

SHAKER HEIGHTS PUBLIC LIBRARY
Board of Trustees
Regular Meeting
August 20, 2018

Attendance

Members Present: Mr. Bertsch, Mr. Cicarella, Mr. Gleisser, Ms. Katz, Mr. Meinhard, Ms. Williams

Member Absent: Ms. Garrett

Staff Present: Ms. Beaver, Ms. Brodar, Ms. Cullers, Ms. Switzer, Implementation Team

Mr. Gleisser called the regular meeting of the Shaker Heights Public Library Board of Trustees to order at 6:35 p.m. in the Main Library Room B.

Roll Call: Mr. Bertsch, Mr. Cicarella, Mr. Gleisser, Ms. Katz, Ms. Williams

Approval of Minutes

2018-35 Ms. Williams moved and Mr. Bertsch seconded the motion to approve the June 18, 2018 Regular Board Meeting Minutes.

Roll Call: Ayes: Mr. Bertsch, Mr. Cicarella, Mr. Gleisser, Ms. Katz, Ms. Williams

Nays: None. Motion carried.

Community Comments

Mr. Frank Goforth stated he continues to prefer the independent library, but he is concerned about the bond debt and would like to hear a public discussion regarding the long range financial plan. He was concerned about all the reactive responses before the levy and would like to hear the long range plans to have the three taxing authorities work together to make Shaker a vibrant community.

Presentation: Lynne Miller, Bertram Woods Branch Manager

Ms. Miller presented information regarding the Bertram Woods Branch.

Mr. Meinhard arrived at 6:47.

President's Report

Mr. Gleisser said staff are working on scheduling a joint board meeting with Cleveland Heights-University Heights Public Library. However, many board members from both organizations are unavailable for the proposed September dates. Mr. Gleisser asked if board members would prefer to find dates later in the year or have the meeting when fewer board members can attend. The board agreed that scheduling the meeting later in the year was preferred. Ms. Switzer will share additional possible dates with the board.

Fiscal Officer’s Report

A. PLF Update

June PLF Revenue

The June Public Library Fund (PLF) distribution was 3% more than the Ohio Department of Taxation’s (ODT) estimate for the month and 5.8% higher than what we received in 2017. For the state's Fiscal Year 2018 (July 2017-June 2018), the total PLF exceeded ODT's projections by nearly \$7.5 million.

June 2018 Revised Estimates for CY18

In June, the ODT issued its final certifications for the PLF distributions for Calendar Year 2018 (CY18). Overall, ODT is now estimating the total CY18 PLF distribution will be 2.66% higher than the figure ODT certified in December 2017.

The revised PLF estimate for Shaker Library is:

December 2017 estimate for CY18	\$1,482,034	
Shaker Library PLF budget	\$1,437,573	(97% of certification)
June 2018 updated estimate for CY18	\$1,515,928	(2.3% higher than Dec estimate)

The June Update is ODT’s final update to the CY18 certification. The next certification issued by ODT will be for CY19.

July PLF Revenue

The July PLF distribution was 6% above the ODT's revised estimate for the month and 0.3% higher than the 2017 distribution. Year-to-date, the actual PLF total distribution is more than 4% higher than the ODT's original YTD projection and 0.9% higher than the July 2018 revised projections. Revenue is 2.8% higher than 2017.

B. 2019 PLF Estimates

The Ohio Department of Taxation (ODT) has posted its initial certifications for the Public Library Fund (PLF) for Calendar Year 2019 (CY19).

The CY19 entitlement estimates are based on the PLF percentage being set at 1.68% of the state General Revenue Fund (GRF) for Fiscal Year 2019 (FY19) which ends on June 30, 2019 and then reverting to the statutory 1.66% of the GRF. As required by law, these estimates will be updated again in December 2018.

The current estimate for Shaker Library in CY19 is \$1,556,678. This is 1% higher than the June 2018 projections for CY18.

C. Financial Statements

During the month of July, the library received the second advance for the second half of the property taxes paid. The property taxes are typically settled in late August and the second HERB payment is typically received in September or October.

Fines and fees continue to run below budget and will continue to be monitored.

Interest revenue is continuing to run above budget due to the increase in short term interest rates. At this time in 2017, the rates were still around 1%. They are now slightly over 2%.

Contributions are running lower than last year, but other revenues are on track with budget and the total revenues are at 77.8% with 58.33% of the fiscal year completed.

The various expenditure categories approved by the board are all on target. There are several line items that are above the average at this time of the year due to timing issues, but none that are concerning at this time. The total combined expenditures are at 54.1% for the General Fund and 53.7% for all funds which is still under the 58.33% for the total year through July.

General Fund through July 2018

Total 2018 Operating Revenue	\$ 2,724,054.09
Total 2018 Operating Expenditures	\$ 2,558,889.76

All Funds through July 2018

Beginning Year balance	\$ 2,266,597.36
2018 Receipts	\$ 3,600,990.01
2018 Expenditures	\$ 2,592,785.53
Unexpended Balance	\$ 3,274,801.84
Encumbrances	\$ 584,514.78
Unencumbered Balance	\$ 2,690,287.06

2018-36 Mr. Meinhard moved and Mr. Cicarella seconded the motion to accept the June 30, 2018 and July 31, 2018 financial statements as submitted.

Roll Call: Ayes: Mr. Bertsch, Mr. Cicarella, Mr. Gleisser, Ms. Katz, Mr. Meinhard, Ms. Williams

Nays: None. Motion carried.

D. 2018 Property Reappraisals

Ohio law requires a reappraisal every six years, an update every three years and annual valuation of improvements based upon building permits received from each city annually. The full reappraisal was done this year and the Budget Commission recently issued the “Tentative Estimated Library Total Valuation Impact Tax Year 2018, Collection Year 2019.”

The estimated valuation increase in Shaker Heights is 8%.

For the current levy, this change will have an impact on the effective millage for the library’s 4.0 voted mills.

On November 29, 2017, the Cuyahoga County Budget Commission certified that the new levy was calculated to provide an estimated \$1,542,688.79 in revenue based on the valuation for taxation of \$811,941,470.

However, the revenue generated by the new levy is based on the 2018 reappraisal. Shaker Heights estimated valuation for 2018 is \$885,591,877. Based on the estimated revised valuation, we project that the new levy should generate \$1,598,493 at a 95% collection rate.

Homeowners have until August 31 to contest the reappraisal. Final numbers will not be available until the end of the year.

Director's Report

A. Written Report

Ms. Switzer reviewed her written report.

B. Facility Planning Update

Renovations and enhancements to library services require proactive management and planning. The goal is to provide outstanding service in a modern facility, while managing costs, maximizing the return on the community's investment, and staying off the ballot for as long as possible. Now that the levy has passed, we are in the facility pre-planning stage.

Updated information about our community and their needs is necessary. This information will affect the services offered, which in turn affects the design of renovated facilities. Information will be gathered in a variety of ways, including surveys, usage analysis, demographic analysis, and stakeholder interviews.

Because the city owns the Main Library, city staff will play an integral role in planning and approving renovations. The Main Library lease requires that improvements costing more than \$125,000 be approved by the city and that plans, specifications, and architectural drawings be submitted to the city's Director of Planning & Development at least thirty days before they are submitted to prospective bidders or contractors.

The library will hire a municipal advisor, who will represent the library in the sale of PLF bonds and who has an explicit fiduciary duty to the library. This municipal advisor will assist the library in determining the best type of financing for the project, selecting other finance professionals, planning the bond sale and successfully selling and closing the bonds. While a municipal advisor plays a key role on the financing team, the library remains in control of the decision-making process necessary for the issuance and sale of the bonds or for implementing the financing.

The financial projections must be updated because a number of things have changed that affect the budget:

- the law changed to increase the amount of PLF that can be used to issue bonds
- the preliminary assessments for property values have been completed and values in Shaker increased eight percent, although final numbers won't be available until later in the year.
- PLF revenue is projected to be higher than certified for this year and a slight increase is projected for next year. In addition to having an impact on how much PLF revenue can go toward debt service for bonds, this also has an impact on the overall financial projections.

The facility budget projections will be completed after a municipal advisor has been selected and has provided feedback on options. Updated financial projections are essential in planning timelines for the renovation.

Community feedback will be important as we design a renovated 21st Century Library that effectively meets the needs of Shaker. Another key component of community involvement will be the facility planning committee. We anticipate that in addition to staff and board members, there will be representatives from the city and community.

C. Quarterly Usage Report

Ms. Brodar reviewed the quarterly usage report, which summarizes statistics related to circulation, visits to the library, programs, and usage of public computers and the library's wireless network during the second quarter of 2018 and year to date.

There has been a notable increase in circulation this quarter subsequent to the CLEVNET-wide implementation of automatic renewal for physical materials, which began on April 2. Although eMedia items are not automatically renewed, eMedia circulation also continues to grow, both in raw numbers and as a percentage of total circulation.

D. Fine Free Libraries

In the past several years, there has been much discussion in the library community about overdue fines, their effects, and whether they are appropriate to the mission of public libraries. A number of libraries across the country have eliminated overdue fines, and/or implemented automatic renewal, which decreases overdue items and overdue fines.

Locally, the Cleveland Heights-University Heights Public Library has eliminated overdue fines and CLEVNET has implemented automatic renewals. Shaker Library charges overdue fines for many materials; however, there are no fines on children's materials or on items checked out by Golden Buckeye cardholders (customers over age 60 or with disabilities as defined by Social Security).

Ms. Brodar said that although the library is interested in exploring elimination of all overdue fines, at this time we are collecting data on how automatic renewal affects the revenue received from fines to get a better understanding of what the financial impact would be. It's also necessary to assess the financial impact of other customer service changes made this year before considering changes to the fine structure.

E. Investment, Special Services, Meeting Room, and Personnel Policies

Investment Policy

The policy has been revised to eliminate repeating specifics of the current law. Instead, it refers to relevant section of the ORC and the requirement to follow the law even if the law is updated. Additionally, some omissions in the current policy are remedied in the revision, such as investment philosophy, ethical standards, and clarifying investment objectives.

Special Services Policy

This policy has been updated to offer free faxing. Fax lines are being switched to VoIP. At that point, there will be no expense to the library for faxing. This change will be a significant improvement in customer service.

Year to date the library has received \$3,742.75 in fax revenue, which is approximately \$500 per month for faxing.

Meeting Room Policy

The passage of the operating levy in May and the improved outlook for Public Library Fund revenue makes it possible to stop charging nonprofit groups for room use and to make meeting room equipment available to all free of charge.

Currently, the library earns approximately \$5,500 from nonprofit groups per year. The impact of this change should be less than \$3,000 for this year.

Ms. Switzer said that together with eliminating fees for faxing and allowing \$1 of free printing per day for library cardholders, this change removes significant barriers for use for the Shaker Heights community and will improve our community's experience with the library.

Personnel Manual, First Review

There are many minor changes and clarifications. Significant changes include:

- Adding language about hiring the most qualified candidates to provide flexibility and protection for the library when considering reassignment to a vacant position as an ADA accommodation.
- Combining vacation, personal time, and floating holidays into a new leave category called Earned Time Off (ETO). The change to ETO will reduce the time and cost of business processes and improve staff's access to their paid time off. There is no change in the actual leave benefits the staff receives. Sick leave remains a separate bank of hours and is unchanged.

2018-37 Mr. Cicarella moved and Ms. Williams seconded the motion to approve the Investment, Special Services, and Meeting Room Policies.

Roll Call: Ayes: Mr. Bertsch, Mr. Cicarella, Mr. Gleisser, Ms. Katz, Mr. Meinhard, Ms. Williams

Nays: None. Motion carried

F. Rescheduling September Staff Meeting

Ms. Switzer said that although the library presents harassment training at new employee orientation and periodic refresher training, with the heightened awareness of harassment in recent months, it is important to ensure all staff are fully trained in their responsibilities and rights.

Ms. Cullers is in the process of finding a speaker to conduct harassment training for all staff on a weekday morning. The next staff development day is not until spring 2019 but it is important to provide this refresher training for staff sooner.

The library is scheduled to open at 10:30 a.m. on Friday September 21 so a meeting for all staff can be held in the morning. Ms. Switzer asked to reschedule that staff meeting at a time that works for a speaker, so harassment training can be presented to staff. The library would open no later than 1:00 p.m. on the day of training.

As soon as a date is scheduled, Ms. Switzer will notify the board and hours information will be updated for the community.

2018-38 Mr. Cicarella moved and Ms. Katz seconded the motion to reschedule the September 21, 2018 staff meeting and to open at the regularly scheduled hours of 9-5:30 that day. The library will open no later than 1:00 p.m. on a date to be scheduled this year so harassment training can be provided to all staff.

Roll Call: Ayes: Mr. Bertsch, Mr. Cicarella, Mr. Gleisser, Ms. Katz, Mr. Meinhard, Ms. Williams

Nays: None. Motion carried

G. Community Engagement Report

Ms. Switzer presented the written Community Engagement Report.

New Business

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

Bertram Woods Branch (208-46510)	
Sachin Jindal	
In honor of Manjula Shah	\$150
Frances Belman Fund (210-6110)	
Barbara Winicki	
In memory of Frances Belman	\$50
Marilyn Kammer Memorial Fund (209-6510)	
Randy Kammer	
In memory of Evelyn Lazar	\$50
In memory of Gary Headly	\$25
In memory of Stanley J. Clark Jr.	\$25
In honor of Mark Green	\$25
In honor of Sue Starett	\$25

2018-39 Ms. Katz moved and Ms. Williams seconded the motion to accept and appropriate the above gifts.

Roll Call: Ayes: Mr. Bertsch, Mr. Cicarella, Mr. Gleisser, Ms. Katz, Mr. Meinhard, Ms. Williams

Nays: None. Motion carried

B. Personnel Action

Bruce Smith, Circulation Services Assistant, Half-time, Level 106, Hired, effective 6/16/18

Courtney (Kai) Horn, Library Assistant, Full-time, Level 106, Hired, effective 7/30/2018

Mekenzie Smith, Library Assistant, Full-time, Level 106, End of Employment, effective 6/20/18

Alonia Dozier, Library Assistant, Half-time, Level 106, End of Employment, effective 7/3/18

Announcements

Ms. Katz reported that a new resident she was speaking to recently said her family moved to Shaker Heights because of the Library.

Mr. Cicarella recently attended a seminar on responding to active shooters and believes the library needs to make such training a top priority in the library. Ms. Brodar said the library has worked with the Shaker Heights Police Department to provide training for staff and that staff is using a template from Homeland Security to create an organizational response plan for the library.

Mr. Gleisser introduced Ayesha Bell Hardaway, the Board of Education member who is the liaison to the library.

Adjournment

Since there was no further business to discuss, Ms. Katz moved and Ms. Williams seconded the motion to adjourn the regular board meeting at 8:43 p.m. and trustees unanimously agreed. The next regular meeting of the Shaker Heights Public Library Board of Trustees will be Monday, September 17, 2018 at 6:30 p.m. in the Main Library Room F.

Brian Gleisser, President

Susan Beaver, Fiscal Officer

Troy Meinhard, Secretary