

**Library Board Meeting
Tuesday, October 8, 2013
5:00 pm
Library Meeting Room**

Open:

Guest and Public Comments:

Budget meeting

Mount Horeb Public Library Board
Special Meeting Minutes
Tuesday, October 8, 2013
5:00 pm
105 Perimeter Road, Library Meeting Room

Present: Jessica Gunby, Deb Klein, John Kuse, Ben Lizdas, Karla Ott, George Sievers, Paula Craft, Dave Boyden, as well as Library Director Jessica Williams

Absent: None

Kuse called the meeting to order at 5:05 pm..

Guest and Public Comments

No Guests were present.

Budget Update

Williams reported on the October 1st meeting with Village Administrator Dave Ross. The Village has proposed two options for the 2014 library budget:

1. To have the Village continually fund whatever is necessary so the library has an unrestricted \$60,000 balance indefinitely.
2. To budget \$420,000 annually with a 2% multiplier every year.

Tonight's meeting of the Library Board was set to discuss these two options prior to reporting back to the Village Finance Committee on any changes or preferences before their meeting later this evening (October 8th). In a last minute change, the Village Finance Committee meeting was pushed up in time and held last night (Monday, October 7th). Boyden attended the meeting for a short time, however, input from the library was not expected.

The Village Finance Committee is going forward with Option 2, as listed above, for the 2014 library budget.

Discussion was had amongst the Library Board members regarding the \$420,000 + 2% budget and it was elected not to pursue amendment of this budget at the current time. However, the difficulties of this budget were discussed at length. Kuse has already communicated a projected \$420,000 budget verses a \$450,000 budget to Ross in an attempt to highlight how quickly the library goes into the red with the former. Kuse also questions the low Utilities figure and the 6% health care cost assumption.

Boyden initiated discussion of other means of revenue for the library. The revenue growth for Mount Horeb is uncertain at this time and Boyden asked if there was a way to increase outside funding for the library.

Williams reported that the dollars received from the South Central Library System are not highly mutable, as they are calculated based on our library size and community/circulation demographics. There is always the possibility of receiving less than 100% of the dollars from SCLS as well, and a conservative budgeting of 80% for this revenue has been the norm. Any lobbying efforts to Dane County would be ineffective as we are part of the SCLS and affected as part of a group, not as an individual.

Ott will revisit the statutes on protecting the Endowment as Ross and the Village Finance Committee continue to question the delegation of those dollars. Ross did agree and has already removed the earnings/loss from the endowment off of the budget revenue line.

It was agreed that in moving forward, focus of the Library Board would be on increasing advocacy and pursuing alternative sources of funding.

With a motion by Ott, second by Boyden, and unanimous approval of the Board, the meeting was adjourned at 5:50pm.

**Library Board Meeting
Thursday, October 24, 2013
7:00 am
Library Meeting Room**

Open:

Guest and Public Comments:

Approval of Minutes: September 26, 2013; October 8, 2013

Treasurer's Report:

- Approval of library bills

Cash reserve

Endowment Fund

November and December Library Board Meeting Dates

Director's Report

Adjourn to executive closed session as allowed by WI State Statute 19.85(1)(c) to consider and discuss personnel matter(s).

Reconvene to open session for any action regarding closed session.

Mount Horeb Public Library Board
DRAFT Meeting Minutes
Thursday, October 24, 2013
7:00 am
105 Perimeter Road, Library Meeting Room

Present: Jessica Gunby, John Kuse, Ben Lizdas, Karla Ott, George Sievers, Dave Boyden and Deb Klein, as well as Library Director Jessica Williams

Absent: Paula Craft

Kuse called the meeting to order at 7:02 am.

Guest and Public Comments

No Guests were present.

Approval of Minutes: September 26, 2013 Regular and Executive Session
October 8, 2013 Special Session

With a motion from Ott, second from Lizdas, and unanimous approval of the Board, the minutes for all three meetings were approved.

Treasurer's Report

Boyden reported he is working on managing the current copier expenses. He also noted the Endowment holding is steady, up 2% in October.

Cash Reserves

Currently nothing to discuss.

Endowment Fund

Review of other Madison libraries show Endowment Funds to be held as 501(c)3 entities. While the MHPL Endowment Fund is small compared to these, it is not uncommon for Endowments over the \$100,000 mark to be held as 501(c)3. The disadvantage to pursuing this option is the time, labor, and expense involved with the process. In addition, conversion to a 501(c)3 will come with an IRS expectation that the library use 4-5% per year.

Ott verified that the 2011 Amendment to the Library Statutes gives the MHPL the option of having a second party hold the Endowment for us. Two potential second parties are the Friends of the Library or the Local Community Foundation. Currently, if the Board chooses to leave the Endowment with the State Bank of Cross Plains, the Village has access to view it online but traditionally requests updates through the Library Director.

Through discussion, Kuse noted that the Endowment issues at hand are two fold: management and dispersment. As for management, it was agreed that at the next Library Board Meeting, a subcommittee would be decided upon. In addition, the Endowment will remain with the State Bank of Cross Plains in the trust department for

now. The Village has zeroed Contributions to the Endowment as well as Gain/Loss on Investments in the MHPL Budget. Currently, the Village can view the the Endowment Fund financials online but traditionally requests updates through the Library Director.

A motion was made by Seiers that the Library Director should direct all requests regarding the Endowment Fund to the Library Board Treasurer. After a second by Ott and a unanimous vote, the motion carried.

As for the dispersement issue, the original resolution outlined the Endowment not be used for ordinary operating expenses and stated a goal of \$500,000 prior to dispersement. The Board agreed that in general, the Endowment is set aside for improving technology, special collection development, building enhancements outside the scope of maintenance, and special projects and programming. The current resolution outlines that distribution of funds should be a function of dividend yield (the "income," not the "growth"). At present time, this dollar amount is approximately \$1,500. It was thought that use of this amount to sponsor special programming events would help promote the Endowment Fund and bring public attention to its development.

November and December Library Board Meeting Dates

The November meeting will be held Wednesday, November 20 in advance of Thanksgiving. The December meeting date will be decided upon at the November meeting.

Director's Report

- The MHPL has received public recognition for their WW II project at the Wisconsin Library Association Conference.
- The UW Digital Collections Center is interested in adding other veterans to the oral history project. Director Williams will pursue funding from the VFW, Community Foundation, and possibly the dividend yield of the Endowment Fund to support this next project.
- Counselors from the Department of Public Health are coming once a month to the MHPL to help people sign up for the Affordable Care Act. Increased advertisement of this was suggested.
- The Square arrived but the ipad port turns out to be broken. Williams is looking into costs to repair or replace the ipad.
- Williams created a mobile version of the MHPL website. Adding LinkCat access to this mobile version was recommended.
- Evaluations are underway. Williams expects to be done by the November meeting so the issue of merit raises will be up for discussion at this meeting.
- Currently, applications for the Graphic Design position are underwhelming.

Friends of the Library Update

Ott reported that the FOL income is currently on track with the prior year's fundraising. This is positive news, considering concerns that changing to the ongoing shelf book sales would drop income.

After a motion from Ott, a second from Klein, and unanimous vote, the meeting was adjourned at 8:15 am.

Respectfully submitted,
Jessica Gunby