Call to Order

Board President Christopher Stewart called the meeting to order at 7:36 p.m.

Approval of Minutes

Karen Terry moved and Brooke Roothaan seconded.

MSP—Approval of the June 16, 2010 minutes of Library Board meeting.

Passed unanimously on a voice vote.

Old Business

Friends Update

EPL Friends update given by Michael Tannen who read a 2 ½ page report outlining Friends activities. In summary, report stated:

Friends continue to focus on funding for branches, outreach efforts to community and search for possible new branch library locations. Friends wish to work with Board and Library personnel on these matters. Friends are pursuing grants. A new branch of Lions Club in Evanston has donated $800 to Friends and is dedicating its first service project to outreach on Evanston’s West side.

Friends requested Library Board to transfer $50,000 committed previously by the Library Board of Trustees into the City’s General fund, which funds shall be earmarked
specifically for library services including continued operations of North and South Branches through February, 2011. Paul Gottschalk confirmed that this was done on July 19, 2010, said funds coming from branch library renovation monies ($25,000) and from book sale revenues ($25,000). Both sources are under the discrete control of the Board and do not come from City’s budget for library services.

Friends President, Emily Guthrie, presented Board President, Christopher Stewart, with a check in the amount of $108,400 payable to the Board of Trustees. Guthrie noted that pursuant to section 75 ILCS 5/1-6 donations can be made directly to the Board of Trustees to use as it wishes. This donation is to be transferred to the City’s General Fund for the express purpose of continuing Branch operations through February, 2011.

City budget process will be earlier than usual due to change in City’s fiscal year. Friends request that Library budget reflect importance of maintaining a North and South branch library, the importance of sufficient funding for collections and enhancement of services.

Friends recognize that Board is considering various options for sustainable funding and asks Board to obtain data that compares what library levy would have been in past under a Library Fund option, what the levy should be and what indirect costs might be incurred if Library moves to Library Fund model.

General discussion followed Michael’s report with Board members asking for information on outreach efforts and about the naming of a liaison library staff member to work with Friends. Mary Johns has a staff member in mind and will announce name very soon.

Fund for Excellence (FFE)

FFE Co-Chair, Susan Newman, said FFE efforts are beginning. Stated need for more new names. Mailing is targeted prior to Thanksgiving. Question about whether FFE names were used by Friends in their fundraising letter. Some difference of opinion on that, and Susan Newman will clarify.

Review of Final Report of Task Force on Sustainable Funding

Paul Gottschalk explained current funding of City services/obligations.

There are 28 distinct Funds under the City’s current accounting system, the largest being the General Fund with $86 million for police, parks and recreation, law, streets, fire services and library services, among other departments.

The General Fund City has 10 revenue categories, including $16 million from property taxes and $37 million from other taxes, e.g. state taxes, sales taxes, utility taxes, real estate transfer taxes, liquor taxes, and cigarette taxes.
Police and fire pensions are funded exclusively by property taxes. The Library funding also comes, in part, from property taxes that support the General Fund. The Library also raises some revenues directly from fines/fees, video rentals and grants. These funds amounted to $452,800 last year. Funding from the City was budgeted at $4.2 million for the current fiscal year. Police and fire pension obligations took priority in last year’s City budget.

Paul then explained the Library Fund option being considered by the Board. Under the Library Fund model the money for Library services may actually increase without necessarily incurring an increase in property taxes. The Library Board would have more responsibility for budget and would set its own priorities within the context of the City’s budget and revenues.

Library Fund model allows a fund balance, i.e. if Library receives $4 million dollars from levy and under spends that amount for the year, the unspent dollars can be carried forward to use in the future for special purposes, e.g. purchase of Radio Frequency Identification system for books.

Paul noted that currently the Library has some shared overhead with the City that is covered by the City. Under the Library Fund model the City may impose a cost/charge back for those shared expenses.

Paul explained that there can be debt services in Library Fund model. Current capital improvement items for Library total $61 thousand for capital improvements, with $30 thousand for upgrade design for HVAC, and $31 thousand for technical upgrades. He noted that Skokie has $1.5 million in its current budget for debt service.

Dollar amount dedicated to Library services would be shown as a discrete line item time on property tax bill if we move to a Library Fund model.

Gail Bush asked if we have all costs for library operations. Paul said he did, but he was not going to discuss that in this report.

Paul said that over the years the Board has contemplated changing its funding model and he gave brief recap. At one point a comparison had been done of what the Library budget would be under the Library Fund model versus as a City department. The difference was calculated to be within $44 thousand. Historically the former City Corporate Counsel, Jack Siegel, took the position that Home Rule Authority of Evanston took precedence over State Law. Paul indicated that that view may no longer be held.

Paul indicated that Wilmette, Lincolnwood and Niles are funded as separate Library Districts, and that in Illinois libraries are funded about 50-50% between Districts and Funds. Skokie, Northbrook, Des Plaines, Morton Grove and Glenview are among the neighboring libraries operating under the Library Fund model.

Gail Bush explained the different intent of those two models for funding. A Library District is intended to cover annexed areas or several communities and is more common
in rural areas or where several communities receive their services from one library system.

Leora Siegel asked if under the Library Fund model, the Trustees would have more control over how monies are spent. The answer was Yes.

Susan Stone asked whether a change to the Library Fund model would have legal authority. Paul said that the Illinois Library Act does not apply to communities over 500,000. Evanston is well within limits of Illinois Library Act.

Dona Gerson suggested that any move toward the Library Fund model will cause friction with the City and that any increase in levy for Library services may lead to litigation.

President’s Report

Christopher Stewart said that he had recently met with the City Manager and with the City Attorney, Grant Farrar, to discuss the Sustainable Funding Task Force findings.

Christopher thanked the Trustees who came to the open house at the Summer Reading station on July 20th.

Christopher explained that normal procedure was for the President of the Board to meet with the library director, Mary and/or the Administrative Services Manager prior to regular Board meetings. He will continue with this procedure.

Christopher commented on the number of attendees at various Library function/activities in June. Over 4,000 people attended those events. Chris applauded the Library staff for their services.

Financial Report

Paul Gottschalk noted that we are a quarter through the fiscal year and there are no significant issues.

The Investment Committee met on July 19, 2010. While the entire S&P is down over 11% for the 2nd quarter, the Library investments are down only 3.2%. Library investments are fairly well protected. 60% of monies are in various US Treasury products that are inflation protected securities. The Investment Committee expressed some concerns over the continuing poor economy and did not foresee improvement in the near future.

This week the Library received the second part of Ms. Vivian Conner’s bequest. The most recent amount was $17,028 bringing the total that Ms. Conner has given to the Library to $42,355. This bequest went to the Endowment with no restrictions. Paul noted that Ms. Conner made bequests to many of the top cultural institutions in Chicago area.
Library Director Report

A letter had been sent to the Landlord of the South Branch amending the Lease Cancellation Notice date to the end of the February, 2011.

Mary thanked Trustees who came to the Summer Reading Station Open House on July 20th. Alderpersons Jean-Baptiste and Holmes also attended.

Fourth of July parade included Library staff and some EPL Friends.

A number of Library staff members are ramping up for volunteer work at upcoming City festivals: Ridgeville Market, Ethnic Arts Festival and Lakeshore Festival.

There was a special meeting at City Hall on July 19th regarding Youth Services with staff representing the Library. Recreation, Economic Development and Police with an emphasis on effective City services for youth and young adults.

Library is looking to do some special events at the Summer Reading Station before the beginning of school.

There are 2,916 participants citywide in the Summer Reading program. Mary Johns met with the Manager of Borders about possible collaborations with the Library and about reading prizes for young adults.

LSTA came through with funding, so 5-day weekly deliveries will continue for an indeterminant period. The Library did make the ten thousand dollar payment approved for this purpose at a previous Board meeting.

Leora Siegel, a member of the NSLS Board of Trustees, reported that NSLS is considering the sale of its building.

Mary Johns reminded the Board to read the article on the Impact of Public Library Summer Reading Programs on Reading Skills.

New Business

Mary Johns requested a transfer of $125,000 to the collections budget from the FFE fund for fiscal year 2010-11 to enhance print and electronic, adult, young adult and children’s materials for the overall library system. Transferring this amount to the current fiscal year budgeted amount of $459,100 budgeted amount would bring the total available for collections to $584,100, which is equal to last fiscal year’s approved collections line item amount.
Motion to make the transfer outlined above was made by Dona Gerson. Karen Terry seconded the motion.

MSP--A role call vote of Trustees was taken. All voted in favor, and the motion was passed unanimously on a voice vote.

Susan Newman requested that the Board keep in mind Mary John’s request of six thousand dollars for purchase of Iliad, a software program that manages inter-library loans not available from local libraries nor from participating CCS libraries.

Board President Christopher Stewart requested that, due to the City’s change in fiscal year, the Board needs to have a special meeting dedicated to the budget, funding model options and library priorities. This single subject meeting is scheduled for August 4th at 6:00 p.m.

The meeting was adjourned by President Christopher Stewart at 9:15 p.m.

Respectfully submitted by Diane Allen-Jacobi
Secretary