



**Board of Trustees Meeting**  
Monday November 11, 2008 5:00 p.m.

**MINUTES**

President Burtch called the meeting to order at 5:02 p.m.

**IN ATTENDANCE**

BOARD MEMBERS: John Burtch, Bryce Kurfees, John Magill, Charles Motil, Brian Perera and Amy Sharpe

ALSO PRESENT: Ann Moore, Director; Kate Porter, Assistant Director; John Forgos, Owner's Representative; Jackee McKnight, UAPL Foundation; Sherman Wallace, Facilities Manager; Ruth McNeil, Community Relations Manager; John Payne, R. W. Baird Company; Nancy Roth, Administrative Secretary.

**APPROVAL OF THE MINUTES**

Kurfees made a motion to approve the minutes of the October 14, 2008 regular Board meeting. Sharpe seconded the motion. VOTING AYE: Burtch, Kurfees, Magill, Motil, Perera and Sharpe. VOTING NAY: None.

Sharpe made a motion to approve the minutes of the October 18, 2008 special Board meeting. Perera seconded the motion. VOTING AYE: Burtch, Kurfees, Magill, Motil, Perera and Sharpe. VOTING NAY: None.

Kurfees made a motion to approve the minutes of the October 21, 2008 special Board meeting. Sharpe seconded the motion. VOTING AYE: Burtch, Kurfees, Magill, Motil, Perera and Sharpe. VOTING NAY: None.

Sharpe made a motion to approve the minutes of the November 3, 2008 special Board meeting. Kurfees seconded the motion. VOTING AYE: Burtch, Kurfees, Magill, Motil, Perera and Sharpe. VOTING NAY: None.

**BOND PRESENTATION**

John Payne from R. W. Baird was introduced to the Board and distributed information packets. Payne noted that he had been asked to give the Board a brief tutorial in the basics of bonds. He said he would talk specifically about generic tax-exempt bonds. He noted that efforts are made to tailor the needs of the investors into the bond structure. He said that the more attractive a bond is to an investor, the lower the interest rate which makes the cost lower to the taxpayers.

Payne said he has been in business for over twenty years and has issued over \$3,000,000,000 in bonds, particularly for school projects. Payne commended the Board for recognizing the importance of maintaining and improving facilities.

Payne said that a bond is a pledge to repay a loan. A tax-exempt bond is one whose interest dividends are exempt from local, state and federal income taxes. Because of this, Payne said the yield for a tax-exempt bond is high compared to a taxable treasury bond. He said that tax-exempt bonds are currently the most attractive investment vehicle on the market. The investors who purchase bonds are mutual funds, insurance companies, banks and bank trust departments, investment advisors and individual investors. He said that people are looking for safe investments and that tax-exempt voter-backed bonds are historically very safe.

Payne said that when investors buy bonds, they need to know that the bond is put together legally and meets the tax exempt criteria. A bond counsel like Becky Princehorn assures the legal issuance of a bond so that investors have confidence in the product. Payne said that a part of the underwriter's job is to convince investors that the bond is a good buy. There may be several structures offered in order to assure a complete sale of the bonds.

A property tax bond assures that when payments on the bond are due the city will have the money to make the payments. Payne said that this security rating for Upper Arlington is fabulous and should receive the highest rating. He said that Bricker and Eckler would create a formal bond opinion.

Payne said that determining credit worthiness is a long process handled by a rating agency. City finances are reviewed in detailed and graded for investors' information. He said that Upper Arlington has just gone through this process and has received a triple A rating. He noted that there are only three triple A rated cities in Ohio. Payne said that such a rating would save the city a great deal of money due to being able to offer lower interest rates. He noted that the city achieved the high rating in spite of the poor economic situation in the state.

Payne said there were four main reasons the city received such a high rating.

1. UA is a wealthy community.
2. UA is an active and involved community.
3. UA has a history of good efficient administration.
4. UA has a history of good support for ballot initiatives.

Payne said that the underwriter acts as the bridge to the investor. He said that this is done by phone calls, mailings and an official statement of bond offerings or an offering circular. He said that this assures that investors understand the type of bond for sale and the conditions of the sale. Therefore, he said, a great deal of research is done to offer information to the investor and there is a thorough explanation in documentation from the city.

Payne said that on the day of the bond sale, an auction is conducted. He said the goal is to have lots of activity that will help assure lower interest rates. The underwriter is the auctioneer. He said the bonds may be sold with different maturity rates, interest rates, etc. The goal is to have what investors want.

Kurfees asked how the initial interest rate is found. Payne said that the underwriter sets the rate but that it can change depending on demand. He said if some of the bonds are unsold at auction, R. W. Baird would purchase them for later sale to clients. He said that the underwriter's fee is negotiated with the city. He said that the fees are paid out of a slightly higher interest rate over the life of the loan. Fees are generally less than 1% of an overall offering.

Payne said that the city always operates efficiently and this helps a bond offering. He said the underwriter has an interest in maintaining credibility with investors so they must be open about the offering. He said that the City Finance Director normally attends the bond sale and that the library would be welcome to have a representative present as well.

Payne directed the Board attention to the sample millage that was prepared based on the County Auditor's information. He said the calculation is based on the assessed value of the property with a 28-year term at 5% interest. He said that the millage rate comes to one mil. He noted that these estimates are based on the current assessed values which may change in the next couple of months.

Payne was asked what the normal term for a UA bond is. He responded that 28 years is normal for brick and mortar projects. He noted that there is a natural delay between the creation of the bond instrument and the issuance or sale of the bonds. He noted that allows for adjustment of the numbers to adjust to changes in the financial environment.

Payne said that he will consult with Becky Princehorn to resolve the difference in the interest rate and will provide the Board with the information about the average assessed value of homes in UA. He said that while debt limitation laws do exist, the city of UA is well within their limits even with this proposed bond.

Payne said that bonds can be sold any day of the week, but generally the sales tend to avoid Mondays and Fridays due to the impact of investors' schedules. He said that January and tax payment times are usually good timing for bond sales as investors try to shield their income from additional tax burdens. He said that the payments on the bonds would not start until 2010, but that long term loans can be arranged within two to three months after passage.

## **PUBLIC COMMENTS**

There were no public comments.

## **UAPL FOUNDATION**

McKnight distributed reports to the Board members. She noted that the current economic environment has made fund-raising very difficult, but that efforts continue. She noted that Match Day with the Columbus Foundation is November 18<sup>th</sup> thru the 21<sup>st</sup>. During this period, donations to the UAPL Foundation will be matched by the Columbus Foundation \$0.50 for every dollar.

McKnight thanked Sherman Wallace, Julie Reeder, Mike Kaylor and Ann for the completion of the donor wall at Miller Park. She said that the Legacy tree and a silent auction for the Foundation are planned during the holidays. She said that she expects the Foundation Board will meet sometime before Christmas. Burtch suggested that it is time to discuss the renovation plans with the Foundation Board.

## **ASSISTANT DIRECTOR'S REPORT**

Porter said that two laptop computers have been purchased and are ready for patron use at Miller Park. She said the computers can be checked out for use within the building. She said that staff will be assessing the program and may expand it to the other locations if all goes well.

Kate said that many managers went to the OLC Innovative Environment conference last week. She noted that Sharpe also attended. She said that there were many good ideas presented at the conference, particularly concerning emerging technology.

## **DIRECTOR'S REPORT**

Moore said that she had distributed an email from Lynda Murray regarding the Fiscal Officer search. She said that Murray recommends an audit only if there is reason to suspect a problem, which is not the case with McKeown's resignation. She said that the statute covering the necessity for an audit is old and reflects a time when entities maintained lots of cash on hand. Moore said that Murray had discussed the situation with the State Auditor's office and with OLC Legal Counsel, Jon Iten, and both sources indicated that an audit was not necessary. She said that by approving the financial report, the Board would be exercising oversight to the Fiscal Officer's final balances.

Porter noted that all other details had been attended to, such as changing passwords, closing accounts, and changing the safe combination.

Burtch said that since there seems to be some difficulty in finding the right person for the position, it might be necessary to consider the options suggested by Murray, including hiring an accounting consultant for a few months. Moore noted that Motil and Murray are looking for a possible consultant for this temporary position. She noted that the Personnel committee can address the salary issue and other recommendations made by Murray.

Moore distributed a listing of the top 35 libraries based on 2007 statistics. She said that the format will allow the Board to compare the library to others. She pointed out that UAPL has the 12<sup>th</sup> largest collection, but ranks well below that in staffing levels.

Moore asked McNeil to inform the Board of an up-coming partnership opportunity. McNeil said that in 2009, the Columbus Art Museum, COSI and six area libraries will be collaborating on presentations, exhibits and programs focusing on Egypt. An exhibit will be at the CAM from 2/15/09 through 6/7/09. COSI will be having Egypt themed programming from May through October.

During this time, UAPL, Grandview Library, Westerville Library, Worthington Library, Southwest Libraries and CML will provide programming based on Egypt. McNeil said that the libraries will send librarians to CAM and COSI for story hours and will also cross promote each other's programs. She said that COSI will be managing a joint website about all the activities available at all the libraries and CAM and COSI. She noted that patrons will be given incentives for programs and events at COSI and CAM.

McNeil said that UAPL is planning an Egypt-themed summer reading program. She said that the kick-off for summer reading will be held at COSI on the last Friday in May. She noted this is the first collaboration between these institutions. She noted that because of the historic nature of the collaboration, details will be released at a press conference on 12/11/08 at the Columbus Art Museum. McNeil said that Board members would be welcome to attend that press conference.

The Board congratulated McNeil on her part in developing this exciting opportunity.

## **OPERATIONS COMMITTEE**

Moore said that she had been in communication with Sylvia Gillis regarding the agreement with Joel Snyder. She said that the final agreement recommended by Gillis is the one that Board members received at their place at the table.

Burtch noted that having selected the Snyder team for the Renovation/Expansion Project, the next step was for Forgos to negotiate an agreement with Snyder.

Forgos said that he had estimated a fee of \$100,000 - \$150,000 for the first phase of the project. He noted that the fee presented was for \$166,000. He said that he asked Snyder and Hedge to be present at the meeting to defend this fee and to answer questions the Board might have. Forgos said that he did contact K. R. Montgomery to inquire about their fee. He said that Montgomery quoted a fee of just under \$160,000, but that their agreement would terminate on 1/26/09. He noted that Snyder's agreement carries through the May ballot initiative.

Burtch asked Forgos if he was recommending the agreement. Forgos said that he did not think the library would do any better. He noted that this is a big project. This portion amounts to about 5 -7% of the total project, which would work out to the normal 10 –

12% fee on the overall project. Burtch asked if there was an example available of what the group might have to show the city. Hedge offered a sample which he said shows a little, but not too much. He noted that it is important not to show too much in the early design phase. Forgos said that the library will get what is needed to conduct a bond campaign while incurring minimal design expenses.

Burtch asked if following the bond campaign, the library will have to negotiate another agreement. Forgos said that in that case, that is what will have to happen.

Sharpe asked what the product for presentation to the city would look like. Hedge said that they could produce whatever the library would want – boards, binders, PowerPoint, computer modeling. Forgos noted that this will change as details are refined. Snyder noted that the team will participate in up to three public meetings.

Kurfees asked if the library will be billed monthly for the services. Snyder said that would be the practice.

Motil asked when BZAP would become involved. Forgos said that BZAP would not be involved until after the bond issue was passed and the design is finalized.

Magill asked why site survey and soil samples, which are normally considered standard services, were listed as additional services. Snyder said that these were separated out because it is not known what will really need to be done. These can wait until after May. He said that soil samples will become needed only when it is determined where an expansion might go.

Kurfees asked when a final design will be presented and how the team gets there. Forgos said that by January 24<sup>th</sup>, a fairly final design will be completed. He said that if the agreement is approved, the team will pursue different avenues to get the project under way. He said that Snyder would be looking at options for the expansion which Hedge will start finalizing design details and components, including getting additional input from the staff.

Burtch asked if in January, the library will know where the build-outs are located and where a two-story addition might be located. Snyder and Hedge said that yes, by that time a written and graphic program will be completed.

Kurfees asked about the need to meet the May ballot deadlines. Snyder and Hedge indicated that the deadline was not an issue for them. Sharpe said that the Board had been told that it would be advantageous to be on the May ballot and that should be taken into account. Burtch said that he agreed that the plan remains to shoot for the May date, but to be willing to adjust if circumstances indicate it would make sense to wait.

Motil said that the cost of the project would not get any cheaper by waiting. There was general discussion of school and library issues on the November 4<sup>th</sup> ballot. Motil noted that interest is unlikely to go any lower as well.

Perera noted that the updated agreement did not contain some of the standard terms and agreements with which he had concerns in the earlier version of the agreement.

Magill said that the matrix did not show an expectation of design of a skeletal structure. Snyder said the matrix of responsibility was crafted directly to respond to the Architect's Expectations contained in the RFQ. Snyder explained the process of going from a relational bubble diagram to a schematic design. He said that the current agreement will include something more than the bubble diagram, including some departmental definition, but less than detailed drawings.

Magill said he was concerned that there was a need for more clarity for the public to view the agreement and its end results. Snyder said that Gillis did not have a problem with the agreement.

Sharpe asked when materials would be needed for the bond campaign. Forgos said that would be the next decision to make as a Board. He said a bond committee would need to be formed which would then decide what type of materials they would need to promote the issue on the ballot. Kurfees suggested that discussion of the formation of a Bond campaign committee be on the agenda for the next meeting.

Burtch called for a vote on Resolution 28-08.

#### RESOLUTION 28-08

To Approve an Agreement with Joel Snyder for Architect Services for Facilities Renovation and Expansion

BE IT RESOLVED that the Board of Trustees of the Upper Arlington Public Library hereby authorizes and approves the agreement with Joel Snyder and Associates, 744 South High Street, Columbus, Ohio 43215 for architect and planning services for the Facilities Renovation and Expansion Project, according to the agreement attached as a permanent exhibit to this resolution.

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Motil made a motion to approve Resolution 28-08. Sharpe seconded the motion. VOTING AYE: Burtch, Kurfees, Motil and Sharpe. VOTING NAY: Magill and Perera.

Moore noted that she would be a meeting at 9:00 a.m. the following morning with Forgos, Snyder, Hedge and Porter. She noted that any Board member willing to attend would be welcome.

Burtch asked why the bond issue request was moved up from the November 20<sup>th</sup> special meeting date. Moore said that the city needed the paperwork to distribute to

City Council by November 17<sup>th</sup>. She noted that the amount and the interest rate can be amended later in the process. The amount requested is the maximum amount. Moore noted that Princehorn said that the full amount does not have to be issued if it is not needed.

It was noted that the resolution should be changed to reflect the 5% interest rate that Payne had computed. Burtch asked about the change from \$20 million to \$25 million. Forgos said that two issues affect that amount. He said that one is the issue of the Tremont Road parking lot. Forgos said that he estimated \$1.25 million for the parking lot renovation which might be necessitated by the expansion of the library. He said that he would hope there might be some cooperative work done through the city to defray this cost, since the parking lot is their responsibility, however, he felt it was prudent to include it as a possible cost when estimating for the total project.

Forgos said that the other variable is the actual size of the expansion. He said that in order to be prepared, he estimated for a final product of about 100,000 square feet as specified in the RFQ. Costing that at an average of \$211/square foot comes to just over \$21 million. He said that if the final design is smaller, the price for the project will go down, but that he needed to prepare for the full package.

Forgos said that the \$25 million represents the addition of about 45,000 square feet. He said that he would like the Board to agree that there is a number around 40,000 that represents a reasonable compromise for what space is needed for future usage.

Sharpe asked if there was padding in the \$25 million. Forgos said there was not much – that it represented mainly the additional square footage. He said that he has figured only a 5% contingency. Magill said that the cost seems high. Forgos said that the Board should remember that the work also includes work at Lane Road, the mechanical upgrades and corrections recommended by the Larsen study, fees and renovation costs. He said that he would have a clearer cost estimate by the January meeting. Forgos noted that the \$25 million was a “not to exceed” figure.

Perera said that he was uncomfortable with the increase from \$20.2 million to \$25 million. He said he was concerned about justifying this to the voters. Motil said that the plan could be justified. Magill said that he would recommend a \$20 million bond request. He said that it covered the basics. He said that the \$25 million figure may have some rationale, but it includes items that may not be needed.

Kurfes said he did not agree with those concerns. He said that library is an important building to the city. He said that if the job can be done for less that would be great, but that it would be a disaster to request only \$20 million or \$21 million and discover that \$22 million is really what is needed. He said that as long as the figure can be adjusted downward and/or excess bonds not issued.

Magill asked what would change the estimate. Forgos and Snyder indicated that by January, they will have a much better idea about the space involved. Burtch said that

he would suggest that the Board focus on millage rather than the gross amount. He said that a one mill request was not unreasonable and that he was comfortable with the fact that the amount could be amended.

**Resolution 29-08**

RESOLUTION REQUESTING THE CITY OF UPPER ARLINGTON, OHIO TO SUBMIT TO THE ELECTORS OF THE CITY THE QUESTION OF ISSUING BONDS FOR THE PURPOSE OF RENOVATING AND EXPANDING LIBRARY FACILITIES; FURNISHING AND EQUIPPING THE SAME; IMPROVING THE SITES THEREOF; AND ACQUIRING INTERESTS IN LAND AS NECESSARY IN CONNECTION THEREWITH.

(R.C. Sections 3375.43; 133.18)

**WHEREAS,** the Board of the Library is a public library board of trustees, within the meaning of Chapter 3375, Ohio Revised Code; and

**WHEREAS,** the Board is charged with the title, custody, control, and maintenance of the Library; and

**WHEREAS,** the Board desires to enlarge and improve the Library and to finance the same through the issuance of bonds under Section 3375.43, Ohio Revised Code; and

**WHEREAS,** the City Council of the City of Upper Arlington, Ohio (the "City") has found and determined that the operation of the Library by the Board is beneficial to the City and the residents thereof.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Library Trustees of the Upper Arlington Public Library, Franklin County, Ohio, that:

**Section 1.** It is hereby declared necessary to request the City to submit to electors of the City at the election to be held May 5, 2009, the question of issuing bonds (the "Bonds") of the City in the principal sum of \$25,000,000 for the purpose of renovating and expanding library facilities; furnishing and equipping the same; improving the sites thereof; and acquiring interests in land as necessary in connection therewith. The Bonds shall be dated approximately June 1, 2009 and shall bear interest at the estimated rate of five per centum (5.00%) per annum; and shall be paid over a number of years not to exceed twenty-eight (28).

**Section 2.** It is hereby determined that notes may be issued in anticipation of the issuance of the Bonds.

**Section 3.**

The Treasurer, acting on behalf of the Board, is hereby directed to certify a copy of this resolution to the Finance Director of the City.

**Section 4.**

It is hereby found and determined that all formal actions of this Board concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Board and that all deliberations of this Board and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

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Motil read Resolution 29-08 into the record with the amendment to the interest rate to reflect 5% interest. He moved for passage of Resolution 29-08. Sharpe seconded the motion. A roll call vote was taken. VOTING AYE: Burtch, Kurfees, Motil and Sharpe. VOTING NAY: Magill and Perera.

**FINANCE**

Motil reviewed the notes from the Finance meeting which are included here.

*FINANCE COMMITTEE MEETING  
Tuesday, November 4, 2008 8:00 a.m.*

**Notes**

*IN ATTENDANCE: Charles Motil, Brian Perera, Ann Moore, Terri McKeown, Kate Porter and Nancy Roth*

*The meeting was called to order at 7:57 a.m.*

**2008 APPROPRIATIONS**

*McKeown said that she and Porter have been preparing some changes in the 2008 appropriations for action at the Board meeting. McKeown said that there is a need to move additional funds into the utilities line due to a drastic increase in electricity prices. She said those funds will be moved from supplies for re-sale and insurance since there was some excess there.*

*McKeown said that the Youth Adult librarian wants to move \$1,000 from books to digital books to keep pace with the young patrons' preference for electronic media. Reference also requested moving funds from books to digital research services that have proven to be very popular and useful to patrons.*

*Porter said that the decision has been made to discontinue the MyLibrary DVD download service. She said that it has proven to be too costly for the small number of*

patrons who utilize the service. She said that the plan is to use those funds to purchase four self-checkout stations and software after the Envisionware project is completed. She said the cost of the hardware for this will be approximately \$10,400 and the necessary software is \$4,000.

Motil asked if there was monthly monitoring of the budget, particularly by the department managers. McKeown said there was. Motil said he was concerned because he did not want details to get lost during the transition to a new Fiscal Officer. McKeown said that Sherry Peterson, Deputy Fiscal Officer, does know the budget situation. She noted that department managers get regular updates on budget information, particularly for salaries and materials.

Moore said that the current group of department managers pays closer attention to their budgets than past managers. She noted that Porter works closely with the managers. She said that some departments budget differently due to publishing schedules or cyclical programming demands. McKeown noted that the acquisitions coordinator, Patty Landis, also plays close attention to the overall materials budget.

McKeown noted that there will also be a request to move funds from the building improvement fund to professional services in order to pay for the up-coming architectural services.

## **2009 TEMPORARY APPROPRIATIONS DISCUSSION**

McKeown provided the committee with a spreadsheet showing a multi year comparison of revenue and expenses. McKeown noted that she had revised the Public Library Fund figures for 2008 and 2009 downward. She said that OLC has recommended that libraries plan for 6 – 8 % less than what is certified from the state. She said she has recommended revising the PLF figures down by 2% for 2008 and by 6% in 2009. She said that the library will have a better picture by the time the Permanent Appropriations are due and an even clearer picture by July of 2009. She noted that if additional funds are certified, there would be no problem in adjusting the budget, but that it would be more difficult to make cuts if PLF funds do not meet the expected levels.

McKeown said that she had received a tax delinquency report from the County Auditor, but that she did not expect for delinquencies to have an impact on the library levy collection in Upper Arlington. She said that she would project other revenue lines to be flat other than interest income, noting that interest rates have declined.

McKeown reviewed the General Fund expenditures for the temporary appropriations budget. She noted that she projected salaries based on a 2% adjustment to the midpoint of each range. She noted that increase in Social Security payments of 5.8% beginning in January and the mandated adjustment to the minimum wage which affects the Page pay range. She said that salary line has an overall increase of 9.1%.

Moore noted that a large part of the increase is due to 2009 having 27 pay days rather than 26. She said that she has had conversation with other directors. They have indicated to her that their libraries cannot begin to match the CPI increase. In response to a question from Motil, Moore said that the UAPL staff has the same concerns as the general public about rising costs and rising health care costs. She said that the Personnel Committee will be meeting before the December for addition discussion about wage adjustments.

McKeown said that one pay period requires between \$106,000 - \$110,000 in order to meet the payroll. She said that she added that amount to account for the 27<sup>th</sup> pay. She said the OPERS payment remains the same for 2009 since it is calculated on the end of the pay period calendar rather than the actual payday calendar.

McKeown said that she has planned for an estimate 15% increase in health insurance rates and a 10% increase in dental insurance. She said that life insurance rates would not change. She said that it is unclear what the rates will be for Worker's Comp. She noted that she has planned a little high for that item. She said that the actual cost will be clear within the first quarter of 2009 so excess funds could be reallocated without a problem. McKeown noted that Medicare rates would be increasing.

McKeown said that she increased the "other benefits" line to reflect an increase in the reimbursement for tuition and professional memberships. Moore noted that these new rates of reimbursement are included in the revised Personnel Policy Manual that will be presented for approval at the November Board meeting.

McKeown noted increases in the maintenance line due to property insurance increases and the increase in the utilities line due to rising costs.

McKeown noted that there was an increase in the professional services line to allow for attorney's fees, OLC consultant services, professional services associated with the major renovation project. She said that the professional services line also includes the fee paid for the collection of the levy taxes. She noted that she had tracked the casing of DVD's as a professional service when the library began having the vendor case them in the security cases. She said that she would recommend that expense actually be tracked as a library materials expense since it is a part of the preparation for circulation of the DVD's.

McKeown said that the 2009 Temporary Budget reflects a rollback of the library materials budget to the 2007 level. She said that this was due to the decrease in the PLF and the planned library expansion/renovation. She said that with the expansion project ahead, it would make sense not to have materials coming into the library for which there was not sufficient room.

Porter noted that there was an increase in the digital reference budget for databases and other research materials. She said the uses of those resources can easily be tracked.

McKeown said that she had worked on freeing up \$1,500,000 to allocate to the building improvement fund to allow for larger maintenance projects. She said that the fund would be covered through 2011, but that a deficit was projected for 2012. She noted that this was the term of the current library levy. She noted that the hope would be that the PLF would be more robust by 2012 to help cover the shortfall. Motil noted that there seemed to be room to make cuts if they become necessary.

Perera asked if McKeown had a breakdown of the sources of the \$1,500,000. She said that she did not, that it was budgetary. She said the library will need to consider whether materials budgets should be adjusted. Perera noted that the 2008 budget shows revenue of 6.5 million dollars with an expenditure of 7.5 million dollars. He noted that the library would be spending cash overflow to reconcile this. He said he had concerns about spending down the cash overflow and still knocking the materials budget back to 17%. McKeown noted that even with the decrease the library is devoting over \$1,000,000 to materials.

It was noted that if the library does not add 1.5 million dollars, there will be about \$200,000 left in the building improvement fund and expected balance at year end of about \$300,000. McKeown said that if the 1.5 million dollars is moved into the building improvement fund, there would be about 1.9 million available in that fund for delayed major repairs. She said this would essentially be the type of fund that the Board was interested in establishing for large maintenance projects.

Perera said that he was concerned about what the public's reaction might be in light of the levy campaign. McKeown said that the library has information available to it that was not available during the levy campaign. She noted that Larsen Mechanical and Electrical Audit in particular that points out the need for several major maintenance projects. She said that public should understand that maintaining the buildings is a top priority in maintaining the quality and level of services.

Moore said that the library is a service organization. She said that she hopes that a newly renovated space will also be a more efficient space in which staff can operate. She said that with reconfiguration, the library may be able to consolidate some staff positions or to reallocate them to areas that have more need for staff. She said that the 2009 budget looks especially bad due to the impact of the 27 paydays. She said that when that is removed from the equation for a more direct comparison, the salaries and benefits increase is substantially less.

Motil asked how the library monitors the Full Time Equivalency. Moore said that FTE runs about 71 or 72 with a staff of over 100 employees. She noted that Vita Marinello, the Circulation manager has done a good job in combining positions and operating more efficiently.

Motil said that the library should track FTE monthly as a part of the budget planning. He said that would hold the library to a higher standard and would assist in having more

*detailed information when the public asks questions about the budget. McKeown said that tracking could be done. Motil said the library needs a closer accounting of the FTE for each department.*

*Moore noted that the information is available but it is not in the FTE format. Moore said that she has had discussion about a hiring freeze with Porter if it becomes necessary. She said that there is a difference between reducing staff levels and reallocating the staff to function more efficiently. She noted that in order to cover the hours of operation with the service level expected by the community, staff reductions are not as palatable as reallocations. Motil said that it will be important to show the discipline and rationale behind staffing levels. He suggested that the FTE be tracked within each classification range. He said that an annual FTE budget by classification would be helpful.*

*Motil and Perera agreed that moving 1.5 million dollars into the building fund would be appropriate. They noted that the funds should be used for specific projects, not routine maintenance. McKeown said that routine maintenance is built into the operations budget. It was noted that the Larsen study was important to justify expenditures on maintenance of fixed assets, regardless of a capital improvements program.*

*McKeown said there was one remaining item to discuss – the Miller Park renovation fund. She said that since the issue with the curb cuts has yet to be resolved, she would recommend keeping the funds allocated for that in the event that further work is needed. Moore noted that there has been no further communication about the curb cuts and that the inspector who raised the issue has returned to Florida. McKeown said that she would suggest keeping the funds allocated and later in 2009 if they are not needed, to move them to the building improvement fund. The amount remaining is \$40,000. McKeown said she would suggest waiting until the end of 2009 to move the funds.*

*Moore noted expenditures for a smoke detector for the book drop at Miller Park and door replacements at Miller Park. She said that she does not foresee any additional major expenses connected to Miller Park.*

*The meeting adjourned at 9:05 a.m.*

Magill asked that in future a more detailed breakdown of the 4100 line be provided to the Board members. Magill also noted that despite the reasons for lowering the materials budget, a promise was made to the voters to strive for a 20% materials budget.

**RESOLUTION 30-08**  
**2008 Appropriation Amendment**

Be It Resolved that the Board of Trustees of the Upper Arlington Public Library acknowledges and approves the following changes to the 2008 Appropriations:

**GENERAL FUND 100**

*Appropriations*

2500 Supplies purchased for Resale	- 2,400
3400 Insurance	- 3,600
3600 Utilities	+ 6,000
4100 Books	- 5,500
4300 Media/AV	+ 1,000
4500 Research/Digital Svs	- 10,000
5500 Hardware/Software	+14,500
9900 Transfer out (to Bldg Fund 402 at end of Year)	+1,500,000

**BUILDING IMPROVEMENT FUND 402**

*Appropriations*

3700 Professional Services	+166,000
5400 Building Improvement	-166,000

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Perera made a motion to approve Resolution 30-08. Motil seconded the motion. VOTING AYE: Burtch, Kurfees, Magill, Motil, Perera and Sharpe. VOTING NAY: None.

Burtch said that he would entertain a motion in accordance with Section 3375.39 of the Revised Code to accept the monthly financial report upon the leaving of the Fiscal Officer as approved by the State Auditor's office. Motil made the motion and Kurfees seconded the motion. VOTING AYE: Burtch, Kurfees, Magill, Motil, Perera and Sharpe. VOTING NAY: None.

**PERSONNEL COMMITTEE**

Burtch reviewed the Personnel Committee meeting notes that are included here.

*PERSONNEL COMMITTEE MEETING  
Thursday, October 16, 2008 8:00 a.m.*

**NOTES**

*IN ATTENDANCE: John Burtch, Bryce Kurfees, Ann Moore, Kate Porter, Nancy Roth*

*The meeting was called to order at 8:05 a.m.*

## **RESIGNATION OF FISCAL OFFICER**

*Moore said that normally job descriptions are reviewed when a position becomes vacant. She said that all the job descriptions, including the Fiscal Officer's, were reviewed and updated last year. She said that she had reviewed the job description and that it seems to be an accurate reflection of McKeown's job. Kurfees asked that Moore have McKeown review the description one more time.*

*Moore said that some items in the job description are standard items that appear in all the job descriptions. She said that one change would be regarding the administration of employee benefits. She said that currently those responsibilities are split between HR and the Fiscal Officer and that this has led to some problems and inefficiencies. She said that it was time to switch the administration of benefits to HR as was originally intended by the Board.*

*Burtch agreed that some things should be taken off the shoulders of the Fiscal Officer and that benefits administration is an appropriate function for HR. Kurfees agreed that this would make sense. Moore noted that this would affect the job description of the HR Manager and will have to be reviewed. Kurfees noted that there is some shared responsibility for benefits. Burtch said that he would expect to get help from vendors – such as HRH – during the transition period. The committee agreed that other than the change in benefits administration, the job description appeared to be reasonably accurate.*

*Burtch said that he has been in contact with Lynda Murray from OLC. He said she has assisted in two other Fiscal Officer searches. He said that the library can engage Murray through OLC to assist with the search for the fiscal officer. Burtch said that Murray has indicated that there are not many candidates looking for a position and few, if any, would measure up to McKeown's abilities. Murray had indicated to Burtch that McKeown's successor may end up not being from the library community.*

*Burtch said that the library will need to advertise widely. He suggested that Moore ask McKeown what publications she reads and then advertise there. He said this should be done as quickly as possible. He said that the Personnel Committee could conduct the first round of interviews and the final candidates' interviews should involve the entire Board.*

*Moore said she would like to get the position posted on the library website as soon as possible. She said the Motil had indicated he would be able to get a job posting on the GFOA website. She said she also wanted to list the position on the OLC and the OhioNet websites. She noted that ads in written publications involved some lead time, but that she would proceed with the internet postings. She asked Burtch if Murray had made any salary range recommendations. Burtch said that he had not asked about that.*

*Burtch said that the library needs to prioritize what McKeown does in the next three weeks before her departure. He said that developing a temporary budget for 2009 would be one of those priorities.*

*Kurfees asked if there was a way to negotiate a later leave date with McKeown. Burtch said that he did not think this was likely to happen. Moore said that the Deputy Fiscal Officer was taken by surprise by McKeown's resignation. Moore said that she has asked DFO Peterson to compile a listing of the things that she will need to know prior to McKeown's departure. Moore said that a finance meeting is needed as soon as possible to go over the temporary budget. She said that Peterson has acted mostly as a bookkeeper and has not been trained how to generate monthly and quarterly reports of how to close out monthly activities.*

*Kurfees said that it is important to include better training of the DFO as part of the job description for the new Fiscal Officer.*

*Moore noted that McKeown is the only authorized signer for the library credit card and the automatic check signer. She said that McKeown's computer system is stand-alone and that currently the IT department has no knowledge of its set-up or capabilities. She said that back up procedures are also unknown at the present time. Burtch said that McKeown will need to spend some time with the IT department before her departure.*

*Burtch said that perhaps Grandview Heights Library would be willing to allow McKeown to come back for a few hours each week to assist in year-end fiscal chores and to do training. He said the library could pay McKeown for her time, much as Grandview did when McKeown assisted them during the illness of their Fiscal Officer. Kurfees agreed that this would be a good idea. Moore said that she would contact Mary Ludlum, the director at Grandview, to see if this would be agreeable.*

*Kurfees said that it appears that McKeown has held information so closely that it has put the library in a bind. He asked if Moore had any advance warning that she was planning to leave. Moore said that she had no inkling that McKeown was entertaining the idea of leaving until she was informed just prior to Tuesday's Board meeting. She said that a new Fiscal Officer will need to understand that while the appointment is made by the Board of Trustees, the position is part of the Administration team.*

*Kurfees asked what reason McKeown gave for leaving. Burtch said that it was not a financial issue, but that the Grandview Heights position would allow her a more flexible schedule with more time for her family. Moore said that she would add language to the job description in reference to training and cooperation.*

*Moore said that the library usually leaves job postings on the website for two weeks. Burtch inquired whether the library should involve Murray at the present time. Moore agreed that Murray has a very good network of contacts and could be a valuable resource.*

*Burtch said that Moore could keep Murray in the loop and that the library can formalize an arrangement if the Board chooses. Burtch said that he would want Moore and Porter involved in the interview process. He said that the library may need to retain an outside CPA firm to provide guidance to closing out the year end transactions. He said that this would be a routine task for a CPA. Burtch said that he would talk with McKeown after Moore has had an opportunity to talk with Mary Ludlum about arranging for McKeown to assist in year-end work.*

*Burtch said that the library does have to have an interim Fiscal Officer in place by November 7<sup>th</sup>. He asked for suggestions. He said that the individual would have to be bonded. He noted that in some instances library Directors or Assistant Directors serve as interim Fiscal Officers. Kurfees suggested that if DFO Peterson was bonded, it might make sense to appoint her as Interim Fiscal Officer. Burtch said that an interim appointment of a current staff member could cause problems in that the person might have expectations of a permanent appointment.*

*Moore said that the library had planned to enter into an agreement with ADP for HR software that would link with the Fiscal Office's SSI software. Moore said that she had talked with the ADP rep and that he said the software could be installed as a stand-alone system and linked at a future date with the SSI system. Moore asked the committee if she should go forward with this or if this should be put on hold. Burtch said that he would advise waiting. He noted that the new Fiscal Officer may have other recommendations or preferences that should be taken into account.*

*Moore noted that the system currently in place does meet with the state auditor's standards and she does not want to disturb that.*

*Moore said she would contact Worthington and Delaware for input about salary range. It was noted that if DFO Peterson needs assistance during the transition period, it should be provided to her. Porter said that she would talk more with Peterson about what she might need.*

*The meeting was adjourned at 8:45 a.m.*

**PERSONNEL COMMITTEE MEETING**  
**Thursday, October 30, 2008 8:00 a.m.**

**Notes**

*IN ATTENDANCE: Jack Burtch, Bryce Kurfees, Ann Moore, Kate Porter, Terri McKeown, Julie Whitt, Nancy Roth*

*Burtch called the meeting to order at 8:02 a.m.*

## PERSONNEL POLICY MANUAL

Moore asked Whitt to explain the revisions in the Personnel Policy Manual and the process used to review the manual. Whitt said that the goal was to up-date wording in the manual and to match the policies to current practices. She noted that some of these were mandated by changes in the law, such as the Military Leave section. She said that Jamie Powell, legal counsel at Porter Wright, had reviewed the document thoroughly and had made some recommendations. Whitt said that Lynda Murray from Ohio Library Counsel had also offered some recommendations.

Burtch said that he had reviewed the material provided by Whitt and did not have any problems with the changes.

Moore noted that the expansion of the confidentiality and Office Technology section had been suggested by Murray and John Iten. She said that the new IT manager, Greg Ramage, had reviewed that section and indicated that it covered any concerns he might have had.

Whitt noted that the wording in the ethics section was consistent with wording from the Ohio Ethics Commission. She noted that a new application form has been put into place. Whitt said that for this reason, employees who are applying for a new position or transferring are being asked to fill out an up-dated application form which contains appropriate language that had been lacking in the old application.

Moore noted that there was an addition under disciplinary action to include revealing computer and security passwords to unauthorized individuals. She said that this was added following an incident where such behavior had occurred.

Moore pointed out the increase in the tuition and professional re-imbursement rates. She noted that the committee had discussed taking action on these items previously and that they have been rolled into the new manual. The new rate for tuition is up to \$1,000 per term. Professional reimbursement is eligible for reimbursement up to \$300 per year.

The committee agreed that the manual has been adequately reviewed. The committee agreed to present the Personnel Policy Manual for approval at the November Board meeting. Moore said that Administration will send copies out to the remaining Board members today so that they would have ample time to review the document.

Kurfes asked if the performance evaluation of the director should be in the Policy Manual. Burtch indicated that evaluation was a separate action done directly by the Board and not appropriate for the Manual. Burtch said that it would probably be a good idea to put it in writing at some time and to maintain a regular schedule for the evaluation. Whitt noted that employees are routinely evaluated around the anniversary of their date of hire. She said that managers get a month's advance notice of which

employees should be scheduled for an annual review. She noted that unlike some organizations, the evaluation process is not tied to a pay increase for the employee.

## **2009 WAGE ADJUSTMENT DISCUSSION**

Moore said she would like to get a sense of what the committee and the Board feels about a staff wage increase for 2009. She said that she had conversed with some other directors and that while the CPI is up 4.9%, most agree that it is not possible to consider that amount of an increase due to the decrease in the Public Library Fund. Moore noted that according to information given to her by McKeown, a 2.5% increase to the midpoint of each range would result in a 9.5% increase in the salary budget. A part of this was due to the fact that 2009 will have 27 pay periods instead of the usual 26.

McKeown noted that increases based on the CPI have not been given for several years, although the CPI is expected to show some decline by the November determination date. McKeown distributed a history of the cost of living increases from 2000 on. It was noted that SSA has approved a 5.8% increase in benefits for 2009.

McKeown noted that the budget for salaries and wages was also impacted by some staffing changes. She noted that there was no IT manager for the first nine months of 2008, a Collections Specialist position was created and a Web Master position for 2009 has been budgeted in the preliminary Temporary Appropriations for 2009.

Moore noted that the Adult Services manager position remains vacant and that there are no immediate plans to fill that position. She said that she and McKeown and Porter are working on to have a draft of a temporary budget ready for the Finance Committee meeting scheduled for next week.

McKeown also distributed a Minimum Wage History chart. She noted that the 2009 budget will be impacted by the increase in the page hourly rate that will affect nearly all the pages currently working at the library.

Burtch asked what percentage of the overall budget a 9.5% increase in wages would represent. Moore said that information that McKeown prepared indicated that would be 62.9% of the overall budget compared to 60.8% of the 2007 budget and 59.9% of the 2008 Permanent Appropriations budget. Moore noted as an example that a 2.5% increase to the midpoint actually amounts to a higher percentage for those staff members that are below the midpoint. Burtch noted that most staff members fall into that category. McKeown said that the lowest increase last year in this group was an effective 2.61%.

Kurfes asked when employees are eligible for OPERS. He said that people seem to be looking for ways to increase their cash available. He asked if there was a way to institute a longevity threshold for the pick-up of the employee portion. McKeown said that OPERS is mandatory from the first day of employment. She noted that while the library can choose to cease paying the employee portion of OPERS, this does not put

*additional funds into the employee's paycheck since they would then have to make that payment.*

*Burtch asked how the operating levy is doing with the payment of property taxes in the current economic environment. McKeown said that it is a bit too early to say, but that the foreclosure problems and other financial burdens will probably have less of an impact on Upper Arlington than some other areas. She noted that since Upper Arlington is primarily residential rather than commercial, there is less of an impact with empty commercial buildings that some communities have.*

*Burtch said that he feels strongly that the library cannot commit to a 20% materials budget at the present time. He said that information from recent studies indicates that the library already has the largest collection. He said that when the library began the quest to reach a 20% materials budget, the budget was about \$2,000,000. Now the budget is \$6,000,000 and a 20% budget is a huge commitment of resources.*

*Moore said that she is in agreement. She noted that there are circumstances that exist now which were not a factor when the levy campaign was in progress. She noted that the financial environment has greatly changed. She said that with the decrease in revenue from the PLF, the library needs to start the year very conservatively. She noted that as the renovation of facilities proceeds, there will be less space for materials for the next year or so while that construction is accomplished. She said that it does not make sense to order large quantities of new materials for which we have no space.*

*McKeown said that the 20% materials budget "promise" was made at a time when state funds were more secure. She noted that since that time, other information has come to the library's attention, such as the Larsen Mechanical and Electrical Audit, which highlights other needs for planned spending to keep the building in good repair.*

*Moore said that she needs to look at the real impact of any wage increase based on a percentage of the midpoint.*

*Burtch asked what the staff members' expectations were regarding a raise. Porter noted that she has had some recent conversations with staff. She said that they have concerns about increase health care costs and other day-to-day expenses. She noted that this is consistent with the general public.*

*Kurfees said he would like to see a one page total compensation printout for staff members. Moore said that this is one function of the ADP software that had been planned, but that the purchase and implementation has been put on hold while the library works to fill the Fiscal Officer position. She said that such a printout would be very valuable but that there are some hurdles to its implementation at the present time. It was agreed that Whitt would provide Board members with a sample of the format used by Washington-Centerville library.*

Moore indicated that Administration would send the minutes of the Finance meeting to the Personnel Committee for their information about possible pay raises and budgeting for 2009.

The meeting adjourned at 8:40 a.m.

<u>Effective Date</u>	<u>Employee</u>	<u>Current Rate</u>	<u>New Rate</u>	<u>Classification</u>	<u>PT/FT</u>
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**Terminations**

10/31/08	Sheila Patel			Lib Asst I/Circ	T PT
11/02/08	Elizabeth Clark			Lib Asst II/Ref	T PT
11/07/08	Terri McKeown			Fiscal Officer	T FT
11/07/08	Faith Van Horne			Lib Asst I/Tech Svs	T PT

**New hire**

10/21/08	Dana Grimes	\$7.00 RA 101		Page	T PT
10/22/08	Jean Yontz	\$7.21 RA 101		Page	T PT
10/27/08	Laura Ellis	\$9.55 RA 103		Lib Asst I	L PT
10/28/08	Akanksha Jayanthi	\$7.00 RA 103		Page	T PT

**Change of Status**

11/02/08	Cynthia Johnson	\$9.98 RA 102	\$10.26 RA 103	Library Aide/Circ to Lib Asst I/Circ	T PT
11/16/08	Myrlyn Reasoner	\$7.06 RA 101	\$8.44 RA 102	Page to Library Aide/Circ	T PT

<u>Effective Date</u>	<u>Employee</u>	<u>Current Rate</u>	<u>New Rate</u>	<u>Classification</u>	<u>PT/FT</u>
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**FMLA Leave of Absence**

10/11/08	Stephen Harvey to 10/26/08 (returned to work on 10/27/08)			Media Specialist	T FT
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11/05/08	Nancy Alonzo to 12/03/08 (return to work on 12/04/08)			Reference Librarian	T FT
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Sharpe made a motion to approve the Fiscal Officer's Personnel Report. Motil seconded the motion. VOTING AYE: Burtch, Kurfees, Magill, Motil, Perera and Sharpe. VOTING NAY: None.

Burtch noted that due to the lateness of the hour, discussion of the Personnel Policy Handbook revision would be deferred to the December Board meeting.

**PRESIDENT'S REPORT**

Burtch said that he had no report other than to take official note that 11 of 13 library levies passed in the general election last week.

The Board had a brief discussion as to the necessity of holding a Special Board meeting on November 20<sup>th</sup> and consensus was reached that such a meeting was no longer necessary. Administration will inform the City that the Special Meeting has been cancelled.

**ADJOURNMENT**

Perera made a motion to adjourn the meeting. Sharpe seconded the motion. VOTING AYE: Burtch, Kurfees, Magill, Motil, Perera and Sharpe. VOTING NAY: None.

Meeting was adjourned at 7:48 p.m.

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John H. Burtch, President

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Amy P. Sharpe, Secretary