

**St. Charles City-County Library District
Board of Trustees Meeting Minutes
June 11, 2019**

The St. Charles City-County Library District Board of Trustees met on Tuesday, May 14, 2019, at the Spencer Road Branch located at 427 Spencer Road in St. Peters, Missouri.

Board Members present:

- Staci Alvarez
- Julie Bartch
- Justin Collier
- Myra Crook
- Georganne MacNab
- Mary Reese
- Nevada Smith

Board members absent:

- Joann Leykam
- Gail Zumwalt

Library Staff present:

- Jan Bardon, Marketing & Communications Manager
- Tiffany Barke, Chief Talent Officer
- Gary Brinker, Information Technology Manager
- Aaron Eller, Regional Branch Manager, Middendorf-Kredell
- Alison Griffith, Branch Manager, McClay
- Asia Gross, Regional Branch Manager, Kathryn Linnemann
- Jennifer Jung, Regional Branch Manager, Spencer Road
- Jason Kuhl, Director & Chief Executive Officer
- Maggie Melson, Director of Youth Services
- Cindy Miller, Branch Manager, Deer Run
- Madison Morris, Branch Manager, Corporate Parkway
- Laurie St. Laurent, Deputy Director & Chief Customer Experience Officer
- Kristen Sherry, Outreach Services Manager
- Julie Wolfe, Chief Financial Officer

Others present:

- Arnie "AC" Dienoff – citizen

Board of Trustees Secretary Georganne MacNab called the meeting to order at 7:00 p.m. with the Pledge of Allegiance. Seven members of the Board listed above as present responded to roll call. Ms. MacNab opened the floor for public comments. Mr. Arnie C. "AC" Dienoff addressed the Trustees on the topics of the proposed Board of Trustees policies, public comments, proposed new job classifications and increased property tax assessments/new construction funds.

Reports and Correspondence

Financial Report:

Julie Wolfe, CFO, reported that the Library is running ahead of budget as Fiscal Year 2019 draws to a close. Revenues are excess of 100% of budget. The Library's fines and fees revenues are about \$100,000 lower than budgeted (due to auto-renewals) but the shortfall has been offset by increased investment income and passport revenues. Salaries and benefits expenditures are lower than expected due to open positions and timing of placement. Technology and telecommunications and capital expenditures are below budget due to mid-year changes in priorities. The Library is currently reviewing Architectural Services RFQs for the teen space at the Kathryn Linnemann branch. The Administration Building tenant will be vacating by mid-July. Early literacy areas are being designed for the Middendorf-Kredell and Kisker Road branches.

Director's Report: Jason Kuhl noted the following items in addition to the Director's Report:

- The Library is reviewing twelve responses to the Architectural RFQ.
- Jason encouraged the Trustees to stop by PopUp Library events scheduled this month.
- A new people counter is being piloted at the Spencer Road branch.
- The Portage Des Sioux branch is still closed due to flooding. The Library took steps to unplug electrical equipment and place items on high shelves. The branch and its contents are fully insured for flooding.
- In response to the recent ransomware attack experienced by the city of Baltimore, the Library has installed all of the security patches currently available to address vulnerabilities.
- The Director's Report will be reformatted, beginning in July, by Strategic Plan goal.

Monthly Statistical Report: Jason highlighted that monthly physical circulation has increased for the last three months, mainly due to auto-renewals. Total Circulation for the month of May 2019 was 531,502, which includes physical checkouts, eMedia checkouts, renewals and auto-renewals. New library cards have also increased dramatically (41.76% YTD) since migrating to Polaris. There were 1,983 new library cards issued in May, 196 of which were online registrations. Year-to-date eMedia usage increased 4.60% (752,342 in FY 19 vs. 719,245 in FY 18). FY 19 year-to-date program attendance has increased 9.98% and the number of programs offered has increased 9.04%. There were 123,633 self-checkouts in May.

Correspondence: None.

CONSENT AGENDA:

- Minutes from May 14, 2019, Meeting
- Minutes from May 14, 2019, Closed Session
- Minutes from May 23, 2019, Budget Work Session
- Minutes from May 23, 2019, Closed Session
- FY 20 Board of Trustees Meeting Schedule

MOTION: Julie Bartch moved to accept the consent agenda as presented. Nevada Smith second. It was noted that the May 2020 Board Meeting will include a preliminary FY 21 budget review and will begin at 6:00 pm. Motion approved seven affirmative, zero negative, zero abstentions and two absent.

FORMAL AGENDA:

OLD BUSINESS

19-42: Review of Proposed Policies Jason reviewed the several more changes that were discussed at the May meeting which have now been incorporated into the proposed revisions to the Board of Trustees policies a048 – Bylaws of the Board of Trustees, A096 – Open Meetings and Records, and a096 – Board Meetings. The final versions of the policies will be brought to the July 2019 meeting for approval.

The review of the proposed revisions to the Board of Trustees policies was a discussion and no vote was necessary.

NEW BUSINESS

19-48: FY 20 Salary and Benefits Budget, Policy e512 Salary Schedule Each year, as part of the annual budget, the Board of Trustees takes action to approve Policy e512, Salary Schedule. Jason recommended approval of the FY 20 salary and benefits budget with an annual step increase of 3% within the established salary grades for eligible employees. Jason also recommended the addition of a 14th step (Step N) to the salary schedule to better align the salary schedule with the current library job market.

MOTION: Julie Bartch moved to approve the FY 20 Salary and Benefits Budget, Policy e512 Salary Schedule, including a 3% annual step increase within established salary grades for eligible employees and the addition of a

14th step, Step N, to the salary schedule. Mary Reese second. The roll call vote was: Staci Alvarez – yes; Julie Bartch – yes; Justin Collier – yes; Myra Crook – yes; Georganne MacNab – yes; Mary Reese – yes; Nevada Smith – yes. The motion was approved with seven affirmative, zero negative, zero abstentions, and two absent.

19-49: Approval of Revised Policy e032 – Job Classifications A revision to Policy e032 – Job Classifications was presented to the Trustees for approval. The policy was updated to include three new job classifications presented at the May 23rd Budget Work Session. The new job classifications are: 032.196, Classes and Events Coordinator; 032.197, School Services Coordinator; and 032.263, Chief Communications and Engagement Officer. The job descriptions for each position were included in the information packet.

MOTION: Nevada Smith moved to approve the revision to Policy e032, Job Classifications, including the addition of three new job classifications - 032.196, Classes and Events Coordinator; 032.197, School Services Coordinator; and 032.263, Chief Communications and Engagement Officer. The roll call vote was: Staci Alvarez – yes; Julie Bartch – yes; Justin Collier – yes; Myra Crook – yes; Georganne MacNab – yes; Mary Reese – yes; Nevada Smith – yes. The motion was approved with seven affirmative, zero negative, zero abstentions, and two absent.

19-50: Approval of Fiscal Year 2020 Budget The final version of the FY 20 Budget was presented to the Trustees for approval. A preliminary review of the FY 20 budget was held during a Budget Work Session on May 23, 2019. Minimal changes were made to the budget

**Fiscal Year 2020 Budget Proposal
 St. Charles City-County Library**

District Total Revenues	20,588,847
Salaries and Benefits	12,801,470
Materials	3,450,400
Operations	3,045,172
Technology and Telecommunications	1,034,873
General Fund Total Expenditures	20,331,915
General Fund Net Surplus / (Deficit)	256,932
Capital Projects / Special Fund	995,000
District Total Expenditures	21,326,915
Net Surplus / (Deficit) with Capital Projects	(738,068)

REVENUE HIGHLIGHTS

District Taxes

District tax revenue in FY20 is budgeted at \$19.5 million, a 5.2% increase over the FY19 budget of \$18.6 million. Tax revenue is projected to generate 94.9% of the District’s total revenue. Tax revenue includes real and personal property taxes as well as Tax Increment Financing (TIF) payments, Surtax payments, and so on. The tax rate, certified by the Missouri State Auditor in September, is projected to roll back from prior year. State law requires the Assessor to revalue all real property in St. Charles County as of January 1 of every odd-numbered year, which applies to 2019.

State Aid for Public Libraries

The State of Missouri’s fiscal 2020 budget includes a \$1.1 million increase to restore prior year reductions to aid public libraries. However, the Governor of Missouri has until June 30, 2019 to issue any line-item veto. He

may also choose to withhold funds based on the State of Missouri's revenue. The District budgeted \$184,000 in FY20 compared to \$137,000 for FY19.

Grants

Grant funding includes continued support from our Friends of the Library organization, which enhances our Summer Reading Program and supports the District team throughout the year.

The District will also receive Missouri State Library Summer Library Program Grant (LSTA) funding. These funds are used to expand the summer reading program for adults and youth. There are various participant activities such as a coloring contest, bookmark design contest, and "Super Reader" initiative to engage customers.

Investment Earnings

The investment interest budget for FY20 is projected to increase \$53,000, or 73.6% from FY19. This is due to continued improvement in interest rates that positively impacts the District's Certificate of Deposit (CD) investments.

Charges for Services Fines and Fees

The District receives income from patrons for fines, lost and damaged materials, rental of meeting rooms and fees for various types of copies. Fines have continued to trend downward since 2014 and are budgeted in FY20 at \$200,000, 50% less than FY19. This is largely due to increased patron usage of electronic materials and the implementation of a new integrated library system, Polaris. Customer auto-renewals have been established in Polaris that facilitate customer extension of material due dates automatically.

The District estimates an 18% decline in nonresident services revenue from FY19 to FY20. This is largely due to an increased number of Reciprocal Lending Agreements entered into by the District with other libraries. These agreements enable the granting of reciprocal library services to residents served by other libraries if certain criteria are met. It benefits residents of both library districts by offering convenient services close to where they work and/or live.

Passport Acceptance Facility Fees (Passport Services Fees)

Four of the District's twelve (12) branches serve as Passport Application Acceptance facilities: Middendorf-Kredell Branch, Spencer Road Branch, Corporate Parkway Branch, and Kisker Road Branch. The District is able to recoup the costs of the program by collecting a \$35 processing execution fee. Estimated Passport Services fee income for FY20 is \$220,000, an increase of 83.3% from FY19. This popular service offsets some of the reduction in services revenue related to fines and fees.

Intergovernmental Exchange

The FY20 budget includes the provision of Tumblebooks, which is children's ebooks access at Wentzville and Ft. Zumwalt schools.

EXPENSE HIGHLIGHTS

Salaries and Benefits

The FY20 budget for salaries and benefits represents 63% of the overall operating expenditure budget.

FY20 budgeted expenditure for salaries and benefits with personnel additions is \$12,801,470. The budgeted amount includes annual salary step increases for eligible employees, taxes, and expenses related to the benefit program. Medical, dental, disability, and life insurance, plus the defined pension plan are the core components of the benefit package for full time employees.

The budgeted staffing level for the District will increase from 214 full time equivalents (FTEs) in FY19 to 218 in FY20.

Personnel Additions

The adoption of the Library's new Strategic Plan and the process of developing it brought to light several areas in which staffing deficiencies need to be addressed in order to advance the strategic goals.

Following are budgeted personnel additions, arranged by strategic goal:

Goal 2: Experiences and Outreach

School Services Coordinator (1 FTE)

Developing better relationships with schools and the homeschool community is a significant focus of the strategic plan. By having a position dedicated to coordinating this work and approaching it in a centralized, systematic way, the District will be able to make substantial progress in this area.

Classes & Events Coordinator (1 FTE)

Similar to the above, District efforts at planning and assessing classes and events are limited due to a lack of centralized staff support for the adult and youth services departments.

Public Services Librarian (.5 FTE additional hours for existing staff)

Currently a full-time staff member splits her time between Outreach Services and the Spencer Road branch. With continuing emphasis on Outreach Services, which has been reinforced by the strategic plan, the District needs her to focus all of her time on that area.

Paraprofessional (1 FTE existing staff—formerly a grant funded position)

One member of the District's small Outreach Services staff was in a grant-funded position until earlier in the year. She has been in our temporary employee pool since, and we now need to incorporate her position into the budget.

Goal 3: Service Model

Paraprofessional (Youth Focus)—Spencer Road Branch (1 FTE)

Spencer Road Branch is understaffed in the youth area when compared to the other regional locations. At this time, they have only five employees—two of them part-time— dedicated to serving youth, ages 0-18 years old. This is 48 fewer hours per week than the Library's other Regional branches.

Paraprofessional—Deer Run Branch (1 FTE)

Deer Run Branch staffing levels and composition need to be brought in-line with system- wide expectations. They have fewer paraprofessional staff than other general purpose locations, which impacts their ability to offer the same standard of service when it comes to the classes and events that we expect from other locations.

Assistant Branch Manager—Kathryn Linnemann Branch (1 FTE)

Over the past year, Regional Branch Managers have assumed more District-wide planning and leadership responsibilities. Having leaders from branches among the decision-makers for the District has been invaluable, but balancing these responsibilities with the day-to-day operation of their branches has been difficult.

As an immediate solution, the District assigned assistant branch management responsibilities to the Information Resource Managers at those locations, but it has become clear that those blended responsibilities are not a long-term solution. At this point, the three regional branches should have stand-alone assistant managers and the District proposes adding them at busier general purpose locations in the future as budget allows.

These are entry-level management positions which provide a path for advancement within the organization for librarians who do not have previous management experience. They allow the District to grow the management team internally instead of hiring from the outside for management positions.

We have made every effort to provide for these positions through internal staffing realignments. We were able to add a stand-alone assistant manager at Middendorf- Kredell Branch already and will be adding one at Spencer Road Branch soon, both without adding staff positions. For the final position at Kathryn Linnemann Branch, however, we need to add an additional position.

Goal 4: Digital Leadership

IT Support Specialist (1 FTE)

The District currently has only two IT staff focused on supporting computing technology at all District locations and none who are experts as to the audio-visual technology that is used by staff and public in our meeting spaces. The District must increase resources in this area to provide the necessary technology support to our staff and patrons.

Goal 5: Public Relations and Marketing

Chief Communications and Engagement Officer (1 FTE)

Community engagement is an emphasis of the strategic plan and will be critical as the District brands and messages any capital improvement campaign. This member of the executive team will be responsible for directing and advancing the library's brand strategy, communications, marketing, and public relations efforts as well as directing and overseeing strategic engagement functions. He or she will supervise the Marketing Manager who will continue to focus on managing the day-to-day production of marketing materials.

Library Materials

The FY20 Materials Budget of \$3,450,400 is an increase of \$179,900 over FY19, or 5.5%.

The intent of the increase is to lower wait times for popular materials in the formats of downloadable book, downloadable audio, print books, and movies. The cataloging and processing budget will also increase in FY20 as we transition to available vendor solutions for those services.

The District's streaming service continues to grow each month. The streaming expenditure category is increasing in FY20 to \$450,000 from \$330,000 in FY19, or 36.6%. The District's Hoopla service attracts hundreds of new users each month. Customers appreciate getting eBooks, eAudios, comics, music, movies and television shows with no wait. Kanopy, an additional streaming service for movies, primarily consists of documentaries, international films and learning cinema.

Collection Services continues to work on right sizing electronic resources, which has resulted in a decrease of \$98,800 for reference and electronic resources. Future focus will be on digital learning and providing the most relevant resources that our customers use. Several databases with low use or duplicated content will not be renewed for FY20.

Adult and Youth Programming

The FY20 Adult and Youth Programming budget is increasing \$80,500 from FY19. This change is due partly to increased expenditures related to expected grant funding. It also incorporates the introduction of Pop-Up Programming within our branches and via Outreach Services.

Pop-Up Programming are kits/supplies that allow for portable and spontaneous activities to be provided to groups of people where they are, whether inside our branches or in the community through Outreach Services.

As libraries continue the trend of providing services beyond books, maker spaces and equipment that facilitate crafting and creation have become a popular part of these expanded services. The District will invest in new "maker" equipment to provide these services to the community.

With the generous support of the Library Foundation's Fund-a-Need at the 2018 Imagination Gala, the District is investing in equipment for early literacy spaces in two branches, Middendorf-Kredell and Kisker Road. The District aims to eventually provide early literacy spaces in all branches that are a destination for customers. The vision is families coming to the library for the latest books, to attend classes and events, and to enjoy comfortable, energetic, fun spaces. Allowing children to learn through play is a main focus of early literacy.

Community Outreach Services

The FY20 budget for Outreach Services supports both the continued provision of new and high interest titles with regard to materials and expanded programming to the customers we serve.

The District continues to grow Outreach Services with the goal of reaching the entire community, not only those who can visit our physical buildings. This includes senior living facilities, day centers, and many other places where patrons can often experience a sense of isolation, feeling disengaged from the community.

On-site, multi-sensory programs continue to be provided that stimulate memory, encourage conversation and creativity, and promote cognitive skills. Lobby stops are provided at senior living facilities, giving residents access to library materials in the comfort of their residence.

St. Charles County residents that are homebound or disabled and not able to travel to a branch can take advantage of *Library to You* services. *Library to You* volunteers deliver library materials directly to homes or customers may be eligible to receive materials through the U.S. mail service.

Marketing

The FY20 Marketing Budget of \$143,500 is a decrease of \$30,500 over FY19, or 17.5%. Part of this decrease is due to the transfer of budgeted expenditures to Technology and Telecommunications.

Marketing expenditures now included in the Technology and Telecommunications budget are:

- An annual license fee for a software package that will be used to create a new website in house.
- Orange Boy, Inc. product called Savannah, a software subscription to track customer behavior and send an email blast (of information and events) to customers.

As part of the District's new Strategic Plan, we will engage a consulting firm to develop an overall Marketing Plan. The FY20 budget includes \$20,000 in consulting fees for this project.

Delivery Fleet Operations, Maintenance and Repairs

Delivery fleet vehicle operations, maintenance and repairs are budgeted the same in FY20 as in FY19. The District is incurring additional maintenance expense due to vehicle age and improved routine maintenance scheduling.

Due to high mileage, the District anticipates having to replace a fleet vehicle in FY20. This purchase was originally budgeted in FY19 but was deferred to FY20 in order to fully evaluate District needs. The van will be replaced by a vehicle that will provide multipurpose use. This amount has been accounted for under special fund/capital rather than the regular operating budget.

Buildings and Grounds

Buildings and grounds expenditures are projected to increase by approximately \$40,000, or 5.3%, from FY19 to FY20. This reflects cost savings experienced due to effective use of internal Facilities Management resources and contract pricing. It also includes additional budgeted expenditure for contractor assistance with ice, snow and other weather related issues.

Minimal renovations are scheduled in anticipation of the outcome of the FY20 Master Facilities Plan process. Facilities Management will continue to focus on safety, accessibility, continuous improvement, preventive maintenance, and ongoing development of ways to increase operating efficiency while reducing costs.

Equipment/Furnishings, Maintenance and Repair

The equipment, maintenance and repair budget will decrease to \$430,910 in FY20, or 5.9% from FY19. Various types of furnishings and shelving will be replaced or added to enhance children (early literacy), teen, computer and study areas, patron spaces and meeting rooms.

FY20 budget includes items such as branch signage, computer stations, a media dispenser, and other equipment.

Equipment service contract review and ongoing management has resulted in an increase of only \$1,200 to the FY20 budget for improved, regular maintenance.

Travel, Training and Dues

Training and professional development costs will increase approximately \$19,274, or 13.2%, over FY19. There will be increased participation in Public Library Association (PLA), American Library Association (ALA) and Missouri Library Association (MLA) conferences and training for staff throughout the organization.

Other costs include training and conferences for Development, Marketing, Community Outreach Services, Facilities, Human Resources and Finance. Professional and community organization dues and staff training (Staff Development Day, American Red Cross and other training) are also included in the FY20 budget.

The District continues to be a member of the Urban Libraries Council (ULC), an innovative organization, advocating the value of libraries. ULC focuses on: Education, Digital Inclusion (access and equity in communities), and Partnerships (for creating healthy, sustainable communities).

The District updated Travel Policy (f032) to be effective beginning FY20. The changes include reimbursing mileage at the established U.S. Government General Services Administration (GSA) rate in effect at the time of travel. Reimbursement for meals is to be the lesser of the actual cost incurred and the established GSA per diem rate at the time of travel. Combined, the policy changes will result in increased travel expenditures that have been incorporated into the FY20 budget.

Professional Services and Data

Professional services and data is projected to increase approximately \$101,000 overall in FY20 from FY19. This is largely due to engaging a consultant to assist in facilities planning and an increase in legal services and software subscription fees.

The District is budgeting a total of \$100,000 for facilities planning consulting, which uses a structured process to create a Facilities Master Plan. This also includes financial capacity planning and additional recommendations and implementation guidance. The process will include stakeholders to provide feedback and determine future needs based on relevant collected and analyzed data for St. Charles County.

The District has budgeted \$60,000 in legal fees for continued assistance in various areas including compliance review of policies and needed revision (many are outdated), Board and staff education, employment issues, contract review, and so on.

Information Technology

Overall, technology and telecommunication expenditures will increase \$345,000, or 50%, from FY19 to FY20. This increase is due to this budget category now including Polaris integrated library system subscription fees, new library website software as a service subscription fees, and the Savannah marketing software subscription fees.

Software expenditures will increase in FY20 due to higher Microsoft licensing charges. The majority of Windows and MS Office licenses on both staff and public computers are outdated and need renewal. The District plans to migrate computers to Microsoft 365, a subscription product that includes both Windows and Office 365.

Consulting and Professional Fees include funding for foundational technology assessment and redesign to support Strategic Plan implementation efforts. IT Service Management system subscription fees are also included. This system is intended to support IT Help Desk management via use of a work order submission and technician follow up.

Telecommunications/Data expenditures reflect a significant increase to support a planned Hotspot lending program. Patrons will be able to check out portable Internet access devices with unlimited data plans. For example, a Hotspot loan can assist students that do not have home Internet access for homework or someone who would like to search for a job outside of the library's walls.

Equipment expenditures include public computer replacements for all branches, security camera upgrades and replacements, service fees for the free Fax/Scan devices, and a new people-counter system for the Spencer Road Branch.

Subscription fees for Polaris, the new integrated library system (ILS), are now included in the IT software subscription budget.

The Trustees expressed their appreciation to staff involved in preparing the FY 20 Budget. The detailed FY 20 Budget will be available on the Library's website, www.MyLibrary.org, beginning July 1, 2019.

MOTION: Julie Bartch moved to approve the Fiscal Year 2020 Budget as presented. Justin Collier Second. The roll call vote was: Staci Alvarez – yes; Julie Bartch – yes; Justin Collier – yes; Myra Crook – yes; Georganne MacNab – yes; Mary Reese – yes; Nevada Smith – yes. The motion was approved with seven affirmative, zero negative, zero abstentions, and two absent.

19-51: Election of Officers for Fiscal Year 2020 Ms. MacNab explained that, historically, the Board has held its annual election of officers at the June meeting. The timing of the election of officers can be problematic as re-appointment of current board members and appointment of new board members generally takes place in July. The Trustees discussed moving the election to later in the year after re-appointments/appointments are complete. Jason reported that he spoke with the Library's legal counsel and verified that Missouri state statute does not dictate when the election of officers needs to occur. Moving the election of officers to August or September would allow new members of the Board to express interest in serving as an officer. The Trustees also discussed benefits of the tradition of moving up through each of the offices (Treasurer, Secretary, Vice-President and President) for a two-year term. Pending approval to move the election of officers to later in the year, all current officers, with the exception of the current Treasurer, would continue in their role until the election is held. The current Treasurer,

