

**MINUTES FOR THE REGULAR MEETING OF THE BOARD OF LIBRARY TRUSTEES
OF THE VILLAGE OF CAROL STREAM**

**Carol Stream Public Library
616 Hiawatha Drive
Carol Stream, IL 60188**

DATE: August 17, 2011

TIME: 7:30 p.m.

PLACE: Library Discovery Room

I. CALL TO ORDER

President Douglas called the Regular Meeting of the Board of Library Trustees to order at 7:30 p.m.

PLEDGE TO THE FLAG

President Douglas led those in attendance in the Pledge of Allegiance to the Flag.

II. ROLL CALL

Secretary Hudspeath called the roll.

Present: Trustees DeRango, Jeffrey, Wade, Arends, Bailey, Hudspeath, and Douglas

Absent:

Also Present: Library Director Ann Kennedy, Assistant Director Pam Leffler

III. PUBLIC PARTICIPATION

No one elected to address the Board.

ADOPTION OF CONSENT AGENDA

Trustee Hudspeath moved and Trustee Wade seconded to establish a consent agenda for the Regular Meeting of August 17, 2011. Motion carried.

Ayes 7 Trustees DeRango, Jeffrey, Wade, Arends, Bailey, Hudspeath, and Douglas

Nays 0 None

Absent or

Not Voting 0 None

Trustee Wade moved and Trustee Hudspeath seconded to put the following items on the Consent Agenda for the Meeting. Motion carried.

Ayes 7 Trustees DeRango, Jeffrey, Wade, Arends, Bailey, Hudspeath, and Douglas
Nays 0 None
Absent or
Not Voting 0 None

- A. Receive Monthly Report of the Treasurer for the period ending July 31, 2011**
- B. Approve recommendation, Re: Gifts and Donations Policy**
- C. Approve recommendation, Re: Close for Staff Training the morning of October 28, 2011**
- D. Approve Disbursements of the Regular Meeting of August 17, 2011 in the amount of \$141,791.32**
- E. Receive Monthly Report of the Library Director**
- F. Receive Monthly Staff Reports**
- G. Receive Report of Reaching Across Illinois Library System**
- H. Receive Report of the MAGIC Consortium**
- I. Receive Communications**
- J. Receive Announcements**

Trustee Wade moved and Trustee Bailey seconded to approve the Consent Agenda for this Meeting by omnibus vote. Motion carried.

Ayes 7 Trustees DeRango, Jeffrey, Wade, Arends, Bailey, Hudspeath, and Douglas
Nays 0 None
Absent or
Not Voting 0 None

The following is a detailed description of various items placed on the Consent Agenda:

Gifts and Donations Policy

Revisions were approved for Board Policy 2.J Gifts and Donations

Close for Staff Training

The Library will be closed the morning of October 28 for a staff training day that will cover new technology and how to use it. The Library will open to the public at 1:00 p.m.

Communications

- A. Thank you from Ellen Marchessault for employment anniversary recognition
- B. I-Fax Newsletter, July/August 2011

Announcements

- A. Trustee Day at ILA, Thursday, October 20, 2011

Regular Meeting

IV. APPROVAL OF MINUTES

A. Minutes of the Regular Meeting of July 20, 2011

Trustee Arends and Trustee Wade wished to make changes to the Minutes. This agenda item was moved to the September meeting to give all trustees an opportunity to review the minutes. Trustees were asked to send any proposed changes to Director Kennedy a week prior to the meeting so the revisions can be sent to all Trustees.

VI. COMMITTEE REPORTS

- A. Finance Committee
No Report
- B. Human Resources Committee
No Report
- C. Facilities Committee
No Report

VII. UNFINISHED BUSINESS

There was no unfinished business to come before the Board.

VIII. NEW BUSINESS

B. Discussion, Re: Per Capita Grant requirement

President Douglas explained that as a requirement of this year's Per Capita Grant application, the Library Trustees must "look at the library's revenues and determine if those monies are sufficient to meet the needs of the community. If revenues are insufficient, investigate and identify potential funding sources." President Douglas stated that the Board has had significant discussion of the Library's finances over the past year and that it appears the Library has sufficient funds at this time and has no need to look for alternative sources of funding. President Douglas asked the Trustees for comments.

Director Kennedy distributed a spreadsheet illustrating the projected effect of low to zero tax levies on the reserve level of the various budget funds. Trustee Wade asked why, given the Library's cash status, one levy increase was projected at 1% rather than zero. Director Kennedy said that was the figure used for two years out during the budget process this past year. Director Kennedy explained small tax levy increases and a steady decline of the reserves would be better than a sharp reduction of the reserves with no tax increase due to the fact that the Library would be limited in tax increases by the CPI and may not be able to increase future taxes to adequately fund the Library in the event of a negative budget. Director Kennedy was asked to prepare a draft of the working document showing a 0% levy increase every year.

President Douglas stated that the 1% tax increase is not set in stone, that this is an internal document for planning purposes and a lot can change in two years. President Douglas stated that the document illustrates the position the Library will be in if we don't increase our taxes.

Trustee Wade stated that a 1% increase would be the equivalent of a \$30,000 increase and asked why that money could not come out of reserves instead of taxes. Director Kennedy explained that expenses over income were already coming out of reserves and that taking an additional \$30,000 out would deplete the reserves faster. President Douglas explained that no levy increase for 3-4 years may deplete our reserves to a dangerous level and we may preclude ourselves from levying what is needed to run the Library.

Trustee Wade asked if the Library couldn't take the money out of the CD investments instead of reserves. Director Kennedy stated that the CDs are part of the reserves. President Douglas explained that the reserves are all of the bank funds together, and the Library invests the funds in different accounts to earn income.

Trustee Arends stated that the purpose of the discussion is to meet the requirements of the Per Capita Grant application. Trustee Arends stated that the grant application reviewers are primarily interested in seeing that the Library has reviewed its funding. Trustee Arends further stated that the proposed 1% levy increase, or zero increase, has no binding affect and that the Finance Committee will discuss proposed levies further. Trustee Arends pointed out that the value of the Per Capita Grant is greater than \$30,000 and that the Trustees have done their diligence for purposes of the application.

President Douglas summarized by saying that the Board has met the requirements of the Per Capita Grant, has discussed library funding and has determined that the Library has sufficient funding at this time.

C. Recommendation, Re: Approval of Expenses over \$10,000

Trustee Wade moved and Trustee Bailey seconded that the Library Board of Trustees approve the expenses for *Reference USA* by Infogroup, for *Standard & Poor's Netadvantage* by Standard & Poor's, and MAGIC monthly maintenance fees. Motion carried.

Ayes 7 Trustees DeRango, Jeffrey, Wade, Arends, Bailey, Hudspeath, and Douglas
Nays 0 None
Absent or
Not Voting 0 None

Discussion:

President Douglas asked if the expense for MAGIC would be the same each quarter. Director Kennedy stated that it would be until July 2012. Trustee Wade stated that it is his understanding that the Carol Stream Library has a certain amount of capital in MAGIC right now with the \$800,000 MAGIC reserve. Director Kennedy explained that the Carol Stream Public Library did not put in \$800,000 that all of the MAGIC libraries contributed to the reserve and that fund belongs to the

MAGIC consortium. President Douglas explained that the funds are MAGIC's reserve and has to stay with MAGIC. President Douglas further stated that the Carol Stream Public Library is committed to remaining with the MAGIC consortium, and it would be cost prohibitive to go stand alone or join another consortium. Director Kennedy explained that the MAGIC reserves are used to pay for software and hardware upgrades. Monthly fees paid by member libraries pay for two staff members. RAILS pays for the salary of the third staff member. Trustee Arends stated that the Library's investment in MAGIC is not considered a reserve on the Library's books. Trustee Arends said that the investment in MAGIC is considered an asset of the Carol Stream Public Library given how much more it would cost us were we not part of the MAGIC consortium. President Douglas explained that if MAGIC dissolved then their reserves would be divided among the member libraries, however if Carol Stream chose to leave MAGIC we would not get money back. We would then have to pay to join another consortium.

Trustee Hudspeath moved and Trustee Bailey seconded that the Library Director be authorized by the Library Board to approve the quarterly MAGIC invoices through April 2012. Motion carried.

Ayes 7 Trustees DeRango, Jeffrey, Wade, Arends, Bailey, Hudspeath, and Douglas
Nays 0 None
Absent or
Not Voting 0 None

E. Recommendation, Re: Acceptance of Insurance Proposals

Trustee Hudspeath moved and Trustee Bailey seconded that the Insurance Proposal of Heil & Heil Insurance Agency be accepted at the rate quoted. Motion carried

Ayes 7 Trustees DeRango, Jeffrey, Wade, Arends, Bailey, Hudspeath, and Douglas
Nays 0 None
Absent or
Not Voting 0 None

Discussion:

Trustee Wade asked if there were competitive quotes for the insurance. Director Kennedy stated that the Library has received competitive quotes for the last four years and that Heil & Heil has always been the lowest bidder. No other companies were interested in preparing a quote this year.

IX. EXECUTIVE SESSION

A. Recommendation, Re: Approval of Minutes of Executive Sessions.

This item was moved to the September meeting of the Board of Library Trustees.

XII. OTHER REPORTS

A. Friends of the Carol Stream Public Library

Trustee Hudspeath announced that the Friends of the Carol Stream Public Library had purchased 6 laptops for the Library to establish a mobile laptop lab that will allow staff to conduct classes for the community. The Library will be able to expand its programming funded 100% by the Friends. The Friends will also hold a membership campaign during the month of September to coincide with Library Card Sign up Month. The campaign will conclude with a craft program on October 1st.

XV. ADJOURNMENT

There being no further business to come before the Board of Library Trustees, President Douglas declared the Meeting adjourned at 8:07 p.m.

Mary C. Hudspeath, Secretary
Board of Library Trustees