

COMMITTEE NOTES

Finance & Audit Committee Meeting Kansas City Public Library Board of Trustees November 19, 2013

The Finance and Audit Committee of the Board of Trustees of the Kansas City Public Library, pursuant to official notification, met Tuesday, November 19, 2013, at 4:00 p.m. at the Waldo Branch Library, 201 E 75th Street, Kansas City, Missouri.

MEMBERS PRESENT:

David Mayta (Chair)
Olivia Dorsey
Jonathan Kemper (ex officio)
Claudia Oñate Greim

OTHER TRUSTEES PRESENT:

Rose Marie Bell
Leon Dixon
Billie Howard Barnes

STAFF PRESENT:

Crosby Kemper III, Chief Executive
Alicia Ahlvers, Waldo Branch Manager
Claudia Baker, Director of Development
Michael Bollinger, Director of Information
Technology
Lillie Brack, Central Library Director
Crystal Faris, Director of Teen Services
Kathleen Hinton, Finance Manager
Jerry Houchins, Operations Manager
Joel Jones, Deputy Director of Branch & Library
Services
Pam Kannady, Director of Human Resources
Cheptoo Kositany-Buckner, Deputy Director
David LaCrone, Digital Branch Manager
Eli Paul, Special Collections Manager
Heather Pedersen, Administrative Officer
April Roy, Bluford Branch Manager
Debbie Siragusa, Chief Financial Officer
Michael Sweeney, Black Archives Collection
Librarian

OTHERS PRESENT:

Mike Foley
Tom Platt

Mayta called the meeting to order at 4:00 p.m.

C. Kemper reported that the Library experienced a 23% increase in health insurance premiums for the 2014 plan year, which translates to an increase of \$85,000 for the balance of this fiscal year for the Library's portion.

Foley reported on the selection of providers for health, dental and vision insurance. He stated that the majority of the increase in the health insurance premium is due to the Library's claims utilization, which was high for the 2013 plan year. Taxes and fees associated with the Affordable Care Act make up about 3.8% of the total increase and the remainder of the increase is a result of uncertainty in the marketplace. Of the potential providers, Blue Cross Blue Shield had the most competitive proposal but it still results in an increase for staff premiums of about 20% for the basic PPO plan. In an effort to help employees control their health care costs a high deductible PPO plan will be offered in addition to the two existing plans.

The Committee discussed the impact on the Library's budget over the next couple of years from both the increase in health insurance premiums and the retirement plan contribution increase, scheduled to begin in 2014. In the short term the Library plans to redeem some of the Library's building bonds to help cover the increases in health care and retirement expenses. Longer term options under consideration include the percentage of budget spent on materials, the Library's practices relating to holiday hours and closures due to inclement weather, and operational expenditures such as maintenance and the café. Siragusa stated that staff will continue to analyze options for reducing expenditures and will bring recommendations to the Board several months prior to presentation of the preliminary budget.

Motion by Bell to adjourn the meeting. Second by Howard Barnes. Approved unanimously.

The meeting adjourned at 4:37 p.m.

Respectfully submitted,

David Mayta, Chair
Finance and Audit Committee

Date