

## Monmouth County Library Commission Minutes

December 12, 2017

Headquarters Library

**Present:** Chairperson Renee Swartz, Commissioners Grace Abramov, Don Burden, Nancy Grbelja, Frank Wells, Freeholder Director Lillian Burry, Library Director Judi Tolchin, and Assistant Library Director Heidi Amici.

**Absent:** Commissioner Peter Doyle and James Gray

**Guests:** Department Heads Donna Mansfield, Marilyn DeJesus, Pat Findra, Kim Avagliano, Rick Brancadora, Monmouth County CFO & County Treasurer Craig Marshall and Muriel Smith.

The meeting convened at 11:24 am.

Chairperson Renee Swartz opened the meeting of December 12, 2017 with the following statement: "The library Commission has complied with the regular requirements of the Open Public Meetings Act by giving written notice to the Press and County Clerk's Office and by posting on the Library web page the date, time, and place of the meeting." Everyone stood for the Pledge of Allegiance.

Renee Swartz stated that everyone had done a wonderful job and that she was glad to have the time to thank everyone. She recognized Freeholder Director Lillian Burry's determination, perseverance and dedication to excellence in helping the library and shared her appreciation of the Library Commission for all of their hard work. She expressed gratitude to Judi Tolchin for her four years of hard work, and to Heidi Amici for bringing the library into the 21st century with incredible technology. She thanked everyone who assisted with the plan for the renovation of the Headquarters library. She also thanked Muriel Smith for being the public face of the library in the newspapers. Freeholder Director Lillian Burry expressed her gratitude to Renee Swartz' for the incredible years of work she has given to the library.

Judi Tolchin expressed her honor to serve the commission and her gratitude for the support from the commission and her team of department heads and branch managers, without whom all of the great services would not be brought to patrons. She also thanked Donna Mansfield for maintaining the programming - integral for keeping the library in the spotlight, as well as, working tirelessly in her managerial capacity.

**Department Head Reports:**

Department Head reports were presented by the library management team including Donna Mansfield, Head of the Headquarters Library and Programming Department, Marilyn DeJesus, Head of Branch Services, Pat Findra, Head of the Children's Department, Kim Avagliano, Head of the Eastern Branch Library, Rick Brancadora, Videographer, Veronica Stevens, Coordinator of Young Adult Programming and Heidi Amici, Assistant Library Director.

Renee Swartz shared that she would love to utilize the pictures of the highlighted events used to promote the library, and share what the library is capable of on a national level. Veronica Stevens stated that utilizing the television screens in the branches would be a great way to share photos and videos of the events. Rick stated that the TVs would have to remain silent, closed captions could be added to slideshows and videos to explain the programs. Renee liked the idea of subtitles and reiterated the need to make sure library programs were showcased on public TV channels.

Judi thanked the great dedicated and creative team working for the library that advance the library system day in and day out. Renee stated that the presentations she had seen were extremely inspiring for the future of the

library, and that it had been remarkable to see the different facets of the library working together to showcase its overall worth. On behalf of the Library Commission and Freeholder Director Lillian Burry, she thanked everyone involved for their hard work. She stated that, while the commission met every month to tackle problems including finances, staffing and more, they didn't usually get to understand the day-to-day activities of the library or marvel at how departments were able to create and bring forward such incredible programs. She applauded everyone for their outstanding work, and stated that the commission would try to think of how to bring the library forward more publicly. She thanked Muriel and Rick for their work but stated that a more vigorous approach would be needed, not only for the renovation but for the message that everyone worked so hard to bring forward. She thanked Judi for putting together such a great team and for choosing people for the staff that bring out the best they can. She shared that she was looking forward to a wonderful new year with the library.

**The Commission broke for intermission at 12:45 pm.**

**The Commission met again at 12:55 pm.**

**A Motion to approve the open public meeting minutes of November 14, 2017 was made by Frank Wells and seconded by Grace Abramov. Don Burden & Nancy Grbelja abstained. Motion passed.**

**A Motion to approve the closed executive session meeting minutes of October 10, 2017 was made by Frank Wells and seconded by Grace Abramov. Don Burden & Nancy Grbelja abstained. Motion passed.**

### **Budget & Tax Levy**

Renee Swartz extended a welcome to Monmouth County Finance Department Director Craig Marshall.

Craig Marshall shared two reports. First, the plan that had begun four years ago to get the library back into a sustainable fiscal situation and no longer relying on the fund balance to balance the library budget. Originally this was a seven year plan including a 5% increase per year assuming every dollar of the budget was spent every year, with built in increases, so that at the end of the seven year period the library would no longer be utilizing fund balances, and the entire budget would be balanced on the tax levy and miscellaneous revenues, added and omitted taxes, fines, and photocopy fees.

Each year, the plan has been updated based on results of the prior year. Since the library has not spent the full budget each year, this has extended the fund balance by putting money back into it. The original seven year plan with 5% tax increases each year has now become a thirteen year plan, with a 2.7% increase in 2016 and a 1.5% increase in 2017. Based on the budget provided by Judi Tolchin of \$17.1 million, \$100,000 higher than last year, Craig estimated another 1.5% increase for 2018. Going forward, he predicted a 3% increase per year for the next four years, 2.9% for 3 years after that, eventually 2.65% and in balance by 2026. He anticipated that the library could extend further and reduce the amount raised in taxes each year and ultimately balance the budget goal without utilization of the fund balance. He stated that he would like to size the budget better based on what is actually being spent. He stated that if the budget was simply too high it could be reduced, but if the library was planning to implement changes and was not doing so then the changes should be implemented with the budget which could be left as is.

The fiscal report that Craig presented gave a five year history of the accounts of the library, showing what was budgeted versus what was spent from 2013-2017. Each line item included the original budget, the actual amount spent, and any transfers in or out. This provided an example of what was spent over a period of time so that the budget money could be accurately allocated. This report included all line items for the past five years, some of which were no longer paid for- for example, utilities were moved out of the budget and over to the county in 2013 when the archives indirect charges were included for their portion of building costs reducing the amount of expenses that the library pays and allocated proportionately for their share.

Freeholder Director Lillian Burry asked how the library would directly benefit from the New Jersey State

Library Construction Bond Act referendum. Craig answered that he was not familiar enough with the issue but would look into it. Judi Tolchin stated that criteria for the bond act referendum had not been established. She stated that there would likely not be assistance for phase one of the Headquarters renovation, but phases two and three could possibly have funds matched depending on the grant criteria.

Frank Wells asked about salary expenses being \$0.5 million behind. Craig responded that the salary expenses did not include the final pay period 24, which would be \$270,000. The remaining \$350,000 under budget is due to vacancies. If the library was going to continue operating without filling vacancies, then the budget would be too high. If the positions are to be filled, then the budget would remain accurate. With the full-time pay of \$4.5 million of staff on payroll, the union and non-union estimate would increase. The calculated total amount for full-time vacancies would come to \$6,660,000, with the budget requiring \$6.4 million since those positions would not all be filled by the beginning of January, with January 2nd being the first pay date for 2018. That vacancy allocation could be cut in half anticipating that the positions would be filled by mid-year. The lump sum of sick time for retiring employees would also have to be considered, but that would have a \$15,000 per employee cap at \$0.50 on the dollar, meaning employees would need to have \$30,000 accrued in order to earn the maximum. Grace Abramov asked if the retiring employees could request lifetime health benefits. Craig responded that they only could if they were hired before July 1, 1994. Frank Wells asked about the \$15,000 lump sum. Craig stated that it could be deferred to an employee 457 plan, and is paid after the last regular pay check.

Renee stated that she believed more money should be spent in advertising. She stated that they had seen the tremendous possibilities this morning that could be used for advertising. She stated that the Parks Department puts together a supplement and asked why the library didn't do so. Nancy pointed out that more was spent in 2017, almost double what had been spent on advertising in the past.

Don pointed out that there was a drop in fines and photocopying revenue. Craig responded that we were down this year in that area. Judi stated that there was a lot of electronic circulation this year and that there were no fines on electronic circulation. Heidi also stated that renewing on the app could account for reduced fines collected. Don stated that fewer fines were ideal, and Judi agreed. Frank stated that the Food for Fines program also likely accounted for some of the drop. Craig stated that \$250,000 was collected through November, and that an additional \$20,000 was anticipated for December bringing it to \$270,000. He also stated that they could only anticipate money in the budget to the extent that it was collected the prior year.

Don stated that overtime pay was trending down. Heidi responded that was because slots had been filled. Craig stated that the library had been significantly under budget in payroll for several years –similar to the trend in the county; therefore, as much money is being saved in attrition and vacancies as given out in the form of raises. Nancy stated that advertisement to replace people that left was a large push. Judi responded that great strides had been made in that area with a goal to full employment to fully utilize the salary and wages budget.

Craig estimated 2017 expenditures at \$14.8 million including final payroll and fringe payments. He stated that, for the past three years, the final pay period had cost \$300,000 and \$450,000, leaving them \$2.2 million under budget. He stated that the bulk of this was indirect charges which went down significantly, and that changes were based on the budget plan, not actuals. This year with the budget plan at \$3.3 million and a \$600,000 credit from 2015, the charge was \$2.7 million while the budget had been \$3.8 million. Craig stated that the indirect charges alone were \$1 million of the \$2 million under budget. He estimated that there would be one more year with a decent sized credit, and then it would level off with more accurate indirect charges budget plan.

Grace asked why this was the case. Craig responded that too many changes had been made to foresee. Grace asked if it would be better to over or underestimate the budget, and Craig replied that the goal was to make the budget accurate, and changes and adjustments implemented in 2018 would likely make it more accurate.

Nancy shared that she was pleased, as indirect costs were severely dampening the budget. She was happy to see what realistically affects the library and make changes to get to the necessary level. She mentioned the importance of separating out advertising and promotional activities for events, including advertisements for jobs, legal services, and notices. She asked if there would be any way to separate out these charges such as putting

another line item into the budget. Craig responded that it was possible. He stated that the library had done a great job so far, and that it was improving by leaps and bounds by looking at the numbers.

Craig stressed the importance of acquiring a full staff if that was the plan, stating that full staffing would make the budget accurate. Renee responded that they were trying very hard to do so. Nancy stated that, going back the past few years, the library has continued its service on a shoestring. She stated that the budget was finally in place and indirect costs were modified realistically, a capital plan was beginning, and a complete turnaround had been done in the past few years. She stated that now new staff could be found and the process could be sped up, but the library was in good shape without large 5% or 6% increases. Craig stated that, for 2017, the library would be approximately \$350,000 under budget for payroll. He stated that, if the table of organization was entirely filled by staff, the payroll budget would be approximately \$6.7 million. He stated that the salary budget would be fine if the full staff was hired depending on how quickly the positions are filled. He suggested a flat budget reducing the proposal by \$115,000. He suggested that finding \$115,000 would not be difficult given the library's spending, and it would look better and operate fine.

Grace asked if money would be taken away if the positions were not filled. Craig responded that nothing would be taken away. Judi asked if the fringe rate would still remain .5467 for the library. Craig stated that he would have that answer at the end of January but estimated that it would be lower, since 2017 had been a good year for health benefits, with lower expenditures than 2016. Grace asked if they were self-funded and Craig confirmed.

Don asked Heidi if anything significant would be coming into the technology budget. Heidi responded that her biggest concern was licensing fees, with site licenses being charged per machine versus being charged per site license. She stated that the other large expenditure would be cloud-based Envisionware with machines not on the network updating with a per-machine charge. She stated that she would try to bring forth numbers early in 2018 before machines were purchased. Don asked if that would be part of the annual or capital budget. Heidi responded that it would be part of the annual budget. Craig stated that while licensing would be an annual expense, purchase of equipment could be put in the capital budget. Judi stated that the recurring Verizon contract of \$38,000 per year must also be considered. Craig stated that the other expenses budget for 2017 was \$10.8 million, with approximately \$7 million being fringe benefits and indirect charges, making the actual operating budget about \$3.8 million, \$3 million of which is the book budget. Other line items together do not amount to a significant amount of money. He suggested that as the commission finalized numbers, the report could be helpful to see trends on the line items, to see where some money can be reduced to keep the budget flat. Judi stated that money could be moved from fringe benefits since the rate is likely to be reduced to keep the budget flat. Craig agreed.

Judi stated that full employment was planned by June 30th, 2018, especially with the expansion at the Holmdel Library. She stated that full staffing must be a focus moving forward.

Craig stated that the library commission was treated like a trust fund and funds could be transferred between line items as needed without a resolution. Don asked if there was any need for discussion on the capital budget going forward. Nancy responded that the money for phase one and phase two were ready to go out to bond, and asked Craig when the ordinance was needed by. Craig responded that the ordinance would be needed when they adopted the county budget, which would be by the end of February or early March. Nancy requested that they make sure to pass the resolution before that. Craig stated that they already had everything needed from the commission for the plan of \$1,975,000 phased over three years, and that it would be funded for \$977,000 in 2017 and \$500,000 in both 2018 and 2019. Judi stated that she hoped to get matching funds for phase two and three to either expand the project or to reduce the tax liability for the taxpayers. Nancy stated that she would like to keep the budget flat in 2018 and get grant money and additional funding to enhance programs or reduce costs and taxes. Renee was pleased with the outcome. Craig stated that the library was currently receiving about \$100,000 in grants. Judi stated that was about as much as the library could manage. Craig reiterated that the library was currently spending less than the budget, so they should either reduce the budget or spend more in 2018. Nancy stated that there were some projects that needed funding at Eastern Branch, including a canopy to go over the entrance and steps for safety. Renee agreed. Craig responded that that would require a request in the capital process and that they should submit it before March or April. Lillian stated that the canopy was already

bonded for with Buildings and Grounds. Craig stated that he was unsure as to whether it was bonded for yet, while the parking lot had been funded. Don stated that they had been waiting for the canopy for three years. Craig suggested putting in a formal request to make it a part of the review.

Renee thanked Craig and Judi for putting the budget together and for finding ways to make it more correct. She thanked Craig for attending and wished everyone happy holidays. Judi stated that knowing the library budget was sustainable until 2026 with the highest increase on the tax levy being only 3% was great news.

### **Meeting Schedule & Reorganization**

Judi shared the tentative commission meeting dates of every second Tuesday of the month, with an exception for the June meeting. Lillian suggested skipping the January meeting as the Chair would be unavailable to attend. Don asked if that were possible as the bills list would need to be approved. Judi responded that anything needing to be finished in 2017 was presented in the current meeting, and library materials over \$10,000 needing approval could be done without the commission, as well as, other items under \$10,000.

Nancy asked if it was necessary to vote on meeting dates immediately or if it could wait for the next meeting. Judi stated that the dates must be published in advance but can always be changed. She stated that the January meeting would be eliminated if the commission chose to do so. The first meeting would be scheduled for February 13th, 2018. Renee suggested holding the second meeting of the year at the new Holmdel library. Don suggested moving the October meeting to Eastern Branch in honor of its 50th anniversary. Grace suggested switching the locations of the September and October meetings from Eastern Branch and Headquarters, respectively, vice versa. Judi shared that she would be unable to attend the meeting on June 12th, suggested moving it to the later date of June 19th as there would be no meetings in July or August. Renee suggested holding a meeting in either July or August as the renovation would be fully underway. Judi suggested meeting on August 7th at Wall Township Library. Lillian suggested changing the September meeting from September 11th out of respect. Renee suggested changing the date of the September meeting to September 18th.

### **Freeholder Report**

Freeholder Director Lillian Burry will reappoint Frank Wells to the Commission. She also stated that tomorrow, Wednesday December 13th, would be the final Freeholder meeting of the year wherein they would be voting to approve the library's SIRSI contract of \$753,758 for five years at about \$150,000 each year. Renee stated that when Ted Narozanick was in Lillian's position of liaison to the library, the library acquired SIRSI as it was starting out in 1988, for \$225,000 per year, meaning that the cost has gone down significantly. Lillian also stated that the Freeholder reorganization meeting would take place on January 4, 2018 at Bio Tech High School in Freehold; where she would be sworn in by Lieutenant Governor Kim Guadagno.

Renee congratulated Lillian on running a great campaign and shared how glad she was that it all worked out well. Lillian thanked everyone for their support in her re-election.

**A motion to schedule a closed Executive Session on Tuesday, February 13, 2018 was made by Don Burden and seconded by Grace Abramov. Approved unanimously.**

### **Financial Report**

\$491,045.27 was spent in November in salary and wages; \$2,540,455.95 was spent in November in other expenses, for a monthly total of \$3,031,501.22 spent in November.

The year to date total expended is \$12,702,125.89 with an additional \$98,142.66 encumbered for a total of \$12,786,860.14 charged year to date.

\$1,528,477.48 remains unexpended in the reserve budget. That amount will be transferred to the fund balance unless there are additional unexpected 2016 expenses processed from now until December 31, 2017.

The financial report also included charges posted to the grant budgets.

Director Tolchin submitted the financial reports into the meeting record to the commission for their approval.

**A Motion to approve the Financial Report as stated was made by Don Burden and seconded by Nancy Grbelja. Approved unanimously.**

Lillian asked Judi if she would like to present tomorrow at the Freeholder meeting on how the budget was coming along and Judi agreed.

Renee shared that she had received a letter from Jersey Connect about their offerings. Heidi responded that the library took advantage of a lot of the programs offered by Jersey Connect, including email hosting, spam blocking, website hosting, managed Wi-Fi at Headquarters and Eastern Branch, DNS, consulting, and router work, and they were looking into the e-rate filing assistance and Heidi would share a report in the coming months of 2018.

Renee stated that Stewart Fife was not going to attend this meeting so it should be a priority to make sure that he is set to go by the February meeting. Judi responded that he was ready to begin.

Judi shared that the Art Department printer needed to be replaced as they were unable to get a service contract on the present one and it has aged out. She stated that she looked at the difference between the leasing and the purchasing option and found that purchasing was favorable and there was money in the budget for 2017 for the purchase of \$40,292.80, significantly less than the \$125,000 which had been spent on the last Art Department printer. She stated that the new machine would be able to do all of the necessary functions at a competitive price with a lower price per copy and that purchasing rather than renting would be cost effective. She requested the approval of the commission for the purchase. Heidi asked if the price included a service contract. Judi stated that the service contract was optional and would be a separate cost. Judi stated that the printer would likely be usable for at least 5 years, and after that it could be replaced, and it could be utilized for an extra year or two by purchasing rather than leasing. Grace asked if the money for the printer could come out of the capital budget. Judi stated that it could, but since there was money in the 2017 budget, they should utilize that to make this purchase. Renee agreed. Heidi and Nancy suggested getting the service contract.

**A Motion to approve the purchase request for an Art Department printer at \$40,292.80 was made by Grace Abramov and seconded by Nancy Grbelja. Approved unanimously.**

Judi stated that she had received a voucher for SIRSI services including IT robo-calling services and mobile circulation for \$14,730.71. She stated that the charges had been pro-rated so the library would only pay for the time when the charges went into effect.

**A Motion to approve the SIRSI voucher for \$14,730.71 was made by Frank Wells and seconded by Grace Abramov. Approved unanimously.**

Grace asked Judi whether Better World Books would need the approval of the commission to dispose of library materials. Judi stated that they would check to see if a resolution would be necessary. Grace asked if the resolution could wait until February and Judi stated that it could. Heidi stated that Better World Books would be utilized to repurpose the books and make a small amount of money, and the excess books would be sent to third world countries, rather than throwing books in the dumpster. Projects were ongoing at the West Long Branch library and Headquarters, so if anyone was against the idea they would need to speak now. Grace stated that she was in favor of the idea of repurposing the books rather than throwing them away. Heidi stated that the library had donated books to many different places, for example hospital waiting rooms, to be utilized in many different ways but there were just too many books to do so. She also stated that Better World Books paid for all shipping and supply cost and gave a percentage back to the library to use for new books.

**A Motion to approve the deaccession of books through Better World Books, provided that the county finds it an appropriate measure, was made by Frank Wells and seconded by Grace Abramov. Approved unanimously.**

Judi asked if the commission would like to keep the budget flat or increase it. The commission decided to keep it flat. Judi then state she would first take amounts from fringe benefits because of the anticipated rate reduction. A few other minor changes were also likely. The commission agreed. She stated that the budget should be approved presently and the fringe benefit line could be adjusted for the February meeting.

**A Motion to approve the decision to keep the budget flat by taking money from the fringe benefit line was made by Frank Wells and seconded by Nancy Grbelja. Approved unanimously.**

Judi stated that the core committee for the renovation found that it was possible to drill into the floors to spread power everywhere. Judi told Stewart that she would rather see more power than less, as it would only be \$1,000 for each core drilling and electricity could be optimized throughout the library. The crew is very optimistic. They are also looking to repurpose some of the lighting but they are hoping to make some of the lighting elements digital rather than fluorescent. She stated that the biggest problem would be the wallpaper, which would be very costly to remove and may eat up too much of the renovation budget. The crew suggested painting over the wallpaper, and that a test section would be done to see how it looked. Renee approved of this idea.

Judi stated that progress had begun with the weeding, and that a 10-15% reduction would be done. She also stated that the aisles would be moved so that they were 36 inches apart so long as they meet ADA requirements, which county engineering will be checking on. This would give us more shelving and allow spaces to become more usable for public areas. The DVD area has been relocated between the Children's and Adult Reading Rooms as a glass walled room accessible from both sides. The Young Adult area was relocated to just past the circulation desk where they can be monitored by circulation and reference. The next renovation meeting will take place on January 10th, and Stewart Fife will be attending the commission meeting in February. Judi shared that there are multiple flooring options other than carpeting, including vinyl areas perhaps in meeting rooms for spills.

### **Director's Report**

Judi shared that the library was able to successfully recruit at the current salary structure, and that most of the delays were because of the large number of vacancies that accumulated over the six-year period of time during which recruitment was not permitted. She shared that the library was making very significant progress in bringing new people aboard as Marilyn DeJesus shared earlier. She also shared that many librarians and associates who were going to school and would be librarians soon were coming on board. Once the vacancies are filled the salary line will be completely expended, so the money should be allocated to the vacancies.

Judi stated that the Holmdel Library will be opening December 18th and the commission will meet there in March. She also stated that the commission should look into an expansion of hours once the traffic patterns at the new space are clear. Renee asked if the commission had been invited to the opening. Heidi responded that it was a soft opening. Lillian Burry stated that she was one of the three speakers at the opening of the library and recognized the commission in her speech, and brought Renee on stage. Renee thanked Lillian for her diplomacy in the issue. Judi shared that the Tinton Falls library continues to struggle with their mold problem. She referred the library to the NJ Library Construction Bond Act where they may be able to offset some of their expenses. Judi shared the Year in Review card that the Art Department had created which would be sent out to mayors, council members and member libraries. Renee stated that it should also go to the superintendent of schools, the Freeholders, historical societies, organizations that meet at the library and the editors of the papers. She stated that the library must become more cognizant of the fact that their messages should go out and suggested adding the card as an ad in local papers. Judi stated that it would be difficult to find all of the names and send them out before the holidays this year.

Judi stated that the Friends of the Library met and are moving along and funding programs. They have

established a grant for the West Long Branch library's Helen Schultz fund and are doing well. She stated that the library received a donation of \$500 from the Covered Bridge Senior Citizens group and thanked them for their generosity. Judi also stated that Jack Livingston would be honored with a citation at the December 17th Tim McLoone concert.

**The Commission adjourned to Executive Session.**

**A motion to adjourn the Closed Executive session and resume the open public meeting was made by**

**Commissioner Grbelja with a second by Commissioner Wells. Approved unanimously.**

**A Motion to propose for County approval the appointment of Grace Abramov – Chair, Peter Doyle, and Jim Gray with Frank Wells as alternate and Judi Tolchin serving as an advisory member for the Library Publicity Consultant evaluation committee was made by Frank Wells and seconded by Nancy Grbelja. Approved unanimously.**

**A Motion to adjourn the meeting of December 12, 2017 was made by Nancy Grbelja and seconded by Don Burden. Approved unanimously.**