

November 8, 2017

Minutes of the regular meeting of the Board of Trustees of the Skokie Public Library held in the Skokie Public Library Board Room, Wednesday, November 8, 2017.

CALL TO ORDER

Mark Prosperi, President called the meeting to order at 6:31 p.m.

Members present: Mark Prosperi, President; Diana Hunter, Vice President/President Emerita; Karen Parrilli, Secretary; Mira Barbir; Susan Greer; Eugene F. Griffin; Jonathan H. Maks, MD; and Richard Kong, Director.

Staff present: Laura McGrath, Deputy Director.

COMMENTS FROM OBSERVERS

There were no observers present.

APPROVAL OF THE MINUTES OF THE SPECIAL MEETINGS OF OCTOBER 16 AND 17, 2017 AND THE REGULAR AND CLOSED MEETINGS OF OCTOBER 18, 2017

Mrs. Hunter made a motion, seconded by Mrs. Parrilli, to approve the minutes of the special meetings of October 16 and 17, 2017, and the regular and closed meetings of October 18, 2017, subject to additions and/or corrections. There being no additions or corrections, the minutes were approved unanimously and placed on file. The vote was 7 ayes and 0 nays.

Mr. Prosperi asked the Board to move Approval of Ranking of Short List of Architects to the end of the agenda. The Board agreed.

BILLS

Mr. Kong distributed a corrected List of Bills.

Mrs. Barbir asked if the invoices to Heartland Library System were paid monthly. (Mr. Kong will check on this.)

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 7 ayes and 0 nays; the motion passed unanimously.

BALANCE SHEET FOR THE SIX MONTHS ENDING 10/31/17

Mr. Kong stated the library is in a healthy financial position. Brief discussion followed regarding Illinois Senate Bill 851, that, if passed, would freeze property taxes for two years.

The Balance Sheet for the Six Months Ending 10/31/17 was placed on file.

YEAR-TO-DATE BUDGETARY STATUS

The Board noted the Year-to-Date Budgetary Status.

APPROVAL OF AUDIT FOR FISCAL YEAR 2017

The Audit for FY 2017, ended April 30, 2017, as prepared by Baker Tilly was distributed. The library encountered no difficulties in working with Baker Tilly on the Audit.

Pages 6-7 of the financial statements provide an overview of the library's financial position in all funds. The library began the year with a total fund balance of \$14,040,195 and ended the year with a total fund balance of \$14,427,222. The library continues to be in solid financial position, and the financial statement is the highest opinion Baker Tilly gives.

Pages 22-23 provide information on the status of the library's long-term obligations. The largest portion of our long-term debt comes from the refunding bonds for the library's building expansion and renovation of 2001-2002. Page 23 includes the debt service requirements through 2021, including \$1,268,100 due in FY 2018.

As stated on page 1 of the Communication portion of the Audit, Baker Tilly did not identify any deficiencies that would be considered materials weaknesses. Michael Malett, Senior Manager at Baker Tilly, also confirmed in a meeting that Baker Tilly did not identify any reportable findings, including control deficiencies and significant deficiencies.

As stated on pages 2-3 of the Communication letter, auditing requirements provide for two-way communication with the Library Board and the auditor. The Board may contact Baker Tilly if it has questions or concerns with the audit.

Mr. Kong recommended the Board accept the Audit as presented.

Brief discussion followed. Mrs. Barbir questioned the amount of bank fees (\$6,046) listed in the Audit. Mr. Kong will check with the library's finance manager on this matter.

Discussion followed. A motion was made by Mrs. Parrilli, seconded by Mrs. Barbir:

MOTION: THAT THE SKOKIE PUBLIC LIBRARY BOARD OF TRUSTEES ACCEPT THE AUDIT AND MANAGEMENT LETTER AS PRESENTED BY BAKER TILLY FOR FISCAL YEAR 2016-2017.

The motion was approved unanimously with a vote of 7 ayes and 0 nays.

CONSENT AGENDA (Financial Statement; Circulation Report/Dashboard; Reports from Department Heads; Personnel)

The Board discussed the decline of print materials circulation and also noted eBooks use has tapered off. Mr. Kong stated that staff are discussing ways to bring back cardholders who haven't been using the library and ways to engage new cardholders. Any policy changes would be brought to the Board for approval.

Dr. Maks made a motion, seconded by Mr. Griffin:

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/DASHBOARD
2. REPORTS FROM DEPARTMENT HEADS
3. PERSONNEL: STATUS CHANGE: DAVID HICKMAN, FROM PART-TIME TO FULL-TIME SECURITY GUARD, MAINTENANCE AND SECURITY, EFFECTIVE OCTOBER 30, 2017.

The motion passed unanimously. There were 7 ayes and 0 nays.

DIRECTOR'S REPORT

New Online Catalog

We will switch over to the new online catalog on November 29, 2017. Staff are already promoting the new catalog and helping early adopters set up their accounts. A blog post on our website (<https://skokielibary.info/blog/128/new-library-catalog/>) provides information about the reasoning behind the change and the benefits. The catalog is currently available at <https://skokielibary.bibliocommons.com/> if the Board would like to test it out.

Mrs. Barbir asked if the new online catalog would be publicized in the library's newsletter. Mr. Kong will explore additional ways to promote the new online catalog with the library's communication and marketing manager.

Second Floor Power Distribution Solution

A new power distribution system, Steelcase's Thread, was recently installed in the northeast corner of the second floor, adding five stands next to study tables in the area. Each stand includes six outlets for people to plug in their laptops and other mobile devices. We are testing the system to see if it is a viable way of bringing power to other areas of the library where patrons need it. Because the components are very thin and lay underneath carpet, it provides a more affordable alternative than coring and trenching to gain access to power. In just a short time, we are seeing many patrons gravitate towards the space to use the power stands.

Updating Borrowing Policy

With the Board's recent approvals of the Personnel Code, Appropriate Library Use Policy, and other policies, we are making significant progress on updating our policies. Currently, staff and Mr. Kong are working on updating policies related to borrowing materials, including loan rules, fines and fees, etc. We are also exploring ways in which we can restore more accounts that are blocked due to an excess in fines and fees. New York Public Library joined the growing list of libraries taking action to forgive fines and provide a path to full privileges for residents (see NYT article: <http://nyti.ms/2xpunFF>). In the next few months, Mr. Kong will provide a revised Borrowing Policy for review and approval by the Board, but he welcomes any comments related to these matters beforehand.

Sustainability Policy

In addition to a revised Borrowing Policy, staff has been working on a new Sustainability Policy. The intent of this policy will be to outline ways in which the library can be more environmentally responsible in areas such as waste reduction, facility maintenance, purchasing, and personnel. Upon Board approval, staff would pursue specific strategies in each of these areas. Mr. Kong expects to bring the policy to the Board in December, but welcomes any comments from the Board beforehand.

Annual Legislative Forum

Several library staff members, Trustee Barbir, and Mr. Kong attended the Annual Legislative Forum hosted by the Chamber of Commerce. Speakers included

Congresswoman Jan Schakowsky, Representative Lou Lang, Representative Laura Fine, Cook County Commissioner Larry Suffredin, Niles Township Supervisor Marilyn Glazer, and a representative from the Illinois State Treasurer's Office. Many of the speakers shared updates and thoughts on the budgets, tax bills, and social services at the federal, state, and local levels. Suffredin spoke about his commitment and desire to continue working with local business owners and the Chamber of Commerce on issues such as property taxes and vacant storefronts, despite disagreements with some members of the business community on the minimum wage ordinance and the recent repeal of the soda tax. Glazer talked about the ways in which the township serves as a safety net for those injured by the dysfunction in state and local government, mentioning both the emergency assistance program and the food pantry as examples. She mentioned that the demand on the food pantry is growing exponentially.

Visit from Kathi Kromer

The new associate executive director of the American Library Association's Washington Office, Kathi Kromer, visited the library recently to learn more about the impact public libraries are having on their communities. In her role, Kromer represents libraries and librarians in the Washington community, including Congress, the executive branch, and the judiciary. Accompanied by Larra Clark, Deputy Director of Public Library Association and ALA's Office for Information Technology Policy, Kromer learned about our strategic priorities and received a tour of the library and bookmobile. Both Kromer and Clark were impressed with our services and community.

School District 68 Strategic Planning

Mr. Kong participated in a full-day strategic planning session for District 68 on Saturday, October 28, 2017. The group consisted mostly of district staff, board members, parents, and students. With the help of a facilitator, identified core values and strategic goals related to recognizing diversity as a strength, fostering creativity and innovation, working collaboratively at all levels, pursuing equity, engaging in a whole child approach, helping students feel a sense of belonging and security, and achieving excellence academically.

Harwood Public Innovators Lab

Deputy Director Laura McGrath and Community Engagement Manager Nancy Kim Phillips attended the Public Innovators Lab co-hosted by the Harwood Institute and American Library Association. This event provides training on Harwood's approaches and tools related to community engagement, including how to hold community

conversations. Several of our staff in the Community Engagement department have completed this training, as it is the foundation of our work with the community.

Library Journal Directors' Summit

Mr. Kong will be attending the *Library Journal* Directors' Summit in Philadelphia on November 2-3, 2017. He will give a presentation titled, "Developing an Organizational Culture to Support Innovation and Engagement." Travel and hotel expenses will be covered by *Library Journal*.

APPROVAL OF LIBRARY'S INSURANCE COVERAGES (not for approval until December meeting)

With the end of the calendar year approaching, it is time to consider our insurance coverages (i.e., Property & Liability, Workers Compensation, Auto, Cyber Liability, Directors and Officers, etc.) for 2018. As Mr. Kong mentioned in September, he has looked into the possible benefits and drawbacks of joining LIRA (Libraries of Illinois Risk Agency), an insurance pool that is made up of Illinois libraries. LIRA is administered by Arthur J. Gallagher Risk Management Services, Inc., and governed by a board of directors made up of representatives from several member libraries.

We received preliminary proposals from both LIRA and our current insurance broker, Horton Group. The LIRA proposal provides savings over our current insurance premiums and the new proposal from Horton. Based on information provided by LIRA and current libraries that are members of LIRA, LIRA would also provide broader coverage with increased limits and lower deductibles, as well as a potential return of surplus after three years of membership. LIRA members self-fund the first portion of member claims, which keeps premiums down and enables the group to return money to its members if claims are kept down. LIRA also provides safety training to its members throughout the year and an onsite safety review of members' facilities. The LIRA Board is meeting soon to approve the 2018 renewal, so Mr. Kong should have another proposal for the Board to consider with updated, more favorable terms.

If the Board would like, Mr. Kong can ask representatives from LIRA to attend the next meeting to provide a short presentation and answer questions. The Board has heard from Horton Group in the past, and Mr. Kong can provide information about the experience we have had with them in recent years. Please note that a quote for the Directors & Officers insurance from Horton will not be available until the Board approves the FY 2017 audit.

The Board does not need to approve renewal of insurance coverages until the December meeting.

Discussion followed. The Board would like LIRA representatives to attend the December Board meeting and asked for a 5 to 10 minute concise presentation that would provide a broad overview of coverages followed by a question and answer session. The Board specifically would like to know if LIRA is self-insured; and raised the question – if there was a catastrophic loss, what would be the library's out of pocket limit be (for example, a major fire). The Board also questioned the library's total potential liability over the life of the policy.

Mrs. Hunter requested a comparison for each type of coverage provided by both firms.

ANNUAL REVIEW OF INVESTMENT POLICY

Last fall, the Board approved a revision of the Investment Policy. Within that policy, it states that the Board shall review the policy annually.

Mr. Kong has reviewed the policy with finance manager Blythe Trilling, and they agree that no changes are recommended to the policy at this time. If the Board agrees to working with an investment manager this year, we will use that experience to inform our review process next year and make any desired changes.

The Investment Policy is available on the Board iPads in the policies folder, and is available publicly on the library website at <https://skokiellibrary.info/about/policies/>.

Brief discussion followed. Since no revisions to the policy are recommended at this time, no action was taken Board.

ANNUAL OBJECTIVES INTERIM REPORT

The Interim Report on this year's Annual Objectives for the six months of FY 2018 was distributed. These objectives provide specific, measurable, achievable, relevant, and time-bound steps to help us make further progress on the broader goals outlined in the Strategic Plan 2016-2019.

Significant progress has been made in most areas, and this year many more staff are involved with leading and working on these objectives. Deputy director Laura McGrath has also organized quarterly and mid-point update meetings to help increase accountability and communication among staff. This has led to a greater sense of ownership of these objectives throughout the staff.

Overall, we are making significant progress on this year's objectives, and Mr. Kong anticipates even more movement towards our strategic goals to occur in the second half of the fiscal year.

After brief discussion, a motion was made by Mr. Griffin, seconded by Dr. Maks:

MOTION: THAT THE SKOKIE PUBLIC LIBRARY BOARD OF TRUSTEES
ACCEPT THE ANNUAL OBJECTIVES INTERIM REPORT FOR FY
2018 AS PRESENTED.

The motion passed unanimously. There were 7 ayes and 0 nays.

CALENDAR OF UPCOMING LIBRARY EVENTS 2018

The upcoming calendar of library events for 2018 was distributed. Mr. Prosperi and Mrs. Barbir stated their interest in attending the State of the Village Breakfast in April 2018.

REACHING ACROSS ILLINOIS LIBRARY SYSTEM (RAILS)

Mrs. Parrilli reported the following highlights from the October 27, 2017, RAILS Board of Directors meeting from supporting documents and recorded videoconference.

Financial Report: Finance Director Jim Kregor reported that the General Fund unassigned cash and investment balance ending September 30, 2017, totaled \$10.9 million covering 11.7 months of operation. Federal funds totaling \$1,936,143 for FY2018 were recently received, adding an additional two months of operating funds. Expenditures continue to be under budget.

Mr. Kregor announced that premiums through LIMRiCC for health, dental, and life insurance were under budget by \$11,708. LIMRiCC informed RAILS that there would be no increase in health insurance premiums for the next calendar year.

In regard to liability insurance, Mr. Kregor announced that RAILS would be receiving a refund. A board member added that by participating in LIRA, which has seen a growing number of libraries joining in past years (23 in LIRA's first year and 50 libraries by the end of 2017), has helped to keep premium increases to a minimum.

Executive Director's Report: Dee Brennan presented to the Board a summary of RAILS properties, including staff numbers, operating expenses, current leases, and status of properties on the market.

Ms. Brennan asked for Board approval to the reorganization of the Human Resources Department, with Finance Director Jim Kregor as administrator with the assistance of two finance department staff. Also requested was the approval of updating the staff

compensation schedule, which was not addressed in 2016 or 2017. Both items were approved.

Ms. Brennan presented to the Board an Evaluation of Impact on Member Visits as of October 2017, focusing on the direct impact to member libraries on services and programs.

Illinois State Library: ISL's Greg McCormick reported that there is no exact date when Area and Per Capita Grant funds due RAILS can be expected. Currently, the Illinois Legislature has a backlog of over \$16 billion.

Next meeting: Friday, November 17, 2017, at Burr Ridge Service Center.

APPROVAL OF RANKING OF SHORT LIST OF ARCHITECTS

The next step in the process to select an architect for the master planning process is to rank the five firms on the short list and determine our most preferred firm.

Mr. Kong provided a short slide presentation to summarize some thoughts regarding each firm, and shared some photos from some recent site visits. The firms reviewed were Andrew Berman Architect, Gensler, MSR, OPN, and Skidmore, Owings and Merrill.

Once the top-ranked firm is identified, Mr. Kong will work with our legal counsel to begin the process of negotiating the terms and fees with that firm. If an agreement is made with the firm, a contract will be presented to the Board for approval during the December Board meeting. If all goes according to plan, we should be able to start work on the master plan process with the selected architect by early January 2018.

Lengthy discussion followed as the Board went through the pros/cons of each of the five architectural firms. President Prosperi gave each trustee a turn to voice their opinion.

A motion was made by Mrs. Hunter, seconded by Mrs. Greer:

MOTION: THAT THE SKOKIE PUBLIC LIBRARY BOARD OF TRUSTEES
CHOOSE ANDREW BERMAN ARCHITECT AS THE FIRST CHOICE
TO WORK ON SKOKIE PUBLIC LIBRARY'S MASTER PLAN.

The roll call vote for approval was unanimous. There were 7 ayes and 0 nays.

A motion was then made by Mrs. Parrilli, seconded by Mrs. Greer:

MOTION: THAT THE SKOKIE PUBLIC LIBRARY BOARD OF TRUSTEES
CHOOSE MSR AS THE SECOND CHOICE AND SKIDMORE,
OWINGS & MERRILL AS THE THIRD CHOICE TO WORK ON THE

LIBRARY'S MASTER PLAN SHOULD AGREEMENT NOT BE
REACHED WITH ANDREW BERMAN ARCHITECT.

The roll was called: Dr. Maks—no; Mrs. Barbir—yes; Mrs. Hunter—no; Mr. Griffin—yes; Mrs. Parrilli—yes; Mrs. Greer—yes; Mr. Prospero—yes. The motion passed. There were 5 ayes and 2 nays.

Mr. Kong will work with Andrew Berman and library legal counsel to begin the negotiations process.

COMMENTS FROM TRUSTEES

There were no Comments from Trustees.

ADJOURNMENT

At 8:33 p.m. a motion was made by Mrs. Hunter, seconded Mrs. Greer by to adjourn the regular meeting. The motion passed unanimously.

Karen Parrilli, Secretary