CALL TO ORDER – REGULAR MEETING
The regular meeting of the Jefferson County Public Library Board of Trustees was held in the Evergreen Library meeting room on June 15, 2017. Library Board of Trustees Chair, Julia Hill-Nichols, called the meeting to order at 5:30 p.m. Other Trustees present: Charles Naumer (Vice-Chair), Kim Johnson (Secretary), John Bodnar, Deborah Deal and Brian DeLaet.

Trustees not present: All Trustees were present.

Guests: Dan Killian, Senior Project Manager, NV5

Staff present: Pam Nissler, Executive Director; Donna Walker, Director of Public Services; Pat Klein, Director of Information Technology; Sandie Coutts, Director of Employee Relations & Development; Julianne Rist, Director of Public Services; Rebecca Winning, Director of Communications; Steve Chestnut, Director of Facilities and Construction Projects; Gloria Overholt, Interim Director of Finance and Budget; and Amber Fisher, Executive Assistant, Office of the Executive Director.

APPROVAL OF AGENDA
MOTION: Brian DeLaet moved that the Trustees approve the agenda as amended to include an item under emerging issues related to the quarterly meetings with the Board of County Commissioners. Seconded by Kim Johnson the motion passed by unanimous vote of all Trustees present.

APPROVAL OF MINUTES
MOTION: Brian DeLaet moved approval of the minutes of the May 11, 2017 Study Session. Seconded by Charles Naumer the minutes were approved by unanimous vote of all Trustees present.

MOTION: Charles Naumer moved approval of the minutes of the May 18, 2017 Board meeting. Seconded by Brian DeLaet the minutes were approved by unanimous vote of all Trustees present.

PUBLIC COMMENT
There was no public comment.
FOUNDATION REPORT
Jo Schantz provided an update on the activities of the Foundation. The Spring Whale Sale went very well grossing $70,000 and had 4500 people attending. The Foundation received $1,700 in Friends of the Library memberships and membership renewals. The Lakewood City Council approved the $12,000 grant for audio/visual equipment in the Lakewood and Belmar Libraries. The Foundation received notification from Denver Post Charities that they approved a grant for $5,000.

SENIOR MANAGEMENT TEAM (SMT) OPERATIONAL UPDATES

Executive Director Update
Pam Nissler, Executive Director, provided an update to the Board. In response to a question, the Executive Director advised the Board that the meeting with representatives from the City of Westminster was an initial meeting where their interest in exploring options for a shared library facility was presented. The Library is in very early talks with the City of Westminster. Robyn Lupa, Coordinator for Children & Families, received a Children’s Champion Award from the Triad Early Childhood Council. The Board of County Commissioners will advertise the open positions for all Board vacancies including the Library Board in July and plan to appoint members in September. Lynn Johnson, the head of the County’s Health and Human Services Department has been nominated to serve as assistant director for children and family services by the Trump Administration.

Budget and Finance Department
Gloria Overholt, Acting Director of Finance and Budget Department presented information on the activities of the Budget and Finance Department.

Budget to Actual Tables Final 2016 and Fund Balance 2016
The Trustees reviewed the financial tables which included the final 2016 accounting. Budgeted revenues were $34,453,776 and the Library received actual revenues of $34,047,873, a variance of $405,903. This indicates that revenues fell short of budget. Budgeted expenditures were $32,396,129 and the actual expenditures were $29,664,407, a variance of $2,731,722. The beginning Fund Balance for 2016 is $13,108,502. For 2016 actual revenues were $34,047,873 and actual expenditures were $29,664,407, resulting in an increase to fund balance of $4,383,466. Fund Balance at December 31, 2016 is $17,491,968. This balance is $265,080 above the maximum goal per policy.

Budget to Actual Tables April 2017
Gloria advised the Board that the Finance Department went back to April 2017 and reviewed the expenditures and projections to be sure the numbers were correct and the projections were sound. Although it is fairly early in the fiscal year, Finance does do a number of analyses to ensure the Library is on track to operate within budget and to
complete those capital projects slated for 2017. While there may be some factors beyond the control of Library staff, such as weather conditions and staff changes, the goal is to spend taxpayers’ dollars as promised and to ensure projects are done on time and within budget. Revenues are on track, additional property taxes will be collected this summer. Library fines are not expected to meet budget as a recent analysis indicated. Estimates are that fines will fall short by $84k. Contributions are also expected to fall short by $152k. Staff will closely monitor these two particular revenues, and be ready to adjust if needed. Expenditures for Salaries and Benefits are expected to be below budget, and the vacancy factor will be met. Library Books and Materials will be spent, as will the cost allocation budgets. Supplies and Other Services and Charges will be monitored more closely to determine whether or not the entire amounts budgeted will be spent. Capital Projects are expected to be fully spent by year end. The monthly financial reports to the Board will address these issues every month in order to keep the Board apprised of the budget and spending.

In response to questions, the Library advised the Board that:

- At this point in the year, the Library does not have a projection on the current year end fund balance amount. That amount depends upon the construction projects currently underway.
- The Board’s fund balance policy does state that the Library Board reserves the right to appropriate funds from the Fund Balance for emergencies and other requirements and alter or modify the parameters of the policy as the Board believes to be in the best interest of the Library. The Board could modify the ceiling or floor to serve the best interest of the library.

In response to a question, the Chair advised the Board that it should be recognized that the fund balance will be a bit fluid and that there are things in the near term that will draw down the fund balance. If not, the Board will need to look at what actions it wants to take. The Chair also noted that refunding would not be a reasonable option considering the costs involved in trying to return funds to each citizen. The Chair acknowledged the concerns about lowering the mil levy and then coming back the next year and raising the mill levy and that communication to the community would be critical.

The Executive Director noted that the Library would communicate any mil levy adjustments and does have a communication plan. Additionally, the Executive Director advised the Board that their instructions to the Library regarding the mill levy was to ask for enough to see the Library through for ten years so that the Library would not have to go back out for a vote again.
2018 Draft Budget
Gloria Overholt advised the Board that the Draft 2018 budget includes the reduction of Fines for Children’s materials in the amount of $195,000. As discussed at the June 8, Study Session, two major pieces of the budget have yet to be finalized. Those items include the final numbers for salaries and benefits; and the assessed valuation for property tax calculation.

The Executive Director advised the Board that during the June 8, Study Session, it was suggested that the Library ask for all of the positions the Library needs in the 2018 budget. The County requires a business case for any position above the current authorized number. The business cases are required for each position individually and includes the job title, justification for the position, job description, pay grade and pay range. The Library is recommending that the 3.5 FTE positions be withdrawn from the 2018 budget and, after the organizational analysis is completed; all of the necessary positions are folded into the 2019 budget request and submitted with solid data based on the analysis. Both Public Services Directors have indicated that the new Edgewater Library could be opened offering more hours than are currently offered, but not the full 65 hours per week. The current construction schedule shows an opening in the October to December 2018 range, so opening with reduced hours would be for a short time. Then, in January 2019, operating hours would be added to bring the Edgewater Library to 65 hours per week.

In response to questions, the Board was advised that:
- The positions required to open Edgewater (reduced hours) will utilize all remaining authorized positions.
- The Library and other County Departments have inquired as to why, if they have the funds in their budgets, they cannot staff as they need to. There has not been a response that the Library is aware of.
- Removing the 3.5 FTE positions (over the current authorized 215 FTE) will not have a large impact on the 2018 budget as the staffing plan for those positions was phased and set to begin later in the year.

There was wide ranging discussion about the fund balance, utilization of the fund balance for capital plan projects, the facilities master plan, the remodel schedule, planning for opportunities outside the five year capital plan, the mill levy, debt and 2018 budget guidelines. Responses and statements related to those topics included:
- The current schedule of one remodel per year is based on budget and staff capacity.
- It has been the Library’s intent to be in a position to consider opportunities (outside of the current capital plan schedule) that are advantageous to the Library and that may require adjustment to the capital plan.
• The Library acknowledged that Trustee Johnson has no interest in going further into
debt and the concerns relative to having a sufficient fund balance to address the five
year capital plan (remodels and opportunities that may arise). It is the intent of the
Library to utilize the fund balance for capital projects.
• The Library is planning to issue an RFP for a master facilities plan that would be
completed next year. The Library knows what needs repair or remodel and that will
not be part of the scope of work for the master facilities plan.
• The Library acknowledged Trustee DeLaet’s statement that the Library needs to be
ready to participate in opportunities such as Westminster and Wheat Ridge.
• The projects in the capital plan are not placeholders. The amounts are based on
validated costs and adjusted for inflation each year. Additionally, budget guidelines
do not allow placeholders and require an implementation plan that will be
completed in the requested year.
• Current projections for the fund balance at 4.0 mils indicate that the fund balance will
be within the policy maximum.
• The Library acknowledged the concerns of Trustee Naumer and Trustee Bodnar with
setting the mil levy at 4.0 mils and the subsequent increase to the fund balance.
• The Library advised the Board that, as stated at the June Study Session, the Library
acknowledges that there are a number of variables and data that is unknown at this
time. There are options available to the Board with regard to the cover letter and
setting the mil levy until that data is available. Additionally, adjustments to the
budget can be made after the initial submittal, especially if any data received after
submittal has substantive impact (i.e., assessed valuations, salaries and benefits, etc.)
on the Library’s budget.

**MOTION:** Deborah Deal moved to base the 2018 Budget on a 4.0 mill levy.
Seconded by Kim Johnson the motion passed by majority vote of all Trustees present
with Trustee Naumer and Trustee Bodnar voting against the motion.

The Trustees were asked to consider the proposal to eliminate all fines for children’s
materials as part of the 2018 budget. In response to concerns from Trustee Bodnar relative
to parental responsibility, the following responses and statements were made:

• 75% of the reason (I) didn’t use the library was the fines – it is a financial deterrent;
it’s about what’s right for our taxpayers and the right thing to support our
community.
• It is a good faith gesture – if the fines are preventing parents from taking their kids to
the Library – it is the right thing to do.
• This is being done in other libraries across the country. Some data indicates that
libraries are eliminating fines on children’s materials and the percentage of materials
that are coming back on time is steady.
MOTION: Brian DeLaet moved to eliminate fines on all children’s materials. Seconded by Deborah Deal the motion passed by unanimous vote of all Trustees present.

The Trustees discussed the sorter replacement plan. In response to questions, the Board was advised that:

- The Executive Director asked staff to look at the timeline for replacement of the sorters. Staff indicated that the replacement schedule was as much as can be handled at current capacity.
- The sorters were installed in phases and the specific timeframe for the 300 service tickets related to sorter maintenance is over a period time since the first sorter was installed. The number of service tickets is increasing.
- The Library eliminated the staff positions that performed the functions of the sorters. Not replacing this technology and going back to manual labor is not something the Library has explored.
- The Library fully vetted the sorter company selected for the new sorter at Columbine. One of the main issues with the current sorters is related to parts. As well as no longer manufacturing parts for the sorters, any parts that were needed were not located in the United States. The sorter company for the Columbine sorter has a parts facility located in Texas.
- The lifespan of the current sorters was indicated at 7-10 years. The new sorter at Columbine begins at a 10 year life span.
- The Library’s sorter replacement plan includes the consideration of integrating the timeline with the library remodel timeline to the extent that it is possible to do so. The Library acknowledges the concern expressed about replacing a sorter and then having to modify that sorter when that location is remodeled.

2018 5-Year Capital Plan
MOTION: Kim Johnson moved that the Library Board of Trustees authorize the Executive Director to submit the 2018 5-Year Capital Plan request to the Board of County Commissioners (4.2.5 C) as amended. Seconded by Brian DeLaet the motion passed by majority vote of all Trustees present with Trustee Bodnar voting against the motion.

2018 Proposed Budget Plan
MOTION: Kim Johnson moved that the Library Board of Trustees authorize the Executive Director to submit the 2018 Proposed Budget Plan, including Business Cases, to the Board of County Commissioners (4.2.5 C) as amended. Seconded by Charles Naumer the motion passed by majority vote of all Trustees present with Trustee Naumer and Trustee Bodnar voting against the motion.
Public Services
Steve Chestnut, Director of Facilities and Construction Projects noted that information on the Columbine Library Remodel Change Orders was presented at the June Study Session and asked if the Trustees had any further questions.

Columbine Library Remodel – Change Orders - Fransen & Pittman
MOTION: Deborah Deal moved that the Library Board of Trustees authorize the Executive Director to make a payment to Fransen Pittman in the amount of $17,469. Seconded by Brian DeLaet the motion passed by unanimous vote of all Trustees present.

Update on the Columbine Library Remodel - Dan
Dan Killian, Senior Project Manager, NV5, provided an update on the Columbine project. The site work commenced; walls are going in, the plumbing and rough electrical work is underway. Drywall is scheduled to begin next week. NV5 has had conversations with PV Supa regarding the sorter installation. All FF&E orders are being coordinated with movers and installers. The project is only a couple months away from wrapping up. There is rotted wood at the curved window wall. The windows were wet-sealed, however, some of that wood is rotted and as the mill work goes on the contractor will assess what was going on. There were some key decisions regarding A/V work and those meetings have concluded and the purchase orders will go out tomorrow. The project is still on track for the not to exceed 4.0 million and is in a good place with the contingency. There is a dusty boot tour scheduled next week at 3:30 (June 22).

Update on the Edgewater Library Project
Julianne Rist, Director of Public Services, advised the Board that and RFP for architect services for the Edgewater Library project will close on June 22. The Library plans to bring this item to the July Board Meeting for Board authorization. In response to a questions, the Board was advised that:
- The Edgewater City Council will vote this evening on the project and that project representatives are not expecting anything but a yes vote.
- The project is on schedule.

EMERGING ISSUES
The Chair introduced the topic and advised the Board that a letter to the Board of County Commissioners (BCC) will be presented for Board review at the next meeting. Prior to the last meeting with the BCC, the Chair did send them an email requesting agenda items and did not receive a response. The Chair would like to communicate to the BCC that the Trustees are happy to answer any questions they may have and ask that they respect our time, and the staff’s time, and have those agenda items and questions in advance. If
somethings comes up that the Library Board is not prepared to respond to; the Board will say that and get the information to the BCC as soon as possible.

BOARD SCHEDULE – NEXT MEETINGS
• July 13 – Study Session – 5:30 pm – Administration Conference Room
• July 20 – Board Meeting – 5:30 pm – Golden Library Meeting Room
• August 10 – Study Session – 5:30 pm – Administration Conference Room
• August 17 – Board Meeting – 5:30 pm – Standley Lake Library Meeting Room
• September 14 – Study Session – 5:30 pm – Administration Conference Room
• September 21 – Board Meeting – 5:30 pm – Belmar Library Meeting Room

ANNOUNCEMENTS/GENERAL INFORMATION SHARING

The Board expressed appreciation to the Evergreen Library staff for hosting the meeting.

ADJOURNMENT
The Board meeting was adjourned at 7:19 p.m.

Kim Johnson, Secretary