

Dripping Springs Community Library District
November 17, 2021

Present: Derek Smith, Missy Atwood, Bob Richardson, Melva Codina, Marcia Atilano

8:40 a.m.- meeting called to order by Bob Richardson

Public Comments

There were no public comments.

Reports and Discussion Items:

- A. Kate Leverett Report on HB 1869 and its impact on DSCL bonding possibilities. According to this new law, Certificate of Obligation cannot be issued for a new library unless it meets the infrastructure guidelines, and a library does not qualify. Therefore, it is unlikely Hays County could issue COs to build a new library for the Dripping Springs Community Library District under the new definition of “designated infrastructure”. However, the District, pursuant to Chapter 326 of the Local Government Code, has the authority to issue general obligation bonds backed by a sales tax revenue pledge to construct the new library. This would need Library District voter approval.
- Ms. Leverett also discussed the following: first, whether the district can operate as a I.R.C. 501(c)(3) tax-exempt organization (e.g., the “dual status” concern), second, if the district does not have 501(c)(3) tax-exempt status, are its donations tax-deductible, and does it benefit the district to continue operating the separate 501(c)(3) organization. Her conclusions: the district cannot operate as a 501(c)(3) tax-exempt organization, but donations to it are nonetheless tax deductible. The district can, however, maintain a separate organization that has 501(c)(3) status. Doing so may allow the district to obtain private grants more easily, but it is not a requirement or prerequisite to obtaining a DUNS number. Nor is a lack of maintaining a 501(c)(3) organization a disqualifier for most grants. Presently, the Library has a DUNS and an EID but no Texas Tax Id. Currently, the 501c.3 designation is under the name “Dripping Springs Library Assn., Inc, and under Chap 326, the library is identified as “the Dripping Springs Community Library. The next step in clarifying the Library District’s status is to apply for a Texas Tax ID through the office of the Secretary of State and to apply for a name change. After that, the Library District should apply to the Secretary of State for Registered Agent status. Ms. Leverett will contact the office of the Secretary of State to find out the steps to achieve the Tax ID

The Board entered Executive Session at 9:38 a.m. on a motion by Ms. Codina and seconded by Mr. Smith.

1. Discussion centered on the Bilateral agreement between the Library and the School District.
2. Potential land sites for the new library which the TIRZ is looking into.

The Board left Executive Session at 10:50 a.m.

Reports and Discussion Items cont’d:

- B. Librarian’s Report- The Director discussed the possibility of offering employees health insurance through the Texas Municipal League Health Group. DSCL would cover 100% of the employee cost working 30 or more hours/week. The cost is \$745.24/employee rounded to \$800.00/employee. The deductibles are \$500.00/\$3,000.00. Copays are \$30.00/\$45.00.
- C. Ms. Atilano explained the various changes she is recommending to seven sections of the Library Policy Agreement. First reading on modifications to the Library Policy Agreement.

- D. Ms. Atilano presented the 2022 Operating Budget with cost increases to various categories. She also informed the Board that MUNI had changed its name to AVENU
- E. The Library Director administered the Oath of Office to Board members Missy Atwood, Bob Richardson, and Melva Codina

Action Items

1. On a motion by Melva Codina and seconded by Derek Smith, and there being no further discussion, the Board voted unanimously to acquire Texas Municipal League Health Insurance for staff members starting 2022 with the library paying the premium for eligible employees enrolled in the program.
2. On a motion by Derek Smith and seconded by Rob Richardson, and there being no further discussion, the Board voted unanimously to authorize Kate Leverett and Marcia Atilano to pursue a name change for the Library with the Secretary of State's Office and to activate the non-profit status for the library and to file a periodic report with that Office as needed.
3. The approval of Minutes and Financial Reports for the October, 2021 meeting were tabled.
4. HB 1869 and its impact on DSCL bonding – no action
5. TIRZ update, no action
6. Library planning and PGAL services – no action
7. Land acquisitions and planning – no action
8. On a motion by Derek Smith and seconded by Bob Richardson, the Board adjourned the meeting at 11:10 a.m.

Respectfully submitted,

Melva Codina

Melva Codina
Board Secretary