

Fayetteville Public Library
Board of Trustees Regular Meeting
April 16, 2012, 4 pm
Minutes
Prepared by S. Daniel, Office Manager

Board members present: K. Agee, B. Boudreaux, S. Clark, D. Ferritor, S. Graham and M. Rice. Board member absent: E. Jordan. Staff present: D. Johnson, L. Speer, S. Foley, S. Palmer, L. Yandell, C. Walsh, L. Greenwood, and S. Daniel. Others present: Judge R. Moore, L. Brewer, M. Malone, R. Riley of BKD, and Joel Walsh of the NWA Times.

- I. The Board of Trustees meeting was called to order at 4 pm. by S. Clark.
- II. Swearing in of new board members: Judge Rudy Moore swore in B. Boudreaux and S. Graham for 5 year terms.
- III. Special presentation of framed photos of FPL to retiring board members L. Brewer and M. Malone
- IV. Minutes: Approval of minutes: **D. Ferritor moved to approve the minutes of 2.27.12; K. Agee seconded. All voted AYE.**
- V. Special recognition of Lynn Yandell named as a "Mover and Shaker" by the Library Journal.
- VI. Reports
 - A. Management Reports
 1. Key upcoming events: For the first time, the SRP calendar combines children, teen and adult programs into one document. The adult SRP, funded in part by an NEH grant, will be "Ancient Greeks Modern Lives." Children's programming will include Three Penney Acre, Shout Lulu, Chase Missy, a mobile aquarium, Activated Story Tellers, and Tommy Terrific and will conclude with Trout Fishing in America. All youth librarians will be starting school visits promoting SRC sign up.
 2. February-March strategic plan progress: Authors Clare Vanderpool and Tracy Kidder drew large audiences. The Otwell Teen Library has received an award; another is possible. IMacs with Adobe Creative Suite have been deployed to the adult computer lab.
 3. Performance measures: Digital check-outs are up 82%. Digital items added to the collection are down because prices have become prohibitive. Programs presented are up 50%. IT staff are looking for a way to measure Wi-Fi usage.
 - B. Financial Reports: Legal expenses appear to be high in the March report, but there is an error in our budget line item. It will be corrected by the next Board meeting.
- VII. New Business
 - A. Memo: Budget adjustments due to grants received: **M. Rice moved to approve the staff recommendation; B. Boudreaux seconded. All voted aye.**
 - B. NEH update: The reconciliation report, prepared by R. Riley and H. Bradberry, examined assets, expenditures, and balances at Garrison Financial. NEH donations of \$1,508,036 have been certified, \$400,000 in match has been received from NEH for a total of \$1,908,036 in estimated net assets. As of 12.31.11, \$247,648 of the bridge money had been spent and there has been a gain of \$70,021 for net assets of \$1,730,409. Of the \$1.73 million, \$960,798 is invested at Garrison, and pledges due total \$543,000. With defaults, almost \$300,000 remains to be raised by 7.31.12.
 - C. "Up Among the Hills" Gala: Plans call for clearing level 300 to hold over 400 people for a ticketed, black tie optional event. The Foundation will front expenses but sponsorships and live and silent auctions will restore costs and turn a profit. Vista Productions will provide audio visual support; Eventures will supply elegant seating, chairs, and a red carpet. There will be a pre-event reception at KUAF.
 - D. Staff raises: Historically, FPL has instituted hiring freezes and raises consistent with the city of Fayetteville. Following 3 years of no raises, this plan provides 4% increases. The plan assumes all positions are filled and new hires come in at the mid range of their salary grade. The proposal is sustainable through 2013; budget projections are not available for 2014. **M. Rice moved to approve the 4% raise proposal as recommended; K. Agee seconded. All voted AYE.** Discussion: M. Rice noted that FPL has never come close to using the entire personnel budget. There is an unfunded liability resulting from large accruals of sick leave and PTO for several staff members. **Question called; all voted AYE.**
 - E. Library audit: Audit opinion was clean. Assets increased over 2010 to \$24,362,168. Expenses were higher than in 2010 due to the costs associated with transitioning to a new ED, but revenues exceeded expenses by \$945,478. The library is in compliance with its investment policy. Adjustments were made to net assets, fixed contributions, accounts payable, depreciation, and disposal of fixed assets. One deficiency was communicated orally to management. Auditors recommended integrating the budget into QuickBooks and using project codes to distinguish revenues and corresponding expenditures to better track spending of grants and other specific revenue sources to ensure they are spent for their designated purpose.

- F. Foundation Audit: Audit opinion was clean. Net assets are now classified into 5 areas: nonspendable (e.g. Otwell), restricted, committed, (board could decide to set aside), assigned money, and unassigned (to pay general expenses). Net assets and income have gone up; liabilities and expenses have increased a little. The reconciling item, \$95,000, represents the NEH film that is not yet completed; it will become a library asset when finished. The foundation was in compliance with its investment policy. Related party notes: The Foundation keeps money at a bank headed by a Foundation Board member; the spouse of a library staffer is a Foundation vendor. A material weakness was noted: GiftWorks, the software which tracks pledges, was not reconciled monthly to the general ledger.
 - G. Open positions update: Stephen Davis has been hired as Manager of Accounting and Human Resource Services. A hiring committee has identified 4 candidates for further consideration for the marketing position.
 - H. Appointment of a nominating committee: D. Ferritor and K. Agee will recommend officers for the coming year.
- VIII. Adjournment: D. Ferritor moved to adjourn; M. Rice seconded. All voted AYE. Meeting adjourned at 5:22 pm.**

Kim Agee