

St. Tammany Parish Library
Board of Control Meeting
August 27, 2019
South Slidell Branch Library
3901 Pontchartrain Dr.
Slidell, LA 70458
6:30 P.M.

MINUTES

The meeting was called to order by Becky Taylor, President. Kelly LaRocca, Director, called the roll and declared that a quorum was present.

Present: Bill Allin, John Danjean, Mary Reneau, Ann Shaw, Becky Taylor

Absent: Antoinette McClain, Dr. Argiro Morgan

1. Approval of the minutes of the meeting of the Library Board of Control which was held on July 23, 2019.

Becky Taylor asked for a correction on page 7, part D. The cost of the iPads and accessories purchased by the Friends of the Slidell Library should be changed to \$4,970.88. John Danjean moved to approve the minutes with the stated correction. It was seconded by Mary Reneau. All were in favor, none opposed. Motion carried.

2. NEW BUSINESS

A. UMR – Leon Golemi

Leon Golemi gave the board an update on the UMR group health insurance plan. He explained changes to the out-of-network deductibles, co-insurance, and out-of-pocket. These changes will keep the plan competitively designed with similar plans and similar organizations. It will also encourage in-network physician use. He does not anticipate these changes to have a major effect, as less than 7% of our overall claims costs are due to out-of-network use. L. Golemi explained that there are exceptions made when one must see a specialist who is out-of-network. The employee would not be subject to the increased costs in that situation. These changes will go into effect on January 1, 2020. The details will be shared with staff at the All Staff Meeting in October.

L. Golemi then discussed the PBM (Pharmacy Benefit Manager) component of the library's group health plan. He explained that our PBM has been CVS Caremark for the last 10 years. He has had to negotiate with another vendor due to the significant increase in prescription drug costs this year. The library will now be using MagellanRx. L. Golemi explained that prescription drug costs previously ranged between 10%-18% of overall medical spending. These costs have risen to 50% of our overall medical spending. He referenced a handout showing the cost difference between the current PBM and MagellanRx. He also pointed out the benefit of manufacturer rebates that will be part of MagellanRx. These are rebates that are offered to the payers of prescription drugs. He explained that the estimated rebate total would have been \$83,344.61, based on last year's totals. Rebates are only paid on brand name drugs, not generic or specialty medication. Based on the totals from last year, we have an estimated plan savings of \$122,129.25 by using MagellanRx. That is a 24.59% savings. He explained that this change will go into effect on November 1, 2019. All employees will receive their new ID cards at the annual All Staff Meeting in October.

Bill Allin asked if the staff will still pay the same co-pay they have been paying. L. Golemi replied yes. John Danjean asked how the \$83,344.61 in rebates is calculated. L. Golemi stated that the rebates are based on brand name drugs, and then explained the 3-tier program of generic, brand name, and specialty drugs. B. Allin then asked for clarification on brand name vs. generic drugs. L. Golemi explained the differences between the two. Generics can be manufactured by other companies after the original patent expires on a brand name drug. Ann Shaw asked if members will be able to use other pharmacies, or just CVS. L. Golemi explained that members have always been able to use other pharmacies, CVS was just the pharmacy benefit manager.

L. Golemi explained that the prescription benefit will be monitored to ensure savings and controlled costs. B. Allin expressed his concern over delays in things such as prior authorizations. L. Golemi stated that his office keeps a close eye on these instances to minimize delays. He stated that he anticipates significant savings by this time next year. He referred to the claims comparison handout. It showed plan utilization over the last 3 years. The amount of people insured has increased due to staff and dependents enrolled. Claims costs have decreased by 45%, while prescription drug costs have increased by 14% so far this year.

L. Golemi then referred to the Teladoc handout. He explained that Teledoc is a service available to staff via their smart phone. The employee can FaceTime with a medical provider 24 hours, 7 days per week. The providers can treat certain medical conditions and prescribe medications. This reduces the costs of office visits by two-thirds. This also saves the employee money because they are not charged a co-pay. L. Golemi thanked the library administration for working with UMR in order to deliver the benefits within budget and with no increased cost for the employees.

B. Financial Reports – July 2019 – Kelly LaRocca

Kelly LaRocca reported that the library received \$104,246.81 in Ad Valorem taxes in July. This brings the total received this year to \$10,175,888.86. The original budget was \$9,940,000.00, which is a conservative figure so that we would not go over budget. She explained that the upcoming year's budget isn't quite as conservative, and will reflect the increase in funds received within this year's budget. The last payment of \$84,005.33 in State Revenue Sharing was received in June.

K. LaRocca reported on the Revenue Statement. Fines and Fees are at 51% due to having more electronic items being checked out and not being assessed overdue fines. Interest Income is at 143%. Donations Received are at 3.59% due to the large donations that we'll receive at the end of the year from the Library Foundation. The percentage that we are looking for this month is 58%.

K. LaRocca then reported on the Expenditures. The Library Salaries line is at 53.35% due to having open positions, and another month with 3 paychecks. Under Employee Benefits, FICA is at 63.10% due to the extra part-time staff paying into Social Security during Summer Reading. Health Trust is at 68.94% due to our increased prescription drug costs this year. That adjustment will be on next year's budget, and will also be on the Fall amendment this year. Membership dues is at 80%, but we are done with dues for the year. Signage is at 4.5% due to not spending money on Covington's signage until later this year. Patron Cards are at 92%, but the patron cards are purchased for the year. Water is at 62%, and includes the bottled water delivered to the branches. That line will be adjusted in the Fall budget. Postage is at 68%, but that is due to loading the postage meter with funds and paying for it in chunks. Courier and Shipping is at 96%, but is not expected to be used much going forward this year.

Network Utility Software and Polaris Maintenance lines are at 99% due to expenditures being spent at the beginning to middle part of the year. Physical Plant Maintenance is at 75%, due to paying for our HVAC maintenance contracts at the beginning of the year. Electrical is at 113% due to removing too much from that line at the Spring budget amendment, and it will be added back to that line in the Fall amendment.

Financial is at 125% due to the audit being more expensive this year, and due to purchasing a new software called Procurify, which is a software to help track spending and purchase orders. Consultants are at 65% due to the payments at the end of this year for the consultants we have hired for Covington's furniture purchasing. Insurance percentages look high because we pay our

insurances in big chunks that are usually paid by October. They are on track for the year, and will not go over budget. Office Supplies is at 81% due to not adjusting for the fact that Covington Branch and Administration were going to be separated and more office supplies were needed. We will also switch to the state contract for office supplies, which will give us better discounts. This line will be adjusted in the Fall amendment. Computer/Printer Supplies is higher due to the new printers purchased for wireless printing, and from some toner replacements that were not eligible for credit for returning.

Conventions & Seminars is at 97% due to sending all of the I.T. department to the security conference this year. The Adult Programming line will be adjusted in September. Landscape Additions is at 76% due to planting flowers and from clearing out the brush at Slidell. Vehicles is at 98% because we purchased the vehicle for the year. PC Network is at 130% due to replacing 8 AWE computers, which are the early literacy computers for children. We ordered them in July to receive the 20% discount. That adjustment will be made in the Fall amendment.

Capital Outlay-Library Resource Acquisitions lines are varying due to spending at different times of the year at different rates for all of the collections. Under Capital Expenditures, Covington Furniture, Fixtures, and Equipment and Cameras will be spent at the end of the year for the Covington renovations.

B. Taylor asked for any questions or public comment. There were none. M. Reneau moved to accept the Financial Reports for July 2019. It was seconded by J. Danjean. All were in favor, none opposed. Motion carried.

C. 2020 Budget – Kelly LaRocca

Kelly LaRocca started with an introduction giving a brief history of the library and how important its resources are to St. Tammany Parish. She then presented the budget.

The revenue numbers were provided by the Assessor's Office and the St. Tammany Parish Department of Finance. Those numbers are estimates, and because of that the revenue is budgeted conservatively. The expected revenue in Ad Valorem taxes is \$10,763,939.00. Fines and Fees are adjusted downward based on trends. Interest Income is adjusted based on the current trend. We previously budgeted money for Summer Reading T-shirt sales, but this year we've just been crediting the line as staff pays for shirts. Income will no longer be budgeted in that line. This leaves an overall revenue adjustment of \$342,439.00.

Library Salaries and Employee Benefits lines will be increasing. There is enough money in the salary line to cover merit raises and a 1.5% cost of living increase. The library has not had a cost

of living increase in 10 years. The library did not receive any raises in 2018. There is also flexibility in this line to create new positions and add hours, which the board has requested the library to investigate. The retirement system has adjusted the library's contribution percentage upward. The Health Trust line is increased to account for the increase in prescription drugs this year. If the predicted prescription drug savings pan out, the line can be adjusted back in the Spring 2020 amendment. Under Utilities, the water line will increase based on the trends in 2019. The Postage line will increase due to the increase in postage costs by the postal service. Voice Line will increase as the branches switch to voice-over IP. The Data Line is decreased due to the trend in 2019. Lease Expense will decrease due to moving out of the Temporary Covington Branch.

Polaris Maintenance line will increase due to added staff workstations at the Administration Office. Physical Plant Maintenance will increase by \$20,000 due to repairs that need to be done to parking lots and other projects. Some of the Professional Services lines will decrease due to those costs having been spent in 2019. The Financial line is increased by \$15,000 to cover the cost of Procurify, the new electronic purchase order system. The Web Design Consultant line is increased due to the cost of developing a library app for 2020. No adjustments were made under insurance and claims. Several lines under Operating Supplies were increased due to anticipated purchases when moving back into the Covington Branch. The Conventions/Seminars line will increase in 2020 due to the Public Library Association Conference.

The Adult Programming line will increase due to year-long programming. The Vehicles line will increase because one vehicle is replaced each year with a new vehicle. The PC Network line will increase due to purchasing more computers during the 5-year replacement cycle. Internet Database Subscriptions is increasing due to adding the military genealogy database Fold3, and Gale courses for career advancement. The Covington Furniture, Fixtures, and Equipment line will decrease to zero due to spending that line in 2019. That is a planned use of savings that we are not going to have in 2020.

K. LaRocca then explained the prior years operating revenue, or savings. The savings as of December 31, 2018 was \$4,961,179. The cash on hand at the end of the year is what sees the library through the portion of the year that the library doesn't receive funds from the Parish. Those dedicated operational reserves are set at \$2,500,000. The Dedicated for Disaster and Emergency funds is \$1,475,000, and that number is based on the cost of the deductibles if there was a major catastrophe. The Dedicated Purchases for Covington is set at \$500,000. That gives a total dedicated amount of \$4,475,000. That leaves an unassigned savings of \$486,179. Administration has discussed the need for new furniture at the Slidell Branch. Once estimates are received, they will then request the board to approve assigning some of the savings for that purpose. K. LaRocca concluded that she is confident the library has the funds to meet its goals.

B. Taylor asked if the board had any questions. B. Allin inquired about the increase in salaries compared to retirement. K. LaRocca explained that the increase in salaries includes raises in 2020, room for unfilled positions to be filled, room to create new positions, and the possibility of adding library hours. The retirement contribution has increased from 11% to 12%.

B. Taylor asked if the board had additional questions. B. Allin moved to open the public hearing for the 2020 Budget. It was seconded by M. Reneau. B. Taylor declared that the hearing was open. There was no public comment. M. Reneau moved to close the public hearing. It was seconded by J. Danjean. All were in favor, none opposed. Motion carried. The public hearing was closed.

B. Taylor asked the board to vote on approval of the Budget. A. Shaw moved to approve the 2020 Budget as presented. It was seconded by M. Reneau. All were in favor, none opposed. Motion carried. The Budget was approved.

D. Summer Reading Wrap-Up

Benny Bruce presented a video that he created highlighting all of the Summer Reading activities. Jillian Boudreaux reported that the Adult Summer Reading Challenge was a success. The adult statistics have increased with more registrants this year. She explained that there were more adult programs this summer because she now has a full time assistant, which enables them to schedule and cover more programs. She discussed the many types of programs that were offered, including crafting, painting, jewelry making, and fitness.

Jennifer Rifino reported that the teen statistics for the Teen Summer Reading Challenge were phenomenal. The number of teen registrants, events, and attendees has increased since last year. The teen prize drawing options were a \$50 gift card to a store of their choice, or a virtual reality party. All of the winners chose the gift cards. J. Rifino spoke about how the library partnered with many community agencies, such as the Pontchartrain Astronomical Society, the Louisiana Department of Archaeology, The Maritime Museum, and the Louisiana Wildlife and Fisheries.

Tanya DiMaggio reported that the number of registrations and completions were down just a little for the Children's Summer Reading Challenge. She explained that it was expected due to the Covington Branch being in the temporary location. She explained that the percentage of completions did increase this year. There were more programs than ever this year, and the attendance was very high. She recapped children's programs, such as the exceptionally successful kick-off parties, Rocket Scientist, Mad Science, and the 50th Anniversary Celebration of the Moon Landing. She spoke of the success of Battle of the Books, which has become so big

that it has outgrown the library meeting rooms. The Castine Center allowed the library to use one of their large event halls, which provided plenty of room and the event was a success. The Covington Branch team was the winner of this year's Battle of the Books. T. DiMaggio also mentioned how the City of Covington allowed the library to use Bogue Falaya Hall for programs due to the Covington temporary location not having a meeting room for special guest programs.

E. Director's Report – Kelly LaRocca

Kelly LaRocca reported that the Library Hours Committee has been analyzing branch statistics. The next census will be in September. The Paylocity Committee has completed training 4 branches in using the system. The Procurify Committee has started testing how to use the system.

Summer maintenance of air conditioners has been completed. The brush on the land next to the Slidell Branch has been cleared. Maintenance installed chair rails in the computer area and meeting room of the South Slidell Branch to keep the walls from getting damaged.

Proposals were due for the Serials and Subscriptions services on August 13th. We received proposals from EBSCO, WTCox, and Magazine Subscription Agency. WTCox met all of our requirements with the largest discount. We'll have a 12% discount on our magazines.

Tanya DiMaggio attended the meeting of the Friends of the Slidell Library. Thanks to the Friends for sponsoring the fall concert series. Kelly LaRocca attended the meeting of the Library Foundation. Librarians distributed library information to the following organizations and events: St. Tammany Computer Association, St. Tammany Children's Museum's Back to School Bash, Northshore Harbor Center Family Fun Fest, and members of the Military Road Alliance. Librarians taught classes and spoke about library resources at St. Anthony's Gardens, and the COAST Centers in Folsom, Lacombe, Mandeville, and Covington. Several librarians attended the St. Tammany Parish School Board's School Librarian Conference in August. Teen librarians spoke to St. Scholastica freshman students. Librarians offered activities at the Anti-bullying Rally in Covington and the Back to School STEM Fest at Southeastern. Library staff delivered library materials to Azalea Estates Senior Living, Beau Provence Memory Care Assisted Living Facility, Lacombe Nursing Centre, Forest Manor Nursing and Rehabilitation Center, Trinity Neurologic Rehabilitation Center, and the Windsor Senior Living Community. Book Club boxes were delivered to COAST, Forest Manor, and St. Anthony's Gardens. The children's department did 23 storytimes at summer camps and day cares in July.

Germaine Butler is the new Children's Librarian at the Madisonville Branch. Children's and Teen Librarians attended the State Library Youth Forum in Baton Rouge on August 22nd. Jenny

Mayer was appointed as Vice-chair of the Louisiana Library Association's Public Library Section. Ms. Lillie's celebratory retirement program "Storytime Live!" featuring the Vintage Jazz Band was attended by 150 people. During the program, Madisonville Mayor Jean Pelloat named Lillie the Honorary Madisonville Citizen of the Year.

The Children's Services Department offered 77 programs with 1,111 children and 701 adult attendees in July. The Teen Services Department offered 44 programs with 273 teens and 28 adult attendees in July. The Adult Programming Department offered 58 programs with 543 attendees in July. The Reference Department trained 31 patrons during 9 computer, database, and app classes in July.

F. Sexual Harassment Training – Brent Geiger

Brent Geiger reported that the Louisiana State Legislature passed a new statute requiring all public employees to take one hour of sexual harassment training each year. Supervisors will take an additional hour of training on the responsibilities of a manager in regards to sexual harassment. The library board is provided with a thumb drive containing both the regular training and the supervisor's training, and must complete both. Library staff will take the training on staff computers. At the end of the training, there is a quiz and you must score at least a 70%. A certificate will be generated and must be printed upon completion. The library will keep the certificates on file.

3. OLD BUSINESS

A. Covington Renovation Update – Brent Geiger

Brent Geiger reported that the renovations are still on track to finish at the end of October. The window frames are installed, and the contractor is awaiting the glass. HVAC work and drywall finishing is ongoing. Overall the project is still on target.

B. LBOC Rules Committee Update – Becky Taylor

Becky Taylor discussed the LBOC Rules Committee. The committee met on July 30th and they are working on creating the Ethics Policy for the board and the staff. Once that is drafted, it will go to the Parish attorney for approval, then brought to the board for approval. Kelly LaRocca stated that at the next meeting they will be finalizing the Ethics Policy, discussing a Disaster Recovery Policy for I.T., and the Sexual Harassment Policy. The next meeting is September 4th at 10:00 a.m. at the Causeway Branch.

C. St. Tammany Parish Library Foundation Update – Ann Shaw

Ann Shaw stated that the Foundation had its first meeting after the summer recess. Kelly LaRocca added that there was not a quorum at the meeting, so they reviewed information but no action was taken.

D. Friends of the Library Report

There was no report from the Friends of the Library.

4. Public Comment

There was no public comment.

5. Adjournment

There being no further business, a motion to adjourn was made by M. Reneau and seconded by J. Danjean. The motion carried.

Rebecca Taylor, President
for

Mary Reneau, Secretary