



COUNTY OF WARREN

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Dan N. Whitten
County Attorney

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December 12, 2017

BOARD OF SUPERVISORS

CHAIR

Linda P. Glavis
South River
District

VICE-CHAIR

Tony F. Carter
Happy Creek
District

Archie A. Fox
Fork
District

Daniel J. Murray, Jr.
North River
District

Thomas H. Sayre
Shenandoah
District

Samuels Public Library
Attn: Dr. Charles Huber, Chair
330 E Criser Road
Front Royal, VA 22630

Re: Memorandum of Agreement

Dear Dr. Huber:

Enclosed is one (1) fully executed original of the above mentioned Memorandum of Agreement between the Warren County Board of Supervisors and the Samuels Library Board of Trustees.

If you have any questions, please feel free to contact me.

Sincerely,

Dan N. Whitten / jlw

Dan N. Whitten
County Attorney

Enclosure

cc: Warren County Administration Department (original)
Warren County Finance Department (copy)
Warren County General Services Director (copy)

Douglas P. Stanley
County Administrator



Memorandum of Agreement



of the Board of Supervisors of Warren County and the Samuels Public Library Board of Trustees

I. PURPOSE

In March 2017, the Warren County Board of Supervisors requested the formation of an ad-hoc committee to examine the management structure of Samuels Public Library and potential options that could save County taxpayers money in the long run. The Board of Supervisors understands that the Samuels Public Library Board of Trustees is a separate entity and that the County cannot dictate how the library is operated, although the County funds the majority of the operating costs. Members of the Board of Supervisors have expressed concerns about the County's increasing annual funding of Samuels Public Library.

It is acknowledged that Samuels Public Library compares favorably in respect to facilities, operations, and staff of other libraries in our geographic area. The library is a source of pride for our residents and is widely used. In addition to paying for the construction of the new library, the County has greatly increased its support of the library's programs and staff over the past decade.

Specifically the Board of Supervisors wanted the following three options to be reviewed:

1. Continuing with the current oversight of daily operations by the Board of Trustees;
2. Contracting with a third-party vendor to assume management of the daily operations; and
3. The County assumes management of daily operations, assuming the responsibility for activities such as Human Resources and payroll into County operations, thus saving the cost of duplication of services.

The Board of Supervisors felt that the best course of action would be to create an ad-hoc committee consisting of Board of Supervisors members, Library Board of Trustees members, and County and Library staff to study the three options. Library Systems &

Services (LSSI) and/or other vendors would be interviewed by the committee, and the committee could visit other localities to observe operations at libraries that have had either the local government or a third-party vendor assume management. The committee would then be able to make an informed recommendation on the options and whether or not the management structure should change.

The Ad-Hoc Committee was formed and included the following members:

Mary Ann Biggs, Samuels Public Library (Chair)
Pete Walker, Samuels Public Library
Chuck Huber, Samuels Public Library
Linda Glavis, County of Warren
Tom Sayre, County of Warren
Doug Stanley, County of Warren

Staff Support:

Nicki Lynch, Samuels Public Library
Eileen Grady, Samuels Public Library
Brandy Rosser, County of Warren
André Fletcher, County of Warren

II. Discussion

As part of its due diligence, the Committee reviewed the following information:

- Presentation from LSSI on third-party library management
- LSSI reports and presentations (Attachment A)
- Samuels Public Library Comparison (Attachment B)
- County Management Presentation (Attachment C)

III. Findings

After review of the three alternatives, the Committee found that:

1. The third-party management option is not recommended for a number reasons including:
 - Samuels Public Library has the support of the community and a large number of donors and volunteers, which may be jeopardized.
 - Given that Samuels Public Library is already a private organization, third-party management would not see significant savings in retirement costs.

- Samuels Public Library already takes advantage of joint purchasing opportunities.
 - At the end of the day, while there may be some savings of management, this would be taken up by the management costs of the company.
 - The committee did not see significant advantage at this time for Samuels Public Library operations to be taken over by a third-party vendor.
2. The County management option has limited merit and potential:
- Samuels Public Library would be folded into County operations as a department.
 - The current Board of Trustees would be appointed by the Board of Supervisors as an Advisory Board.
 - The option would provide the most input by the Board of Supervisors into the daily operations.
 - The loss of “independence” of Samuels Public Library.
 - Samuels Public Library employees would become employees of the County of Warren and would be eligible to participate in the Virginia Retirement System (VRS), which would add an estimated \$25,000 annual cost to the current retirement contribution.
 - The most significant downside of the option would be the anticipated drop in donations and volunteer support of Samuels Public Library by a public that may perceive that they were already paying for the library through their taxes.
3. Samuels Public Library will continue to operate as an independent library.

IV. Recommendation

It is the recommendation of the Ad-Hoc Committee that Samuels Public Library continue to operate as an independent operation with management by its Board of Trustees.

This **MEMORANDUM OF AGREEMENT**, made this 12th day of December 2017, by and between **the COUNTY OF WARREN, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (hereinafter “the County”), and the **SAMUELS PUBLIC LIBRARY BOARD OF TRUSTEES** (hereinafter “the Board of Trustees”) stipulates that the County and the Board of Trustees agree to the following:

MANAGEMENT: Both parties agree that the purpose of a public library is to level the playing field and, as such, the best option is for continued management of the Samuels Public Library by the Board of Trustees. The County will not pursue further the concept of County management or third-party management of the Library.

BUDGET: During each year of this Agreement, the Board of Trustees agrees to request, and the County agrees to appropriate, the sum of the following three amounts:

1. No increase in County appropriation in its operational funding of \$973,682 (FY 2017-2018) for its FY 2018-2019 budget, \$983,418.82 (1% increase) for FY 2019-2020, and \$1,003,087.20 (2% increase) in FY 2020-2021; and
2. A cumulative amount equal to the annual increase in Library employee Health Insurance premiums; and
3. If there is a substantive increase in County revenue during the period of this agreement, the County may consider an additional appropriation in FY 2019-2020 and FY 2020-2021 to match any across-the-board compensation increases provided to County staff.

COLLABORATION: The Library and County agree to work together to identify opportunities to share resources to provide cost savings for the Library without reduction in the County appropriation.

CAPITAL IMPROVEMENTS: As the owner, the County acknowledges that it is responsible for building maintenance and, as such, agrees to consider building improvements including updated flooring, HVAC replacement, and other facility needs as part of its Capital Improvement Plan program beginning in FY 2018-2019.

TERM OF AGREEMENT: This agreement will cover the period from July 1, 2018 to June 30, 2021.

ENTIRE AGREEMENT: This Agreement constitutes the entire, full, and complete understanding and agreement of the parties, and may be modified in whole or part by mutual consent of the Samuels Public Library Board of Trustees and the Warren County Board of Supervisors.

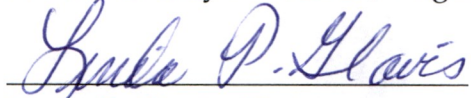
SEVERABILITY: Any term of this Agreement which is prohibited by, or is unlawful or unenforceable under Virginia law, shall be ineffective only to the extent of such prohibition, without invalidating the remaining terms of this Agreement.

Approved by the Samuels Public Library Board of Trustees on October 9, 2017

Approved by the Warren County Board of Supervisors on November 21, 2017

Witnesseth the following signatures and seals:

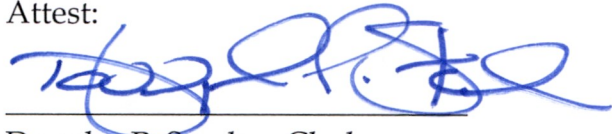
For the County of Warren, Virginia



Linda P. Glavis, Chair

Board of Supervisors

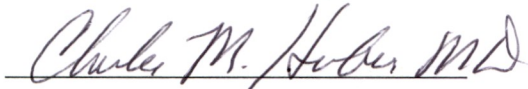
Attest:



Douglas P. Stanley, Clerk

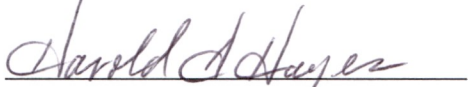
Board of Supervisors

For the Samuels Library Board of Trustees



Dr. Charles Huber, Chair

Attest:



Harold Hayes, Director

Samuels Public Library

Approved as to Form:



Dan N. Whitten

County Attorney

County of Warren, Virginia