

**Highwood Public Library Board of Trustees Regular Meeting
February 20, 2017**

Present—Trustees: Bertha Chavez, Laurie Lenzini, Lucy Hospodarsky, Nora Loredo, Catherine Regalado; John Mitchell (director)

Absent: Maribeth Kuebler

Ms. Hospodarsky called the meeting to order at 7:02 pm.

Public Comments - None

President's Report

- President attended city council February 15 special meeting where current budget and special projects were discussed. The city manager provided an update on combined city services building: two different developers concluded they needed to build 8 story building based on construction costs and rental rates, and city council was not interested in that height/density.
- Highwood Chamber of Commerce gave library a reduced non-profit membership rate of \$100.
- President created submission for Highwood Chamber Dining Guide and will add more material.
- President met with new bookkeeper and Kelly Zabinski. Director will add more directing information on invoices and check memo items for clarity, as well as review report prior to sending to board.
- Lake Forest Bank & Trust requested statement of future tax levy increases for line of credit; city manager assisted president in formulating response.
- President met with City Manager. Library will continue to see through finalized building plan with FGM for future opportunities. They discussed past unpaid PPRT – manager cautioned that city may start asking for contributions from library in other areas, as done with Fire Pension Plan. President would first like to have clear financial picture before pursuing.

Secretary's Report

Ms. Hospodarsky moved to approve the regular and executive meeting minutes of January 25, 2017 as presented. Ms. Lenzini seconded and the motion carried unanimously.

Communication - None

Treasurer's Report

Ms. Loredo presented the January financials and February invoices.

- One check to Mutual Ace that was actually a debit payment was voided.
- \$11 service charge was for incoming wire fee from IMET to contractor.
- Memo lines to be corrected: FWC Architects- fees are for fire alarm drawings and bid. Add info in memo lines e.g. debit card at Target, gift cards for staff bonuses, Keyth
- Finance committee will have a call with accountant to understand balance sheet questions: 10201 BOH General Fund Chk account; breakdowns in Operating/Live & Learn/Other; why 'Other' line is negative
- Director to check on P&L YTD Medical/Health Insurance payments which are already at 99% of budget, and why liability insurance is low.
- Director to remind city that board wants PPRT check in this FY.
- Net ordinary income is negative \$11K because of renovation expenses and because some renovation expense is being paid for by booked surpluses of past years, not this year's revenue. In order to calculate a Net Income amount excluding \$141K renovation expense, \$141K

renovation expenses are subtracted from \$299K total expenses on P&L to arrive at YTD expense of \$157K.

- Total income: P&L shows total income of \$287K, which includes the Live and Learn (L&L) grant income of \$41K, which has already been spent. This amount should be subtracted from total income. \$88K income left for remaining 3 months of FY17. Director projected expenses for next 3 months based on budget figures and estimates a surplus of \$15K at the end of FY17. Surplus would be transferred into capital reserve fund to pay for renovation expenses. Another Finance meeting will be scheduled to evaluate Director's analysis.

Ms. Loreda moved to approve February 2017 invoices as listed with exception of #1223 Mutual Services of Highland Park. Ms. Hospodarsky seconded, and the motion carried unanimously.

Ms. Chavez left the meeting at 8:41 pm.

There was further discussion on finances and city audit. Net pension liability of \$51,417 that appears in city audit as part of library component is a new requirement for GASB58. Accountant says we don't need to reflect in our accounting. Restated capital assets will be investigated for use in insurance and state reports.

During the bank loan underwriting process, President originally provided the P&L from Quickbooks (QB) for FY16, which shows a Net Ordinary Income of negative 16K. Later, the bank obtained the city's audit which shows positive income due to the way the L&L grant was booked. On QB's P&L, the negative amount is due to not reflecting the full amount of the source of funds that paid for the Renovation project expenses and the Bad Debt write-off for the IMET account.

Librarian's Report

- Director handed out latest FGM addressing concerns from each of three departments. Director will update board at next meeting.
- Fire alarm update – drawings were not approved by Highland Park Building Department because of too little detail. Krause should redo drawings at no charge. Director to ask to be copied on architect correspondence. Krause needs 2 weeks for system installation. Earliest GC can return is early April, and needs 4 weeks to complete work.
- Open positions (2 patron services, 1 children's service) are posted with interviews scheduled this week. Amanda's last day was Saturday.
- Inventory project found ~970 items missing. A report will be run to sort and missing items will be spot checked by end of this week. A sign should be placed at circ desk advertising book sale shelves at front of library.
- 3 sets of cookbooks were sold.
- Offsite backup system was implemented.
- Board noted that statistics now show ILL outgoing -14 items since OCLC is activated. Director described ILL request process and board asked that library respond yes/no to requests right away rather than waiting 5 days. Director noted OCLC is a separate database that needs to be cleaned up.

Committee Reports

Personnel committee: Committee met and posted minutes. Discussed new hiring and wages.

Finance committee: May refine budget based on personnel. Ensuring spending and invoices in before year-end.

Policy committee: to meet within the next month to discuss Fines and Fees policy, Meeting Room policy, and Travel Reimbursement Policy, Reserve Account Policy (Finance), Fair Labor Standards Act, and reimbursable actions.

Technology committee: 1/26 meeting timing was based on written inventory procedure being prepared. Committee discussed issues already found, including books on shelves but checked out to patrons (patrons must be contacted), and books coded but not in Follett, as well as sections to be inventoried and volunteer timing.

Old Business

- Director will write up new construction announcement for website.
- Still need to create disaster and recovery plan for physical building.

New Business

- Three trustee terms are expiring and need to be renewed – Lenzini, Loreda, Chavez.

Ms. Regalado moved and Ms. Hospodarsky seconded to adjourn.

Meeting adjourned at 9:54 pm.

Next regular board meeting will be Monday, March 20, 2017.