

May 12, 2010

Minutes of the regular meeting of the Board of Trustees of the Skokie Public Library held in the Skokie Public Library Board Room, Wednesday, May 12, 2010.

CALL TO ORDER

Diana Hunter, President/President Emerita, called the meeting to order at 7:29 p.m.

Members present: Diana Hunter, President/President Emerita; John Graham, Vice President; Zelda Rich, Secretary; Richard Basofin; Susan Greer; Karen Parrilli; Dr. John M. Wozniak; and Carolyn A. Anthony, Director.

Staff present: Barbara A. Kozlowski, Associate Director for Public Services.

APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF APRIL 14, 2010

Dr. Wozniak made a motion, seconded by Mr. Graham, to approve the minutes of the regular meeting of April 14, 2010, subject to additions and/or corrections.

There being no additions or corrections, the minutes were approved and placed on file.

CONSENT AGENDA (Financial Statement; Circulation Report; Library Use Statistics; Report(s) from Department Head(s); Gift)

Mr. Graham made a motion, seconded by Mr. Basofin:

MOTION: THAT THE SKOKIE PUBLIC LIBRARY BOARD OF TRUSTEES APPROVE THE FINANCIAL STATEMENT, SUBJECT TO AUDIT, AND THAT THE FOLLOWING CONSENT AGENDA ITEMS BE PLACED ON FILE:

1. CIRCULATION REPORT
2. LIBRARY USE STATISTICS
3. REPORT(S) FROM DEPARTMENT HEAD(S)
4. GIFT: \$100. FROM RICHARD BASOFIN IN MEMORY OF MARYELLEN ERICKSON

The motion was approved unanimously.

YEAR-TO-DATE BUDGETARY STATUS

The Year-to-Date Budgetary Status was noted.

FINANCIAL STATUS / ANALYSIS OF GENERAL OPERATING FUND FOR THE SEVEN FISCAL YEARS

The Financial Status/Analysis of General Operating Fund for the Seven Fiscal Years was noted.

BILLS

A motion was made by Mr. Graham, seconded by Dr. Wozniak:

MOTION: THAT THE SKOKIE PUBLIC LIBRARY BOARD OF TRUSTEES APPROVE THE BILLS, SUBJECT TO AUDIT.

The roll call vote for approval was unanimous.

DIRECTOR'S REPORT

USAGE----Circulation in April was up nearly 17%, bringing the Library over the 2,000,000 circs in a year threshold for the first time! We enjoyed excellent press coverage of the record-setting occasion. For the month of April, DVD circulation posted strong gains as did Youth books and Bookmobile circulation. Use of self-check was up almost 18% from last April and E-commerce collections were up 30% for the month. The gate count was down by almost 6%, perhaps because of the lovely warm spring.

PARKING LOT----Chicagoland Paving will be out to reconfigure the drains in the parking lot Thursday and Friday, May 13 and 14. While there is no good time for parking to be disrupted, there is little programming in the Library those days. Lovely weather and light Library use are hoped for.

FAMILY LITERACY GRANT----The Library will receive a \$4,800. family literacy grant from the Secretary of State's Office as part of the Penny Severns Summer Family Literacy Grant Program. Kate Belogorsky wrote the grant which will be carried out in partnership with Oakton Community College and the Niles Township ELL Parent Center. The grant will enable 22 adults to work on their literacy skills related to English language use while their children participate in Library programs.

DIGITAL PAST----NSLS asked libraries participating in Digital Past to make a contribution toward maintenance of the database this year. Skokie's contribution would have been \$3,000. About one third of the participating libraries said that they could not contribute financially for the service. The State Library has stepped in and said that it will assume responsibility for maintaining the database. With fewer resources, Mrs. Anthony doesn't know how they will accomplish this, but it is a relief to know that they will do so

as digitized local resources are often lost if they are not part of a larger compiled database. Skokie Public Library has contributed information regarding the threatened Nazi march and, together with the Skokie Historical Society, information about early firehouses, Anna Klehm, and historic Skokie photos.

GEESE----The Library's goose on the green roof hatched six eggs April 30 to the delight of staff and patrons who have been watching developments through pictures taken by Ruth Sinker and posted on the Library page on FLICKR. Staff didn't have long to enjoy the parade of goslings as Animal Control removed the family to the canal bank May 4.

VISITORS----Four librarians from the Allen County Library in Indiana visited April 27, primarily to see what we're doing with technology, our catalog and the Media Lab. They were most impressed, commenting that "You have a beautiful library and are doing amazing things." In June, the Library will host three public librarians from China who will visit for four days before flying to Washington D.C. for the ALA Annual Conference. Their visit is sponsored by the Institute of Museum and Library Services. The morning of June 10, staff will assist the Mount Prospect Public Library in hosting three visiting librarians from Mount Prospect's sister city in France.

STATE OF THE VILLAGE----Mrs. Anthony attended the State of the Village luncheon sponsored by the Skokie Chamber of Commerce. The Mayor talked about the impact of the recession on the Village, mentioning unemployment of 8.7% and 463 foreclosed properties within the last two years. The Village itself has twenty two vacant positions due to decreased revenues from sales taxes and increasing pension costs. The new Police Station will open in late fall or early winter, ahead of schedule. There are now 929 people employed at the biotechnology park developed by Forest City.

ILA SERVICES TASK FORCE----Mrs. Anthony is co-chairing a Task Force on Services that is one of three to come out of last Fall's Summit on the Future of Library Cooperation in Illinois. They had one meeting by V-Tel and will probably have only one additional meeting, again by V-Tel, with communication by Internet in between. The Task Force is to make recommendations for which cooperative services should be provided and how they might be delivered, with the assumption that the structure of ten library systems in Illinois will not continue to function as it has for over forty years.

FESTIVAL OF CULTURES----Staff are preparing for the 20<sup>th</sup> Annual Festival of Cultures in Oakton Park May 22 - 23. The Bookmobile will be at the Festival as usual. Mrs. Anthony hopes that some Board members will be able to stop by.

ARTISTIC DISCOVERY----Entries by area high school students are on display in the gallery outside the Mary Radmacher Meeting Room for the annual Artistic Discovery competition. Sponsored by the U.S. Congress, the winning piece from each Congressional District will be displayed in the Rotunda of the Capitol building. Congresswoman Jan Schakowsky will be at the Library May 10 at 6:30 to congratulate the young artists.

TASTE OF SKOKIE VALLEY----The annual Taste of Skokie Valley, sponsored by the Skokie Chamber of Commerce and the Skokie Valley Rotary, will be held June 10 at the Doubletree.

CHOOSE PRIVACY WEEK-----The American Library Association designated May 3 – 8 as Choose Privacy Week to raise awareness of the threat to privacy, posed by the increasing use of the Internet for communication and commerce. The campaign is aimed particularly at young people who are often highly engaged in the use of social media, without regard for privacy concerns. ALA produced a video of about 20 minutes on the subject of privacy which includes an interview with Mrs. Anthony and some other footage of staff shot at the Skokie Public Library.

#### END OF YEAR CASH POSITION

Mrs. Anthony stated that the unaudited Financial Statement for the year as of April 30, 2010, shows a total cash balance of \$8,026,717.07, with expenses from the Operating Budget of \$9,904,577. for the year just completed.

The detail of the levy collection for the Fiscal Year shows a total collection of \$12,415,846.76 as compared to a budgeted figure of \$12,068,048. for an excess of \$347,798.76. An excess of \$121,062. in the Fall collection shows less than \$468. coming from prior year collections, but it does in fact mitigate a shortage of \$553,241.82 in the FY '09 levy collection. The spring collection shows an excess of \$226,736.69, including \$95,861.28 from prior years. Since the Spring collection was billed at 55% of the 2008 levy, a collection of \$6,483,067.25 might have been anticipated, while the actual spring collection was \$362,632.56 short of that figure.

The spring tax bills were dated February 1, but the Library's largest receipts were posted after mid-March (the largest single receipt dated 3/26). As late as April 27, the Library received a payment of more than \$215,000. from the Spring collection. Collections from calendar year 2009 show that approximately \$220,000. was collected from the levy in the first six months of the Fiscal Year, before the Fall tax bills were sent out.

Since we have been forewarned that the Fall tax bills will probably not be sent out before December 1 this year, it is worth calculating how the Library will get through about 7.5 months without significant property tax revenue. (The Library should receive about \$220,000. in collections as it did last year, plus the pledged Per Capita Grant of ca. \$70,000. and the Library will collect more than \$100,000. in fines in six months, but total revenues will probably be under \$500,000. during this stretch of the year.) Library commitments include payments of a little less than \$300,000. for interest on the bond debt due June 1 and a debt payment of about \$1,400,000. on the bond debt due December 1. Monthly expense of ca. \$800,000. for 7.5 months would take about \$6,000,000. Therefore, Mrs. Anthony foresees expense of about \$7,700,000. against a revenue balance of \$8,026,000. (augmented by ca. \$400,000. in additional revenues) which should enable the Library to meet financial needs with an allowance of about \$700,000. for unforeseen expense.

The Library's financial position is such that Mrs. Anthony will not recommend any major projects such as an upgrade of the RFID system until the Fall property tax bills are out. However, the Library should be able to operate "business as usual" in its current cash position, borrowing from the Reserve Fund in the latter part of the Fall.

Brief discussion followed.

### LIBRARY EXPRESS

Library Express service for delivery of library materials to the home via the U.S. Mail was started as part of a grant project in 2007. At the end of the grant period, it was decided to continue the service, with a \$2.00 fee per request to the patron. Use went down initially when the fee was instituted, but then stabilized, becoming rather consistent year to year.

The Board reviewed the service last May and approved its continuation for another year, subject to review. Tobi Oberman, Head of Circulation, reports that most of the patrons who use Library Express are regular users. One is a busy executive who likes the convenience. The others are mainly older patrons who do not qualify for homebound delivery. Patrons like the convenience of Library Express when it is snowy or sometimes when they have something on the hold shelf and are too busy to drive over to the Library. Mrs. Oberman reports that the time involved for Circulation staff is only a few minutes per item so she sees no problem continuing the service.

The cost of sending one pound via Media Mail is \$2.38, unchanged from last May, so the \$2.00 fee covers most of the cost. Since Library Express is an appreciated convenience

for some patrons and not a burden to staff, Mrs. Anthony recommends that it be continued.

After brief discussion, Mrs. Rich made a motion, seconded by Mr. Basofin:

MOTION: THAT THE SKOKIE PUBLIC LIBRARY BOARD OF TRUSTEES  
APPROVE CONTINUING LIBRARY EXPRESS.

The roll call vote for approval was unanimous.

#### FURNITURE FOR JUNIOR HIGH ZONE

Junior high school students have been using the Teen Corner, intended for high school students, rather than using the Junior High Zone in Youth Services. Staff have been meeting with an advisory group of junior high school students to determine why they are not using the area designated for them and what they would like to see. In a process over the past several months, staff have also met with architect Paul Steinbrecher and with Scott Fairbanks of LFI to translate needed changes into design and furniture alterations.

A key element of the change will be to separate the Junior High Zone more clearly from services for younger children. Parts of the youth media collection for young children were adjacent to and facing the Junior High Zone, leading to frequent visits by young children and their parents. Collection areas will be rearranged to bring the entire junior high print collection closer to the Junior High Zone from its current locations in the main portion of the Youth Services Department.

Within the Junior High Zone, the existing bench seats and table will remain, but provision will be made to shelve graphic novels within the area, to provide a computer and catalog station as well as two counter areas for laptop plug-in. Mrs. Anthony distributed the architect's design for the reconfigured Junior High Zone. The shelving will be almost all reconfigured from existing. A plasma screen will be purchased that may be used to show a movie or for scheduled gaming programming.

The quotation from LFI is for \$12,972. of new furniture for the Junior High Zone as shown on Paul's drawing. The plan is to reconfigure the area in August before the start of the new school year.

Board approval of the purchases as outlined for \$12,972. is requested.

After discussion, a motion was made by Dr. Wozniak, seconded by Mrs. Parrilli:

MOTION: THAT THE SKOKIE PUBLIC LIBRARY BOARD OF TRUSTEES  
APPROVE THE QUOTATION FROM LFI TO RECONFIGURE THE

JUNIOR HIGH ZONE IN THE AMOUNT OF \$12,972. AS  
PRESENTED.

The roll was called: Mr. Basofin – yes; Mrs. Rich – yes; Mrs. Greer – no; Mrs. Parrilli – yes; Mr. Graham – yes; Dr. Wozniak – yes; Mrs. Hunter – yes. The motion passed.

GASB NO. 54 FUND BALANCE REPORTING

The Governmental Accounting Standards Board released GASB Statement No. 54 “Fund Balance Reporting and Governmental Fund Type Definitions” in February 2009 requiring changes to fund balance reporting in governmental funds for state and local government. The statement is effective for financial statements for periods beginning after June 15, 2010 so it will not affect the Skokie Public Library until FY 2012.

Nevertheless, it seems wise to begin thinking in the terms of the new nomenclature. Mrs. Anthony distributed a page from Sikich, the Library auditors, explaining the changes with GASB 54. The explanation is quite clear, but it may be helpful to apply the definitions to the Library’s accounts. GASB 54 outlines up to five components of fund balance. An example of a non-spendable fund balance would be the Library’s Per Capita Grant. Although the Library received a commitment letter from the State in early February for a Grant of nearly \$65,000., the funds have not been received and may not come until September. Were GASB 54 currently in effect, the amount of the grant might be shown as a non-spendable fund balance for FY 2010.

There are four categories of spendable fund balance. An example for the Library of a restricted fund balance would be the amount collected from the levy, designated for bond debt payment. Money set aside by Board action for capital expense, referred to as the Reserve Fund for Sites and Buildings, would be an example of a committed fund balance. Mrs. Anthony believes that the “assigned fund balance” would apply to the balance in the Library’s Fine Arts Fund which is not recognized as a fund by the auditors. It could also apply to a balance in the General Operating Fund which has been designated by the Board for cash flow purposes as the Library does not have an official “Working Cash Fund.” Unassigned fund balance applies to any other resources in the General Operating Fund that do not fall into one of the above categories.

Staff will have the opportunity this year to become more familiar with these terms before the close of FY 2011. No Board action is required on this matter at the present time.

Discussion followed.

ANNUAL REPORT FROM UNIQUE MANAGEMENT SERVICES

Mrs. Anthony distributed a report from UNIQUE Management Services regarding the value of receipts from their collection services for the Fiscal Year. Accounts don't go to collection until two notices have already been sent so these may be reviewed as more problematic accounts. Nevertheless, UNIQUE assisted in the collection of over \$47,000. this past year at a cost of about \$7,600. for a 6:1 return on investment. They were successful in recovering over two thirds of accounts handled.

UNIQUE has a firm, but considerate approach to collections that has proved to be effective without alienating patrons. They specialize in service to libraries.

This report is for information only. No Board action is required.

#### CHOOSE PRIVACY WEEK VIDEO SHOWING

The Board viewed the Choose Privacy Week video. Discussion followed.

#### NORTH SUBURBAN LIBRARY SYSTEM

Mrs. Parrilli reported on the North Suburban Library System regular Board Meeting held April 26, 2010.

- The meeting took place at Adlai E. Stevenson High School, Wheeling. The Board approved a resolution recognizing Assistant Librarian Lisa Dettling and the "Breakfast for Books" Club on their concerted efforts to raise awareness of the need to support Illinois libraries, as well as conducting a fund-raiser by designing, producing, and selling T-shirts. Lisa and the students presented the Board a check in the amount of \$2,300.
- Betsy Bartholomew announced her resignation from the Board. She has accepted a position as a hospital librarian in Washington State.
- The Treasurer's report stated that there is less than 25% of the budget year left, and NSLS does not have 50% of its budgeted funds. There is great concern on the part of NSLS, as well as the other library systems, about the lack of support from the State and not receiving the Live and Learn funds for FY2010.
- The Executive Director announced that elections for the NSLS Board will take place at the May meeting. Interested candidates are self-nominated and should go online to fill out the necessary forms. All NSLS members are eligible to vote, including standing Board members.
- The Executive Director reported on a meeting of representatives from NSLS, DLS, MLS, PALS, and ALS, regarding the dire financial situation all are facing and the possibility of merging. It was agreed to bring in a consultant familiar with how



libraries can work more closely to overcome budget problems and other options, including merging. The Board approved \$2,000 to cover NSLS' expenses to participate in the Strategic Realignment Workshop.

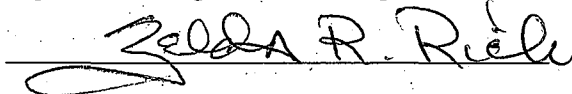
- The bridge on the NSLS property is nearly completed. A dedication is planned for mid-May.
- There was extensive discussion about the financial situation of the library systems and the lack of response from the Secretary of State's office. The Board agreed to sign and send letters to both Jesse White and also to the Illinois State Library regarding the Proposed Administrative Rules.
- The Board approved the FY2010-2011 budget. The Finance Committee presented a bare-bones budget, and reported that if the State does not fulfill its financial commitment, it will mean even more drastic staff and service cuts.

#### COMMENTS FROM TRUSTEES

There were no Comments from Trustees.

#### ADJOURNMENT

At 8:49 p.m. a motion was made by Mrs. Rich, seconded by Dr. Wozniak to adjourn the regular meeting. The motion passed unanimously.



Zelda R. Rich, Secretary