

August 14, 2019

Minutes of the regular meeting of the Board of Trustees of the Skokie Public Library held in the Skokie Public Library Board Room, Wednesday, August 14, 2019.

CALL TO ORDER

Mark Prosperi, President, called the meeting to order at 6:32 pm

Members present: Mark Prosperi, President; Karen Parrilli, Secretary; Susan Greer; Eugene Griffin; Jonathan H. Maks, MD; and Richard Kong, Director.

Member absent: Mira Barbir

Staff present: Blythe Trilling, Finance Manager; Laura McGrath, Deputy Director

Observers present: Jess Lifshitz, Lauren Fink, and Magnolia (Maggie) Rivera-Pulex

COMMENTS FROM OBSERVERS

The observers thanked the Board for having them at the meeting. Ms. Rivera-Pulex introduced herself to the Board at 6:50 pm and expressed her appreciation for the library. She also shared that she is interested in potentially being a member of the Board should the opportunity arise.

DIRECTOR'S REPORT (Written report provided by Mr. Kong to the Board prior to the meeting)

Renovation Update

Andrew Berman Architect (ABA) is working on completing the construction documents in preparation for the anticipated start of the bidding process at the end of September. Shales McNutt Construction (SMC) will attend the August Board meeting to present the revised cost estimate for the project based on 50% CDs (construction documents). Based on this revised cost estimate, they will work with ABA and the library to make any changes necessary to keep us within our original budget parameters heading into the bidding process.

We are also making progress on planning the logistics for Phase 1. Our goal is to continue to provide as much "2nd floor service" to the public as possible while the 2nd floor is closed for renovation. The tentative plan is to repurpose the MR and MR Gallery spaces for an information and computer commons area, with desktop computers, study tables, and an information services staff presence.

I am working closely with our Communications and Multimedia Engagement staff on a communications plan to share more information about the renovation with the public. We plan to use the library's website for most of the communication, though we will also have a physical display of some kind somewhere visible in the library. This display will include basic information about the project and some renderings. I also plan to hold a series of presentations and pop-up conversations

with the public to share information about the project and ask for feedback.

Village Manager John Lockerby suggested that I provide a written summary of the renovation plans sometime during the summer, and make a presentation of the concepts to the Village Board in September. The plan, then, would be to ask the Village Board to approve an ordinance for the parameters of the bond issuance at a future Board meeting, perhaps in October. When more information about the bond timeline is provided by the Village, I will work with our attorney to draft a resolution for the library Board to consider authorizing me to move forward with the Bond process.

Finally, ABA is planning another visit to the library September 10-12, and this will include an update to the Board during the September meeting. We will also receive an update from graphic designer Neil Donnelly.

Possible Special Meeting

If all goes according to plan with the construction bidding process, I anticipate that we will need to schedule a special Board meeting on Wednesday, October 30, 2019, to handle the approval of the construction bids recommended by SMC. I would appreciate it if the trustees could mark this date and time (6:30 pm) in your calendars, respectively.

Trustee Diana Hunter's Resignation

I received a letter from Diana Hunter, dated July 29, 2019, addressed to Board President Mark Prosperi. Mr. Prosperi gave me permission to open the letter, in which Diana Hunter submitted her resignation as a member of the Library Board of Trustees effective immediately. She thanked the Board and library staff for the recognition of her 50 years on the Board earlier in the summer, and thanked everyone for the kindness shown to her over the years.

CD Transfer

Another one of our CDs with Byline reached its maturity date in July. Rather than reinvest the funds (approximately \$1.05 million) with Byline at a lower interest rate, we invested the funds in a new CD with First Bank of Chicago, which is opening a Skokie branch soon, at a higher interest rate. Our third and last Byline CD is maturing this fall, at which time Finance Manager Blythe Trilling and I will explore options to invest those funds elsewhere at a higher interest rate.

Backlot Bash and Farmer's Market

The Backlot Bash will take place August 23-25, 2019. Due to the construction project on the corner of Lincoln Avenue and Oakton Street, the Farmer's Market will be held in the library's west parking lot that Sunday morning. Similar to last year's arrangement with the Park District and Village, we will ensure that access to the library will be provided for staff and patrons, and that the library can open at its normal time at 12pm. I do not expect any disruption of service to library users.

Village of Skokie Public Open House

The Village of Skokie is hosting an Open House to share information about new and proposed

downtown Skokie development projects and to discuss the new TIF (tax increment financing) district that will help fund a new hotel development and a major addition to the Illinois Science and Technology Park. The event will be held on Tuesday, August 13, 2019, at two different times (11:30 am-2:30 pm and 5:30 pm-8:30 pm) at Ignite Gaming located on 8125 N. Skokie Blvd. I am planning to attend part of the afternoon session, but trustees are welcome to attend as well. No registration is needed.

Fish Tank

The fish tank in the youth services area is receiving an upgrade. We are working with a new maintenance provider who will stock the tank with a couple of bottom feeders and cichlids. Better lighting will also make the tank more attractive to visitors until a new fish tank is installed during the last phase of the renovation.

“Growing Up Brave on the Margins” Grant Project

Young Adult Services Supervisor Laurel Johnson submitted an application for the library to participate in American Library Association’s (ALA) new project called *Truth, Racial Healing & Transformation Great Stories Club: Growing Up Brave on the Margins*. This program will help us engage local teens through literature-based programming exploring questions of race, equity, identity, and history.

Ms. Rivera-Pulex entered the meeting at 6:39 pm.

Discussion of Director’s Report

Dr. Maks asked whether Mr. Kong was planning to give any presentations to local schools and students as users of the library. Mr. Kong said that he gave a brief presentation to the new incoming D219 staff and that he would get in touch with local superintendents to set up presentations at local schools if there is interest. He asked the trustees to suggest any other groups that might like to have a presentation. Mrs. Parrilli suggested putting something into the Village newsletter. Ms. Greer suggested having some kind of interactive project for children related to the renovation.

Mr. Kong reported on his presentation to a small group of patrons on Monday night about the renovation. The patrons were all extremely excited about the plans by the end of the evening.

Mr. Prospero asked if the ordinance being brought to the Village Board in October instead of September would delay construction. Mr. Kong said he did not believe so. Mr. Griffin asked if library Board members should attend the Village Board meeting in September. Mr. Kong said it would be a great show of support for trustees to be there.

Mr. Prospero mentioned there are two orders of business related to Mrs. Hunter’s resignation. One being the election of a new vice president, and the second the selection of a new trustee.

APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF JULY 10, 2019

Mrs. Parrilli made a motion, seconded by Ms. Greer to approve the minutes of the regular meeting of July 10, 2019, subject to additions and/or corrections. There being no additions or corrections, the minutes were approved unanimously and placed on file. The vote was 5 ayes and 0 nays.

BILLS

Mrs. Parrilli asked a question about a payment to Northwest Drapery. Mr. Kong responded that it was for the cleaning and fireproofing of the curtains in the Petty Auditorium.

A motion was made by Dr. Maks, seconded by Mr. Griffin:

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

The roll call vote for approval was 5 ayes and 0 nays; the motion passed unanimously.

CONSENT AGENDA (Financial Statement, Statistics Report, Reports; Gifts; Personnel)

Mrs. Parrilli praised the staff for their hard work related to the different priorities laid out in the strategic plan. The Board appreciated the quarterly strategic update and approved of the new format.

Mr. Kong commented on the quarterly dashboard and the statistics relating to technology use. The next dashboard will have an updated metric relating to this because there are other factors that are not reflected in the figures in the report.

Mr. Prosperi asked if the temporary summer employees are all library students. Mr. Kong stated that some are library student paid interns, and others are high school or college students looking for summer employment.

Mr. Griffin made a motion, seconded by Ms. Greer:

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. STATISTICS REPORT
2. REPORTS
3. GIFTS: \$1000 FROM BYLINE BANK AND \$500 FROM NORTH SHORE CENTER FOR THE PERFORMING ARTS IN SUPPORT OF SUMMER READING
4. PERSONNEL: PROMOTION: MATTHEW MACKELLAR, FULL-TIME COMMUNITY ENGAGEMENT SUPERVISOR FOR NEIGHBORHOOD ENGAGEMENT, COMMUNITY ENGAGEMENT DEPARTMENT, EFFECTIVE SEPTEMBER 1, 2019; DEPARTURES: GAIL DUNLAP, BOOKMOBILE SUPERVISOR, COMMUNITY ENGAGEMENT,

EFFECTIVE AUGUST 31, 2019; ETHAN HERDRICH, PART-TIME EXPERIENTIAL LEARNING SPECIALIST, LEARNING EXPERIENCES, EFFECTIVE SEPTEMBER 7, 2019; DANIELLE ZIELINSKI, PART-TIME PATRON SERVICES ASSISTANT, EFFECTIVE AUGUST 20, 2019; TEMPORARY SUMMER EMPLOYEES: CRISTINA AVILES, EFFECTIVE AUGUST 9, 2019; ABBY ANTWI-NSIAH, EFFECTIVE AUGUST 13, 2019; JESSICA HANSEN, EFFECTIVE AUGUST 17, 2019; AYESHA KHAN, EFFECTIVE AUGUST 21, 2019; MAYA MUNSON, EFFECTIVE AUGUST 10, 2019; JESSICA SMITH, EFFECTIVE AUGUST 7, 2019; LEXI SWEILEM, EFFECTIVE AUGUST 13, 2019; TARAL TALATI, EFFECTIVE AUGUST 13, 2019; AIRAH ZAIDI, EFFECTIVE SEPTEMBER 22, 2019.

The motion passed unanimously. There were 5 ayes and 0 nays.

PRESENTATION OF UPDATED RENOVATION COST ESTIMATES

Mr. Campanelli from Shales McNutt Construction presented on the updated cost estimates. They are now at the 50% Construction Design phase. He feels that the budget is in very good shape and that the timing is going to work out very well for the bidding process.

The Board discussed the updated cost estimates with Mr. Campanelli.

Mr. Campanelli and Ms. Rivera-Pulex left the meeting at 7:18 pm.

UPDATE OF ANTICIPATED CAPITAL PROJECTS

The Board has asked for an updated list of potential, upcoming capital projects every six months. Since the capital asset study includes a fuller picture of what capital improvements are needed over the long term, Mr. Kong provided the Board with a list of completed projects from the past few years, as well as anticipated and in-progress projects for the remainder of the current fiscal year and the next couple of years.

The installation of the new exhaust extraction system in the Bookmobile garage and the purchase of new server hardware were the two major capital expenses during the past six months. The repairs to the south courtyard brick wall and the cooling tower basin refurbishment will take place later this fiscal year.

A number of larger projects related to the interior spaces and courtyards were not listed because they may be folded into the renovation project beginning in early 2020. Other projects may be folded into the renovation timeline but paid for out of our normal operating budget, such as upgrading the library's access control system, intrusion detection system, surveillance camera system, and computers and AV for renovated spaces. The library is currently working with the architect and

vendors/consultants to come up with cost estimates for these projects.

Looking ahead over the next five years, Mr. Kong anticipates that both the lower roof and upper roof will need to be replaced. In addition, the library may consider a major repaving project for the parking lot and driveways once the renovation project is completed. Finally, depending on the diagnosis of the chiller (one of two in the building) that is currently not working properly, the library may need to purchase a new chiller.

Another updated list of anticipated capital projects will be provided in February 2020 as the Board considers the 2020-2021 operating budget. The complete capital asset study is available through the Board's Dropbox, and can be viewed at any time.

No board action is needed at this time. This update is for informational and planning purposes only.

Mrs. Parrilli asked how often the roof is inspected. Mr. Kong said that it is inspected regularly. Mr. Prospero said it would be helpful to list out all the alternates and future capital projects and determine what the priorities are and what year each project will be done. Mr. Kong said that after the bidding process, the alternates that are not selected may be added to the capital projects spreadsheet.

APPROVAL OF CHILLER DIAGNOSIS AND REPAIR

Tim Murphy, Building Services and Safety Manager, recently informed Mr. Kong that the Carrier chiller, which is one of two chillers in our facility, was not working properly. For some unknown reason, the chiller is shutting down soon after it is turned on. The starter was examined and found to be functioning properly, so the next step is to perform a full diagnosis that involves opening the chiller.

Due to higher temperatures we have experienced during certain days of the summer, Mr. Kong felt it would be best to fast-track approval of this diagnostic work in order to have it scheduled and performed as soon as possible in early August. If he waited for Board approval at the August meeting, the earliest they would have been able to schedule the work is late August or early September. Our second, smaller chiller is working well and shows no signs of failing, but it is best to have two working chillers sooner rather than later.

Mr. Kong contacted Board President Mark Prospero and Secretary Karen Parrilli by phone to ask for special permission to approve Atomic Mechanical Services' proposal to perform the diagnostics of the chiller since the quote was over the spending limit of \$10,000. Both gave their approval, so Mr. Kong moved forward with the purchase order. Tim Murphy is hopeful that Atomic will be performing the work within the next week.

Mr. Kong recommended the Board formally approve the Atomic proposal to perform the diagnostics on the Carrier chiller at a total cost of \$11,140.

A motion was made by Dr. Maks, seconded by Ms. Greer:

MOTION: THAT THE SKOKIE PUBLIC LIBRARY BOARD OF TRUSTEES APPROVE THE ATOMATIC PROPOSAL TO PERFORM DIAGNOSTICS ON THE CARRIER CHILLER AT A TOTAL COST OF \$11,140.

A roll call vote was taken and the motion passed unanimously. There were 5 ayes and 0 nays.

DISCUSSION OF 2019 TAX LEVY

Next month, the Board will need to adopt a tax levy for transmission to the Village of Skokie. The 2019 levy will be introduced as part of the Village's Levy Ordinance in early December and acted on by the Village Board before the end of December. This levy will fund the library's 2020-2021 Fiscal Year.

The 2018 operating levy was \$12,210,636, and there was a continuing levy of \$1,264,350 for payment of the library's bond debt from construction completed in 2003. The total 2018 levy was \$13,474,986, which was a 0% increase from the 2017 levy.

Last month, the Board reviewed tax collection shortages over the past five years. Starting with the 2017 levy, the Village directed the Cook County Clerk to extend an additional 3% for loss and cost in collection of the tax levy. This should help make up for future shortages. The tax collection shortages from the past five years were as follows:

FY 2019	\$160,380	(1.19% of collection)
FY 2018	\$432,300	(3.26% of collection)
FY 2017	\$208,379	(1.59% of collection)
FY 2016	\$343,359	(2.64% of collection)
FY 2015	\$367,692	(2.85% of collection)

Despite these collection shortages, the library has maintained a healthy cash balance in the General Operating Fund, regularly spending less than revenues. Our General Operating Fund balance as of May 1 for the past five years has been as follows:

FY 2019	\$7,280,444	(after transfer of \$1.2 million to Reserve Fund)
FY 2018	\$6,495,304	(after transfer of \$550,000 to Reserve Fund)
FY 2017	\$6,267,321	(after transfer of \$200,000 to Reserve Fund)
FY 2016	\$5,607,690	(after transfer of \$300,000 to Reserve Fund)
FY 2015	\$5,432,099	(after transfer of \$1 million to Reserve Fund)

The library has built a healthy balance in the Reserve Fund in recent years, with a total balance of \$10,129,275.57 as of July 31, 2019. In addition, \$550,000 has been budgeted in the Capital line for current capital expenses in the FY 2020 budget. With our starting unaudited balance of \$7,280,444

(less \$683,005 due to Debt Service) in the GOF at the start of the current Fiscal Year, we have sufficient funds for about six months of operation when factoring in an average monthly expenditure of \$1,099,573.

The levy increases from the past five years were as follows:

2018 levy	\$13,474,986	(0% over 2017 levy)
2017 levy	\$13,474,986	(1.5% over 2016 levy)
2016 levy	\$13,275,848	(1% over 2015 levy)
2015 levy	\$13,144,404	(1% over 2014 levy)
2014 levy	\$13,014,261	(1% over 2013 levy)

The Board was provided with charts showing an Analysis of the General Operating Fund for the past seven years, and a preliminary look at the projected budget for FY 2021. Outside of tax collections, conservative projected revenues include \$300,000 for Corporate Replacement Tax, \$40,000 for fines and fees, and \$125,000 for interest (note: interest from the library's Reserve Fund is not included in this figure). The library has already received its 2019 Per Capita Grant for \$80,980 from the Illinois State Library. The revenue projection also includes \$35,000 from other sources such as donations/sponsorships and photocopier collections.

Projected expenditures include a 3.1% increase for a combined merit and cost of living increase (based on what the Board approved last year) for library staff. The merit and cost of living increases are usually determined by the Board during the March Board meeting prior to the approval of the operating budget during the April Board meeting. In addition, the employer's portion of health insurance is expected to increase in the calendar year 2020, and we are tentatively factoring in an 8% increase for the PPO and a 5% increase in the HMO. Reductions in spending may be possible to areas such as physical materials since we will be in the middle of a renovation that will reduce the space available for usable collections.

Overall, a 1% increase in the levy may be expected to yield \$134,750 more in FY 2021. A 1.5% increase may be expected to yield \$202,125 more in FY 2021. A 2% increase in the levy may be expected to yield \$269,500 more in FY 2021.

The library has been able to transfer a balance to the Reserve Fund each year for the last five years, in spite of short collections ranging from 1.19% to 3.26% of the amount budgeted. We are also preparing to ask the Village of Skokie for approval of a new bond issuance to fund the upcoming renovation project. Due to these circumstances, Mr. Kong recommended a levy increase of 0% for 2019 (funding FY 2021). Based on early budget projections, a flat tax levy (0% increase) would still allow the library to account for expected increases in salaries and health insurance costs, while still maintaining a healthy budget for other operating expenses (e.g., books, technology, building and grounds, continuing education).

Board action on this matter is not required until September.

Dr. Maks asked about the figures regarding fines and fees. Ms. Trilling confirmed that the number estimated in the memo is lower than last year based on the elimination of some fines and fees this year. Mr. Kong stated that hearing no dissenting opinion, he will bring a proposed 0% increase for the tax levy to the September meeting for approval.

REACHING ACROSS ILLINOIS LIBRARY SYSTEM (RAILS)

RAILS Board of Directors Meeting
Friday, July 26, 2019
Burr Ridge Service Center

The following are highlights from the July 26, 2019, RAILS Board of Directors meeting's supporting documents and recorded videoconference.

Oath of Office and Election of Officers: The newly elected board members took the oath of office. With no other nominations to the recommended slate of officers, Tom Stagg, Treasurer; Susan Busenbark, Secretary; Gwen Gregory, Vice President; and Paul Mills, President accepted their positions.

Financial Report: Mr. Jim Kregor reported that the unassigned General Fund total cash and investment balance ending June 30, 2019 (the end of their fiscal year), was \$13,500,000, covering the 16 months of operation. In June, RAILS received \$2,145,000 from the FY2019 Area and Per Capita Grant, and \$1,072,500 on July 1. He anticipates receiving three additional APC grant payments, and if received before August 1, they will be included in the FY2019 operating fund. Monthly expenditures continue to be below budget.

Committee Reports: Seven active committees and their members were announced and received Board approval.

Facilities Report: Mark Hatch, RAILS Delivery and Facilities Director, presented his assessment of all RAILS facilities, owned and rented. He specified that this comprehensive report is for budget purposes only. The approximate cost for the Burr Ridge Service Center only is \$717,000 in "today's dollars."

Next meeting: Friday, August 23, 2019, at Burr Ridge Service Center

Respectfully submitted,
Karen Parrilli

COMMENTS FROM TRUSTEES

There were no comments from trustees.

CLOSED SESSION

At 7:32 pm a motion was made by Dr. Maks, seconded by Ms. Greer to go in to closed session pursuant to 5ILCS 120/2(c)3 of the Open Meetings Act (the selection of a person to fill a public office). The motion was approved unanimously. The vote was 5 ayes and 0 nays. The motion passed.

The observers and Ms. Trilling left the meeting.

ADJOURNMENT

At 7:49 pm a motion was made by Ms. Parrilli, seconded by Mr. Griffin:

MOTION: THAT THE SKOKIE PUBLIC LIBRARY BOARD OF TRUSTEES ADJOURN FROM CLOSED SESSION AND RETURN TO OPEN SESSION.

The motion passed unanimously. The vote was 5 ayes and 0 nays.

OPEN SESSION

Dr. Maks suggested September 22 as a potential date for the Board to take Mrs. Hunter out for lunch to thank her for her service. Mr. Kong also mentioned that Mrs. Hunter is making a large donation to the library to fund an upcoming author event. He will send the information around to the Board members.

ADJOURNMENT

At 7:53 pm a motion was made by Mrs. Parrilli seconded by Ms. Greer to adjourn the regular meeting. The motion passed unanimously.

Karen Parrilli, Secretary