LEBANON LIBRARY BOARD OF TRUSTEES
OCTOBER 27, 2020 - 7:00 PM
REMOTE VIA MICROSOFT TEAMS
LEBANONNH.GOV/LIVE

1. Call to Order

- A. Determine who will participate in motions and vote
- B. Welcome Donna Hartford as Alternate Trustee

2. Approval of Minutes

- A. September 29, 2020

3. New business

- A. Financial report
- B. Investment Policy
- C. Reopening date
- D. 2020 & 2021 budget

4. Committee Reports

5. Other Business

- A. Director's report
- B. Deputy Director's report

6. Adjournment

Due to the current situation with the COVID-19 Pandemic, the City of Lebanon is offering its meetings via Microsoft Teams. Members of the public are encouraged to attend by going to LebanonNH.gov/Live where you will find instructions on how to enter the meeting. Members of the public will be able to participate and ask questions through the Microsoft Teams software or by phone. Please visit LebanonNH.gov/Live for full details.

THE AGENDA, IN ITS ENTIRETY IS AVAILABLE ON THE CITY'S WEBSITE AT LEBANONNH.GOV

DRAFT

LIBRARY BOARD OF TRUSTEES
REGULAR MEETING AGENDA
Remote via Microsoft Teams
LebanonNH.gov/Live
TUESDAY, September 29th, 2020
7:00 PM

MEMBERS PRESENT: Francis Oscadal (Chair), Stephen Taylor (Treasurer), Susan Desrosiers, Susan Weber Valiante (Secretary), Ann Sharfstein, Morgan Swan, Laura Barrett, Emma Wunsch (Alt.)

MEMBERS ABSENT: None

STAFF PRESENT: Sean Fleming (Library Director), Amy Lappin (Deputy Library Director)

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1. CALL TO ORDER: Chair Francis Oscadal called the meeting to order at 7:00 PM

- **Chair Oscadal reviewed the meeting procedures for remote meetings and NH RSA 91-A "Right to Know" requirements.**
- **During the absence of Laura Barrett, Emma Wunsch was given voting privileges for this meeting.**

2. APPROVAL OF MINUTES:

- **July 28th, 2020**

Ms. Desrosiers MOVED **to approve the July 28th, 2020 Minutes as presented in the September 29th, 2020 agenda packet.**
Seconded by Ms. Sharfstein.

Roll Call Vote:
Francis Oscadal, Stephen Taylor, Susan Desrosiers, Ann Sharfstein, Morgan Swan, Susan Weber Valiante, and Emma Wunsch all voting Yea.
None voted Nay.

**** The Vote on the MOTION was approved (7-0).***

- **September 1st, 2020**

Ms. Valiante MOVED **to approve the September 1st, 2020 Minutes as presented in the September 29th, 2020 agenda packet.**
Seconded by Mr. Swan.

Roll Call Vote:
Francis Oscadal, Stephen Taylor, Susan Desrosiers, Ann Sharfstein, Morgan Swan, Susan Weber Valiante, and Emma Wunsch all voting Yea.
None voted Nay.

**** The Vote on the MOTION was approved (7-0).***

3. APPROVE THE FINANCIAL REPORT:

The Treasurer's report for July and August was given by Treasurer Stephen Taylor. In the City Operating Funds payroll costs continued to run well below budget for both months. In addition, other costs were down. Both areas are a direct result of the buildings being closed. Mr. Fleming is working on some projects for 2020 that will help to shrink the surplus, primarily in the area of maintenance and small projects.

In the Special Funds report, fees and fines income is down, again a reflection of the buildings being closed. The Library Board has also have not received any funds from the Library Foundation which the Library Trustees usually have by now. Despite that, the Board is still showing a small surplus. The Foundation funds are most likely available when they are needed. In August, the Board received grant revenue of $40,200.00 and expended the same amount. These are funds that come to the Library and are immediately paid out to the people working on the project the funds are intended for.

A MOTION was made by Ms. Sharfstein to approve the Financial Report as presented. Seconded by Ms. Desrosiers.

Roll Call Vote:
Francis Oscadal, Stephen Taylor, Susan Desrosiers, Ann Sharfstein, Susan Weber Valiante, Morgan Swan, and Emma Wunsch all voting Yea.
None voted Nay.

**** The Vote on the MOTION was approved (7-0).***

4. RECOMMEND APPOINTMENT OF ALTERNATE TRUSTEE CANDIDATE BY THE LEBANON CITY COUNCIL:

As of this evening Ms. Nancy Fontaine dropped out of the running for the alternate trustee position, but Donna Hartford is still interested. Ms. Valiante said she knew Ms. Hartford and thinks she is an excellent candidate. Chair Oscadal also has known Ms. Hartford for a long time. She is currently a volunteer on the CCBA Board and thinks she is a good candidate for the alternate position. Chair Oscadal asked for a vote from the Board to recommend Ms. Hartford to the City Council as an alternate candidate for the Library Board of Trustees.

The following Board members confirmed the recommendation as listed above:
Francis Oscadal, Stephen Taylor, Susan Desrosiers, Ann Sharfstein, Susan Weber Valiante, Morgan Swan, and Emma Wunsch all voting Yea.
None voted Nay.

5. REVIST THE COVID-19 TRANSITION PLAN:

Director Fleming spoke on the Covid-19 Transition Plan. He has investigated how other libraries in the State of NH, who operate in Cities of approximately the same size or larger as Lebanon, have handled re-opening. So far most of them have been capping the number of people allowed in their buildings at one time at a fairly low number. It would appear though that people seem to be limiting their visiting the libraries on their own anyway. Locally, in the Upper Valley, Howe Library is still closed. Hanover also has no date as to when they plan on opening their public facilities. The City Manager for Lebanon is looking at re-opening the public buildings on a case by case basis. Director Fleming would prefer not to re-open the Lebanon Library until renovations have been completed. There is no outside air brought into the building with the current HVAC system during the winter months. They are hoping that construction on the renovation would start in January so the Library would just have to shut down then anyway.

The three options that are being looked at are A. Bringing the outdoor tech lab into the community room at Kilton. B. Opening the whole Kilton Library or C. Bringing in the outdoor tech lab into the community room at Kilton as well as having some browsing of books in there. Director Fleming recommends Option C to the Board. The staff would like to start with browsing by appointment to begin with.

Chair Oscadal asked if there is enough room to have computers set up and allow browsing of book and keep social distancing in the community room? Deputy Director Lappin said while she would prefer not to reopen, they could set up the space quickly if that was the Board's wish and would look at the space they have to work with to make sure there was enough space to accomplish both browsing and computer use.

Ms. Sharfstein explained how the Lebanon High School has handled the re-opening of the Library for the students. Ms. Valiante asked how many people were allowed in the High School Library at one time? Ms. Sharfstein said that 5 kids and the Librarian were allowed in at one time and each student had a 20-minute appointment time. Ms. Desrosiers said that she liked Option C. Ms. Wunsch asked if there had been any issues with the libraries in NH that have re-opened. Director Fleming said that the Manchester Library had a patron that refused to wear a mask, so they had to ask him to leave. Chair Oscadal acknowledged that the weather will be forcing the outdoor lab to move inside soon.

Mr. Swan would still like to keep the Library closed for browsing and only move forward with moving the outdoor tech inside. He is only comfortable with Option A. Ms. Sharfstein thought that when the patrons made an appointment for browsing that they would need to give their name and phone number which would enable contact tracing. Deputy Director Lappin did not think appointments would be made. The Library would be open 3 days a week and it would be on a first come, first serve basis. Director Fleming said that the plan they have does have appointments included in it.

Ms. Laura Barrett joined by phone at 7:54PM.

Chair Oscadal would like computer use moved into the building and have the patrons make appointments to come into the library for the safety of the staff and other visiting patrons. He is leaning toward Phase 4, Option C but not to re-open until after November 3rd. Ms. Valiante agreed with Chair Oscadal and would like to have a time limit given on the appointments.

Ms. Sharfstein left the meeting at 8:04PM.

Director Fleming said the appointments would probably be in ½ hour increments. Deputy Director Lappin said she believed they would make the appointments on the half hour and not in 15-minute increments.

Chair Oscadal called for a vote on each option.

Option A (bring the outdoor lab into the community room only): Ms. Susan Valiante, Mr. Morgan Swan
Option B (open the library up all the way): None
Option C (bring the outdoor lab into the community room and have some browsing of books in the room as well): Ms. Susan Desrosiers, Ms. Emma Wunsch, Chair Francis Oscadal, Treasurer Stephen Taylor
Ms. Laura Barrett abstained.

Reopening would take place sometime after November 3rd, 2020.

6. APPROVE REVISED REFERENCE POLICY:

Deputy Director Lappin spoke on the revised reference policy. She explained that the staff worked hard to update the policy and make it more concise. Director Oscadal wanted just one thing changed and that was to change "work on the reference desk" to "work at the reference desk" or "on-duty at the reference desk".

***Mr. Swan MOVED* to approve the revised reference policy as presented in the September 29th, 2020 agenda packet.**
Seconded by Ms. Wunsch.

Roll Call Vote:
Francis Oscadal, Stephen Taylor, Susan Desrosiers, Laura Barrett, Morgan Swan, Susan Weber Valiante, and Emma Wunsch all voting Yea.
None voted Nay.

**** The Vote on the MOTION was approved (7-0).***

7. COMMITTEE REPORTS:

Mr. Swan updated the group on the Library Foundation meetings. The Foundation just submitted a grant request to the Mascoma Bank Foundation for renovations on the Library. They have also been doing a lot of work on identifying potential donors for the project and working with Heidi and Angela. Director Fleming said everyone is happy with Angela and Heidi and Phil Bush the Foundation Treasurer has been very helpful in working on the fundraising for the renovations. The Foundation is also not going to hire a grant writer, Mr. Bush has been doing that job.

8. REPORT FROM DIRECTOR:

Director Fleming suggested that there be a joint meeting between the Trustees and the Foundation on November 10, 2020. The bylaws say that a meeting needs to take place. The CIP meeting will be on October 21, 2020. It is not a public meeting, but the Library Trustees can have a representative or two there. The City Manager had suggested that the Trustees may want to reach out to the City Councilors before this meeting about the renovation plans. Treasurer Taylor should be able to attend the meeting.

Director Fleming also spoke on the issues and plan for the North side of the Kilton Library. Originally the Library was talking about putting up a fence, but now they do not think they will need to after all. The steps that have been taken to stop the congregation of people in that space seemed to have calmed things down.

Director Fleming also asked the Trustees for their permission to accept a gift from Ms. Fran Chickering of a handcrafted rocking chair in memory of her grandmother.

9. REPORT FROM THE DEPUTY DIRECTOR:

Deputy Director Lappin spoke about the Furniture Committee and believed that they will be adding more rocking chairs made from wood. They are looking at easily cleanable furniture. The inner Library loan with the state Library has resumed, because of quarantining items, it will take a little while longer than usual, but at least it is back up and running. Contactless free pick up is still going strong and making the patrons happy. Trivia online is also still very popular.

10. STAFF APPRECIATION DISCUSSION:

Ms. Barrett spoke on doing something to show the Library staff the appreciation of the Trustees for all that they have done during the pandemic. She had suggested doing personalized, handwritten notes for the staff members. Mr. Swan thinks this is a very good idea and likes the idea of a personalized note. Treasurer Taylor said that a note of gratitude is a great idea. Ms. Valiante said she thought a personal note was a charming idea.

Ms. Barrett said she could order some nice stationary and get some postage to send out the appreciation cards. She will work with Director Fleming and Deputy Director Lappin to get cards sent out to the staff members.

11. OTHER BUSINESS: None

12. ADJOURNMENT:

A MOTION was made by Ms. Desrosiers to adjourn the meeting at 8:45 PM.
The MOTION was seconded by Ms. Valiante.

Roll Call Vote:
Francis Oscadal, Stephen Taylor, Susan Desrosiers, Emma Wunsch, Susan Weber Valiante, Morgan Swan, and Laura Barrett all voting Yea.
None voted Nay.

**** The Vote on the MOTION was approved (7-0).***

Respectfully submitted,
Barbara Higgins
Recording Secretary

Lebanon Public Library
Checking/Savings Balances
As of September 30, 2020

		Sep 30, 20
ASSETS		
Current Assets		
Checking/Savings		
Main MSB Checking Acct 773		14,347.92
Petty Cash - West Lebanon		75.00
Petty Cash - Lebanon		75.00
Total Checking/Savings		14,497.92
Total Current Assets		14,497.92
Other Assets		
Long Term Assets		
Savings Account MSB 5568114		
General Savings	44,824.92	
Rainy Day Fund (City Surplus)	115,492.66	
Total Savings Account MSB 5568114	160,317.58	
Total Long Term Assets		160,317.58
Total Other Assets		160,317.58
TOTAL ASSETS		174,815.50
LIABILITIES & EQUITY		
Equity		
Retained Earnings		174,282.03
Net Income		533.47
Total Equity		174,815.50
TOTAL LIABILITIES & EQUITY		174,815.50

Lebanon Public Library
Cash In/Cash Out Statement
September 2020

	General Fund		TOTAL	
	Sep 20	Jan - Sep 20	Sep 20	Jan - Sep 20
Ordinary Income/Expense				
Income				
Grant Revenue	0.00	40,200.00	0.00	40,200.00
Fees/Fines Income	137.00	4,269.27	137.00	4,269.27
Interest Income -				
Carter Funds	0.00	7,127.93	0.00	7,127.93
Trustees of Trust Funds	0.00	5,812.69	0.00	5,812.69
Fees/Fines Savings Int	1.32	24.34	1.32	24.34
Total Interest Income -	1.32	12,964.96	1.32	12,964.96
Total Income	138.32	57,434.23	138.32	57,434.23
Expense				
Grant Expense	0.00	40,200.00	0.00	40,200.00
Attorney Fees	0.00	152.88	0.00	152.88
Accounting/Bookkeeping Servi...	150.00	675.00	150.00	675.00
Community Relations	80.99	693.47	80.99	693.47
Art/Framing	0.00	957.50	0.00	957.50
Coffee Machine Expense	0.00	1,082.47	0.00	1,082.47
Kilton Public Library				
Furniture/Fixtures for Kilton	0.00	456.26	0.00	456.26
Total Kilton Public Library	0.00	456.26	0.00	456.26
Advertising/Marketing	0.00	15.00	0.00	15.00
Books/Subscr/CD/DVD/Tapes	0.00	750.67	0.00	750.67
Dues/Memberships Exp	0.00	165.00	0.00	165.00
Education/Staff Development	0.00	679.00	0.00	679.00
Entertainment	0.00	299.48	0.00	299.48
Miscellaneous Exp	124.00	1,410.48	124.00	1,410.48
Office/Operating Supplies	20.98	5,131.13	20.98	5,131.13
Postage/Delivery	2.80	42.73	2.80	42.73
Programs	255.00	1,634.93	255.00	1,634.93
Repairs/Maintenance				
Grounds	0.00	1,576.00	0.00	1,576.00
Total Repairs/Maintenance	0.00	1,576.00	0.00	1,576.00
Web Hosting/Domain Fees	223.53	978.76	223.53	978.76
Total Expense	857.30	56,900.76	857.30	56,900.76
Net Ordinary Income	-718.98	533.47	-718.98	533.47
Net Income	-718.98	533.47	-718.98	533.47

Account	Description	Budget (adjusted)	YTD	Balance	% Used
01-1100	FULL-TIME WAGES	553,690	$395,404	$158,286	71%
01-1200	PART-TIME WAGES	302,450	$151,169	$151,281	50%
01-1201	PART-TIME WAGES:CUSTODIAL	83,110	$66,913	$16,197	81%
01-2100	LIFE/DISABILITY INSURANCE	7,030	$4,396	$2,634	63%
01-2200	FICA & MEDICARE	72,260	$46,619	$25,641	65%
01-2301	RETIREMENT:MUNICIPAL	61,850	$43,372	$18,478	70%
01-2600	WORKERS' COMPENSATION	4,090	$2,722	$1,368	67%
01-4300	REPAIR/MAINT SERVICES	8,700	$7,222	$1,478	83%
01-4420	RENTAL:EQUIPMENT/VEHICLES	2,000	$1,535	$465	77%
01-5300	TELE/COMMUNICATIONS SYSTEM	8,970	$5,440	$3,530	61%
01-5400	ADVERTISING	2,000	$0	$2,000	0%
01-5600	DUES/MEMBERSHIPS	1,030	$1,333	($303)	129%
01-5850	STAFF DEVELOPMENT	10,560	$2,610	$7,950	25%
01-5870	TRAVEL	7,790	$6,574	$1,216	84%
01-5875	MILEAGE	0	145	($145)	#DIV/0!
01-5900	OTHER PURCHASED SERVICES	6,000	$3,440	$2,560	57%
02-4110	WATER	750	$1,363	($613)	182%
02-4120	SEWER	1,500	$1,095	$405	73%
02-4300	REPAIR/MAINT SERVICES	46,500	$35,021	$11,479	75%
02-6150	SMALL TOOLS/EQUIPMENT	34,500	$8,139	$26,361	24%
02-6220	ELECTRICITY	40,000	$32,024	$7,976	80%
02-6230	BOTTLED GAS	1,120	$612	$508	55%
02-6240	FUEL OIL	6,020	$3,489	$2,531	58%
02-6300	MAINT MATERIALS	10,000	$3,031	$6,969	30%
04-5900	OTHER PURCHASED SERVICES	11,500	$2,494	$9,006	22%
04-6100	GENERAL OPERATING SUPPLIES	6,000	$2,211	$3,789	37%
04-6120	LIBRARY BOOKS/SUBSCRIPTIONS	45,500	$33,804	$11,696	74%
04-6200	OFFICE SUPPLIES	6,000	$1,010	$4,990	17%
		$1,340,920	*$863,190*	**$477,730**	64%
			9 months out of 12		**75%**

INVESTMENT POLICY STATEMENT AND GUIDELINES FOR THE LEBANON PUBLIC LIBRARIES

GENERAL

The overall portfolio should be managed in accordance with the Prudent Person rule. The definition of prudence is based on RSA 31:25-b as follows:
"a prudent investment is one which a prudent [person] would purchase for [their] own investment having primarily in view the preservation of the principal and the amount and regularity of the income to be derived therefrom." Historically, the Trustees have adopted a low risk policy with fully insured accounts.
As required by New Hampshire law, this Investment Policy will be reviewed annually.

THE INVESTMENT OBJECTIVE

The investment objective for this account is "Income Only." This objective is consistent with our emphasis on current income and our desire for modest growth of principal from Appreciation.

PERFORMANCE MANAGEMENT

The Lebanon Library Board of Trustees will meet to review their portfolio at least twice a year. As part of the review the trustees will discuss the investment objective, asset allocation, performance, diversification, and general compliance with guidelines.

Adopted by the Board of Trustees: February 25, 2003
Revised: August 28, 2007
Readopted: June 22, 2010, July 26, 2011
Revised: July 23, 2013
Readopted October 28, 2014
Revised November 24, 2015
Readopted September 27, 2016
Revised September 26, 2017
Revised July 31, 2018
Readopted October 22, 2019

CITY MANAGER'S OFFICE
City of Lebanon, NH
51 North Park Street
Lebanon, NH 03766
(603) 448-4220 fax (603) 966-3122

TO: Department Heads
FROM: City Manager Shaun Mulholland
DATE: October 15th, 2020
RE: Reductions to the 2021 Proposed Budget Requests

As you are all very well aware the 2021 Budget presents considerable challenges. There are a number of factors that require me to reduce the proposed department head budgets to meet the financial realities facing the City.

The 2020 General Fund budget was approved in the amount of **$33,636,895.** The budget submitted by the department heads for 2021 is **$35,107,080**. This represents a **4.37% ($1,470,185)** increase in spending. The following factors represent the impacts of proposed spending;

1. Debt service will increase by **40%** in 2021 for a total of **$1,459,380.** As you can see that represents almost the entire increase in the proposed 2021 Budget.
2. Health insurance increased **12.3%** for an additional **$388,360** in cost.
3. Retirement rates increased at the following rates starting in July of 2021
    a. Municipal Employees **25.87%** (new total rate of 14.06%)
    b. Police **19.30%** (new total rate of 33.88%)
    c. Fire **6.35%** (new total rate of 32.99%)
4. The City conducted a revaluation of all of the properties within the City. The property values increased considerably in some cases. This will likely result in more than the usual amount of abatements. We are adding **$100,000** to our overlay line to meet the need for anticipated abatements. It is unknown at this time if that amount will be adequate. Property owners have until September of 2021 to file abatement requests.
5. The 2021 budget will include a cost of living increase of **1.5%.** On top of that there will be step increases for those employees who are not at the top of their respective wage scale.

On the revenue side we are faced with additional problems as follows:

1. We project our revenues conservatively to ensure that we bring in the minimum amounts necessary to meet the expenditure demands in each budget year. Generally, the amount of revenues we receive exceeds the conservative projections. In 2020 we

are on track to meet the conservative revenue projects however we expect to just meet them with little or no extra revenues coming in.

    a. We have shortfalls in ambulance revenues due to fewer calls. We suspect this is due to COVID-19 fears of going to a hospital.
    b. We have shortfalls in landfill host community fees due to less tonnage coming into the facility. This was primarily due to the shut down and less than 100% activity by our institutions such as Dartmouth and our restaurants. The host community fee (a portion of the per ton disposal fee) provides direct revenue into the City's general fund.
    c. Motor vehicle revenues are falling behind in our projections. We usually bring in amounts above our conservative projections.

2. The City like all municipalities has an unassigned fund balance. In some ways this can be thought of as a cash reserve. We have been building our cash reserves for some time anticipating the spike in debt service from 2020 to 2021. As I discussed above the City usually brings in more revenues than it projects. This excess amount adds to the unassigned fund balance. Surplus funds that are not spent in any given year are also returned to the unassigned fund balance. The amount of funds returned each year has decreased as the budget has tightened each year. We use a certain amount of funds from the unassigned fund balance each year to offset the property tax rate. The amount has been less than the amount going back in at the end of the year from combined excess revenues and unspent/surplus funds in the operating budget.
3. We do not anticipate any excess revenues in 2020 and it appears the impacts of COVID-19 will continue to plague us through at least the first half or third quarter of 2021. I suspect the lasting financial impacts will go beyond that. Additionally, I do not anticipate having a large surplus in next year's budget either.

The proposed 2021 tax rate increase is anticipated be 3%. In order to meet the needs of the budget requested by the department heads and achieve a 3% tax rate increase we would need to use $2.5 million in unassigned fund balance to meet that level of spending. Using fund balance that we are not replacing at that rate would exhaust the unassigned fund balance by 2023. If we did that there would be no money available to offset the tax rate. That would result in a situation in which there would be a need for very dramatic cuts to the operating budget that would have very serious consequences for service delivery in the future.

Reductions in proposed spending are generally painful. I have reduced the proposed expenditures in a number of budget lines. I did not make across the board budget reductions. Across the board budget reductions are irresponsible considering the different factors and functions of our different departments. I am looking at the long-term budget and service impacts to the City. The City's financial situation is unlikely to improve dramatically in 2021 or 2022. The service reductions will undoubtedly be unpopular. The purpose of this email is to provide some explanation for why I feel it is necessary to make these reductions. This will be explained in more detail during the budget workshop on 11/5 when we provide the budget overview to the Council.

Proposed 2021 Cuts to Reach $102,000	
<u>Items to cut</u>	<u>Cost</u>
Close Lebanon Library on Saturdays (Kilton has more space and meeting rooms) Eliminating 1/2 Saturday circ subs	8,000
Cut weekday circ sub hours by 20 hours including eliminating 6-8 evening hours in Lebanon and most evening hours at Kilton.	13,500
Cut book budget 44%	20,000
Reduce subscription budget	3,000
Leave Lib Assistant position open (position vacated by Carolyn)	33,500
Eliminate Sunday hours	10,000
Reduce museum passes and eliminate movie license	1,000
Staff devlopment	5,000
Travel	3,500
Cut advertising	1,000
Reduce furniture budget	3,000
ALA memberships	500
	102,000
Alternative cuts	
Hot spot data plans	1200