

Kalamazoo Public Library
OFFICIAL MINUTES OF THE BOARD OF TRUSTEES
PUBLIC MEETING
Date: January 27, 2014
Time: 4:00 p.m.
Location: Central Library Board Room

TRUSTEE ROLL CALL:

Present: Fenner Brown, Robert Brown, Bruce Caple, Lisa Godfrey, Cheryl TenBrink, Valerie Wright and James VanderRoest

Absent: None

CALL TO ORDER:

President TenBrink called the meeting to order at 4:00 p.m.

ELECTION OF OFFICERS:

President TenBrink read the slate of officers presented by the nominating committee for the 2014 calendar year.

Recommendation:

Cheryl TenBrink, President
Bruce Caple, Vice President
James Vander Roest, Treasurer
Robert Brown, Secretary

President TenBrink asked if there were nominations from the floor.

MOTION: L. GODFREY MOVED AND V. WRIGHT SUPPORTED THE MOTION TO APPROVE THE SLATE OF OFFICERS RECOMMENDED BY THE NOMINATING COMMITTEE FOR THE 2014 CALENDAR YEAR.

MOTION CARRIED 7-0.

AGENDA APPROVAL:

The agenda was approved.

I. RECOGNITIONS, RESOLUTIONS, COMMUNICATIONS

A. Millage Resolution

Recommendation: Director Rohrbaugh recommended approval of the “Resolution Submitting Millage Proposal” including “Exhibit A: Notice of Last Day of Registration” and “Exhibit B: Notice of Regular Election Tuesday, May 6, 2014” and authorization of the Board’s secretary to sign as indicated.

Executive Summary: The resolution with ballot language was drafted by the library's attorney. Upon Board approval, they would be conveyed to the county clerk to start the official process of our millage renewal vote on the May 6, 2014 ballot.

Discussion: Director Rohrbaugh said this could be the most important resolution of the year. She told Board members she recommended approval of the resolution. She said the language had been drafted by the library's attorney and that the resolution would be submitted to the county clerk upon approval by the Board. V. Wright asked if the ballot language was typical of millage renewal ballot language. Director Rohrbaugh confirmed it was typical language for millage renewals.

MOTION: J. VANDER ROEST MOVED AND L. GODFREY SUPPORTED THE MOTION TO APPROVE THE "RESOLUTION SUBMITTING MILLAGE PROPOSAL" INCLUDING "EXHIBIT A: NOTICE OF LAST DAY OF REGISTRATION" AND "EXHIBIT B: NOTICE OF REGULAR ELECTION TUESDAY, MAY 6, 2014" AND AUTHORIZE THE BOARD'S SECRETARY TO SIGN AS INDICATED.

Roll Call Vote: L. Godfrey – yes; V. Wright – yes; B. Caple – yes; F. Brown – yes; R. Brown – yes; J. Vander Roest – yes; C. TenBrink – yes

MOTION CARRIED: 7-0

II. PERSONS REQUESTING TO ADDRESS THE BOARD

No one addressed the Board.

III. CONSENT CALENDAR

A. *Minutes of the Board Meetings of December 16, 2013*

B. *Personnel Items (none)*

IV. FINANCIAL REPORTS

A. *Financial Reports for the Month Ending December 31, 2013*

Recommendation: Director Rohrbaugh recommended the Board accept the Financial Reports for the month ending December 31, 2013.

Discussion: J. Vander Roest noted the library had expended approximately 50% of budgetted funds for most line items at midyear. V. Wright drew attention to tax charge backs asking if the library had received any major charge backs or if the amount the library had paid was due to a number of smaller charge backs. Director Rohrbaugh said the library had recently received tax charge backs from a group of foreclosed properties. D. Schiller said this was not the result of a single appeal. She said most appeals on foreclosed residential properties had been settled but the library expected to still be receiving bills for tax charge backs for foreclosed commercial properties. B. Caple asked if there was any recovery of taxes on foreclosed properties once they were sold. J. Vander Roest answered there was not.

MOTION: R. BROWN MOVED AND F. BROWN SUPPORTED THE MOTION TO ACCEPT THE FINANCIAL REPORTS FOR THE MONTH ENDING DECEMBER 31, 2013.

MOTION CARRIED 7-0.

V. REPORTS AND RECOMMENDATIONS

RECOMMENDATIONS:

A. Allocation of Interest Earned on Endowment Funds

Recommendation: On behalf of the Fund Development and Allocation Committee, Director Rohrbaugh recommended \$43,000 of interest earned on the endowment funds and available for distribution be allocated for room renovation and furniture and equipment costs for “The Hub”, the library’s Digital Lab to be launched in the spring.

Executive Summary: Plans for the Digital Lab were shared with the Board at the December meeting. Funding for the lab, upon Board approval, would come from a variety of sources:

Interest earned on endowment	\$43,000
Undesignated gifts	6,950
Local History gifts	10,000
Library CIP budget	<u>13,471</u>
Total	\$73,421

Expenditures would include modest room renovations: remove a wall, patch the carpet, upgrade electrical, add HVAC, replace the door. Equipment and furniture would include hardware and software for digitization and post production stations, Chromebooks for training and use throughout the library, and furniture for equipment and public workstations.

Discussion: Director Rohrbaugh said this was the first of two recommendations concerning funding for the Digital Lab. She explained funding for this project would come from four different sources and she thought this was exactly the type of project the library should be using interest earned on the Endowment Fund to fund. R. Brown asked if \$43,000 was the full amount of interest earned on the endowment available for allocation. Director Rohrbaugh answered this was the bulk of what was available based on estimates at the end of December. J. Vander Roest reminded trustees interest that is unspent becomes unavailable. L. Godfrey explained unspent interest is added to the principle.

MOTION: L. GODFREY MOVED AND J. VANDER ROEST SUPPORTED THE MOTION TO ALLOCATE \$43,000 OF INTEREST EARNED AND AVAILABLE ON THE ENDOWMENT FUNDS FOR ROOM RENOVATION AND FURNITURE AND EQUIPMENT COSTS FOR “THE HUB”.

MOTION CARRIED 7-0.

B. Request for Funds from Kalamazoo Community Foundation Local History Room Fund

Recommendation: Director Rohrbaugh recommended the Board approve the expenditure of \$10,000 from the “Kalamazoo Community Foundation / Kalamazoo Public Library Fund – Local History and Community Service Fund” for digitization equipment and software for Local History related services in the Digital Lab.

Executive Summary: At the December meeting, plans for the Digital Lab, to be called “The Hub”, were outlined for the Board. One of the first services will be digitizing photos, tapes, documents, etc. in conjunction with Local History. We see this as an appropriate expenditure from gift funds earmarked for Local History.

The balance in this account at the Kalamazoo Community Foundation was \$100,025.

Discussion: Director Rohrbaugh said this recommendation was for a different source of funding for the Digital Lab - \$10,000 from the Kalamazoo Community Foundation Local History Room Fund. She explained this would pay for the digitization hardware and software K. King had talked about in his presentation to the Board at the December Board meeting. She said this recommendation had been discussed with the Fund Development and Allocations Committee.

R. Brown asked how past digitization at the library had been completed. Director Rohrbaugh said some digitization had been done in-house, for example digitization of Business Office documents, but much was completed by vendors. L. Godfrey asked if the library used funds from the Kalamazoo Community Foundation Local History Room Fund to pay for digitization projects. Director Rohrbaugh said this was one of the types of things this funding was used for and that significant digitization of library materials had not been done in-house. B. Caple asked if the new equipment for the Digital Lab would be used by staff to digitize materials. Director Rohrbaugh said it could be. M. Cockrell said in the past when the library had gotten donations of materials like VHS tapes, it had to pay a vendor to digitize them. He said this would now be able to be done in-house. The Local History Room does digitize many photos in-house and M. Cockrell added the new equipment would make this easier to do. J. Vander Roest said he thought the balance of the Local History Fund was closer to \$60,000. Director Rohrbaugh said the amount in the Executive Summary was an estimate based on new gifts to the fund and interest earned on the principle.

MOTION: L. GODFREY MOVED AND J. VANDER ROEST SUPPORTED THE MOTION TO APPROVE THE EXPENDITURE OF \$10,000 FROM THE “KALAMAZOO COMMUNITY FOUNDATION / KALAMAZOO PUBLIC LIBRARY FUND – LOCAL HISTORY AND COMMUNITY SERVICE FUND” FOR DIGITIZATION EQUIPMENT AND SOFTWARE FOR LOCAL HISTORY RELATED SERVICES IN THE DIGITAL LAB.

MOTION CARRIED 7-0.

C. Close Estimate Budget for 2013-2014 Fiscal Year

Recommendation: Director Rohrbaugh recommended approval of the three budgets presented: the General Operating Fund Close Estimate Budget, the Capital Improvement Plan Close Estimate Budget, and the Special Revenue Fund Close Estimate Budget.

Executive Summary:

General Operating Fund Close Estimate Budget

The General Operating Fund Close Estimate Budget incorporated several key changes to estimates approved in the Preliminary Budget for 2013-2014. State Grants and Reimbursements have been updated for the Michigan Public School Employee’s Retirement System Unfunded Actuarial Accrued Liability stabilization. Recorded as a State of Michigan reimbursement and expenditure for employee retirement in the Benefits category the 2013-2014 total effect is \$246,978.

The other key change to the budget estimate is the recognition of unexpended carryover of funds from the prior year totaling \$748,158 (as reflected in the variance to the Beginning Fund Balance) and the investment of a portion of that carryover to support the Capital Improvement Plan by increasing the budgeted transfer from \$40,000 to \$400,000. The remainder of the carryover is reflected in the increase of Total Ending Fund Balance from \$5,344,930 to

\$5,648,849 and an Unassigned Fund Balance equal to 15.9% of Total Operating Expenditures for the year.

Capital Improvement Plan Close Estimate Budget

The Capital Improvement Plan period of three years has been extended with the Close Estimate Budget to end June 30, 2016. Fiscal Year 2013-2014 budgeted allocations include those projects carried over from the prior year and Preliminary Budget. Projected revenue includes the previously budgeted \$46,536 from the Endowment Fund to be transferred at the completion of the Youth and Local History Renovation Project and funds for the new Digital Lab (The Hub) project which include \$43,000 in interest available from the Endowment Fund, a recommended distribution of \$10,000 from the Local History Fund at the Kalamazoo Community Foundation, and gifts from the Lawrence & Sylvia Wong Foundation and John and Mary (Miller) Patton.

New allocations recommended include the Digital Lab project space, furnishings, and equipment budgets; a new back-up generator for Central Library; site drainage improvements at Eastwood; a new self-check unit for the lower level at Central Library; and new chairs and a dolly for the Oshtemo Community Room.

Special Revenue Fund Close Estimate Budget

The Special Revenue Fund Close Estimate Budget has been revised for carryover funds from the prior year and new projects for the KPL Antiracism Transformation Training effort funded at the current date with \$28,347 from the Kalamazoo Community Foundation and the Fetzer Institute. Library Gifts recognize the receipt and transfer of gifts from the Wong Foundation and others to the Capital Improvement Plan Digital Lab Project. The Local History Room gift account also recognizes a similar transfer to fund Local History Room furniture with a gift from John & Mary Patton.

This recommendation was reviewed and supported by the Finance and Budget Committee.

Discussion: Director Rohrbaugh said this followed the library’s usual procedure of revising budgets midyear. She explained the Close Estimate Budget was firmed up compared with the preliminary budget now that salaries and benefits were known and the library had six months of expenditures for the fiscal year. She noted many years a third revision to the budgets was completed near year end and the library would see if this was necessary as the second half of the year progressed. J. Vander Roest said all three budgets had been reviewed in detail by the Budget and Finance Committee and came to the full Board with their recommendation.

MOTION: B. CAPLE MOVED AND F. BROWN SUPPORTED THE MOTION TO APPROVE THE THREE BUDGETS PRESENTED: THE GENERAL OPERATING FUND CLOSE ESTIMATE BUDGET, THE CAPITAL IMPROVEMENT PLAN CLOSE ESTIMATE BUDGET, AND THE SPECIAL REVENUE FUND CLOSE ESTIMATE BUDGET FOR THE 2013-2014 FISCAL YEAR

MOTION CARRIED 7-0.

REPORTS:

D. Oshtemo Township Corridor Improvement Authority Update

Report: Director Rohrbaugh said she hoped to bring the Board up to date on the Oshtemo Township Corridor Improvement Authority (CIA). This was an opportunity for the Board to have an open discussion about the proposal after which Director Rohrbaugh hoped it would be clear

whether or not a recommendation about opting out of the plan should be brought to the February Board meeting. She reminded Board members that no action meant KPL would be opting in to the CIA. At the Public Hearing regarding the establishment of the CIA, Director Rohrbaugh told commissioners the KPL Board of Trustees would likely opt out.

She told trustees the trail was estimated to cost approximately \$1.2 million. The township was hoping to secure grants to cover much of the costs and would be responsible for \$462,000 that it would cover partially with tax captures. The four governmental entities whose taxes may be captured are the library, Kalamazoo Valley Community College, Kalamazoo County, and Oshtemo Township. Director Rohrbaugh said the law would allow for less than 100% capture but she said if the Board opposed this tax capture in principle then lowering the percentage captured would not make the library more likely to opt in. She said the library must opt out by March 15th and shared with Board members a worksheet which estimated the amount of money that would be captured from the library and other governing bodies over the next 20 years if they were to opt in. Director Rohrbaugh commented that she, like many of the Board members, thought this was a great project but it should not be paid for with the library's tax revenue.

Discussion: L. Godfrey said she had gone to the Public Hearing and thought Director Rohrbaugh represented the library very well. She said there were two other speakers at the meeting, a county commissioner and a representative from American Village Builders. She added that the worksheet showed the township would be capturing more money individually from the library over the 20 year estimate than the total project cost prior to being awarded any grants. J. Vander Roest said if his quick math was correct, the library would be relinquishing over \$1.5 million over the 20 year term.

R. Brown said he was wondering how much tax revenue the Costco development may bring to the library but now the worksheet had given him an idea. L. Godfrey added it would be great if the library experienced this sort of growth as a result of the development and it didn't make sense for the library to be giving away this type of growth. V. Wright said the library didn't have this sort of money to give away. J. Vander Roest thought this would not make the library good stewards of public funds. Director Rohrbaugh said the CIA would just be capturing new growth in Oshtemo Township, however, the library wanted to be the one to capture that new growth for the library's purposes.

B. Caple asked who would sit on the Board for the CIA. L. Godfrey said the group would be appointed by the Township. She said she also has not seen the governing documents for the authority yet which must be developed. B. Caple asked for clarification that if the library did not opt out it would continue to receive current funding levels. Director Rohrbaugh confirmed this was the case if we did not opt out and allowed for 100% capture of the new growth. B. Caple asked if the library could opt in later. Director Rohrbaugh said once the library was in it could not opt out but she wasn't sure if there was an opportunity to opt in at a later date.

F. Brown said he was firmly against the library opting in to the CIA. He thought there were many other places that should be asked to participate in this development with more at stake than the library. He said the library could not afford giving up this amount of money, especially with continuous tax charge backs and a millage renewal vote happening very soon. V. Wright said the millage renewal may be a hard sell to people if the library were to participate in the CIA. R. Brown noted that times were much different when the library chose not to opt out of the Oshtemo DDA. Library residents voted for the millage to go to the library, not to be captured by

other governmental entities. He said he did not feel the library should participate at any level of the CIA, even a small token level to show support of the project.

J. Vander Roest said the library was in a different position ten years ago when it opted in the Oshtemo DDA. He said he thought the trail was a good idea and would be a benefit to the people of Oshtemo Township but did not think library revenue should be used to build it. V. Wright said she agreed with J. Vander Roest who added that the trail would not have a positive effect on the library. R. Brown said he thought what the township was trying to capture was excessive. Director Rohrbaugh said she was sensing the Board wanted her to return to the February Board meeting with a recommendation to opt out of the Oshtemo Township CIA.

E. Second Quarter Strategic Planning Statistics

Report: Director Rohrbaugh said there has been a problem with the programming numbers on the original report distributed with the Board packets and that the new report in front of them had corrected statistics. She said the library was generally on course to meet its goals. The objectives that were far behind were generally due to seasonal discrepancies.

Discussion: V. Wright asked how people were counted in the Children's Room. E. Cloyd said she thought Children's and Teen Room staff simply used hash marks to count those entering the rooms. J. Vander Roest asked if it made sense to adjust target percentages for the objectives that are seasonal. D. Schiller said this would make the form much more complicated to prepare. J. Vander Roest asked how staff came up with program numbers. M. Cockrell said if it was impossible to count the number of people, staff would take their best guess. He said for outreach events such as the Farmer's Market, staff would keep track of how many people they interacted with.

F. Brown asked if the library had considered other ways of measuring the effectiveness of library programs. Director Rohrbaugh said KPL had gotten on this track with program attendance at the suggestion of the Strategic Planning consultant. She said surveys were administered from time to time but generally the library simply recorded attendance numbers. F. Brown asked if the library could scan patron cards as they came to programs or whether there were privacy issues with this. Director Rohrbaugh said she had read about and seen software that will allow you to do market segmentation. She said the library could invest in this someday but said it was quite sophisticated and expensive. F. Brown said he could see this type of software being used to better determine budgets or as supporting documentation for grant applications.

Disposition: Trustees thanked Director Rohrbaugh for her report.

F. Legislative Report – Diane Schiller

Report: Director Rohrbaugh said there was no Legislative Update for January.

G. Reading Together Preview – Karen Santamaria

Report: K. Santamaria handed out brochures and pins to trustees. She said the larger program this year was made to look like a menu. She highlighted the midday documentary film series at the Kalamazoo Valley Museum and the two panel discussions on raising animals for food and how local farmers came into the profession. She said there would also be a panel about migrant farm workers at Bronson Hospital. She said this was a new partnership and the hospital library

was soon to be opening up in a new location. The librarian would be promoting the panel discussion at the library's open house.

K. Santamaria said the Steering Committee this year had some of the same members as well as new members from Fair Food Matters, the People's Food Co-op, The Farmer's Market, and Food Dance Café. She said Friendship Village would once again be hosting cross-generational book group discussions with students from Loy Norrix and Kalamazoo Central. Books for this discussion were being made available through a grant from the Kalamazoo Community Foundation.

Discussion: President TenBrink asked if the public was welcome to come to the book discussions with Friendship Village. K. Santamaria said she was not sure but would check in on it. K. Santamaria also said two sections from each of the books would be read aloud on WMUK as another way to get people interested in the books. L. Godfrey asked if this information could be found on the website. K. Santamaria confirmed it was on the website.

Disposition: Trustees thanked K. Santamaria for her report.

VI. COMMITTEE REPORTS

- A. *Finance and Budget Committee*—J. VanderRoest said the committee had met, the results of which were seen earlier in the meeting.
- B. *Personnel Committee*—no meeting.
- C. *Fund Development and Allocations Committee*—C. TenBrink said the committee had met to review two proposals passed earlier in the evening.
- D. *Director's Building Advisory Committee*—Director Rohrbaugh said the committee had not met but she would give an update on the building project. She said it was pretty much finished and that FM had a few remaining odds and ends to finish up. She encouraged Board members to visit the Children's Room if they hadn't already and mentioned the Story Place would have its grand opening celebration for the February First Saturday@KPL, though the room has already seen strong use.

VII. OTHER BUSINESS

A. *Director's Report*

Report: Director Rohrbaugh drew attention to items two and three mentioning, despite poor weather, the Friends had a successful January book sale selling over \$800 in books. Director Rohrbaugh mentioned item six and the Citizen's Committee. She named off committee members including Anna Moss, the chair, and said the committee would be meeting at V. Wright's office. She said subcommittees had been determined and the committee had decided to do a targeted campaign similar to what the schools have done. The money the committee had was determined to be enough and, therefore, they would not need to do any fundraising. L. Godfrey said she was impressed how prepared and ready to work the group was. Director Rohrbaugh said the committee expected two main volunteer opportunities – adhering labels to postcards for mailings and walking through neighborhoods during large community garage sales and putting post-it notes on people's doors. Lastly Director Rohrbaugh drew attention to the heartwarming library stories at the end of the Director's Report.

Discussion: V. Wright said she was impressed by number 15. She said the Reading Together Steering Committee had wanted to do a food themed Reading Together for a while and she was excited circulation for this year's titles had already surpassed last year's circulation. F. Brown asked what Hobbiton treats were from item eleven. Director Rohrbaugh admitted she didn't know what Hobbiton treats were. L. Godfrey said item nine was impressive. She also asked if the library knew who the comments in the library stories came from. Director Rohrbaugh said it depended on how the comments came to staff. President TenBrink asked if these stories could be used as testimonials for the millage campaign. L. Godfrey said they would have to be solicited for that specific purpose to be used. J. Vander Roest asked what the library was looking for in a new phone system. Director Rohrbaugh said the library was looking for an Internet based solution adding the current phone system did not comply with new legal requirements. She said a task force made up of S. Lindemann, G. Green, K. King and W. Hand would be determining the best decision for the library. S. Lindemann said the biggest decision would be whether to buy the system or not.

Disposition: Trustees thanked Director Rohrbaugh for her report.

VIII. PERSONS REQUESTING TO ADDRESS THE BOARD

Richard Atwell, 1706 Merrill Street, thanked the Board for their thoughtful, well focused conversation regarding the CIA. He said if this were not addressed things like this could get way out of control and the library could find itself in a bad situation. He said he was proud to have witnessed such a good discussion and he thought the Board was doing their work.

IX. COMMENTS BY TRUSTEES

- L. Godfrey said she thought the library had the cleanest sidewalks of any in the community. She also said she had begun reading and enjoying R. Gage's movie blogs on the website and commented on the great variety of AV in the library's collection.
- B. Caple also applauded the FM staff for keeping the sidewalks around the library clear. He asked if there could be something done about the slipperiness of the brick in the portico of Central Library. Director Rohrbaugh said this had been an issue since 1999 when this brick had been installed. S. Lindemann said the problem was the brick was so smooth. FM has tried putting salt and sand down to make it better and had considered matting but the brick wraps all the way around the building. She acknowledged it was an ongoing challenge. B. Caple also commented he had recently watch *Kings of Summer* saying it was a charming film and one of R. Gage's recommendations, *My Uncle Antoine*.
- F. Brown applauded the collaboration between Friendship Village and Loy Norrix and Kalamazoo Central but reminded meeting attendees that Phoenix was the third KPS high school saying there may be ways to incorporate those students into events like this as well. Secondly he invited people to attend a Dance Festival with Wellspring that he would be helping with as a part of Roteract.
- R. Brown said he had a friend who frequented the Washington Square Branch and that she was regularly telling him how wonderful the facilities and staff were there.
- President TenBrink said her neighborhood library was the Washington Square Branch but she now found herself more often at Central Library. She seconded R. Brown's friend's comments about the branch.

X. EXECUTIVE SESSION

President TenBrink asked for a motion to move to an executive session to discuss the director's midyear review.

MOTION:

L. GODFREY MOVED AND V. WRIGHT SUPPORTED THE MOTION TO MOVE INTO AN EXECUTIVE SESSION TO DISCUSS THE DIRECTOR'S MIDYEAR REVIEW.

Roll Call Vote: L. Godfrey – yes; V. Wright – yes; B. Caple – yes; F. Brown – yes; R. Brown – yes; J. Vander Roest – yes; C. TenBrink – yes

MOTION CARRIED 7-0.

Trustees moved to an executive session at 5:21 p.m.

MOTION:

B. CAPLE MOVED AND F. BROWN SUPPORTED THE MOTION TO RETURN TO OPEN SESSION.

Roll Call Vote: L. Godfrey – yes; V. Wright – yes; B. Caple – yes; F. Brown – yes; R. Brown – yes; J. Vander Roest – yes; C. TenBrink – yes

MOTION CARRIED 7-0.

Trustees moved to open session at 5:40 p.m.

XI. ADJOURNEMENT

Hearing no objection, President TenBrink adjourned the meeting at 5:41 P.M.

X_____

Robert Brown
Secretary