



PUBLIC Q&A FORUM



Why Are We Here?

AGENDA

- **History and Public Private Partnership**
- **Representation**
- **Proposed Warren County Library Board**
- **Finance/Endowment Fund**
- **Communications and Public Relations**

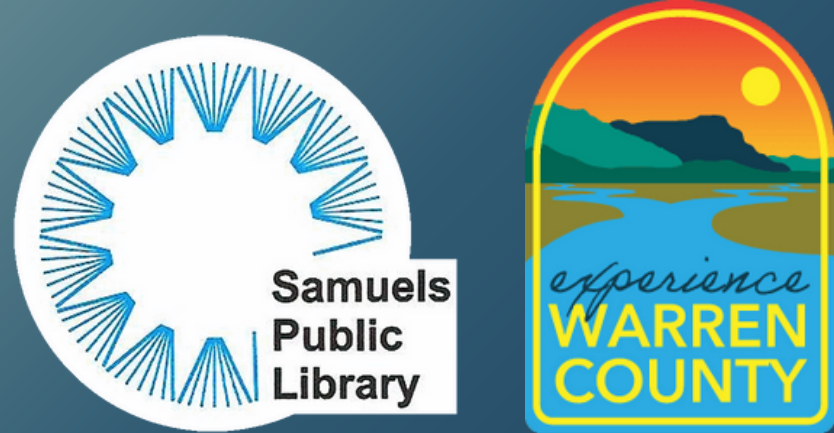
Please Welcome
**2024 National
Librarian of the Year**

Lisa Varga



***Executive Director
Virginia Library Association***

Governance

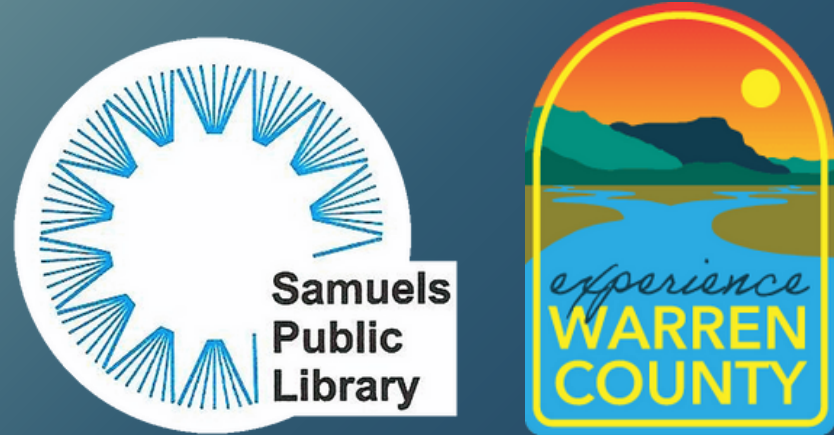


- **History**
- **Public Private Partnership**

What is it?

- Nonprofit Organizations. Public-private partnerships are **formal arrangements between a government organization and a private organization**. Through this agreement, the government can support a nonprofit that provides a service to the community.
- Economically, it can be **less expensive** for the government to contract out services, **avoiding costs for employees** and **allowing tax-payer money to be spent in other areas**.
- Administratively, public organizations are more tied to checks and balances within the government infrastructure. By contracting out services through private organizations, **public entities can avoid administrative overhead**.
- Warren County has the authority to develop and/or operate public-private partnerships under Warren County code **§39-1** for a wide range of qualifying projects, including the Library.

Governance



Public Private Partnership Advantages

- **Endowment Fund**
- **Fundraising Events & Campaigns**
- **Donations**
- **Grants**
- **Lower Operating Costs**
- **Volunteerism**
- **Exemption from Taxes**

- **History**
- **Expertise**
- **Developed relationships**
 - **WC Public Schools**
 - **County depts and agencies**
 - **Civic organizations**
 - **Businesses**
 - **Community groups**

Years of working together for the common good of Warren County.

Questions?

Governance

Board of Trustees

Responsibilities:

Legal

- Follow Federal, State, Local & FOIA laws
- Follow nonprofit bylaws & structure
- Secure funding
- Avoid conflicts of interest

Fiduciary

- Oversight of budgets and expenses
- Protect the use of public monies
- Conduct annual audit & financial advisor review

Policy Making

- Operating and administrative policies

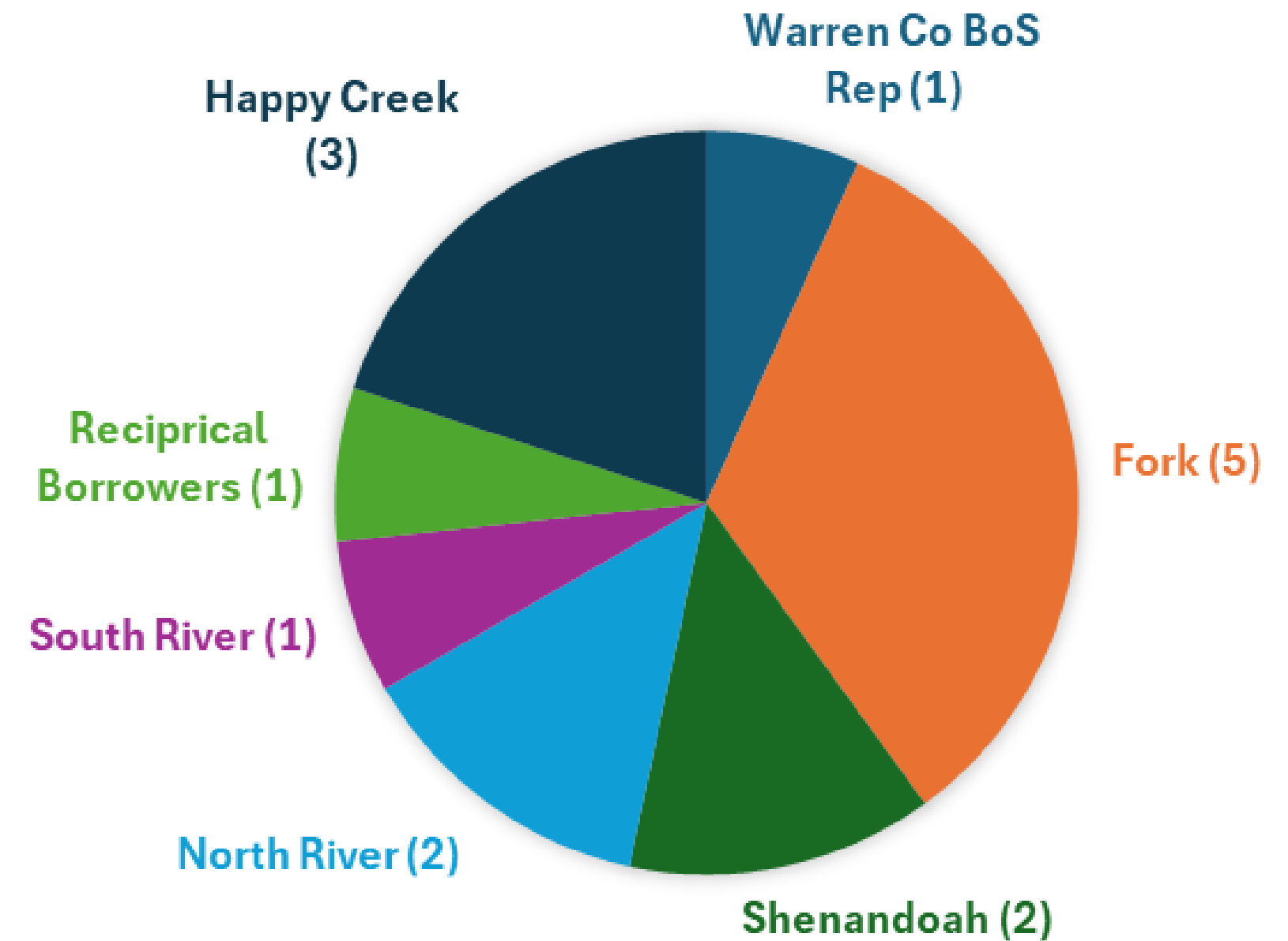
Planning

- Review of Strategic Plan re: alignment with mission and vision
- Annual review of the development Plan

Library Director

- Selection and Annual Review of Library Director in charge of day-to-day operations

TRUSTEE REPRESENTATION



Selection Process

- Transparent – Open Meetings
- Interview by Committee
- Qualifications & Expertise
- Alignment with Mission & District representation
- Selection by majority vote of the Board
- Training

Governance

Board of Trustees

Meet Our Trustees & Neighbors

Committee Work:

- Finance Committee and Ad-hoc Building Committee
- Strategic Planning Committee
- Policy/Bylaws Committee
- Development Committee
- Committee on Trustees

Questions?

Executive Committee:

Melody Hotek, President
Michael Whitlow, Vice Pres
Michelle Leasure, Treasurer
Madeline Hickman, Secretary
Lewis Moten, At-Large
Cheryl Cullers, WCBoS

Celeste Brooks

Lisa Cobb

Kim Emerson

Lori Girard

Scott Jenkins

Daniel Pond

Ed Richards

Joan Richardson

Kate Trosch

Governance

Assessment of the Proposed Ordinance to create a Warren County Library Board

- The Proposed Library Board does not have clear representation.
- The proposed ordinance enables the Board of Supervisors to Stack the new Library Board.
- Its fiscal provisions result in a lack of Financial Accountability.
- The prescribed budget and disbursement practice will lead to Financial Instability that threatens Library Operations.
- This proposal raises numerous questions and concerns. It is not in the best interests of the citizens of Warren County.

The Proposed Library Board Does Not Have Clear Representation

- No Residency Criteria
- No Recommended Qualifications
- No Term Limits
- Not Representative of All Five Magisterial Districts
- No Protection From Conflict of Interest

Lack of Financial Accountability

- Donations become the property of Warren County and are not guaranteed to be used as donor intended.
- Donations could be used to offset budget reductions imposed by the BOS, instead of enhancing programs.
- No mention of what happens to user fees and fines – how are these funds used?
- The Library Board's ability to make contracting and expenditure decisions independent of BOS oversight makes it immune to taxpayer sentiments.
- The mandate for Library Board budgeting to run on a Calendar year runs against the County's adoption of a FISCAL year budget and tax schedule. This is highly irregular.

Financial Instability

"It shall be the duty of the Library Board annually, on or before the first day of February of each year, to prepare and submit to the Board of Supervisors, in writing, a proposed budget for the operation of the library system during the following calendar year."

[illegible]

- There's a funding gap from July 2025 through December 2026. What happens to Library funding for the first half of FY '25-26 (July – December 2025)?
- The County's Adopted Budget ends June 30, 2026. How is the Library Board's budget funded for July – December 2026?

Questions?

Villa Ave Building

Finances ...

- The requested sale of the Villa Ave building was initiated by Warren County in 2011.
 - Negotiated Purchase Price – **\$550,000**
 - Library Loan Debt of **\$231,372** was waived as part of the purchase price.
 - Balance was **\$318.628** – payments began **Jan 1, 2013** and ended **Jan 1, 2019**.
 - Transfer of assets – property for cash; Library invested cash to begin saving for future enhancements.

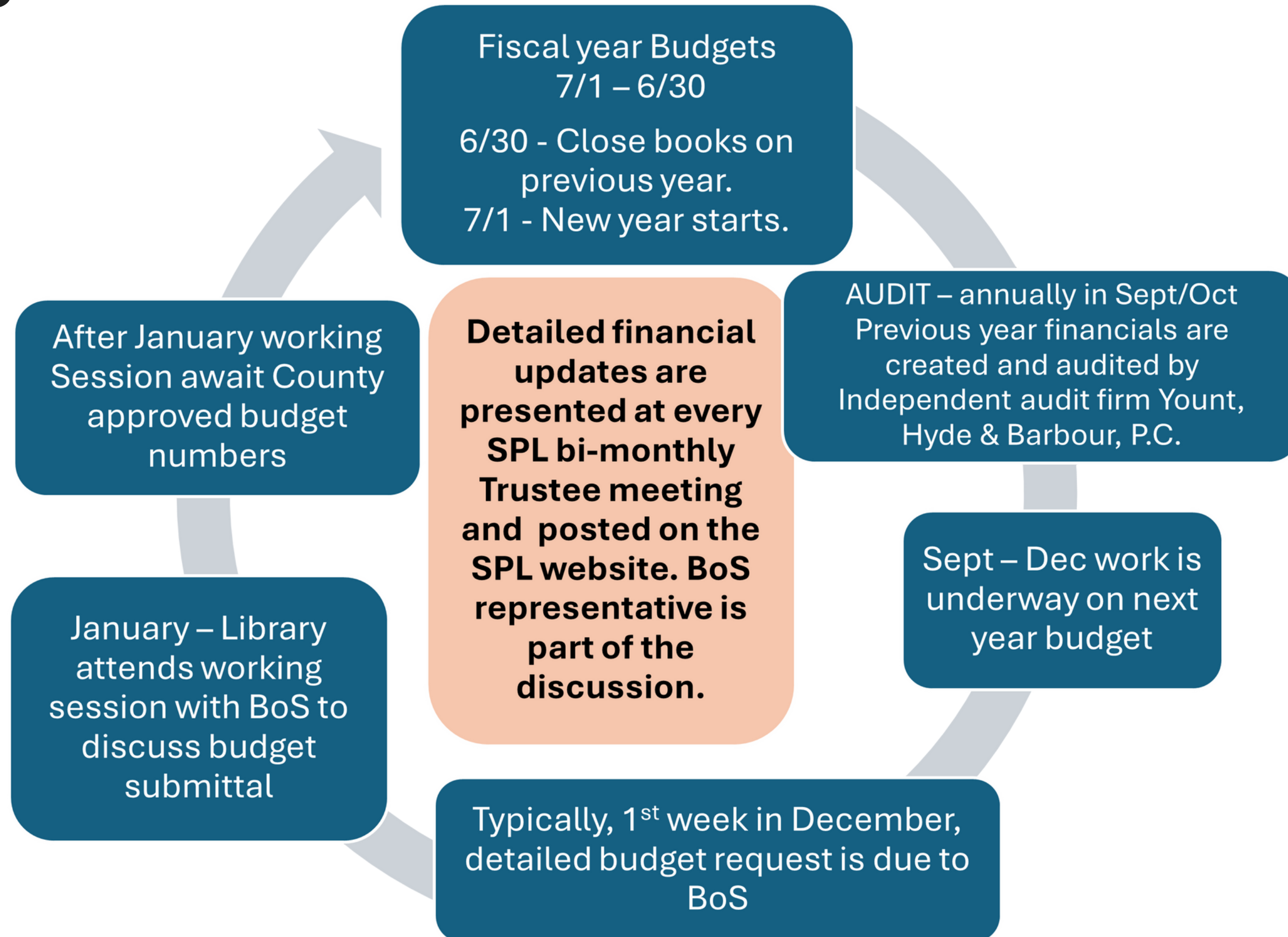
Endowment Fund

- The long-term goal of the Library Board of Trustees is to build an Endowment fund that will provide for the future of Samuels Public Library

*Taken from County of Warren FY2023-2024 Budget: Page 34, Reserve Policies, paragraph 1

1. The County will establish an emergency reserve to pay for needs caused by unforeseen emergencies, including unanticipated expenditures of a nonrecurring nature, or to meet unexpected small increases in service delivery costs. This reserve will be budgeted at no less than 0.5% of the General Fund*

Budget Process



Operating Expenses

Statement of Expense Activities for FY2024*

	2024 Warren Couty Funding	2024 State Aid Funding	2024 Samuels Library Funding	
Budgeted Amount	\$ 1,024,000	\$ 231,437	\$ 143,052*	
2024 CASH OUTLAY (per Samuels Library statement of Activities)	Actuals	Actuals	Actuals	
Automated Systems	\$ -	\$ 21,422	\$ 30,046	
Book-related Costs	\$ -	\$ 13,000	\$ 3,118	
Books, Cassettes, Videos	\$ -	\$ 102,000	\$ 6,859	
Children and adult programs	\$ -	\$ 2,000	\$ 19,720	
Computer hardware and software supplies	\$ -	\$ 10,000	\$ 18,734	
Insurance	\$ 6,217	\$ -	\$ -	
Maintenance service and supplies	\$ -	\$ 24,300	\$ 48,177	
Office equipment and maintenance	\$ 26,283	\$ -	\$ 20,000	
Office expense	\$ 13,396	\$ -	\$ 7,898	
Other expense (1)	\$ 10,000	\$ 6,500	\$ 30,772	
Professional services (2)	\$ -	\$ -	\$ 41,956	
Salaries (3)	\$ 687,378	\$ 52,215		
Subscriptions	\$ -	\$ -	\$ 4,996	
Taxes and benefits (4)	\$ 193,665	\$ -	\$ -	
Utilities	\$ 87,061	\$ -	\$ -	
	\$ 1,024,000	\$ 231,437	\$ 232,276	
Percent of Total Expenses	68.8%	15.6%	15.6%	\$ 1,487,713
Depreciation (is not a cash outlay)				\$ 56,426
Grand Total Expenses per financial report*				\$ 1,544,139

(1) Other Expenses include costs for Internet, Staff Development, Community Outreach, Advertising, Postage, Audit, Hot Spots, Donor & Volunteer Recognition, Travel & Administration, Story Walk, Development.

(2) Fees for Legal Consultation and Communications Assistance.

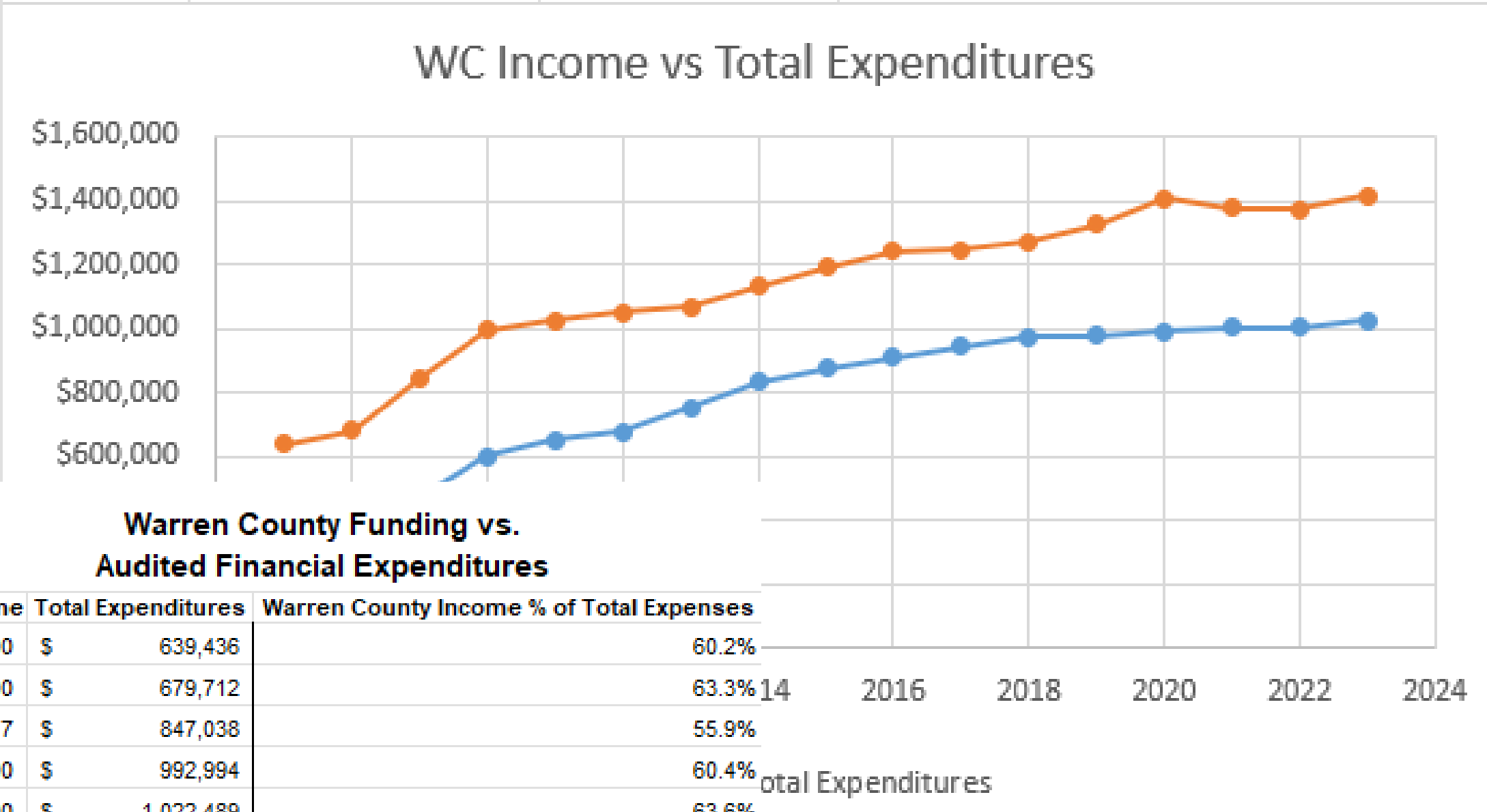
(3) 13 Salaried Employees, 9 Part time Employees (one) PT is paid for by the Mellon Grant)

(4) Benefits include SS, Medicare, Unemployment, Medical Insurance and Contributions to a 401K plan.

*June 30,2024 Audited Financial Report

Warren County Funding % Audited Financial Expenditures

From Financial Audits
Statement of Expense Activities

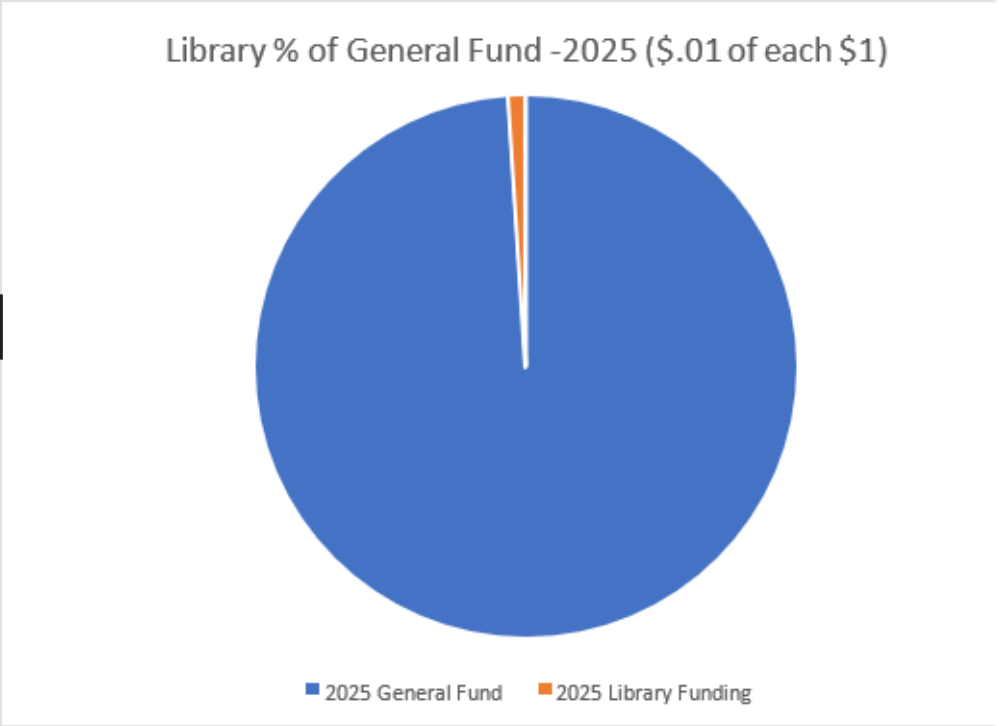


Warren County Funding vs. Audited Financial Expenditures

Fiscal Year	Warren County Income	Total Expenditures	Warren County Income % of Total Expenses
2007	\$ 385,000	\$ 639,436	60.2%
2008	\$ 430,000	\$ 679,712	63.3%
2009	\$ 473,717	\$ 847,038	55.9%
2010	\$ 600,000	\$ 992,994	60.4%
2011	\$ 650,000	\$ 1,022,489	63.6%
2012	\$ 675,385	\$ 1,049,990	
2013	\$ 752,500	\$ 1,067,437	
2014	\$ 834,000	\$ 1,130,766	
2015	\$ 875,000	\$ 1,187,852	
2016	\$ 910,000	\$ 1,241,199	
2017	\$ 945,322	\$ 1,246,167	
2018	\$ 973,682	\$ 1,270,693	
2019	\$ 979,134	\$ 1,324,433	
2020	\$ 991,758	\$ 1,405,475	
2021	\$ 1,003,087	\$ 1,378,697	
2022	\$ 1,003,100	\$ 1,373,501	
2023	\$ 1,024,000	\$ 1,413,060	

Library = 1.05% of WC General Fund \$97,350,000

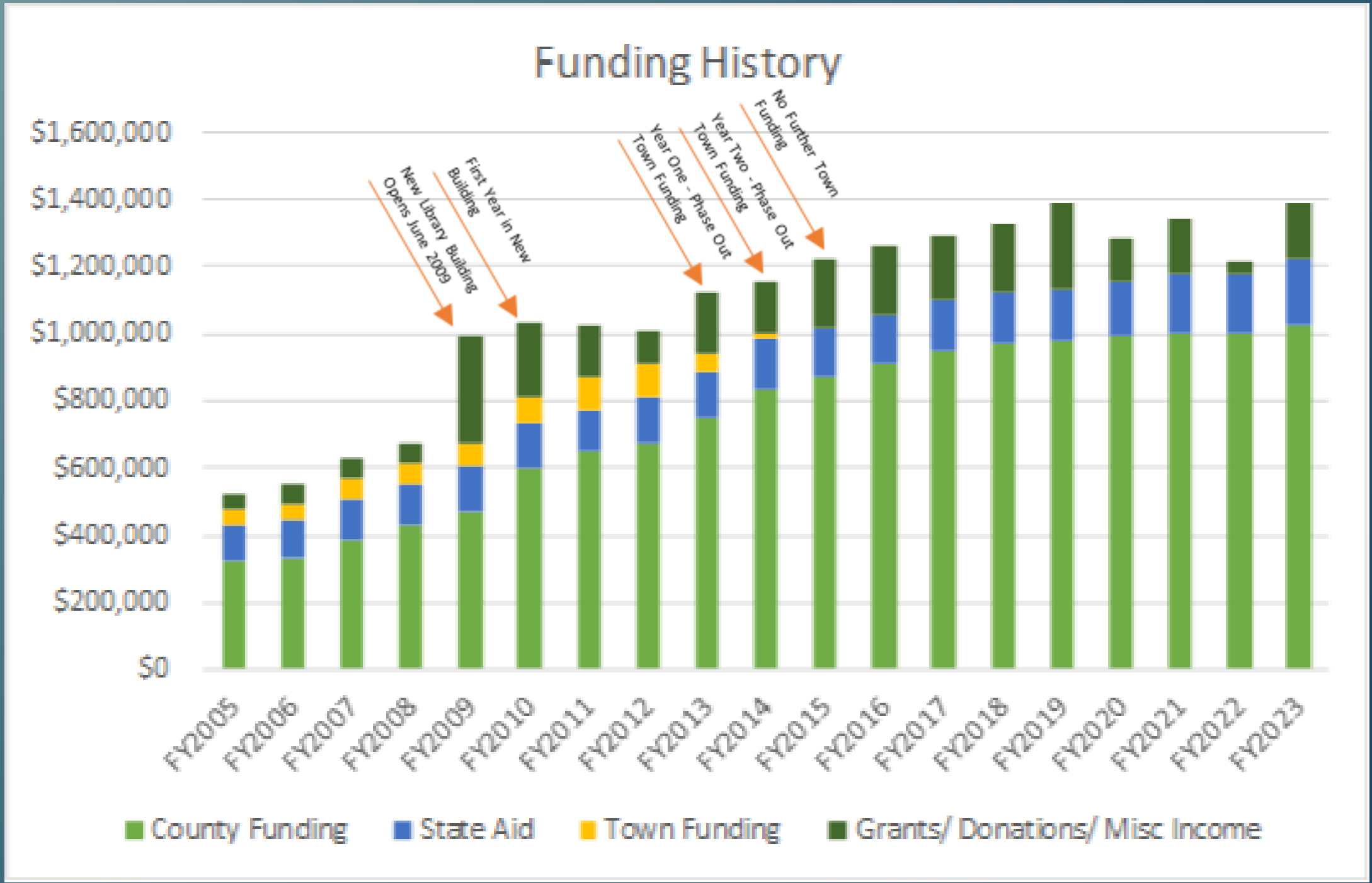
2025 General Fund \$ 97,350,000
2025 Library Funding \$ 1,024,000 1.05%



Warren County Funding & History

<u>Fiscal Year</u>	<u>County Funding</u>	<u>State Aid</u>	<u>Town Funding</u>	<u>Grants/ Donations/ Misc In- come</u>
FY2005	\$325,156	\$106,659	\$41,000	\$49,177
FY2006	\$335,000	\$111,615	\$47,596	\$57,788
FY2007	\$385,000	\$123,961	\$56,594	\$64,152
FY2008	\$430,000	\$123,539	\$61,208	\$60,105
FY2009	\$469,267	\$137,713	\$68,924	\$320,111
FY2010	\$600,000	\$131,338	\$82,000	\$215,641
FY2011	\$650,000	\$124,311	\$95,000	\$150,547
FY2012	\$675,000	\$136,420	\$95,000	\$104,668
FY2013	\$752,500	\$137,408	\$47,500	\$187,017
FY2014	\$835,000	\$147,642	\$20,000	\$146,680
FY2015	\$875,000	\$143,052	\$0	\$200,807
FY2016	\$910,000	\$146,381	\$0	\$203,866
FY2017	\$945,322	\$150,664	\$0	\$195,530
FY2018	\$973,682	\$149,834	\$0	\$201,025
FY2019	\$979,134	\$151,560	\$0	\$259,200
FY2020	\$991,758	\$158,945	\$0	\$130,649
FY2021	\$1,003,087	\$173,952	\$0	\$166,713
FY2022	\$1,003,100	\$173,220	\$0	\$38,279
FY2023	\$1,024,000	\$196,513	\$0	\$166,857

Audited Financial Statements of Income



Warren County Final Report Table A-1 Annual Library Inputs

Appendix page 28

Table A1. Annual Library Inputs

Year	Taxpayer		Samuels Lib Foundation	Private							Total	Total NON-ASSET
	Warren County	State/Town/ Fed		Donations/Gifts /Grants	Int/Investment	Fees	Gain/Loss	Asset Disposal	Total Private	Total Private NON-ASSET		
2007	\$ 385,000	\$ 180,555		\$ 14,507	\$ 8,866	\$ 40,877			\$ 64,250	\$ 64,250	\$ 629,805	\$ 629,805
2008	\$ 430,000	\$ 184,747		\$ 16,682	\$ 6,236	\$ 38,196			\$ 61,114	\$ 61,114	\$ 675,861	\$ 675,861
2009	\$ 473,717	\$ 206,637	\$ 216,268	\$ 43,925	\$ 5,383	\$ 46,085			\$ 311,661	\$ 311,661	\$ 992,015	\$ 992,015
2010	\$ 600,000	\$ 213,338	\$ 67,909	\$ 122,059	\$ 836	\$ 55,530			\$ 246,334	\$ 246,334	\$ 1,059,672	\$ 1,059,672
2011	\$ 650,000	\$ 219,311	\$ 50,000	\$ 43,747	\$ 1,845	\$ 54,954		\$ 494,734	\$ 645,280	\$ 150,546	\$ 1,514,591	\$ 1,019,857
2012	\$ 675,385	\$ 231,420		\$ 44,239	\$ 5,151	\$ 55,278		\$ (75)	\$ 104,593	\$ 104,668	\$ 1,011,398	\$ 1,011,473
2013	\$ 752,500	\$ 184,908		\$ 122,836	\$ 7,665	\$ 56,516		\$ (14,519)	\$ 172,498	\$ 187,017	\$ 1,109,906	\$ 1,124,425
2014	\$ 835,000	\$ 167,642		\$ 68,105	\$ 14,847	\$ 63,748	\$ 47,832	\$ (23,340)	\$ 171,192	\$ 194,532	\$ 1,173,834	\$ 1,197,174
2015	\$ 875,000	\$ 143,052	\$ 5,948	\$ 125,271	\$ 21,497	\$ 78,574	\$ (2,185)		\$ 229,105	\$ 229,105	\$ 1,247,157	\$ 1,247,157
2016	\$ 910,000	\$ 146,381		\$ 90,362	\$ 21,198	\$ 71,047	\$ (4,366)		\$ 178,241	\$ 178,241	\$ 1,234,622	\$ 1,234,622
2017	\$ 945,322	\$ 150,664		\$ 80,204	\$ 20,791	\$ 64,876	\$ 36,865		\$ 202,736	\$ 202,736	\$ 1,298,722	\$ 1,298,722
2018	\$ 973,682	\$ 149,834		\$ 89,233	\$ 25,321	\$ 59,180	\$ 29,109		\$ 202,843	\$ 202,843	\$ 1,326,359	\$ 1,326,359
2019	\$ 979,134	\$ 151,560		\$ 80,820	\$ 46,141	\$ 57,106		\$ (2,929)	\$ 181,138	\$ 184,067	\$ 1,311,832	\$ 1,314,761
2020	\$ 991,758	\$ 158,945		\$ 75,103	\$ 3,760	\$ 47,816			\$ 126,679	\$ 126,679	\$ 1,277,382	\$ 1,277,382
2021	\$ 1,003,087	\$ 312,652		\$ 127,832	\$ 227,351	\$ 33,944			\$ 389,127	\$ 389,127	\$ 1,704,866	\$ 1,704,866
2022	\$ 1,003,100	\$ 173,220		\$ 131,237	\$ (119,159)	\$ 40,721			\$ 52,799	\$ 52,799	\$ 1,229,119	\$ 1,229,119
2023	\$ 1,024,000	\$ 196,513		\$ 135,767	\$ 83,522	\$ 42,815		\$ (9,021)	\$ 253,083	\$ 262,104	\$ 1,473,596	\$ 1,482,617
	\$ 13,506,685	\$ 3,171,379	\$ 340,125	\$ 1,411,929	\$ 381,251	\$ 907,263	\$ 107,255	\$ 444,850	\$ 3,592,673	\$ 3,147,823	\$ 20,270,737	\$ 19,825,887
				5.4%								
Taxpayer Annual 2007-2023:		\$ 16,678,064										
Taxpayer Criser Rd Constr.		\$ 6,381,249										
Total Taxpayer		\$ 23,059,313	Total Taxpayer	\$ 23,059,313	88.0%							
Total Private*		\$ 3,147,823	Donation/Gift	\$ 1,752,054	6.7%							
		\$ 26,207,136	Fees	\$ 907,263	3.5%							
			Int/Investment	\$ 488,506	1.9%							
				\$ 26,207,136								
*Excluded: 2011 Asset disposal (Warren County): \$494,734 and other Asset Disposals												

Library Governance Representation

Taxpayer Private

1 15

6% 94%

Questions?



Memorandum of Agreements

- Ad hoc Committee was created to look at costs associated with library services in 2016–2017. Committee consisted of;
 - County Administrator
 - Staff from the County's Finance department
 - Two Board of Supervisors, Carter & Glavis
 - Samuels Library Director
 - Library's Director of Operations
 - Two Library Board of Trustees, Huber & Biggs
 - Friends of the Library Board President
- Costs for running the library at its current set-up, county-run, and hiring a for-profit company were calculated. **The Library 501c3 setup was cheaper for taxpayers.**
- All parties sat down and negotiated the 2017 MOA which is up on the Library's website. This was the first time an MOA was initiated and was designed to last three years.

There was no negotiation for 2024 MOA. A date was set for both boards to meet at the end of September 2023. The County canceled. The County attorney said they would only deal directly with Library attorney.



Presentations & Maintenance

- **January 30th 2024** – Library budget proposal presentation for FY24
- **August 13th, 2024** – 6th month review before BOS as per MOA
 - BOS Chair invited Samuels to the county building committee.
- **September 10th, 2024** – The BOS asked the Library to talk about the roof. The Library brought a rough estimate capital improvement plan previously asked for by the previous BOS rep several years prior.
 - **The library did NOT ask for \$200,000 for a new roof.**
- County-assisted maintenance was canceled at the **end of September 2024** **without notice.**
- **YES the Library's lease does put responsibility on the Library.**
- **YES the county had been taking on some Maintenance for 10 years.** Previous county administration initiated the assistance to keep the Library's budget asks down.



Work Session & Report

- **October 29th, 2024:** BOS Work Session
 - Library given **3 business days' notice**.
 - The agenda was a precursor to the BOS report.
 - Outcome: Samuels Library agreed to provide any other additional reporting during the normal budget proposal cycle the BOS would like to see.
- **November 12th, 2024 :** BOS presentation on sub-committee report
 - Same information as the work session. Despite providing answers on Oct 29th, no corrections were made.

Questions?

How Does Samuels Compare?

Around the room is an updated version of the peer comparisons presentation done in 2017 to show FY23 statistics.

This information was given to the BOS during the BOS work-session the Library attended on Tuesday October 29th 2024

BOS report does not use the information given except for pieces of data out of context such as employee costs per capita and using only Handley as a comparion.



How Does Samuels Compare?

- Warren County funding is in the middle or low middle in comparison to the ten libraries in this study and library performance is high middle to high in comparison.
- Samuels Library self-funded 14% percent of their FY2023 operating budget.
- Samuels Library program attendance is the second highest in this group with 12,464 (FY24 was 19,194)
- Samuels circulation per capita is the highest in this group at 9.25 books and a total circulation for FY23 of 386,877 (FY24 was 401,859).
- Samuels is third highest for visits per capita with 125,579 patrons walking through the door (FY24 127,751).
- Our volunteer hours are returning to pre-covid numbers going from 5748 in FY21 to 8308 in FY23 (FY24 8860)
- Many improvements were made to the building such as FY23 renovations to the youth department. The Library worked in partnership with Warren County utilizing capital improvement monies which had been earmarked for this project. The Library in turn funded structural changes to the young adult section (half wall etc), painting, and purchased a custom built locally sourced new reference desk. In addition, in FY24 the library funded the new bathroom flooring and partial carpeting to the adult area.
- Through a generous grant Samuels has received \$500,000 for a 5 year program in FY24 to expand and operate a memory lab/makerspace.
- Awarded 2024 Library of the Year for the state of Virginia

**What will these changes
ultimately cost the taxpayers?**

N

Questions?



THANK YOU
