

**FREDERICK COUNTY PUBLIC LIBRARIES BOARD OF TRUSTEES
MINUTES OF MEETING
FEBRUARY 4, 2015**

The Frederick County Public Libraries Board of Trustees Meeting convened at 7:00 p.m. on February 4, 2015 at the C. Burr Artz Library, Frederick, Maryland.

BOARD MEMBERS PRESENT: C. Greenway, D. Kiser, T. Kutz, G. Laugelli, S. Manny, B. Poteat, C. Smith and County Liaison, T. Chmelik.

BOARD MEMBERS ABSENT: None.

STAFF PRESENT: D. Batson, Director; D. Maminski, Associate Director; J. Kelly, Associate Director; K. Lewns, Financial Business Office Manager; D. Bannwolf, Public Relations/Marketing Manager; S. Lauchner, Coordinator of Library Collections; J. Vogel, Youth Services Coordinator; S. McCoy, Branch Administrator – C. Burr Artz Library; A. Whitney, Branch Administrator – Urbana Regional Library; E. Dingle, Branch Administrator – Thurmont Regional Library; D. Buker, Virtual Branch Administrator; D. Payne, Assistant Branch Administrator – C. Burr Artz Library; J. Earp, Administrative Aide-Fiscal; and L. Tibbs, Recording Secretary.

CITIZEN REMARKS: None.

APPROVAL OF MINUTES: B. Poteat made a motion to approve the minutes of the January 7, 2015 board meeting; seconded by S. Manny. No Discussion.

VOTE: Unanimous

CHAIR'S REPORT: None.

DIRECTOR'S REPORT:

a. FCPL – Update: Mr. Batson stated that FCPL staff has been going through the initial process with the County in the new budget/construction format. Staff met with committee members who will then make their recommendations to the County for construction projects. There are no surprises at this time. Mr. Batson stated that to the best of his understanding, Walkersville will be scheduled for architecture/engineering in Fiscal Year 2016 with construction to begin in Fiscal Year 2017. It is hoped that a library in Myersville will be put in the 5-year plan. We also have a library scheduled for Middletown in the outlying years. Once everything is finalized, we will be advised by County Executive, Jan Gardner.

As far as statistics are concerned, Mr. Batson stated that statistics are just about the same as last year at this time. Mr. Batson pointed out on page 5 of the statistics, that public computer usage is up 77% and wi-fi users are up 37%. This particular area is consistently growing.

Mr. Laugelli questioned if staff knows how many people are standing in line to use the computers. S. McCoy and A. Whitney advised that the computers are used constantly but there

are no lines. There is a time limit for computer usage so if people are waiting, it will terminate a patron's session so the next patron can utilize the computer. Ms. Smith added that if there are not people waiting for the computers that this would suggest that we do not need to add more computers. Mr. Batson stated that we do not need to add computers across the board, however, we may add computers at a specific branch, if needed.

Ms. Greenway asked how the computers know there are people waiting to use the computers. Ms. McCoy stated that upstairs at the C. Burr Artz Library, if there are less than 4 computers available, it holds patrons to their one hour time limit. If there are many computers still available, patrons can stay on the computers longer. Ms. Greenway further inquired whether patrons are cut short on their computer usage, if patrons are waiting to utilize the computers. Ms. McCoy stated that patrons are guaranteed one hour but at that point if patrons are waiting, the patron's computer session would terminate after one hour so the next person could utilize the computer. Ms. Smith inquired whether patrons get a message on the computer stating when their usage time will be up or does staff have to keep track of the usage. Ms. McCoy stated that a message pops up on the computer advising how much time is left.

Ms. Smith acknowledged the arrival at the Board Meeting of FCPL's new County Council Liaison, Tony Chmelik. She added, on behalf of members of the Library Board, that we are very glad to have him as our new liaison.

NEW BUSINESS:

a. Budget Presentation: Ms. Lewns noted that D. Kiser, S. Manny and G. Laugelli met with her and Darrell Batson to review the budget prior to tonight's presentation. Ms. Lewns stated that she will provide a summary at tonight's meeting. She advised T. Chmelik that the budget will be presented this evening to members of the FCPL Board of Trustees. Thereafter, once they approve the budget, Ms. Lewns will enter everything into the County system and the County can then proceed on their end. Ms. Lewns distributed a hand-out which explains the various categories for operating expenditures.

Ms. Lewns reviewed FCPL's Fiscal year 2016 Revenue Sources and noted that it is basically the same as last year. FCPL gets 60% of its revenue from the County. The money received from the County is basically for staff salaries. FCPL utilizes its own money to pay for the Sheriff and she noted that we also get some money for salaries at Point of Rocks. FCPL's County-In-Kind revenue is determined by the County. FCPL does not have any control over that. These funds are for our buildings, IT services, maintenance, and insurance. The State Contribution of \$2,056,166 is an estimate because we will not get final numbers until July 1, 2015. Mr. Batson noted that the State Contribution is for both the state retirement and operational funds. Over \$700,000 of the State Contribution amount is for state retirement because a large portion of our staff are in the State Teachers' Retirement Fund. The sum of \$437,600 for fines, gifts and miscellaneous funds amounts to 3% of our revenue sources. Ms. Lewns thereafter provided a breakdown of the funds received for fines, gifts and miscellaneous income. She noted that one thing that has been eliminated was the t-shirt revenue. FCPL will not be selling t-shirts this year for the Summer Reading Program. The t-shirts were just not selling as well as they used to. Ms. Lewns noted that most everything is at the same level as last year.

Ms. Greenway inquired whether the conference room rental fees are on a volunteer basis. Ms. Lewns stated that “for-profit” organizations pay a fee to use the conference rooms. Non-profit organizations do not have to pay a fee for the use of FCPL’s conference rooms.

Mr. Kutz inquired whether FCPL does anything to solicit books from people for donations to the library. Mr. Batson advised that we do not openly solicit books but people are always asking us and calling us about accepting donations. Our loading docks always have stacks of books that people have dropped off as donations.

Ms. Lewns thereafter provided a breakdown of the various gifts, donations and endowments received by FCPL. She noted that the Maryland Room receives funds from 4 different endowment accounts and this year approximately \$22,000 will be pulled from the Maryland Room account for repairs, supplies and some new shelving for the Maryland Room. Ms. Lewns noted that Mrs. Fry provides FCPL with \$40,000 each year for staff salaries and supplies for the Edward F. Fry Memorial Library in Point of Rocks. The Thomas Foundation has given FCPL \$15,000 at times in the past and sometimes FCPL receives \$10,000 so to be on the conservative side we are estimating that FCPL will receive \$10,000 at this time. This money is used for the STEM project and various books and supplies. Nallin and Churney are very small CDs that FCPL has and we get approximately \$100.00 in interest each year and this money is used for books. FCPL receives approximately \$10,000 in interest each year from the Glassman Endowment and library materials are purchased with the Glassman Endowment funds. FCPL receives approximately \$200 in interest from the Quill Endowment and that is also used to purchase books. Each year the branches receive approximately \$1,000 in donations which is used for equipment and supplies for the various libraries. The \$15,000 designated under the general gift account is money received by FCPL that is not designated to a specific library. Those funds are basically used for non-capital equipment.

T. Chmelik asked for clarification about the \$40,000 Point of Rocks funds. Mr. Batson advised that Mrs. Fry contacted him after her husband passed away. She stated that her husband grew up in Point of Rocks and that she wanted a library built in his memory. I advised her that this is not something we normally do but, after further discussion with her, one room in the Ruritan Building in Point of Rocks was converted into a library. That library circulates approximately 1,000 – 1,200 books per month which is amazing since they are only open about 20 hours per week. Mrs. Fry gives FCPL \$40,000 per year which basically pays the personnel costs to run that facility. Mrs. Fry had some books from her husband’s collection that were utilized as part of the collection at the library. The citizens of Point of Rocks sincerely love their library. The library is actually known as the Edward F. Fry Memorial Library. T. Chmelik asked if the endowment pays the \$40,000 each year. Mr. Batson stated that Mrs. Fry actually pays that money to FCPL. He noted that once Mrs. Fry passes away, there is a block of the endowment that will come to FCPL. Mr. Laugelli added that every time he has gone to the Point of Rocks Library everyone knows each other. Ms. Greenway added that they have a very active Friends group as well.

Ms. Lewns thereafter reviewed various expenditures for Fiscal Year 2016. She noted that there are several categories that refer to level funding which means things haven’t changed from last year and she won’t be reviewing those categories. In Fiscal Year 2016, FCPL should save some

money on interpreters. The County went out to bid and obtained a new vendor and FCPL is saving about \$30.00 on every 2-hour minimum assignment. She thereafter noted that the budget for Fiscal Year 2016 for contractual services has been reduced. This reduction is due to the fact that FCPL had placed a lot of money in this category for strategic planning last year. We are now going in a different direction so this category has been reduced. The credit card fees for Fiscal Year 2016 have been increased by \$1,000 and this is due to the fact that more and more patrons are paying by credit cards. She thereafter noted that the increase to \$150,047 in equipment maintenance covers annual maintenance expenditures for SIRSI, Comprise and the self-check machines. As far as equipment rental is concerned, Ms. Lewns noted that all public copiers are now under the County lease program which has resulted in a slight reduction in this category. Ms. Lewns thereafter noted that the wireless account has been increased slightly because we will be adding a cell phone on the second floor of the Urbana Regional Library. The advertising fund has increased by approximately \$15,000 to \$28,000. FCPL is looking into a new library logo and branding for next year so funds have been built into this account for that. The postage account has increased by \$500.00 due to the fact that FCPL is getting more items from NASA and we have to pay the postage for those items. The travel/training account has increased by approximately \$6,000 and this is to cover additional travel funds for staff and presenters. We will also be purchasing additional training equipment for staff. Ms. Lewns added that the dues/subscriptions account has been increased to \$8,260 because FCPL has some new staff that will be joining new organizations. The office supply account has been increased to \$67,102. This increase is to cover additional funds needed for STEM supplies, office supplies and printer cartridges.

Mr. Kutz asked what items are included in the special programs account. Ms. Lewns advised that FCPL purchases costumes and pays for performers from this account.

The processing/supplies account was reduced to \$9,000 for Fiscal Year 2016 because more and more book and audio-visual vendors are now doing more of the actual processing for us. Books and e-book accounts have been increased so that FCPL may purchase additional books and e-books for the collection. The periodical account (which includes newspapers and magazines) has increased due to costs of the subscriptions and the purchase of additional e-magazines. The binding/repair materials account is a budget just for the Maryland Room to allow repair of archival materials. This account was increased to cover repair costs strictly for the Maryland Room and these funds come from the endowment as discussed earlier. The audio-visual account has been increased by \$20,000 for the addition of interactive games to FCPL's collection. Ms. Greenway inquired whether the interactive games will be for the children's department. Mr. Batson stated that the interactive games that will be purchased will be mainly for children and teens but there are some adult games as well. Ms. Greenway further inquired whether FCPL has given any thought into renting audio-visual equipment to the public. Mr. Batson stated that there is so much technology in today's world that he does not want to go down that path. She asked specifically about the rental of microphones. Mr. Batson replied that microphones tend to walk away or are returned broken and then FCPL is stuck with the cost. Therefore, we don't rent out any equipment including microphones.

Ms. Lewns noted that databases and computer software were previously combined in just one account. We have now broken these two categories down into two separate accounts for Fiscal

Year 2016. The databases are decreasing and computer software is increasing. As a result, the funds designated for Fiscal Year 2016 for databases was decreased and we added \$45,641 to computer software. She noted that the final category of non-capital equipment was reduced slightly. This was due to the reduction in the available fund balance revenue. Ms. Lewns added that library security funds remain level and this is due to the fact that there are no raises in the budget for staff or for the sheriff. Mr. Kutz asked what hours security is provided to the library. Ms. McCoy stated that there is a sheriff at the C. Burr Artz Library as follows: Monday through Thursday: 11:00 a.m. – 3:00 p.m. and 4:00 p.m. – 8:00 p.m., Friday: 1:00 p.m. – 5:00 p.m., Saturday: Noon – 5:00 p.m., and Sunday: 1:00 p.m. – 5:00 p.m.

Ms. Greenway inquired whether there are any thoughts about reopening the computer lab on the second floor of the library. Mr. Batson noted that the former computer lab is now our STEM lab. D. Payne added that there is an increasing amount of training in small groups on basic computer usage. C. Greenway asked if this was adult training and asked if the service is advertised. Mr. Payne responded that this is computer training for adults. This service is advertised in flyers and on FCPL's website. He added that this training has been very well-received. Ms. Manny inquired as to who does the actual training. Mr. Payne stated that the training is provided by FCPL's adult department staff. Ms. Manny added that this would be a great volunteer service from the area teens who know computers in their sleep.

Ms. Lewns noted that this brings FCPL's total expenditures to \$13,425,296. The following items were not included in expenditures: 1) Salaries/fringes and state retirement - \$8,832,571; 2) In-kind County expenditures - \$2,107,557 and 3) reimbursement from the canteen fund from the Detention Center in the amount of \$10,000.

T. Chmelik stated that he did not see anything listed for utilities. Mr. Batson advised that utilities are covered under the In-Kind County Expenditures. This includes electricity, sewer, water, building maintenance, etc. Mr. Chmelik inquired whether the library is given an accounting of the In-Kind services. Mr. Batson stated that we do not get a breakdown; we just get a lump sum number and that is what we have to use. Mr. Chmelik noted that the documents presented indicated figures from the Fiscal Year 15 Adopted Budget and wanted to know if staff has actual numbers. Ms. Lewns advised that we do not have actual numbers from the Fiscal Year 2015 budget. The actual expenditure numbers for Fiscal Year 2015 won't be available for several more months since Fiscal Year 2015 does not end until June, 2015. The audit is then completed in November, 2015. Mr. Batson also explained that FCPL is a component unit (the same as the Board of Education) and FCPL keeps their ending fund balance and it moves over to the next year. Mr. Chmelik inquired whether it is typical that the library has an ending fund balance. Mr. Batson stated that the ending fund balance has rolled over for about 20 years now – ever since the County determined that we were in that category. Libraries are run by State law because libraries are under the Department of Education at the State level. Mr. Batson noted that the ending fund balance is what keeps FCPL alive. He further noted that the ending fund balance pays for the day-to-day operations. If we did not keep our ending fund balance, FCPL could not operate. Mr. Chmelik inquired whether FCPL's audit is performed by the County. Mr. Batson stated that FCPL's audit is performed by the County. Ms. Lewns noted that the ending fund balance fluctuates from year-to-year.

Ms. Lewns thereafter reviewed the FCPL Library Collection Budget (budgeted numbers not actual) from Fiscal Year 2012 – Fiscal Year 2016. She stated that we add a little bit each year but all-in-all the numbers are pretty stable. The e-content will continue to grow as the demand continues. Again, she noted that the audio-visual account is increasing in Fiscal Year 2016 due to the addition of inter-active games. Ms. Greenway inquired if there is direct relationship between books going down and e-books going up. Mr. Batson stated that while books are still the predominant format, e-content is growing astronomically. However, he noted that it is not uniformed across the board. While the book reading is decreasing in non-fiction, fiction is holding its own. Staff has been monitoring this quarterly for at least two years. Two years ago the adult circulation was about 65% and children's circulation was 35% and now the children's circulation is at 56% and our adult is about 44%. In two years, it has completely reversed. And, as everyone knows, e-content has changed things a lot. Mr. Batson clarified that the County does not provide FCPL with any money whatsoever for operational costs. Every penny FCPL receives from the County, except for In-Kind services, is for personnel. All operational expenses are paid for by the money FCPL receives from sources other than the County. Mr. Batson added that if the County would cut FCPL's budget, that means laying off personnel. FCPL has lost 30 staff members over the past five years. When the County states that FCPL needs to cut back, we let them know that FCPL has cut its hours by 12% and have lost 30 staff members. To the County's credit, they understand that. It is the outside money that FCPL receives that allows us to do our day-to-day operation.

Ms. Smith recalled that several months ago, members of the FCPL Board of Trustees were provided with a breakdown on the costs of e-content which was very enlightening to her as a consumer. She noted the extreme price that FCPL has to pay for e-content compared to what the average individual pays for the same item. Mr. Batson advised that e-content is not sold by the big five companies to libraries at the same price they sell items to consumers. Consumers pay anywhere from \$9 - \$15 and FCPL pays \$50 - \$80 for the exact same thing. Ms. Smith asked if that trend may change. Ms. Lauchner responded that she doesn't see any change in the near future. T. Chmelik asked if someone can donate e-books. Mr. Batson replied that this is a question staff gets asked all the time. When an e-book is purchased by a customer from a retailer, the customer does not own it. That is the big secret. An individual cannot give it away because it is not theirs. Ms. Smith stated that it cannot even be shared with family members from one device to another. There is an embedded chip in the program that prevents an individual from giving away an e-book. The cost is high for e-books and it is a fast growing area. Mr. Chmelik asked what happens to an e-book once someone checks out an e-book from the library. Mr. Batson stated that in three weeks it disappears from the patron's device. Mr. Batson noted that Penguin sells libraries e-books but after 26 circulations, the e-book disappears from the library collection and the library must re-purchase the e-book. The reasoning behind this is, if a library would purchase a hard-bound book, the book would wear out after 26 circulations and the library would have to purchase another copy of the hard-bound book for its collection. Even though the electronic format does not wear out, it still disappears from the collection. FCPL does receive donated music cds, books on cds, and audio-books but they do not and cannot at this time receive donated e-content.

Thereafter, Ms. Lewns reviewed a few of the new enhancements coming to FCPL. STEM Labs have been very successful at the C. Burr Artz Library, therefore, we will be setting up STEM

Labs at the Urbana Regional Library, Thurmont Regional Library and the Brunswick Community Library. FCPL will also have a traveling STEM lab at the Middletown, Walkersville, Emmitsburg and Point of Rocks libraries. Another enhancement is the Summer of Wonder Website. The summer of Wonder is the name of our new Summer Reading Program. This program will get its own website in Fiscal Year 2016. FCPL will also be receiving additional items from NASA. As far as technology and software are concerned, FCPL will upgrade the current library file storage to a new physical storage unit or move to a cloud based storage solution. FCPL will also be purchasing additional iPads and laptops to rotate among the libraries so we can continue to offer additional classes, special programs and enhance the STEM programs. Presentation TVs will be purchased for the Brunswick Emmitsburg, Middletown and Walkersville libraries. These TVs will be similar to the systems already in place at the regional libraries. There will also be some new enhancements coming to public services. One of those will be Hoopla which is a new e-content platform for streaming movies, music and audio-books. In addition, as mentioned earlier, FCPL will be adding interactive games to the library collection. FCPL is also looking into a new logo and branding for the library this year.

C. Greenway asked if there will be a charge to the patron for streaming movies. K. Lewns advised that FCPL will be paying the cost for streaming movies. Mr. Batson added that formats are changing dramatically. It is not a different product; it is just a new way of doing it. State law says libraries are free and open to the public. Whether the movie is viewed through streaming or a patron checks it out, or it is downloaded, it is the format that has changed; not the product. Ms. Lewns added that the one thing staff needs to figure out is how many downloads will be allowed per person. Hoopla will be a pilot project that will be started the last quarter of this year. We think it is a good product and it meets a need but we need to figure out how to do it fairly across the board so everyone has a chance to use it.

Ms. Smith requested that a more formal presentation of Hoopla be presented at one of the Board meetings. Mr. Batson stated that S. Lauchner will provide a full presentation about Hoopla at the March meeting.

C. Greenway inquired whether late fees are charged at the prison. Mr. Batson stated that it is not fair to the inmate because many times books are removed from the cells for whatever reason.

T. Kutz inquired whether FCPL received a new system for DVDs. Mr. Kelly stated that new towers have been installed and some of FCPL's more popular items are shelved within the kiosk. The plastic case has the barcode on it and the patron scans the barcode and the item pops out. This system provides great security for our items as compared to our last system. Mr. Batson added that once the item is pulled out of the kiosk, it is already checked out onto the patron's card. Carroll County had this system for quite some time and it was very successful. Mr. Batson stated that staff thought TV series were just not that popular and kept them out on the shelves and thereafter realized that TV series are very popular and, unfortunately, they disappeared quite often. FCPL purchased additional kiosks for the TV series.

C. Smith thanked K. Lewns for the excellent presentation. She further noted that she can't wait to hear more about the new things that are in the works.

G. Laugelli echoed the comments from C. Smith. He stated that the clarity of the graphics was excellent and the presentation was very easily understood. G. Laugelli made a motion that the budget be approved as presented; seconded by S. Manny. No Discussion. VOTE: Unanimous.

BOARD QUESTIONS AND COMMENTS: T. Chmelik stated that he looks forward to being at the upcoming meetings and will come to the meetings as often as he can to learn more about the library system. He stated that one of the most important items that the County Council does is approve the budget that the County Executive puts forth. It is a very difficult time this year. The County Executive is in a very difficult spot right now with things that have come down the pike that have hit really hard. There are some pretty large numbers by State Law that the County Executive is going to have to juggle and he noted that as a member of the County Council, we will have some hard decisions as well. The budget that FCPL presented seems very reasonable. It is going to be tough but it is good to see that FCPL has made that effort to try to maintain the same level of funding. He added that there is not as much animosity as we have had in the past when it comes to those big numbers. He stated that he can assure everyone that there will be some unhappy people in the County. He further stated that he is not the type of person to paint a picture of something that is not going to happen. Mr. Chmelik added that he likes libraries and he sees the value of them. His wife takes his children to the library a lot. He stated that he has 11 children and as home-schoolers, his family has made big use of public libraries. He also noted that he has paid a lot of big bills for late fees. He stated that he hopes to be a benefit to the library and added that he welcomes any suggestions that anyone would want him to bring to the Council and County Executive. T. Chmelik thanked everyone for the work they do.

OTHER CITIZEN REMARKS: None.

The next meeting will be held on Wednesday, March 4, 2015 at 7:00 p.m. at the C. Burr Artz Library – 110 E. Patrick Street, Frederick, MD.

G. Laugelli made a motion to adjourn the meeting; seconded by C. Greenway. No Discussion. VOTE: Unanimous.

The meeting adjourned at 7:55 p.m.

Cheryl Smith, Chair
Frederick County Public Libraries Board of Trustees