

SHAKER HEIGHTS PUBLIC LIBRARY
Board of Trustees
Regular Meeting
Tuesday, March 9, 2010

Attendance

Members Present: Ms. Allen, Mr. Anderson, Dr. Hutt, Mr. McGovern, Mr. Miller, Ms. Shatten, Dr. Whyte

Members Absent:

Staff Present: Mr. Dickinson, Ms. Miller, Mr. Piskac, Ms. Switzer

Others: Evelyn Krent, League of Women Voters Representative

Dr. Whyte called the regular meeting of the Shaker Heights Public Library Board of Trustees to order at 6:36 p.m. in the Bertram Woods Community Room.

Approval of Minutes

Dr. Whyte asked for a motion to approve the February 9, 2010 regular meeting minutes.

2010-29 Mr. Miller moved and Mr. McGovern seconded the motion to approve the February 9, 2010 regular meeting minutes as submitted.

Roll Call: Ayes: Ms. Allen, Mr. Anderson, Dr. Hutt, Mr. McGovern, Mr. Miller, Ms. Shatten, Dr. Whyte

Nays: None. Motion carried.

President's Report

A. OBM Meeting and Trustee Workshop

Dr. Whyte said that she was attending the State Office of Budget and Management informational meeting on Friday, March 12, along with Mr. Dickinson and Mr. Piskac at the Cuyahoga County Public Library Middleburg Heights Branch. She said Ms. Pari Sabety, Director of the State Office of Budget and Management, is giving a presentation on the state budget and its effect on future public library funding.

Dr. Whyte announced if any Trustee was interested in attending one of the upcoming OLC Trustee workshops to contact Mr. Dickinson to register.

Fiscal Officer's Report

A. Financial Statements

Mr. Piskac reviewed the February 2010 revenue and expenditure financial statements and reported the following:

Revenue Summary

Mr. Piskac reported year-to-date revenue was \$1,710,080.79 (\$1,917,942.68 – 2009), which is \$206,861.27 less than 2009 after inter-fund transfers are removed. He reported the year-to-date Public Library Fund (PLF) – State Revenue was \$252,400.44 for 2010, which was \$62,191.07 or 19.77% lower than 2009. Mr. Piskac said the library budgeted for a \$137,800 revenue reduction in PLF revenue for 2010 and indicated the Library has already lost \$62,191.07 in the first two PLF funding months. He also said our PLF revenue has decreased by \$491,000 since 2007. He said year-to-date Real Estate collections were \$151,000 less than 2009, which is due to lower property valuations and collection percentage rate. Under the new tax advance schedule, Mr. Piskac said the library would receive a real estate advance in March and one in May for late first half real estate payments. Other than the library CD investment, Mr. Piskac said library investment interest revenue continues to be significantly less due to lower interest rates and less available cash for investment.

Expenditure Summary

Mr. Piskac reported year-to-date expenditures were \$802,009.93 (\$952,906.64 – 2009), which is \$150,896.71 less than 2009. He said the Salaries expenditure line item was \$156,526.29 less than last year because January 2009 was a three-pay month. Mr. Piskac said the actual Salaries expenditure line item will be at least \$110,000 less every month than last year due to the extra pay period during 2009. Mr. Piskac reviewed other expenditure line items and said they were within or below the temporary budget.

Bank Reports

Mr. Piskac reported the month-to-date deposits of \$943,589.52 were \$553,477.24 more than month-to-date withdrawals of \$390,112.28. He also reported the year-to-date deposits \$1,711,080.73 were \$909,070.80 greater than year-to-date withdrawals of \$802,009.93. Mr. Piskac said the bank reports for the month and year-to-date show favorable increases in the library cash position due to real estate advances. He said the ending cash balance will decrease until the library receives July real estate advances.

Combined Month-to-Date/Year-to-Date Fund Report

Mr. Piskac reported the General Fund had an unexpended balance of \$1,646,219.81, \$1,097,690.03 in encumbrances, and an unencumbered balance of \$548,529.78. Mr. Piskac also reported the unexpended balance for all funds was \$1,732,388.37, \$1,142,175.93 in encumbrances, and \$590,212.44 in unencumbered funds. Mr. Piskac said Fund 211 had a negative balance due to recent encumbrances, which the Friends of Shaker Library will reimburse the library for at a later date.

Investment Report

Mr. Piskac reported the February 2010 investment balance was \$521,235.08 and the Star Ohio interest rate decreased to 0.04% from 0.05% in January. He said the library still has the Fifth Third Bank CD investment held at 2% with an April 18, 2010 maturity date.

Mr. Piskac recommended the Board of Trustees approve the February 28, 2010 financial statements as submitted.

2010-30 Ms. Shatten moved and Dr. Hutt seconded the motion to accept the February 28, 2010 financial statements.

Roll Call: Ayes: Ms. Allen, Mr. Anderson, Dr. Hutt, Mr. Miller, Mr. McGovern, Ms. Shatten, Dr. Whyte

Nays: None. Motion carried.

B. 2010 Final Appropriation

Mr. Piskac reviewed the 2010 Revenue and Appropriation Budget.

Revenue

Mr. Piskac said the Public Library Fund revenue continues to decrease and said the Library anticipates a \$137,801 decrease during calendar year 2010 from the 2009 funding level. Mr. Piskac said the Library might experience further funding reductions in June if the state does not meet their revenue estimates. He said the 2010 Real Estate Tax revenue is lower due to devaluation of residential property values and a reduction of the collection percentage to 93.90%. Under the triennial update, he said property values decreased by \$65,555,198, which resulted in a \$246,225 revenue loss at the current 93.90% collection rate. Mr. Piskac said last year's operating surplus included \$74,000 from real estate advances received during 2009 under the new tax advance schedule. Mr. Piskac said the State was considering discontinuing the hold-harmless provision for 2011 Tangible Personal Property Tax revenue. He said if the State did not reimburse the Library under the hold-harmless provision, the Library would lose approximately \$50,000 in revenue. Mr. Piskac also said interest revenue will be very low during 2010 due to low interest rates and lower available cash for investment. Under the Special Revenue Funds, Mr. Piskac said the Marilyn Kammer Fund (209) and the Frances Belman Fund (210) had approximately \$7,200 and \$3,000, respectively, for library material purchases. Mr. Piskac reported the total available General Funds are \$5,649,367.40, Special Revenue Funds \$280,221.25, and for all funds \$5,929,588.65.

Expenditure

Mr. Piskac reported salaries are broken down by department instead of employee category. He said Ms. Switzer and he worked together on a time bank, which is a departmental breakdown of the budgetary hours worked by employees. He said the Business Office will send each supervisor a per pay departmental financial summary, which compares their actual per pay expenditures to an average per pay budget so that supervisors are able to monitor their departmental budgets. Mr. Piskac reported the 2010 Health Insurance renewal was quoted at a 9% increase over 2009 premium levels. He said he was using the renewal rate until Structured Employee Benefits of Ohio (SEBO) supplies additional quotes to senior library management. Mr. Piskac said that Mr. Dickinson, Mrs. Cullers, and he were working with SEBO on obtaining quotes from other carriers. Mr. Piskac said the library is able to substantially reduce Workers' Compensation premium increases by participating in a Bureau of Workers Compensation safety program. Mr. Piskac said the 2010 Materials budget is \$571,471 which is \$36,868.74 higher than actual 2009 Materials expenditures. Mr. Piskac reported the Transfers to Other Funds \$167,600 budget is for matching Gates Grant requirements (\$2,600) and for the annual lease payment (\$165,000 - estimated). Mr. Piskac said the library does not expend all budgeted funds and anticipates library operations to at least break even if the 2009 \$173,740 operating surplus is taken into account. Mr. Piskac said the total General Fund appropriation is \$5,190,939.91, and for all funds \$5,441,532.18.

Mr. Piskac recommended the Board of Trustees approve the 2010 Revenue and Appropriation Budget as submitted.

2010-31

Mr. Anderson moved and Mr. Miller seconded the motion to approve the 2010 Revenue and Appropriation Budget as submitted.

Roll Call: Ayes: Ms. Allen, Mr. Anderson, Dr. Hutt, Mr. McGovern, Mr. Miller, Ms. Shatten, Dr. Whyte

Nays: None. Motion carried.

C. 2009 Shaker Heights Public Library – Cleveland Foundation Fund Report

Mr. Piskac reported the December 31, 2009 ending balance in the Shaker Heights Public Library Fund of the Cleveland Foundation was \$123,992.42. On May 14, 2009, he said the Library withdrew \$6,703 for Mr. Pollock's consulting services for staff development. Mr. Piskac said the fund had \$55 in gifts, \$1,991.80 in investment income, \$3,166.95 in realized losses, and \$23,461.74 in unrealized gains for a \$22,341.59 net addition to the fund. Mr. Piskac said the 2010 distribution amount was \$7,440, which is calculated by taking 6% of the fund balance as of December 31.

D. Authorize Transfer of Funds from the Shaker Heights Public Library Fund of the Cleveland Foundation

Mr. Piskac said the Library applied for a BTOP grant, which includes new computer equipment for the proposed computer area as part of the Main Library second floor renovation. Mr. Dickinson said the library would need \$20,000 in funding for the additional computers if the BTOP grant was not approved and would be covering the BTOP grant under his agenda. Mr. Piskac said that under the by-laws of the Fund the Library Board of Trustees can approve additional spending of the fund by a majority vote of the Board in two meetings that are at least 180 days apart. He said the Board of Trustees could approve the first motion during the March meeting and approve the second motion at the September meeting and meet the fund's by-law requirement for disbursements.

Mr. Piskac recommended the Board of Trustees approve use of the available \$7,440 for 2010, and the first of two motions for an additional \$12,560, from the Shaker Heights Public Library Fund of the Cleveland Foundation, if the BTOP grant is not approved.

2010-32 Mr. McGovern moved and Mr. Anderson seconded the motion to approve the available \$7,440 from 2010, and the first of two motions for an additional \$12,560 from the Shaker Heights Public Library Fund of the Cleveland Foundation, if the BTOP grant is not approved.

Roll Call: Ayes: Ms. Allen, Mr. Anderson, Dr. Hutt, Mr. McGovern, Mr. Miller, Ms. Shatten, Dr. Whyte

Nays: None. Motion carried.

E. ThyssenKrupp Elevator Contract Update

Mr. Piskac reported he was finally able to negotiate a new elevator contract with ThyssenKrupp. He said the current quarterly service contract amount is \$1,578.79 and the new quarterly amount is \$1,200. Mr. Piskac said the Library entered into another 5-year agreement with ThyssenKrupp for the same elevator services with an annual savings of \$1,515.16.

F. Paycor Contract Update

Mr. Piskac said he renegotiated the Library's payroll contract with Paycor. He said that he was able to reduce the annual \$10,776.98 payroll processing cost to \$8,455.06 per year, which results in a \$2,321.92 savings. He said the Library would be able to save additional money under another Paycor program, but all employees would have to enroll in direct deposit. He said the Library only

requires half-time and above time status employees to use direct deposit. Mr. Piskac said about 15 employees are not enrolled in direct deposit.

Director's Report

A. Written Report

Mr. Dickinson provided a summary of meetings he attended.

Mr. Dickinson said the Library and City were moving forward with the Shaker Library banners to be put up during Shakerfest in April. He said banners would be installed by the City on Lee and Chagrin and possibly in the Bertram Woods area, as well, funds permitting. Mr. Dickinson said they would be up for about a month and then taken down by the City.

Mr. Dickinson said more than 30 Ohio libraries have levies on the May ballot as a result of state funding reductions, almost as many as last November.

B. Board, Records, and Finance Policies

Mr. Dickinson referred discussion to Ms. Switzer since she is coordinating the policy review process. Ms. Switzer said the reviewed Board, Records, and Finance policies were included in the Board packet. She said some policies were reviewed and no changes were made and some policies, such as the finance policies, may have a strike through on the dollar amount. Ms. Switzer said for example, the bidding requirements changed from \$15,000 to the new statutory requirement of \$25,000 so the old amount was struck out and the revised amount was written in next to it. Mr. McGovern inquired about the input period and process. Ms. Switzer said the Executive Team, Administrative Team, and Public Service staff provided input into the policy review. She said the policies are reviewed according to the schedule provided at the February Board meeting and any policy recommendations are included in the Board packet for Board review and approval. Mr. Dickinson asked if the Board wanted to take action tonight on these proposed policy recommendations or in April. The Board consensus was to wait until the April Board meeting.

C. BTOP Grant Application

Mr. Dickinson said the Library was applying for a grant under the Broadband Technology Opportunities Program (BTOP), which is part of the federal stimulus package. Under the application process, he said the Library was supporting the State Library and partnering with Connect Ohio for computer training both of whom have submitted separate BTOP applications themselves. Mr. Dickinson said the proposed BTOP grant would fund approximately 100 computers and supporting computer equipment for the existing Main Library and Bertram Woods public computer workstations and the proposed public computer workstations in the Main Library renovation. Mr. Dickinson said the library would use a portion of the bond funds from the proposed Main Library second floor renovation as the 20% matching funds requirement for the grant. The grant submission due date was March 15. Mr. McGovern asked Mr. Dickinson what is the dollar amount of the grant. Mr. Dickinson said more than \$200,000 and that amount will probably be higher once the financial portion is completed. Mr. Miller asked if the library application would be approved as all or nothing. Mr. Dickinson answered in the affirmative.

Mr. Dickinson also reported that on March 1 the Library applied for an LSTA Grant for Community Gardening. On March 5, the Library applied for a \$10,000 grant from Better World Books for the Play and Learn Station and on March 15, applied for a \$500 grant from the Ohio State University Extension for pear trees for the Bertram Woods property. Dr. Hutt asked Mr. Dickinson if the

Library had the resources to maintain the community garden and pear trees. Mr. Dickinson said other civic groups in the community would maintain community gardens on non-Library property and library staff and community members would maintain the pear trees.

D. Change the Date of the June All Staff Meeting

Mr. Dickinson said the June All Staff Meeting was scheduled for June 18, which falls on the date of the Bertram Woods 50th anniversary celebration. He recommended moving the June All Staff Meeting to June 4 to accommodate the 50th anniversary activities at Bertram Woods.

2010-33 Mr. Miller moved and Mr. Anderson seconded the motion to move the June All Staff Meeting to June 4 from June 18 to accommodate the 50th anniversary activities of the Bertram Woods branch.

Roll Call: Ayes: Ms. Allen, Mr. Anderson, Dr. Hutt, Mr. Miller, Mr. McGovern, Ms. Shatten, Dr. Whyte

Nays: None. Motion carried.

E. Bureau of Workers Compensation Cap Program

Mr. Dickinson said the Library enrolled in the BWC 10-Step Safety Program to cap the library's EM rating at 100%. He said when Mrs. Kim Cullers returns from maternity leave in April, she will have until September 2010 to implement the 10-Step Safety Program or the Library would forfeit the premium discount. Mr. Dickinson said the Library would be able to save approximately ten to twelve thousand dollars a year by implementing the program.

F. City Letter - Library Court Apartments

Mr. Dickinson read a letter he received from the City regarding a \$50,000 PILOT (Payment In Lieu Of Taxes) agreement with the City and Schools for the future Library Court Apartments. He said the Library is not a party to the PILOT agreement in which the Library Court Apartments would split the payment equally between the City and Schools. Dr. Whyte and other Board members inquired about why the Library was not part of the agreement. Dr. Whyte asked Mr. Dickinson on behalf of the Library Board to determine why the Library is not part of the PILOT agreement.

G. Legislative Day

Mr. Dickinson said Tuesday, March 16 is the Ohio Library Council's Legislative Day in Columbus. He and Ms. Switzer will attend on behalf of the Shaker Heights Public Library along with many other library representatives from across the state. Mr. Dickinson said they have appointments with both State Senator Nina Turner and Speaker of the House Armond Budish.

New Business

A. Gifts to be accepted and appropriated to the designated funds

Frances Belman Fund (210-6110)	
In memory of Frances Belman	
Nancy Benacci	\$100.00
Leslie and Fred Frumin	\$18.00
Monticello Middle School Sunshine Club	\$35.00

Paul Morris, Mitzi Morris, and Bob Carpenter \$50.00

2010-34 Mr. McGovern moved and Mr. Miller seconded the motion to accept and appropriate the above gifts.

Roll Call: Ayes: Ms. Allen, Mr. Anderson, Dr. Hutt, Mr. Miller, Mr. McGovern, Ms. Shatten, Dr. Whyte

Nays: None. Motion carried.

Community Comments

Mr. Duane Deskins said the Library should partner with Amazon.com in a Kindle pilot program to see how they might enhance library patron reading options. Mr. Deskins said Kindles are not very conducive to academic institutions but are an asset to public libraries and he wanted to see the Shaker Library pioneer patron usage of Kindles. Board members discussed the various options with Mr. Deskins from fees for various Kindle membership levels to maintenance of the devices.

Announcements

Mr. Dickinson said on Friday, March 19, the library's All Staff Meeting will be held at the Main Library starting at 8:30 am.

Mr. Dickinson said on Sunday, March 28, the library will hold the 11th Annual Barbara Luton Art Competition Awards Ceremony at the Main Library from 2-4 p.m.

Adjournment

There being no further business, Mr. McGovern moved and Ms. Shatten seconded the motion and Board members agreed unanimously to adjourn the regular board meeting at 8:04 p.m. The next regular meeting of the Shaker Heights Public Library Board of Trustees will be Tuesday, April 13, 2010 at 6:30 p.m. in the Main Library Boardroom.

Dr. Donna Whyte, President

David D. Piskac, Fiscal Officer

Kurt Miller, Secretary