proposal for Human Resources (HR), collections and compensation. She said that in particular with the HR part that it would behoove the board to get additional proposals. Marston said that what she would like to see in January is the Board acknowledge receipt of the proposals from LS&S but also seek out other bids to compare the many PEO’s available. Shaw questioned why the Board would take time to consider these proposals without receiving others first. After some board discussion it was agreed that the collection and compensation portion of the proposals was for current discussion but the HR part could be set aside.

Following Board discussion it was decided that the next JCLD Study Session would be January 25, 2019 at 10:00 a.m. in the Adams Meeting Room at the Medford Branch Library.

OLD BUSINESS AND UPDATES

District Administrator Performance Evaluation Form and Criteria

Prokop said that while there was a lot of information the format was what he was interested in hearing board opinions on. He added that the design was based on ensuring the format could be used for multiple positions while allowing it to be tailored to the individual being critiqued. After some discussion about how the board would critique the District Administrator a board consensus was reached approving the overall format of the evaluation form.

Marston said that an updated evaluation form would be sent out both electronically and in hard copy form by the end of the December. Prokop agreed to receive and compile the results. The board agreed that they would conduct the evaluation in Executive Session prior to the study session on January 25th, 2019.

COMMITTEE AND BOARD MEMBER REPORTS

Facilities Committee Meeting with Jackson County Facility Maintenance Debrief

Doty reported the Facilities Committee had met with Jackson County Facility Maintenance. She added that new member Ronnie Budge had been in attendance. She said that Ryan DeSautel, Jackson County Facility Maintenance had done a great job laying out their decision making process and providing recommendations.

Shaw noted that the trees at the White City Branch Library didn't provide much of a canopy for shade in the summer and that one actually looked like it was dying. Doty made note of it.

Adjourn

Kiefer adjourned the meeting at 5:58 p.m.

/s/ Donovan Edwards

Recording Secretary

Jackson County Library District
Statement of Revenues and Expenditures
From 12/1/2018 Through 12/31/2018

101 - General Administration

	Current Month		YTD Budget		Percentage received
	YTD Budget	Actual	YTD Actual	Remaining	or spent to date
Operating Revenue					
Current Property Tax Collections	10,200,000.00	61,949.45	9,295,902.44	(904,097.56)	91.13%
Prior Year Property Tax Collections	200,000.00	2,536.45	127,696.67	(72,303.33)	63.84%
Interest Income	164,400.00	35,965.46	123,874.32	(40,525.68)	75.34%
Interest- Lindberg Note	0.00	1,236.11	7,197.54	7,197.54	0.00%
Other Income	5,000.00	0.00	3,216.44	(1,783.56)	64.32%
E Rate	103,000.00	8,840.50	53,060.50	(49,939.50)	51.51%
Reimbursements From RCC	27,000.00	0.00	25,598.31	(1,401.69)	94.80%
Ready To Read Grant	35,000.00	34,951.00	34,951.00	(49.00)	99.86%
Conference Room Rental	30,000.00	0.00	9,960.00	(20,040.00)	33.20%
Government Agency Rentals	107,541.00	0.00	107,610.30	69.30	100.06%
Inter-library Loan Fees	1,000.00	0.00	507.00	(493.00)	50.70%
Library Card Replacement Fees	3,000.00	0.00	1,425.60	(1,574.40)	47.52%
Late Fee Charges	10,000.00	6,400.99	11,744.43	1,744.43	117.44%
Lost/Damaged Materials	7,500.00	0.00	5,401.48	(2,098.52)	72.01%
Photocopy/Fax Sales	12,000.00	0.00	4,783.74	(7,216.26)	39.86%
Patron Refunds	(2,000.00)	0.00	(1,495.83)	504.17	74.79%
Printer Sales	14,000.00	0.00	6,480.37	(7,519.63)	46.28%
On Line Fee Collections	7,500.00	54.50	504.95	(6,995.05)	6.73%
Hulburt Donation	126,000.00	0.00	0.00	(126,000.00)	0.00%
Library Friends Donations	65,000.00	13,513.45	20,558.35	(44,441.65)	31.62%
Library Foundation Donations	6,500.00	0.00	6,363.54	(136.46)	97.90%
General Public Donations	2,500.00	0.00	155.24	(2,344.76)	6.20%
OR Community Foundation- restrict	12,000.00	0.00	2,750.10	(9,249.90)	22.91%
OR Community Foundation- non res	2,000.00	0.00	0.00	(2,000.00)	0.00%
EJ Smith Trust-Restricted	85.00	0.00	0.00	(85.00)	0.00%
Ted Gerlock-Restricted	15.00	0.00	0.00	(15.00)	0.00%
Carpenter Foundation-Restricted	3,000.00	0.00	3,000.00	0.00	100.00%
Library Foundation Donations- CP	50,000.00	0.00	0.00	(50,000.00)	0.00%
Oregon Community Foundation- Apj	29,000.00	0.00	0.00	(29,000.00)	0.00%
Beginning Fund Balance-Unrestrict	7,175,000.00	0.00	8,197,771.98	1,022,771.98	114.25%
Beginning Fund Balance-Restricted	325,000.00	0.00	369,055.35	44,055.35	113.55%
Total Revenue	<u>18,721,041.00</u>	<u>165,447.91</u>	<u>18,418,073.82</u>	<u>(302,967.18)</u>	<u>98.38%</u>

Jackson County Library District
Statement of Revenues and Expenditures
From 12/1/2018 Through 12/31/2018

101 - General Administration

	Current Month		YTD Budget		Percentage received
	YTD Budget	Actual	YTD Actual	Remaining	or spent to date
Expenditures					
District Administrator Salary	0.00	7,628.55	44,175.45	(44,175.45)	
FICA and Medicare- payroll taxes	0.00	596.06	3,576.38	(3,576.38)	
Worker comp- payroll taxes	0.00	2.21	14.54	(14.54)	
Health/Dental Insurance	0.00	0.00	3,160.45	(3,160.45)	
Retirement Contribution	0.00	708.33	4,249.98	(4,249.98)	
Payroll- SUTA	0.00	187.00	865.51	(865.51)	
Personnel Cost	217,000.00	0.00	0.00	217,000.00	
Personnel Services subtotal	217,000.00	9,122.15	56,042.31	160,957.69	25.83%
Accounting Services	60,000.00	0.00	13,122.20	46,877.80	21.87%
Auditing Services	11,025.00	0.00	2,200.00	8,825.00	19.95%
Administrative Services	76,000.00	0.00	21,230.04	54,769.96	27.93%
Bank Fees/Interest Expense	1,000.00	68.90	326.95	673.05	32.69%
Consultant Fees	50,000.00	0.00	8,010.00	41,990.00	16.02%
Elections	30,000.00	0.00	0.00	30,000.00	0.00%
Insurance	20,000.00	0.00	0.00	20,000.00	0.00%
Legal Services	20,000.00	3,473.00	9,344.00	10,656.00	46.72%
Memberships and Dues	3,500.00	0.00	2,271.60	1,228.40	64.90%
Office Supplies- admin	2,000.00	195.00	1,327.13	672.87	66.35%
Postage	2,000.00	0.00	581.56	1,418.44	29.07%
Registration/Tuition/Travel	15,000.00	426.98	1,481.53	13,518.47	9.87%
Special fees and Expenses	0.00	0.00	570.14	(570.14)	0.00%
Advertising/Legal Notices	2,500.00	0.00	0.00	2,500.00	0.00%
Alarm Services	2,600.00	0.00	1,876.40	723.60	72.16%
Building Repair/Maintenance	449,940.00	0.00	224,970.00	224,970.00	50.00%
Custodial Services	380,542.00	31,599.92	158,753.58	221,788.42	41.71%
Custodial Supplies	12,000.00	1,351.53	4,743.70	7,256.30	39.53%
Landscape Services	7,033.00	753.98	5,015.92	2,017.08	71.31%
Maintenance Services	2,000.00	0.00	0.00	2,000.00	0.00%
Security Services	79,407.00	6,336.00	30,641.60	48,765.40	38.58%
Signs and Signal Materials	25,000.00	0.00	0.00	25,000.00	0.00%
Building Repair/Maintenance- B-7	250,000.00	1,345.95	12,842.95	237,157.05	5.13%
Fees- Lindberg Note	72.00	6.00	36.00	36.00	50.00%
Equipment Repair/Maintenance	30,000.00	116.30	2,542.67	27,457.33	8.47%

Jackson County Library District
Statement of Revenues and Expenditures
From 12/1/2018 Through 12/31/2018

	<u>YTD Budget</u>	<u>Current Month Actual</u>	<u>YTD Actual</u>	<u>YTD Budget Remaining</u>	<u>Percentage received or spent to date</u>
Facility Furnishing Expense	25,000.00	0.00	0.00	25,000.00	0.00%
Minor Equipment	50,000.00	0.00	21,014.44	28,985.56	42.02%
Computers and technology	306,885.00	2,919.85	138,894.07	167,990.93	45.25%
Supplies and Expenses-Facilities	500.00	0.00	0.00	500.00	0.00%
Computer Software and Licensing	119,922.00	0.00	0.00	119,922.00	0.00%
LS&S Contract	5,228,114.00	0.00	2,184,829.64	3,043,284.36	41.79%
Library Materials	874,182.00	0.00	334,871.38	539,310.62	38.30%
City Participation	16,700.00	0.00	0.00	16,700.00	0.00%
Strategic Plan Initiative	2,500,000.00	0.00	17,579.96	2,482,420.04	0.70%
E Rate Services	32,782.00	0.00	24,144.00	8,638.00	73.65%
Unique Management Services	16,391.00	0.00	12,054.75	4,336.25	73.54%
Comic Con	22,000.00	0.00	0.00	22,000.00	0.00%
LS &S- digital library staff	60,000.00	0.00	41,961.22	18,038.78	69.93%
SOHS contract	39,000.00	0.00	19,500.00	19,500.00	50.00%
Electricity	240,800.00	15,807.18	95,284.22	145,515.78	39.56%
Natural Gas	45,000.00	3,941.60	6,631.76	38,368.24	14.73%
Garbage Service	15,000.00	1,254.83	6,059.63	8,940.37	40.39%
Water and Sewer Service	32,000.00	1,377.30	16,108.61	15,891.39	50.33%
Street and Storm Drain Fees	18,000.00	165.80	8,272.16	9,727.84	45.95%
Telecom-Voice and LD	55,000.00	584.00	20,964.51	34,035.49	38.11%
Telecom-Wide Area Network	105,000.00	9,191.05	55,163.80	49,836.20	52.53%
Telecom-Internet Services	28,000.00	2,005.94	12,153.34	15,846.66	43.40%
Municipal Assessments	1,500.00	338.68	1,416.83	83.17	94.45%
Telecom- Hot Spots	52,000.00	3,956.71	23,151.50	28,848.50	44.52%
Maintenance & Fuel for Vehicles	16,000.00	978.66	5,070.17	10,929.83	31.68%
Hulburt Donation	126,000.00	0.00	28,762.18	97,237.82	22.82%
Library Friends Donations	65,000.00	300.00	25,871.47	39,128.53	39.80%
Library Foundation Donations	6,500.00	0.00	40,466.53	(33,966.53)	622.56%
General Public Donations	2,500.00	0.00	540.10	1,959.90	21.60%
OR Community Foundation-restrict	34,000.00	0.00	2,419.61	31,580.39	7.11%
EJ Smith Trust Books	85.00	0.00	0.00	85.00	0.00%
Gerlock Trust Books	15.00	0.00	0.00	15.00	0.00%
Carpenter Foundation Books	3,000.00	0.00	0.00	3,000.00	0.00%
Ready to Read 2017 Grant	70,000.00	0.00	0.00	70,000.00	0.00%
Kent Family Trust	5,000.00	0.00	149.99	4,850.01	2.99%
Library Foundation Donations- CP	50,000.00	0.00	0.00	50,000.00	0.00%

Jackson County Library District
Statement of Revenues and Expenditures
From 12/1/2018 Through 12/31/2018

101 - General Administration

	<u>YTD Budget</u>	<u>Current Month Actual</u>	<u>YTD Actual</u>	<u>YTD Budget Remaining</u>	<u>Percentage received or spent to date</u>
OR Community Foundation- unrestr	12,000.00	0.00	0.00	12,000.00	0.00%
2018 Ready to Read Grant	0.00	0.00	10,704.94	(10,704.94)	0.00%
Materials and supplies subtotal	11,805,495.00	88,495.16	3,655,928.78	8,149,566.22	30.97%
Capital Outlay	350,000.00	12,599.75	56,018.00	293,982.00	16.00%
Contingency	750,000.00	0.00	0.00	750,000.00	0.00%
Ending Fund Balance	<u>3,548,546.00</u>	<u>0.00</u>	<u>0.00</u>	<u>3,548,546.00</u>	<u>0.00%</u>
Total Program Expenses	<u>16,671,041.00</u>	<u>110,217.06</u>	<u>3,767,989.09</u>	<u>12,903,051.91</u>	<u>22.60%</u>
Total Expenditures	<u>16,671,041.00</u>	<u>110,217.06</u>	<u>3,767,989.09</u>	<u>12,903,051.91</u>	<u>22.60%</u>
Transfer to Other Funds					
Transfer to Capital Improvement Fu	<u>2,050,000.00</u>	<u>0.00</u>	<u>(2,050,000.00)</u>	<u>4,100,000.00</u>	<u>(100.00)%</u>
Total Transfer to Other Funds	2,050,000.00	0.00	(2,050,000.00)	4,100,000.00	(100.00)%
Net Revenue Over Expenditures	<u>0.00</u>	<u>55,230.85</u>	<u>16,700,084.73</u>	<u>16,700,084.73</u>	<u>0.00%</u>

Jackson County Library District
Statement of Revenues and Expenditures
From 12/1/2018 Through 12/31/2018

201 - Capital Improvement Fund

	<u>YTD Budget</u>	<u>Current Month Actual</u>	<u>YTD Actual</u>	<u>YTD Budget Remaining</u>	<u>Percentage received or spent to date</u>
Operating Revenue					
Program Revenue					
Beginning Fund Balance-Restricted	<u>0.00</u>	<u>0.00</u>	<u>2,085,670.00</u>	<u>2,085,670.00</u>	<u>0.00%</u>
Total Program Revenue	<u>0.00</u>	<u>0.00</u>	<u>2,085,670.00</u>	<u>2,085,670.00</u>	<u>0.00%</u>
Total Operating Revenue	<u>0.00</u>	<u>0.00</u>	<u>2,085,670.00</u>	<u>2,085,670.00</u>	<u>0.00%</u>
Total Revenue	<u>0.00</u>	<u>0.00</u>	<u>2,085,670.00</u>	<u>2,085,670.00</u>	<u>0.00%</u>
Net Revenue Over Expenditures	<u>0.00</u>	<u>0.00</u>	<u>2,085,670.00</u>	<u>2,085,670.00</u>	<u>0.00%</u>

**JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)**

ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2018



Jackson County
Library
Services

**JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)**

DISTRICT OFFICIALS

JUNE 30, 2018

BOARD MEMBERS

Susan Kiefer - President
2155 Mill Creek Drive
Prospect, Oregon

George Prokop - Vice President
2513 Cady Road
Jacksonville, Oregon

Carol Doty
1040 W. 13th St.
Medford, Oregon

Cathy Shaw
886 Oak St.
Ashland, Oregon

Jill Turner
1275 Munson Dr.
Ashland, Oregon

All Board members receive mail at the address listed below

ADMINISTRATION

Lisa Marston
District Administrator
Jackson County Library District
P.O. Box 3275
Central Point, Oregon 97502

**JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)**

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Certified Public Accountants
And Business Advisors

INDEPENDENT AUDITORS' REPORT

To the Library Board
Jackson County, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and major funds of the Jackson County Library District, Jackson County, Oregon as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. The prior year comparative information has been derived from the Jackson County Library District's financial statements and, in our report dated November 29, 2017, we expressed opinions on the respective financial statements of the governmental activities and major funds.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Jackson County Library District, Jackson County, Oregon, as of June 30, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the 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. We have applied certain limited procedures to the required supplementary information in

accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do 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.

Prior Year Comparative Information

We previously audited the Jackson County Library District's 2017 financial statements and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 29, 2017. In our opinion, the comparative information in the *Balance Sheet – Governmental Funds*, the *Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position*, the *Statement of Revenues, Expenditures, and Change in Fund Balances – Governmental Funds*, and the *Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities* presented herein as of and for the year ended June 30, 2017 is consistent in all material respects with the audited financial statements from which it was derived.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Jackson County Library District, Jackson County, Oregon's basic financial statements. The schedule of property tax transactions is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of property tax transactions is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of property tax transactions is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for the Audits of Oregon Municipal Corporations, we have issued our report dated December 14, 2018 on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Carolyn M. Ryder, CPA, CGMA
Isler Medford, LLC

Medford, Oregon
December 14, 2018

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2018

As management of Jackson County Library District, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities for the period from July 1, 2017 to June 30, 2018. This is the fourth year of operation for the District. We encourage readers to consider the information presented here in conjunction with the balance of information presented in this report.

FINANCIAL HIGHLIGHTS

- In the government-wide statements, the net position of the Library exceeded its liabilities and deferred inflows at June 30, 2018 by \$11,138,070. Of this amount \$718,317 represents the District's net investment in capital assets, \$655,051 is restricted permanently by the donors, \$1,916,279 is committed by the Board for Capital Improvements, \$1,366 is non-spendable prepaid expenses and \$7,847,057 is unrestricted and available to meet the Library's ongoing obligations to citizens.
- The District's total net assets increased by \$3,041,178 from the prior year ended June 30, 2017.
- The District's governmental funds reported a combined ending fund balance of \$9,934,180 of which \$7,361,484 is unassigned and available for spending at the District's discretion.
- At the end of the fiscal year, unassigned fund balance for the governmental funds on a budget basis was \$7,361,484 or about 86.9% of total governmental fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. This report also contains supplementary information in addition to the basic financial statements.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. These statements include:

The Statement of Net Position. The statement of net position presents information on all of the assets and liabilities of the District at fiscal year-end. Net assets are what remain after the liabilities have been paid or otherwise satisfied. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities. The statement of activities presents information showing how the net assets of the District changed over the year by tracking revenues, expenses and other transactions that increase or reduce net assets. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of related cash flows. Thus, revenues and

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2018

expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

In the government-wide financial statements the District's activities are shown in one category:

- *Library services:* The District's basic functions are shown here, such as contracted services for library operations, library collections, software, maintenance and utilities. These activities are primarily financed through property taxes.

Fund financial statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds, not the Library as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District funds are governmental funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are reconciled to the government-wide Statements of Net Position and Activities.

The Library maintains two individual governmental funds, which management considers major funds for reporting purposes:

- General Fund - funded with property tax collections, expenditures for general operation of the Library.
- Capital Improvement Fund - funded by General Fund transfer and used to fund purchase of equipment and other capital projects.

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2018

Notes to the basic financial statements

These notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 16-26 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's compliance with the Oregon Minimum Standards for Audits of Oregon Municipal Corporations. The supplementary information is included in this report.

Financial Analysis of the District

Net position may serve as a useful indicator of a government's financial condition. As noted earlier, the District's total assets exceeded its liabilities by \$11,138,070. At the end of the fiscal year, the District is able to report positive balances in each category of net position. The following statements summarize the District's net position at June 30, 2018 with comparison information for June 30, 2017.

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2018

	June 30,		
	2018	2017	Change
Cash and investments	\$ 9,765,320	\$ 7,640,012	\$ 2,125,308
Receivables	963,791	573,469	390,322
Capital assets, net	718,317	368,901	349,416
Total assets	11,447,428	8,582,382	2,865,046
 Current Liabilities	 309,358	 485,490	 (176,132)
 Net position:			
Investment in capital assets	718,317	368,901	349,416
Non spendable- prepaid expenses	1,366	9,283	(7,917)
Restricted-permanent	655,051	233,203	421,848
Committed	1,916,279	-	1,916,279
Unrestricted	7,847,057	7,485,505	361,552
Total net position	\$ 11,138,070	\$ 8,096,892	\$ 3,041,178

Changes in Net Position

Revenues

Program revenues:

Fees, fines and charges for services	\$ 281,463	\$ 290,782	\$ (9,319)
Operating grants and contributions	822,781	384,517	438,264

General revenues:

Property taxes	10,045,651	9,560,798	484,853
Interest and investment earnings	178,228	82,739	95,489
Restricted revenues- transfers in	-	-	-

Total revenues	11,328,123	10,318,836	1,009,287
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Expenses

Library services and operations	8,286,945	7,911,936	375,009
Total expenses	8,286,945	7,911,936	375,009

Increase in net position	3,041,178	2,406,900	634,278
Beginning fund - net position	8,096,892	5,689,992	2,406,900
Ending fund- net position	\$ 11,138,070	\$ 8,096,892	\$ 3,041,178

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2018

Financial Analysis of the District's Governmental Funds

As noted earlier, the District uses Fund accounting to ensure and demonstrate compliance with finance related legal requirements. The District's governmental fund provides information on near-term inflows, outflows and balances of spendable resources. Unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of a fiscal year.

Governmental Fund

The focus of the District's governmental fund is to provide information on relatively short-term cash flow and funding for future basic services. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2018 the District's governmental fund reported an ending fund balance of \$9,934,180. \$7,361,484 represents unassigned ending fund balance which is available for spending at the District's discretion.

The District received \$509,284 more in property tax revenue than in the prior fiscal year. The governmental fund total revenues were over budget by \$609,320. The governmental total expenditures were under budget by \$2,115,911.

Capital Assets

The buildings and equipment used by the District in the 15 libraries it runs are owned by Jackson County and are leased back to the District at zero cost through an intergovernmental agreement. The District is responsible for maintaining the buildings and making any capital improvements necessary. The District's capital assets at June 30, 2018 include new security camera systems for the Ashland and Eagle Point branches and the replacement of the chiller at the Medford branch. The net value at June 30, 2018 is \$718,317.

Economic Factors and Budget Information for Next Year

The District's adopted revenues for fiscal year 2019 total \$18,721,041. Of this total \$10,400,000 comes from property taxes which represent 55.5% of the total. Property tax revenues are the single largest source of revenue for the District.

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2018

The Library District's 2018/2019 budget includes plans for the following high impact services:

- The District contracts with Library Systems and Services (LS&S) to provide Library operations and purchase Library materials for the 15 library branches in Jackson County. The total budgeted for this in fiscal year 2019 is \$6,211,469.
- Provide for continuing updating of technology in the branches including upgrading staff computers, STEAM/Maker Space Initiative, meeting room enhancements, BiblioCore and BiblioWeb subscriptions and miscellaneous items to assist staff and patrons. The total budgeted for this in fiscal year 2019 is \$426,807.
- The District included \$250,000 in the budget for major maintenance on the Library buildings, most of which were built over 10 years ago. These buildings are owned by Jackson County but are maintained by the District.
- The 2018/2019 budget includes a transfer of \$2,050,000 from the General Fund to the Capital Improvement Fund.
- The 2018/2019 budget includes a budgeted ending fund balance of \$3,548,546.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Jackson County Library District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Lisa Marston, District Administrator, Jackson County Library District, 205 S. Central Avenue, Medford Oregon 97501.

**JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)**

BASIC FINANCIAL STATEMENTS

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)

STATEMENT OF NET POSITION
JUNE 30, 2018

ASSETS	Governmental Activities	
	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 9,765,320	\$ 7,640,012
Property taxes receivable	643,064	558,213
Accounts receivable	33,366	5,973
Prepaid expenses	1,366	9,283
Note receivable- Lindberg property	285,995	-
Depreciable capital assets, net	<u>718,317</u>	<u>368,901</u>
TOTAL ASSETS	<u>11,447,428</u>	<u>8,582,382</u>
LIABILITIES		
Accounts payable	299,090	485,490
Payroll liabilities	3,308	-
Accrued compensated absences	<u>6,960</u>	<u>-</u>
TOTAL LIABILITIES	<u>309,358</u>	<u>485,490</u>
NET POSITION		
Net investment in capital assets	718,317	368,901
Non spendable- prepaid expenses	1,366	9,283
Restricted- permanent	655,051	233,203
Committed	1,916,279	-
Unrestricted	<u>7,847,057</u>	<u>7,485,505</u>
TOTAL NET POSITION	<u>\$ 11,138,070</u>	<u>\$ 8,096,892</u>

The accompanying notes are an integral part of these statements.

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

	Expenses	Charges for Services	Operating Grants and Contributions	Net (Expense) Revenue and Change in Net Assets
Governmental Activities				
Library services	\$ 8,286,945	\$ 281,463	\$ 822,781	\$ (7,182,701)
Total governmental activities	\$ 8,286,945	\$ 281,463	\$ 822,781	\$ (7,182,701)
			Property taxes	10,045,651
			Interest	178,228
			Total general revenues	10,223,879
			Change in Net Position	3,041,178
			Net position- Beginning of the year	8,096,892
			Net position- end of year	\$ 11,138,070

The accompanying notes are an integral part of these statements.

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2018
(With Comparative totals for June 30, 2017)

	General	Capital Improvement	Totals	
			2018	2017
Assets				
Unrestricted:				
Cash and cash equivalents	\$ 7,479,985	\$ 1,916,279	\$ 9,396,264	\$ 7,406,809
Property taxes receivable	643,064	-	643,064	558,213
Accounts receivable	33,366	-	33,366	5,973
Prepaid expenses	1,366	-	1,366	9,283
Restricted:				
Cash and cash equivalents	369,056	-	369,056	233,203
Note Receivable- Lindberg property	285,995	-	285,995	-
Total assets	<u>\$ 8,812,832</u>	<u>\$ 1,916,279</u>	<u>\$ 10,729,111</u>	<u>\$ 8,213,481</u>
Liabilities, Deferred Inflows and Fund Balances				
Liabilities				
Accounts payable	299,090	-	299,090	485,490
Payroll liabilities	3,308	-	3,308	-
Accrued compensated absences	6,960	-	6,960	-
Total liabilities	<u>309,358</u>	<u>-</u>	<u>309,358</u>	<u>485,490</u>
Deferred inflows of resources				
Unavailable property taxes	<u>485,573</u>	<u>-</u>	<u>485,573</u>	<u>442,929</u>
Fund balances				
Nonspendable- prepaid expenses	1,366	-	1,366	9,283
Restricted- permanent	655,051	-	655,051	233,203
Committed		1,916,279	1,916,279	-
Unassigned	<u>7,361,484</u>	<u>-</u>	<u>7,361,484</u>	<u>7,042,576</u>
Total fund balances	<u>8,017,901</u>	<u>1,916,279</u>	<u>9,934,180</u>	<u>7,285,062</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 8,812,832</u>	<u>\$ 1,916,279</u>	<u>\$ 10,729,111</u>	<u>\$ 8,213,481</u>

The accompanying notes are an integral part of these statements.

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
YEAR ENDED JUNE 30, 2018
(With Comparative Totals for June 30, 2017)

	2018	2017
Total fund balance- Governmental Funds	\$ 9,934,180	\$ 7,285,062
Amounts reported in the statement of net position are different because:		
Capital assets are not financial resources and are not reported in the funds:		
Capital assets at cost	853,548	427,030
Accumulated Depreciation	(135,231)	(58,129)
Deferred inflows represent amounts that were not available to fund current expenditures and therefore are not reported in the governmental funds.		
Property taxes	485,573	442,929
Net Position of Governmental Activities	\$ 11,138,070	\$ 8,096,892

The accompanying notes are an integral part of these statements.

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN
FUND BALANCES - GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2017)

			Totals	
			2018	2017
	General	Capital Improvement	2018	2017
Revenues				
Property taxes	\$ 10,003,008	\$ -	\$ 10,003,008	\$ 9,493,723
Interest	142,558	35,670	178,228	82,739
Fines and fees	77,967	-	77,967	111,128
Charges for services	203,496	-	203,496	179,654
Grants and donations	822,781	-	822,781	384,517
Total revenues	11,249,810	35,670	11,285,480	10,251,761
Expenditures				
Current				
Library services	8,209,844	-	8,209,844	7,877,180
Capital outlay	257,127	169,391	426,518	298,461
Total expenditures	8,466,971	169,391	8,636,362	8,175,641
Excess of revenues over (under) expenditures	2,782,839	(133,721)	2,649,118	2,076,120
Other Financing Sources (Uses)				
Transfers in		2,050,000	2,050,000	
Transfers out	(2,050,000)	-	(2,050,000)	-
Net change in fund balance	732,839	1,916,279	2,649,118	2,076,120
Fund balance - beginning of year	7,285,062	-	7,285,062	5,208,942
Fund balance- end of year	\$ 8,017,901	\$ 1,916,279	\$ 9,934,180	\$ 7,285,062

The accompanying notes are an integral part of these statements.

**JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2017)**

	<u>2018</u>	<u>2017</u>
Net change in fund balance, page 14	\$ 2,649,118	\$ 2,076,120
Amounts reported in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives.	349,416	263,705
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Increase in deferred inflows - property taxes	42,644	67,075
Change in net position of governmental activities	\$ 3,041,178	\$ 2,406,900

The accompanying notes are an integral part of these statements.

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The District

The Jackson County Library District (the District) is a municipal corporation governed by a five member Board of Directors.

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant policies of the District are described below.

Financial Reporting Entity

The District's financial statements include the accounts of all District operations. The criteria for including organizations as component units within the District's reporting entity, as set forth in Section 2100 of Government Accounting Standards Board's (GASB's), *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- The organization is legally separate (can sue and be sued in their own name).
- The District holds the corporate powers of the organization.
- The District appoints a voting majority of the organization's board.
- The District is able to impose its will on the organization.
- The organization has the potential to impose a financial benefit/burden on the District.
- There is fiscal dependency by the organization on the District.

Based on the aforementioned criteria, the District has no component units and is not a component unit of any other entity.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. The primary focus of the District is to provide library services to the citizens of Jackson County. Significant interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the expenses of the District are offset by program revenues. *Program revenues* include: 1) charges to users or applicants who purchase, use or directly benefit from goods, services or privileges and 2) grants and contributions that are restricted for operational or capital requirements. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

When both restricted and unrestricted resources are available it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Major individual governmental funds are reported as separate columns in the fund financial statements. The District has designated all of its funds as major funds.

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualify for reporting in this category. These consist of unavailable revenue, which is reported in the governmental funds balance sheet and deferred inflows of resources, which is reported in the government wide statement of net position. Deferred inflows of resources reported in the governmental funds for unavailable revenues relate to property tax revenue.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources *measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all the eligibility requirements imposed by the provider have been met. It is the District's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

The governmental fund financial statements are reported using a current resources measurement focus and the modified accrual basis of accounting. Under this method, revenues, when material, are recognized when susceptible to accrual (measurable and available to finance expenditures of the current period). Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property taxes available if they are collected within 60 days after year-end.

Expenditures are recorded at the time liabilities are incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

The basis of accounting described above is in accordance with accounting principles generally accepted in the United States of America as promulgated for state and local government units.

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

The District reports the following major governmental funds:

- General Fund- This is the District's primary operating fund. It accounts for the general operations of the government. Principal sources of revenues are property taxes and fines and fees. Expenditures are for the operation and maintenance of the library system.
- Capital Improvement Fund- This fund is used to account for capital improvement projects and major capital equipment purchases. The principal source of revenue is transfers from the general fund. Expenditures are for capital outlay and capital equipment purchases.

Cash and Investments

Cash and investments include amounts in demand deposits and the Oregon Local Government Investment Pool (LGIP). Investments with maturities over three months are not considered to be cash. The cash balances of all funds are pooled.

Property Taxes

Property taxes are levied on all taxable property as of January 1. Property taxes become a lien on July 1. Collection dates are November 15, February 15 and May 15. Discounts are allowed if the full amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established.

Capital Assets

Capital assets which include equipment are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial cost of more than \$5,000 or greater and an estimated useful life in excess of one year. Capital assets are recorded at historical cost. Donated capital assets are recorded at their fair market value at the date of donation.

Equipment is depreciated using the straight-line method over the estimated useful life of the asset. The estimated useful life is 3 to 15 years for equipment.

Compensated Absences

Unpaid compensated absences are recognized as an expense when earned with a corresponding liability in the government-wide financial statements.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain amounts and disclosures. Actual results may differ.

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Net Position

Net position is reported on the Statement of Net Position. Net position represents the difference between assets and liabilities. The restricted component of net position consists of funds transferred to the District upon inception that have restrictions by the donor on how they are spent. Amounts reported as unrestricted consists of assets that do not meet the definition of restricted as noted. Unrestricted include property taxes, fines, fees and charges for services that do not carry any constraints on spending.

Fund Balance Reporting

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54)*.

This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories list below:

1. *Nonspendable*, such as fund balance associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned),
2. *Restricted* fund balance category includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers or through enabling legislation,
3. *Committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's governing board (the District's highest level of decision-making authority),
4. *Assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed, and
5. *Unassigned* fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

**JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the district considers restricted funds to have been spent first. For the classification of unrestricted ending fund balance, the district first reduces assigned amounts, then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those classifications could be used.

Appropriation and Budgetary Controls

The District is subject to provisions of the Oregon Revised Statutes, which set forth local budget procedures. A budget is prepared for each fund on the modified accrual basis of accounting. Expenditure budgets are appropriated by the following categories within each fund: personnel services; materials and services; capital outlay; debt service; transfers and contingency. Budgeted expenditures at the appropriation level may not be legally overspent.

The Board of Directors may, however, approve additional appropriations for reimbursable grant expenditures, which could not be reasonably estimated at the time the budget was adopted. Additionally, budgets may be modified during the fiscal year by the use of appropriation transfers between legal categories. Such transfers require the approval of the Board.

A supplemental budget may be approved if an occurrence or need exists which had not been ascertained at the time the budget was adopted.

In accordance with state law, all encumbrances and appropriations terminate on June 30. Goods and services delivered during the ensuing year must be charged against the ensuing year's appropriations.

Consequently, encumbrances are not reported in the financial statements.

Transfers of appropriations from one fund to another or from one appropriation level to another must be authorized by official resolution or ordinance of the governing body. The resolution or ordinance must state the need for the transfer, the purpose for the authorized expenditures and the amount of the appropriation transferred.

Transfers of general operating contingency appropriations, which in aggregate during a fiscal year, exceed 10% of the total appropriations of the fund, may only be made after adoption of a supplemental budget prepared for that purpose.

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

When the estimated expenditures contained in a supplemental budget for a fiscal year result in an amount of estimated total expenditures by the municipal corporation for that fiscal year that differs by not more than 10% of any individual fund contained in the regular budget for that fiscal year, the governing body of the municipal corporation may adopt the supplemental budget at a regular meeting of the governing body.

When the estimated expenditures contained in a supplemental budget for a fiscal year result in an amount of estimated total expenditures by the municipal corporation for that fiscal year that differs by more than 10% of any individual fund contained in the regular budget for that fiscal year, the supplemental budget, or a summary thereof, shall be published. The governing body shall then hold a public hearing on the supplemental budget prior to adopting the supplemental budget.

Comparative information

The basic financial statements include certain prior-year summarized comparative information in total. Such information does not include sufficient detail to constitute a complete financial statement presentation. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2017, from which the summarized information was derived.

Newly Implemented Accounting Standards

GASB Statement No. 75 "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.*" The statement establishes accounting and financial reporting requirements related to other postemployment benefits (OPEB), replacing GASB Statements No. 45 and No. 57. The statement is effective for fiscal years beginning after June 15, 2017. The District anticipates no financial impact as a result of implementing this statement.

GASB Statement No. 81 "*Irrevocable Split-Interest Agreements.*" This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. The statement is effective for fiscal years beginning after December 15, 2016. The District anticipates no financial impact as a result of implementing this statement.

GASB Statement No. 85 "*Omnibus 2017.*" This Statement addresses practice issues identified during implementation of other GASB Statements, including blending component units, goodwill, fair value measurement and application, and postemployment benefits. The statement is effective for fiscal years beginning after June 15, 2017. The District anticipates no financial impact as a result of implementing this statement.

GASB Statement No. 86 "*Certain Debt Extinguishment Issues.*" This Statement addresses the accounting and financial reporting for in-substance defeasement of debt where existing resources

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

are placed in an irrevocable trust for the sole purpose of extinguishing debt. The statement is effective for fiscal years beginning after June 15, 2017. The District anticipates no financial impact as a result of implementing this statement.

New Accounting Pronouncements Upcoming

The District will implement new GASB pronouncements in the fiscal year no later than the required effective date. Management has not yet determined the effect on the financial statements from implementing any of the following pronouncements.

GASB Statement No. 83 “*Certain Asset Retirement Obligations.*” This Statement establishes criteria for determining the timing and pattern or recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. The statement is effective for fiscal years beginning after June 15, 2018.

GASB Statement No. 84 “*Fiduciary Activities.*” This Statement establishes criteria and guidance for identifying fiduciary activities of all state and local governments for accounting and financial reporting purposes, as well as the reporting requirements for these fiduciary funds. The statement is effective for fiscal years beginning after December 15, 2018.

GASB Statement No. 87 “*Leases.*” This Statement addresses the accounting and financial reporting for leases by governments, requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases. The statement is effective for fiscal years beginning after December 15, 2019.

GASB Statement No. 88 “*Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*” This Statement’s objective is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. The statement is effective for fiscal years beginning after June 15, 2018.

GASB Statement No 89 “*Accounting for Interest Cost Incurred Before the End of a Construction Period*” This Statement’s objective is to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. This statement is effective for fiscal years beginning after December 15, 2019.

GASB Statement 90 “*Majority Equity Interests- An Amendment of GASB Statements No 14 and No. 61*” This Statement’s objective is to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. This statement is effective with fiscal years beginning after December 31, 2018.

**JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018**

NOTE 2 – CASH AND CASH EQUIVALENTS

The District's investment of cash funds is regulated by Oregon Revised Statutes. Under these guidelines, cash funds may be invested in time certificates of deposit, general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances and the State Treasurer's Investment Pool, among others.

The District maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed as "cash and cash equivalents".

Cash and investments as of June 30, 2018, consisted of the following:

Demand deposits with financial institution	\$ 182,828
State Treasurer's Investment Pool	<u>9,582,492</u>
Total	<u><u>\$ 9,765,320</u></u>

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require that all bank deposits in excess of the FDIC or FSLIC insurance amounts be collateralized through the Oregon State Treasurer's Public Funds Collateralization Program. This program provides a structure for specified depositories to participate in a shared liability collateral pool.

The Oregon State Treasurer is responsible for monitoring public funds held by bank depositories in excess of FDIC insured amounts, and for assuring that public funds on deposit are collateralized to the extent required by Oregon Revised Statute (ORS) 295. ORS 295 requires depository banks to place and maintain on deposit with a third party custodian bank securities having a value of 10 percent, 25 percent or 110 percent of public funds on deposit depending primarily on the capitalization level of the depository bank. Deposits in the Public Funds Collateralization Pool are not 100 percent guaranteed.

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 2 – CASH AND CASH EQUIVALENTS - continued

Investments

The only investments held by the District at June 30, 2018, were amounts deposited with the State of Oregon Local Government Investment Pool (LGIP). The District's investment in the LGIP is carried at cost, which approximates fair value. Oregon's investment policies used in administering the LGIP are governed by statute and the Oregon State Investment Council (Council).

The State Treasury's investments in short-term securities are limited by the portfolio rules established by the Oregon Short-term Fund Board and the Council. In accordance with Oregon statutes, the investment funds are invested, and the investments of those funds managed, as a prudent investor would do, exercising reasonable care, skill and caution.

The Oregon Local Government Investment Pool issues monthly statements to participants. The Office of the State Treasurer issues publicly available financial reports on the Oregon Short-Term Fund. The reports can be obtained from the Office of the State Treasurer, 350 Winter Street NE, Suite 100, Salem, OR, 97301-3896, the Office of the State Treasurer's web-site, or by calling 1-503-378-4000.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. Investments in the LGIP are not required to be rated.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the risk that its fair value will decline if interest rates rise. In order to manage the interest rate risk of its investments, the District invests only in the LGIP. The LGIP has rules that require at least 50% of its investments to mature within 93 days, not more than 25% may mature in over a year, and all other investments must mature in no more than three years.

Custodial Credit Risk – Investments. Custodial credit risk is the risk that, in the event of a failure of the counterparty to a transaction, the District will not be able to recover the value of an investment or collateral securities in the possession of an outside party. The LGIP's portfolio rules provide that broker/dealers meet certain qualifications and that investments are delivered to and held by a third-party custodian which holds the securities in the State of Oregon's name.

**JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018**

NOTE 3 – CAPITAL ASSETS

The buildings and equipment used by the District in the 15 libraries it runs are owned by Jackson County and are leased back to the District at zero cost through an intergovernmental agreement. The District is responsible for maintaining the buildings and making any capital improvements necessary.

Capital asset activity for the year was as follows:

	Balance			Balance
	June 30, 2017	Increases	Decreases	June 30, 2018
Capital Assets				
Equipment	\$ 233,739	\$ 6,229	\$ -	\$ 239,968
Leasehold Improvements	<u>193,291</u>	<u>420,289</u>	<u>-</u>	<u>613,580</u>
Total capital assets being depreciated	<u>427,030</u>	<u>426,518</u>	<u>-</u>	<u>853,548</u>
Less accumulated depreciation				
Equipment	52,959	47,474	-	100,433
Leasehold Improvements	<u>5,170</u>	<u>29,628</u>	<u>-</u>	<u>34,798</u>
Total accumulated depreciation	<u>58,129</u>	<u>77,102</u>	<u>-</u>	<u>135,231</u>
Total capital assets, net	<u>\$ 368,901</u>	<u>\$ 349,416</u>	<u>\$ -</u>	<u>\$ 718,317</u>

Depreciation expense of \$77,102 was charged to library services in the Statement of Activities.

NOTE 4 – RISK MANAGEMENT

The District is exposed to various risk of loss related to torts; theft or damage to, and destruction of assets; errors and omissions and natural disasters for which the District carries commercial insurance. The District reviews the coverage periodically, and there have not been any significant claims.

NOTE 5 – SUBSEQUENT EVENT

In July 2017 the Library District Board was made aware of fines on overdue library materials that had been accumulating for several years. These fines dated back before the formation of the District on July 1, 2015. The value of the fines at June 30, 2017 is approximately \$587,000. In October 2017, the District Board voted to not pursue collection of these fines because the collection was considered highly unlikely.

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 6 – TRANSFERS

The District's General Fund transfers money to the Capital Improvement Fund without a requirement for repayment. The Capital Improvement Fund uses the transfer to fund improvements to the buildings leased from Jackson County as well as purchase equipment. The General Fund transferred \$2,050,000 during the fiscal year ended June 30, 2018 thus creating the Capital Improvement Fund.

REQUIRED SUPPLEMENTARY INFORMATION

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2018

Revenues	Original Budget	Final Budget	Actual	Variance Over(Under)
Property taxes	\$ 9,850,000	\$ 9,850,000	\$ 10,003,008	\$ 153,008
Interest	80,000	80,000	142,558	62,558
Fines and fees	120,210	120,210	77,967	(42,243)
Charges for services	153,180	153,180	203,496	50,316
Grants and donations	<u>437,100</u>	<u>437,100</u>	<u>822,781</u>	<u>385,681</u>
		-		
Total revenues	<u>10,640,490</u>	<u>10,640,490</u>	<u>11,249,810</u>	<u>609,320</u>
Expenditures				
Personnel costs	100,000	100,000	19,956	(80,044)
Materials and services	9,482,882	9,482,882	8,189,888	(1,292,994)
Capital Outlay	250,000	250,000	257,127	7,127
Operating Contingency	<u>750,000</u>	<u>750,000</u>	-	(750,000)
	<u>10,582,882</u>	<u>10,582,882</u>	<u>8,466,971</u>	<u>(2,115,911)</u>
Other Financing Uses				
Transfer to other funds	(2,050,000)	(2,050,000)	(2,050,000)	-
Net change in fund balance	(1,992,392)	(1,992,392)	732,839	2,725,231
Fund balance - beginning of year	<u>7,000,000</u>	<u>7,000,000</u>	<u>7,285,062</u>	<u>285,062</u>
Fund balance- end of year	<u>\$ 5,007,608</u>	<u>\$ 5,007,608</u>	<u>\$ 8,017,901</u>	<u>\$ 3,010,293</u>

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - CAPITAL IMPROVEMENT FUND
YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over(Under)</u>
Revenues				
Interest	\$ -	\$ -	\$ 35,670	\$ 35,670
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,670</u>	<u>\$ 35,670</u>
Expenditures				
Capital outlay	<u>2,050,000</u>	<u>2,050,000</u>	<u>169,391</u>	<u>1,880,609</u>
Total expenditures	<u>2,050,000</u>	<u>2,050,000</u>	<u>169,391</u>	<u>1,880,609</u>
Other Financing sources				
Transfers in from General fund	<u>2,050,000</u>	<u>2,050,000</u>	<u>2,050,000</u>	<u>-</u>
Net change in fund balance	-	-	1,916,279	1,916,279
Fund balance beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,916,279</u>	<u>\$ 1,916,279</u>

OTHER SUPPLEMENTARY INFORMATION

JACKSON COUNTY LIBRARY DISTRICT
(Jackson County, Oregon)
SCHEDULE OF PROPERTY TAX COLLECTIONS AND OUTSTANDING BALANCES YEAR
ENDED JUNE 30, 2018

Tax Year	Taxes			Interest (Discount)	Collections	Receivable June 30, 2018
	Receivable June 30, 2017	Current Levy	Adjustments			
2017-2018	\$ -	\$ 10,310,469	\$ (32)	\$ (260,591)	\$ 9,717,376	332,470
2016-2017	304,492	-	4,892	10,404	177,906	141,882
2015-2016	152,960	-	(9,277)	17,667	59,219	102,131
2014-2015	<u>100,761</u>	<u>-</u>	<u>(535)</u>	<u>10,077</u>	<u>43,722</u>	<u>66,581</u>
	<u>\$ 558,213</u>	<u>\$ 10,310,469</u>	<u>\$ (4,952)</u>	<u>\$ (222,443)</u>	<u>\$ 9,998,223</u>	
Total receivable at June 30, 2018						<u>\$ 643,064</u>
Less taxes accrued in prior year					(115,284)	
Plus taxes accrued in current year					157,492	
Payments received or deducted in lieu of taxes					<u>(37,423)</u>	
Modified accrual basis revenue					<u>\$ 10,003,008</u>	

**INDEPENDENT AUDITORS' REPORT
REQUIRED BY OREGON STATE REGULATIONS**



Certified Public Accountants
And Business Advisors

Independent Auditors' Report Required by Oregon State Regulations

To the Library Board
Jackson County, Oregon

We have audited the basic financial statements of Jackson County Library District as of and for the year ended June 30, 2018, and have issued our report thereon dated December 14, 2018. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

Compliance

As part of obtaining reasonable assurance about whether Jackson County Library District's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- The use of approved depositories to secure the deposit of public funds (ORS Chapter 295).
- The requirements relating to insurance and fidelity bonds in force or required by law.
- The appropriate laws, rules and regulations pertaining to programs funded wholly or partially by other governmental agencies.
- Budgets legally required (ORS Chapter 294).
- The statutory requirements pertaining to the investment of public funds (ORS Chapter 294).
- The requirements pertaining to the awarding of public contracts and the construction of public improvements (ORS Chapters 279A, 279B, 279C).

In connection with our testing nothing came to our attention that caused us to believe the Library District of Jackson County was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, as prescribed by the Secretary of State except for over expenditures in Capital Outlay of \$7,127.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered Jackson County Library District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

Purpose of This Report

This report is intended solely for the information and use of board of directors and management of Jackson County Library District and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

Isler Medford, LLC

Isler Medford, LLC
December 14, 2018

**Director's Report
January 2019**

Hiring and Vacancy Report

Date Vacant	Vacated by	Position	Location	Hrs/Wk	Status	Date Filled	Name	Type (EXT/INT)
12/17/18	Rebekah DiBianco	Librarian 2 (Children's)	MED	40	Under Recruitment			
12/17/18	Bret Fearrian	Library Associate 3	MED	40	Filled	1/16/19	Laura Irwin	INT
12/21/18	Winter Santiago	Library Associate 1	MED	10	Under Recruitment			
12/31/18	Ann Magill	Library Associate 1	ASH	15	Filled	1/2/19	Jacqueline Keating	EXT

Libraries in the News

The Upper Rogue Independent published an article on December 12, titled "Children's party held at FD #4." Jackson County Library Services is listed as a volunteer organization who helped with activities at the annual Children's Christmas Party on Saturday, December 8.

Administrative Services

The Cluster Manager team launched a book club, reading and discussing the management book *Crucial Conversations: Tools for Talking When the Stakes are High*. Cluster Managers, along with Assistant Director Laura Kimberly and Director Kari May, talked about the information provided in the book and how they can apply it to their own situations. Everyone agreed that reading the book and talking about it was beneficial, and they identified several subject areas for the next group book discussion.

Technical Services Supervisor Ashley Johnson arranged a tour of the Blackstone Audio publishing facility in Ashland. Members of the Support Services Team, joined by Director May, attended the tour and learned more about the company. Blackstone and JCLS are excited to pursue a stronger partnership in the future, including better discounts for ordering materials, as well as potential sponsorship for future library events.

The District received the 2019 Ready to Read Grant check from the Oregon State Library in late December totaling \$36,540. Across Oregon, libraries received \$734,189, or \$0.98 per child. JCLS will use the funds to launch the 1000 Books Before Kindergarten system-wide, and to fund

portions of the Summer Reading Program. Youth Services Coordinator, Brystan Strong, will take the lead overseeing and tracking grant funds and program success.

Outreach

Roy Fernandez and Amber Ball of the Oregon Shakespeare Festival spoke with Director May and Megan Pinder about collaborating with JCLS in the upcoming season's performance of "La Comedia of Errors". The performance will be bilingual. It will be free, but with tickets required. Kari and Megan held a follow-up phone conference with them to discuss hosting performances at a few JCLS locations in 2019.

Support Services

Digital Services

- New databases officially launch in January, including Gale Courses, Lynda.com, Brainfuse, and Tumblebooks.
- Along with the databases, we now have specific training for staff and patrons, via Niche Academy, with online written and video tutorials. Niche Academy is accessible on the Digital Content page, the A-Z database page, and the Research Services page.
- The Kindle project is moving forward. We have the Kindles setup for borrowing and the kit portion figured out. We are creating tags with the logo ("Reading Becomes Electric"), barcode, and "what's in the bag" list. Target date for launch is Jan 15, 2019.



Excellent customer service story from Josh Commander in Digital Services:

"A patron contacted us about needing help transferring a ringtone and notification sound to a new phone, so we scheduled an appointment with him at one of the branch libraries. He told me that he went to Connecting Point, Mobile Madness, Best Buy, and his cellular provider, all of whom said that what he was asking for wasn't possible since his old phone was a different brand from his new one and because the ringtone and notification sound were factory installed on (and not downloaded to) the old phone.

After he explained the issue, I showed him how to find an open-access, public domain mobile content library, and we had both audio files downloaded and installed to his phone in a matter of minutes--at which point he broke down crying.

He explained to me that he had kept his old phone for as long as possible because it was his partner's phone, and his partner had passed away three years ago from cancer. He wanted to be able to hear her ringtone and notification sound every day as a memorial to her. He showed me photos of her and her favorite flowers that used to grow in her mother's garden. He had

procured the seeds and now grows the flowers himself in her honor. He also showed me photos of those flowers. He said that he had been suffering a lot of anxiety about giving up the old phone because he felt like he was being forced to relinquish a piece of his partner's memory by giving up hearing her ringtone. He left the session beside himself with gratitude, relief, and happiness, even though the fix on our part was rather simple and took only a matter of minutes."

Technical Services

Staff is improving the cataloging of our Foreign Film collection by including the collection code "DVD World Languages" in the catalog record and creating new spine labels to clearly reflect the spoken language. Subject headings are being added to the bibliographic records for a better patron search experience. Streamlining of Book Bag services for Book Clubs is also in the works. Staff is incorporating their management into the main catalog.

Library Information Technology

The IT team continues to work on upgrading the staff computers at all the branches. Work will be wrapped up in early January. A shared drive on the library network has been created to streamline staff communication and resources and should be ready for rollout in January as well.

Booktalk Program

The booktalk program continued Fall Booktalks through December 19, with visits to Table Rock Elementary, Hedrick Middle School, Griffin Creek Elementary, Washington Elementary, Kennedy Elementary, and St. Mary's School. The program reached 600 participants in these 2 1/2 weeks, and over 2500 participants since September. Booktalker Anna Monders has begun preparing for Spring Booktalks, reading and selecting titles she will present to 4th-6th grade students in the next round.

Outreach to Child Care

Outreach to Child Care staff is primed to begin presenting Kaleidoscope Play & Learn programs at two sites in Jackson County. The two sites are *The Concord* in Medford and *Anderson Vista* in Talent. The Kaleidoscope program uses a curriculum that is based on scientific evidence and helps parents and caregivers prepare their young children between the ages of 0 to 6 for success in school and life. The weekly programs promote and encourage early literacy skills for the children and their parents/caregivers. Library staff will work directly with the groups each week providing play opportunities to engage parents and children, leading storytimes, and providing courtesy books to all participants.

Outreach to the Homebound

Sheila Fortman-Craun, Outreach to Homebound Coordinator, has been making a list in Bibliocommons of favorite reads for Outreach to Homebound patrons. One of our Outreach to

Homebound patrons commented, “Your services are deeply appreciated. It is so nice to meet with different authors each month. Thank you.”

Regional Library Report

Lower Rogue Region (Rogue River, Applegate, Jacksonville, Ruch, Gold Hill)

The Applegate Library hosted its “First Friday Craft Night,” where patrons had an opportunity to make their own holiday swag from donated greens. Participants were able to enjoy holiday music and refreshments while they were busy crafting. The community room continues to see increased numbers at meetings and group activities. Staff enthusiastically set up for the Winter Reads program with a display of winter books and scenes.



Pictured to the left: Applegate staff member Susie Beckham made this jeweled tree 20 years ago. The tree is made from jewelry and bling from her grandmother, her mother, herself and her three daughters. She believes there are pieces in it from the late '30s. So many patrons have commented on it and we are happy to have it displayed in the branch for the holiday season.

The Ruch Library held a program, “Origami Christmas Trees.” Participants were able to create origami trees with recycled calendars, discarded picture books and magazine pages.



The Jacksonville Library hosted author Pamilla Formeller’s reading of her book, *Miracle on Fifth*. There were 14 attendees including three children who enjoyed the program.

The Rogue River Library held a “Holiday Crafts Party” at which 24 attendees made cards and ornaments, played games, watched a movie, and enjoyed refreshments. A photo booth was available complete with props to use for taking family photos. Burt Eikleberry and fellow thespian, Tamara Burras, did a reading of Truman Capote's *The Thanksgiving Day Visitor*. The reading took place in front of a quilt hung by the local quilt group and 26 attendees enjoyed the

beautiful reading. The library hosted a program, "History of the Applegate Trail," with presenter Leta Neiderheiser, the great-great granddaughter of Cynthia Applegate. She shared her family's stories of the Oregon and Applegate Trails and incorporated elements of early Oregon history.

Bear Creek Region (Ashland, Talent, Phoenix, Central Point)

The Ashland Library had amazing support from JCLS and the local community to pull off its recent Author Fair event, "Local Author Fair: Read Local, Buy Local." Volunteer Amy Blossom, in collaboration with Friends of the Ashland Library, organized the busy and festive author event. An estimated 165 patrons attendees shopped, checked out local authors, and/or participated in short, 10-minute presentations from some of the featured authors. The Children's Department held a successful "Winter Solstice Celebration" event. Young patrons made candles and candle holders to celebrate winter.

Ashland staff thanked their loyal core of volunteers with great food and good cheer in early December. Our volunteers do so much for us, and fêting them annually is the least we can do. FOAL, JCLS, and JCLS staff all chipped in to make this a wonderful, celebratory event. Phoenix and Talent volunteers and staff were also included.

Talent Library patrons were very generous with their giving to the CASA Giving Tree. So far, their gifts have generated four pick-ups from CASA, with each one netting between 15-20 gifts for abused and neglected children in our community. The Talent Library Club had a very successful Holiday Boutique Sale that raised nearly \$1,000 to be used for programming and other expenses. This sale also allows patrons in need to get inexpensive Christmas presents since it is on a donate-what-you-can exchange rate.

Jody Fleming, Phoenix Library Branch Manager, received a card in the mail from a patron who attended a craft event in the fall. The patron wanted to tell us she had not used the library in many years and finally came to a craft event and had a wonderful time. It's always good to hear when our programs bring people back to the library.

Spark Space is filled with kids at the Central Point Library! Every afternoon and after school, there are at least 6 middle school age kids who come in to work on their homework together in small groups. For the past two months, a group of 5-8 teens from one of Crater High School's academies has been coming in to work on large joint project. Meanwhile, others patrons are coming in to explore their sparks by trying out the super cool Finches and Makey Makey coding tools.

On an outreach visit to Central Point's Head Start Parent's Night, staff was able to assist four families in finding their local branch library, and helped many others to fill out library card applications.

Three classes of second graders received new library cards this month. Central Point branch has been reaching out to the elementary grades and encouraging class visits earlier in the

school year. In the past, the three local elementary schools have made a mad cap rush for filling all class visit dates in the month of May. This way the students will be able to create a habit of visiting the library with the encouragement of their teachers. Parents seem to be taking this suggested habit to heart and many 2nd graders have already returned with their entire families in tow!

“Santa Storytime” was a big hit with 38 children and 30 adults attending.

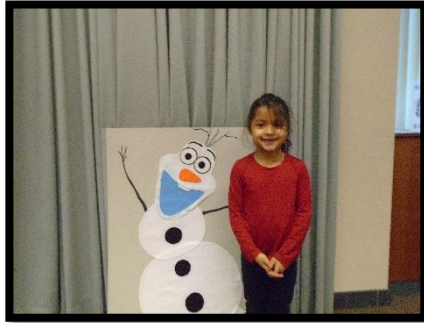


Medford Cluster

Along with all the holidays, we are highlighting a myriad of cultures. The Posadas display represents the Mexican tradition celebrating the nativity. Thanks to staff for creating the display, pictured below.



The Medford Library hosted “Santa’s Christmas Party.” Attendees had the opportunity to take a picture with Santa and Mrs. Claus, enjoy crafts, take a chance with the guessing jar, snack on treats and participate in the ugly sweater contest. All children received a new book courtesy of the Friends. Three hundred people attended, including 150 children and 150 adults.



Upper Rogue Region (Eagle Point, Shady Cove, Prospect, Butte Falls, White City)

The White City Library hosted a “Children’s Christmas Party” on December 22. Attendees welcomed Mrs. Claus to the library for stories, treats and crafts. There were 45 children and 25 adults in attendance.



The Shady Cove Library hosted a program, “Travel Stories & History with Dan and Carole Nielson: Pioneer Stories of Southern Oregon.” Mrs. Triller’s Kindergarten class had new art for the branch to hang up in the children’s area. You can only imagine the students’ surprise when they spotted their artwork hanging on the wall. A student at Shady Cove Middle School made an adorable Christmas tree out old magazines, and taught some of the other students at the branch.



Pictured to the left: A very proud Catrina Randolph pointing to her picture.



QUARTERLY REPORT

FOR THE ACTIVE CARDHOLDER PLAN

GOAL ONE

MAXIMIZE IMPACT WITH CUSTOMERS

LIBRARY PROGRAMS:

14% INCREASE IN PROGRAMS
3% INCREASE IN ATTENDANCE

EMAIL NEWSLETTERS:

26% OPEN RATE
(5% ABOVE INDUSTRY AVERAGE)

60% INCREASE IN
SOCIAL MEDIA ENGAGEMENT

FOLLOWERS INCREASED
BY 7%

GOAL TWO

LEVERAGE EXISTING RESOURCES

COLLECTION SIZE:
560,759

6% INCREASE

DATABASE USAGE
INCREASED BY 45%

47% INCREASE IN
DIGITAL SERVICES OFFERED

GOAL THREE

DEVELOP NEW CUSTOMERS

30 OUTREACH EVENTS ATTENDED
105 LIBRARY CARDS ISSUED

17% INCREASE IN
NEW CARDHOLDERS

COMPARED TO END OF FY18



Jackson County Library FOUNDATION

Executive Director Report January 2019

Major Accomplishments since February 2017

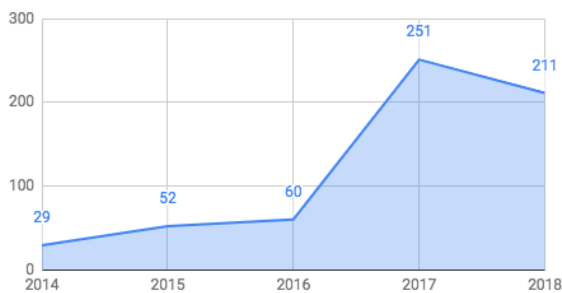
New Mission Statement

- JCLF secures resources to strengthen innovation and literacy in our community.

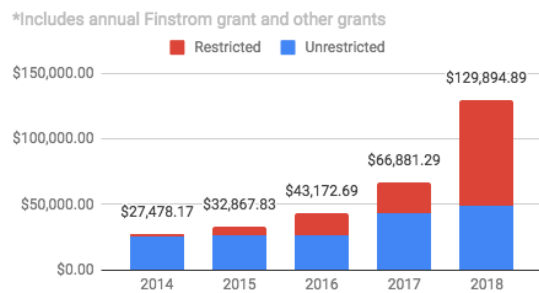
Fundraising

- Managed two successful JCLF Annual Appeals, the first in JCLF's known history
- Implemented and managed donor management software, which created a comprehensive database of donor information since 2012 that provided clear information on giving trends
- Implemented the beginning of a donor stewardship plan to create meaningful relationships with JCLF donors

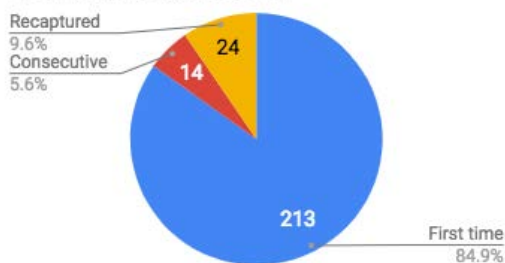
Foundation Donors



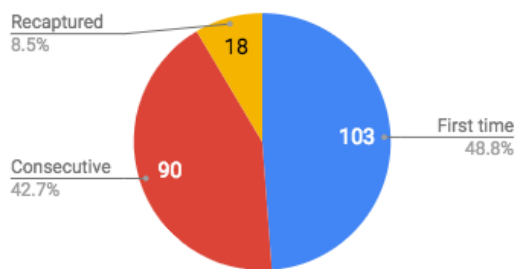
Total Amount of Donations



Donor Retention 2017



Donor Retention 2018



Grants	Awarded	Declined
2017	\$13,432	\$9,875
2018	\$51,000	\$21,000

Board Development

- Brought in two new board members
- Established terms for board members and held board officer elections
- Created two board committees: Finance and Board Development
- Restructured board meeting agenda to increase focus on priorities and governance issues

Marketing

- Developed and implemented new JCLF website
- Worked with Z'Onion to develop new JCLF brochure
- Implemented monthly e-newsletters, twice a year printed newsletter to donors, and maintained Facebook page

Relationship Building

- District, Friends, and JCLS staff, specifically through successful Spark Space implementation
- Community through Jefferson Funders Forum, Rotary, Chamber, etc

Program

- Collaborated with JCLS staff on fundraising, community outreach, and event planning for Spark Space project, using JCLF Marks Fund
- Restarted JCLF's Baby's First Book after several year gap. Working with JCLS staff to better integrate Baby's First Book into JCLS early childhood literacy programming

Administrative

- Streamlined and revised existing operating structures
- Hired contract bookkeeper to revise and update JCLF financial reporting
- Hired office manager to manage JCLF through ED transition and beyond
- Improved financial reporting and 990 to better convey meaningful information
- Kept meaningful records and developed procedures to document JCLF's institutional history

January 20, 2019

Title: Circulation Policy (Policy 5-2) and Fee Schedule (Policy 5-6)

From: Laura Kimberly, Assistant Director of Public Services

Summary:

Mrs. Kimberly will present a proposed update to the circulation policy and fee schedule, which was last revised and approved by the Board in November 2017. The proposed changes and additions reflect several activities related to the 2-Year Plan to Increase Active Cardholders. Both policies are intended to guide new users in determining the type and level of library service that they may apply for, what proof of identification they will need, and the parameters of services they can expect based on the type of card they obtain. Policy 5-2 also outlines circulation check-out periods and requests for Interlibrary loan materials. A redlined comparison to current policy is not provided because the changes and additions to the new policy are substantial.

Actions, Options, or Potential Motions:

Please review policies 5-2 and 5-6 to be sure that they meet the District's needs in terms of library requirements for a library card and levels of service provided to cardholders. Be prepared to vote on accepting the revised policies.

Recommendation:

The Library recommends that the Board approve the policies as presented with an implementation date 3/4/2019. The reason for the additional time for implementation is so that the necessary changes can be made in Polaris, and so that staff has time to notify patrons of the changes to policy that might impact them.

Resource Requirements:

Staff time will be needed to make changes to the set-up in Polaris and to create marketing and messaging for patrons to inform them of the changes.

Policies, Plans, and Goals Supported:

These policies outline the Library patrons' eligibility for a library card, financial responsibility for materials checked out on their card, fee schedule, additional types of library cards, and rules for circulation of library materials.

Background and Additional Information:

The Library is committed to providing excellent customer service as well as free, convenient, and reasonable access to the Library's collections and services. The Library must balance this commitment with its responsibility as a steward of resources paid for with public funds. To protect each individual's access to information and services, the Library has established rules governing the circulation of Library materials. These rules outline the borrowing privileges of Library patrons.

With regard to the amount charged for a nonresident card, the Board asked staff to research and determine if the charge was appropriate. According to the Jackson County Assessor's Office, the median assessed home value for Jackson County is \$270,765, which results in an average amount that a homeowner pays for library service to \$140 a year. Therefore, we are not recommending any changes to the non-resident card fee of \$100 per household.

Substantive changes to the policy include:

- Removing the \$2.00 replacement fee for lost or damaged cards
- Removing the \$5.00 charge for Interlibrary loan requests and adding a limit of five active requests at a time.
- Adding new patron card types: Class Visit, Educator, Organizational, Computer, eCard
- Expanding the information regarding acceptable proofs of identification
- Reducing the number of pieces of proof of identification for a Temporary Card from two to one
- Removing the requirement that parent or guardian must be present to issue a card for a minor
- Time on hold shelf is reduced from 14 days to 7 days
- Increasing check-out period for DVDs from 1 week to 3 weeks, and magazines along with mobile hotspots will check out for 2 weeks, so that a majority of our collections circulate for the same time period.

Attachments:

Policy 5-2: Circulation

Policy 5-6: Fee Schedule

Policy 5-2	Circulation Policy	Created: 4/2/2015 Revised: 11/9/2017 Approved:
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I. Purpose

This policy explains circulation parameters to maximize service and convenience for customers while supporting stable library operations, the steps Jackson County Library Services (Herein referred to as the “Library”) takes to standardize key circulation parameters, and fees that impact customers.

II. Introduction

The Library encourages everyone in the community to use and benefit from its facilities and services, and therefore has established rules governing the circulation of library materials to protect each individual’s access to information and services. The Library has several types of library cards available, designed to meet the needs of Jackson County residents, property owners, neighbors and visitors. Borrowing privileges and limits are dependent upon the type of card selected at registration.

The Library provides individuals access to a wide variety of services, including the ability to:

- Check out books, movies, music CDs, and other library materials
- Library materials may include, but not limited to mobile hotspots devices and other electronic devices.
- Download eBooks, audiobooks, music, and videos
- Place holds on items in person or online
- Use online databases and resources
- Access public computers in the Library

The Library has reciprocal borrowing and shares a library catalog with Rogue Community College (RCC). RCC shares their materials with some restrictions to access to Library patrons. Because RCC sets its own lending policies, including charging late fees for items in their collection, please check with RCC for exact details in regards to overdue fees and check out periods for their materials.

The Library has partnered with the Southern Oregon Historical Society (SOHS) to provide access to SOHS resources free of charge for Jackson County residents, to help promote Library services through SOHS, and to expand the local history digital collection of the libraries.

III. Acceptable Proofs of Identification, Residency, and Property Ownership

Two forms of identification are required for several of the card types. Acceptable forms of proof of identification, residency, or property ownership include, but are not limited to, a current form of the following:

- Driver's license or other valid government issued photo identification
- Passport
- County tax bill
- Credit Cards
- Student ID card with photo
- Lease and/or rental agreement
- Voter registration card
- Piece of mail with current postmark within past 30 days that includes name and physical address
- Resident Alien Card
- Property tax statement, which includes name and address
- Utility bill and/or bank statements with physical address

If a person cannot provide two acceptable forms of ID, the Library will mail a letter to the household to verify the physical address. The person will be allowed to check out two items at time of registration. Once the letter is received in the mail, the individual may bring that letter in as proof of address and receive full library services.

IV. Types of Library Cards Defined

Jackson County Library Services issues the following types of library cards:

- Full Service
- Parent Select
- Class Visit
- Educator
- Organizational
- Temporary
- Non-Resident
- Homebound
- Computer
- eCard

Full Service Cards

Adult

Full service library cards are free of charge to all residents and persons paying property taxes in Jackson County. Residents 18 and older may register for a full service library card by presenting

a completed library card application and two pieces of identification at any Library branch. One piece of identification must show the resident's current address. Applicants must be present to receive a full service library card.

Full Service cardholders may access all library services, borrow up to 60 items at a time, check out most library materials for 21-day loan and renewal periods, have access to digital resources and Interlibrary Loan services, and may have up to 25 active holds at a time.

Juvenile

Minor residents (under age 18) need authorization from a parent/guardian who can establish and provide proof of identification and residency. Parents or guardians are responsible for any charges incurred as the result of use of a child's card. Therefore, a parent/guardian signature is required on the library card application form. The parent/guardian does not have to be present in order to issue a card to a minor. If the parent/guardian of a minor child is not present at the time a card is issued to the child, the parent/guardian will be notified that the child has received a library card.

Parents may choose a parent-restricted card for their child that limits the number of items their child can borrow – see Parent Select Card, below.

Parent Select Card

Parent Select library cards are issued to a patron under the age of 18 if the parent/guardian chooses this option. Parent Select cardholders may access all library services, borrow up to 2 items at a time, check out most library materials for 21-day loan and renewal periods, have access to digital resources, and have up to 2 holds at a time. Parent Select cards cannot be used for Interlibrary Loan.

Class Visit Card

Class Visit library cards are issued when a minor visits the library during a school class visit. Students must have received a Library card application from their teacher, obtained a parent/guardian signature, and then presented the signed application to the teacher prior to the class visit to the Library. Class Visit cardholders may access all library services, borrow up to 2 items at a time, check out most library materials for 21-day loan and renewal periods, have access to digital resources, and have up to 2 holds at a time. Class Visit cards may not be used for Interlibrary Loan.

Educator Card

Educator library cards are separate from personal library cards and are intended for borrowing materials to use in a classroom or educational setting with his or her students. Educator library cards are issued to individuals who:

- Teach children in childcare

- Teach kindergarten through grade 12 in Jackson County
- Homeschool
- Teach in their community, including
 - After school services, such as YMCA, Boys and Girls Clubs, and Parks and Recreation programs
 - GED or literacy programs

To get an educator card, an educator must visit a Library branch with photo identification. Additionally, a copy of one of the following must be presented at time of application:

- School or childcare identification
- School or childcare pay stub
- Letter on school or childcare letterhead from the school administrator or childcare director authorizing them to check out materials on behalf of the institution
- Homeschooling letter from the Education Service District (ESD)
- Oregon State Child Care Division certification

Educator cardholders may access all library services, borrow up to 60 items at a time for educational purposes, have six-week loan and renewal periods, and have up to 40 holds at a time. Educator cards cannot be used for group access to Jackson County Library subscription databases and Interlibrary Loan.

Organizational Card

Organizational library cards are available to organizations that have a governing board and/or a business structure in Jackson County. Only one Organizational library card will be issued to an organization. Should the authorized person who signs the application leave the organization, the organization will continue to be responsible for all materials borrowed. Organizational library cardholders must have the card with them when accessing services at the Library. The organization library card expires annually on its issue date.

Organizational cardholders may access all library services, borrow up to 60 items at a time, have six-week loan and renewal periods, and may have up to 40 holds at a time. Organizational cards cannot be used for group access to Jackson County Library subscription databases and Interlibrary Loan.

Temporary Library Card

New residents or individuals who do not have two forms of identification may register for a Temporary Library card by presenting a completed library card application and one form of identification at any Jackson County Library Services Library branch. The temporary card expires in ninety (90) days and may be upgraded to a Full Service card when the cardholder can provide additional proof of residency within Jackson County.

Temporary library cardholders may access all library services, borrow up to 2 items at a time, check out most library materials for 21-day loan and renewal periods, have access to digital resources, and have up to two holds at a time. Temporary New Resident library cards may not be used for Interlibrary Loan.

Non-Resident Library Card

Non-Resident library cards are available to persons living outside of Jackson County who do not meet the residence/property ownership qualifications for full service cards, but who wish to have the privileges of the full service borrower. Non-residents must provide two forms of identification to establish proof of identity and proof of address.

Non-Resident cardholders may access all library services, borrow up to 60 items at a time, check out most library materials for 21-day loan and renewal periods, have access to digital resources and Interlibrary Loan services, and have up to 25 holds at a time.

Non-Resident library cardholders are charged an annual fee. Every person in the household may have a library card for the single fee. "Household" means a group of individuals who comprise a family unit and who live together under the same roof. There is no reduction in the fee for small households. Please see the Fee Schedule for current non-resident library card fee.

Homebound Library Card

Homebound library cards are issued to full service cardholders who receive library services through the Jackson County Library Services Outreach to Homebound Program. Homebound cards permit the same borrowing privileges as full service cards. To accommodate the nature of the outreach service and delivery cycle, however, items are checked out until the next scheduled delivery date.

Homebound cardholders may access all library services, borrow up to 60 items at a time, have access to digital resources, and have up to 25 holds at a time. Homebound library cards cannot be used for Interlibrary Loan.

Computer Access Card

Computer library cards are available to individuals who live within the Library's service area, but otherwise do not have an active library card. The Computer Access card grants users access to the internet and all databases through the public computer terminals in any Library branch, but cannot be used to borrow Library materials. No identification is required to obtain a Computer Access card, but birth date is required. Individuals must be 13 years old or older to have a Computer card.

eCard

An eCard library card is exclusively for use of the electronic resources offered by Jackson County Library Services, such as Library2Go, Hoopla, and online subscription databases. This card cannot be used to check out physical items in the Library. In order to become a Full Service Library Card holder, an individual must come to a Library branch and present the required identification and proof of residency. An individual may complete an online application to receive an eCard. Individuals must be 13 years old or older to have an eCard.

RCC Faculty/Staff Card and RCC Student Card

Please refer to RCC policies regarding faculty/staff and student cards.

V. Circulation Parameters

Item	Limits
Loan period for most material types, including books, CDs, DVDs and audiobooks*	21 days
Loan period for mobile hotspots and magazines	14 days
Loan period for book club kits	42 days
Hold time on pick-up shelf	7 days

*The items may be automatically renewed for two additional 21-day loan periods if there are no active holds requests. "Hot Off the Press" items may not be renewed.

Loan Periods

The standard loan period for most Jackson County Library Services circulating materials is 21 days and two additional renewal periods – see "Circulation Parameters," above. Patrons wishing to retain library materials longer than their normal check out period must renew the materials. Loan periods for special items are decided on a case-by-case basis.

Please see Fee Schedule for information regarding long overdue items.

VI. Replacement for Lost or Damaged Cards

Replacement library cards will be issued only to patrons who can establish proof of identity. Patrons may be asked to provide confirmation of address, in order to update the patron record, at the time a replacement card is issued.

If the parent/guardian of a minor child is not present at the time a replacement card is issued to his/her child, the parent/guardian will be notified that the child has received a replacement library card.

There is no charge for replacing a library card which has been lost or damaged beyond use. If an individual has lost or misplaced his or her library card, he or she must contact any Jackson County Library Services library branch immediately to report it as lost or stolen.

VII. Patron Identification Number (PIN)

A patron identification number (PIN) will be issued to the patron when a library card is issued. If a patron wishes to change the password, he or she may:

- Visit any Jackson County Library Services library branch in person
- Reset on his or her library account if there is a current email attached to the patron account

PINs are privacy-protected and kept confidential. Requests to change a PIN will not be made over the phone. Patrons should never share their card numbers with anyone whom they do not wish to have access to their patron records.

VIII. Patron's Borrowing Responsibility

Patrons are responsible for all material checked out on their library cards. Library cards must be presented at the time of check out. Parents are fiscally responsible for all material checked out on their child's card. If a library card is lost or stolen, the patron is responsible for all items checked out prior to the date the theft or loss is reported directly to a library staff person, either by phone or in person.

Patrons use library materials at their own risk. The library will not accept responsibility for damage that may occur to a patron's audio/visual or computer equipment during use, or as a result of use, of library materials.

IX. Charges, Lost and Damaged Materials, and Exceptions

Lost or Damaged Materials

When a patron loses library materials or returns material that is damaged beyond repair, the patron will be charged the replacement cost of the item. See Fee Schedule for replacement costs.

Refunds of Payments for Lost or Damaged Materials

If a patron has paid for a lost item and finds the item within 6 months, the patron may request a refund of the payment, provided:

- The material is in good condition when it is returned to the Library;
- The refund is requested at the time the material is returned;
- The item is returned and the refund is requested no more than six (6) months after the payment was made.

Rogue Community College Overdue Fees

Rogue Community College (RCC) materials incur overdue fees. RCC Materials that are not returned will be billed to the patron's library account. Please check with Rogue Community College for exact details in regards to overdue fees.

X. Interlibrary Loan

Purpose

The Library maintains a collection in Jackson County that is responsive to the needs and interests of its communities. It is not possible, however, for the Library to own every item that every person might want. Some items may be obtained from other libraries as Interlibrary Loans (ILL). An Interlibrary Loan is an item borrowed from another library system, either in Oregon or elsewhere in the country.

Eligibility

Jackson County Library Services residents and non-residents with a current Full Service library card are eligible for ILL services. Cardholders who have accumulated fees in excess of Library limits are not eligible for ILL services.

Materials

All types of materials may be requested, but audio, video, and genealogy items may be difficult to borrow. Recently-released titles are also not generally available through ILL.

Rules and Regulations

ILL materials can only be checked out on the library card of the person who requested them. It is the patron's responsibility to pick-up and return ILL materials on time. The length of the loan period is determined by the lending library. Patrons may have up to five (5) active requests at one time. Active requests are those at any stage of the Interlibrary Loan process: requested, in process, checked out, or on hold.

Charges

The Library always attempts to borrow from libraries who lend free of charge. If the lending library charges for ILL, the Library must receive authorization that the patron requesting the item is willing to pay the charge before continuing to process the request.

Overdue and Damaged Material

See the current Fee Schedule, Policy 5-6, for charges related to overdue or damaged ILL materials.

DRAFT

Policy 5-6	Fee Schedule	Created: 11/9/2017 Revised: 12/17/2018 Approved:
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Type	Fee
Non-Resident Card	Non-Resident Yearly Fee: \$100 Non-Resident Quarterly Fee: \$25 Non-Resident Monthly Fee: \$10
Overdue Fees*	JCLS does not charge Overdue Fees for late materials. RCC items accrue overdue fines at \$0.25 per day. See RCC for full policy.
Unique Management Service fee (Material Recovery Agency)*	\$10
Lost Materials*	Replacement cost of the lost item
Damaged Materials Repair*	Cost of the repair
Replacement Library Card	No charge
Interlibrary Request Charge	No charge Maximum number of active requests is five (5).
Interlibrary Loan Overdue Fees	\$1.00 per day from the date due
Obituary/Death Notice Search Request	No charge Maximum number of active requests is five (5).
Printing	Black & White: \$0.10 per page Color: \$0.50 per page
Copying	Black & White: \$0.10 per page Color: \$0.50 per page
Scan & Faxes	No Charge
Internet & Wi-Fi	No Charge

*If you accumulate charges of \$25.00 or more, you will lose your borrowing privileges until the charges are paid. If items are not returned within 21 days, the library assumes they are lost and sends a bill that includes fee and replacement costs of the material. Long overdue accounts may be forwarded to our materials recovery agency, Unique Management Service. A non-refundable \$10 service charge will be added to your account.

January 10, 2019

Title: Vehicle Fleet Policy

From: Lisa Marston, District Administrator

Recommendation:

Staff recommends that the Board approve the Vehicle Fleet Policy.

Budget Impacts:

None.

Policies, Plans, and Goals Supported:

Fiscal and social responsibility; good stewardship of public assets.

Community Impacts:

Maximizing safety, efficiency and cost effectiveness in the operation and procurement of public library vehicles has positive social and economic impacts on our community.

Background and Additional Information:

Both courier vans have exceeded the retention thresholds and are scheduled for replacement in 2019-2020.

Attachments:

1. Vehicle Fleet Policy



Policy 3-1	Vehicle Fleet	Created: 1/2/2019 Approved:
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I. Purpose

This policy is intended to direct the use, operation, maintenance, disposition, and replacement of motor vehicles purchased, leased, or controlled using funds of the Jackson County Library District (“District” or “Library”). The Assistant Director of Support Services will be responsible for overseeing proper vehicle usage, operation and maintenance of library vehicles and for ensuring adherence to this policy. Disposition and replacement of library vehicles will be the responsibility of the District Administrator.

II. Vehicle Use

Any vehicle owned or leased by the District may be used by authorized drivers and for official library business only and under no circumstances will any library vehicle be used for personal business. Official business includes the transport of library materials and property between library facilities and program locations, the transport of library personnel (employees, board members) to library related conferences, workshops, and seminars, and the delivery of library materials to home bound residents living in the Library’s district.

III. Vehicle Operators

Operators of any vehicle owned or leased by the Jackson County Library District must be current employees of the District or Library Systems and Services, LLC and must have a valid, current motor vehicle operator license from the State of Oregon in their possession while operating a library vehicle. A photocopy of the employee’s license will be placed in his/her employee file and provided to the District’s insurance company. Employees authorized to operate library vehicles must report any change in the status of their license, such as restrictions or suspensions, to the Library Business Office immediately. Employees authorized to drive District vehicles must verify that they are in good standing and have clean driving records on an annual basis. Use of any District vehicle by unauthorized persons is strictly prohibited.

IV. Vehicle Operation

All vehicles operators must:

1. Operate the vehicle in a safe, courteous, and efficient manner.

2. Inspect the library vehicle for safe operating condition (brakes, exhaust, tires, fuel, and visibility) prior to each use.
3. Wear a seat belt and ensure that each passenger wears a seat belt.
4. Observe all federal, state, and local laws and regulations and posted speed limits. Employees who violate any laws or regulations are personally responsible for the payment of any fines or other penalties, including parking violations.
5. Notify supervisor within 24 hours following a citation.
6. Keep the library vehicle clean.
7. Check the oil level when refueling.
8. Lock the vehicle when unattended.
9. Immediately report any traffic accident to their supervisor and the local police.
10. Report any vehicle damage or theft to the Library Business Office.

All vehicle operators must not:

11. Transport persons not on official library business.
12. Transport hitchhikers or strangers.
13. Leave the vehicle unattended with the motor running.
14. Leave the keys in an unattended vehicle.
15. Leave library property (other than emergency equipment) in an unattended vehicle overnight.
16. Operate the vehicle when under the influence of alcohol, drugs, or narcotics.
17. Leave the scene of an accident.
18. Willfully misuse or operate a library vehicle in a reckless manner.

V. Vehicle Maintenance and Care

Vehicle operators will be responsible for maintaining any library owned or leased vehicle in a safe and sound working condition through regularly scheduled maintenance and external repair when necessary. The manufacturer's manual and established maintenance schedules (within warranty guidelines) must be followed.

A preventive maintenance quick reference sheet shall be kept in each vehicle to help vehicle operators determine the manufacturer-recommended services based on vehicle type and mileage.

A monthly *Vehicle Mileage and Maintenance Log* shall also be kept in each vehicle and submitted to the Library's Business Office on the last day of the month.

VI. Accident Reporting

Vehicle operators involved in an accident resulting in property damage or injury to any person shall immediately report the accident to their supervisor. In the case of a fatality, injury, extensive damage, or damage that renders a vehicle inoperative, the vehicle operator must

remain at the scene until a police report is made. The vehicle operator should also promptly complete an incident report upon returning to the Library’s Business Office.

Along with a current *Proof of Insurance* card, the Special Districts Insurance Services’ (SDIS) brochure entitled *If You Have an Accident* shall be carried in every vehicle to assist drivers in dealing with a vehicular accident and, if applicable, exchanging the necessary information with the other driver(s).

Upon being notified of the accident, the District Administrator shall immediately report the accident to the District’s insurance agent and SDIS and, if required, ensure that an Oregon *Traffic Accident and Insurance Report* is filed with the Oregon Department of Motor Vehicles (DMV) within 72 hours or as soon as possible.

VII. Vehicle Replacement/Retention Thresholds

The District’s replacement criteria appear in the tables below. The criteria are designed to replace vehicles in a manner that maximizes safety, efficiency and cost effectiveness. The District will strive to meet the replacement criteria as the budget allows. The District may retain vehicles past the replacement mileage or age thresholds if the cost effectiveness, operating conditions and safety features of the vehicle warrant continued use of the vehicle.

Standard gasoline and flex-fuel vehicles		
Depreciation Months	Mileage Range	Replacement Schedule
96	1,354 or less miles per month	115,000 or 8 yrs
84	1,355 to 1,548 miles per month	120,000 or 7 yrs
72	1,549 to 1,806 miles per month	125,000 or 6 yrs
60	1,807 to 2,167 miles per month	130,000 or 5 yrs
48	2,168 to 2,708 miles per month	135,000 or 4 yrs
36	2,709 to 3,611 miles per month	140,000 or 3 yrs

Hybrid, ZEV, and CNG vehicles, 150,000 miles for all		
Depreciation Months	Mileage Range	Replacement Years Schedule
120	1250 or less miles per month	10
108	1251 to 1389 miles per month	9
96	1390 to 1563 miles per month	8
84	1564 to 1786 miles per month	7
72	1787 to 2083 miles per month	6
60	2084 to 2500 miles per month	5
48	2501 to 3125 miles per month	4
36	3126 to 4167 miles per month	3

VIII. Vehicle Procurement

When purchasing new vehicles, the District Administrator shall adhere to the latest *Buyers Guide for Fleet Vehicles* published by the Department of Administrative Services (DAS). The District is a member of Oregon's cooperative procurement program (ORCPP) that allows units of local government to benefit from Price Agreements negotiated by DAS, including agreements with auto dealers across the State of Oregon.

As a general rule, vehicle selection shall be based on the lowest cost vehicle meeting all required specifications. At the discretion of the District Administrator, vehicle selection may be based on a best value determination. This shall be accomplished by considering a vehicle's capital and operating costs, as well as the vehicle's fuel type, efficiency and emissions; and by factoring industry and market pricing with the expected value and quality of the vehicle, solutions and services to be purchased. Written justification and a cost benefit analysis must be provided for a best value determination selection.

IX. Vehicle Disposal

District vehicles that reach the end of their efficient life cycle shall be disposed of according to the District's policy for *Disposal of Surplus Property*.

X. Vehicle Marking and Wrapping

District-owned vehicles shall be identified with appropriate markings. The intent is to ensure quick and accurate public identification of library vehicles and uniformity of appearance. The Assistant Director of Support Services shall approve the marking scheme for each new vehicle type, make, and model.

If approved by the Library Director and included in the District's budget, vehicle wraps are allowed for situations in which recognition is critical to support a Library program, mission and/or goal.