

# TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON

## Meeting of the Trustees as a Corporation and Administrative Agency

Tuesday, January 15, 2019 at 3:00 p.m.  
Central Library, Commonwealth Salon  
700 Boylston Street, Boston, MA 02116

### MINUTES

A Meeting of the Trustees of the Public Library of the City of Boston as a Corporation and Administrative Agency was held at the Central Library, 700 Boylston Street, Boston, MA 02116 on Tuesday, January 15, 2019 at 3:00 p.m. in the Commonwealth Salon.

Present at the meeting were: Chair, Robert Gallery and Vice-Chair Evelyn Arana-Ortiz and Trustees: Zamawa Arenas, Ben Bradlee, Cheryl Cronin, John Hailer, and Representative Byron Rushing. Vice-Chair Evelyn Arana-Ortiz, Jabari Asim, Priscilla Douglas, and Linda Dorcena Forry were not present. Also present were: David Leonard, President, Pamela Carver, Clerk of the Board, along with BPL staff and members of the public.

Chair Robert Gallery called the meeting to order at 3:05 p.m. and addressed the order of business. Mr. Gallery thanked everyone for their presence and wished everyone a happy new year. He noted that pending a trustees vote, they will go into Executive Session to discuss the collective bargaining contract but will reconvene to vote in public meeting immediately following.

Mr. Gallery called for the approval of the minutes of the November 16, 2018 meeting. With no edits or comments, a motion was duly made and seconded. The Trustees voted in favor to approve the meeting minutes of November 16, 2018.

Next, Mr. Gallery introduced Ms. Emme Handy, Chief Financial Officer for the City of Boston to offer guidance on the Fiscal Year 2020 budget submission. Ms. Handy gave a quick overview of what they are looking at for the FY20 Budget submission process. She explained that city departments had submitted their maintenance budgets for FY20 to the Office of Budget Management. Her team then uses agency's budgets and holds them against the revenue expectations for the year, to determine what is affordable for the city.

She explained they look at trends when forecasting expectations. Explaining the largest source of revenue for the City comes from growth of property tax. Made up of two main components; the growth that the city is allowed under Proposition 2.5% and the other being growth from new developments. They anticipate FY20 to be another strong year from growth. The bad news is they predict a declining state aid allocation which is essentially leads to flat state aid funding. She explained that with rising assessments and revenues against each the trend is continuing to put the city upside down essentially with education funding due to charter school tuitions. Strong forecasted income from property taxes offset by their second largest revenue source of state education aid really showing some troubling signs in terms of continuation of a trajectory they have seen in the past.

On the expenditures side, there are a few important thing that they do have to plan for before they can account for new initiatives and investments. The City has committed to fully funding the pension system by 2025. This will require significant contributions to the pension system every year. Do see increases in other state assessments and continue to see increases in their debt service which affords our capital plan investments. There is also increases in annual salary expenses as they have finished with most of their collective bargaining negotiations across the city so many of the salary costs will be built into the budget. She explained once all of these components have been put together to really understand what the

affordability of the city is, they then can determine what they have for new investments for FY20 and look for opportunities in the areas that are most important to the residents of the city. (Ex. Education, housing, transportation, environment, and of course the arts which include the libraries). She then reviewed the timeline and looks forward to hearing from the BPL on its accomplishments and goals. She noted departments meet with them in March so they can dive deep into their submitted budgets and what those cost proposals look like. In April the budget is released and in May and June they will have City Council hearings for all areas of city government, including the Library. There is an overview and then the City Council will vote on the operative and capital budgets. She stated the Mayor has rolled out a series of legislative reforms that are filed at the State House. One deeply impacts our future of our budget sustainability in future fiscal years. There are a number of public safety, health, transportation, economic development, and housing. She noted the one that will directly effects them the most is regarding education reform called "The Promise Act". It builds on the success of the foundation review commission which looks at state education funding. It made a number of recommendations so working with broad coalition of legislators, town managers, school committees, unions, etc. to update it and make sure those cities and towns who were not impacted last year, will be positively impacted this year. Hopefully see additional state education aid. She thanked the Board for having her and looks forward to working with the BPL in the coming year.

Next, John Hailer briefed the board on behalf of the Finance and Audit Committee. Mr. Hailer noted that the committee did a review back in 2017 to see how to allocate out the endowment funds into the marketplace and came up with an asset allocation model. The committee met with various managers and second piece was to interview emerging markets managers. The committee recently interviewed three managers. Just wanted the Board to know that this will be adding some volatility to the endowment. We will be looking to invest in long term growth of the dollars we have to invest. Mr. Hailer noted that each manager was asked about diversity and culture of the firm to show due diligence in addition to their investment performance. The Committee has chosen UBS and are recommending to award the management of the Emerging Market Equity portfolio in the amount of 5% of the BPL's portfolio, which is approximately \$3 million. The Board made a motion, was duly made and seconded and,

**VOTED: "that the Trustees of the Public Library of the City of Boston award management of the emerging Markets Equity portfolio to UBS Asset Management, in the amount of 5% of the portfolio, in accordance with the asset allocation plan."**

Next, Mr. Leonard gave his President's report. The highlights over the last couple of months has been the Central Library participated in First Night activities. He thanked the Central Library staff and in particular, led by Anna Fahey-Flynn and Eamon Shelton for their assistance of the day's festivities. Next he discussed the new initiative, led in the absence of a new fundraising mechanism by Ellen Donaghey the Chief Financial Officer and Jill Maneikis, the Asst. Events Manager. The BPL will have fifteen individual running the Boston Marathon on behalf of the Boston Public Library. Mr. Leonard asked to runners who were present to stand and were recognized for their contributions. He explained they filled out applications and were selected to run on behalf of the library. Each runner committed to raise a minimum of \$7,500. All funds raised will go directly to support youth services programming specifically afterschool programming.

He noted he will be giving a high level summary of both the capital and operations budget and the intent is to have more feedback at a later date since submission to the City was just made the day prior. He began the Capital Budget review with a recap on current and upcoming renovation projects that are underway. He introduced some new projects up for approval in FY20 which may be situated over the next five year period which included: Research collections Preservation and storage plan, major repairs to the Hyde Park Branch basement, installing a Johnson Building's women staff locker room, some updates to the Public Services technology assessments, and the Eggleston Branch boiler replacement. Mr.

Leonard stated that there are also projects that have no timeline yet, including the permanent location for Chinatown Branch, Egleston Square Branch, North End Branch, and possible mixed use future for West End branch. Mr. Leonard the backdrop to these requests involves any branch that was flagged in the FY13 study, we believe this list over the upcoming five years reflects those that were flagged at that time. The Board discussed examples of what types of mixed uses may be considered.

Mr. Leonard then moved onto the Operating Budget update. He explained that it is essentially a maintenance budget which explains what it will cost to do everything we did last year. BPL's budget before receiving any feedback from the City's Budget office is just under a 2% increase to keep us level. With some unexpected allocations from the non-city funds that will take us to approximately a 3% increase (bringing the BPL budget from \$45.6 million to \$47 million for FY20 as proposed). He reaffirmed they will bring more details at a future Trustees meeting and asking for an endorsement vote contingent on what the Mayor accepts and the City Council votes on. Mr. Leonard added that as part of the BPL's due diligence, they are expected to go through a reduction exercise. In the event they had to cut a 2% number from the budget. This would reflect up to a \$700,000 reduction to our budget. In areas of reform, the BPL restructuring of Special Collections and improvements to the Facilities Department would count as reforms within our departments. As well as looking at potential areas for potential investment. Looked at branch service staffing, system-wide teen services, children's library staffing, as well as outreach services. From an operating and support point of view, we have flagged both security, continuing Wi-Fi hot spot lending program and investing in more data analytics for potential investment areas /areas of need.

Next Mr. Hailer was asked to give an update on the Governance and Development Committee. Mr. Hailer explained that one goal and overall theme if to determine longevity of how to sustain library programs and resources not only with city funds, but through private donors as well. He explained they have begun an Executive Director search for the BPL Fund with oversight from the Steering Committee The Steering Committee, led by Michael Keating, is also assisting with finding new board members for BPL Fund as well. He explained that planning for the BPL Fund Gala which is underway and will take place on June 7, 2019. Noting, they have received some strong commitments from co-chairs that want to help us raise funds. The Library has been working with the Map Center and have a Memorandum of Understanding ("MOU") on building a unified voice and support the BPL and its collections here. We hope to showcase all we have here and support the great programs we offer. Finally, as mentioned earlier, there are 15 runners running the Boston Marathon on behalf of the BPL. We tried to expand in the development as one piece for encouraging the next 100 years at the Library. Mr. Hailer paused for comments or questions. Mr. Gallery noted how appreciative he was for the leadership and efforts of both Mr. Hailer and Mr. Leonard in their efforts over the past few months and that the pieces of this new entity are coming together. Although no notables to announce just yet, he stated the team working on this feel that we are looking forward to having a very robust "family", not only with just the Map Center, but hopefully with The Associates and The Friends of the BPL.

Mr. Gallery asked if there was any New Business for which there was none and then asked for Public Comment.

Laura Gang of the Roslindale Friends spoke of how she is looking forward to the branch's renovation. She noted that it has slightly been delayed partly due to receiving an increase in the renovation budget. The Roslindale Friends are putting up more programs and also putting out a program out of the resiliency office. We continue to work with BPL staff to make access to books available during the closure. In addition we hope to make mini-libraries throughout the community.

Marleen Nienhuis of the South End Friends spoke. She said she had two questions. The first, was would the Board be interested in naming the five locations where potential mixed use was suggested? Second, she asked Mr. Hailer in terms of fundraising, is he committee looking at the branch libraries and their constituencies? She suggested it may be a good opportunity for more donors brought to the library overall. She noted when asking for donations in the South End, they were able to raise \$100,000 very

quickly, and not from wealthy people. Mr. Hailer answered that they are leaving no stone unturned, whether there is a donation of five dollars or five hundred dollars. They will be engaged in Capital campaigns as well as community programs and they welcome any way to raise funds for the BPL in a complete manner.

Mr. Leonard recapped the formal branches under consideration, but doesn't exclude others are: Uphams Corner, Chinatown permanent location (noting given the density of the Chinatown neighborhood it would make sense). Fields Corner programming study calls for mixed use implicitly to be reviewed. The West End and Egleston Square are also included in this discussion.

Hailer, asked based on location within the neighborhood and its impact. DL said the use of West End is different with and we need to look at zoning and the neighborhoods constraints. We are not taking on in isolation.

With no further questions. Mr. Gallery noted that this concluded the agenda for the public meeting. Mr. Gallery called for an Executive Session to give an update on the Collective Bargaining negotiations with union. He noted that public discussions could have detrimental effects on the deliberations and therefore the need for the Executive Session. He added that they will be reconvening in a public meeting. The Clerk of the Board polled the Trustees and all unanimously voted to enter into an executive session. With no further comments, the public meeting was adjourned at 4:05 p.m.

The public meeting was re-convened at 4:14p.m. Mr. Gallery asked for a motion to accept management's recommendation to endorse the terms of the collective bargaining agreement as presented. A motion was duly made, seconded and,

**VOTED: "that, the Trustees of the Public Library of the City of Boston, accept management's recommendation to endorse the terms of the successor City of Boston/Boston Public Library and AFSCME Local 1526, Collective Bargaining Agreement ratified by AFSCME Local 1526 on January 9, 2019."**

With no further business, the Board made a motion and the meeting was adjourned at 4:15 p.m.

Respectfully submitted,



Pamela Carver

Clerk of the Board of Trustees