



Annual President's Report for FY 2017
May 2016 to April 2017

The Standing Committees that met most actively this year were Technology and Finance. Committee Chairs prepare annual reports which outline their specific activities for the year.

Major Projects

The two major projects this year:

1. Renovations of the East Building – still underway; expected completion is end of August at the latest
2. Migration to the new ILS system – Prerequisite was completing the inventory project. See the Director Annual Report and Technology report for additional details.

City Request to Re-Purpose Library Building to include Police Station and Admin Offices

The city desires to sell the city hall building and relocate to outside the central business district (the location is in the CBD which is prime real estate). The property would be bundled with a few privately-owned land along Waukegan Avenue (city got agreement from these property owners). The city formed a committee made up of the Library Director, 2 Trustees, and city officials and hired FGM Architects to determine feasibility of combining the three units. FGM determined space needs for all three (using interviews with personnel) and presented three different space plans for committee review. The cost of re-purposing the building would be entirely paid for by the developer of the city property. The Board passed a resolution that communicated our interest in partnering with the city.

There were several developers that were vetted by the city. The one most interested in the property presented a plan for a building concept, but the city council rejected the plan because the height was too tall. There were no other viable developers. The city will continue to market the property for future consideration.

Financial Summary

Tax Levy

The library tax levy request for FY18 was increased by 4% this year for the first time in many years (prior years' requests were either lower or the same dollar amount). The reason for the increase was primarily due to an increase in Personnel Expenses. See "Personnel Items" for more details. The city approved the library's tax levy request.

Renovation Project Estimated Cost

The East Building renovation project estimated cost to completion increased due to:

1. New Alarm system (not factored into the original project scope, approximately \$24,000)
 2. Two changes orders for unforeseen items (approximately \$12,000)
- In addition to the above, the original project did not include flooring (except for the floor in the bathrooms)). The reason was so that we could save the General Contractor fee expense by hiring a flooring contractor ourselves. Current estimate from a contractor is approximately \$12,000.

Sources of Funds for Renovation Project

The **Capital Improvement Account** will be depleted, and will not be enough to cover the entire estimated project expense due to the increased costs outline above. The **Reserve Account** has

about 5 months' worth of operating expenses, and a portion of the account funds will be used to pay for renovation expenses.

The President requested that the city assist with the payment of all or a portion of the new fire alarm system. The city requested that the library use a combination of Reserve Account funds and a loan (due to low interest rate environment) to pay for the fire alarm. The city suggested that the FY19 tax levy request could be increased to pay for the alarm, or the replenishment of the Reserve Account, and the city would consider assisting to pay down the loan/replenish the Reserve Account next year.

The Board entered into a **Loan Agreement** with the Lake Forest Bank and Trust to assist with the payment of the renovation project. See Finance Committee Annual report for details.

End of year surplus (see below FY17 Summary) will also be available.

FY 17 Summary

An analysis of the actual expenses versus budget at the end of FY17 is included in the Finance Committee annual report.

End of year surplus is around \$20,000. This is primarily due to an IMRF employee's departure and not filling two other staff positions. The Board decided not to spend down the surplus but instead will put the surplus towards the renovation expenses.

Personnel Items and Outside Contractors

We continue to be challenged with retention of employees. Turnover is primarily due to desire for more hours. Excluding the full time Director, we had one staff person at the beginning of the fiscal year at an "IMRF" hours level, and added an additional IMRF employee. Mid-year, the additional IMRF employee departed which was partly a factor in the end of the year surplus.

To improve the library's ability to attract and retain MLS or soon-to-be MLS degreed personnel for applicable positions, our FY18 tax levy budget for personnel expenses was increased to take into account for per hour pay increase and additional expense for IMRF. This was the main contributing factor for the increase of the tax levy of 4%.

Zabinski Consulting continued providing accounting/bookkeeping services and our long-standing IT person continues to provide services to the library.

Trustee Appointment

A new Trustee appointment is anticipated for June. Pat Lenzini, also a member of the Highwood Chamber of Commerce is a welcomed new addition to the Board. Two vacancies will remain after her appointment.

Building News

Renovations of the East Building are expected to be completed by the end of August. See the Director's annual report for additional details.

Community Outreach and City Relations

Relations are good and of a cooperative nature with city staff, city manager, and the city's Finance Director.

The City e-newsletter was temporarily put on hold due to the maternity leave of it's staff person.

Director continued to foster his relationship with the Highwood Historical Society (HHS) and the Library continued to offer opportunities for displaying historical materials inside the library in the curio cabinet and at the street side window.

A volunteer continues to manage the cookbook sales within select Highwood businesses and one in Highland Park.

The Director initiated a draft of a patron survey. The Board will work with the Director to finalize and send out during the fall.

Programming

Regularly occurring adult programming continues (e.g. two adult book clubs, Sherlock Holmes and Current events). Only a few new, one time adult events were offered.

The Children's librarian has really taken on her own initiatives to continue the children's Saturday craft programming. The movie night programming introduced in FY13 continues to be a huge success. Several special paid and free programming occurred during the year. Tutoring continues and the K-9 Reading Buddies of the North Shore program ran from October through March.

Operations

The Director's Annual Report, presented to the Board at its June meeting, should be read as a means of getting a detailed picture of what accomplishments were made in the general operations of the library. A few items have already been covered within the President's Annual report.