



**Board of Trustees Meeting**  
Tuesday, November 16, 2010 5:00 p.m.

**MINUTES**

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

**IN ATTENDANCE**

BOARD MEMBERS: John H. Burtch, Caroline Diwik, Garrett K. Scanlon, Amy P. Sharpe and Krista Sisterhen.

ALSO PRESENT: Ann Moore, Director; Kate Porter, Assistant Director; Kate Hemleben, Fiscal Officer; Julie Whitt, Human Resources Manager; Ruth McNeil, Community Relations Manager; Ruth Elzey, Willis Insurance Brokers; Tricia Schmidt, Willis Insurance Brokers; Nancy Roth, Administrative Secretary; Khalil Silwani, UA Student and Mrs. Jones, UA resident.

Burtch made a motion to excuse the absence of Mark L. Shy who was out of town. Scanlon seconded the motion. VOTING AYE: Burtch, Diwik, Scanlon, Sharpe and Sisterhen. VOTING NAY: None.

**APPROVAL OF THE MINUTES**

Burtch made a motion to approve the minutes of the October 19, 2010 meeting. Diwik seconded the motion. VOTING AYE: Burtch, Diwik, Scanlon, Sharpe and Sisterhen. VOTING NAY: None.

**INSURANCE PRESENTATION**

Tricia Schmidt from Willis was present to provide information to the Board about the medical insurance renewal process. Ruth Elzey from Willis also joined the group part way through the discussion. Schmidt provided the Board with written information about the Health Care Reform Act. She also provided a process guide outlining the steps the insurance broker and entity must complete during the bidding process. A "best case scenario" timeline was included.

Schmidt noted that the library is no longer in the 51+ - 99 employee eligible pool. She said that change took the library from a small fish in a big pond to a large fish in a small pond. She said that this could make the library more attractive to some small group underwriters.

Schmidt said that Willis brokers only with A-rated carriers of which there are four: Anthem (current carrier), Aetna, United Health Care and Medical Mutual. She noted that there are six or seven B-rated carriers in the marketplace. Three or

four B-rated carriers have gone out of business in the past year or so, leaving their client without insurance or companies having to self-insure when funds may not be available for this.

Eligible library employees will be asked to fill out or up-date their medical information via the online tool FormFire in December. Once all those eligible complete the form, information will be available to insurance companies who may be asked to submit a bid. The plan is to have a December 6th deadline for employees to complete this task. The library may shorten the open enrollment period in February to only two weeks in order to allow the Board more time to review the bids and make their decision.

The Board thanked Schmidt and Elzey for their information and time in attending the meeting.

## **ASSISTANT DIRECTOR'S REPORT**

Porter reported that the individual who had been stealing Blu-Ray discs has been caught and arrested. She noted that Media and Adult services staff were instrumental in this.

Beginning in January 2011, the library will have copies of current best-selling titles in a "Books 2 Go" collection. This will be similar to the DVD 2 Go collection in that there would be no reserves or holds on these copies and the circulation period would be for only one week.

Porter said that a UA third-grader had picked the library as a "hot spot" in UA for a class assignment. The student came to the library and conducted an interview with Porter and other staff members and will prepare a PowerPoint presentation for her class as part of the assignment.

The use of self-check at Tremont is now up to 83%. Diwik noted that changes in some of the screens have made it much easier for her to use and more intuitive. IT continues to modify the software as concerns and ideas are brought forward. Burtch noted that patrons seem to be happy to be out of long lines at checkout.

The Board had a brief discussion as to the impact of the additional terminals on staffing levels and work flow in Circulation. It was noted that this would be an appropriate discussion at a future Personnel Committee meeting along with a cost comparison of before and after implementation.

It was noted that backlog in the back room was far less of a problem than previously. More work has gone into maintaining keeping the Hold selves current and accessible for patrons as loan requests continue to increase.

## DIRECTOR'S REPORT

The Director's written report is included as an exhibit to these Minutes.

Moore asked Whitt to provide some additional information about insurance brokerage options that Admin had researched at the Board's request. Whitt said that she and Moore had talked with representatives from Structured Employees Benefits Organization (SEBO) and ADP about their services in brokering medical insurance. Written information on both companies was provided to the Board.

SEBO is similar to Willis. SEBO is endorsed by the OLC and 50% of their business is comprised of libraries. Insurance underwriters pay the brokers as is the case with Willis. SEBO works with employers to improve the general health of the population which is being insured. The enrollment and bidding process is similar to Willis as well.

ADP Total Source actually provides other HR functions along with the insurance brokerage function. They do not sell their services separately. While they do utilize Aetna and United Health Care as underwriters, they don't provide just health care separately.

Moore noted that while she was meeting with City Manager Virginia Barney and Parks & Rec Director Tim Moloney, she asked about joining the city for insurance. The city is in a self-funded consortium and indicated that they could not take the library on. The city has to negotiate with four different unions regarding health care. The city reported that they plan to move completely to the Health Savings Account option in 2012. Worthington Schools moved to HSA's and found that it cost them more than was expected.

Brokers' reimbursements are not dependent on which carrier is selected by the insured entity. The Board agreed to continue the relationship with Willis.

Moore noted that the lighting project was nearly completed. Work has slowed while the Friends conduct their sale, but some behind the scenes work is being taken care of in the interim. The lighting is vastly improved and the library has received many positive comments from patrons.

Moore reported that her conversation with Barney and Moloney did not offer a resolution of the parking lot problems. The city indicated they did not have funds to re-do the parking lot. They did agree that the lease terms clearly state that they are responsible for maintenance, but question whether that actually includes replacement. Moloney did indicate that he and another worker would survey the parking lot last week, but Moore said she has not heard from him further. She noted that the city is also deliberating what to do with the Northam swimming pool that is in need of extensive repairs and that decision may impact any parking lot planning.

## OPERATIONS COMMITTEE

Operations did not meet due to a last minute schedule conflict. Moore reported that an electrical problem had just been reported to her at Lane Road and that Roberts Electric would be taking a look at the problem as soon as possible.

RFI's for ADA assessment have been sent.

## FINANCE COMMITTEE

The Fiscal Officer's written report is included here.

### ***Notes from the Fiscal Officer November 2010***

*November PLF is up 5% from last November!!! Another positive month! We are down only \$174,750 or about 7% from last year.*

*This month's revenue review is related to the monies collected from the patron. On the revenue report for the general fund there are five different sources that are collected at each location. They are fines, lost & paid, rentals, copiers and printers.*

*Fines are collected from the patron when the library material borrowed is renewed or returned late.*

*Lost & paid is when the patron has lost and/or damaged the item from our collection. The patron then is charged accordingly.*

*Rentals - related to monies collected for the room & equipment rentals at each location. The Main Library (Tremont) accounts for most of the money collected.*

*Copiers – monies collected for using the public copiers.*

*Printers – monies collected for using the public printers.*

*This month's expenditure review includes the following categories in our general fund. They are Miscellaneous Expenses, Contingency and Interfund Transfers.*

*Miscellaneous Expenses include the organizational dues, sales tax/assessments and refunds.*

*Organizational dues are the dues we pay to an entity for membership. This is different from individual memberships for staff. Examples of the organizational memberships are American*

*Library Association, Ohio Library Council and UA Chamber of Commerce.*

*Sales tax/assessment is the sales tax collected on the sale of tote bags. The \$8 for each tote bag includes sales tax. The sales tax is collected at the time of the sale, submitted to the State semi-annually and recorded as an expense.*

*Refunds – allows for patrons to be repaid for overpayments on their accounts. In most cases, a 20% admin fee is deducted as well as any fines owed at time of refund. In 2011, we will be implementing the cash refund policy at all branches. Only refunds over \$25 will be processed as a check request.*

*Contingency – allows for the Library to put 3% of the maximum budget for unexpected items in the General Fund. This was only budgeted in 2009.*

*Interfund Transfers – allows for the movement of cash from one fund to another. As discussed in last month's board meeting, in the prior years the Board decided to move money from the General Fund to the Building Improvement Fund. The transfer is seen as an expense for the General Fund and revenue for the Building Improvement Fund.*

*Next Finance Committee Meeting has been scheduled for December 14, 2010 at 9 AM in meeting room A as a joint meeting with the Personnel Committee.*

The notes from the joint Finance/Personnel Committee meeting are included here.

**JOINT PERSONNEL & FINANCE COMMITTEE MEETING**  
**Tuesday, November 9, 2010 9:00 a. m.**

**Meeting Notes**

**IN ATTENDANCE:**

*John H. Burtch, Garrett K. Scanlon, Krista Sisterhen, Caroline Diwik, Ann Moore, Kate Porter, Kate Hemleben, Julie Whitt, Greg Ramage, Shahin Shoar, Vita Marinello*

*The meeting was called to order at 9:00 am*

## **Discussion of 2011 Temporary Appropriations**

*As a follow up to our October Personnel/Finance Committee meeting, Hemleben provided a spreadsheet that outlined the 2010 permanent budget in comparison to six difference salary options for 2011. Hemleben utilized a health insurance premium projection of 30% with the hopes that our renewal will come in below this number and we can reduce that number at a later time.*

*Hemleben explained that in the 2007 levy campaign, the library hoped to increase expenditures for library materials to 20% of the library budget. The recommended 18.8% for 2011 gets us closer to that amount and hopefully we can again increase this amount in 2012 to get closer to 20%.*

*Hemleben explained that a 1% increase in salary for 2011 accounts for \$ 25,000 plus 25% for OPERS and Medicare. Hemleben clarified that we currently pay 14% for the employer contribution to OPERS and 10% for the employee contribution to OPERS. In addition, we pay 1.45% for Medicare.*

*Moore clarified that option #6 on the spreadsheet was related to the reduction of operating hours. Moore stated that this was included in the information we provided to the committee members but that she did not feel this was a recommended option unless we reinstated the hours the library was open to the public. With the uncertainty of the State biennial budget, Moore stated that she didn't feel that we could recommend reinstating hours to the public at this time.*

*A board member asked if we have heard any indication of what the state was planning to do for the next budget year. It was discussed that it is very early in the process. We discussed that there is a lot of speculation about what things will be cut in the budget.*

*Porter spoke to area libraries about what they are planning in terms of salary increases. Preliminary discussions amongst local libraries were between 1.5% and 3%. Porter noted that many libraries did not give raises last year, including us.*

*Moore stated that she wanted to discuss another issue that has been raised amongst Central Ohio libraries. Moore stated that many libraries that pay the 10% employee portion of OPERS are considering moving this portion to their salary line and then deducting the amount from employee paychecks.*

*Moore state that in 1983 or 1984, the library board at that time decided that in lieu of a salary raise, the Board would pick up the employee portion of OPERS. Moore stated that picking up the employee portion of OPERS was something that many libraries did at that time. It was noted that at that time, the employee portion was much lower than it is now.*

*Moore stated OLC has provided feedback that there may be upcoming changes in legislation that would prohibit employers from directly paying the OPERS employee contribution. Moore stated that due to this information, some libraries are deciding to move this contribution to employee salaries. Westerville has just decided this as of Nov. 1<sup>st</sup>. Worthington made this change a number of years ago. Grandview is considering this change. Columbus already made this change several years ago. Moore indicated that the information that she has heard is that there are no talks at this time to make this change to state agencies.*

*Hemleben explained that making this change would actually result in additional cost to the library. Hemleben has estimated that moving the 10% to employee salaries would impact our personnel budget with an additional \$ 40,000 based upon 2010 salaries.*

*Board members engaged in discussion as to whether we should make this change to the OPERS contribution. Major points from the free ranging discussion are below:*

- It was noted that a couple of years ago, the Board capped the employee contribution that the library would pay on the employee's behalf at 10%. In other words, if OPERS increases the employee portion, library employees would be responsible for the additional percentage.*
- It was discussed whether there is any real advantage in making a change at this time. It was noted that employee's paycheck would appear higher. The library provides compensation information to employees annually so that they are aware of the value of their salaries and benefits.*
- There may be a public perception of a 10% salary increase. Taking a 10% reduction would be devastating to employees.*
- For long term employees, the 10% increase would result in a higher retirement amount based upon final average salary.*
- It would be important to make sure that the public is aware that choosing not to make this change saves the library \$ 40,000.*
- Benefits are valued by many public employees because public employee earnings are often lower than in the private sector.*

*Whitt clarified that it has been an issue in the past with making sure potential employment candidates are comparing apples to apples when comparing our salaries against other libraries. It may appear than another library is paying more when in fact they are deducting the 10% from the employee salary.*

*Moore recommended that we wait until the State gives us guidance before we would move forward with any change to the OPERS contribution. Hemleben stated that City of Columbus still pays this employee contribution as well as other employers.*

### Payroll and Materials Increases

Moore noted that we are presently coming in a \$ 150-200K less than projected at the beginning of the year for salaries. Moore would really like to see the staff get some sort of increase. The library is down approximately 20 positions. Moore indicated that each percentage of salary increase would increase the personnel budget by \$ 27,000 (including OPERS and Medicare).

It was requested that we utilize three factors in order to determine whether a salary increase should be approved: what is our revenue going to be, what is the cost of living adjustment and what would be the public perception of a staff salary increase.

It was asked whether there are other options that employees would prefer rather than an increase in salary. Moore stated that she is aware that another library is recommending additional vacation days in lieu of raises. Moore noted that she felt that with the staffing shortages, additional paid time off would possibly create more of a burden to staff.

### Revenue

Revenue is down 6% overall for the year. Hemleben indicated that she averaged 2010, 2009 and 2008 to calculate property taxes for 2011 projected revenue. The increase in 2008 revenue is attributed to the levy. Hemleben also noted that she did not adjust the PLF and property tax credits for 2011. She estimated lost and paid, printer and coin-op revenue by averaging the last three years. Hemleben stated that she is estimating that investments will decrease due to money spent on projects such as lighting.

Hemleben recommended that we counteract funding losses by proceeding with the hiring of a Development Officer. A Board member present recommended that we facilitate this position through the Foundation to fund the salary.

Hemleben clarified that the library materials comparison from 2010 to 2011 was a percentage calculation based upon 18.8% placeholder. Hemleben noted she adjusted other areas of the budget based upon what she felt we would need in 2011. Numbers will slightly change as she meets with the IT Manager and Facilities Manager.

Moore stated that she met with Dick Wood since last board meeting. Moore indicated that library staff is working to schedule meetings with other insurance brokers and will have information available at the next board meeting.

It was decided that the committee would meet on December 14<sup>th</sup> in a joint Personnel/Finance meeting to make a decision on 2011 salaries and temporary



*budget. Board members would like to review the same number of scenarios that was presented today.*

*Hemleben will research the cost of living percentage. It was requested that library staff prepare an apples to apples comparison of starting wages so that board members can make a functional comparison of positions including management staff and directors.*

*The meeting adjourned at 9:54 am. Moore requested an Executive Session to meet with members of the Personnel Committee to discuss a specific personnel issue regarding a staff member.*

*Executive Session began at 9:55 am and the group came out of Executive Session at 10:15 am.*

Burtch gave a brief review of the Finance/Personnel Committee meeting.

Hemleben indicated that the PLF revenue was up for the fourth month in a row. The state still faces a \$6 – 8 billion deficit and all expense items, including the PLF could be on the table in the state's effort to balance the budget. The Board will need to decide on what approach to take in budget planning in view of this. Technically the PLF is scheduled to revert back to 2.2% of the general revenue fund in July, but there are no expectations that this will happen.

It was suggested that the Finance Committee consult with Brian Perera after the first of the year to try to gain some insight into the Governor-elect's strategy for balancing the budget.

Hemleben projected that the library could have excess revenue of \$500,000 - \$900,000 by year's end. The Board will need to consider whether to transfer some of those funds out of the General Fund and into the Building Fund in order to finance larger maintenance issues.

Hemleben reported that the library will be the recipient of a donation with matching funds from Battelle and one of their employees. This year Battelle opened their charitable giving campaign up to employees beyond the United Way to include any non-profit entity or 501(c)3 charity. One employee designated the library as the recipient of his donation.

Burtch reported that he had talked with UAPL Foundation president Dan Boda. The Foundation will be taking steps to dissolve the Foundation and give their funds to the library. The library may want to use the funds to finance an in-house development position.

Burtch made a motion to approve the October 2010 financial report. Sisterhen seconded the motion. VOTING AYE: Burtch, Diwik, Scanlon, Sharpe and Sisterhen. VOTING NAY: None.

RESOLUTION 27-10  
**General Fund Donations**

BE IT RESOLVED that the Board of Trustees of the Upper Arlington Public Library acknowledges and accepts into the General Fund with sincere thanks the following donations:

\$100.00	Richland Correctional Institution Friends of the Library
\$20.00	James Dinan & Gail Havener
\$100.00	The George Foundation
\$20.00	Anonymous

Burtch made a motion to approve Resolution 27-10. Sisterhen seconded the motion. VOTING AYE: Burtch, Diwik, Scanlon, Sharpe and Sisterhen. VOTING NAY: None.

**PERSONNEL COMMITTEE**

See the notes of the combined meeting included above. The Fiscal Officer's Personnel report is included as an exhibit to these Minutes. Diwik made a motion to approve the Fiscal Officer's Personnel Report. Burtch seconded the motion. VOTING AYE: Burtch, Diwik, Scanlon, Sharpe and Sisterhen. VOTING NAY: None.

**PRESIDENT'S REPORT**

Sharpe noted that the ad hoc committee for the strategic plan had reviewed the current draft again. The committee would like to have more measurable goals and specific timetables as a part of the plan. It was noted that the plan seemed to be heavy in the area of internal processes and focus and the committee suggests the focus be more external. The ad hoc committee would like to meet with Moore and Porter within the next few weeks to discuss ideas. Admin will coordinate a meeting date and time.

## ADJOURNMENT

Burtch made a motion to adjourn the meeting. Diwik seconded the motion.  
VOTING AYE: Burtch, Diwik, Scanlon, Sharpe and Sisterhen. VOTING NAY:  
None.

The meeting adjourned at 6:05 p.m.

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Amy P. Sharpe, President

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Garrett K. Scanlon, Secretary