

Agenda Item #4 (a)

**Board of Trustees  
Minutes of Meeting  
Julia F. Burnham 3<sup>rd</sup> Floor Conference Room  
Main Library  
February 21, 2008**

1. The meeting was called to order at 5:40 p.m. by President Freeland.
2. Members Present: Rusty Freeland, Rochelle Funderburg, Michael La Due, Robert Shierry, and Michael Smeltzer  
  
Members Absent: Russell Dankert, Sandra Jones, Minnie Pearson, and Beth Sandore  
  
Library Staff Present: Mary Bissey, Jill Bouvet, and Debbie Keith  
  
Visitors Present: Joe Hooker, *City Legal Department* and Jean Peters, *League of Women Voters*
3. Approve the Agenda:
  - MOTION by Shierry to approve the agenda as presented; seconded by Funderburg. All: Aye.
4. Approve the Minutes:
  - a. Regular Meeting Minutes of January 24, 2008
  - b. Closed Session Minutes of January 24, 2008
    - MOTION by Smeltzer to approve the meeting minutes of January 24, 2008 as presented; seconded by Funderburg. All: Aye.
  - c. Budget and Finance Committee Meeting Minutes of January 25, 2008
    - MOTION by Funderburg to approve the meeting minutes of January 25, 2008 as presented; seconded by La Due. All: Aye.
5. Closed Session: Probable Litigation:
  - MOTION by Funderburg to enter into a closed session for probable Litigation as an action, against the particular public body that is probable or imminent; as authorized by 5 ILCS 120/2(c) (11), seconded by Dankert. All: Aye.
  - The Board entered closed session at 5:45 p.m.
  - MOTION by Shierry to return to open session, seconded by Funderburg. All: Aye.
  - The Board returned to open session at 6:05 p.m.

6. Main Library Project Update:

a. Request for Disbursement from the City of Champaign (Expense Report 092):

- MOTION by Shierry to approve Expense Report 092 which is a combined request for RBJ, Inc.; PKD, Inc.; Felmley-Dickerson Co., Advanced Wayne Cain & Sons; Illini Glass Solutions; Otis Elevator Company; Commercial Flooring; A & R Mechanical Contractors, Inc.; Coleman Electrical Service, Inc.; Brandenburg Industrial Service Co.; CDW Government, Inc.; Gaylord Brothers; Lakeshore Materials; Lorenz Wholesale Co.; Medical Supply 4U; Midwest Tape LLC; Quill; SBC Datacom; Vital Education; Advanced Communications; Amazon.com; Dell Marketing; Dixon Graphics; Highsmith Co; PI Manufacturing; Illini Construction Specialties, Inc.; Source Direct, Inc.; ASI-Modulex; Ingram Book Co.; Business Office Systems; Classic Granite and Marble; and Recorded Books, LLC for work completed in the amount of \$776,374.31 as presented; seconded by Funderburg. All: Aye.
- Shierry commented that almost every contractor left still has to work on the front entrance. The demolition contractor, Brandenburg, is moving right along and everyone is impressed how well they are keeping the site with demolition and removal.
- Freeland asked about the opening day collection and how it impacts the materials budget.
- Keith stated that it is not factored in because it is a one-time expense.
- Freeland stated that what is going to happen is our revenue growth is declining so revenue will continue to grow but at a slower pace. Our expenses will grow at a much more rapid pace for about five years. We are operating at a large deficit this year and for about the next three years. Because we have treated our materials increases as a non-recurring item, after next year in the strategic five year plan the materials increase that we have been treating as a non-recurring item goes to zero. We will have a significant drop in our materials budget – a few hundred thousand dollars. If we bought almost a half million dollars of new materials, are we ignoring the fact that we have them.
- Freeland asked if we have not given ourselves credit for making the collection bigger and better. If we have to drop this big non-recurring item out of our budget for a few years, it looks bad. Is it really as bad as it looks because did we spend ahead for the opening day collection?
- Shierry noted that the comparison chart Grove prepares, he thinks it is placed in the comparison sheet which brings the average up.
- Freeland stated that we are either going to have to accept a reduction in our materials budget or find other sources for our materials budget such as having the Foundation do a campaign for an endowment and use the income from the endowment to help fund that.
- Bissey shared concerns about adding the \$500,000 for the opening day collection materials. Of all the measures we use to chart our progress, we do not have one that considers any kind of a value or size of the collection. The numbers are items per capita or dollars per capita spent. Going forward, if we dropped the \$500,000 into that number of dollars spent per capita this year, it would look good this year but would it damage our presentation of what we are able to use in the Operating Fund for coming years?

- Discussion followed. Freeland stated it would be nice to see that number for the Board. It could be helpful if there is a historical chart that shows 10 years to reflect on and see growth.
- Bissey stated that we use those numbers to compare ourselves to other libraries around the country.

7. Financial Reports:

a. Approve “Check Register” and “Handwritten Checks” for January 2008:

- MOTION by La Due to approve checks for January 2008 totaling \$557,311.10 as presented; seconded by Smeltzer. All: Aye.
- Keith reported that the \$140,000 to the City is the second quarter transfer for FICA/IMRF. This is done every two months. We will make sure by June the whole year is paid.

b. 2007-2008 Financial Statements:

- MOTION by Funderburg to accept the financial statements as presented; seconded by La Due. All: Aye.

c. Fund 24 Financial Review:

- Keith distributed the report which showed going forward for 10 years.

d. 2006/07 Audit Report:

- This item was tabled until March.

e. 2008-2009 Proposed Budget (Standing Committee on Budget and Finance):

- Freeland reported that the Finance Committee approved the budget. No motion is required.
- Keith reported the five program changes requested for 2008/09:
  1. Continue with 3.45 circulation staff which has been temporary for the last two years and adding a half time person to the Technology Services Department.
  2. We are asking for \$238,000 for library materials which will keep us at the same level we are at this year.
  3. Ground maintenance supplies increase is \$11,000 for grounds upkeep and increased costs for the expanded grounds with the new building.
  4. An increase of \$8,000 for increased maintenance costs for this building. Some things will be under warranty for awhile. An increased cost for the bookmobile of \$3,000. An increase of \$10,450 for computer maintenance and licenses.
  5. Increase of \$21,000 for the newsletter. This increase is a two part; an increase from 10 to 12 issues a year and a possible reduction in support from Friends and Foundation. The Friends are uncertain about what kind of revenues they will have in their Friends shop and the Foundation gifts recently received are to fulfill Building Fund pledges.
- Freeland noted that the City meeting went well. All in favor: All: Aye.

- Freeland stated that Keith had prepared a five year forecast budget. It is a summary and highlights of what happens to the fund balance if they make basic assumptions. By 2010, the fund balance is only about \$151,000 assuming that the entire non-recurring materials budget goes to zero. The forecast triggered a conversation with City staff about cash flow. The way our revenue works, we receive revenue when people pay their real estate taxes, (our primary source of revenue) twice a year. There is a point in the year when we run out of money in our own fund and get a non-interest bearing loan from the City out of their fund and then we reimburse the City when the second property tax installment arrives.
- Keith distributed the 2008/09 monthly operating cash flow projection sheet.
- After discussion, Freeland suggested that if we want to maintain the level of programs and materials at the library, we need to create a fundraising campaign capitalizing on the momentum from the building campaign. Build a \$3-5 million endowment which could support the library.

8. Correspondence and Communications:

- Article from *The News-Gazette* entitled “Keeping up with the times” regarding computer usage (January 5, 2008).
- Article from *Money Matters* entitled “Where to get the book on finances” highlighting staff member Eric Sizemore with some books about careers and financial topics (January 22, 2008).
- Postcard photo from Ross Barney of the Levy Senior Center announcing their winning the 2007 AIA Illinois Frank Lloyd Wright Honor Award (February, 2008).
- Article from *The News-Gazette* entitled “Temporary closing fuels Douglass Branch traffic” regarding the usage increase at Douglass Branch due to Main Library’s move into the new building (December 28, 2007).

9. Comments from the Audience:

- None.

10. Director’s Report:

- Grove’s report was distributed prior to the meeting in her absence. Bissey reported that we will have Wi-Fi available tomorrow. The café opened in February and our meeting rooms are open and getting much use. The Circulation figures show we had an 11% increase in January despite the five days we were not open. Grove gave a tour to a group of business men from Tajikistan. A book was donated by the President of Tajikistan which will be added to the collection. The library has been nominated by Tim Johnson for an award from the National Medal for Museum and Library Services.

11. Committee and Liaison Reports:

a. Champaign Public Library Foundation:

- No report.

b. Friends of the Champaign Public Library:

- Bissey reported that they met yesterday and sales are going well and membership is growing.

c. Lincoln Trail Library System:

- Funderburg reported that the library at Newman Foundation, Vermillion and Piatt County libraries and the Amish Interpretive Center in Arthur have all applied to join LTLS. There was a controversy about PIN numbers in accessing accounts in the catalog.
- Bissey explained that many customers do not know what their PIN number is which has been apparent since we moved into the new building with more customers coming in. To assist our patrons, Grove requested that the PIN number be removed. Some customers objected that the PIN numbers were not there for their privacy. After a brief trial period, it was reinstated. Grove requested LTLS to provide information on the catalog page to help patrons have an idea or hint what their PIN number is.

d. Douglass Branch Advisory Committee:

- No report.

12. Comments from the Board:

- No comments.

13. Next Meetings or Events:

- Regular Meeting, Thursday, March 20, 2008, 5:30 p.m., Julia F. Burnham 3<sup>rd</sup> Flr. Conf. Room
- Regular Meeting, Thursday, April 17, 2008, 5:30 p.m., Julia F. Burnham 3<sup>rd</sup> Flr. Conf. Room
- Regular Meeting, Thursday, May 15, 2008, 5:30 p.m., Julia F. Burnham 3<sup>rd</sup> Flr. Conf. Room

14. Adjournment:

- The meeting was adjourned at 7:10 p.m.

Respectfully submitted,

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Rusty W. Freeland, President

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Minnie Pearson, Secretary

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Jill Bouvet, Recorder