



Board of Trustees

October 26, 2015 4 pm

MINUTES

Regular Meeting Ann Henry Board Room

Trustees present: B. Boudreaux, H. Garner, M. Rice, J. Parry, S. Graham

Trustees absent: K. Agee, S. Clark

Staff present: D. Johnson, L. Greenwood, W. Fitzgibbon, S. Palmer, J. Atha, G. Jelinek, S. Houk, L. Yandell, S. Daniel, S. Davis, C.

Moody, B. Holt, S. Foley

Press: D. Holtmeyer

I. Call to order

II. Minutes

- A. Approval of minutes: **H. Garner moved to approve the minutes of August 17, 2015; M. Rice seconded. All voted AYE.**

III. Reports

A. Management reports

1. Key upcoming events: not addressed
2. August-September 2015 Strategic Plan progress: not addressed
3. September 2015 Performance Measures: not addressed

B. Financial Reports

1. Balance Sheet as of September 30, 2015 – not addressed
2. Budget to Actual as of September 30, 2015 – not addressed

IV. Information items

- A. Foundation update: At his 80th birthday party, J. Blair announced a \$1 million bequest to FPL.
- B. RFS event: The Foundation will host this event, mostly about raising funds for annual support, on November 10th. *Scrivener's note: the date was changed to November 12th after the meeting.*
- C. Erik Larson event: This will be April 1, 2016, and attendees at the reception will be charged a fee.
- D. 100 year anniversary event: A suggestion was made to invite the authors of *Roberta: A Most Remarkable Fulbright*. Their names are Dorothy Stuck and Nan Snow.
- E. Recommendations of the Millage Exploratory Committee:
- a. Save money so that building can be maintained.
 - b. Request Foundation to reinstitute the unrestricted transfer at about \$50,000.
 - c. Increase meeting room rent as well as fines and fees.
 - d. Charge for receptions either as a price per ticket or as a sponsorship. (under consideration)
 - e. Hold a single election for operating and construction revenue only after resolution of the legal issues surrounding City Hospital.
- F. Draft Budget: Discussion began with presentations by staff about the impact of various cuts on library operations:
- a. Youth and Outreach: There is no money to pay an instructor for the robotics classes, and the Summer Reading Club will be scaled back in terms of kick-off, duration, and finale.
 - b. Adult Services: Cuts to the Nonprofit Resource Center programming will reduce circulation and attendance. High demand classes like writing, Chinese, and genealogy will be offered less frequently. Mountain Street Stage will provide fewer performances. Waiting lists for popular titles are getting longer and the number of people not picking up their holds has grown indicating folks are giving up and getting their books elsewhere.
 - c. Training and professional development: The heavily cut budget will reduce the number of staff going to meetings of ALA, PLA, IUG (Innovative Users Group) and Cisco Certification. FPL is attempting to get IT staff Cisco-certified to forego the expense of hiring a certified engineer when there is a network issue. The warranty is voided if someone non-certified works on it.
 - d. Facilities: Carpet cleaning and painting will be done half as often, landscaping will deteriorate as plants die, hard floors will be resurfaced less frequently, and furniture will continue to look shabby.

- e. IT: the main budget cut was in spare parts meaning FPL has a \$2 million dollar infrastructure and no money to fix it.

Draft Budget: Total change to the revenue side is a \$35,000 gain. Inflation of 3% on last year's revenue would be \$120,000. Thus FPL has only 1/3 what's needed to keep up with inflation.

Turn back money has been reduced to \$122,000 for 2016 and will drop further in 2017 to \$108,000 or less. The City increased the book transfer allowing for a total book budget of \$452,000. Note: some items cannot be purchased with city money. The increase in personnel costs (estimated by annualizing this year's September payroll) is due to a 6.4% increase in health care insurance. It is proposed FPL absorb the increase because a routine raise was not possible in 2015.

The distinguished author fee was reduced by \$20,000.

The company that gathers books from the remote returns is raising its rates for 2016 by \$1 to \$2 dollars/day/pickup.

The Youth and Outreach Department is splitting out teens to a separate department for accounting purposes.

Fees to administer the library's retirement plan are being charged to Administration, as well as a salary contingency of 3%. Salaries lag peer libraries because FPL has been unable to consistently give raises.

The Services and Charges line for 2015 includes the contract with MS&R. However, if there is no decision on city hospital, there will be no need for an architect. MS&R has been paid for services to date. If the courts decide for Washington Regional, FPL will have to renegotiate the contract and bring a contract amendment and budget adjustment forward for Board approval.

Development and Marketing: budget is flat except for health insurance; the cost for Constant Contact increased approximately \$1,200 but was absorbed by reducing other expenses.

Facilities: food and catering for events have been reduced. It should be noted attendance is always greater for those events that have a food element.

Utilities: budget reflects a modest increase in the price of gas but no increase in electricity. This is a guess, and utility costs are completely dependent on weather.

Telephone and broadband reflect the full cost. Should e-rates be awarded next June, FPL would not spend the full budget.

IT maintenance: staff may have over budgeted this number in 2015 as the 2016 number is the actual cost of our contracts.

FPL has a history of being a world class library and staff developed a budget proposal for 2016 that reflected that history; however, the actual 2016 budget had to be reduced \$493,000 to meet available revenues.

- G. **Garner moved to approve the budget as amended by the addendum calling for funding a 20 hour development assistant; M. Rice seconded. All voted AYE.**

V. Action items

- A. Proposed revision to Policy JF Fee Schedule: **M. Rice moved to approve the staff recommendation to charge \$40 for a nonresident borrowing card and approve the full fee schedule as presented. J. Parry seconded. All voted AYE.** This adjustment brings the nonresident fee to match the cost paid by Fayetteville citizens.

- B. Proposed revision to Policy PA17 Leave Donation Bank: **M. Rice moved to approve the proposed revision provided the language "partner" is consistent with City of Fayetteville wording. H. Garner seconded. All voted AYE.** Staff will check with the city.

- C. Proposed Revision to Policy PA12 Paid Time Off: **H. Garner moved to approve the proposed revision; M. Rice seconded. All voted AYE.**

- D. Allocation of 6.4% health insurance increase: The city split the increase between employees and the city. However, because FPL could not give raises this year, Executive Director D. Johnson recommends FPL absorb the entire 6.4% increase.


- H. Garner moved to accept D. Johnson's recommendation that FPL pay the health insurance premium increase; M. Rice seconded. All voted AYE.**

- E. Resolve tabled motion made April 20, 2015: **M. Rice took his motion off the table.**

VI. Press

VII. Adjourn: B. Boudreaux declared the meeting adjourned at 5:19 pm.

Signature



Date

2/15/14