

BOARD OF LIBRARY TRUSTEES MEETING
November 16, 2017 – 7:30 p.m.
Laurel Branch

Minutes

Board Members Present

Dr. Christy Wright, President
Sylvia Bolivar
Dr. Arthuree Wright
Toni A. Smith
Brett Crawford

Prince George's County Memorial Library Attendees

Michael Gannon, Interim Co-CEO
Michelle Hamiel, Interim Co-CEO
Jeff Naftal, Director of Human Resources
Dereje Salehudres, Director of Finance
Jessica Freeman, Executive Assistant
Karin Luoma, Assistant Branch Manager
Steve Valentich, Central Maintenance

Absent: Samuel Epps, IV

- Welcome and Call to Order: 7:39PM
- Mr. Crawford made a motion to approve the September 21, 2017 and October 2, 2017 Board of Library Trustees meeting minutes. Dr. Wright seconded the motion. The minutes were approved with a unanimous vote.
- **Committee Reports:**

Nomination Committee – Brett Crawford, Member

The nomination committee put forth the nominations for Mr. Epps for the President role and Mr. Crawford for the Vice President role for the upcoming year.

Mr. Epps spoke with the appointment secretary of the County Executive's office to make an inquiry about the appointment to fill the last vacancy on the Board. The Appointment Secretary relayed that the County will likely not act until Spring or Summer of 2018.

Personnel Committee – Dr. Arthuree Wright, Chair

The Board is no longer accepting applications for the CEO position for the Library as of October 8th as previously announced. The Board received roughly 40 applications and have reviewed them. The Board will meet in executive session following this meeting to review as a Board.

Budget/Audit/CIP Committee – Toni Smith, Chair

The Committee, the Interim Co-CEOs, and Director of Finance met earlier in the week to review the budget. The Budget proposal that was reviewed was only the Operating Budget as the Capital Improvement Budget isn't due until the end of the month. The Committee recommends the proposed budget for Board approval.

- **Fiscal Year 2017 Audit Report - Glendora Hughley, Murphy & Murphy LLC**

Ms. Hughley thanked the Board for having her and for selecting Murphy & Murphy LLC as the Library's auditor. The audit was completed in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Prince George's County Memorial Library System (the Library), a component unit of Prince George's County, Maryland as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Prince George's County Memorial Library System's basic financial statements, and have issued our report thereon dated October 6, 2017. Murphy & Murphy encountered no difficulties with the Finance Department in the performance of the audit. Murphy & Murphy found no instances of noncompliance, major deficiencies, misstatements, disagreements with management, or significant findings for fiscal year 2017.

Mr. Crawford moved to accept the FY2017 audit report, which was seconded by Dr. Wright. The Board voted unanimously to accept the FY 2017 audit report.

- **Financial Status Report – Dereje Salehudres, Director of Finance**

An overview of the Library's financial activities and budget status for fiscal year-to-date September 2017, 25% through the fiscal year, and year over year comparison.

Year-to-date operating revenues were \$7.04M which is 23.4% of the budgeted amount, and 2.1% lower compared to 25.5% of a year ago:

- Revenues from Public Support were at 23.5%, and 2.2% lower compared to 25.7% of actual a year ago. Current year is lower due to timing difference of appropriation received from the County.
- Branch revenue was at 23.6%, compared to 19.4% of actual a year ago. All line items, but the overdue fines, were running at or above the budgeted level.
- Other revenue was much lower than budgeted at 9.2%, for the most part due to lower than expected passport service revenue, at 12.9% of budget. The Hyattsville branch used to be one of the three passport service locations but is now closed for construction. Passport services at the Hyattsville Branch will resume once the new branch is in place. Last year Year-to-date revenue from this location was \$19K. Interest revenue was running at 6.97% and lower than budgeted.

Year-to-date operating expenditures were \$7.01M, which is 23.3% of the budgeted amount, and lower by 0.5% compared to 23.8% a year ago:

- Compensation was running at 23.9% and slightly lower compared to budget, and 0.8% higher compared to 23.1% the same period a year ago. Salaries are lower because of vacancies.
- Library materials were under budget at 21.7%, and higher than a year ago which was at 19.0%. Publishing tends to be slow in the fall and is expected to pick up around the New Year. Over all this is expected to be close at the budgeted amount level at year end.
- Operating services and supplies were running over budget at 30.8%, and higher than 25.6% of a year ago. Some highlights under this line item were:
 - o higher expenditures in IT and Finance departments' temporary staffing to cover for vacant positions, and when staffs are on extended leave;

- payroll outsourcing fee was higher due to implementation charges for Paycom, the new HRIS;
 - expenditures for recruitment were higher than budgeted due to efforts to fill vacant positions;
 - printer cartridge expenditure was higher than budgeted due to increased purchasing at the beginning of the fiscal year to replenish stock
- Computer software & support were lower than budgeted at 9.9%, and compared to 25.6% of actual a year ago. Some major IT projects are on hold awaiting the completion of the core upgrade project, which is expected to be finalized by New Year. During the month of September, 193 public computers were ordered. This major computer purchase for branches has been placed but the computers have not been received by the end of the reporting period. It is anticipated that this line item will be close to budget at year end.
 - Building & equipment were running at 23.2%, which was slightly under budget, and almost 3.0% lower compared to expenditure a year ago which was at 26.1%. Costs incurred to service aging building infrastructure is expected to negatively affect this line items as it was the case in prior years.
 - Utilities were at 29.1%, slightly higher than budget, but lower than spending level this time last year. The telephone and telecommunication line item was running at 40%, but much lower than last year, which was 97.1%. Internet service line item was at 66.7%, and that is due to the Hyattsville temporary location and the data center, both new locations and cost more due to higher circuits costs.
 - Other expenditures were at 23.2% and lower than budgeted and compared to last year's 31.5% of a year ago. Some highlights under this line item were:
 - PR display advertising was at 46.419% of the budget due to timing issue that display advertising is purchased a few times during the year. Paid for the bus tails for Back to School;
 - PR printing was running at 85.4%, and this is due to many of our new initiative required printing;
 - Dues & subscription at 43.1%, as most due are paid at the beginning of the fiscal year;
 - Vehicle repair & maintenance was higher than budgeted, at 71.79%, due to major vehicle repairs. The purchase of three new vehicles this year is anticipated to help.

The fiscal year-to-date net effect was a surplus of \$31K compared to \$484K surplus a year ago. Over all, if revenues and expenditures run at the current level and as projected, the Library will be close to target at year end.

YTD Capital Improvement Revenue and Expenditures:

- The Library has incurred \$1.3M in CIP expenditures, and recognized the same amount as revenue.

Mr. Crawford requested that actual dollar amounts be noted in the Director of Finance Report in addition to the percentages so that scale is understood.

President Wright inquired about what contributed to the higher recruiting costs. Jeff Naftal, Director of Human Resources noted that the CEO vacancy, harder-to-fill positions in IT, as well as upper level Librarian or Management positions contributed to the higher recruiting costs.

- **CEO Report – Michelle Hamiel, Interim Co-CEO**

- Send Word Now

- Previously staff were required to call in to receive notification of a system closure; however, as of November PGCMLS has procured Send Word Now. It is a reliable and secure notification platform to alert staff of emergencies, closures, and/or threatening weather. Staff are able to receive text, email, and phone calls. Staff will no longer have to call a

number to determine if the System or Branch is closed. The Send Word Now system has been tested throughout the system and staff are receiving the notifications.

Interim Co-CEO Hamiel entertained questions from the Board concerning the new notification platform and provided answers.

Paycom

The Library has moved to a new Human Resources Information System (HRIS). The former HRIS, Payroll Network, was unable to provide a position control function in their HRIS, despite their initial promises, so the move was necessary. As of this week, PGCMLS has moved to Paycom.

SunTrust Foundation Grant

Some time ago, PGCMLS was awarded a grant from the SunTrust Foundation; however, the check was made out to the PGCMLS Foundation, which is not currently operational. A meeting will be held with Muriel Garr, from the SunTrust Foundation on November 20th. Although the check had been cashed, the funds have yet to be spent. If need be, the money can be refunded to the Foundation and then the SunTrust Foundation can reissue it to PGCMLS.

Budget Enhancements

During the meeting with the Board's Budget/Audit/CIP Committee, the question was asked about what PGCMLS would do should additional funding be offered. Interim Co-CEO Hamiel provided that should additional funds be awarded that PGCMLS would be interested in expanding branch hours to ensure that at least all branches offer Friday hours. However, should enough funding be made available, the Library would like to ensure that Monday – Thursday all branches are open 10 – 9 with some branches having Friday hours.

Dr. Wright questioned if expanded Sunday services was considered. Interim Co-CEO Hamiel replied that the County has provided funding for seven branches to be open on Sundays and that it is often difficult to staff the branches on Sundays already. It may prove to be difficult to staff more branches on Sundays.

- **Correspondence Log**

No questions were raised regarding the correspondence log.

- **COO Report – Michael Gannon, COO for Support Services**

Net Promoter Score

New Promoter Score (NPS) measures customer experience and predicts business growth. COO Gannon provided the Board with more information about the calculation of a business's net promoter score. He further explained that the NPS is based on customers answering the question "How likely is it that you would recommend the Library to a friend or colleague?" Only those customers that give a ranking of 9 or 10 are considered promoters. COO Gannon also provided the Board with a number of comments from the customers. Currently, 69% of those that completed the survey answered the question with a 10, indicating that they would definitely recommend the Library to their friends or colleagues.

CIP Status Report for FY2018

Bladensburg: The design of the replacement branch is underway and will be two floors. The architects are working with Pepco for the overhead power lines to be buried, which is critical for the new design. The plan is for an urban design and for the building to be brought right to the corner of Edmonston Avenue and Annapolis Road. Construction is scheduled to begin in the fall of 2018 with completion in the spring of 2019. There is funding budgeted for a temporary location during construction.

Brandywine (new branch): The County owns the land that the feasibility study determined is the best location to house another Library branch. Design work on the branch is scheduled to start in the summer of 2020.

District 7 (new branch): The land for the branch location has been selected but negotiations are underway to procure the property. The branch is slated to be located near the Addison Road metro station.

Hyattsville: The construction project is out to bid. Bids are due next month. Construction will begin in spring 2018 and conclude in spring 2020.

Langley Park (new branch): The funding for this project have been moved into the next fiscal year's CIP budget. COO Gannon has requested a mid-year adjustment for the funds to be moved to the current fiscal year's budget for land acquisition as it appears the landowner is prepared for sale now.

New Carrollton: The intent is to reopen to the public the summer of 2018.

Surrats-Clinton: The design is complete and the project is ready for permitting. Construction is scheduled to begin fall of 2018.

Mr. Gannon took questions from the Board regarding the CIP report. Following questions, the COO for Support Services showed the latest episode of Hard Hat Librarian to the Board.

- **COO Report – Michelle Hamiel, COO for Public Services**

Local Management Board Grant

PGCMLS will be receiving a grant from the Local Management Board for the purchase of more of the Kajeet smart spots. With such high demand, strong circulation numbers, and the new funding the smart spots will be able to circulate in 13 branches.

Books from Birth

More than 3,000 children are registered with little to no publicity and over 5,000 books have been sent to the registered children. Based on the Dolly Parton Foundation's estimate, approximately 40% of the County's children will be registered by next fiscal year. The County has committed to funding this program and have not provided a cap.

- **New Business: 2018 Board Meeting Location & Schedule**

Discussion ensued amongst the Board to potentially change the schedule of Board meetings but it was decided to table this issue until the January meeting when the incoming Chair would be present and able to weigh in on the matter. However, the Board decided unanimously to hold the January 2018 Board of Trustees meeting on Thursday, January 11, 2018 at Largo-Kettering in order to avoid any conflicts with the Martin Luther King Jr. Holiday.

- **New Business: Class & Compensation Report – Jeffrey Naftal, Director of Human Resources**

The consultants are working on a draft of their report, which should be provided within two weeks. Should the proposed changes be made to compensation, that total would be \$541,000. Pay cuts were not proposed. Once the report is received, it will go to the committee that is made up of union members, management, and staff representatives for review and agreement.

Mr. Naftal took questions from the Board.

- **New Business: New Employee Purchase Card Request**

Notice was received that Costco would be ending the corporate credit card program that the Library is enrolled in. The Executive Assistant is a holder of this Costco credit card. Since the program is ending it would effectively end the Executive Assistant's ability to make purchases at Costco for the System. In order to provide her with this ability and to make other arrangements for System functions, it is requested that a purchase card be issued to the Executive Assistant, Jessica Freeman with a limit of \$1,000. Mr. Crawford moved to issue a purchase card to be used by Jessica Freeman. Dr. Wright seconded the motion and the Board voted unanimously to issue the purchase card.

- **New Business: FY2019 Budget**

Based on the recommendation of the Budget/Audit/CIP Committee, Ms. Smith moved to accept the FY2019 budget as proposed. Ms. Bolivar seconded the motion and the Board unanimously voted to approve the FY 2019 proposed budget.

- **New Business WWII Memorial at Accokeek Branch**

Mr. Thomas Blandford proposed that a memorial be erected at the Accokeek Library Branch to memorialize World War II veterans of the Accokeek, Piscataway, and Sharperville who served in World War II. Interim Co-CEO Gannon reported that the veterans met with the Director of Community Engagement regarding this request. Mr. Gannon approves of the the location as long as the veterans commit to the maintenance of the memorial and pay for the memorial. There would be a cost of \$6250 associated with the purchase of the memorial, which Mr. Blandford requested of the Library. President Wright relayed that the Library does not typically fund memorial projects. After discussion, the Board agreed to enter into an MOU with the veterans in order to place the World War II veterans memorial at the Accokeek branch.

- **Unfinished Business: Foundation Update – Sylvia Bolivar, Board Member**

Mr. Crawford and Ms. Bolivar have been charged with putting together a summary and policy recommendations concerning the foundation activities. The Board will make the report public once completed for transparency purposes.

- **Requests to Address the Board**

There were no requests to address the Board.

- **President's Closing Remarks**

President Wright wished everyone a great and safe Thanksgiving.

- A motion was made by Dr. Wright and seconded by Ms. Bolivar to move into Executive Session to discuss personnel matters.

- Adjournment: 8:55 PM