

**REGULAR MEETING OF THE BOARD OF TRUSTEES
OF THE
DOWNERS GROVE PUBLIC LIBRARY
July 28, 2010**

MINUTES

ROLL CALL

President Daniels called the meeting to order in the Library Meeting Room at 7:33 p.m. Trustees present: DiCola, Eblen, Greene, Read, Daniels. Trustees absent: Humphreys. Also present: Library Director Bowen, Assistant Director Carlson. Visitors: none.

APPROVAL OF MINUTES

Trustees reviewed the minutes of the regular meeting of July 14, 2010. It was moved by Greene and seconded by Eblen **THAT THE MINUTES OF THE REGULAR MEETING OF JULY 14, 2010 BE APPROVED AS AMENDED.** Ayes: DiCola, Eblen, Greene, Daniels. Abstentions: Read. Nays: none. Motion carried.

PAYMENT OF INVOICES

Trustees reviewed the list of invoices submitted for payment. It was moved by Humphreys and seconded by Greene **TO APPROVE PAYMENT OF OPERATING INVOICES FOR JULY 14, 2010 TOTALING \$39,501.76 AND ACKNOWLEDGE PAYROLLS FOR JUNE 2010 TOTALING \$168,115.95.** Ayes: DiCola, Eblen, Greene, Humphreys, Daniels. Abstentions: none. Nays: none. Motion carried.

OPPORTUNITY FOR PUBLIC COMMENT ON AGENDA ITEMS

None.

OPPORTUNITY FOR PUBLIC COMMENT ON OTHER LIBRARY BUSINESS

None.

OLD BUSINESS

- Review of 2011 Budget and 2011 – 2015 Five Year Financial Plan

Bowen projects that revenue will be a little less than originally projected when the FY2010 budget was adopted last summer, but he also projects that expenditures will be a lot less. The budget for FY2010 is \$4,237,039. With the efforts that the staff has already made to contain costs, Bowen projects that the library will actually spend \$4,021,000, about 95% of the budget.

For FY2010 the library budgeted \$75,000 from the Construction Fund to replace the carpet in the Children's Services Department; however, since the carpet did not yet need replacing, none of this money was spent. This will be budgeted for again in the 2011 budget, so that the funds will be available if needed. The Construction Fund is separate from the Operating Fund so the money that was not spent on carpeting this year is not part of the savings shown for the Operating Fund. The money will be spent; it is just a matter of when the existing carpet gets so worn that it must be replaced.

In last year's financial plan the library projected a budget for FY2011 of \$4,390,966. The actual budget that Bowen is requesting for 2011 is \$4,202,341. This is actually about 1% less than the 2010 budget.

Bowen budgeted \$80,000 from the 2011 Construction Fund for replacing the carpeting in the Children's Services Department, should it be needed in 2011.

While the library has traditionally worked from a five-year plan, Bowen has always projected much further than that. He believes it is particularly important to look further out during a period when the library is looking at the need to keep increases in the property tax levy low. He included projections for 10 years, and pointed out that one of key elements to watch is the impact of the library's projected budgets on the reserve fund balance. The reserves are sufficient through 2017, after which revenue must be increased or expenses decreased further.

Bowen noted the years in which several significant expenditures are budgeted. The board has discussed these expenditures in past meetings. \$300,000 for conversion to RFID technology is part of the 2012 budget and the reason for the 9.3% increase in the 2012 budget. In addition, \$300,000 has been budgeted in 2013 for the redesign of the second floor adult services departments. \$250,000 has been budgeted in 2014 for replacement of the membrane roof.

The library has accumulated a significant reserve fund; however, as the board considers much smaller increases in the property tax levy, those reserves will disappear. As the board discussed earlier this year, they need to position the library for the long term before the reserve fund runs out. To do this Bowen proposes budgeting for a move to RFID technology for materials handling in 2012. This will speed up the process of checking materials in and out, and allow for efficient self-service checkout. At minimum the new technology would take the place of at least one additional circulation clerk per shift and save over \$40,000 per year. If patrons take advantage of self-service, it could save much more staff time. Patterns of library use have changed since the building was designed more than 10 years ago. Bowen believes that it is nearly time to take a serious look at the adult services departments that make up the second floor of the library. The library can redesign the entire space to provide better service, and if need be, design it so that it can be adequately staffed by fewer employees. The library will need to replace the second floor carpeting in a few years. Since everything will have to be moved to accomplish that task, it would make sense to redesign the space as part of that project so things are moved back into their new locations. Bowen budgeted \$300,000 for this in 2013. It would be used with the \$150,000 that will remain in the Construction Fund after the Children's Services Department is re-carpeted. As the building ages Bowen also budgeted for increased costs in maintenance and replacement of building systems. The warranty on the membrane roof expires in 2014, and Bowen has budgeted \$250,000 for replacement of that roof.

In looking at the projected revenue, including small property tax increases, over the long term the library has adequate reserves through 2017, so there is time to plan. (If health insurance costs stabilize and increase at an average of 10% per year rather than the projected 15%, the library should have a healthy reserve through 2021.)

Because of the uncertainty of the financial situation Bowen did not project any increase in the equalized assessed valuation of the Village of Downers Grove for the next five years. He highlighted the actual cost to the taxpayer of the modest property tax increase projected in this plan. In 2011 the owner of a house with a market value of \$364,000 would experience an increase of \$2.65. Even with slightly larger increases of the property tax levy in future years, the increase in the actual amount that a taxpayer will pay is modest.

Trustee Read asked what the library is foregoing with these budget cuts. Bowen replied that the library is not able to move ahead as quickly or as well with some of the improvements that would help to meet the changing service needs of patrons, for example, additional public computers, wired tables for laptop users, digital book collections, additional study room spaces, improved signage, and other second floor adult and teen services improvements.

Trustee DiCola mentioned that the Village is planning to annex additional property which may help with revenue in the future.

The board was satisfied with the budget proposal so Bowen will make the budget available for public examination and he will schedule a specific opportunity for public comment on the budget at the August 11, 2010 meeting. Following the public comment, the Board can approve the new budget then, or ask for changes and consider it at the August 25 meeting.

NEW BUSINESS

- Approval of Downers Grove Public Library's participation in the Illinois Non-Resident Library Card Program

Every year by the end of July a library board is required to consider its library's participation in the Illinois Non-Resident Library Card Program which allows individuals who are not served by a public library to purchase library service. This requires two actions. The first is an action to continue to participate in the Illinois Non-Resident Card program; the second action is to determine which of the two methods will be used to determine the fee and to set the amount of the fee for the next year.

The program is the only way that someone who does not reside within some public library's service area can receive library service. Downers Grove receives revenue of over \$20,000 per year in non-resident fees. For the first six months of 2010 the library received \$12,347, so the library is on track for the year.

It was moved by Read and seconded by Greene **THAT THE DOWNERS GROVE PUBLIC LIBRARY CONTINUE TO PARTICIPATE IN THE ILLINOIS NON-RESIDENT LIBRARY CARD PROGRAM.** Ayes: DiCola, Eblen, Greene, Humphreys, Daniels. Abstentions: none. Nays: none. Motion carried.

- Adoption of the non-resident library card fee

Two options are permitted for determining the fee. The tax bill method requires the patron to present his or her property tax bill and library staff have to calculate the amount that the patron would have paid in property taxes to the library. This is inconvenient for patrons, who rarely have a copy of their property tax bill handy, and requires staff to do the mathematical calculations to determine the fee. The library would also have to adopt an average fee (the second method) in the event that renters want to purchase a fee card.

The second option is to use one fee that is the average amount paid by a local household in property taxes. This is the method that the library has used for many years. This year Bowen delayed the adoption of the fee to last possible board meeting in the hope that data from the new census might be available; however, that data won't be released until the end of the year, so the board had to use the old population figure. Based on the 1990 census, the average property tax paid per household in FY2010 is \$243.54. Bowen suggest rounding the fee up to \$244. The current fee is \$235.

It was moved by DiCola and seconded by Greene **THAT THE DOWNERS GROVE PUBLIC LIBRARY CONTINUES TO USE THE GENERAL MATHEMATICAL FORMULA TO DETERMINE THE NON-RESIDENT FEE, AND TO SET THE NON-RESIDENT LIBRARY CARD FEE AT \$244, EFFECTIVE AUGUST 1, 2010.** Ayes: DiCola, Eblen, Greene, Humphreys, Daniels. Abstentions: none. Nays: none. Motion carried.

REPORT FROM THE ADMINISTRATION

The first annual Rotary Grove Fest was held the weekend before last. Bowen did come into the building during the evening concerts to see how noisy it was in the library. The Meeting Room would have been unusable, but the rest of the building was not too loud. If the Fest is presented in the same way next year, Bowen would probably keep the library open normal hours on Saturday and Sunday. That said, library use in general dropped significantly from Tuesday evening on, as soon as patrons lost access to the parking lots. From the perspective of the Fest, Bowen believes it was very successful. There was a lot of positive feedback from residents who thanked Rotary for sponsoring the event, and people seemed to like that it was smaller, more Downers Grove. The Rotary is already discussing ways to improve things next year.

Bowen would love to have the Fest held somewhere that did not take out so much parking, and he did submit a suggestion to Rotary that they investigate the feasibility of using Curtiss Street between Main and Washington and Mochel Drive that intersects Curtiss in the middle of the block. The only Central Business District parking areas that would be impacted are the few street spaces on Curtiss, and the event would be very convenient to the parking deck.

The library had its highest ever one month circulation in June. Over 101,000 items were checked out. The last record month was 99,000 in July 2009. Along with the year-to-date circulation increase of 2% over last year, computer usage is up 12%, library website usage up 6%, and reference database usage up 47% over last year.

TRUSTEE ANNOUNCEMENTS AND REQUESTS FOR INFORMATION

Trustee Read will be out of town for the next meeting on August 11.

ADJOURNMENT

The meeting was adjourned at 8:24 p.m.