

HOMER TOWNSHIP PUBLIC LIBRARY
Board of Trustees
Regular Meeting – September 26, 2011

President O'Brien called the meeting to order at 7:34 pm, followed by the Pledge of Allegiance.

TRUSTEES PRESENT

Ed O'Brien, President
Jane Klunk, Vice President
Mike Budde, Treasurer
Adelyne Parker, Secretary
Brian Smith
Phyllis Levine
Kevin Owen

STAFF PRESENT

Sheree Kozel-La Ha, Library Director
Sara McCambridge, Assistant Director
Carol McSweeney, Business Manager
Kitty Mitchell, Youth Services Director
Patti Nakutis, Recording Secretary

AUDIENCE TO VISITORS

President O'Brien welcomed staff.

CORRESPONDENCE

Director Kozel-La Ha went over the following correspondence:

- A residential appeal from the Will County Board of Review

APPROVAL OF MINUTES

Trustee Klunk made a motion to accept the minutes of the August 22, 2011 Regular Library Board meeting. Trustee Levine seconded the motion. All in favor, motion passed.

Trustee Levine made a motion to accept the minutes of the August 22, 2011 Special Library Board meeting. Trustee Klunk seconded the motion. All in favor, motion passed.

Trustee Klunk made a motion to accept the minutes of the August 22, 2011 CLOSED SESSION Library Board meeting. Trustee Smith seconded the motion. All in favor, motion passed.

Trustee Klunk made a motion to accept the minutes of the August 29, 2011 Special Library Board meeting. Trustee Smith seconded the motion. All in favor, motion passed.

Trustee Smith stated that he noted his preference for the north option at the August 29, 2011 meeting but commented to Director Kozel-La Ha after the meeting that he would be amenable to either option. He asked that the minutes reflect this. Trustee Klunk made a motion to accept the minutes of the September 12, 2011 Special Library Board meeting as amended. Trustee Budde seconded the motion. All in favor, motion passed.

TREASURER'S REPORT

Business Manager Carol McSweeney stated the current assets as of August 31, 2011 are as follows:

| | |
|---|-----------------------|
| Cash in Bank – Harris Bank | \$ 112,119.34 |
| Cash in Bank – Memorial Fund Harris Bank Money Market | \$ 12,617.19 |
| Certificate of Deposit – First Midwest | \$ 72,916.31 |
| Certificate of Deposit – Memorial Fund | \$ 29,200.00 |
| IL Funds – Money Market | \$2,196,004.17 |
| IL Funds – Insurance | \$ 45,260.26 |
| IL Funds – Social Security | \$ 69,878.12 |
| IL Funds – Special Reserve/Capital Improvement | \$ 297,101.38 |
| IL Funds – IMRF | \$ 90,634.25 |
| IL Funds – Audit | \$ 35,226.32 |
| IL Funds – Epay | \$ 247.80 |
| Petty Cash | \$ 358.74 |
| TOTAL CURRENT ASSETS | \$2,961,566.23 |

Trustee Budde asked how much money was in the Olivieri Memorial Fund when it was opened. Business Manager McSweeney stated that the CD was opened at \$29,200. Additional deposits have been made into the Memorial Fund Money Market account since then and the current total for both is approximately \$45,000.

Trustee Owen asked what the Special Reserve Funds can be used for. Director Kozel-La Ha stated that it is for any improvements and/or services, but not operational costs.

President O'Brien requested that next month the September 2011 Compilation Balance Sheet show a comparison from September 2010.

There was a short discussion regarding Deposit Detail dated August 25, 2011 – September 26, 2011 and Transaction Detail dated August 25, 2011 – September 26, 2011.

Petty cash from September 1, 2011 – September 19, 2011 totaled \$107.21.

Trustee Budde moved to approve the bills and petty cash as stated. Trustee Klunk seconded the motion. A roll call vote was taken. All in favor, motion passed.

Trustee Budde moved to transfer \$128,000 from Illinois Funds to Harris Bank General Funds to pay September bills and October payroll, IMRF and withholding tax, as well as utility bills or other time-sensitive bills to prevent late fees. Trustee Smith seconded the motion. A roll call vote was taken. All in favor, motion passed.

LIBRARIAN'S REPORT

Director Kozel-La Ha recapped information from her Director's Report as follows:

- We are \$10,000 under budget for this month compared to last year.
- 2 Financial Policies are enclosed in your packets regarding the bonds.
 - Fund Balance Policy
 - Debt Management PolicyThese will define the guidelines.
- We will need to pass a resolution in order to allow us to use Special Reserve and other reserve funds prior to getting money through bonds. We can then re-pay reserve funds from the bond proceeds.
- 922 programs were held at the library last year.
- The Author Fair was well received with approximately 50 people in attendance. There was a short discussion.
- Enclosed is an IMRF Resolution. This resolution will increase the annual 1,000 hour standard IMRF participation from 600. This will apply to new hires only.
- The final Long Range Plan with consultant Fred Schlipf is being completed.
- There have been several meetings with Joe Huberty, Fred Schlipf, and administrative staff regarding the expansion.
- We have contacted Village officials. A staff meeting is also being planned to showcase the long range plans.
- The popular "geek" advocacy program continues.
- The library and bookmobile were showcased at the Expo. 169 people visited the bookmobile and approximately 900 visitors attended the Expo.
- 1,076 patrons were served on the bookmobile in August. 13 VIP deliveries were made in August (54 items) and 91 senior holds were delivered.
- Priorities for October include charts, statistics, and budget review for long range planning. The ILA Conference is in October. Trustee Owen, Smith and Budde are registered to attend. Trustee Budde asked that the dates be forwarded to him. Director Kozel-La Ha will be in attendance as well as other library managers.

Assistant Director's Report

Assistant Library Director McCambridge provided the following updates:

- The IPLAR report is complete and has been electronically submitted. This is an annual requirement.
- The Per Capita requires a signature from President O'Brien and Trustee Parker this evening so that it can be mailed to the IL State Library.
- As one of three FOIA (Freedom of Information Act) officers at the library, McCambridge has completed my recertification.
- Work continues on long range planning with Director Kozel-La Ha.

Youth Services Director's Report

Youth Services Director Mitchell stated that another \$200 anonymous donation was received. This person also made a donation to the Quiet Reading Room.

Additional Reports

The Bookmobile report, Adult Services report, and Circulation stats are enclosed in the board packets.

Trustee Budde inquired about Standards Chapter reviews. Director Kozel-La Ha stated that chapters are reviewed and brought forward to the board systematically (two were completed last month).

NEW BUSINESS

RAILS Representative Report

- Trustee Smith stated that he returned to work (from home) part time as of today.
- There will be a RAILS meeting this Wednesday at 1pm.
- At the August RAILS meeting they approved a Members Advisory Group consisting of members from other libraries both elected and appointed.

COMMITTEE REPORTS

Finance/Budget

President O'Brien had no new business to report.

Personnel

President O'Brien and Trustee Levine had no new business to report.

Policy

Trustee Klunk had no new business to report.

Legal

Trustee Smith and Trustee Owen had no new business to report.

IMRF Resolution 1,000 Hours

Director Kozel-La Ha explained that the current IMRF standard has a 600 hours annual threshold (10 hour work week), and if employees are hired for hours above that the library has to add the employee to IMRF. This adds additional personnel costs. New legislation now allows the board to approve a resolution that increases the annual amount to 1,000 hours (19 hour work week). This will apply to new hires only. Current employees are grandfathered into the 600 hour standard. There was a short discussion.

Trustee Smith made a motion to adopt Resolution 2011/12-2 to adopt the annual 1,000 hour standard for IMRF participation. Trustee Budde seconded the motion. A roll call vote was taken. All in favor, motion passed.

Fund Balance/Financial Policy

Director Kozel-La Ha explained the Finance Policy/Fund Balance Policy to the board, as this is a requirement to proceed with bonding. Trustee Smith suggested that [line item 3] be changed as follows: Maintain a minimum of 120 days of cash on hand throughout the fiscal year to cover General Fund expenditures (changing 120-180 days to 120 days). Trustee Levine agreed. Director Kozel-La Ha added that the policy was reviewed with Accountant Dave Lennon. The minimum number could be a range (or not) but should reflect what the board felt comfortable with. There was a short discussion.

Trustee Smith made a motion to adopt the Finance Policy/Fund Balance Policy as amended (*...maintaining a minimum of 120 days of cash on hand...*). Trustee Klunk seconded the motion. A roll call vote was taken. All in favor, motion passed.

Director Kozel-La Ha explained the Finance Policy/Debt Management Policy to the board. Both financial policies were created by PMA Financial. The policy was reviewed with both Accountant Dave Lennon and Attorney Phil Lenzini. There was a short discussion.

Trustee Parker made a motion to adopt the Finance Policy/Debt Management Policy. Trustee Smith seconded the motion. A roll call vote was taken. All in favor, motion passed.

Reimbursement Resolution from Bond Capital

Director Kozel-La Ha explained the Resolution. We will use our money until we sell the bonds, then we pay ourselves back. There are certain funds that we can transfer, and others that we can't (Memorial, IMRF). There was a discussion. Director Kozel-La Ha has requested PMA Financial to review our surplus to determine whether we can afford to expand to 11,000 square feet. There is also still an opportunity to apply for grant funding. Director Kozel-La Ha noted that Dave Lennon agreed to attend an upcoming board meeting to answer any questions the board might have. President O'Brien requested that he attend the October board meeting. Director Kozel-La Ha will make the arrangements.

Trustee Smith made a motion to accept Resolution 2011/12-3 expressing official intent regarding certain capital expenditures to be reimbursed from proceeds of an obligation to be issued by the Homer Township Public Library District. Trustee Levine seconded the motion. A roll call vote was taken. All in favor, motion passed.

Architect Owner Contract Consideration

Director Kozel-La Ha explained the Architect Owner Contract. The contract was reviewed by Attorney Phil Lenzini. Contracts are generally presented with a fixed fee or percentage of the project. Lenzini prefers the fixed fee and that is what Engberg Anderson has requested. The benefits of a fixed fee are that there are no surprises. Also, the fee is based on what they know our project to be, so if we were to receive a grant or donation, the fee cannot change.

Typical remodel costs are 10%. Typical new construction is 7-8%. Most architect contracts come in at 12%. You must also consider the workload. Our expansion is 2 projects; new and remodel. There are site work issues such as the roof. Also, Engberg Anderson did not add a premium which is sometimes the case with architect firms. They could add a premium of up to 15% for copies, etc.

Director Kozel-La Ha noted that if the fixed contract is not agreed upon, it will delay our progress.

The contract charts the new construction with a comparison to the neighboring Palos Heights Library, which was completed 4 years ago. Palos Heights expanded from 4,000 square feet to 31,000 square feet. The original building was encompassed and used for mechanical and engineering. The new construction went around the existing building, and a second floor was added.

Director Kozel-La Ha explained that Attorney Phil Lenzini noted that this is a long term project. He felt that these costs were reflective (or lower) than that of other architects. If this contract is not accepted we could obtain costs from other architects. There was a short discussion. Trustee Owen asked what fund these costs are paid from. Director Kozel-La Ha stated that it comes out of Special Reserves or General Operating costs. However, the architect bill will be spread over 2 fiscal years. Director Kozel-La Ha also noted that this year's surplus fund balance is adequate to pay for the architect.

Trustee Levine noted that Engberg Anderson is a very reputable company. Trustee Budde added that Lenzini feels that it is reasonable and Engberg Anderson is known to be conservative.

Director Kozel-La Ha stated that the contract will require 2 signatures.

Trustee Budde made a motion to authorize the Engberg Anderson contract for an addition and renovation to the Homer Township Public Library. Trustee Smith seconded the motion. A roll call vote was taken. All in favor, motion passed.

Director Kozel-La Ha noted that the award date for the \$125,000 state grant may change. It is currently awarded in mid March. Grant details should be posted by the State Library shortly.

Trustee Budde asked that a list of talking points be prepared for staff and board members to communicate the (same) information to the community. President O'Brien agreed and asked that the information be emailed to board members. This information should specifically include cost and square footage. Director Kozel-La Ha added that there will be upcoming PR; we were just awaiting approval and final direction of the expansion. Information will be posted on the website and provided to staff and board members. Trustee Budde suggested a FAQ page on the website. Trustee Owen added to include the library weaknesses as outlined by Fred Schlipf. Also, emphasize that the project is being done without cost to the taxpayers.

Trustee Levine noted that people will be questioning the use of funds. Director Kozel-La Ha noted that many residents do not understand how funds can and cannot be used and that there are certain district boundaries that we exist within that determine tax revenues. FAQ's will include some information and further informational public sessions will be held to answer community questions.

Other

Director Kozel-La Ha informed the board of an upcoming event; Mike Hike – 5K Run/Walk. This is a fundraiser with the Homer Glen Foundation, honoring Michael Olivieri. The monies raised will go towards a new trail system in Homer Glen. The website www.mikehike5k.com also includes a link to the Heroes Quiet Reading Room.

Trustee Budde asked if the trail has been dedicated yet. Director Kozel-La Ha believes the Village has been asked to do so. She suggested signing up for the event prior, although registration will be available the day of. Trustee Levine suggested having information available at the Fun Fitness Fair held at Homer Jr. High. Director Kozel-La Ha also noted that Bookmobile Manager Olivieri requested that the bookmobile be on site for the event.

Trustee Budde added that he will bring the information to the Chamber of Commerce and it is likely that there will be participation from Chamber members.

Director Kozel-La Ha stated that Accountant Dave Lennon noted that we may possibly consider applying for bonds in January versus February or March. Director Kozel-La Ha did not want to bond too soon. However, according to Lennon it may be advantageous, as the DOW has dropped and IL bond rates may increase. This is something he can discuss with the board when he is in attendance at a future meeting (possibly next month).

ADJOURNMENT

President O'Brien adjourned the meeting at 8:56 pm.

There will be a Special Meeting on Monday, October 24, 2011 at 7:00 p.m.

The next regularly scheduled board meeting will be Monday, October 24, 2011 at 7:30 p.m.

Respectfully submitted,

Patti Nakutis

Recording Secretary

cc: David Lennon