

**FREDERICK COUNTY PUBLIC LIBRARIES BOARD OF TRUSTEES
MINUTES OF MEETING
FEBRUARY 6, 2019**

The Frederick County Public Libraries Board of Trustees Meeting convened at 7:00 p.m. on February 6, 2019 at the C. Burr Artz Library, Frederick, Maryland.

BOARD MEMBERS PRESENT: K. Kane, D. Kiser, G. Laugelli, S. Manny, M. O’Leary, C. Smith and Councilman, Jerry Donald.

BOARD MEMBERS ABSENT: C. Greenway

STAFF PRESENT: J. Kelly, Director; S. McDuff, Associate Director; C. Hall, Associate Director; S. Lauchner, Coordinator/Library Collections; J. Vogel, Youth Services Coordinator; B. Hissong, Community Services Coordinator; J. El-Zeftawy, Development Officer; B. McDermott, Finance Office Manager; J. Marshall, Systems Manager; B. Heltebridle, Branch Administrator – C. Burr Artz Library; T. Lebherz, Branch Administrator – Urbana Regional Library; A. Whitney, Branch Administrator – Urbana Regional Library; B. Bradley, Branch Administrator – Middletown Library; N. Keppler, Acting Branch Administrator – Brunswick Library; M. Brannen, Children’s Supervisor – Walkersville Library; and L. Tibbs, Recording Secretary.

CITIZEN REMARKS: None.

APPROVAL OF MINUTES: S. Manny made a motion to approve the Minutes from January 2, 2019; seconded by D. Kiser. No further discussion. VOTE: Unanimous.

CHAIR’S REPORT: Mr. Kane noted that on January 12, 2019, there was a Friends of the Library Brunch and it was fantastic. That is a very cool event every single year. While we get to interact with staff and the executive team about the library to hear about the big picture of things that go on, it is really cool to meet with the community members and see what they do daily, weekly, and monthly for the libraries. He added that he can’t believe how much passion they all have for their libraries. It is fantastic.

Mr. Kane thereafter welcomed Mr. Jerry Donald, the new County Liaison to the library.

Mr. Donald stated that he is looking forward to being a part of this group. He noted that he was just appointed recently so this is his first meeting. He added that he represents District 1 on the County Council which is basically everything south of Myersville – all the way to Brunswick –

and everything south of Frederick all the way down to Sugarloaf. He noted that there is a Middletown project coming up as well as work being done in Point of Rocks. He noted that while both of those projects are in his district, he is here for the entire County.

DIRECTOR'S REPORT:

a. FCPL – Update: Mr. Kelly noted that Library Legislative Day was yesterday, February 5, 2019, in Annapolis. In years when Maryland libraries have legislation that is pending, Library Legislative Day is an opportunity for us to meet with our delegation and answer questions about the legislation. This year Maryland libraries didn't have anything pending but it was still important for us to go to Annapolis and meet with our delegation, especially those that are new to their office. Frederick County returned its two Senators but three Delegates were new and are on their first term. We had an opportunity to speak with them as to how we serve their constituents. We thanked them generally for their support of libraries but, in particular, asked for their continued support of the State's Capital Grant. The State's Capital Grant provided Frederick County with \$1,000,000 for the Walkersville Library construction and \$750,000 for the Myersville Library construction. It is hoped that this will provide us with a grant for the Middletown Library design in Fiscal year 2021.

With regard to the State's budget outlook, the current year looks good but they anticipate a deficit to follow soon after. This is one of the reasons it is important for us to make sure the delegation understands the many ways that libraries are important to the communities that we both serve and, particularly ahead of economic down-turns when the General Assembly is looking for places to make cuts such as the Capital Grant Program. In summary, Mr. Kelly noted that the annual trip to Annapolis is always time well spent.

Thereafter, Mr. Kelly reviewed statistics. The dashboard reflects December, 2018 numbers so we can observe trends with half of our fiscal year behind us. December visits were up 24% and that is almost 30% for the year. That is a huge increase. Circulation gains continue in line with the trends that we have seen in recent months (up 13% for the year). Digital content continues to account for over 25% of circulation. The digital content circulation figure is important for you to keep in mind as we present the Fiscal Year 2020 budget later this evening. You will notice some reallocation of funds within the collections budget across the format lines as we seek to remain responsive to the circulation trends that we are seeing in digital use.

In December, 2018, we saw the number of programs offered system-wide remain essentially flat, however, the attendance increased overall. We had the same number of programs but more people attended these meaningful programs to the community.

Mr. Kelly noted that WiFi usage continues to trend upward – at 16% for the year.

b. CIP/Budget – Update: Mr. Kelly noted that the budget will be discussed in more length later this evening. Pending the approval by the FCPL Board of Trustees, the budget will be promoted to the County for consideration. He added that the next steps in the budget process are as

follows:

March – the County Budget Office and the County Executive review the proposed budgets submitted by all departments and component units.

April – The Council holds a public hearing on the proposed Fiscal Year 2020 Budget.

May – The Council finalizes and adopts the budget.

As far as CIP updates are concerned, Mr. Kelly noted that he met with the County's CIP Committee on January 7, 2019 to answer questions about FCPL's pending projects – Middletown and Linganore. He noted that he is hopeful that those two projects will continue in the CIP on the same schedule but we will know for sure once the CIP is finalized.

Mr. Kelly advised that since staff from the Planning Department were at the table, we also had an opportunity to speak, in very general terms, about what we anticipate as long terms needs. Mr. Kelly noted that during that discussion he mentioned the fact that CBA opened in 2002 so certainly in the next 10 years, FCPL would advocate for including a remodel of the existing space somewhere in the CIP even if it were in the "out years". As you hear every month, the ways that our communities are using libraries is evolving so the eventual remodel of CBA would be mindful of those changes. He added that we also see a potential need in the area west of Rt. 15 and north of the Monocacy overpass for a library as that area develops and we see potential for that space to also include space for the library's support services functions. Mr. Kelly stated that he feels this would not only improve work flow but open up 20,000 additional square feet within CBA for public space. Thereafter, Mr. Kelly noted that he believes that there is a significant under-served population north and south of the Golden Mile. This is also an area that FCPL is looking at. Mr. Kelly stated that the discussions were very, very preliminary. We didn't discuss the size of the facilities but we believe the forthcoming Library Facilities Master Plan would inform our vision for those potential projects and, as a result of this discussion, the door was opened to meet with County Planners to discuss development in each of those locations.

NEW BUSINESS:

a. Financial Report: Brandy McDermott reviewed the Fiscal Year 2019 Financial Statement containing data tentative through December, 2018. She noted that the revenues for the library are at 47% and expenses are at 46%. The grants awarded are at \$776,000. Grants submitted are at \$51,000. Sponsors and donations are at \$169,000, which is a \$28,000 increase from the prior month. Other endowment accounts are at \$91,000. The total is \$1,036,961.

Mr. Kane inquired how much Giving Tuesday generated for the library. Ms. El-Zeftawy stated that she will e-mail that information to members of the FCPL Board of Trustees.

Mr. Kane further inquired how the dip jars are doing. Ms. El-Zeftawy replied that the dip jars are

doing well. One of the dip jars was off-line in Walkersville for a while but it is now functioning. FCPL gets \$1.77 from every \$2.00 donated via the dip jar.

b. Construction Update: Ms. McDuff noted that everything is still on track for opening the Myersville Library in late summer of 2019. At this time, we are working on hiring, furnishings, supplies, etc. Thereafter, she displayed photos of the construction progress at the Myersville Library. She added that at this point in the project, we don't anticipate weather being a significant factor because the building is now under roof. Hopefully, we can start talking "opening day" very soon.

Ms. McDuff thereafter displayed some photos of the trolley. The trolley is being housed right next to the library on the tennis courts and it is under shelter. The refurbishment of the trolley has come a long way. New doors were added, the window frames and windows have been replaced, and the middle flooring has been replaced because it was not ADA compliant. The Town of Myersville is still trying to acquire some seats that can be put on one side of the trolley. There is still some work to be done on the trolley and we are excited to see the entire restoration of the trolley that will be going into the library.

c. FY 20 Budget: Mr. Kelly advised that he and his staff met with members of the FCPL Board of Trustees Finance Committee prior to tonight's meeting to review the budget but we will be reviewing some of the data with everyone tonight. Mr. Kelly noted that the County Contribution and County In-Kind are two very large parts of FCPL's budget. These funds cover our salaries and our buildings. Everything else in the operating budget is covered by a combination of State Contribution, FCPL's Ending Fund Balance and FCPL's Fines, Gifts and Miscellaneous. Mr. Kelly noted that FCPL has had to make some reductions because we had a reduction in our ending fund balance. The reason for the reduction in the ending fund balance was due to a salary issue that we discovered last year. Our finance staff, in working with the County Budget Department Staff, discovered that our staff salaries were not being fully funded by the County and our own ending fund balance was being used to cover the cost of those salaries. This was a problem because FCPL counts on the ending fund balance for a significant portion of our operating budget. Once this issue was discovered, the County Budget Department and the County Executive agreed to treat the library that is a component unit as a County Division since all of our staff are County employees and agreed to fully fund our salaries. That issue was caught in 2018 and Fiscal Year 2019 was the first year that our salaries were fully funded. We anticipate that Fiscal Year 2020 will be the last tight year and we anticipate that in Fiscal Year 2021 things will stabilize and revenues will increase, including the ending fund balance line.

Ms. McDermott reviewed the breakdown of the Fines, Gifts and Miscellaneous revenue portion. The total Fiscal Year 2020 Revenue is \$528,227. Thereafter she reviewed the Contributions and Donations which reflected each endowment account and source of donations that are provided to the library. The total contributions and donations for the Fiscal Year 2020 budget is \$132,936. Ms. McDermott highlighted a few expenditures that will be impacted the most. Contracted Services was reduced from \$83,955 to \$58,540. Mr. Kelly added that this figure was reduced because we no longer needed the additional funds for the Director's search. The Non-Capital

Equipment account was reduced from \$325,352 to \$242,252. These funds were mainly used for renovations such as those that were done in Urbana and we won't be doing any refreshes to the branches in the coming year because we needed to preserve some of that money. Mr. Kelly noted, however, that we did maintain funds for the replacement and upgrade of public and staff computers and other miscellaneous equipment. The advertising budget was decreased from \$52,300 to \$45,000 because two years ago FCPL went through a re-branding so for the past two years the advertising budget was increased as we designed some of that collateral. We have moved through that so we don't think we need as much money in the advertising budget for Fiscal Year 2020.

Ms. McDermott reviewed the Fiscal Year 2020 Expenditures by category:

Salary, Fringes & State Retirement	\$10,604,477
Library Operating Expenditures	\$ 2,908,466
In-Kind County Expenditures	\$ 2,119,580
Depreciation	\$ 19,565
Detention Center Refund for Library Materials	\$ -10,000
 Total Budgeted Expenditures	 \$15,642,088

Ms. Kiser inquired about the Detention Center Refund. Ms. McDermott advised that the Detention Center reimburses FCPL for the resources/materials provided by FCPL at the Detention Center.

Thereafter, Ms. McDermott reviewed a comparison of FCPL's Library Collections budget for Fiscal Years 2017, 2018, 2019 (budgeted) and 2020 (proposed). She noted that the totals increased throughout the years for Fiscal Year 2017 and 2018 and decreased for Fiscal Year 2019 and 2020 based on our collection staff reviews each year. Mr. Kelly noted that FCPL was able to drop some databases because the State Consortium picks them up on FCPL's behalf.

Ms. McDermott outlined some of the highlights for Fiscal Year 2020 including the construction of the Myersville Library, installing Microsoft Office on all of the public computers and maintaining high quality customer service.

Mr. Laugelli inquired about the fact that the budget doubled for interpreters. Mr. Kelly advised that we looked at current trends and thought we needed to bump that figure up based upon where we are in the current year. FCPL provides interpreters free of charge for any public program, when requested. Ms. McDermott added that FCPL has two staff members who require interpreters periodically. Mr. Kelly noted that we had an interpreter present for FCPL's Staff Day.

Ms. Kiser inquired about the virtualization project. Mr. Kelly stated that virtualization enables FCPL to have "dummy desk-top computers" and the image that appears is pushed from a central server. This will save FCPL money in hardware in the long-run. Virtualization will take some

time and will be deployed branch-by-branch. We are actually in year two of this pilot project. We didn't want to sacrifice the money for this project and have the pilot project pushed back. We are preserving funding for the virtualization project to keep it on track.

K. Kane noted that the e-content budget is going up while other things are going down based on trends. He inquired whether FCPL stabilized the issue of Hoopla. Mr. Kelly advised that FCPL staff have been working with Hoopla. One of the things that we did is stopped purchasing content above a certain price range. When people do a search, those things that are above a certain price, do not appear in the search and this reduces our cost. There is still a wide array of content available through Hoopla. The beauty of Hoopla is that no one has to wait for anything. It is still very well used but FCPL tried to do what it could to reduce the cost. Mr. Laugelli noted that he enjoys Hoopla. Mr. Kelly further noted that FCPL is committed to library collections. We had to make a slight reduction as we are dealing with this revenue drop but once things stabilize and increase, we will get the collections budget to continue to grow.

Mr. O'Leary noted that a very large portion of the budget is fixed and the area where there is the largest latitude is in collections. There are two trend lines over the past four years and among the different content types you will see a lot of change. Physical and Audio Visual going down, e-content is going up, books remaining solid and databases going down because of contractual changes. Mr. O'Leary stated that it lets library folks know what the people want and FCPL is responding accordingly. If you have more digital content, people will use it more and that is what we are seeing. The book funds remain the same and is the single biggest line item so it is holding its position while other items that are seeing growth are receiving more funds. The whole pattern is very favorable.

Mr. Kelly added that behind all of these numbers is a team of folks monitoring each of these lines and making recommendations as to what is appropriate. He thanked the team as well.

Mr. Kane noted that Cheryl Smith and Mick O'Leary attended the Finance Committee Meeting and requested a motion from either one of them to approve the budget. Ms. Smith noted that members of the Finance Committee met and reviewed the budget and agreed that we should bring it to the FCPL Board of Trustees for approval. Ms. Smith, on behalf of the Finance Committee, made a motion to approve the budget, as presented; seconded by G. Laugelli. Mr. O'Leary noted that he received an e-mail from Candy Greenway that stated she had a last minute emergency and would not be able to attend tonight's meeting. She asked that I pass along her approval of the budget. He noted, therefore, that the Finance Committee is unanimous in approving the budget. VOTE: Unanimous.

BOARD QUESTIONS AND COMMENTS: G. Laugelli noted that he went to the Bob Woodward event and it was very good. Mr. Kelly stated "hats off" to the committee, most particularly Bryan Hissong, for securing the speakers. Mr. Woodward was an 11th hour addition and sold out very quickly.

Mr. Kane advised that at the end of June, 2019, he will be resigning from the FCPL Board of

Trustees. His wife accepted a job in Las Vegas. She will be flying out February 13th but he will be staying in Frederick through the end of June. He noted that it is very bittersweet. There is a lot that he has been involved in and being on the FCPL Board of Trustees is one of the things that he is most proud of. Mr. Kelly thanked Mr. Kane for his service on the FCPL Board of Trustees, and commitment to the team and community. Mr. Kelly offered his congratulations.

OTHER CITIZEN REMARKS: None.

The next meeting will be held on Wednesday, March 6, 2019 at 7:00 p.m. at the C. Burr Artz Library – 110 E. Patrick Street, Frederick, MD.

D. Kiser made a motion to adjourn the meeting; seconded by S. Manny. No further discussion.
VOTE: Unanimous.

The meeting adjourned at 7:33 p.m.



Debbie Kiser, Vice-Chair
Frederick County Public Libraries Board of Trustees